KZN MONEY MARKET FUND

JUNE 2026

The KZN Money Market Fund is a low risk fund that aims to achieve above average money market returns that perform in line with or slightly better than inflation over time.

The fund invests only in money market instruments and cash. Specialist asset managers are appointed to select the best money market instruments to investment in and the fund maintains a high degree of liquidity and capital preservation.

The fund has little or no chance of capital loss and is not expected to achieve any significant real growth of capital over the long-term. As a result, the fund is best suited to members who have a very short term (1 year or less) investment horizon. This fund is not appropriate for long term investing.

The portfolio complies with the prudential investment guidelines set out in Regulation 28 of the Pensions Funds Act.

MONTHLY COMMENTARY

Gold has fallen more than 25% from its peak and bitcoin more than 50% as strong US jobs data and the Fed's reaffirmation of its inflation target pile pressure on assets that had rallied on fears of currency debasement. The debasement trade reflects a cluster of demand drivers: higher geopolitical uncertainty, long-term inflation uncertainty and concerns about debt debasement driven by large fiscal deficits across major economies.

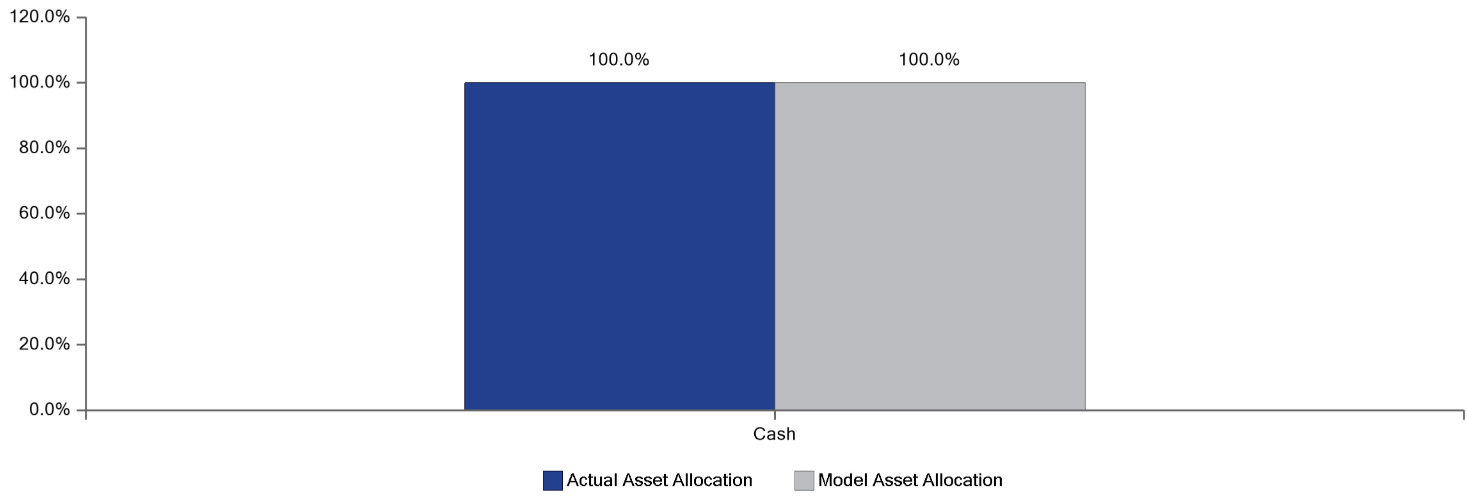
The announcement of a memorandum of understanding (MoU) between Iran and the US caused the oil price to fall dramatically but has not altered our baseline forecasts. The oil price will remain elevated as geopolitical risks persist including:
• A nuclear deal with Iran will be difficult to achieve without Trump agreeing to weaker terms than those secured under Obama’s 2015 Joint Comprehensive Plan of Action (which Trump scrapped).
• Reports of strikes in Lebanon continue, and it remains far from certain whether Israel and Hezbollah can sustain their temporary ceasefire.
• Red Sea traffic remains well below pre-conflict levels and is likely to remain below as insurance costs remain high; damaged facilities remain offline, and the UAE, for example, has declared its intention to reduce its Hormuz exposure to zero.

The World Bank has trimmed its 2026 global growth forecast to 2.5%, down from 2.6% in January, citing the economic drag from the Middle East conflict. Emerging market and developing economies are now anticipated to grow at 3.6%, a 0.4% downgrade. The US is the notable exception, holding steady at 2.2% - unchanged from January and marginally ahead of its 2.1% outturn in 2025.

Despite the conflict, growth has proven more resilient than feared. Global fiscal policy remains accommodative, effective US tariff rates have fallen and wealth effects remain positive, with markets at highs and the ongoing AI investment boom providing further support.

Central banks are navigating an increasingly difficult environment, however. Core inflation remains elevated and El Niño is expected to add further upward pressure through higher food prices, while future tariffs may lead to import inflation. With the US labour market now demonstrating renewed resilience, the Fed is likely to begin hiking sooner than anticipated to manage core inflation - a meaningful headwind for global equity markets. We remain cautiously overweight global equities, neutral emerging markets and underweight South Africa. The FTSE/JSE CAPI Index shed 3.7%, while Industrials and Financials posted gains of 2.0% and 2.6%, respectively. The JSE All Bond Index climbed by 1.5%, and the Rand weakened by 1.2% against the Dollar.

ACTUAL ASSET ALLOCATION AS AT 31 MARCH 2026



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KZN MUNICIPAL PENSION FUND
Together We Grow Your Wealth

FUND SUMMARY AS AT 30 JUNE 2026

STATISTIC	FUND	BENCHMARK
% Positive Months	100.0%	100.0%
% Negative Months	0.0%	0.0%
Worst Month	0.3%	0.3%
Best Month	0.9%	0.7%
Average Return	0.6%	0.6%
Median Return	0.7%	0.6%
Maximum Drawdown	0.0%	0.0%

PERFORMANCE ANALYSIS TO 30 JUNE 2026

PERIOD	FUND	BENCHMARK
1 Month	0.6%	0.5%
3 Months	1.8%	1.7%
6 Months	3.8%	3.3%
Year to Date	3.8%	3.3%
1 Year	8.2%	7.0%
3 Years	9.1%	7.9%
5 Years	8.0%	6.9%
Since Inception	7.9%	7.0%

Inception Date: 01 July 2007. Returns prior to inception are backtested.
Returns are net of the TIC.

FEES

	PERCENTAGE
Total Expense Ratio (TER)	0.22% (Mar 2026)
Transaction Costs (TC)	0.00% (Mar 2026)
Total Investment Charge (TIC)	0.22% (Mar 2026)

BENCHMARK COMPOSITION

KZN Money Market Fund Benchmark

CALENDAR YEAR RETURNS

PERFORMANCE	FUND	BENCHMARK
2021	4.8%	3.8%
2022	6.0%	5.2%
2023	9.0%	8.0%
2024	10.0%	8.5%
2025	8.8%	7.4%

MANAGER ALLOCATION 31 MARCH 2026

MANAGER	PERCENTAGE
Taquanta Core Cash - KZN Municipal Pension Fund	49.9%
Coronation - SA Cash	49.9%
Cash	0.1%

HISTORICAL PERFORMANCE

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YEAR
2021	0.4%	0.3%	0.5%	0.4%	0.4%	0.4%	0.3%	0.4%	0.4%	0.4%	0.4%	0.4%	4.8%
2022	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.6%	0.5%	0.6%	0.6%	0.7%	6.0%
2023	0.7%	0.6%	0.7%	0.6%	0.7%	0.8%	0.8%	0.8%	0.4%	0.9%	0.8%	0.8%	9.0%
2024	0.9%	0.8%	0.8%	0.9%	0.8%	0.7%	0.9%	0.8%	0.8%	0.8%	0.7%	0.8%	10.0%
2025	0.8%	0.7%	0.7%	0.8%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.6%	0.7%	8.8%
2026	0.7%	0.6%	0.6%	0.6%	0.6%	0.6%							3.8%

CUMULATIVE INVESTMENT PERFORMANCE