BlueAlpha BCI All Seasons Fund - Class A

BLUEALPHA
INVESTMENT MANAGEMENT

Quarter 1 2026

Asset allocation	
Domestic Equity	60%
Global Equity	36%
Cash	4%

Top Domestic Holdings
British American Tobacco
ABSA
Karooo
Glencore
Outsurance

Top Global Holdings
BLUEALPHA BCI GBL EQT B
Koryx Copper
Newmont
Resmed
Alphamin Resources

Performance is reported for the A Class, net of fees
Sector Average: SA - Multi Asset – Flex
Inception date: November 2005

Performance Period	Fund Return	Benchmark (CPI +5%)	Sector Average
1 Year	17.2%	8.2%	18.6%
3 Years (annualised)	12.2%	9.7%	13.3%
5 Years (annualised)	9.2%	9.8%	11.6%
10 Years (annualised)	8.3%	9.5%	8.5%
Since Inception (annualised)	12.3%	10.6%	11.9%

Portfolio Manager: Richard Pitt
Commentary for the Quarter ended March 2026

Performance

Over the quarter the fund declined by 1,1% as global volatility and uncertainty played out across equity markets. Over the long term the fund attempts to deliver equity like returns with lower downside volatility than the market. While world equity markets began the year positively with good performance outside of the US – most notably Asia, Japan and emerging markets – escalation of the Middle East conflict resulted in a significant decline in March of between –4% and –14% (in US$) across regions.

Macro

The defining event of Q1 2026 was the outbreak of war in Iran, which created substantial disruptions to global energy markets and supply chains. Iran's attacks on Middle East energy infrastructure and its stranglehold on the Strait of Hormuz sent oil prices skyrocketing over $110 per barrel. The conflict has created an energy shock that has placed upward pressure on inflation globally. This puts central banks in a difficult position, balancing growth concerns against renewed inflationary pressures. The People's Bank of China acknowledged the country was facing "external shocks" as the war roiled the global economy, though it signalled no change to its easing policy stance. In the US, market expectations shifted during the quarter, with traders fully pricing in a Federal Reserve rate cut by July rather than June as previously anticipated. The energy shock will no doubt put upward pressure on inflation. The TOPIX Index led major equity markets, helped by a weaker yen and the LDP's electoral victory. The MSCI Europe ex-UK Index dropped 3.8% (in US$) amid rising geopolitical tensions and concerns over gas prices affecting growth. Emerging market equities slipped as risk-off sentiment grew, with Asian markets evaluating their energy export exposure. The S&P 500 fell 4.3%, with tech stocks under pressure early in 2026 due to AI-related concerns for SaaS models. Despite strong Q4 earnings and relative resilience during Middle East conflict uncertainty, US tech stocks declined 3.8% in March, while the broader market was down 5%. A shift away from mega-cap technology stocks over the quarter contributed to the outperformance of value stocks (+1.3%) relative to growth stocks (-8.4%). While optimism emerged late in the quarter regarding a potential resolution to the Iran conflict, the EU warned that oil and gas prices would not immediately return to normal levels even if a peace deal was reached, suggesting continued volatility ahead for equity markets.

The South African stock market experienced a turbulent first quarter in 2026, ultimately posting modest declines with significant volatility. The FTSE/JSE Africa Top40 Index fell 0.6%, masking dramatic swings beneath the surface. After hitting all-time highs at the end of February amid a surging rand and strong precious metals prices, the All Share Index fell 11% in March as the Iran conflict dampened emerging-market risk appetite.

Portfolio

The biggest contributors over the quarter were the Koryx Copper (+28%), Thungela Resources (+75%) and Glencore (+40%). In March, Koryx released a revised Mineral Resource Estimate for its main project in Namibia, reporting an 18–23% increase in Copper Equivalent grade in high-grade categories, a fivefold rise in mineralized low-grade tonnage, and the addition of Gold and Molybdenum by-products to the resource – all of which significantly enhance the economics of the project. The detractors were the investment in BlueAlpha Global Equity Fund (-12.8%) and Prosus (-25%).

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