MONTHLY *Wrap-up*

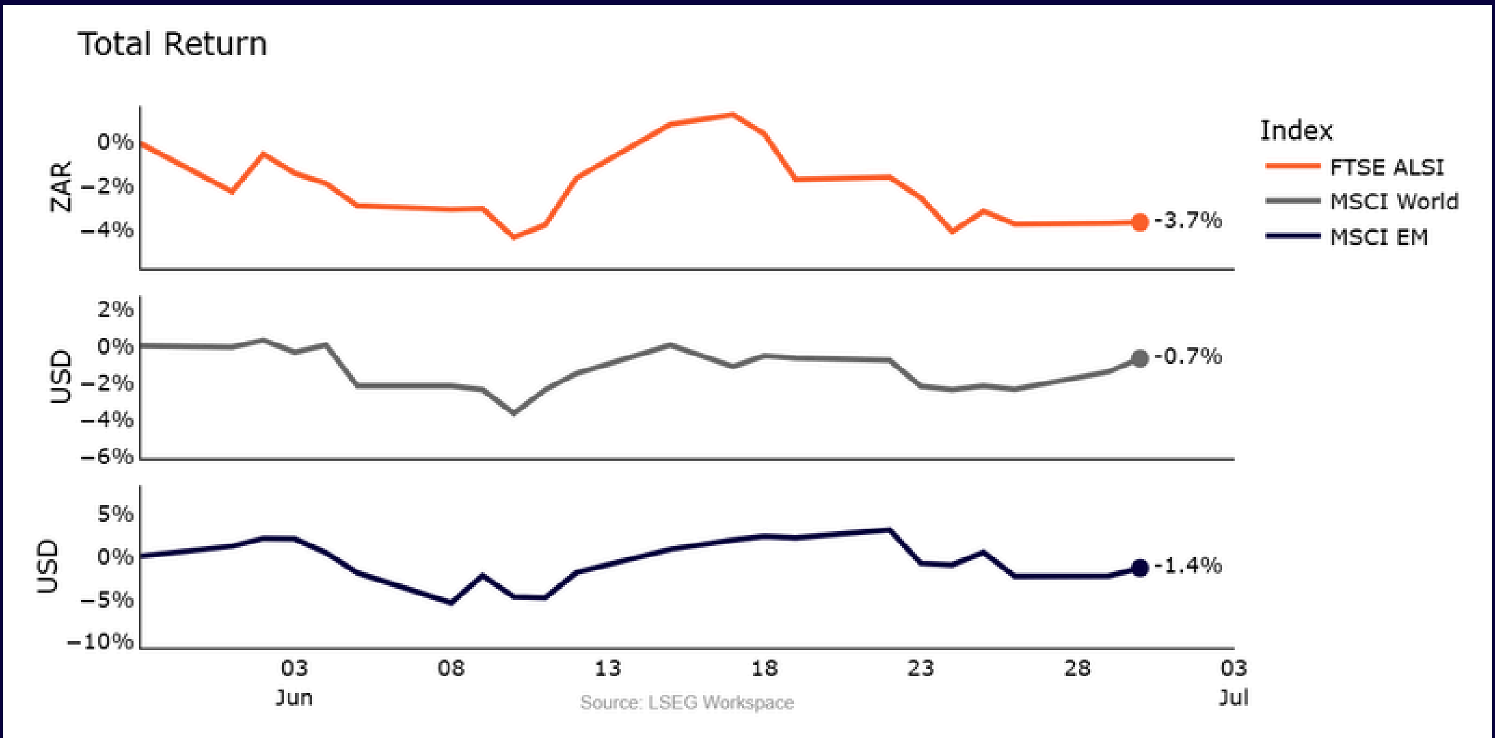
NEW ROAD CAPITAL
INVESTMENT MANAGEMENT

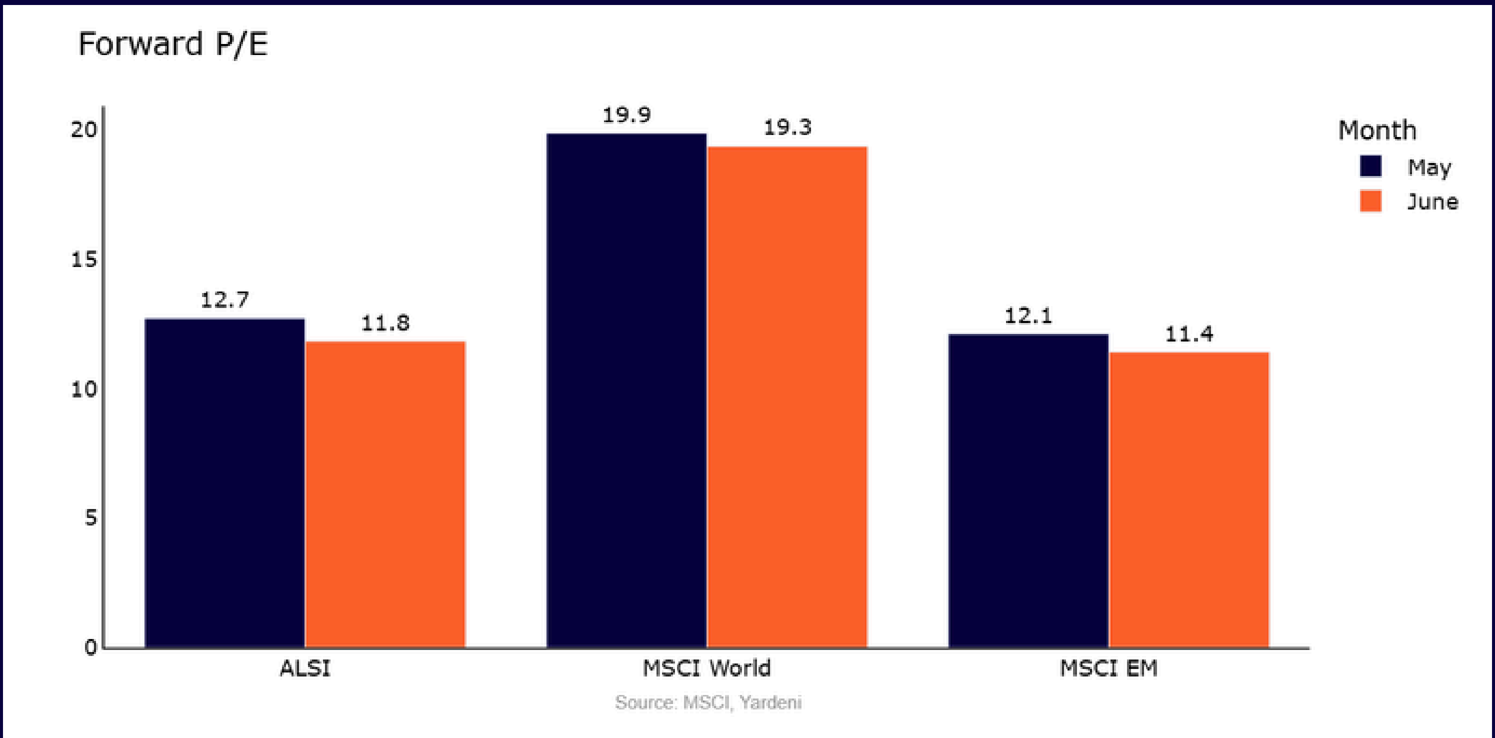
June 2026

June saw a modest period of consolidation across global equity markets following recent strong gains, while fixed income continued to provide resilience. Falling oil prices and easing core inflation support the view that inflationary pressures should continue to moderate, reinforcing a constructive outlook for both local and global bond markets. Overall, portfolio positioning remains unchanged, with confidence in the current investment environment.

NEW ROAD CAPITAL
INVESTMENT MANAGEMENT

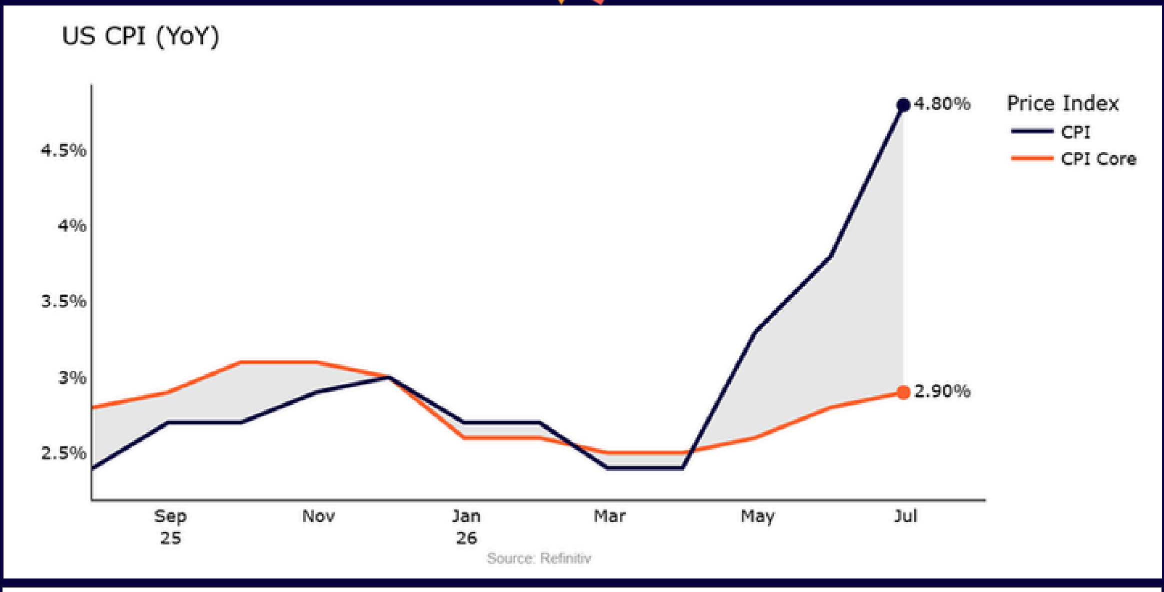
EQUITIES

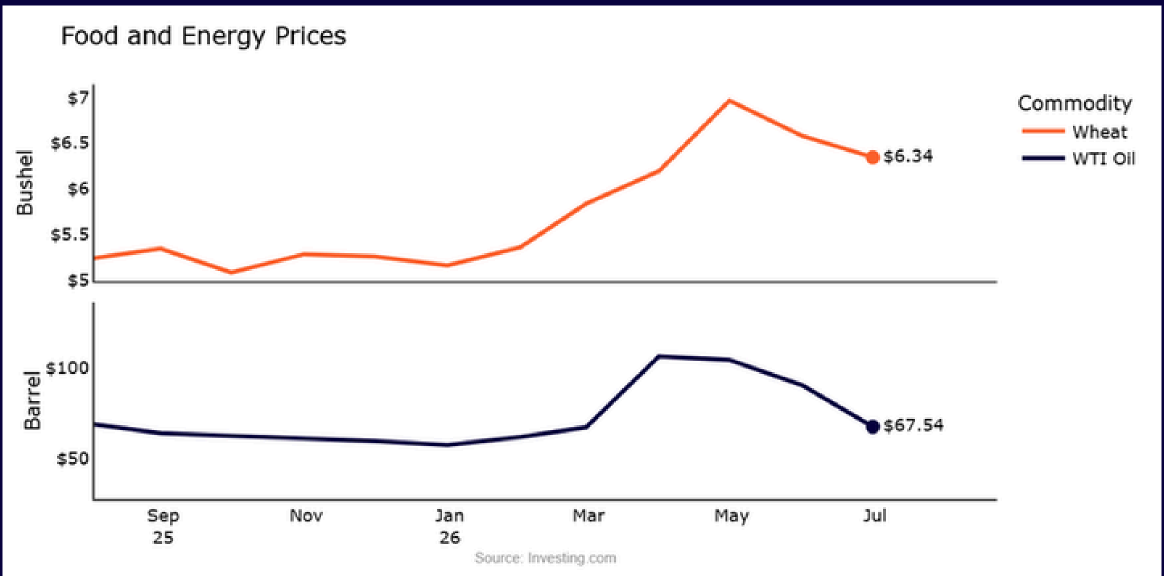


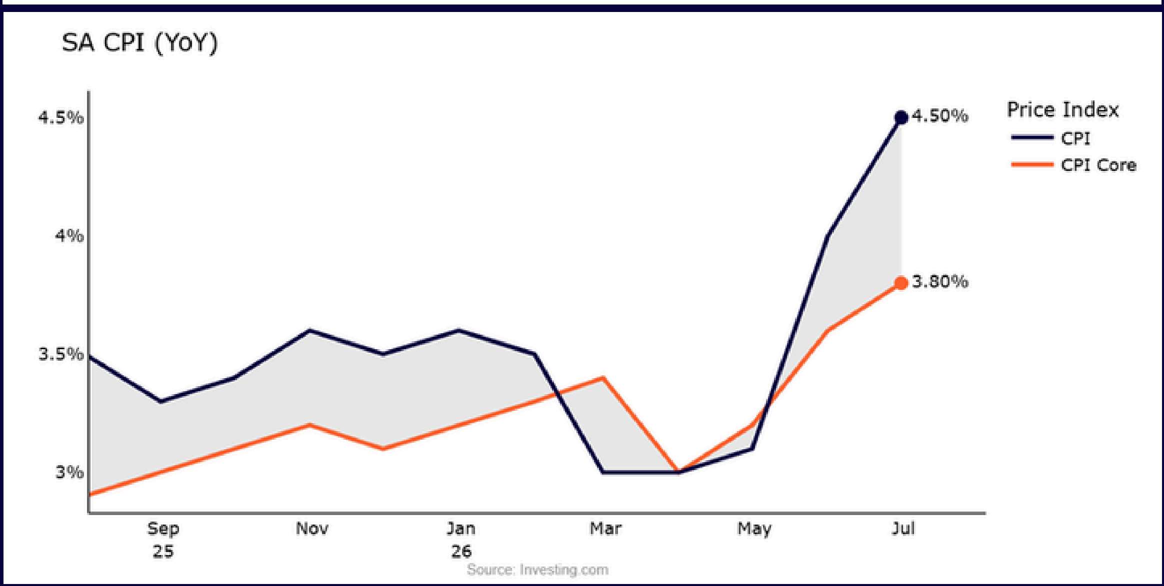


- Global equity markets experienced a modest pullback during June, following the strong gains seen in recent months.
- South African equities underperformed developed markets, with the All Share Index declining 3.7%, while the MSCI World Index fell 0.7% and emerging markets declined 1.4%.
- The month's weakness is best viewed as a healthy period of consolidation rather than a deterioration in the broader market outlook.

INFLATION

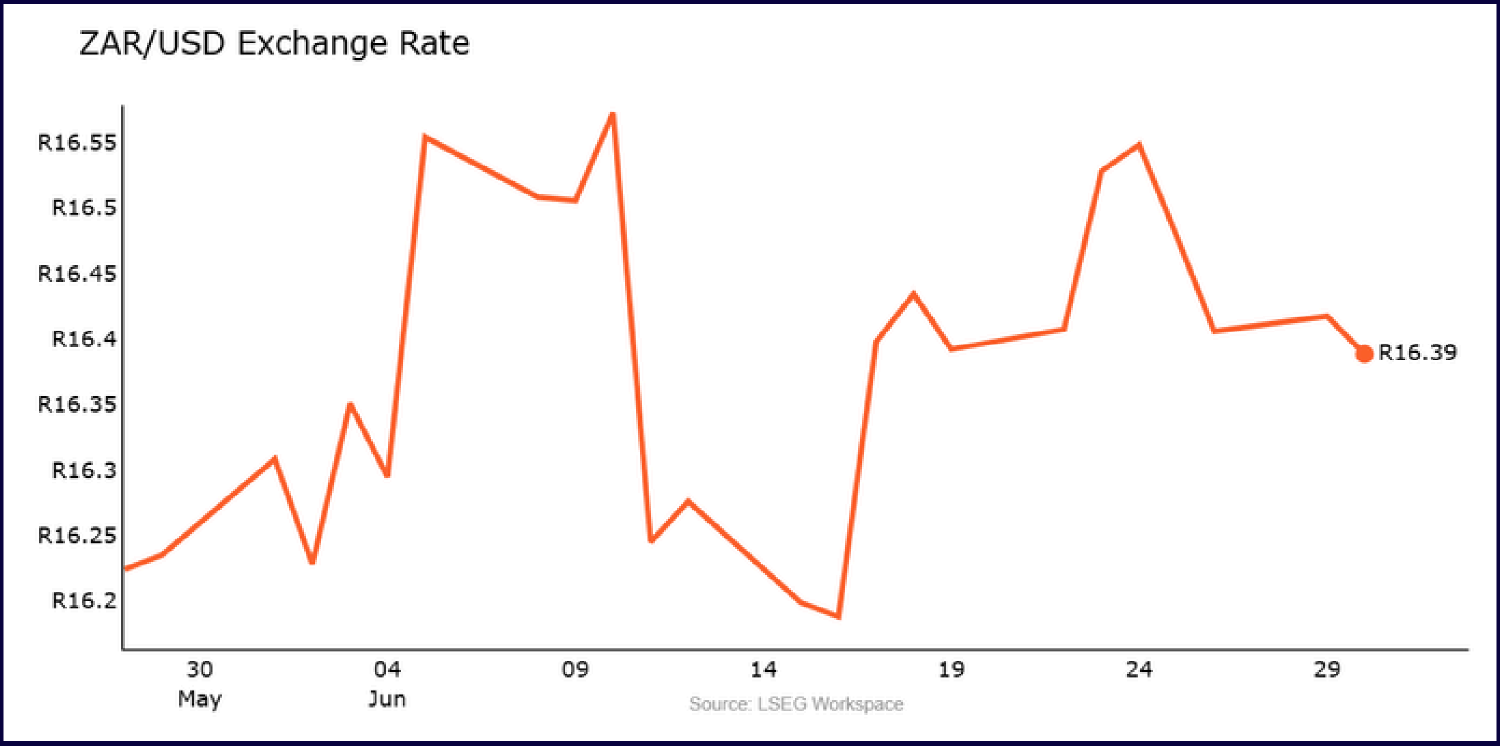


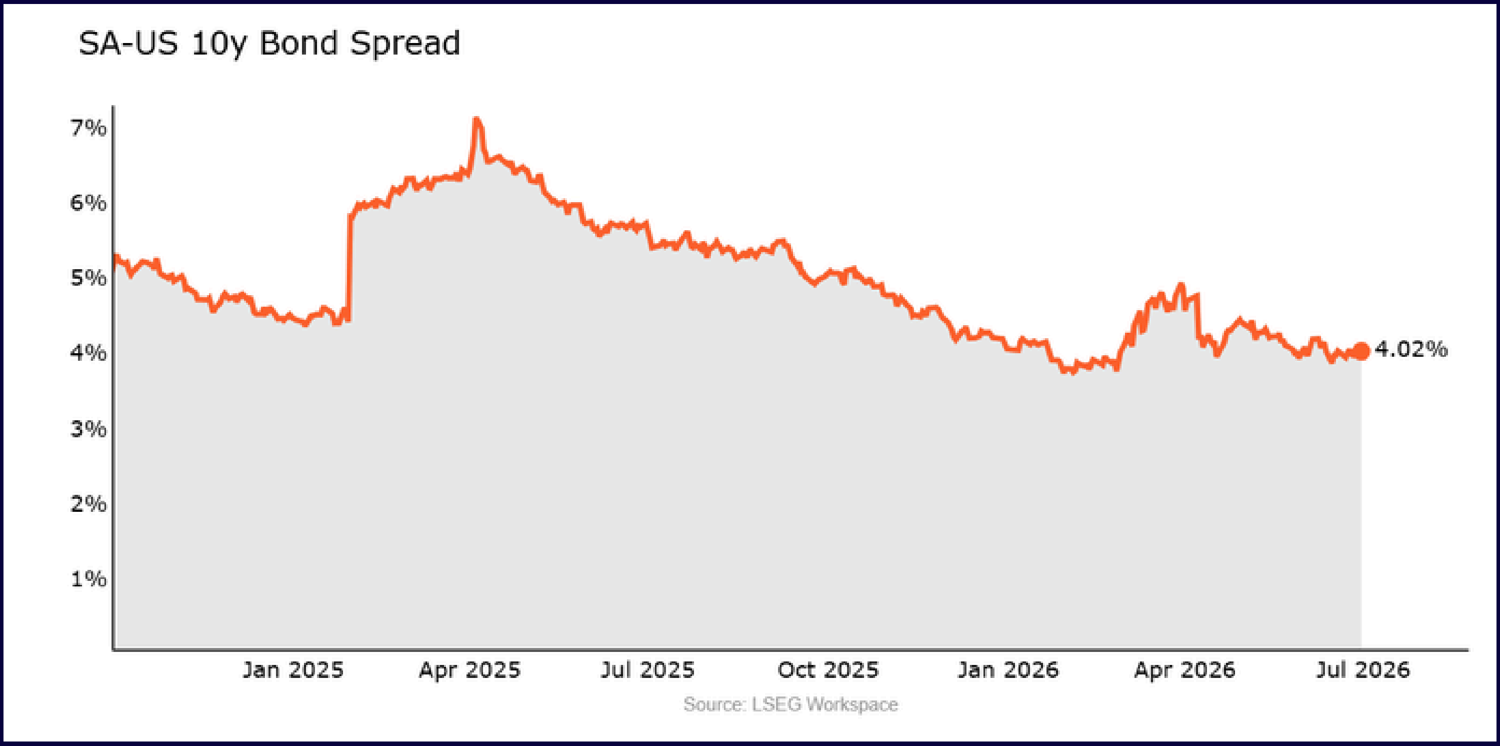




- US headline inflation remains elevated at 4.8%, but core inflation has eased to 2.9%, highlighting that much of the recent inflationary pressure has been driven by food and energy prices.
- Brent crude oil has retraced to the low US$70/barrel range, effectively reversing the geopolitical price spike seen earlier in the month.
- Lower oil and food prices are expected to feed through into future inflation data, supporting the view that the broader disinflation trend remains intact.
- South Africa's inflation profile remains similarly constructive, with headline inflation at 4.5% and core inflation at 3.8%.

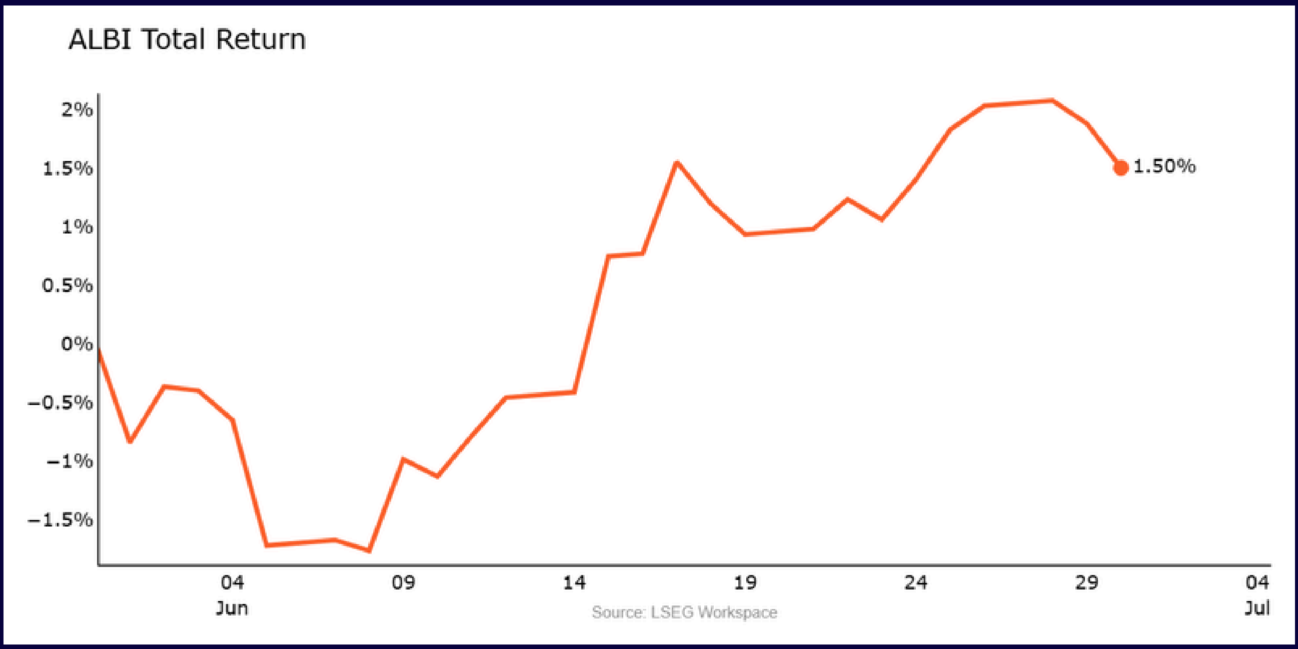
LOCAL vs ECONOMY

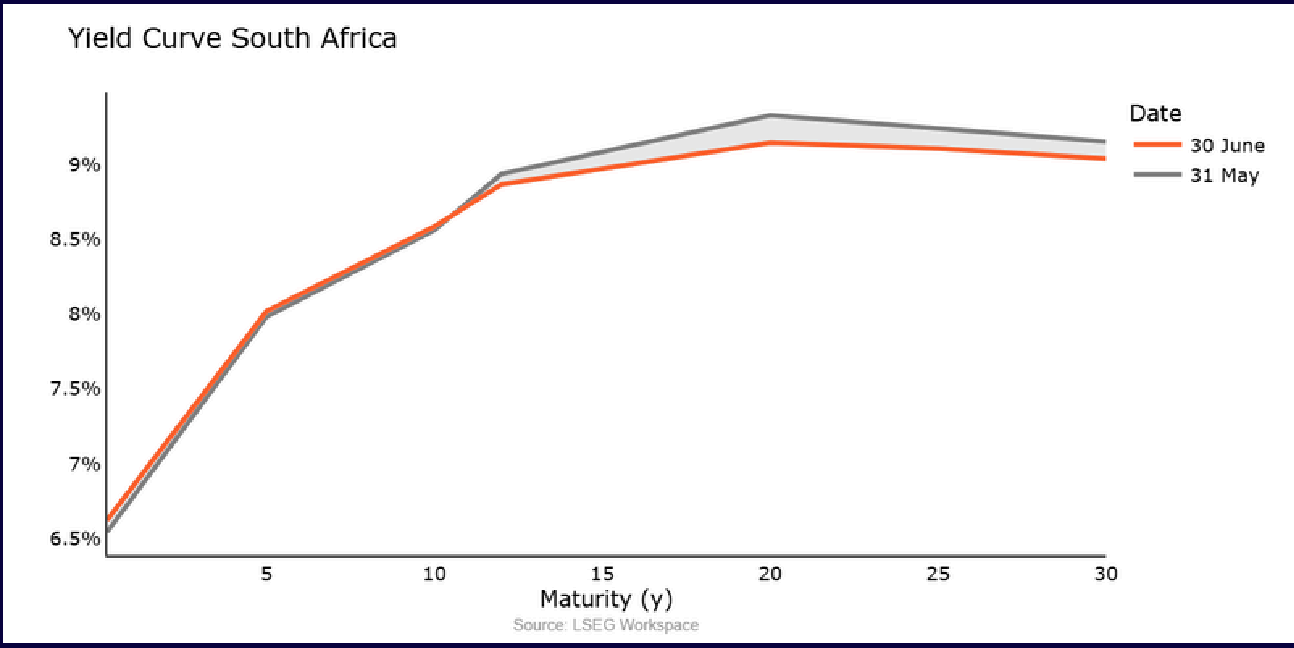


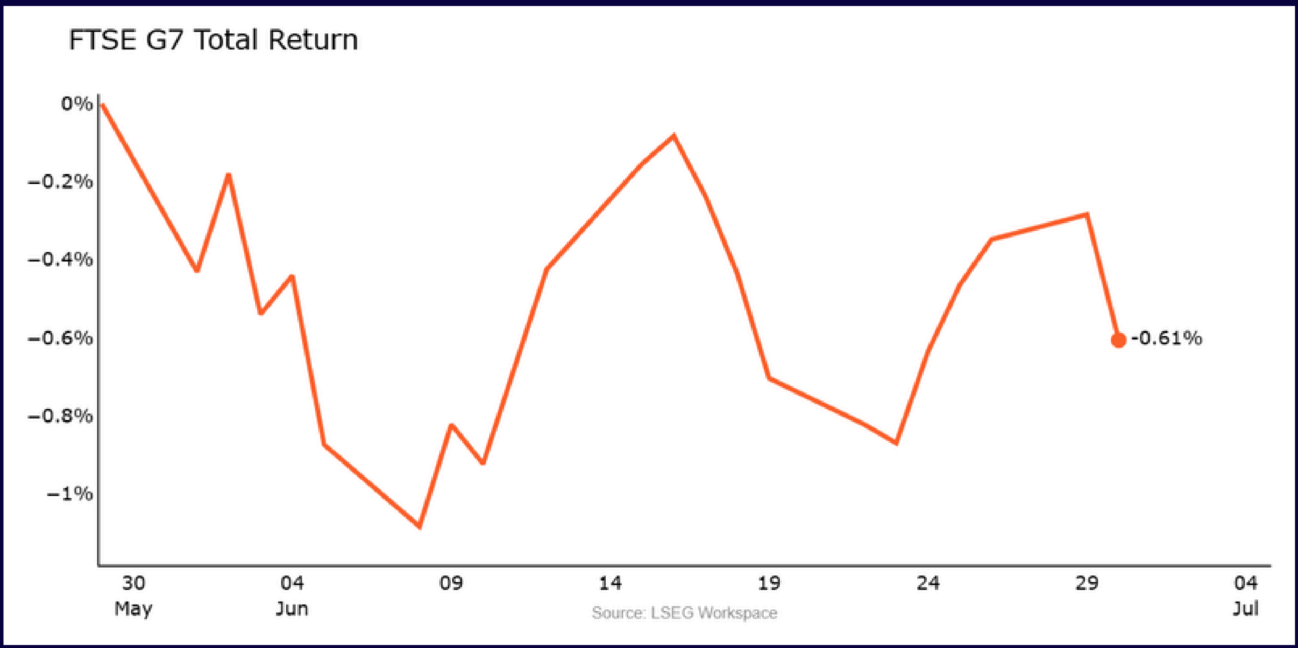


- The rand weakened modestly during the month, moving from approximately R16.25/USD to R16.39/USD amid a more risk-off global environment.
- While a weaker rand can create short-term volatility, it provides a tailwind for offshore investments when measured in rand.
- Despite higher headline inflation readings, both the US and South Africa continue to exhibit underlying signs of easing inflationary pressures, supported by lower energy prices.

BONDS


ALBI Total Return
2%
1.5%
1%
0.5%
0%
−0.5%
−1%
−1.5%
1.50%
04 Jun
09
14
19
24
29
04 Jul
Source: LSEG Workspace


Yield Curve South Africa
9%
8.5%
8%
7.5%
7%
6.5%
Date
30 June
31 May
5
10
15
20
25
30
Maturity (y)
Source: LSEG Workspace


FTSE G7 Total Return
0%
−0.2%
−0.4%
−0.6%
−0.8%
−1%
-0.61%
30 May
04 Jun
09
14
19
24
29
04 Jul
Source: LSEG Workspace

- South African government bonds continued to perform well, with the All Bond Index (ALBI) returning approximately 1.5% during the month.
- The yield premium offered by South African 10-year government bonds over US Treasuries remains above 4%, continuing to present an attractive valuation opportunity.
- Although broader developed market bonds were weaker, long-duration US Treasury bonds gained approximately 1.2%, reflecting growing market expectations that inflation will continue to moderate.
- The favourable performance of both local bonds and US Treasuries provided valuable support to diversified portfolios during a softer month for equities.