MONTHLY *Wrap-up*

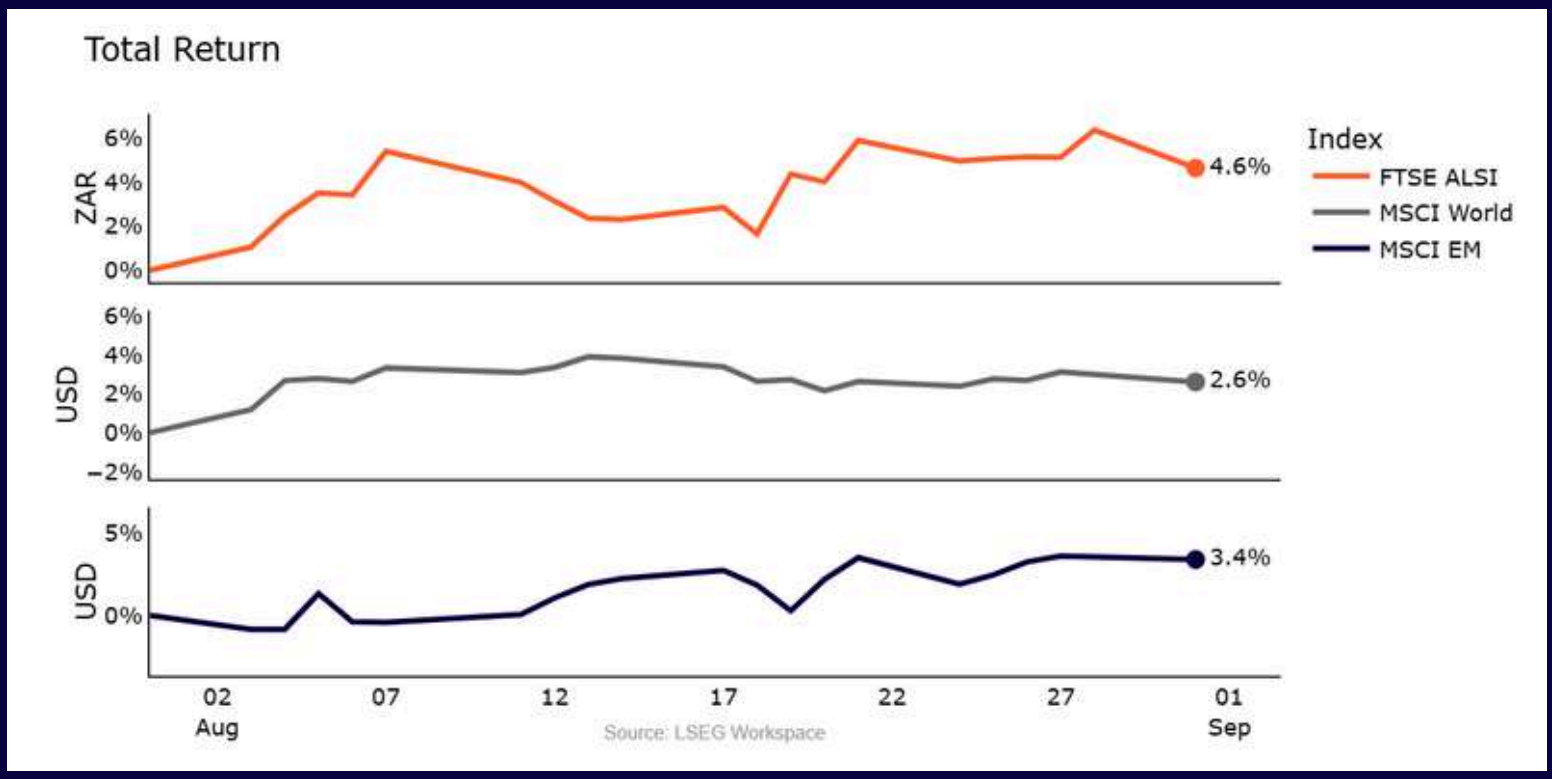
NEW ROAD CAPITAL
INVESTMENT MANAGEMENT

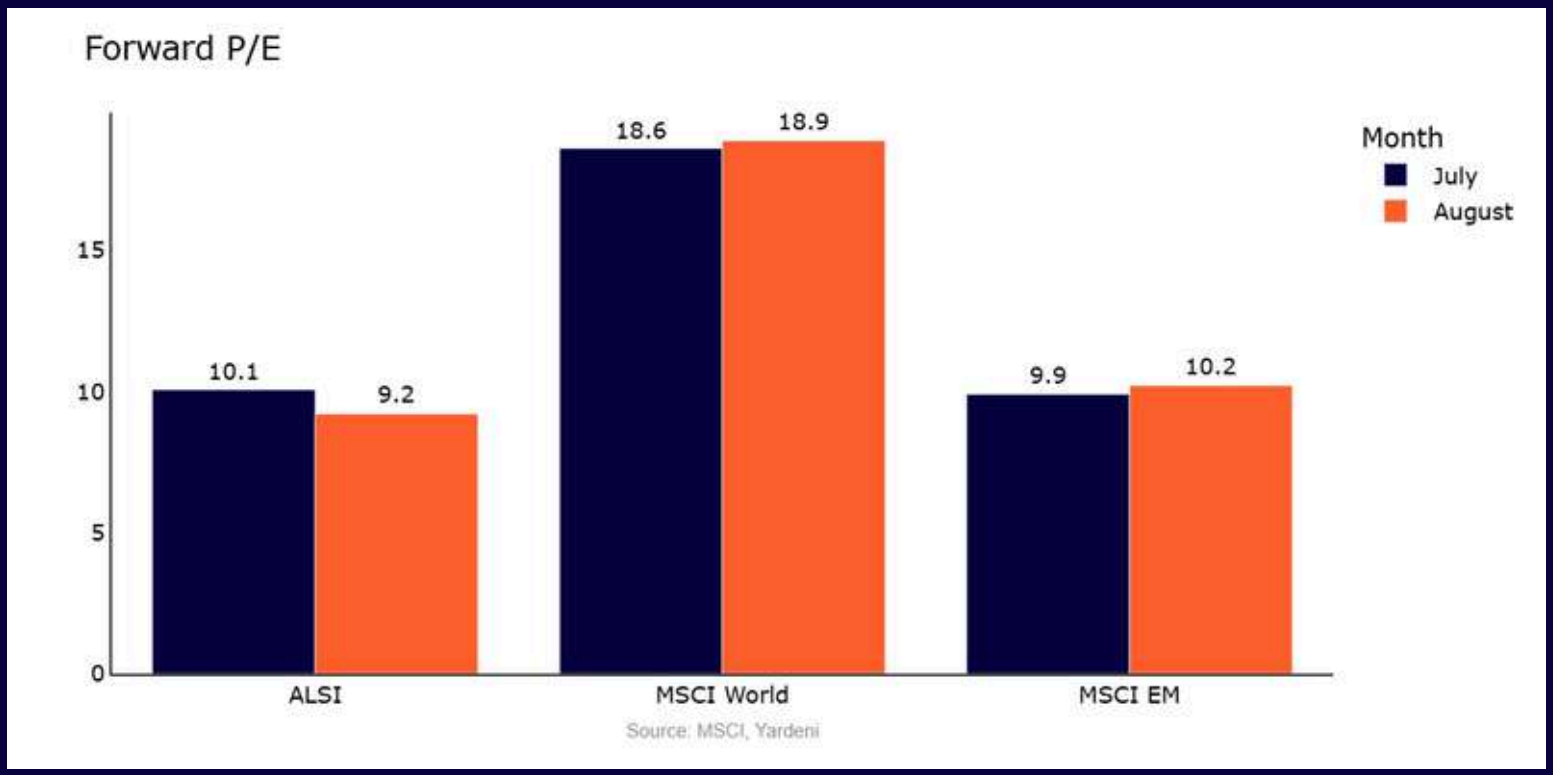
August 2026

August was a strong month for markets, with equities rebounding sharply following July's weakness and both local and offshore assets benefiting from a more supportive risk environment. Encouragingly, the rally has been underpinned by resilient corporate earnings rather than simply higher valuations, while moderating inflation and stable interest rates continue to provide a favourable backdrop. South African bonds remain particularly attractive given their elevated yields relative to global markets, while long-dated US Treasuries continue to offer compelling value.

NEW ROAD CAPITAL
INVESTMENT MANAGEMENT

EQUITIES

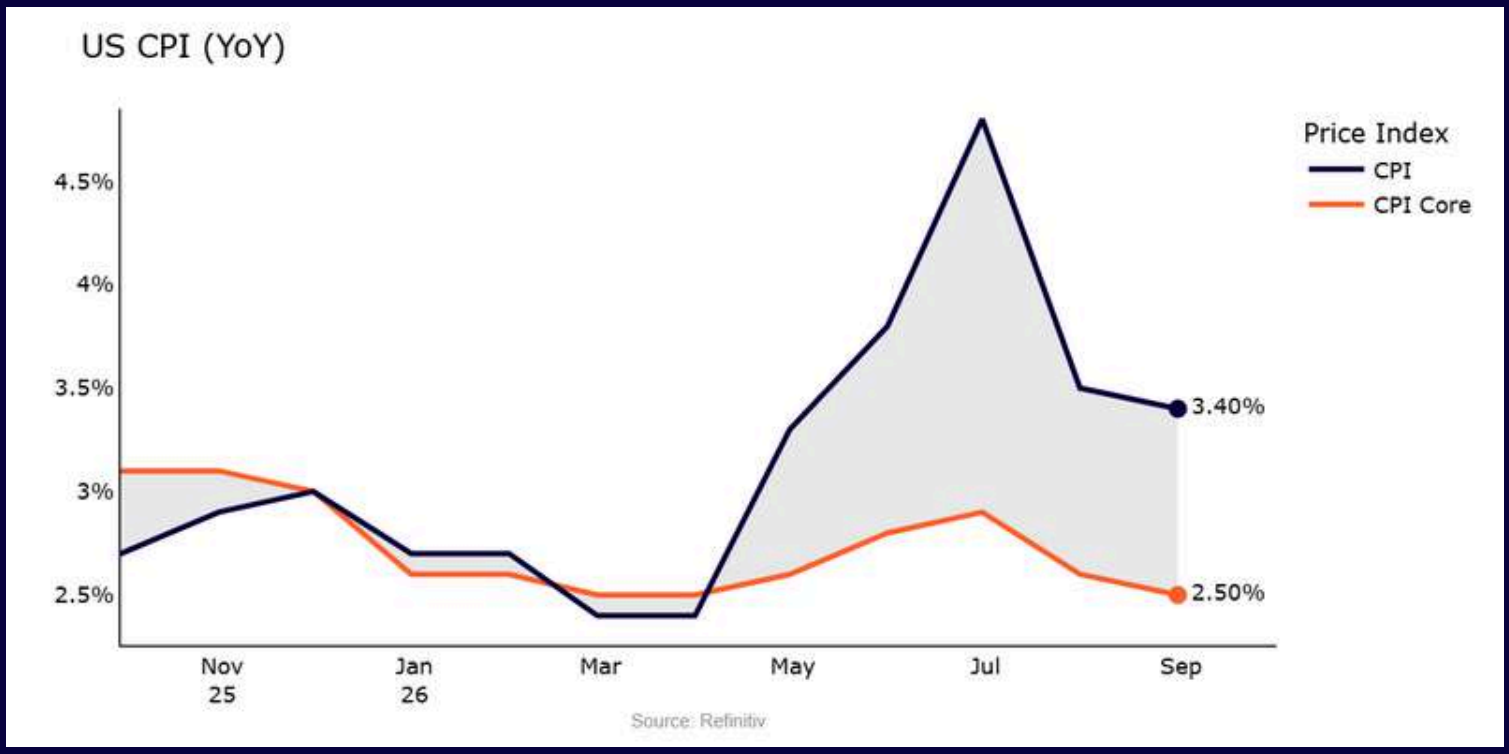

Total Return
ZAR
6%
4%
2%
0%
4.6%
USD
6%
4%
2%
0%
−2%
2.6%
USD
5%
0%
3.4%
02
Aug
07
12
17
22
27
01
Sep
Source: LSEG Workspace
Index
FTSE ALSI
MSCI World
MSCI EM

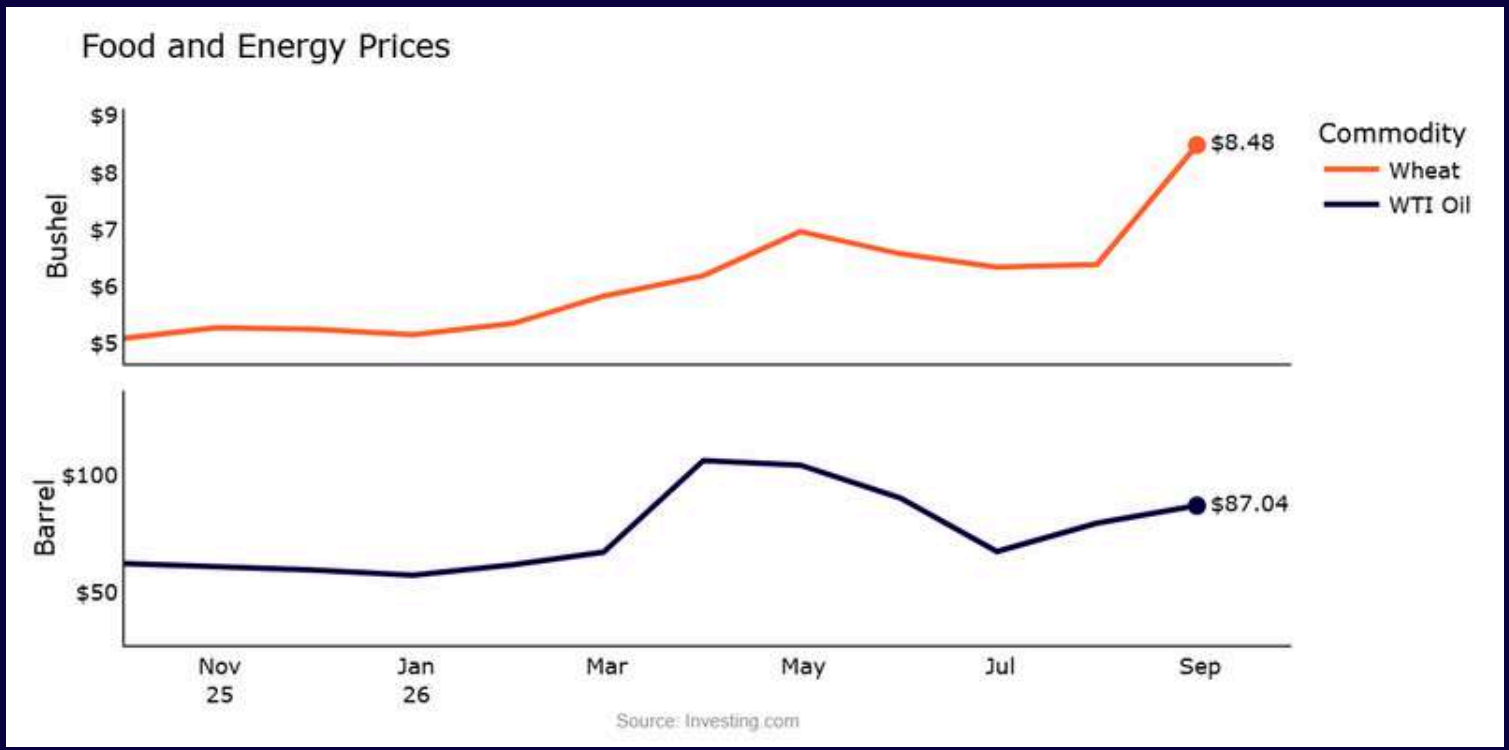

Forward P/E
15
10
5
0
10.1
9.2
18.6
18.9
9.9
10.2
ALSI
MSCI World
MSCI EM
Source: MSCI, Yardeni
Month
July
August

EQUITIES

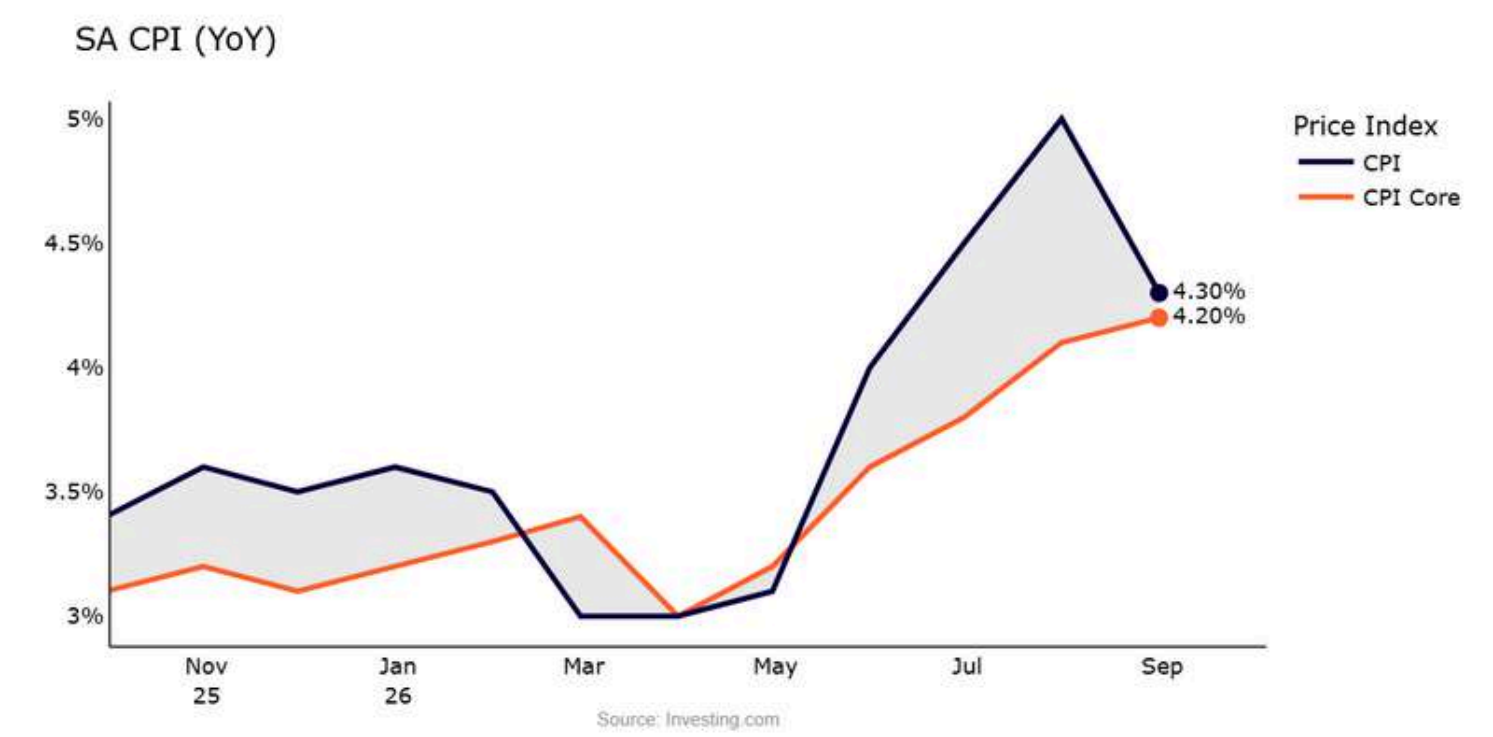
- Equity markets enjoyed a strong rebound in August following the weakness seen in July. The FTSE/JSE All Share Index rose 4.6%, while global developed-market equities gained 2.6% and emerging markets rose 3.4%.
- The broad-based recovery remains consistent with our longer-term view that equity markets are still firmly within a bull market.
- Importantly, the improvement in equity markets has been supported by strong earnings growth, rather than simply an expansion in valuations.
- South African equity valuations actually became more attractive during August despite the rise in share prices, as stronger-than-expected earnings growth outpaced the increase in market prices.
- Developed-market equities are showing a similar trend, with earnings growth continuing to support valuations despite strong year-to-date market performance.
- Overall, we remain positive on equities, with the strength of corporate earnings providing an important foundation for the current market cycle.

INFLATION


US CPI (YoY)
4.5%
4%
3.5%
3%
2.5%
Nov 25
Jan 26
Mar
May
Jul
Sep
3.40%
2.50%
Price Index
CPI
CPI Core
Source: Refinitiv

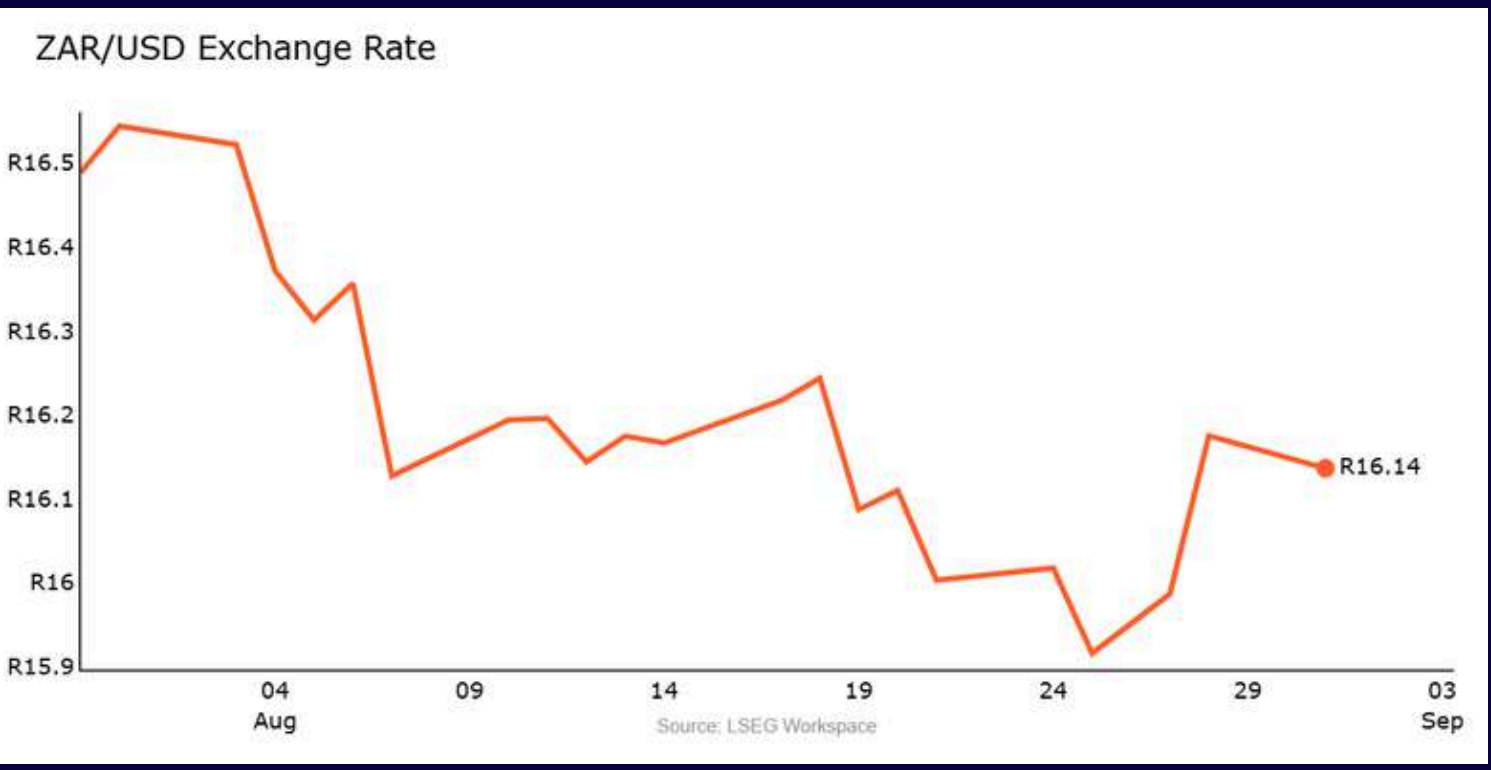

Food and Energy Prices
Bushel
$9
$8
$7
$6
$5
$8.48
Barrel
$100
$50
$87.04
Nov 25
Jan 26
Mar
May
Jul
Sep
Commodity
Wheat
WTI Oil
Source: Investing.com

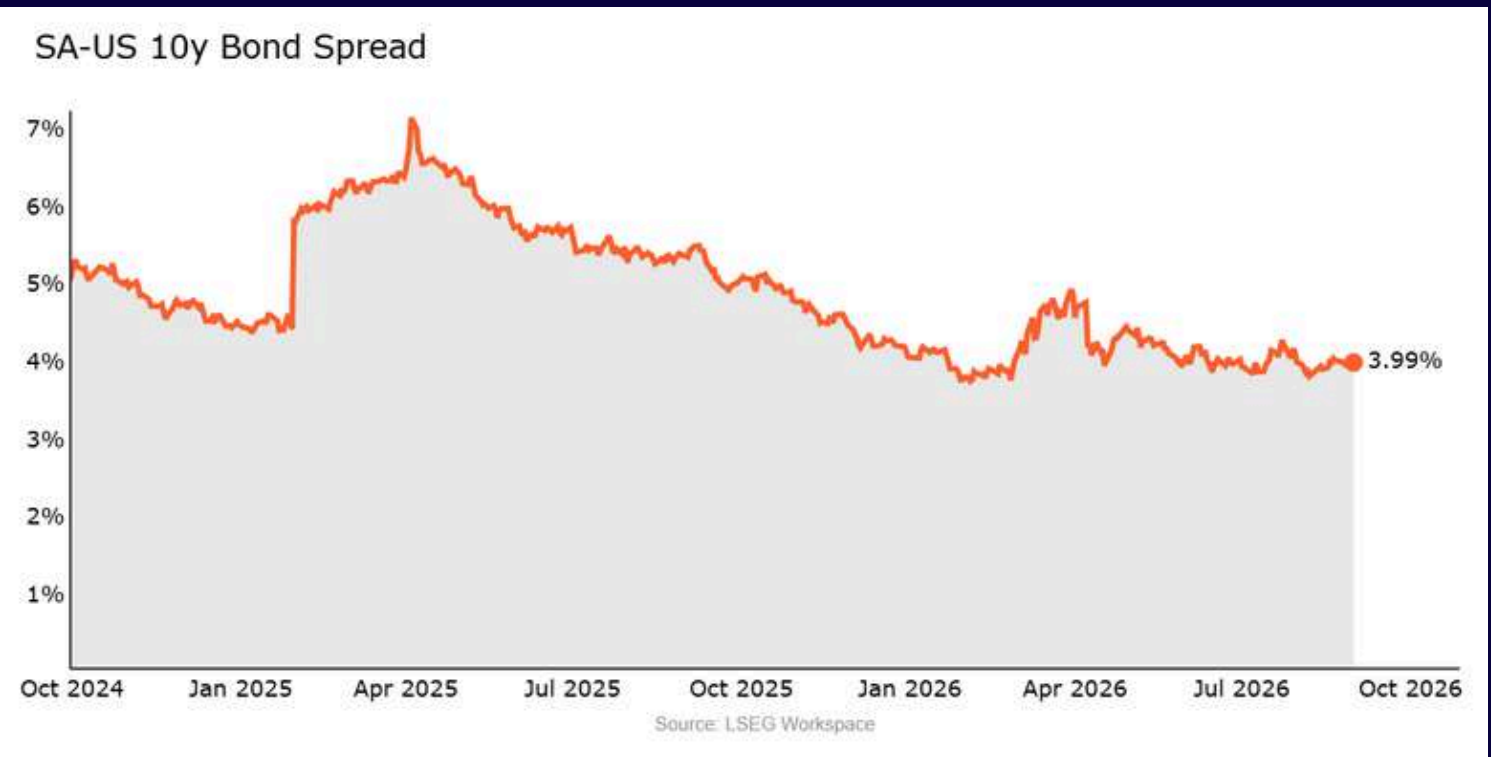
INFLATION



- The inflation outlook remains relatively favourable in both the US and South Africa.
- US headline inflation eased to approximately 3.4%, while core inflation, which excludes food and energy prices, stood at 2.5%. While still above the Federal Reserve's 2% target, inflation remains sufficiently contained to reduce the likelihood of further interest-rate increases.
- The Federal Reserve kept interest rates unchanged at its latest meeting, and we expect rates to remain broadly stable rather than move higher in the near term.
- Oil prices remain a key source of volatility, particularly given geopolitical developments involving Iran. However, we expect oil prices to moderate over time, which could provide an additional deflationary tailwind.
- South African headline inflation also remained well contained at approximately 4.3%, with core inflation at 4.2%.
- While inflation remains above the midpoint of the South African Reserve Bank's target range, we do not currently expect a significant acceleration in inflation or a sharp increase in interest rates.
- Overall, the combination of contained inflation and stable interest rates remains supportive of both local and global financial markets.

LOCAL vs ECONOMY

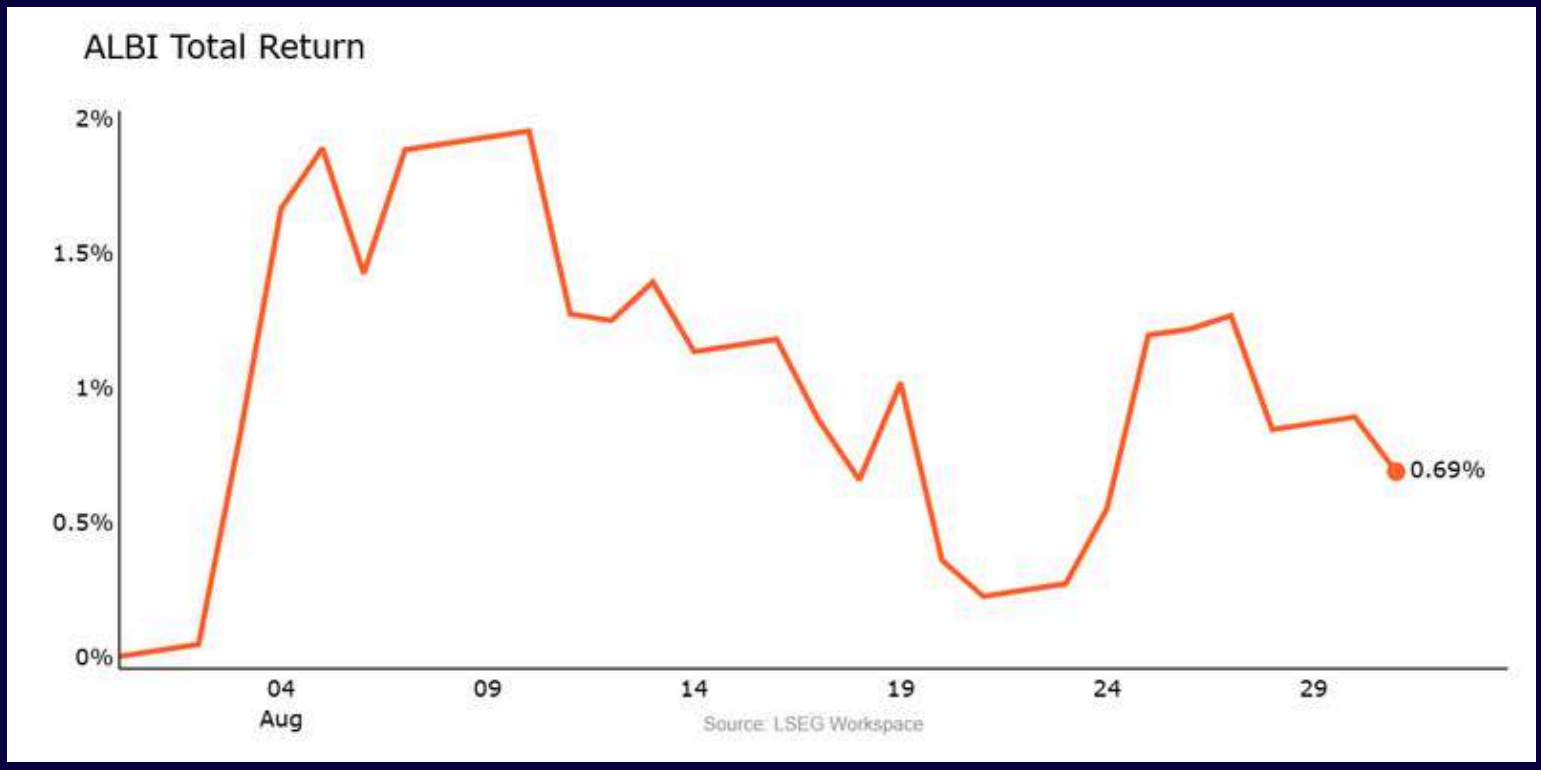


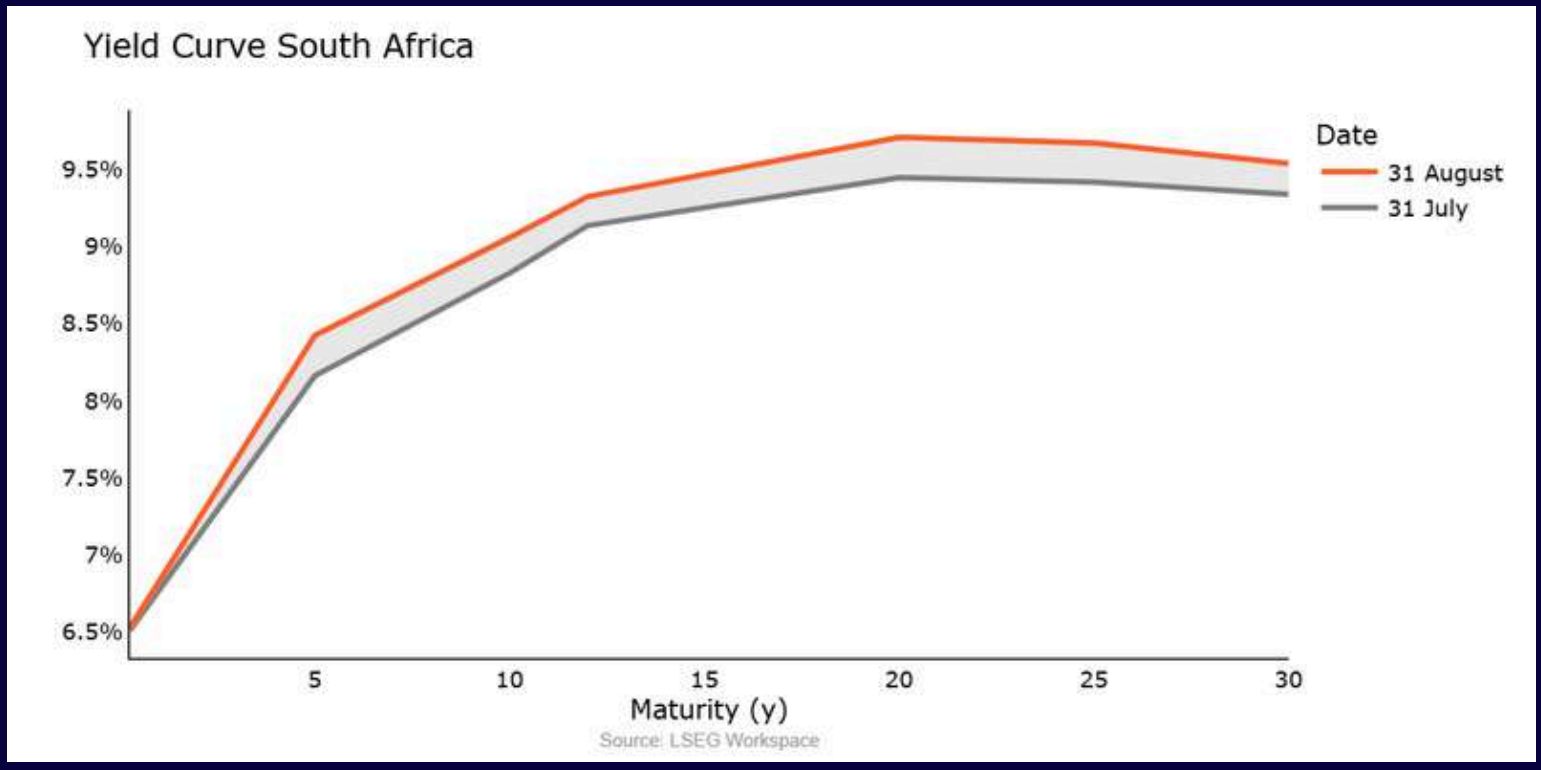


LOCAL vs ECONOMY

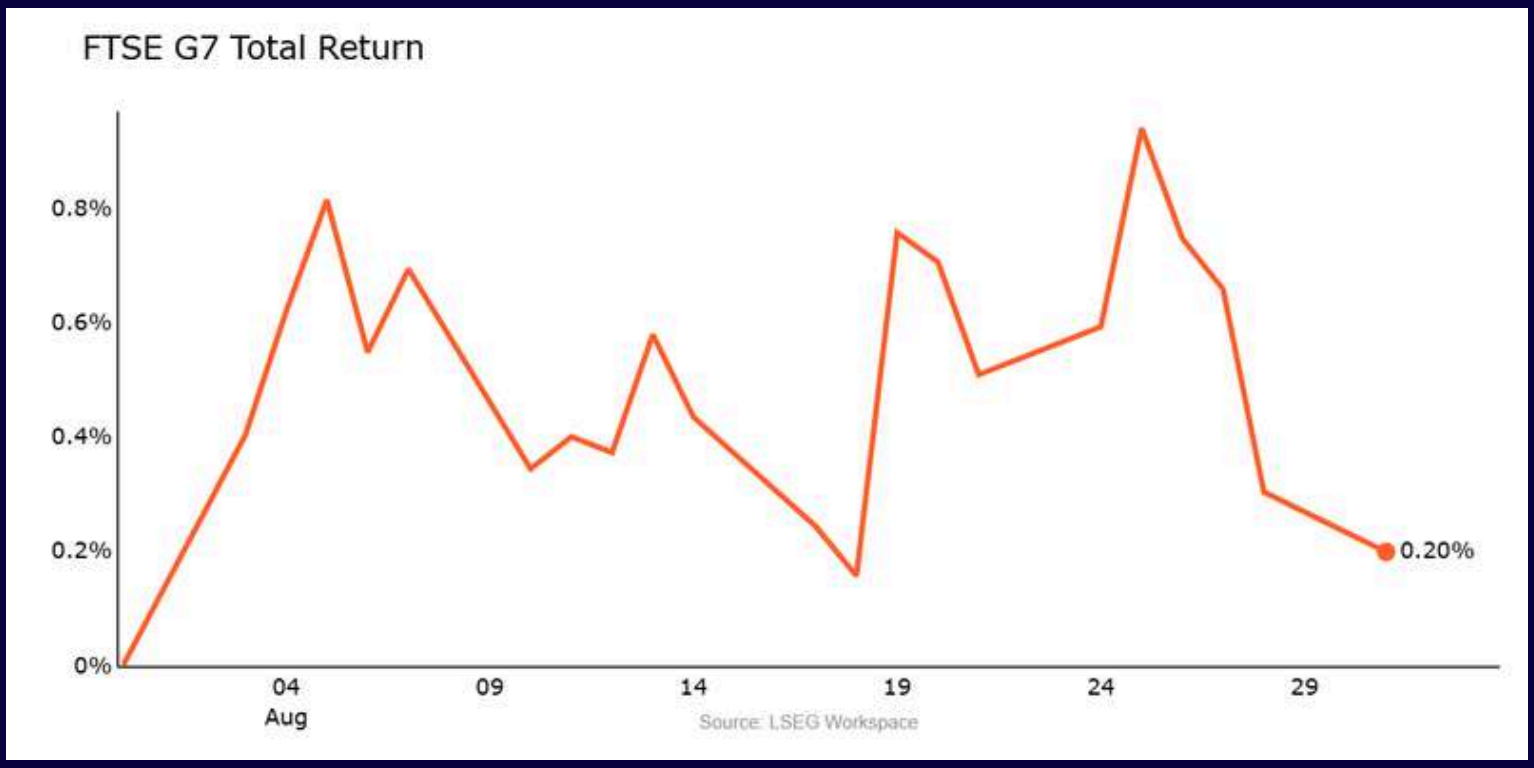
- The South African rand strengthened during August, reflecting the broader risk-on environment across global markets.
- The rand moved from approximately R16.50/$ at the start of the month to R16.14/$ at month-end, briefly strengthening through the important R16/$ level during the month.
- The relative stability of South African inflation and interest rates, together with attractive local bond yields, continues to support the case for South African assets.
- At the same time, the US economy continues to provide an important backdrop for global markets. With US inflation moderating and the Federal Reserve no longer tightening monetary policy, financial conditions remain supportive.
- The combination of resilient corporate earnings, moderating inflation and stable interest rates provides a constructive backdrop for both local and offshore markets.

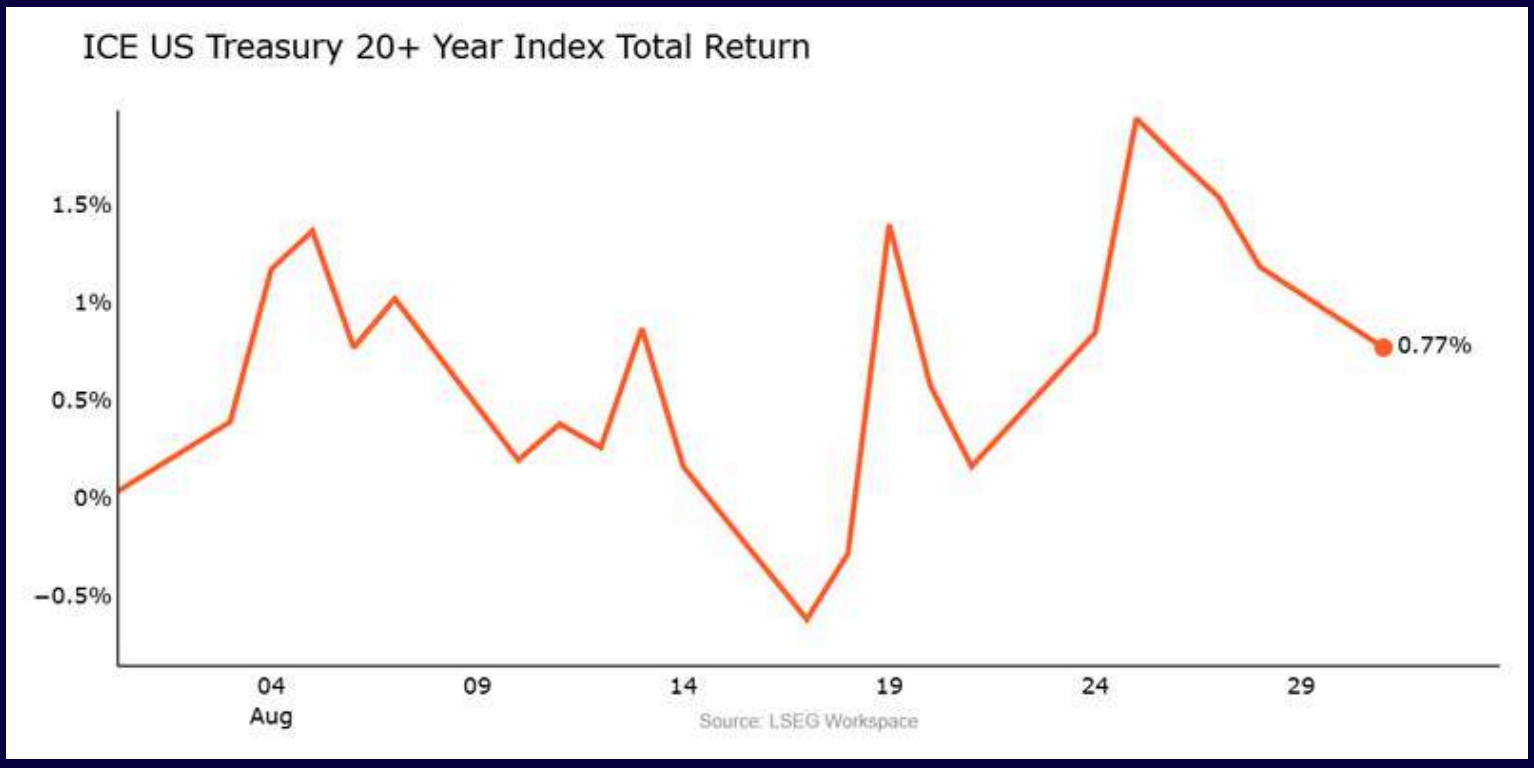
BONDS


ALBI Total Return
2%
1.5%
1%
0.5%
0%
0.69%
04
Aug
09
14
19
24
29
Source: LSEG Workspace


Yield Curve South Africa
9.5%
9%
8.5%
8%
7.5%
7%
6.5%
5
10
15
20
25
30
Maturity (y)
Date
31 August
31 July
Source: LSEG Workspace

BONDS


FTSE G7 Total Return
0.8%
0.6%
0.4%
0.2%
0%
0.20%
04
Aug
09
14
19
24
29
Source: LSEG Workspace


ICE US Treasury 20+ Year Index Total Return
1.5%
1%
0.5%
0%
−0.5%
0.77%
04
Aug
09
14
19
24
29
Source: LSEG Workspace

BONDS

- South African bonds continued to perform well during August, with the SA–US 10-year bond yield spread remaining above 4%, providing an attractive relative yield for investors.
- The local bond market gained approximately 0.7% during the month, reinforcing our positive view on South African fixed income.
- The South African yield curve remains attractive, with yields offering compelling levels of income relative to global alternatives. We therefore continue to maintain exposure to local government bonds.
- Offshore developed-market bonds were also positive, with G7 government bonds gaining approximately 0.2% during August.
- The strongest performance came from long-dated US Treasuries, which gained just under 0.8% for the month.
- We continue to favour longer-duration US Treasuries, where we believe the combination of attractive yields and the prospect of stable or lower interest rates provides a compelling investment opportunity.