Sygnia

Investment Report
May 2026

National Tertiary Retirement Fund

Market Overview

Performance Summary to 31 May 2026

	1 Month	3 Months	6 Months	YTD	1 Year	3 Years	5 Years	10 Years
FTSE/JSE All Share Index	-0.3%	-9.2%	5.4%	0.8%	25.8%	19.4%	15.5%	11.7%
FTSE/JSE CAPI Index	-0.3%	-9.3%	5.5%	0.9%	26.6%	19.9%	15.7%	11.7%
FTSE/JSE Resource 10 Index	-1.4%	-19.8%	8.7%	2.9%	79.3%	26.5%	18.1%	19.6%
FTSE/JSE Industrial 25 Index	-0.9%	-3.0%	-5.1%	-6.8%	-2.6%	10.1%	10.4%	7.8%
FTSE/JSE Financial 15 Index	1.1%	-4.9%	12.8%	5.1%	27.2%	27.5%	19.6%	10.6%
FTSE/JSE SA Listed Property Index	0.6%	-6.0%	0.9%	0.8%	24.0%	25.5%	17.4%	4.3%
JSE All Bond Composite Index	2.9%	-1.0%	5.5%	2.7%	22.4%	19.0%	12.3%	11.0%
STeFI Index	0.6%	1.7%	3.4%	2.8%	7.1%	7.9%	6.9%	6.8%
MSCI World Index (R)	1.4%	9.2%	5.3%	8.0%	14.3%	14.1%	15.8%	13.5%
MSCI Emerging Markets Index (ZAR)	6.4%	11.3%	22.3%	22.8%	38.4%	17.0%	11.1%	11.0%
Barclays Global Agg Bond (R)	-3.1%	-1.2%	-6.8%	-3.5%	-11.9%	-7.1%	-1.1%	-0.4%
USD/ZAR*	-3.0%	1.7%	-5.4%	-2.3%	-10.3%	-6.5%	3.4%	0.3%
Headline CPI	1.1%	2.1%	2.4%	2.5%	4.0%	4.0%	4.9%	4.6%

Market Commentary

Technology stocks drove markets in May, with the Nasdaq reaching new highs. Strong demand for AI infrastructure pushed up semiconductor stocks, while initial public offering (IPO) filings from SpaceX as well as OpenAI's pre-IPO preparations added further momentum, with space and satellite stocks soaring. AI infrastructure demand appears real rather than speculative. The combined cloud backlog of Amazon, Microsoft and Google has doubled over six months to $1.5 trillion in sales commitments (not pipeline). That said, the speed and scale of investment warrant close scrutiny, with AI hyperscaler capex expected to rise from $800bn in 2026 to $1.1tn in 2027.

Negotiations between the US and Iran have swung sharply from day to day, alternating between optimism over a potential deal and threats of destruction, with markets increasingly desensitised to each development. Core sticking points remain Iran's uranium stockpile, control over the Strait of Hormuz and the ongoing US naval blockade of Iranian ports. Markets have differentiated sharply, rewarding AI winners and punishing oil importers. US equities have been notably insulated from the oil shock, supported by strong earnings, the absence of Fed rate hikes and by tax relief from the One Big Beautiful Budget Act. This price rally has been matched by rising consensus earnings forecasts.

Services inflation remains the stickiest problem globally, due to tightening labour markets and firm pricing power. In the US, services inflation accelerated to a 4% annualised rate in the three months through April, and euro area services inflation picked up to 3.6% annualised, the clearest signal that inflation is not yet under control. A mix of goods-sector cost pressures (China's fading deflationary impulse, surging tech prices, building-supply-chain and transportation-cost pressures) could push core inflation well above 3%. If central banks hike in response, the drag from higher oil, food and borrowing costs will eventually feed through to earnings, setting markets up for disappointment down the line. The SARB raised the policy rate by 25 basis points to 7%, in line with market expectations. While the base case assumes no further hikes, the SARB acknowledged that a combination of El Niño-driven drought conditions and elevated oil prices could necessitate up to three additional rate increases should both risks materialise simultaneously. Against this backdrop, we remain underweight South Africa given the headwinds of rising borrowing costs, food prices and fuel prices.

The FTSE/JSE CAPI Index declined by 0.3%, while Industrials fell 0.9% and Financials advanced 1.1%. The JSE All Bond Index rose by 2.9% and the Rand strengthened 3.0% against the Dollar.

Market Values

Products Summary

	Opening Market Values 30 April 2026	Contributions	Withdrawals	Net Contributions / Withdrawals	Net Investment Growth	Closing Market Values 31 May 2026	Fund %	Model %
National Tertiary Retirement Fund	**R 23,953,394,815**	**R 113,496,995**	**-R 154,798,387**	**-R 41,301,392**	**R 174,567,657**	**R 24,086,661,080**	**100.00%**	
NTRF Processing Error Reserve	R 65,349,996				R 394,104	R 65,744,004	0.27%	
NTRF Risk Reserve Stable PF	R 209,535,130	R 648,643	-R 5,600,942	-R 4,952,299	R 925,830	R 205,508,401	0.85%	
NTRF Reserves Money Market PF	R 220,083,036		-R 15,173,803	-R 15,173,803	R 1,298,256	R 206,207,174	0.86%	
NTRF Shari'ah Product	R 30,817,821	R 155,907	-R 45,323	R 110,584	R 709,740	R 31,638,177	0.13%	
NTRF Stable Portfolio	R 4,435,602,366	R 75,889,331	-R 43,145,325	R 32,744,006	R 19,832,466	R 4,488,178,862	18.63%	
NTRF Money Market	R 506,458,650	R 32,224,950	-R 17,453,290	R 14,771,661	R 3,373,465	R 524,603,780	2.18%	
NTRF Pensioner Portfolio	R 6,195,558,145	R 15,850,502	-R 49,414,339	-R 33,563,836	R 90,829,569	R 6,252,823,950	25.96%	
NTRF Long Term Capital	R 12,289,989,672	R 63,864,354	-R 99,102,059	-R 35,237,704	R 57,204,786	R 12,311,956,733	51.12%	

Detailed Returns Breakdown

National Tertiary Retirement Fund	**Month** (%)	Year to Date (%)	One Year (%)	**Three** Years (%)	**Five** Years (%)	**Seven** Years (%)	**Since Inception** (%)
NTRF Shari'ah Product	2.4%	9.0%	26.2%	13.5%	11.8%	11.7%	8.6%
NTRF Stable Portfolio	0.5%	3.7%	10.3%	10.9%	10.2%	9.6%	10.1%
NTRF Money Market	0.7%	3.1%	8.8%	9.6%	8.6%	8.0%	8.2%
NTRF Long Term Capital	0.5%	3.6%	14.4%	13.8%	12.1%	11.8%	11.7%

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