

**ANNUAL PERFORMANCE (AFTER FEES)**

	Fund	Benchmark
Since Inception	7.5%	6.4%
5 Years	7.3%	6.2%
3 Years	8.4%	7.5%
1 Year	8.9%	8.2%
Year to date (unannualised)	2.0%	1.8%

**RISK STATISTICS (SINCE INCEPTION)**

	Fund	Benchmark
Annualised Deviation	0.4%	0.5%
Highest Annual Return	9.2%	8.6%
Lowest Annual Return	5.2%	3.8%

**DISTRIBUTION DATE**

Distribution Date	Declaration Date	Return (cpu)
30/11/2024	01/12/2024	0.68
31/12/2024	01/01/2025	0.68
31/01/2025	01/02/2025	0.69
28/02/2025	01/03/2025	0.61
31/03/2025	01/04/2025	0.68

**ISSUER ALLOCATION**

	% of Fund
South African Government Bonds	7.7%
Namibian Government Bonds	22.0%
South African Banks	34.8%
South African Corporates	0.0%
South African Treasury Bills	23.9%
Namibian Treasury Bills	8.7%
Namibian Banks	2.9%
<b>TOTAL</b>	<b>100.0%</b>

**MATURITY PROFILE**

	% of Fund
0 - 3 Months	21.6%
4 - 6 Months	24.8%
7 - 9 Months	18.2%
10 - 12 Months	5.8%
12+ Months	29.6%
<b>TOTAL</b>	<b>100.0%</b>

**FUND MONTHLY RETURNS (AFTER FEES)**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
<b>2019</b>	0.5%	0.8%	0.7%	0.8%	0.7%	0.7%	0.7%	0.7%	0.6%	0.6%	0.6%	0.6%	<b>8.3%</b>
<b>2020</b>	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.5%	0.4%	0.4%	0.4%	0.4%	<b>6.6%</b>
<b>2021</b>	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.5%	0.4%	0.4%	0.4%	0.4%	0.4%	<b>5.2%</b>
<b>2022</b>	0.4%	0.4%	0.5%	0.5%	0.5%	0.5%	0.6%	0.6%	0.5%	0.6%	0.6%	0.8%	<b>6.7%</b>
<b>2023</b>	0.7%	0.6%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	<b>8.7%</b>
<b>2024</b>	0.7%	0.7%	0.7%	0.8%	0.8%	0.7%	0.7%	0.8%	0.7%	0.8%	0.7%	0.7%	<b>9.1%</b>
<b>2025</b>	0.7%	0.6%	0.7%										<b>2.0%</b>



## PORTFOLIO REVIEW Q12025

In the first quarter of 2025, the South African Reserve Bank (SARB) and the Bank of Namibia continued their cycle of easing monetary policy to support economic growth amid slowing momentum. The SARB cut its repo rate by 25 basis points to 7.50% in January, marking its third consecutive reduction. Similarly, the Bank of Namibia lowered its rate to 6.75% in February. Despite the existence of the fixed currency peg, Namibia's slightly faster rate cuts reflect differing economic fundamentals, with the spread between the two policy rates remaining wide at 75 basis points.

Inflation in South Africa edged up from 3.2% in January to 3.6% in February 2025, still comfortably within the SARB's target range of 3% to 6%. This increase was largely driven by adjustments in the consumer price basket. Meanwhile, in Namibia, inflation rose to 4.2% in March, up from 3.2%, primarily due to higher food, services and housing costs.

In the United States, inflation remains persistent, staying above the Federal Reserve's 2% target. The annual inflation rate for the 12 months ending in February 2025 was 2.8%, slightly down from 3.0% previously. Responding to these inflationary pressures, the Federal Reserve implemented a series of rate cuts in late 2024, reducing the federal funds rate from 5.25%–5.50% to 4.25%–4.50% range by December. In the first quarter of 2025, the Fed maintained rates, opting for a cautious approach amid ongoing inflation and economic uncertainties.

As expectations for further rate cuts strengthened, money market yields compressed during the quarter. Nonetheless, the fund achieved a return of 2.0% for Q1 2025 and 8.9% over the past 12 months, outperforming the benchmark in both periods. A significant allocation to assets maturing within 3 months and less, with a higher portion in favourably yielding overnight instruments, ensures ample liquidity while keeping the portfolio well-invested. The fund's yield remains competitive, offering an attractive real yield, and is expected to continue delivering favourable returns throughout the year.

Looking ahead, while central banks have room to reduce interest rates further, there is no immediate indication of such adjustments. Inflation remains

well-contained, with Namibia and South Africa's breakeven rates showing slight increases but no cause for concern. SARB Governor Lesetja Kganyago emphasised a measured approach, citing potential external risks affecting the South African economy. Markets anticipate an additional 25 to 50 basis points of rate cuts for South Africa in 2025, with Namibia likely to follow suit. Even with further easing, policy rates are expected to stay within pre-COVID levels, supporting continued favourable money market returns.



**GENERAL INFORMATION**

Fund Category:	Namibian Money Market
AUM:	N\$ 1,372,399,561
Launch date:	November 2018
Investment Minimum:	N\$ 75,000
Risk Profile:	Low
Class:	B
Benchmark:	Simonis Storm Securities Money Market Index
Return Objective:	To outperform the benchmark
Platform Availability:	Simonis Storm Prospero, Sanlam Personal Portfolios
Fees:	0.60% per annum
Performance Fees:	None
Income Distribution:	Monthly
ISIN Code:	ZAE000289138
Management Company:	Arysteq Unit Trust Management Ltd
Base currency:	Namibian Dollars
Domicile:	Namibia

**PORTFOLIO MANAGER**

Purvance Heuer – CA (NAM), CFA Charterholder

**CONTACT DETAILS**

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