PSG Wealth

SA Equity Portfolio

October 2026



Key information

Benchmark

- FTSE/JSE Capped All Share TR

Annual management fee

- 0.86% (incl. VAT)

Minimum portfolio size

- R1 million

Top 10 Holdings

- Absa Group Ltd
- Anglo American plc
- Anheuser-Busch InBev
- Compagnie Financière Richemont SA
- FirstRand Ltd
- Gold Fields Ltd
- Growthpoint Properties Ltd
- Naspers Ltd
- Remgro Ltd
- Standard Bank Group Ltd

*Sorted alphabetically

About the portfolio manager

Adriaan Pask, Chief Investment Officer

- Over 20 years' investment experience
- BCom (Financial Analysis)
- BCom(Hons) (Financial Management)
- MCom (Business Management)
- PhD (Economic and Management Sciences)

About the lead analysts

Marnus Piekaar, Head of Fundamental Research

- 10 years' experience in finance and equity analysis
- BCom(Hons) (Financial Management), CFA

Leigh Natus, Head of Macro and Quantitative Analysis

- Experienced in macroeconomic analysis
- BCom(Hons) (Economics)

Overview

The PSG Wealth House View SA Equity Portfolio returned 1.38% for the month, outperforming the FTSE/JSE Capped All Share Index, which declined by 0.39%. Since inception, the portfolio has delivered an annualised return of 6.94%, compared with 10.94% for the benchmark.

Philosophy

We apply a disciplined, bottom-up, quality-biased investment philosophy in our stock selection. The central concept underlying quality investing is the pursuit of companies with durable competitive advantages, resilient balance sheets, and the ability to consistently generate high returns on capital. In our view, a company that combines strong fundamentals with long-term growth potential qualifies as an attractive investment. Accordingly, we prefer companies that exhibit sustainable earnings power, sound governance, and proven capital allocation discipline, while remaining cognisant of the momentum factors that can drive shorter-term share price performance. We also look for businesses with a strong confidence rating, which means they demonstrate prudent debt management and operational resilience. We ensure that the portfolio is diversified across multiple sectors and regions.

In addition, we integrate macroeconomic analysis and liquidity considerations to support sector and security selection, recognising that opportunities vary with changing environments. Our process can be summarised as a pragmatic approach to investing. Thus, investments are not only chosen on their potential value but also their quality. As such, investments are screened for their profitability, the quality of their reported earnings, dividend policies, as well as their financial structure. There is no guarantee that all the chosen companies will outperform; a few will more than likely underperform. However, the portfolio displays below-average risk and is fundamentally undervalued. As a group, their future investment returns should, therefore, be satisfactory.

Our process can be summarised as a pragmatic approach to investing, where investment choices are guided by both the inherent quality of the businesses and the broader economic context. Thus, investments are not only chosen on their valuation but also on their structural quality and sustainability. As such, companies are screened for profitability, the consistency and transparency of their earnings, and their ability to reinvest in growth without compromising financial stability. While not all chosen companies will outperform, the portfolio aims to balance risk prudently while positioning for long-term, sustainable returns.

Investment objective

We strive to buy high-quality assets trading at a discount to our estimation of its intrinsic value. We expect the investment to rerate to its intrinsic value over the medium term, which if consistently applied, should lead to long-term capital growth. Through this process, we aim to grow wealth while consistently guarding clients against the risk of permanent capital loss.

Market commentary

Emerging market equities declined during October 2026, with the MSCI EM Index falling 8.11% in US dollar terms and 7.21% in rand terms, as a stronger US dollar and weaker risk sentiment weighed on performance.

US markets remained supported by resilient economic activity and a stronger dollar. Meanwhile, trade policy developments drew attention following confirmation that South Africa would be excluded from the African Growth and Opportunity Act (AGOA) from January 2027. Markets largely viewed the decision as anticipated, with attention shifting to its potential implications for trade and investment relations.

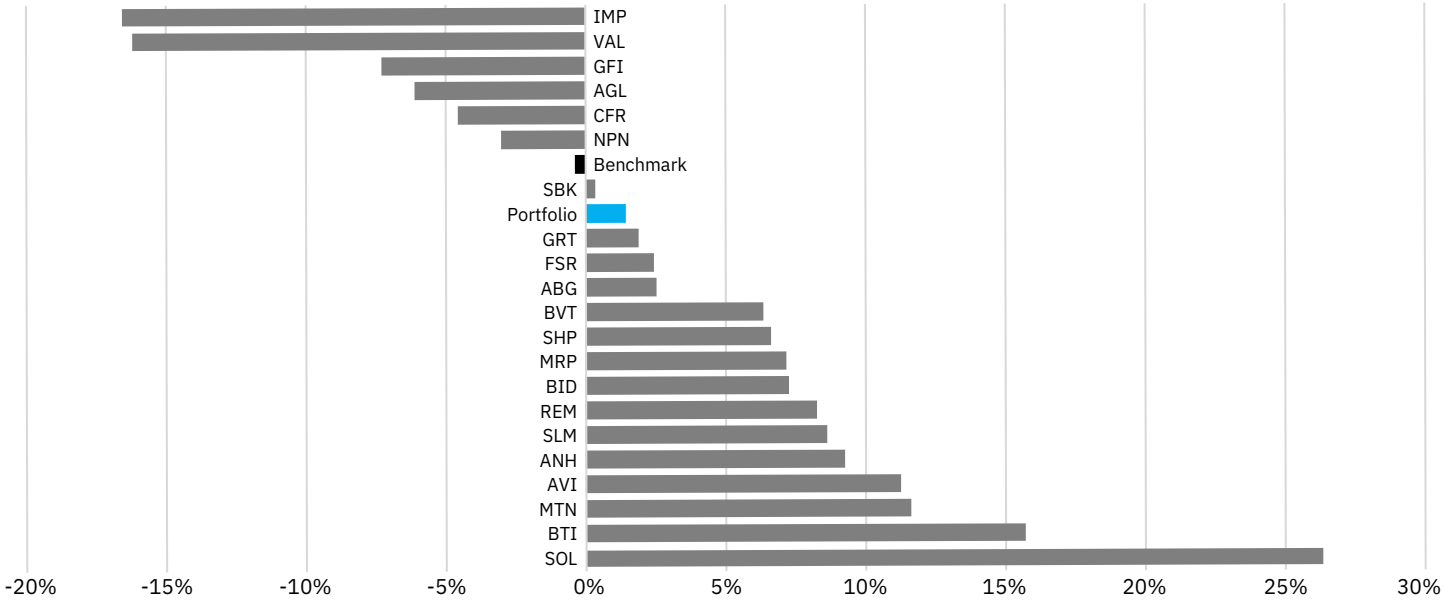
South African equities ended the month slightly lower, as declines in gold and platinum miners offset gains in insurers, telecommunications companies and retailers. Sentiment was supported by a market-friendly Medium-Term Budget Policy Statement, easing inflation and lower bond yields, while weakness in Naspers and Prosus, together with a softer rand, weighed on returns.

Emerging markets came under pressure from a stronger US dollar, although South Africa's relatively limited reliance on the US export market should help contain the broader economic impact of losing AGOA benefits.

In Europe, the UK's FTSE 100 increased by 1.30%, Germany's DAX rose 2.50% and France's CAC gained 0.10%. In contrast, the FTSE/JSE Capped All Share Index dropped 0.39% over the month.

The rand weakened against the US dollar by 1.75%, closing at approximately R16.70. Over the same period, gold prices decreased by 6.80%, while Brent crude oil edged sharply higher at 13.63% to $117.64 per barrel.

Performance attribution



Significant contributors and detractors

Sasol Limited: SOL's share price rose 26.31% during the month, supported by higher oil prices amid ongoing geopolitical tensions, and heightened concerns about potential supply disruptions.

British American Tobacco plc: BTI gained 15.68%, broadly in line with one of its major international peers. Increased volatility in technology stocks appeared to encourage a shift towards more defensive shares, benefitting BTI.

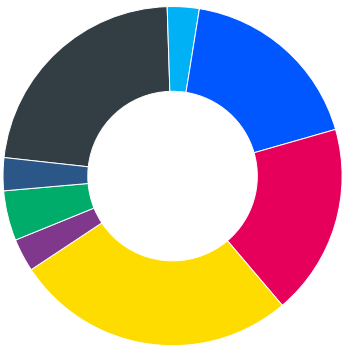
MTN Group Limited: MTN's share price rose by approximately 11.65% over the past month, recovering from its pullback in previous months. The release of its Nigeria and Ghana 3Q26 results released on 30 October 2026 helped ease concerns about slowing performance, particularly in Nigeria, providing further support to the share price.

Gold Fields Limited: GFI's share price declined by 7.29% during the month, broadly tracking the 6.79% fall in the gold price, which hit a one-year low below $3 900 an ounce on 30 October amid concerns that interest rates could remain elevated for longer. CEO Mike Fraser also played down speculation of a higher offer for Northern Star, which had rejected Gold Fields' proposal in September.

Valterra Platinum Limited: VAL's share price decreased by 16.21% during the month, broadly in line with the 15.80% decline in the platinum price. Third-quarter FY26 sales volumes dropped 27.06% to 683 300 ounces as processing maintenance was rephased into the quarter. Total PGM production also fell by 5.94% to 804 300 ounces, although the group maintained its 2026 production guidance.

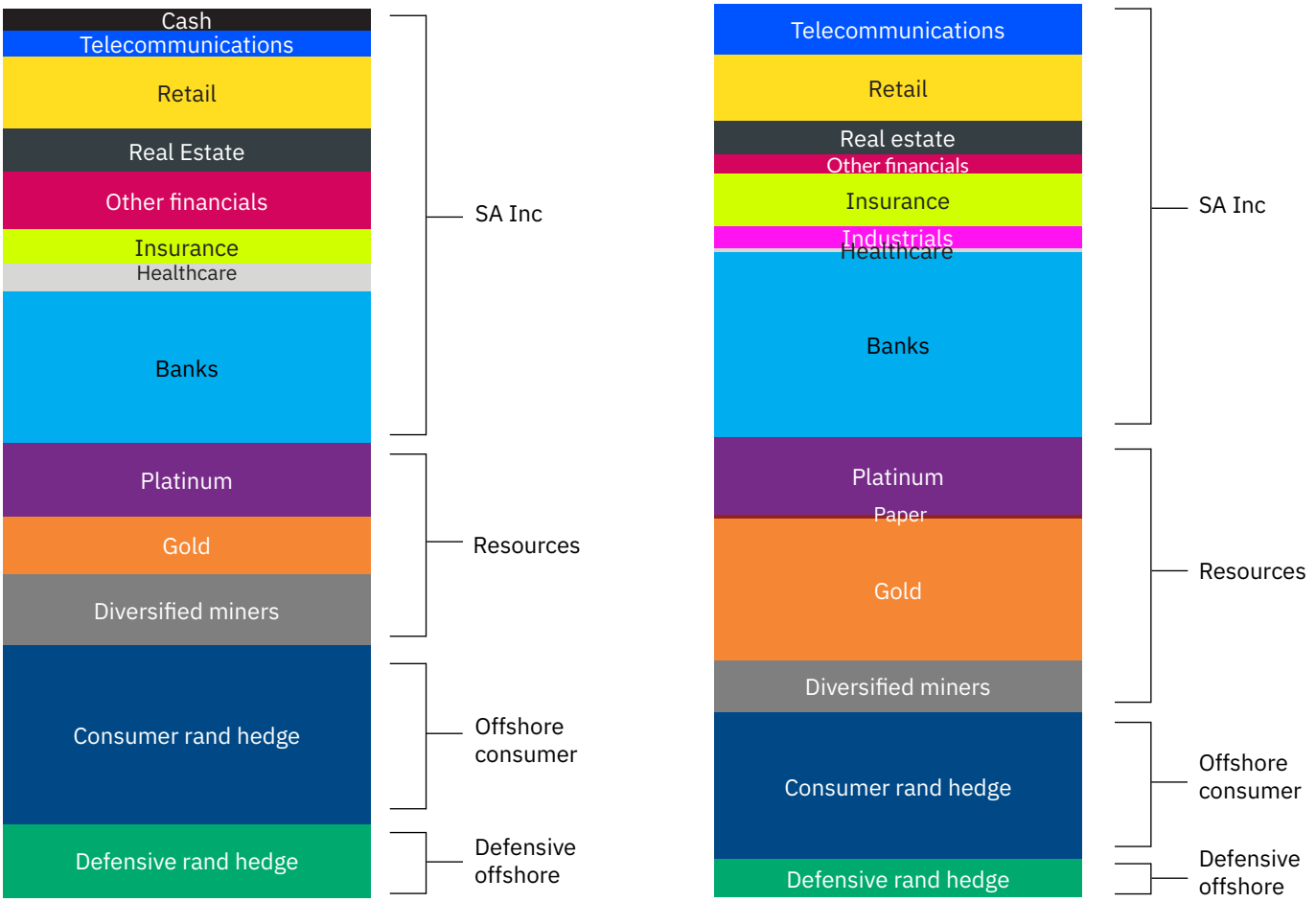
Impala Platinum Holdings Limited: IMP's share price declined by 16.59% during the month, in line with a 15.80% fall in the platinum price. A weak 1Q27 production update added pressure, with five fatalities and safety-related stoppages resulting in an estimated production loss of approximately 52 000 ounces at Impala Rustenburg. The group nevertheless maintained its FY27 production guidance.

Sector allocation

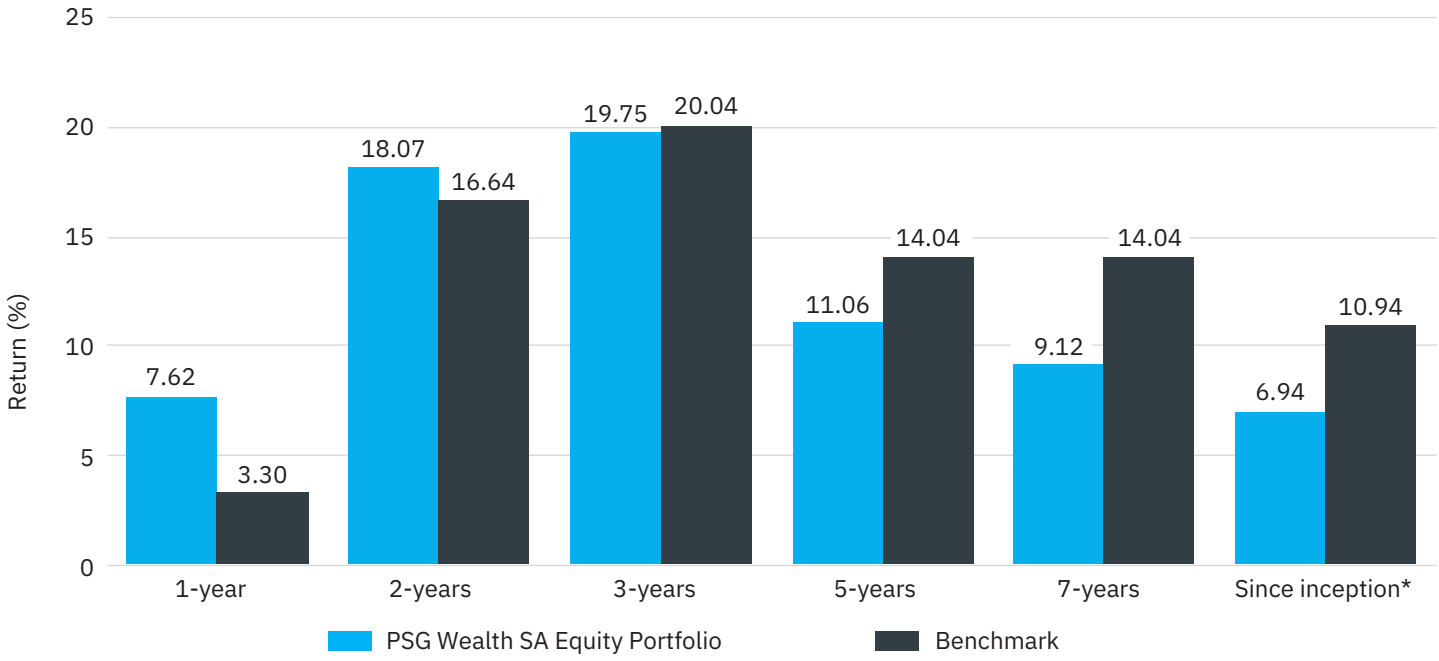


Communication services	3.04%
Consumer discretionary	18.03%
Consumer staples	18.24%
Financials	26.89%
Industrials	3.16%
Real estate	4.76%
Cash	3.13%
Materials	22.75%
Total	**100%**

- Security selection within the Materials sector was the largest contributor to portfolio alpha.
- Asset allocation to the Consumer staples sector was the largest contributor to portfolio alpha.



Annualised return percentage



*Inception date: 28 August 2015
Please note that the returns are before fees.

Mandatory disclosure

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