

Angles & Perspectives

Fourth Quarter 2025



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At PSG Asset Management, we patiently apply our proven [3M investment process](#) to find mispriced, quality assets and construct resilient portfolios for our clients.



Lyle Sankar

Introduction

Lyle has more than 12 years' experience in the financial services industry. He joined PSG Asset Management in 2014 as a credit analyst and trader before becoming a fund manager on several portfolios in our fixed income range and later Head of Fixed Income. He has been CEO of PSG Asset Management since May 2025. Prior to joining PSG, he completed his articles with Deloitte Cape Town before joining Coronation briefly in business development.

At the beginning of each calendar year, market participants rush to bring their forecasts to market. Many of these predictions are doomed to fall by the wayside, as there is an inherent mismatch between the short-term, sentiment-dominated drivers of market direction, and the factual fundamentals that are likely to triumph in the long term. [PSG Asset Management](#) is a bottom-up manager – but we are macro aware, meaning that we use macro thinking as part of our portfolio construction toolkit to ensure our portfolios are resilient and can deliver for clients in a variety of market conditions. Our focus is always on patiently applying our [3M investment process](#), grounded in our in-depth and independent research. This process leads us to seek out mispriced, quality assets trading at a discount to inherent value – which are most often found outside the popular and crowded areas of the market. We believe this approach offers enormous value to our clients, and helps us to construct robust portfolios that are well positioned to continue rewarding our clients as market conditions change.

In the first article – [Boom or bust in 2026? That is the wrong macro question!](#) – Head of Research Kevin Cousins highlights the limitations of macro forecasts and shares how our approach to portfolio construction helps us to ensure our client portfolios are resilient.

Next, in [Finding opportunities that will reward investors in most environments](#), Chief Investment Officer John Gilchrist shares deeper insights into our stock selection process and explains how our preference for opportunities in typically overlooked areas of the market delivers returns for our clients.

Fund Manager Marc Beckenstrater then lifts the lid on [The myth of size, scale and location in active asset management](#). He shares our analysis on this topic, and makes the case that the ability to deliver long-term outperformance is not dependent on manager size.

Finally, Fund Manager Duayne le Roux explains [Why inflation-linked bonds make sense even when inflation is low](#). Although inflation expectations have trended down and South Africa has moved to a lower inflation target, as a small, open economy, the country remains vulnerable to potential inflation shocks.

We trust that you will find these articles insightful, and their guidance valuable in these turbulent times.



PSG Asset Management is a bottom-up manager – but we are macro aware, meaning that we use macro thinking as part of our portfolio construction toolkit to ensure our portfolios are resilient and can deliver for clients in a variety of market conditions.



Kevin Cousins

Boom or bust in 2026? That is the wrong macro question!

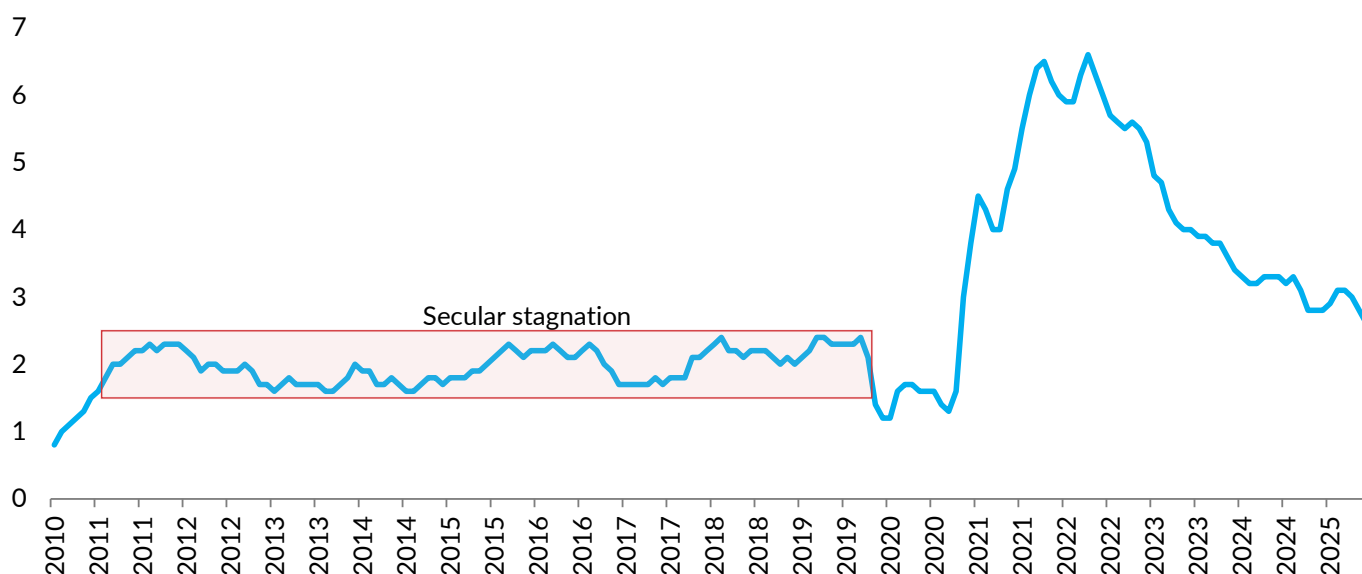
Kevin has over 30 years' experience in investment management. He joined PSG Asset Management as an investment analyst in 2015. He was appointed as Head of Research in 2017.

Traditionally, bottom-up investment houses do not pay a lot of attention to 'macro' views (the top-down view of macroeconomics and markets). The period following the Global Financial Crisis (GFC) was one of secular stagnation, with macro variables behaving in relatively stable and predictable ways. However, we have seen macro volatility return with a vengeance over the past four years. Since early 2021, we have allocated more research time to facilitate our process becoming more 'macro aware'. Rather than attempting macro forecasts, we focus on a number of scenarios. Our goal is to assist fund managers to be aware of and comfortable with risks and fund positioning, and to ensure that our portfolios are capable of navigating a wide variety of possible macro outcomes.

The macro environment changed radically after the Covid crisis

The decade after the GFC was well described as a period of secular stagnation with little macroeconomic volatility. For example, the US core CPI (shown below) remained in a narrow 90 basis point range of 1.5% to 2.4% from late 2011 to early 2020. Since early 2021, it became clear to us that the build-up of substantial financial imbalances, combined with global policymaker responses to Covid-19, raised the probability that the world – and the US in particular – had entered a new economic era. This view has proved to be accurate, with macro volatility returning with a vengeance over the last four years.

US Core CPI %
CPI ex food and energy



Sources: PSG Asset Management and Bloomberg. Based on data from Bureau of Labour Statistics.



We have therefore been devoting a larger slice of research efforts to the macro environment since 2021, incorporating more macro insights into our investment process via our Portfolio Review Group (PRG). Our portfolios are unashamedly constructed on a bottom-up basis, but the PRG process is designed to facilitate 'what if' questions through (inter alia) stress tests, scenario analyses and factor analyses. This helps to ensure fund managers are fully aware of and comfortable with risks and fund positioning (both on an absolute and a relative basis) in the portfolios that they manage.

Higher macro volatility has been exacerbated by the increase in geopolitical risk and policy uncertainty as the world moves towards a multi-polar power structure. Since President Donald Trump's inauguration a year ago, the US administration's policies (not to mention President Trump's social media postings!) have further amplified volatility.

Macro research, the PSG Asset Management way

A typical 'top-down' input into an investment process would be deriving a macro forecast and then optimising portfolio positioning to that forecast. The many 2026 outlooks and macro forecasts cluttering up our readers' inboxes would be a prime example of this. While some articles review how their 2025 and prior predictions panned out, most don't. This is for

good reason: macro forecasting is hard in any environment, let alone the world we are in now. This is especially true over shorter time frames like one year, where even the most gifted and experienced analysts can be completely wrong. You can't ignore macro in today's world, but forecasting is hard and you're likely to get it wrong. So how do we practically navigate high macro volatility in our investment process?

Extreme uncertainty can be liberating

Acknowledging the extreme macro uncertainty and our inability to satisfactorily forecast the future allows the focus to shift to a much more productive approach to incorporating macro insights into our investment process. Specifically, we evaluate a number of different macro scenarios, and understand how assets behaved during similar macro periods historically. We can then evaluate the impact of similar macro scenarios on our portfolios.

We use a macro grid dashboard loosely based on the 'Investment Clock' work by Trevor Greetham and Michael Harnett in 2004, at what was then Merrill Lynch. We classify the prevailing macro environment into four quadrants based on growth (above or below trend) and inflation (accelerating or decelerating). We have over 50 years of historic data about how different asset classes and sectors perform in each quadrant.

Backtest Asset Class ATR since 1970 (Monthly data)

11% Time spent in quadrant		37%	
24.9%	Gold	Commodities	21.7%
24.5%	Commodities	S&P 500	12.2%
6.5%	Cash	Gold	9.7%
3.2%	Bonds	Bonds	4.3%
-2.5%	S&P 500	Cash	3.9%
-3.2%	DXY	DXY	-1.3%
TL	Stagflation	Inflationary boom	TR
13%		40%	
12.1%	Bonds	S&P 500	16.0%
7.9%	Gold	Bonds	9.3%
6.2%	Cash	Cash	4.2%
3.9%	DXY	Gold	2.3%
3.7%	S&P 500	DXY	0.2%
-9.8%	Commodities	Commodities	-4.2%
BL	Deflationary bust	"Goldilocks"	BR

Source: PSG Asset Management



...we evaluate a number of different macro scenarios, and understand how assets behaved during similar macro periods historically.



While we do attempt to apply a probability to which quadrants the US economy will be in, the important part of the work is drawing on the back-testing to understand how each of the different quadrant scenarios could impact our portfolios. For this we do not just look at the averages (shown above) but also the outliers, including how asset prices behaved during extreme events such as the GFC in 2008/9 and the Covid-19 crisis in March 2020.

To quote Australia's The Future Fund: "The use of scenarios is not about predicting; it is about preparing. And proper preparation achieves portfolio resilience."

The big caveats to this process

Relying on historic average correlations to construct well-diversified portfolios is standard practice in the asset management industry, and a key component of the quantitative risk models that are used almost universally to optimise portfolios.

The foundational assumption here is that historic average correlations between assets correctly describe future correlations. Like some other important assumptions in financial theory, this is unfortunately not the case in practice. Correlations tend to rise sharply during periods of market turmoil. This wreaks havoc in multi-asset portfolios that have been optimised based on historic average correlations.

In addition, the whole industry uses similar quantitative risk models drawing on similar historical data, and they are all searching for 'idiosyncratic' positions that will enhance portfolio resilience. Markets are dynamic, and future returns are hugely influenced by position crowding and starting valuations. This means an asset that acted as a good hedge historically may no longer behave in an uncorrelated fashion during the next big market event if it is widely owned and expensively valued.

Will your 'idiosyncratic safe haven' correlate with equities on the next big decline?

Many investment strategies today carry significant leverage, such as risk parity and 'pod shop' hedge funds. Leverage in the hedge fund industry is near all-time highs. This, together with client redemptions, increases the need for market participants to de-gross and sell holdings during market declines. If they have significant exposure to your so-called 'safe haven', it's going to correlate with the collapsing market rather than act as a hedge.

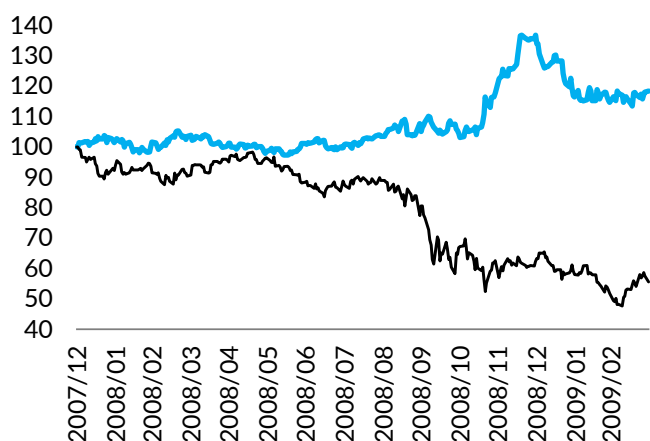
The typical response to the resulting performance lag is to say you were carrying too much risk, and to lower the holdings in risk assets and increase the holdings in cash and other 'safe' assets going forward. This 'drive slower' response is likely to be a poor solution, as it limits upside returns. This inevitably raises what we see as a crucially important and little-discussed risk: that of not achieving client performance objectives over the long term.



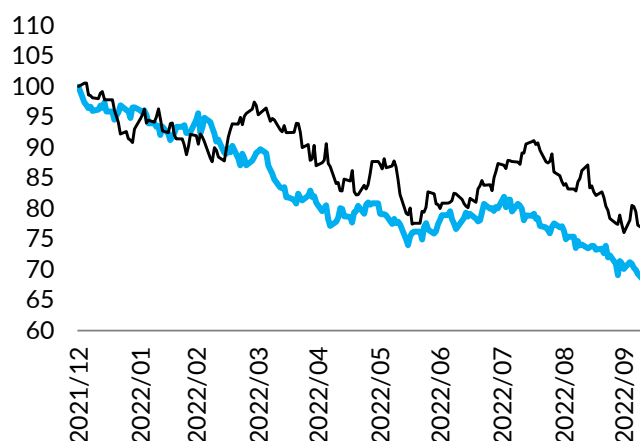
Case study: When 'safe havens' go bad – the decimation of global multi-asset funds in 2022

The cornerstone of the 60/40 portfolio was the safe-haven characteristic of the US long bond. In periods of falling risk assets, long-dated US Treasuries (USTs) could be relied upon to deliver good returns, alleviating portfolio drawdowns. For example, in the GFC period, long duration USTs delivered returns of about 20% over a period when the S&P 500 Index lost more than 40%.

Bond and equity total returns: GFC period
Based to 100 31/12/2007



Bond and equity total returns: 2022 decline
Based to 100 31/12/2021



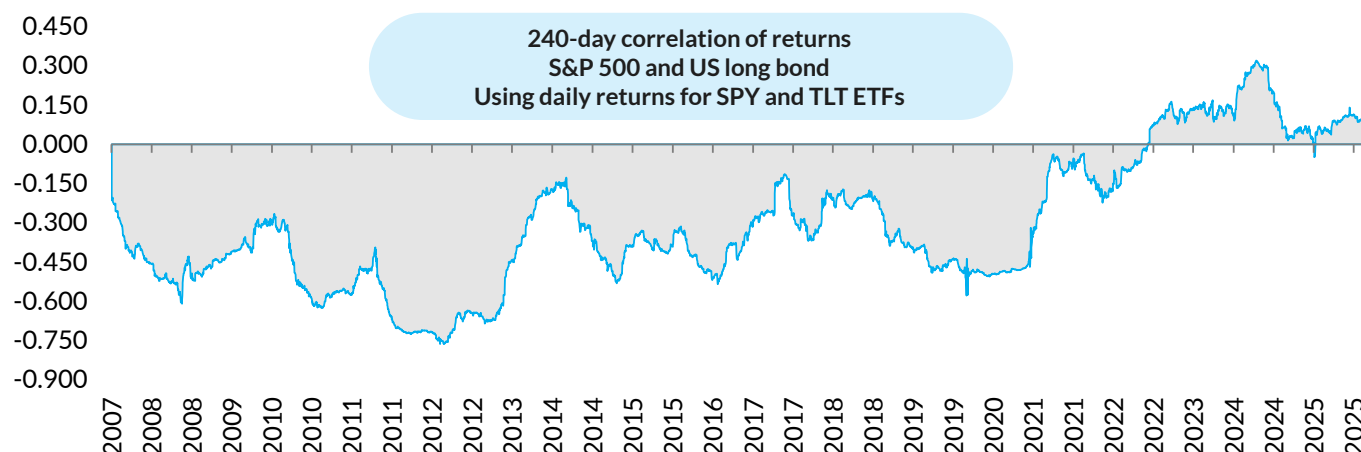
— Bonds (TLT etf) — S&P 500 (SPY etf)

Sources: PSG Asset Management and Bloomberg

In 2022, the S&P 500 Index declined about 25% over about nine months. This time, however, USTs collapsed, declining more than 30% over the same period. This had a devastating impact on multi-asset portfolios relying on long bonds for portfolio protection. What had changed and why were USTs ineffective in mitigating risk?

Firstly, the starting valuations were very different. At the end of 2007, as the GFC gathered momentum, the US long bond had a nominal yield of 4.5% and a real yield of 2%. In contrast, at the start of 2022, the nominal yield was 1.9% and long bonds carried a deeply negative real yield (between -3% using CPI and -1% using 10-year Treasury inflation-protected securities (TIPS)). Why would you own assets with deeply negative real yields? Well, your quantitative portfolio optimiser put a substantial weighting in long bonds despite the sub-zero real yield, because of the historic negative correlation of returns with equities. Bonds were included to provide portfolio insurance.

Of course, the correlation of returns turned positive in 2022 (both bonds and equities had substantial losses), and investors discovered that the negative correlation wasn't a 'law of markets' but rather a market regime, and the regime had changed.



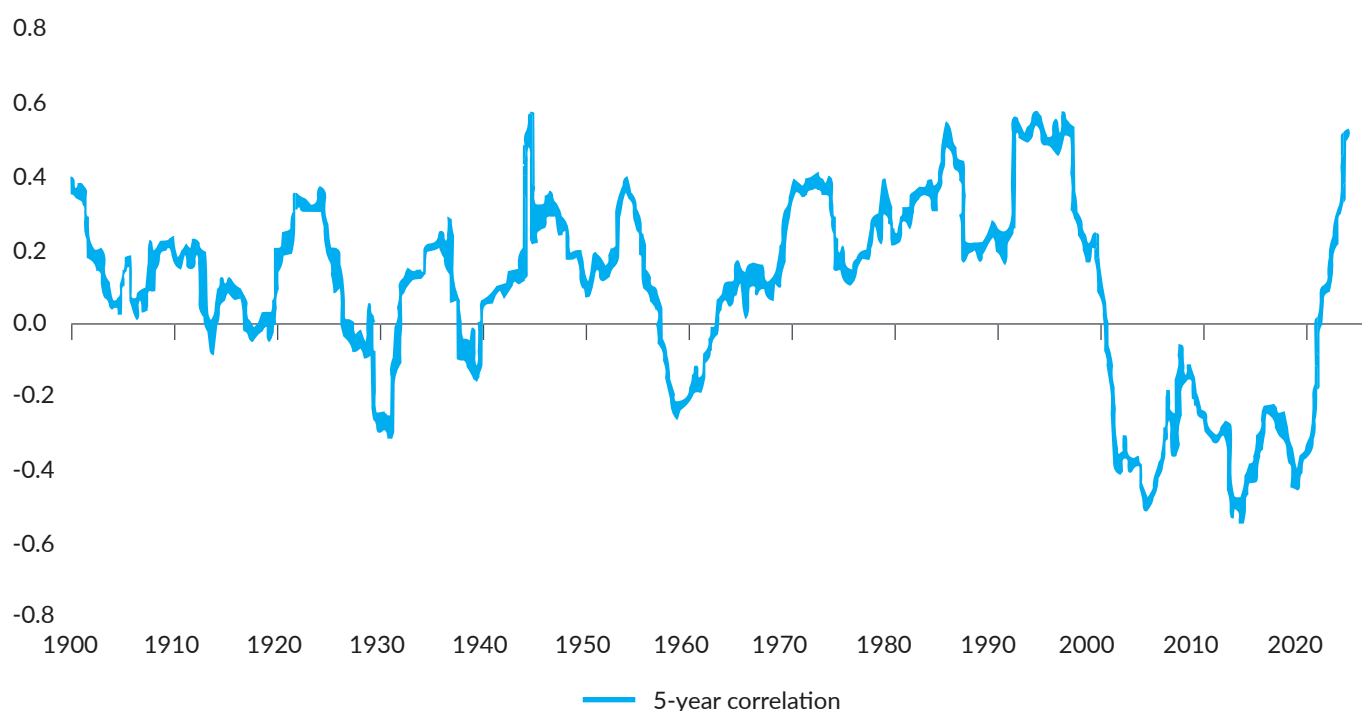
Sources: PSG Asset Management and Bloomberg



Case study (continued): When 'safe havens' go bad – the decimation of global multi-asset funds in 2022

Very long-term data would have helped an investor understand that supply shocks to growth have a different impact compared to demand shocks, with much more uncertainty as a result, in the monetary policy response and bond yields. The period of negative correlation over the past 20 odd years was not typical. In fact, 125 years of data (refer to the chart below) shows that long periods of positive correlation can also be expected.

Long-term data highlights bond & equity returns can be positively correlated for extended periods S&P 500 vs US 10-year bond correlation – Daily returns where available, otherwise monthly returns



Sources: Haver Analytics, Robert Shiller, Goldman Sachs Global Investment Research

What is a better way to respond to an uncertain macro environment?

We do not believe that attempting macro forecasts, especially over short time frames, is time well spent. Such forecasts are very likely to be wrong, and even if they are correct, asset prices could behave in unexpected ways. We far prefer evaluating how our portfolios will perform across a variety of macro scenarios.

That said, here are four ways we believe genuine portfolio resilience can be maintained in uncertain times:

1. Quantitative risk model output needs to be overlaid with a healthy dose of common sense. Simply understanding that what will be a safe-haven asset in the future cannot be quantitatively determined based on historic data, is an important differentiator. Creative and contrary thinking when determining research focus areas is essential. Attractive starting valuations and uncrowded positions are an obvious starting point.
2. We spend most of our macro research efforts on understanding financial history, secular regimes and regime change (e.g. the reversal of bond/equity correlations in 2022). Secular forces act as 'magnets' pulling the economy towards a particular macro quadrant. These have proven to be a fertile area for research, requiring more of a focus on very long time frames – i.e. economic history, rather than quantitative modelling. We spend little time trying to forecast what will happen over the next year.
3. Understanding the risk implications of very concentrated equity indices is essential as well, as indices like the S&P 500 and MSCI World currently carry large idiosyncratic sector risks rather than being a broad representation of the asset class (see our article [The hidden risks of hugging an index](#)).
4. Importantly, we use explicit hedging of equities to enable us to carry substantial and larger risk positions despite the uncertain environment ("drive fast, but invest in excellent brakes"). This explicit hedging makes our portfolios much less dependent on asset correlations in times of market stress.

Our macro research, while a relatively small part of our overall research efforts, plays an important role. It assists us in optimising portfolios that will be resilient through different macro environments but are still structured to achieve our clients' long-term return objectives.





John Gilchrist

Finding opportunities that will reward investors in most environments

John has been with PSG since December 2018. He is CIO and a portfolio manager on the PSG Stable Fund and PSG Diversified Income Fund. John has over 22 years' investment experience and was previously co-head of the Customised Solutions Boutique at OMIGSA. He is a CA(SA) and has an MBA from Insead in France.

A key question for investors, after three years of strong global equity performance, is whether markets will continue to power ahead in 2026, or if we are likely to see a correction instead. With disparate outcomes possible, sitting on the sidelines or in cash is not a viable option, and the challenge for investors is to construct portfolios that can deliver appropriate client outcomes regardless of what transpires in 2026.

The PSG Asset Management way

At PSG Asset Management, we believe that the best investment opportunities are generally found in uncrowded areas that have been neglected by the rest of the market. These out-of-favour areas generally offer fertile hunting grounds for mispriced investment opportunities. However, in order to achieve long-term investment success, such a mispriced asset needs to possess an inherent quality that the market is overlooking. This can be due to a variety of factors, including the following examples:

- an excessive focus on short-term issues that have been resolved or are being addressed
- potential risks that are fully incorporated into the share price
- a change in industry supply-demand dynamics
- a change in management/improved capital allocation policy
- a simple high-level market narrative that is not supported by facts, etc.

We firmly believe that the price paid for an asset is a key determinant of both the returns generated from that asset over time, and the risk associated with investing in that asset. Out-of-favour quality assets trading at depressed valuations have a lower risk of permanent capital loss. Thus, our approach tilts the odds of earning exceptional returns over the long term in our clients' favour.

We pride ourselves on our independent and in-depth research, which helps us to find these opportunities wherever they may reside. As a bottom-up research-driven house, our investment decisions are driven by the attractiveness of the individual investments, not by their weight in an index. We are not beholden to a strategic asset allocation framework either – each asset needs to be included in the portfolio on its own merits. This also means that our portfolios can often look different to those of most of our competitors, offering our clients valuable diversification benefits as part of a blended portfolio.

In a highly concentrated environment like the current one, this diversification becomes invaluable.

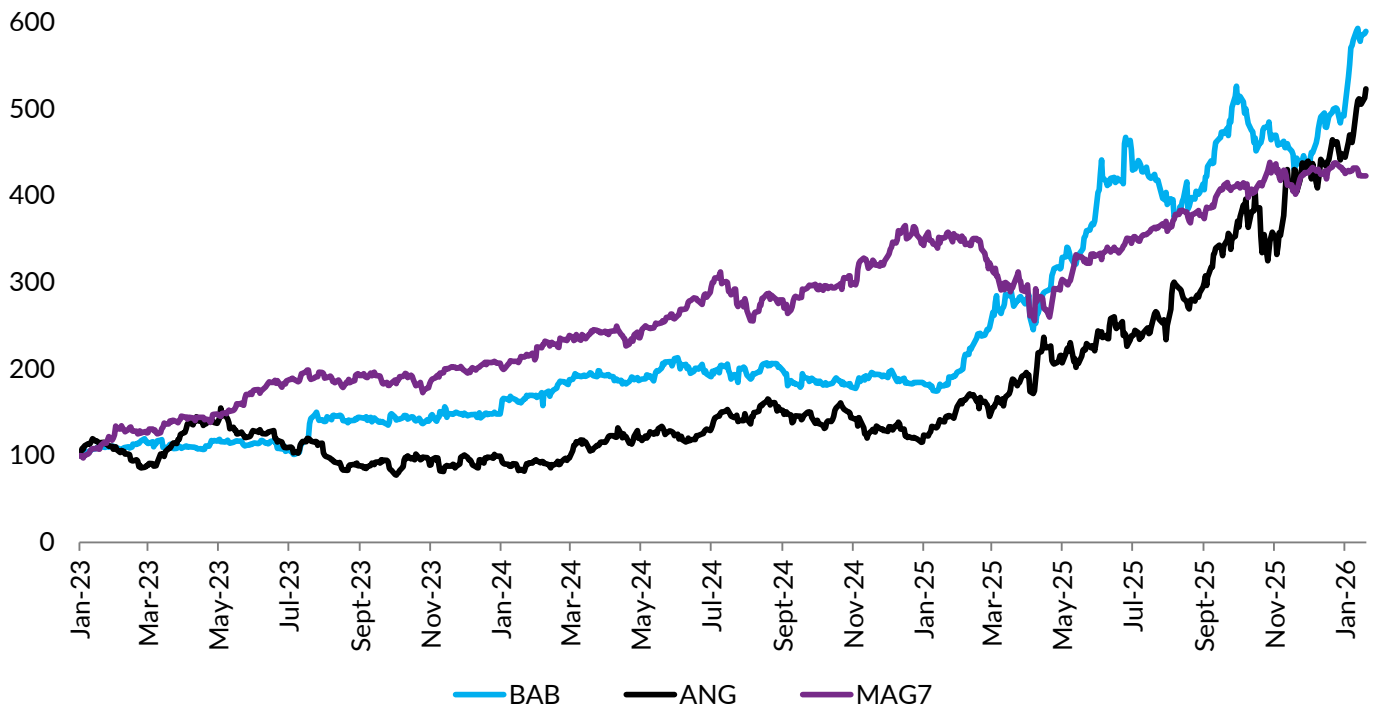
Out-of-favour stocks can deliver returns that rival those of the market darlings

While the artificial intelligence (AI) rally has undoubtedly captured the public imagination, what is less well telegraphed is that other select stocks have delivered returns that outshine even those of the AI leaders. From January 2023 to December 2025 (a period that captures the full extent of the AI frenzy), Mag7 shares delivered an incredible price return of 329%. Over the same period, Babcock International plc delivered 393% in US dollars, while AngloGold Ashanti rose 347%.



Babcock and AngloGold vs the 'Magnificent 7'

Price return in USD since 1 January 2023



Sources: PSG Asset Management and Bloomberg.

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We pride ourselves on our independent and in-depth research, which helps us to find these opportunities wherever they may reside.



In 2025, the Mag7 gained a relatively muted 23% in US dollars, while we held numerous shares that increased between 100% and 355% in dollars. In the grips of fear of missing out (FOMO), investors often forget that alternatives that are out of the limelight can frequently outperform market darlings, especially over the medium term. Our investment process excels at finding opportunities such as these.

Case studies of our process in action

The case studies that follow are aimed at demonstrating our investment process in action.

Case study: Finding opportunities in unloved SA telecoms

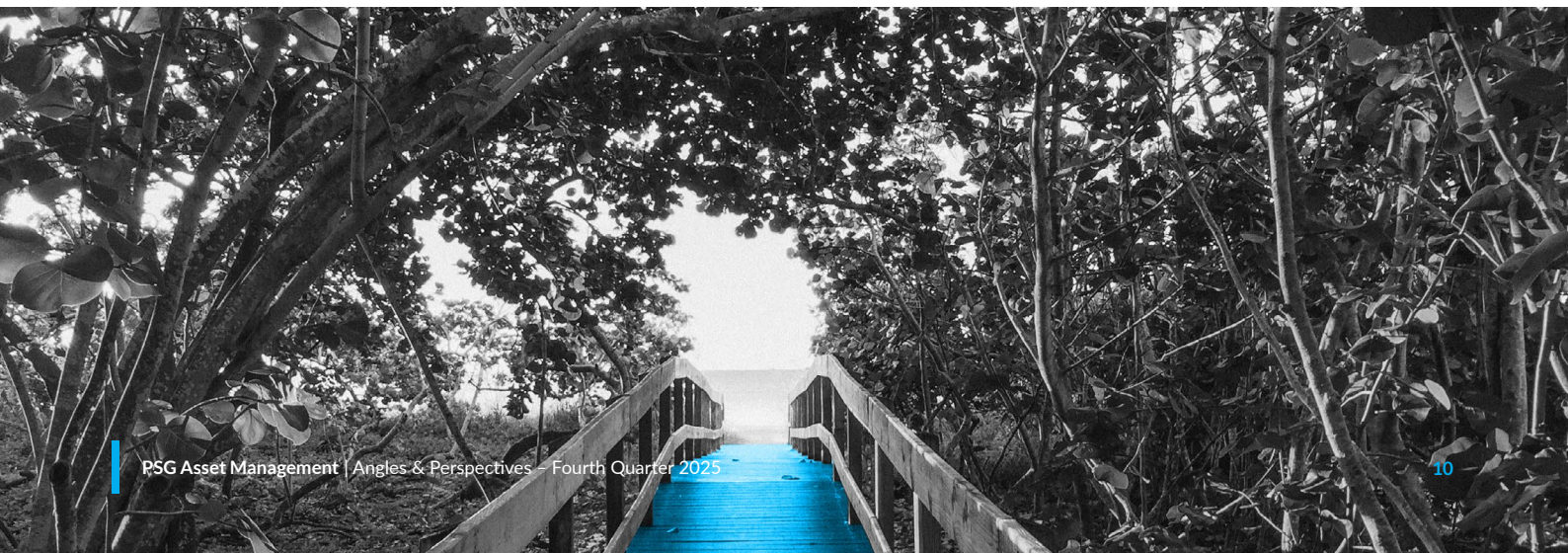
Telkom

Telkom is a classic example of our investment approach in practice. When we initiated our investment there was very little quality visible on the surface – it was tainted by its reputation as a state-owned company, combined with historically poor management and capital allocation decisions (including the value destructive acquisition of BCX). Furthermore, the business appeared to be in structural decline with the legacy copper business going backwards. As a result, the business was generating low levels of free cash flow. Our research identified substantial hidden value in the form of a leading fibre asset (Openserve) and a very competitive and well-run mobile asset (Telkom Mobile) that was rapidly taking share from the large incumbents, MTN and Vodacom, through a low-cost data-led strategy. The company had spent almost three times its market capitalisation on investing in these fibre and mobile businesses over the prior decade. However, the declining legacy copper business was obscuring the value of the growing businesses. We initiated an investment, buying at share prices in the R25 to R30 per share range in 2023 and 2024. After about a year, the first signs of inflection became visible as the growth from the new businesses started to more than offset the drag of the legacy assets, as they declined in the revenue mix. The market was positively surprised by the return to growth, higher margins and dramatically improved free cash flow, resulting in a material rerating of the share to its current level of over R60 per share.

MTN

MTN faced uniquely challenging conditions in 2023 and 2024 in a number of African economies (including dramatic currency devaluations in countries such as Nigeria and Ghana), which created acute (but temporary) conditions that obscured a very valuable collection of leading businesses (especially Nigeria, Ghana and MTN's fintech assets). The market dramatically mispriced their potential in more normal conditions. We started buying MTN in 2024 at between R70 and R80 per share. In 2025, macro conditions and currencies stabilised and in-country actions were taken to reprice MTN's products to recapture underlying economics. On the back of substantial improvement in earnings prospects, the share has strongly rerated to current levels of above R175 per share.

In mid-August, the share dropped from R170 to under R140 on the back of a US Department of Justice (DOJ) grand jury investigation. We are continuously assessing the situation, and sizing our positions across our fund range accordingly.





Case study: Gold and commodities

Gold and resources were the story of 2025, with gold rallying 64.5% and platinum 127%. Our process lent a fresh perspective to the role these assets could play as part of a differentiated portfolio in 2023, well before most investors started allocating meaningful levels of capital to precious metals and related shares. We have long viewed gold as a portfolio diversifier, with a valuable portfolio construction role as long-held correlations break down (for example, the negative correlation between US bonds and global equities that was consistently evident from 2000 to 2020) and different sources of portfolio protection are required.

Gold producers: Barrick, AngloGold and Wheaton Precious Metals (WPM)

We bought WPM, a gold and silver streaming company, in 2018 and added AngloGold to our buylist in 2020. Gold's defensive characteristics combined with an improved outlook for the metal price (on the back of renewed central bank buying, expected inflation and a challenged developed market monetary and fiscal situation, we added substantially to our gold position in late 2023 and early 2024). Over the course of last year, we leveraged our global process to optimise our gold exposure by reducing high-flyers like WPM and AngloGold in favour of Barrick, a then-neglected and diversified international major. Barrick subsequently delivered very strong performance for our clients. As markets reached frothy levels in September and October 2025, we trimmed our positions, while maintaining decent exposure levels.

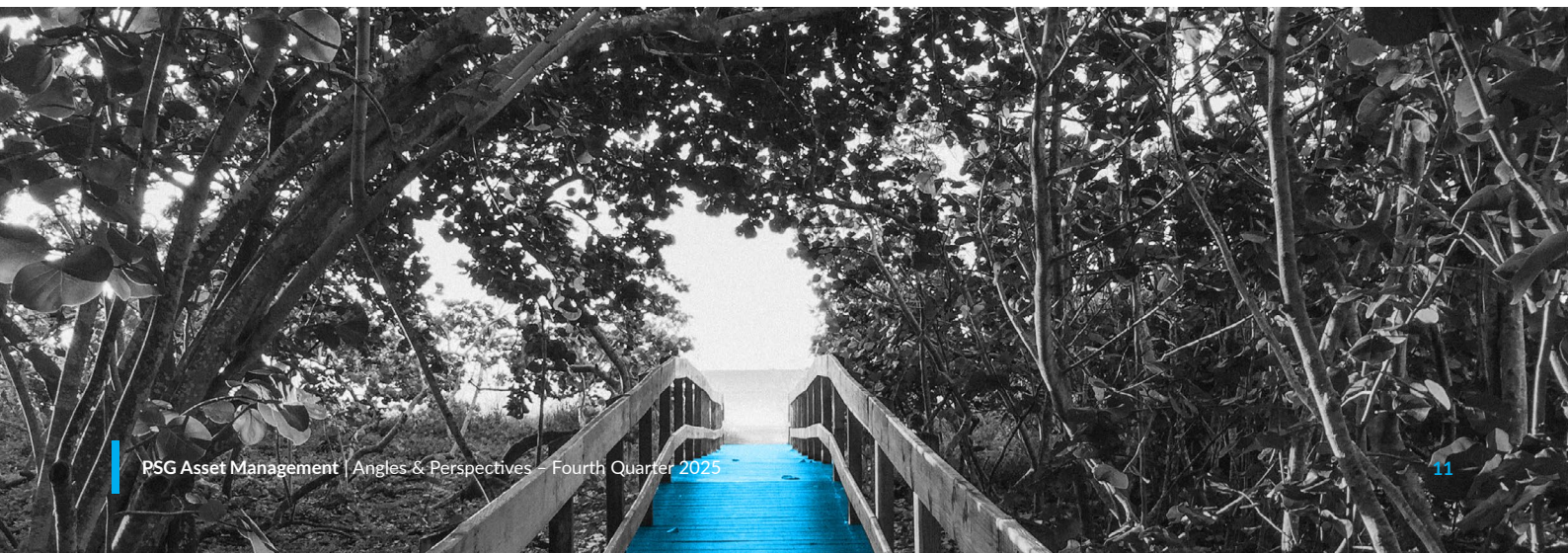
Platinum producers: Northam Platinum and Valterra Platinum

Platinum group metal (PGM) prices were depressed for a number of years, primarily due to an expected decline in demand, which was based on significant electric vehicle adoption forecasts (that we viewed as optimistic). South Africa supplies between 70% and 80% of the world's platinum, and the supply side of this industry is highly forecastable due to high depletion rates, known capex and reasonably long time frames for these investments to generate output. When future supply is expected to be below conservative future demand estimates, the outlook for prices is excellent but timing is unclear, and patience and a longer-term perspective are required. In periods of strong underlying commodity price performance, platinum mining companies provide geared exposure to the PGM basket price. Read more about the platinum journey [in this article](#).

Look beyond the obvious areas to secure future returns

Markets are currently providing investors with a unique challenge. After several years of excellent stock market returns, there are significant concerns about whether current trends can continue, especially given very high valuations for the popular AI-focused stocks, high levels of index concentration, and a challenging geopolitical situation.

In such an environment, investors would do well to consider investments outside the popular winners of the recent past, diversifying their portfolios into investment positions that can perform in many different market environments.





The myth of size, scale and location in active asset management



Marc Beckenstrater

Marc joined PSG in May 2025 as a fund manager. Prior to joining PSG, Marc held various roles at firms both in South Africa and abroad, including as analyst, portfolio manager, head of research and chief investment officer.

The investment industry is ruled by a compelling narrative around size, with the global investment manager selection process in particular favouring larger asset managers, typically based in the global finance hubs. However, does this translate into benefits for their clients? Our research reveals that behind ongoing allocations to larger global managers lies a persistent myth – one that conflates size with capability, confuses scale with skill, and assumes that the number of offices asset managers have correlates with alpha generation.

How the manager selection process entrenches a bias towards large managers

Cerulli Associates found that scale is the top factor for institutional asset owners when selecting investment managers, with 85% of institutional investors citing it as a primary consideration when choosing a manager for an investment mandate. This research directly reflects the advice clients receive on manager selection.

The logic aligns with conventional wisdom about operational advantages. The US's Office of Financial Research reinforced this view, noting that large asset managers continue to win significant market share "primarily by offering comprehensive solutions that benefit from established franchises and economies of scale," with the largest asset managers generally offering "the most comprehensive, low-cost client solutions".

Simply being big offers some important commercial benefits that can impact the manager selection process. **Institutional Investor** reported that larger asset managers enjoy advantages in the consultant selection process because "they have more resources to devote to courting consultants," with the average asset manager dedicating the equivalent of three full-time employees to consultant relations. This creates a self-reinforcing advantage for large, established managers. Research on the largest asset managers notes that "large asset managers can benefit from economies of scale that may translate into competitive advantages," particularly for clients requiring multi-regional deployment and global coordination.

The pattern across consultant research is clear: size, infrastructure, and the ability to offer comprehensive solutions are weighted heavily in formal allocation decisions.

Global mega-mergers seem to reinforce this perception, as does a major recent local deal. Said deal seemed to exemplify institutional investors' stated preference for scale and global capability – i.e. a large, established manager with the footprint and resources to service clients across multiple geographies.

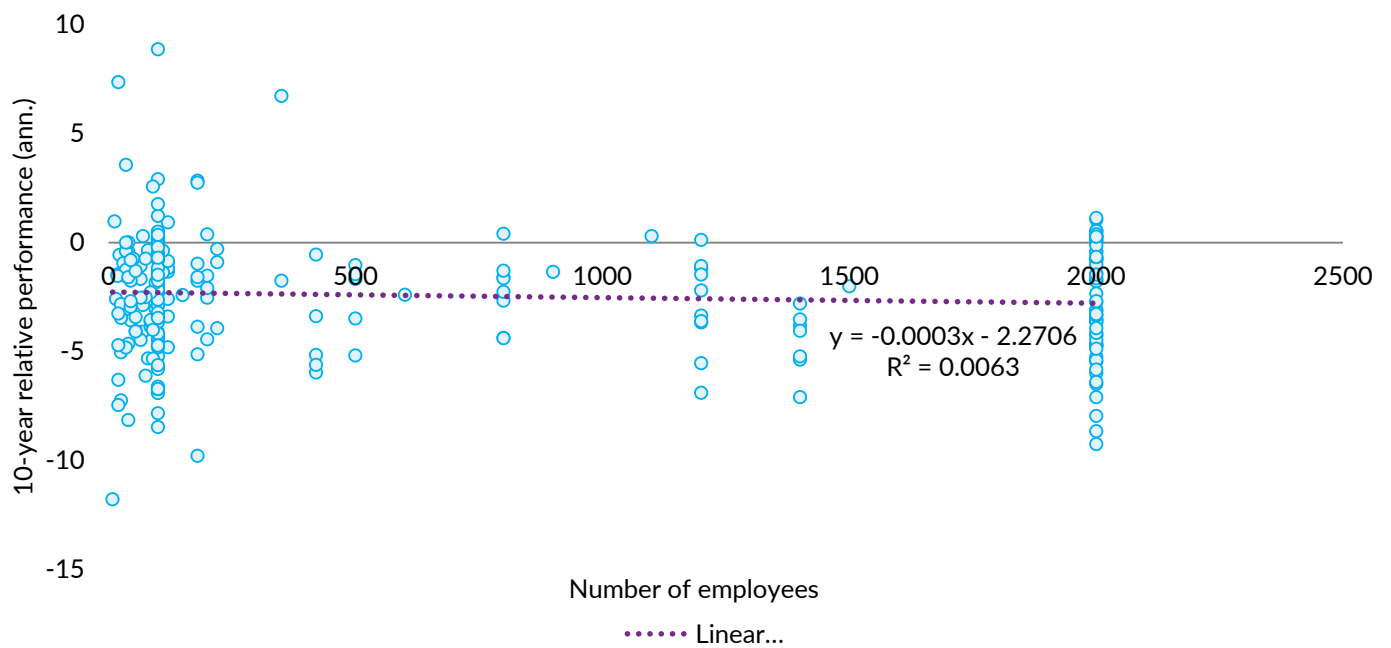
Unpacking the myth: Methodology and findings

To test whether the prevailing view about the importance of manager scale and location is valid, we analysed 255 global asset managers with 10-year track records, mapping their returns against the MSCI World Index. For each manager, we gathered organisational data on assets under management (AUM), employee headcount, number of office locations, and geographic headquarters. We then examined the statistical relationship between these size and scale characteristics and relative fund performance (total return minus index return).

The results contradict the conventional narrative. Organisational AUM showed a correlation of just -0.07 with relative performance – statistically indistinguishable from zero, but with larger firms generally underperforming. Employee count correlated at -0.08, once again not statistically significant but suggesting that larger teams slightly **underperformed** smaller ones. Average fund AUM showed a weak positive correlation of +0.06, probably related to either performance attracting assets or a relative market rise over the period. Geographic location proved equally immaterial. Distance to the nearest financial hub – a proxy for proximity to either major centre (London or New York) – showed a negligible correlation of +0.05, implying there are benefits to being further away! Interestingly, when comparing managers by actual location, London-based funds showed marginally better average performance than New York-based funds, but this difference was not statistically significant and offers no support for the 'proximity to financial hubs' thesis. If anything, it might be an advantage, as Warren Buffett opined, to be 'away from the noise'. None of these relationships showed statistical significance.

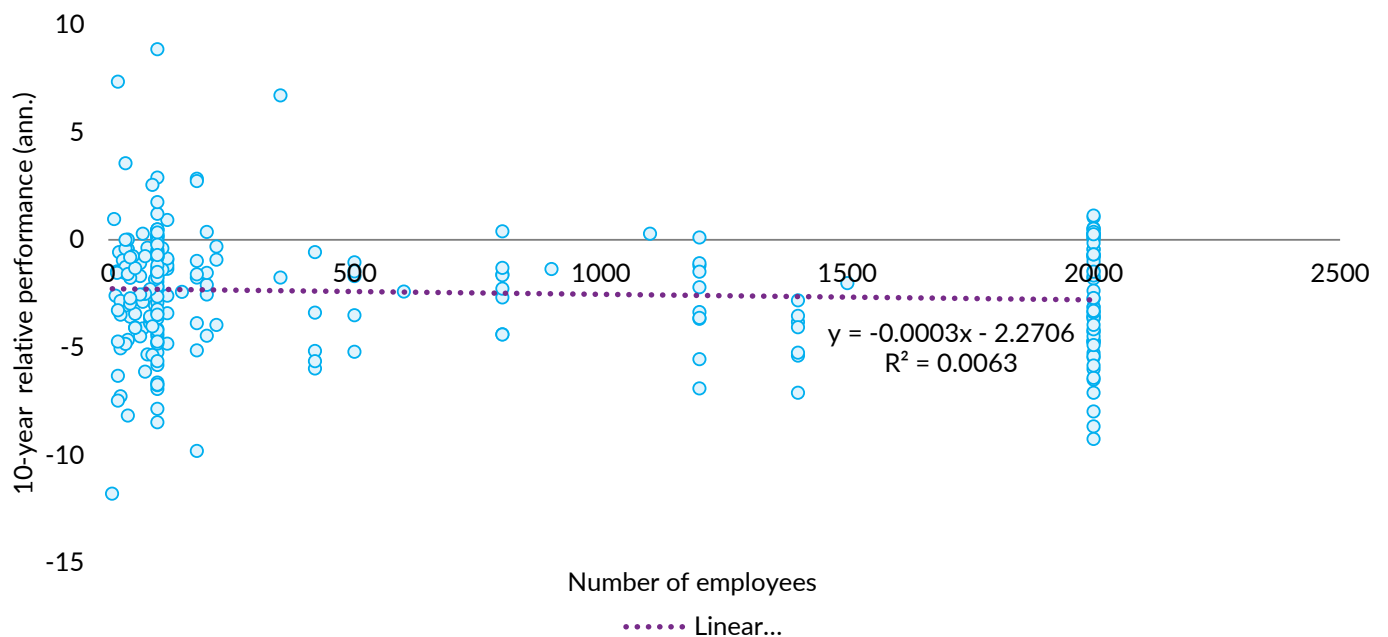


Correlation: Number of employees to performance



Sources: Morningstar and PSG Asset Management

Correlation: Distance to a major financial hub to performance



Sources: Morningstar and PSG Asset Management



The myth exposed

The data reveals a striking disconnect between the factors that institutional decision-makers value, and realised net fund performance. Global reach, multi-office infrastructure and large employee bases do not correlate with either out- or underperformance, and the 'comprehensive solutions' and 'economies of scale' of large asset managers do not translate into measurable performance advantages. This means that the 85% of institutional investors who cite scale as their top selection criterion are basing allocations on factors that have no explanatory power for returns.

Perhaps most damning: 83.5% of all funds in the sample underperformed their benchmarks over the 10-year period, regardless of size. Top performers were scattered globally across organisations of vastly different scales, suggesting that the factors driving outperformance are idiosyncratic and

likely include individual manager skill, investment philosophy, investment process, team dynamics, fee structures and strategy execution, rather than organisational scale or geographic footprint.

Size, scale and location are not predictors of investment success

The mythology of size, scale and location in active asset management has become entrenched as part of the manager selection process. It provides an easy-to-defend framework for allocation decisions, while providing justification for the bias towards established incumbents. The evidence, however, suggests this narrative has little to do with investment performance. For those seeking investment returns, the size of the managers' offices matters far less than the quality of the minds within them.

PSG Asset Management's globally integrated approach

Many investors believe that global funds can only be managed successfully by enterprises with headquarters in places like New York, London or Boston. However, technology, regular reporting and strict information dissemination rules have levelled the playing field when investing globally. We think that being located at the tip of Africa allows for an independent perspective, away from the noise of consensus opinion, and that this aids us in constructing high-conviction, differentiated portfolios. Our 3M investment approach (with its emphasis on finding quality assets trading at a discount to intrinsic value) lends itself to finding investment opportunities wherever they may reside around the globe, translating into proven long-term alpha generation for our clients.

The success of this strategy is reflected in [PSG Asset Management's](#) track record with its global feeder funds.

Global Feeder Fund performance to 31 December 2025

Quartile performance ranking

	1 Year				5 Years				10 Years			
PSG Global Equity Feeder Fund	4 th	3 rd	2 nd	TOP	4 th	3 rd	2 nd	TOP	4 th	3 rd	2 nd	TOP
PSG Global Flexible Feeder Fund	4 th	3 rd	2 nd	TOP	4 th	3 rd	2 nd	TOP	4 th	3 rd	2 nd	TOP

Source: Morningstar

The PSG Global Flexible Feeder Fund was nominated for the Global multi-asset 5-year and Global multi-asset 10-year awards in the News24FundHub Industry Performance Awards 2026. [Click here](#) to read more.



Duayne Le Roux

Why inflation-linked bonds make sense even when inflation is low

Duayne joined PSG Asset Management as a graduate trainee in 2016 after completing a year in the PSG Graduate Programme, and subsequently became a quantitative analyst for the Fixed Income team. He has since become a fund manager for funds in our fixed income range of funds.

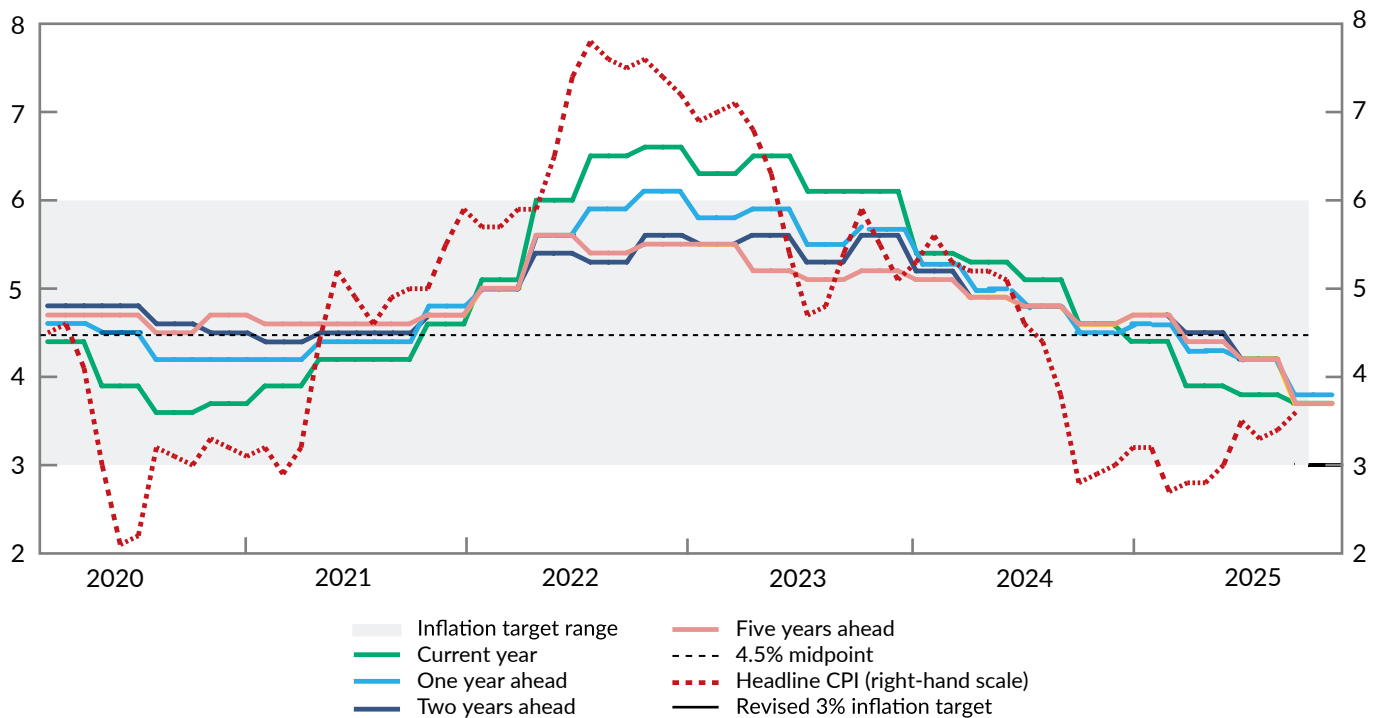
Local inflation has been declining and has remained contained for the last two years. In addition, the South African Reserve Bank's move to a lower inflation target looks set to further entrench the low inflation environment. We would argue that investors need to carefully consider the shifting investment landscape before allocating their assets. Counter-intuitively, despite a downward shift in inflation, we believe inflation-linked bonds (ILBs) can play a valuable role as part of a diversified fixed income portfolio.

How SA shifted to a low inflation environment

SA inflation has declined from 2022 highs and has been printing in a narrow range since late 2024. The South African Reserve Bank (SARB) and National Treasury have now officially moved towards a lower inflation target. (Read more about the potential benefits of this development [here](#).) The market has responded positively to the news, and we have seen a broad-based downward trend in inflation expectations, which is reflective of the credibility of these institutions.

Although the adjusted target was only announced in November 2025, inflation expectations for the next 1 to 3 years have already moved much lower (refer to the chart below), indicating a successful reframing of the inflation outlook in the SA context.

Inflation expectations and headline consumer prices



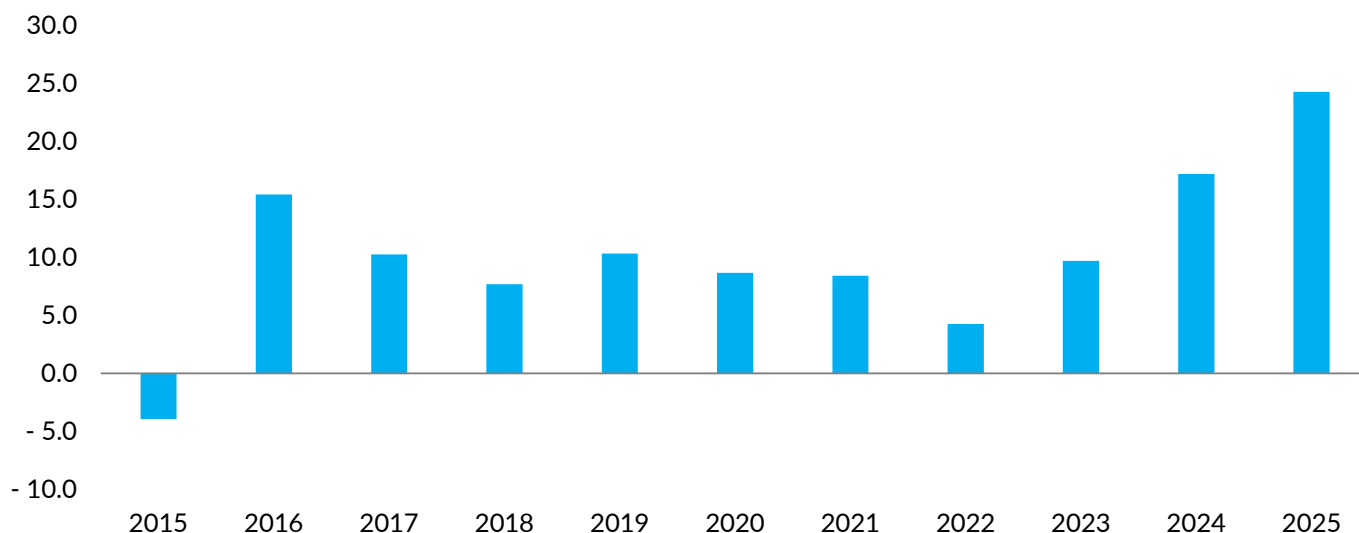
Source: South African Reserve Bank



Asset prices have responded positively to the shift

Lower inflation and (cautious) rate cuts by the SARB have positively impacted asset prices: equity and fixed income markets have performed well. South African nominal government bonds have seen two of the most impressive years in history. Returns on South African government bonds (proxied by the All Bond Index (ALBI)) amounted to 17% in 2024 and 24% in 2025.

FTSE/JSE All Bond TR ZAR

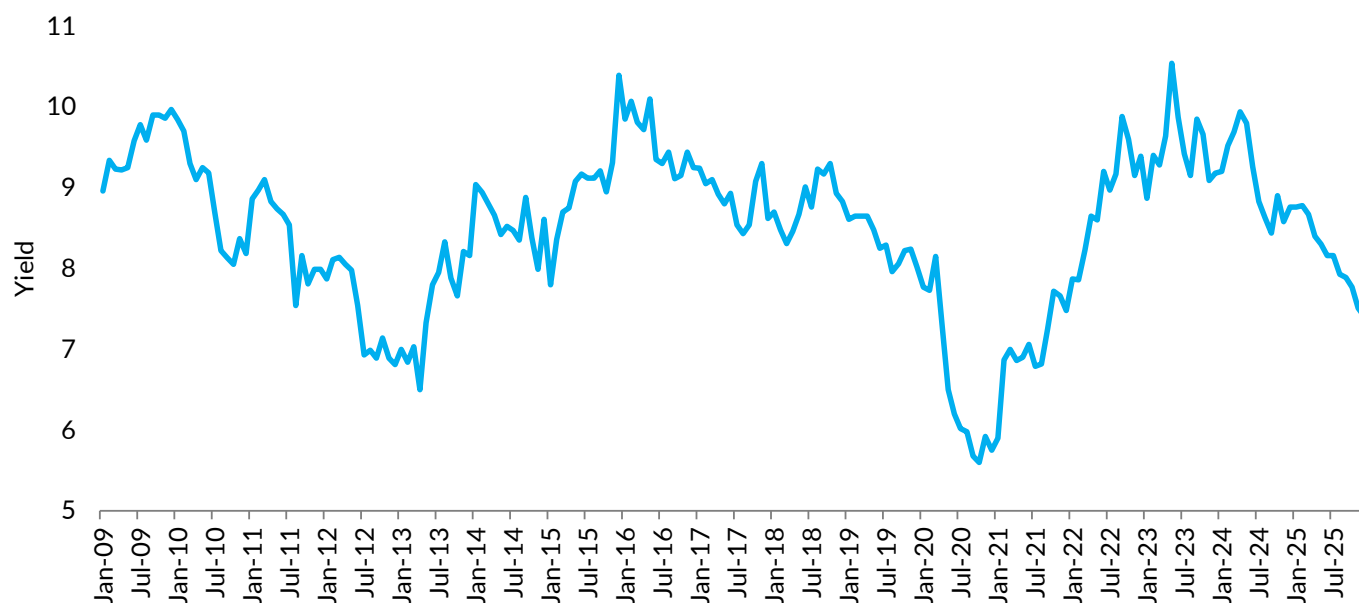


Source: Morningstar

Other shorter-term fixed income instruments have also done well, although this is less widely spoken about. Consider, for example, the very large and institutional market for negotiated certificates of deposit (NCDs). Seen as the primary financing mechanism for our big institutional banks, these instruments are held widely across portfolios – particularly in low-risk

mandates such as income and multi-asset income funds. Due to their highly prized ability to lock in attractive real yields, we have seen the yields on offer materially compress (resulting in a rise in prices, which is good for investors in these instruments). Currently, 5-year NCDs are yielding 7.4%, while they were yielding 9.4% two years ago. This is a 2.0% compression in yield.

5-year NCD yield



Source: Bloomberg

Investors should carefully assess the opportunities in the current landscape

Despite the current lower inflation environment, mitigating the effects of inflation remains one of the principal objectives for investors. While we are a proponent of the move to a 3% inflation target and acknowledge the strong credibility of the SARB and National Treasury, we acknowledge that South Africa is an open economy and that there are a multitude of ways in which higher inflation could materialise. These include, for example, higher global food or oil prices, or a more enduring increase in local demand, which could put upward pressure on inflation. In short, risks remain.

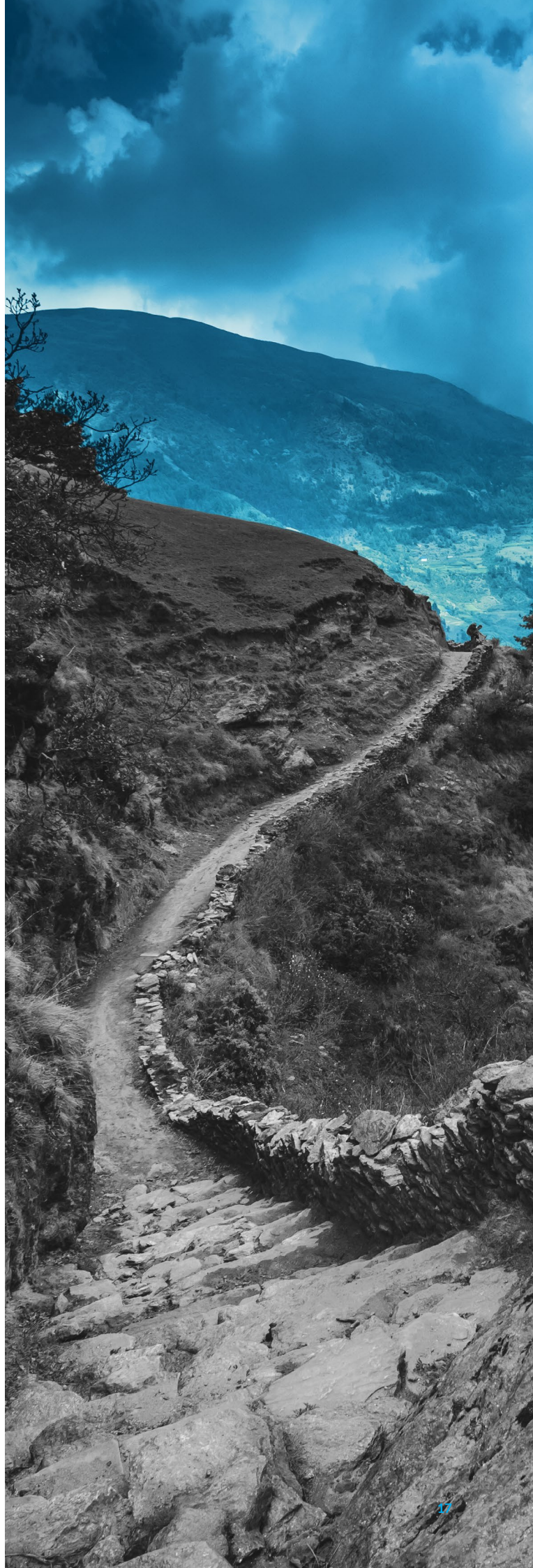
Although it has been a spectacular two years for fixed income investors, assets will need to be rolled over into new securities as they mature. However, in the current environment, finding high and stable nominal yields going forward will become more challenging. While some investors may be comfortable using lower forward inflation assumptions to justify locking in the nominal fixed rate yields (currently between 7.0% and 7.5%) available in shorter-term fixed income instruments to achieve real return targets, we think it is the right time to ask whether there are attractively priced, low-risk alternatives.

Inflation-linked bonds are attractive, even in this lower inflation environment

Inflation-linked bonds (ILBs) offer an attractive solution to the risk of unexpected inflation surprises. ILBs are guaranteed to pay a starting yield plus inflation over the period from start to maturity. In addition, should the starting yields compress over time, there is also the potential of a capital gain.

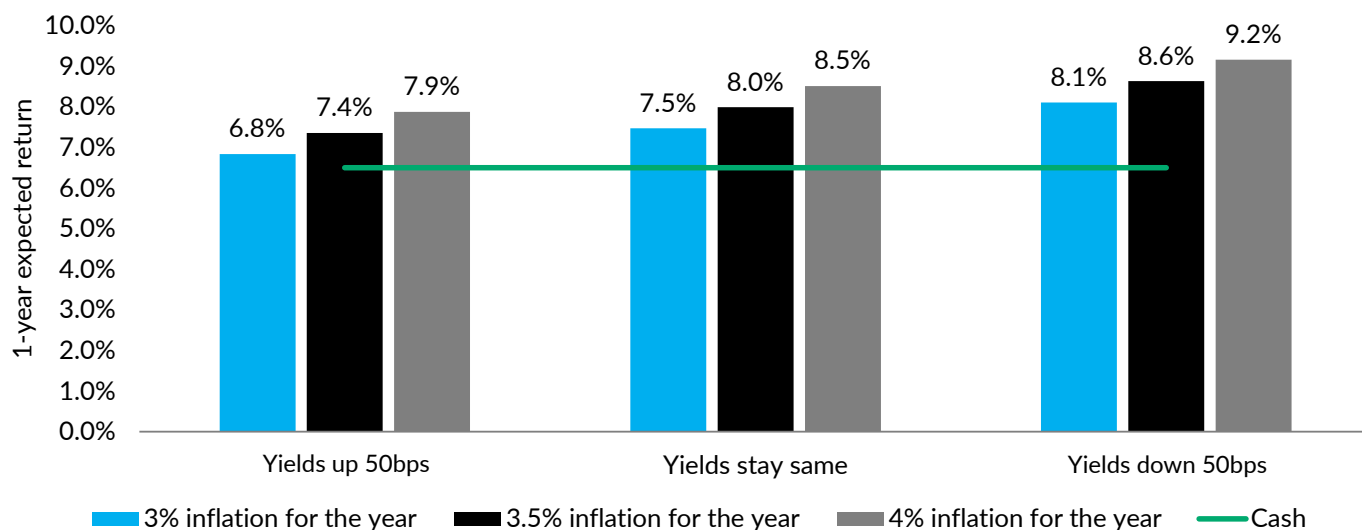
As we have [previously highlighted](#), ILBs have become more attractive over time, and we have been incrementally adding them to our portfolios since 2019. If they can be bought at an attractive price, inflation-linkers secure a return that is immune to inflation and credit risk, and less sensitive to interest rate risk than their fixed rate counterparts. Thus, they provide an attractive pathway to securing a real return for clients, and we believe short-dated ILBs are a compelling destination for cash and maturing shorter-dated instruments, such as NCDs. However, as with all things, the price at which these assets are bought is critical.

These instruments currently offer a real yield of 4.2% – but is this enough to compensate for an environment where inflation is low? We think so. As the next chart highlights, even if inflation stays at 3% over the next year (the December 2025 inflation print was 3.6%) and yields increase by 50 basis points, returns on these ILBs would still equal the return available on cash (currently yielding 6.5%). And if ILB yields compress and/or inflation prints higher than 3%, these ILBs are likely to outperform cash by a significant margin. This makes it likely that we will achieve returns equivalent to those available on NCDs, while enjoying inflation protection and upside potential.





Short-dated ILB total return scenarios



Source: PSG Asset Management

A dynamic approach to shifting opportunities in the fixed income market

The declining and low inflation environment of the last two years has been excellent for nominal bonds, but securing good real returns for fixed income investors will likely become more challenging with proceeds from maturing portfolio instruments being reallocated in a low inflation environment. In addition, the risk of inflation surprises remains, given that South Africa is a small open economy and vulnerable to supply shocks. ILBs present an elegant and a low-risk way to lock in very high real yields (with the potential to deliver excellent results should conditions change) – importantly, while keeping a firm eye on the overall risk levels in the portfolio. With this in mind, we have been steadily adding ILB exposure to our portfolios at attractive yields.

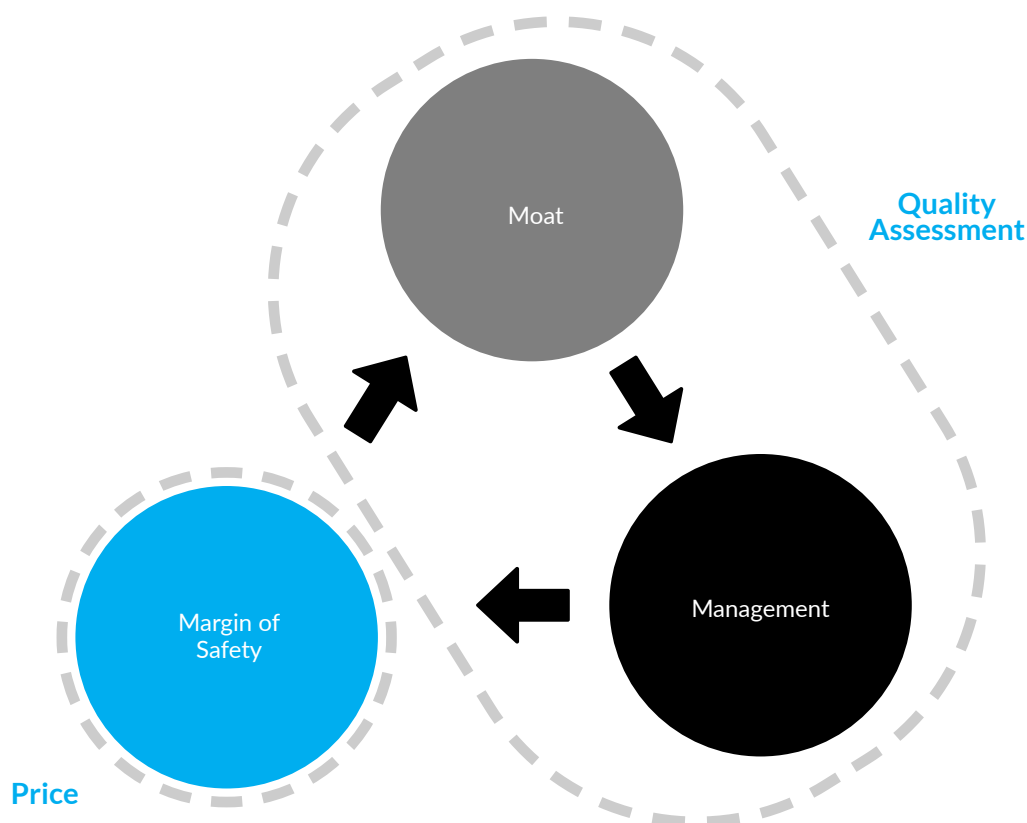


A quick reminder of our 3M process

As investment professionals, we seek to generate consistent long-term returns for our clients. A robust and proven investment process is at the heart of our ability to do so consistently over time, even as market cycles come and go and stocks fall in and out of favour. We understand that generating strong long-term returns for our clients rests on the ability to buy low, invest for the long run and sell high.

To find the most attractive opportunities, we look in the uncrowded areas of the market that offer the best chance of mispricing (generally those characterised by fear, uncertainty or neglect). We further improve our chances of success by applying our [3M process](#).

The first two M's help us evaluate the quality of companies. These are the strength of 'management' and evidence of a competitive advantage that serves as a 'moat', setting the company apart from its peers. Our third M is the 'margin of safety', reflected in how far a security is trading from its fair value (or, viewed differently, whether its current price is setting us up to 'buy low'). Essentially, we are looking for some inherent quality that the market might be missing. As a result, we tend to invest in companies that are as good as the market or better, but trading at a discount. We believe that if we apply this methodology consistently, we will tend to buy quality companies at affordable valuations, helping our clients in growing their investments over time.





	South African portfolios									Rand-denominated offshore	
	PSG Equity Fund MDD	PSG SA Equity Fund MDD	PSG Flexible Fund MDD	PSG Balanced Fund MDD	PSG Stable Fund MDD	PSG Bond Fund MDD	PSG Diversified Income Fund MDD	PSG Income Fund MDD	PSG Money Market Fund MDD	PSG Global Equity Feeder Fund MDD	PSG Global Flexible Feeder Fund MDD
Fund category (ASISA classification)	South African - Equity - General	South African - Equity - SA General	South African - Multi-asset - Flexible	South African - Multi-asset - High Equity	South African - Multi-asset - Low Equity	South African - Interest-bearing - Variable-term	South African - Multi-asset - Income	South African - Interest-bearing - Short-term	South African - Interest-bearing - SA Money Market	Global - Equity - General	Global - Multi-asset - Flexible
Investment objective	Aims to offer investors long-term capital growth without assuming a greater risk, and earn a higher rate of return than that of the South African equity market as presented by the composite of 80% FTSE/JSE Capped SWIX All Share Net Total Return Index and 20% MSCI Daily Total Return Net World USD Index (including income).	Aims to provide long-term capital growth (highest returns above inflation) and outperform the FTSE/JSE Capped SWIX All Share Net Total Return Index by investing mainly in South African shares. The investment policy provides for investment in domestic listed securities and assets in liquid form, including shares, participatory interests in listed property shares, loan stock and derivative instruments.	Aims to achieve superior medium- to long-term capital growth by investing in selected sectors of the equity, gilt and money markets, both locally and abroad. The fund has a flexible asset allocation mandate and equity exposure will vary based on opportunity.	Aims to achieve long-term capital growth and a reasonable level of income for investors. The investment policy provides for active management of the portfolio assets that include equities, bonds, property and cash, both domestically and in foreign markets.	Aims to achieve capital appreciation and to generate a performance return of CPI + 3% over a rolling three-year period, with low volatility and low correlation to equity markets through all market cycles.	Aims to offer a combination of a high level of income and the potential for capital growth by primarily investing in fixed income instruments.	Aims to preserve capital while maximising income returns for investors. The portfolio comprises a mix of high-yielding securities, property, bonds, preference shares and assets in liquid form (both local and foreign).	Aims to maximise income while achieving as much long-term capital appreciation as interest rate cycles allow.	Aims to provide capital security, a steady income and easy access to your money.	Aims to achieve capital growth over the long term, with the generation of income not being the main objective of the portfolio. It is a rand-denominated equity feeder fund with an investment policy providing for investment solely in the PSG Global Equity Sub-Fund.	Aims to achieve superior medium- to long-term capital growth through exposure to selected sectors of the global equity, bond and money markets. It is a rand-denominated feeder fund with an investment policy providing for investment solely in the PSG Global Flexible Sub-Fund.
Benchmark	Composite of 80% FTSE/JSE Capped SWIX All Share Net Total Return Index and 20% MSCI Daily Total Return Net World USD Index	FTSE/JSE Capped SWIX All Share Net Total Return Index	SA CPI + 6%	SA CPI + 5%	SA CPI + 3% over a rolling 3-year period	FTSE/JSE All Bond Index over rolling 36 months	SA CPI + 1%	STeFI Composite Index	(ASISA) South African - Interest-bearing - SA Money Market Mean	MSCI Daily Total Return Net World USD Index (in ZAR)	US CPI + 6% (in ZAR)
Risk rating	High	High	Moderate - High	Moderate - High	Moderate	Moderate	Low - Moderate	Low - Moderate	Low	High	Moderate - High
Time horizon	7 years and longer	7 years and longer	5 years and longer	5 years and longer	3 years and longer	3 years and longer	2 years and longer	1 year and longer	Minimum of 1 day	7 years and longer	5 years and longer
The fund is suitable for investors who:	- want an equity-focused portfolio that should produce high real returns above inflation and capital appreciation over the long term - are comfortable with significant stock market fluctuations - are willing to accept potential capital loss - have a long-term investment horizon of 7 years and longer	- want exposure to local shares - are comfortable with stock market (equity market) fluctuations - have a long-term investment horizon of 7 years and longer	- want exposure to the equity market, but with managed risk levels - aim to build wealth - are willing to accept potential capital loss - have a medium- to long-term investment horizon of 5 years and longer	- aim to build wealth with a balanced portfolio that diversifies the risk over the various asset classes - are comfortable with market fluctuation risk - are willing to accept potential capital loss - would prefer the fund manager to make the asset allocation decisions - have an investment horizon of 5 years and longer	- have a moderate risk appetite but require capital growth in real terms - have a medium-term investment horizon of 3 years and longer - are comfortable with fluctuations in markets	- seek stable income and reasonable capital growth over the long term - want to include bonds in their investment portfolio - have an investment time horizon of longer than 3 years - seek returns greater than those provided by money market funds and are comfortable with the higher risk of capital loss than in a money market fund	- have a low risk appetite - want to earn an income, but need to try and beat inflation - have a short- to medium-term investment horizon of 2 years and longer	- have a low risk appetite - require an income - have an investment horizon of 1 year and longer	- seek capital stability, interest income and easy access to their money through a low-risk investment - need an interim investment vehicle or 'parking bay' for surplus money - have a short-term investment horizon	- want exposure to global equities without personally expatriating rands - are comfortable with international equity market and currency fluctuations - have a long-term investment horizon of 7 years and longer	- want exposure to global equities without personally expatriating rands - are comfortable with international equity market and currency fluctuations - have a long-term investment horizon of 5 years and longer
Net equity exposure	80% - 100%	80% - 100%	0% - 100%	0% - 75%	0% - 40%	0%	0% - 10%	0%	0%	80% - 100%	0% - 100%
Income distribution	Bi-annually	Bi-annually	Bi-annually	Bi-annually	Bi-annually	Bi-annually	Quarterly	Quarterly	Monthly	Annually	Annually
Minimum investment	As per the platform minimum	As per the platform minimum	As per the platform minimum	As per the platform minimum	As per the platform minimum	As per the platform minimum	As per the platform minimum	As per the platform minimum	R25 000 lump sum	As per the platform minimum	As per the platform minimum
Fees (excl. VAT)	Annual management fee: Class A: 1.50% Class E: 0.75% + 20.00% performance fee on outperformance of the benchmark	Annual management fee: Class D: 0.85% Class F: 1.1%	Annual management fee: Class A: 1.00% + 7.00% performance fee on outperformance of the high-water mark Class E: 0.75% + 7.00% performance fee on outperformance of the high-water mark	Annual management fee: Class A: 1.50% Class E: 1.00%	Annual management fee: Class A: 1.50% Class E: 1.00%	Annual management fee: Class A: 0.40%	Annual management fee: Class A: 1.00% Class E: 0.45%	Annual management fee: Class A: 0.65% Class E: 0.40%	Annual management fee: Class A: 0.50% Class F: 0.25%	Annual management fee: Class A: 0.75% Class E: 0.25%	Annual management fee: Class A: 0.75% Class B: 0.25%
Compliance with Prudential Investment Guidelines (Regulation 28)	No	No	No	Yes	Yes	Yes	Yes	No	Yes	No	No

For full disclosure on all risks, costs and fees, as well as performance fee FAQs, refer to the fund fact sheets on our website: <https://www.psg.co.za/asset-management/about-us>. The A classes have been closed to new investors.

Global unit trust summary

	US Dollar-denominated	
	PSG Global Equity Sub-Fund	PSG Global Flexible Sub-Fund
Fund category	EAA Fund Global Large-Cap Blend Equity	EAA Fund USD Flexible Allocation
Morningstar category		
Denomination	US dollar	US dollar
Investment objective and strategy	The fund's objective is to invest in worldwide equities with the aim of outperforming the average of the world's equity markets, as represented by the MSCI Daily Total Return Net World USD Index (the benchmark). It is a US dollar-denominated global equity fund, domiciled in Malta, whose investment policy provides for it to invest mainly in global listed securities and that aims to reduce the comparative risk (against the benchmark) of loss over an investment period of four or more years.	The fund's objective is to achieve medium- to long-term capital growth through exposure to selected sectors of the global equity market, bond market or money market. The fund is denominated in US dollars and domiciled in Malta. The investment policy provides for an actively managed and a flexible asset allocation according to changing market conditions.
Benchmark	MSCI Daily Total Return Net World USD Index	US inflation + 6%
Risk rating	High	Moderate - High
The fund is suitable for investors who:	• seek an equity-focused portfolio with outstanding growth potential • aim to maximise potential returns while being comfortable with significant stock market fluctuations • have a long-term investment horizon of at least four years	• want a managed solution in offshore markets • are comfortable with global equity market risk • have a medium- to long-term investment horizon of four years and longer
Net equity exposure	100%	Up to 100%
Income distribution	This fund does not distribute	This fund does not distribute
Minimum initial investment	US\$5 000 lump sum	US\$5 000 lump sum
Fees (direct, excl. VAT)	Class A: 1.35% Class B: 0.85%	Class A: 1.00% plus a performance fee of up to 7% of the net trading gain above the high-water mark Class B: 0.50% plus a performance fee of up to 7% of the net trading gain above the high-water mark

For full disclosure on all risks, costs and fees, as well as performance fee FAQs, refer to the fund fact sheets on our website: <https://www.psg.co.za/asset-management/about-us>. The A classes have been closed to new investors.

General information and risks

Collective Investment Schemes (CIS) in securities are generally medium- to long-term investments. The value of participatory interests (units) or the investment may go down as well as up and past performance is not a guide to future performance. Fluctuations or movements in the exchange rates may cause the value of underlying international investments to go up or down. CIS are traded at ruling prices and can engage in borrowing and scrip lending. Where foreign securities are included in a portfolio, the portfolio is exposed to risks such as potential constraints on liquidity and the repatriation of funds, macroeconomic, political, foreign exchange, tax, settlement and potential limitations on the availability of market information. The portfolios may be capped at any time in order for them to be managed in accordance with their mandate. Excessive withdrawals from the portfolio may place the portfolio under liquidity pressures and in such circumstances a process of ring-fencing of withdrawal instructions and managed payouts over time may be followed. The fund may borrow up to 10% of the market value to bridge insufficient liquidity.

Past performance is not a reliable indicator of future results and you may get back less than you originally invested. This publication is for private circulation and information purposes only and does not constitute a personal recommendation or investment advice or an offer to buy/sell or an invitation to buy/sell securities in the fund. The information and any opinions have been obtained from or are based on sources believed to be reliable, but accuracy cannot be guaranteed. Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided.

No responsibility can be accepted for any consequential loss arising from the use of this information. The information is expressed at its date and is issued only to and directed only at those individuals who are permitted to receive such information in accordance with Malta laws and regulations. In some countries the distribution of this publication may be restricted. It is your responsibility to find out what those restrictions are and to observe them. Please always refer to the fund's prospectus.

The fund's risk and reward category may not capture all material risks to which the fund may be subject, such as:

Geopolitical risk – Investments in equities issued or listed in different countries may imply the application of different standards and regulations, exposure to changes in laws or restrictions applicable to such investments, changes in exchange control regulations, or price volatility.

Liquidity risk – In extreme market conditions some equities may become hard to value or sell at a desired price.

Exchange rate risk – The fund may invest in equities denominated in currencies other than US dollars, which exposes the fund to fluctuations in exchange rates. Further information on risks may be found in the 'Risk factors' section in the fund's prospectus.

Performance: All performance data for a lump sum, net of fees, includes income and assumes reinvestment of income on a NAV-to-NAV basis. Annualised performances show longer-term performance rescaled over a 12-month period. Individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax. Performance is calculated for the portfolio and individual investor performance may differ as a result thereof. The portfolio is valued at 23:59 (CET) on each dealing day. Actual annual figures are available to the investor on request. Figures and benchmarks quoted are from Morningstar, Inc. Prices are published daily and available on the website <https://www.psgkglobal.com/about-us/all-funds>. PSG Fund Management (Malta) Limited does not provide any guarantee with respect to the capital or the return of the portfolio. **Pricing:** Forward pricing is used. Unit trust prices are calculated on a net asset value (NAV) basis, which is the market value of all assets in the fund, including income accruals less permissible deductions, divided by the number of units in issue. **Cut-off times:** Subscription Notice Deadline: By 15:30 (CET) on the relevant Subscription Day provided the funds are cleared and reflecting in our bank account by 15:30. Redemption Notice Deadline: By 15:30 (CET) one (1) Business Day prior to the relevant Redemption Day. Redemption requests will be settled within seven Business Days from the relevant Redemption Day. **Company details:** PSG Fund Management (Malta) Limited as General Manager is licensed by the Malta Financial Services Authority (MFSA) and PSG Asset Management Group Services (Pty) Limited as Administrator is licensed by the South African Financial Sector Conduct Authority (FSCA). The fund is a UCITS-compliant fund regulated by the MFSA. The management of the fund has been delegated to PSG Asset Management (Pty) Limited, which is registered with the FSCA as a registered Financial Services Provider (FSP no. 29524) and is licensed to operate under the Financial Advisory and Intermediary Services Act, 2002. The Investment Manager may, to the extent permissible under the applicable laws (including MFSA Rules), enter into transactions with companies or other entities forming part of the same group of companies as the Investment Manager or which are associated directly or indirectly with the Investment Manager. Should any conflict of interest arise, the Investment Manager and the associated entity will endeavour to ensure that it is recorded fairly and in your best interest, in accordance with the applicable conflicts of interest policy and that you as the client is not disadvantaged. **Custodian:** Sparkasse Bank Malta plc, 101 Townsquare, 1x-Xatt ta Qui-si-Sana, Sliema, SLM3112, Malta. Contact no. (+356) 21335705. **Additional information:** Additional information is available free of charge on the website <https://www.psgkglobal.com> and may include publications, brochures, forms and annual reports.



Percentage annualised performance to 31 December 2025 (net of fees)

Local funds						
	1 Year	3 Years	5 Years	10 Years	Inception	Fund inception date
PSG Equity Fund A*	35.26	19.63	21.96	11.87	15.71**	31/12/1997
Composite of 80% FTSE/JSE Capped SWIX All Share Net Total Return Index and 20% MSCI Daily Total Return Net World USD Index	35.02	20.91	18.77	12.40	14.02	
PSG SA Equity Class F	38.52	22.14	25.05	12.65	10.63	01/11/2013
FTSE/JSE Capped SWIX All Share Net Total Return Index	42.61	20.57	17.56	10.88	10.66	
PSG Flexible Fund A†	28.42	16.60	19.61	11.10	14.27††	02/11/1998
SA Inflation + 6%	9.49	9.98	10.96	10.78	11.36	
PSG Balanced Fund E	23.65	16.77	18.96	11.20	11.12	03/09/2013
SA Inflation + 5%	8.49	8.98	9.95	9.79	9.83	
PSG Stable Fund E	20.01	13.84	13.86	9.41	9.27	03/09/2013
SA Inflation + 3% over a rolling 3-year period	6.49	6.98	7.95	7.79	7.83	
PSG Diversified Income Fund E	13.60	11.85	10.48	9.32	9.05	03/09/2013
SA Inflation + 1%	4.49	4.98	5.95	5.79	5.83	
PSG Income Fund E	10.62	9.64	8.11	8.52	8.17	03/09/2013
STeFI Composite Index	7.52	8.01	6.60	6.78	6.65	
PSG Money Market Fund F	7.53	8.13	6.72	6.31	5.65	02/09/2013
(ASISA) SA – Interest Bearing – SA Money Market Mean	7.42	7.71	6.33	6.72	6.58	
PSG Global Equity Feeder Fund E^	28.36	13.99	17.73	10.96	12.13	03/09/2013
MSCI Daily Total Return Net World USD Index (in ZAR)	6.33	20.10	14.88	12.92	15.50	
PSG Global Flexible Feeder Fund B^^	22.84	12.07	14.95	9.92	12.52	11/04/2013
US Inflation + 6% (in ZAR)	-4.52	7.92	13.19	9.91	14.13	

International funds						
	1 Year	3 Years	5 Years	10 Years	Inception	Fund inception date
PSG Global Equity Sub-Fund B	45.11	15.44	15.25		9.64	02/07/2018
MSCI Daily Total Return Net World USD Index	21.09	21.17	12.15		12.35	
PSG Global Flexible Sub-Fund B	38.83	13.41	12.61	9.64	7.41	22/04/2013
US Inflation + 6%	8.74	8.88	10.49	9.17	8.70	

* The A class performance shows performance over a longer term of the PSG Equity Fund and the A class is closed to new investments. Class E (clean class) is available for investment via a platform. [Click here](#) for the Minimum Disclosure Document showing full details and performance of this class.

** Fund manager inception date 01/03/2002

† The A class performance shows performance over a longer term of the PSG Flexible Fund and the A class is closed to new investments. Class E (clean class) is available for investment via a platform. [Click here](#) for the Minimum Disclosure Document showing full details and performance of this class.

†† Current benchmark inception date 01/11/2004

^ The PSG Global Equity Feeder Fund feeds into the PSG Global Equity Sub-Fund.

^^ The PSG Global Flexible Feeder Fund feeds into the PSG Global Flexible Sub-Fund.

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Annualised performances show longer-term performance rescaled over a 12-month period.

Annualised performance is the average return per year over the period.

Past performance is not necessarily a guide to future performance.



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