

February 2026

Fund Objective

The primary objective of the Taquanta Enhanced Cash Fund is to achieve consistent returns in excess of a generic money market fund with an emphasis on capital preservation and low performance volatility.

Investment Strategy

Employs a conservative approach to enhance yields through extracting the liquidity risk premium primarily in longer-dated bank paper with a maximum maturity up to 7 years. Our fundamental credit review process is robust, combining qualitative and quantitative analysis, overlaid with institutional memory to question convention, operating within a strong risk and compliance framework. The fund is primarily invested in bank issued instruments that can be liquidated easily

Fund Details

Risk Profile:



Low Mid High

Portfolio Manager:	Taquanta Asset Managers
Currency:	ZAR
Fund Size:	R3,0 bn
Inception date:	March 2005
Benchmark:	STeFI Composite
Compliance:	Regulation 28 & 30
ASISA Fund Classification:	Similar to Varied Specialist
Valuation Method:	Mark to Market
Floating Rate Asset:	98%
Avg Term to Maturity	2.75 years
Modified Duration:	<0.15 Years
No. of Counterparties:	≥13

Fund Performance

Period (naca)	Fund Return	Benchmark	Active Returns
1 Month	0,6%	0,5%	0,1%
3 Months	2,0%	1,7%	0,3%
1 year	9,1%	7,4%	1,6%
2 years p.a.	9,7%	7,9%	1,7%
3 years p.a.	9,8%	8,0%	1,7%
5 years p.a.	8,4%	6,7%	1,6%
Volatility (3yrs p.a.)	0,2%	0,2%	0,2%

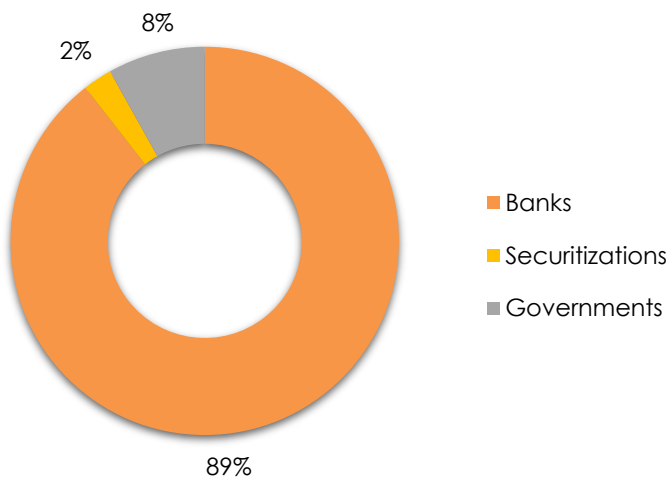
Source: Taquanta Asset Managers (Pty) Ltd

Top 5 Credit Exposures (excluding unit trusts)

Issuer Name	% Exposure
Nedbank Limited	22%
Standard Bank/RSA	19%
ABSA Bank Limited	13%
Firststrand Bank Limited	10%
BNP Paribas	9%

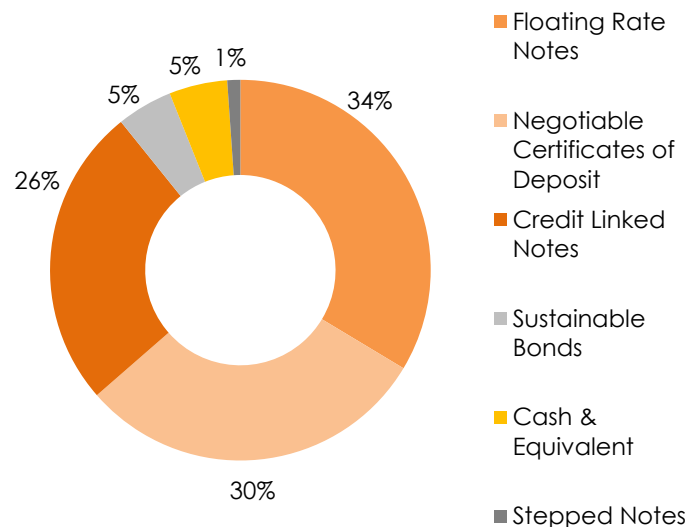
Source: Taquanta Asset Managers (Pty) Ltd

Issuer Type



Source: Taquanta Asset Managers (Pty) Ltd

Instrument Type



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Fund Outlook

Against this backdrop of moderating inflation, evolving monetary policy expectations and heightened geopolitical risk, our fixed-income strategy remains measured and risk-aware. We continue to prioritise high-quality credit exposure, maintain ample liquidity and selectively position along the yield curve to capture relative value opportunities. Our focus remains on delivering attractive risk-adjusted returns while safeguarding capital in an environment characterised by improving domestic fundamentals but persistent global uncertainty.

Market Commentary

The South African rand closed February 2026 trading near 15.91 against the US dollar, reflecting a period of relative stability despite an uneven global environment. The currency drew support from improved fiscal credibility following the 2026 National Budget, a more constructive inflation outlook under the South African Reserve Bank's revised 3% target framework, and continued progress in energy-sector reforms that have materially reduced load-shedding risk. Externally, a softer US dollar and resilient commodity prices provided an additional tailwind. Nevertheless, the rand remains sensitive to shifts in global risk appetite, US monetary policy expectations and capital flows into emerging markets. Compared to the volatility of prior years, current levels suggest a more balanced and fundamentally supported currency position.

Domestic inflation data pointed to broadly contained price pressures. Headline CPI eased marginally to 3.5% year-on-year in January 2026, from 3.6% previously, slightly above expectations but still comfortably within the Reserve Bank's target range. Lower transport costs, primarily due to softer fuel prices, helped moderate overall inflation. However, price pressures in key categories such as housing and utilities, as well as food and non-alcoholic beverages, remained firm. Food inflation was supported by higher meat prices amid ongoing supply disruptions linked to foot-and-mouth disease. Core inflation edged up to 3.4% year-on-year, near a one-year high, signalling that underlying pressures remain contained but sticky. Producer price inflation slowed to 2.2%, its lowest level since August, largely reflecting declining fuel costs and suggesting limited pipeline pressures.

On the fiscal front, Finance Minister Enoch Godongwana's 2026 Budget represents a meaningful step toward stabilising public finances. Government debt is expected to peak at 78.9% of GDP this year before gradually declining, while the budget deficit is projected to narrow to 3.1% by 2028/29. Growth is forecast at 1.6% in 2026, rising to 2.0% by 2028, supported by structural reforms and improved energy supply. Stronger-than-expected revenue allowed for the withdrawal of a proposed R20 billion tax increase, alongside inflation-linked tax adjustments and support for small businesses. With R1.07 trillion earmarked for infrastructure and a focus on spending discipline and improved compliance, the Budget aims to balance fiscal consolidation with growth, though faster reform remains essential to reduce unemployment sustainably.

In the United States, inflation continued to moderate. Headline CPI slowed to 2.4% year-on-year in January 2026, its lowest level since May, aided by base effects and easing energy prices. Core inflation also eased to 2.5%, the lowest reading since March 2021, reinforcing expectations that price pressures are gradually normalising. Economic growth, however, decelerated sharply, with Q4 2025 GDP expanding at an annualised 1.4%, down from 4.4% in Q3 and well below forecasts. Consumer spending moderated, exports declined following a prior surge, and government spending contracted.

Adding to global uncertainty, US President Donald Trump announced a new 10% global tariff following a Supreme Court ruling that struck down most of the previous administration's tariff measures. The decision has created renewed trade-policy uncertainty, with potential implications for global supply chains and capital flows.

Geopolitical risks also intensified late in the month following the death of Iran's Supreme Leader, Ayatollah Ali Khamenei, in US-Israeli strikes. The loss of several senior Iranian military and security officials alongside Khamenei marks a significant transition for Iran and introduces heightened uncertainty across the Middle East, with potential ramifications for energy markets and global risk sentiment.

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Disclosures: FAIS

Taquanta Asset Managers (Pty) Ltd is a licensed Category I, II & IIA Financial Services Provider (FSP No: 618).

Accordingly, Taquanta is authorised to provide advisory and/or render discretionary intermediary services relating to the following financial products:

Category Description	Taquanta			
	Cat I Advice	Cat I Intermediary	Cat II discretionary Intermediary	Cat IIA Hedge Fund FSP
Long-Term Insurance subcategory B1				
Long-term insurance subcategory B2				
Long-term Insurance subcategory B2-A				
Long-term Insurance subcategory B1-A				
Long-Term Insurance subcategory C	X	X	X	
Retail Pension Benefits				
Pension Funds Benefits				
Shares	X	X	X	
Money market instruments	X	X	X	
Debentures and securitised debt	X	X	X	
Warrants, certificates and other instruments	X	X	X	
Bonds	X	X	X	
Derivative instruments	X	X	X	
Participatory interests in CIS's	X	X	X	
Participatory interest in a Hedge Fund			X	X
Long-term Deposits	X	X	X	
Short-term Deposits	X	X	X	
Structured Deposits			X	X
Securities and instruments				
General Category IIA experience				X

There are certain risks associated with investments in financial products, including market, credit & currency risks. Past performance is not necessarily an indication of future performance. All returns are rand returns, unless otherwise stated.

Information disclosed to the FSP's will be treated as confidential unless written consent is obtained to disclose such information, or the disclosure of such information is required under a particular law

The appointed Compliance Officer is Mr Nick Howse and his contact details are as follows: Phone: (021) 681 5000 or | (021) 671 8162 | e-mail: nickh@taquanta.com

The appointed Information Officer is Mr Justin Kretschmar and his contact details are as follows: Phone: (021) 681 5000 | e-mail: justink@taquanta.com

The FSP's have Implemented a Data Privacy Policy in accordance with the Protection of Personal Information Act, 2013. Our Information Access & Privacy Statement and PAIA Manual is available at www.taquanta.co.za

The authorized FSP's have implemented a Conflicts of Interest Management Policy in accordance with the General Code of Conduct issued in terms of the Financial Advisory and Intermediary Services Act 37, 2002. The Policy will be made available on written request to the Compliance Officer.

Complaints should be submitted to the compliance officer. Should your complaint not be resolved satisfactorily, you have the right to submit any complaints to the Ombud for Financial Services Providers who can be contacted at: Physical Address: Central, 125 Dallas Avenue Menlyn, Waterkloof Glen, Pretoria, 0010 | Postal Address: P.O. Box 74571, Lynnwood Ridge, 0040 | Customer Contact Division: Telephone: +27 12 762 5000 | Website: www.faisombud.co.za | E-mail address: info@faisombud.co.za