

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:



Portfolio Manager:	Taquanta Asset Managers
Currency:	ZAR
Fund Size:	R2.9 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:	95%
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	0,7%	0,6%	0,1%
3 Months	2,3%	1,8%	0,4%
1 year	9,7%	7,9%	1,7%
2 years p.a.	10,1%	8,2%	1,7%
3 years p.a.	9,8%	7,9%	1,7%
5 years p.a.	8,0%	6,4%	1,5%
Volatility (inception)	0,6%	0,5%	0,1%

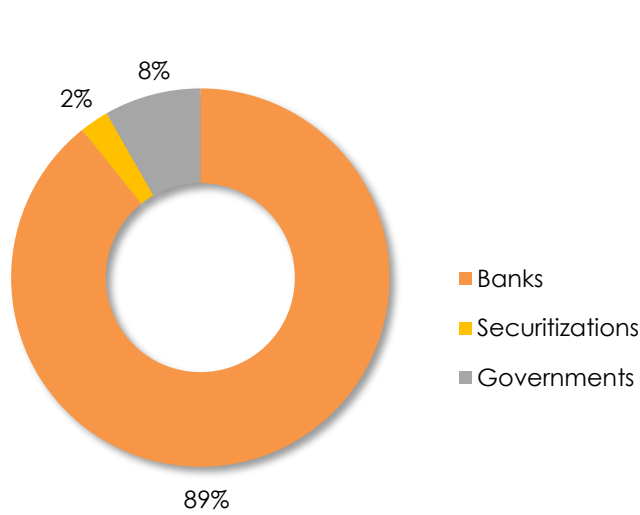
Source: Taquanta Asset Managers (Pty) Ltd

Top 5 Credit Exposures (excluding unit trusts)

Issuer Name	% Exposure
Standard Bank/RSA	19%
ABSA Bank Limited	16%
Firststrand Bank Limited	15%
Nedbank Limited	12%
BNP Paribas	10%

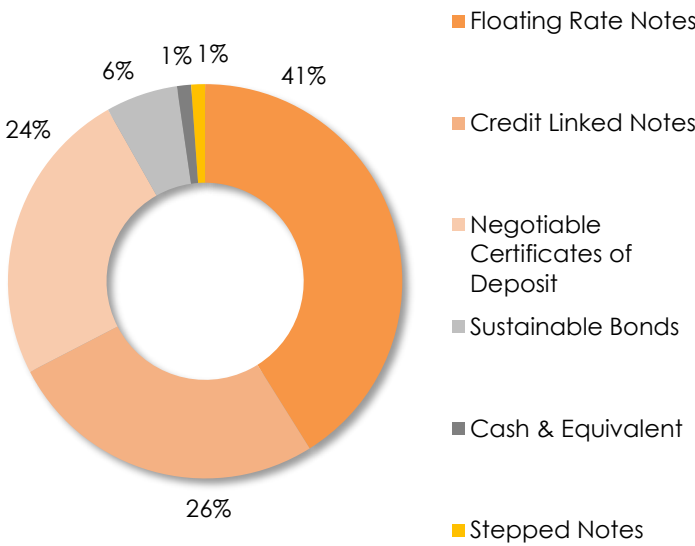
Source: Taquanta Asset Managers (Pty) Ltd

Issuer Type



Source: Taquanta Asset Managers (Pty) Ltd

Instrument Type



Fund Outlook

Amid global uncertainty and evolving monetary policy, our fixed income approach remains disciplined and resilient. Through rigorous credit analysis, proactive liquidity management, and scale-driven opportunities across the yield curve, we aim to enhance risk-adjusted returns while preserving capital. Close monitoring of inflation and rate dynamics—both locally and globally—guides our strategy to remain aligned with investment objectives and risk parameters.

Market Commentary

In the second quarter of 2025, South Africa's economy showed signs of resilience despite a challenging global backdrop. Mining output climbed by 3.9%, supported by gains in platinum group metals, gold, coal, nickel, and diamonds. Manufacturing followed suit, expanding by 1.5%, with momentum driven by the automotive, petroleum, chemicals, rubber, and plastics sectors. Retail trade also edged higher, up 0.9%, although performance in food and beverages, along with general dealers, lagged behind. Inflation, however, began to creep higher. By July, consumer prices had risen to 3.5% year-on-year — the highest level in ten months — with food costs, especially beef, contributing significantly. Producer inflation echoed this trend, moving up to 1.5%, largely driven by food-related categories. In the U.S., July inflation came in slightly below expectations, with headline CPI rising 0.2% month-on-month and 2.7% year-on-year. Core CPI increased 0.3% for the month and 3.1% annually, its fastest pace since February, reinforcing expectations of further Fed policy adjustments.

Business sentiment told a more complicated story. The S&P Global PMI for August managed to hold at 50.1, marking the fourth consecutive month above the neutral threshold. For the first time since May, output increased, cost pressures eased thanks in part to a stronger rand, and supply chains saw some relief. Yet, beneath the surface, risks remained acute. Export orders fell sharply under the weight of the newly imposed 30% U.S. tariffs on South African goods, highlighting the country's vulnerability to external shocks. Business confidence slipped further in the third quarter, dropping to 39 points, well below its long-term average of 42. The automotive sector, in particular, felt the brunt of tariff-related disruptions, compounding concerns already heightened by global uncertainty.

The rand traded in muted fashion through late August, its movements constrained as investors awaited critical U.S. data releases. On the policy front, monetary and fiscal authorities remained in sharp focus. The South African Reserve Bank, working alongside the Treasury, was close to finalizing technical discussions on a potential revision of the inflation target. Currently set at 3–6%, a move toward a lower and narrower band was under consideration, aimed at reinforcing policy credibility and anchoring inflation expectations more firmly. On the fiscal side, earlier proposals to raise the VAT rate had been rolled back in April, leaving the tax at 15%. While this reversal was designed to shield households from additional pressure, it carried important budgetary implications, leaving fiscal stability as a key theme for the months ahead.

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 Kretzschmar 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