

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%	1.9%	0.4%
1 year	10.0%	8.1%	1.8%
2 years p.a.	10.2%	8.3%	1.7%
3 years p.a.	9.6%	7.8%	1.7%
5 years p.a.	7.9%	6.3%	1.5%
Volatility (inception)	0.3%	0.3%	0.3%

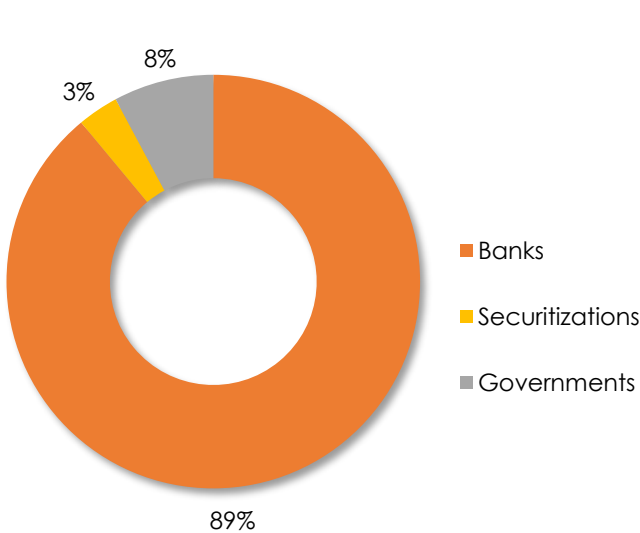
Source: Taquanta Asset Managers (Pty) Ltd

Top 5 Credit Exposures (excluding unit trusts)

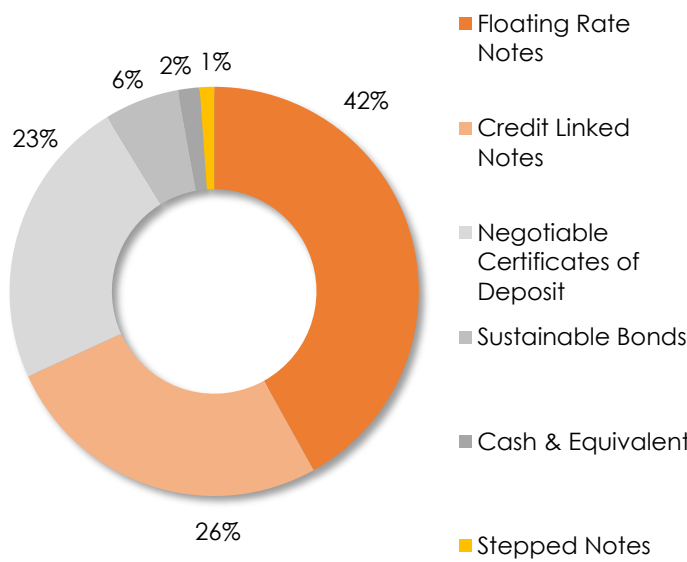
Issuer Name	% Exposure
Standard Bank /RSA	19.0%
ABSA Bank Limited	17.7%
Firststrand Bank Limited	13.1%
Nedbank Limited	12.3%
BNP Paribas	9.7%

Source: Taquanta Asset Managers (Pty) Ltd

Issuer Type



Instrument Type



Fund Outlook

In the current environment of benign local inflation, a policy easing bias, and global uncertainty, we remain cautiously positioned in South African short-duration fixed income. Our strategy is adaptive - focused on selective yield enhancement, disciplined credit assessment, proactive liquidity management, and thoughtful curve positioning. By leveraging our scale, we aim to deliver resilient, risk-adjusted returns through changing monetary and macroeconomic conditions.

Market Commentary

South Africa remains susceptible to external shocks stemming from global trade tensions and geopolitical conflicts, given its limited capacity to cushion against such disruptions. According to the South African Reserve Bank (SARB), escalating geopolitical instability and heightened global policy uncertainty continue to pose significant risks to the country's financial sector.

Despite this challenging backdrop, the South African Rand showed resilience. On June 30, 2025, the USD/ZAR exchange rate closed at 17.7874. Over the past month, the rand has appreciated by 1% and gained 2.4% year-on-year against the USD. The SARB's biannual Financial Stability Review, released on June 19, emphasized the risks posed by global uncertainties. Nevertheless, Governor Lesetja Kganyago affirmed that South Africa's financial system has thus far demonstrated considerable resilience in navigating global shocks.

Headline inflation remained anchored at 2.8% year-on-year in May, unchanged from April and marking the lowest level in five years. Price increases in food and non-alcoholic beverages, housing and utilities, and clothing and footwear were offset by softer inflation in categories such as alcohol and tobacco, accommodation, and personal care. Core inflation held steady at 3.0%.

Governor Kganyago reiterated the case for lowering the country's inflation target, arguing that the current 3–6% range weakens the rand and enables persistently high prices. The SARB continues to advocate for anchoring inflation expectations around a revised midpoint of 3%, a move currently under policy review.

In the United States, inflation pressures showed a mild uptick. The Personal Consumption Expenditures (PCE) index indicated a 2.3% annual rise in May, up from 2.2% in April. Core PCE inflation, excluding food and energy, rose by 2.7%, compared to 2.6% the previous month. While U.S. inflation edged higher, the broader impact of recently imposed tariffs by the Trump administration has yet to materialize fully in consumer prices. However, Fed Chair Powell warned that inflation could intensify in the months ahead as import costs begin filtering through to retail prices. Notably, U.S. consumer spending contracted by 0.1% in May—the first decline since January—while personal income also fell, reflecting a cautious shift in household behaviour.

On the corporate front, Moody's has placed Transnet's credit ratings under review for a possible downgrade, pending government action. The South African government is in the process of allocating additional guarantees to support the state-owned freight and logistics entity. The Minister of Transport, in agreement with the Minister of Finance, has approved a R51 billion guarantee facility to cover Transnet's debt redemptions and capital expenditure requirements over the next five years.

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