

# Sygnia Top 40 Index Fund

## Minimum Disclosure Document (MDD)

### Class A

South African - Equity - SA Equity

30 November 2025

Portfolio Managers	Steven Empedocles, Wynand Kok
Regulation 28	Non-Compliant
Fund Launch Date	30 May 2013
Class Launch Date	14 November 2013
Fund Size	R 638.00 Million
Unit Price	249,48
Units in Issue	242,212,743.00

#### Investment Objective

#### Income Distribution

#### Trustees

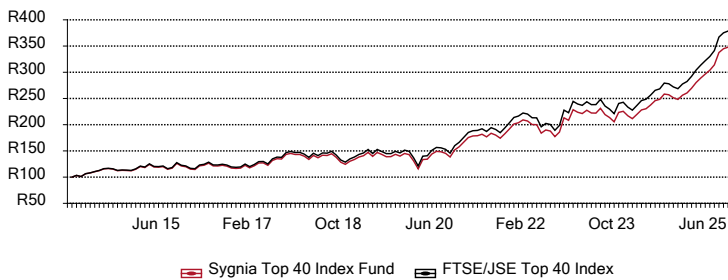
LOW	LOW MEDIUM	MEDIUM	MEDIUM HIGH	HIGH
LESS RISK/ RETURN				MORE RISK/ RETURN
0 - 2 YEARS	2 YEARS+	3 YEARS+	5 YEARS+	7 YEARS+

The fund aims to deliver performance in line with the returns of the FTSE/JSE Top 40 Index Bi-annually (September and March)  
Payment: 1 Apr 2025 - 1.53 cents per unit  
Payment: 1 Oct 2025 - 3.82 cents per unit  
Standard Bank Trustees (021 441 4100)

### Cumulative Investment Performance

Growth of R100 invested on 30 November 2013

Investment: R347,82  
Benchmark: R378,56



### Sector Allocation as at Sept 2025

Sector	Percent	Allocation
Industrials	37,0%	
Financials	31,6%	
Resources	27,7%	
Liquidity	0,3%	

### Performance Analysis

Periodic Performance	Fund	*BM	Difference
1 Month	0,9%	0,9%	0,0%
3 Months	10,7%	10,9%	-0,2%
6 Months	20,4%	20,7%	-0,3%
Year to Date	40,2%	40,9%	-0,7%
1 Year	38,3%	39,2%	-0,8%
**3 Years	17,7%	18,5%	-0,7%
**5 Years	18,0%	18,8%	-0,8%
**Since Inception	10,9%	11,7%	-0,8%

Performance as calculated by Sygnia Asset Management as at reporting date

\*FTSE/JSE Top 40 Index

\*\*Annualised performance figures

### Top 10 Holdings as at Sept 2025

Asset	Percentage
Naspers Limited Ord Shs Class N	13,6%
Gold Fields Ord Shs	8,3%
AngloGold Ashanti Ord Shs	5,9%
Firstrand Ord Shs	5,9%
Standard Bank Group Ord Shs	4,7%
Capitec Ord Shs	4,6%
Prosus Ord Shs Class N	4,5%
MTN Group Ord Shs	4,2%
Valterra Platinum Ord Shs	3,3%
Anglo American Ord Shs	2,9%

### Historical Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2021	5.6%	5.2%	1.7%	0.2%	1.6%	-2.7%	3.8%	-1.9%	-3.3%	4.8%	5.0%	5.0%	27.4%
2022	1.2%	2.7%	-1.0%	-3.3%	-0.1%	-8.1%	3.3%	-1.1%	-5.6%	4.9%	14.6%	-2.2%	3.5%
2023	9.7%	-2.1%	-1.1%	2.9%	-2.3%	-0.1%	4.1%	-5.2%	-2.6%	-3.8%	8.7%	0.9%	8.2%
2024	-3.8%	-2.6%	3.9%	3.9%	1.0%	3.1%	3.5%	1.0%	4.0%	-0.5%	-2.2%	-1.3%	10.0%
2025	3.2%	1.7%	3.5%	4.0%	3.0%	2.7%	2.5%	3.4%	7.5%	2.2%	0.9%		40.2%

### Risk Statistics

	Fund	BM
% Negative Months	36,7%	35,0%
Avg Negative Return	-2,6%	-2,6%
Maximum Drawdown	-15,2%	-14,8%
Standard Deviation	13,7%	13,7%
Downside Deviation	6,6%	6,5%
Highest Annual Return: Dec 2024 - Nov 2025	38,3%	39,2%
Lowest Annual Return: Mar 2023 - Feb 2024	-5,5%	-4,9%

The risk statistics reflected above are calculated on a 60-month or since-inception basis, depending on which period is shorter.

### Fees

Management Fee	0,37% **
Other costs	0,03% **
VAT	0,06%
Total Expense Ratio (TER)	0,47% (Sept 2025)
Transaction Costs (TC)	0,14% (Sept 2025)
Total Investment Charge (TIC)	0,61% (Sept 2025)

\*\*Fees are exclusive of VAT

# Sygnia Top 40 Index Fund

## Fund commentary

Minimum disclosure document (MDD)  
Class A  
South African - Equity - SA General

3rd Quarter 2025

### Market performance

The gold price surged more than 10% in September on the risk of a US government shutdown, pushing the real (inflation-adjusted) gold price to an all-time high. Gold's weighting has reached 15% of the JSE All Share Index, nearly three times its 2006 peak; including platinum group metals, total precious metals now account for 22% of the SA equity market, pushing the South African resources sector to more than double year to date. Gold previously performed well in the 2018/2019 US shutdown, and the short-term rise in gold has likely been driven by investors seeking safe haven. Beyond the shutdown, emerging market central banks are likely to continue to buy gold and President Trump will continue his attacks on the Fed, so gold's rally is likely to continue. However, the stretched price of gold has raised the risk of a short-term reversal.

The Fed lowered interest rates by 25 basis points, marking its first rate cut in 2025 amid emerging signs of a softening in the labour market. However, the Fed's Summary of Economic Projections (SEP) for 2026 showed an upgrade in growth expectations, raising GDP growth from 1.6% to 1.8%, increasing core personal consumption expenditure (PCE) inflation forecasts from 2.4% to 2.6% and lowering the unemployment rate from 4.5% to 4.4%. The combination of a rate cut alongside upgraded growth and inflation forecasts has raised investor concerns about Fed credibility and dollar debasement. Fed Chair Jerome Powell described September's rate cut as "risk management", but Bloomberg Economics suggests political pressure may have influenced the decision. The SEP and Fed rate cut forecasts suggest a Fed inflation target around 2.8%, higher than the Fed's official 2% target, raising the risk that this implicit inflation bias could shift even higher as the composition of the Federal Open Market Committee changes under Trump. Without political pressure, deep cuts are unlikely. Although the 5 September payroll report showed a significant drop in employment growth, the unemployment rate only ticked up slightly, to 4.3% – breakeven payroll gains (jobs needed to keep unemployment stable) have dropped as a result of a shrinking labour force caused by lower participation and the increased deportation of undocumented workers. The full impact of the increased deportation of undocumented workers may not yet reflect in the data, so the slowdown in labour supply may be greater than reported. This could push wages higher, which, alongside tariff-driven inflation, would likely reduce rate cuts.

While inflation rose less than expected, to 3%, the South African Reserve Bank (SARB) kept rates unchanged, with SARB governor Lesetja Kganyago blaming "the serious dysfunction in administered prices, which undermines purchasing power and weakens growth. The solution to this crisis is not a higher level of inflation, but rather sector-specific reforms to improve efficiency."

Infrastructure is a glaring weakness for South African competitiveness. Theo Boshoff, CEO of Agbiz, recently noted that it is still cheaper to import soya beans to Cape Town from Argentina than to transport them from South Africa's inland regions. According to the latest Ctrack data, South African freight volumes and overall activity have continued to deteriorate (from 2024 to end Q2 2025). Transnet is lining up public-private partnerships, but private sector "railing" operations are only expected to begin in 2026/27 at the earliest. According to Dr Sean Phillips, Director-General of the Department of Water and Sanitation, municipal debt owed to water boards tripled from 2018 to July 2025, reaching R24.58bn.

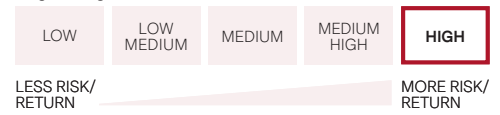
US reciprocal tariff rates for many neighbouring economies were reduced substantially in August from initial levels announced on Liberation Day, but South Africa's rate has remained unchanged from April. Standard Chartered believes this could reduce GDP by as much as 0.3 percentage points – significant when GDP is only expected to grow by 1%. Productivity remains key to improving SA growth. President Cyril Ramaphosa has acknowledged the significant challenges facing SA's public services, including a skills gap, outdated systems and processes, inconsistent service delivery and corruption. On the upside, reform momentum is at its highest level in over a year according to the Business Leadership SA tracker, and 26 of 240 reform deliverables have been marked as complete to date.

This year's upside growth surprise is due to tariff hikes occurring more gradually than expected, with the observed US tariff rate only reaching 9.7% in July. As front-loading spending in the US slows, a weakening of labour income will occur just as tariffs squeeze purchasing power, with the effective tariff rate expected to reach 19% by year end. US real labour income is thus projected to decline in the coming months. Despite slower employment, inflationary pressures from tariffs and immigration-driven wage increases pose significant risks that could prematurely end the Fed's rate cut cycle. Investment lead growth is supporting the economy for now and the Atlanta Fed's GDPNow model is spiking, suggesting GDP growth could reaccelerate to 3.3% in Q3. Cheaper energy, a weaker dollar, lower equity earnings yields and narrowing credit spreads are all stimulative for business activity.

Geopolitical noise and risks remain high. The oil price spiked after Trump reversed his stance on Ukraine, writing on social media: "I think Ukraine, with the support of the European Union, is in a position to fight and WIN all of Ukraine back in its original form." Poland shot down 19 Russian drones that entered its airspace during a massive Kremlin airstrike on Ukraine, calling the trespass an "act of aggression". Polish Prime Minister Donald Tusk subsequently invoked NATO's Article 4 to consult allies on collective defence measures. Lithuanian President Gitanas Nausėda warned Russia over the recent entry of three armed Russian fighter jets into Estonian airspace and a series of incursions along the Eastern part of the NATO alliance countries.

Markets are very stretched and pullbacks are likely due to geopolitical risks or inflation. The Fed continues to provide liquidity, and fiscal stimulus is much stronger than it should be at this point in the economic cycle, which suggests that any pullbacks will be shallow.

### RISK PROFILE



### TIME HORIZON



### Fund performance

The Sygnia Top 40 Index Fund delivered 13.8% for the quarter, marginally below its benchmark, the FTSE/JSE Top 40 Index. The fund benefitted from exposure to Gold Fields Ltd, AngloGold Ashanti PLC and Naspers Ltd, while its exposure to Anheuser-Busch Inbev SA, Nedbank Group Ltd and Bid Corporation Ltd detracted from performance.

There were several changes to the tracked index's constituents over the period, including the addition of Glencore PLC and the removal of Aspen Pharmacare Holdings Ltd.

The fund remains true to its investment objective of delivering returns that mirror those of the FTSE/JSE Top 40 Index.

### Disclaimer

Sygnia Collective Investments RF (Pty) Ltd is incorporated and registered under the law of South Africa and is registered under the Collective Investment Schemes Control Act, 2002 (Act No 45 of 2002). The company does not provide any guarantee with respect to the capital or return of the portfolio. Nothing in this document will be considered to state or imply that the collective investment scheme or portfolio is suitable for a particular type of investor.

# Important information to consider before investing

## Investment Objective & Strategy

The Sygnia Top 40 Index Fund aims to replicate the performance achieved by the FTSE/JSE Top 40 Index (J200T) by buying constituent securities at the same weighting as they are included in the Index. This passively managed general equity fund is managed with the objective of delivering returns in line with its benchmark and constructed so as to match the constituents of the index as closely as possible. The fund will be managed with prudential guidelines and invest in a minimum of 80% of equities at all times. Only derivative Futures will be allowed for efficient portfolio management.

## Balancing Risk and Reward

The Sygnia Top 40 Index Fund targets an overall 100% allocation to a concentrated selection of South African equities and has a high risk profile. It is a suitable investment for investors seeking higher returns who are willing to tolerate higher volatility and aim to maximise capital accumulation over a longer-term time horizon. The investment is also suitable for investors who wish to maximise their returns in the most cost-effective manner without the need to select asset managers or take on the risk of active and subjective investment decision-making processes.

The recommended investment term for investors in the Sygnia Top 40 Index Fund is a minimum of five years. The Fund has a 100% strategic allocation to South African equities. The risk is managed by spreading investments across sectors and individual shares. However, the structure of the Fund is dictated by the composition of the FTSE/JSE Top 40 Index. Equity markets are volatile and the price of equities fluctuate based on a number of factors such as changes in the economic climate, general movements in interest rates and the political and social environment which will also affect the value of the securities held in the unit trust, thereby affecting the overall value of the unit trust. There are regulations in place which limit the amount that a unit trust may invest in securities, thereby spreading the risk across securities, asset classes and companies. The fund may also be exposed to liquidity risk. This relates to the ability of the unit trust to trade out of a security held in the portfolio at or near to its fair value.

Collective Investment Schemes in Securities (unit trusts) are generally medium- to long-term investments. The value of units may go down as well as up and past performance is not necessarily an indicator of future performance. Performance data for the index is available from the JSE and is also available through many daily financial publications and websites. Unit trusts are traded at the ruling price and are allowed to engage in borrowing and scrip lending.

Annualised performance figures represent the geometric average return earned by the fund over the given time period. Unannualised performance represents the total return earned by the fund over the given time period, expressed as a percentage. Performance is calculated for the portfolio. Individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax. Reinvestment of income is calculated on the actual amount distributed per participatory interest, using the ex-dividend date NAV price of the applicable class of the portfolio, irrespective of the actual reinvestment date.

## Fees

Sygnia charges an annual management fee comprised of applicable basis fees paid to underlying managers and Sygnia's annual service fee. The fund may invest in other unit trusts (underlying funds) that levy their own charges and which may charge performance fees in the event that the underlying fund's performance exceeds its benchmark. A schedule of fees and charges is available on request from Sygnia. Permissible deductions may include management fees, brokerage, levies, stamps, auditor's fees, bank charges and trustee fees. Sygnia does not provide advice and therefore does not charge advice fees.

## What is the Total Expense Ratio (TER) and Transaction Costs (TC)?

The total expense ratio (TER) is the annualised percentage of the fund's average assets under management that has been used to pay the fund's actual expenses over the past three years. Transaction costs are a necessary cost in administering the fund and impact fund returns. They should not be considered in isolation as returns may be impacted by many other factors over time, including market returns, the type of financial product, the investment decisions of the investment manager and the TER. Since fund returns are quoted after the deduction of these expenses, the TER and Transaction Costs should not be deducted again from the published returns. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return.

## Cumulative Investment Performance

Cumulative investment performance is for illustrative purposes only. The investment performance is calculated by taking all ongoing fees into account for the amount shown, with income reinvested on the reinvestment date.

## How are unit prices calculated?

Unit prices are calculated on a net asset value basis, which is the total market value of all assets in the portfolio, including any income accruals and less any permissible deductions from the portfolio, divided by the number of units in issue. Forward pricing is used and fund valuations take place at approximately 15:00 each business day. Purchases and redemption requests must be received by the manager by 14:00 each business day to receive that day's price. The price shown is specific to this class. The fund size represents the portfolio size as a whole. Unit prices are updated by 10:00 every business day and are available on our website, [www.sygnia.co.za](http://www.sygnia.co.za).

## Disclaimer

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Additional information such as fund prices, brochures, application forms and a schedule of fees and charges can be requested via [admin@sfs.sygnia.co.za](mailto:admin@sfs.sygnia.co.za) or 0860 794 642 (0860 SYGNIA).