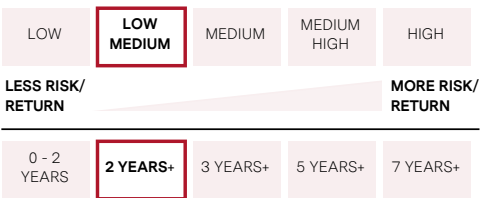


# Sygnia Life Income Maximiser Fund

31 March 2026

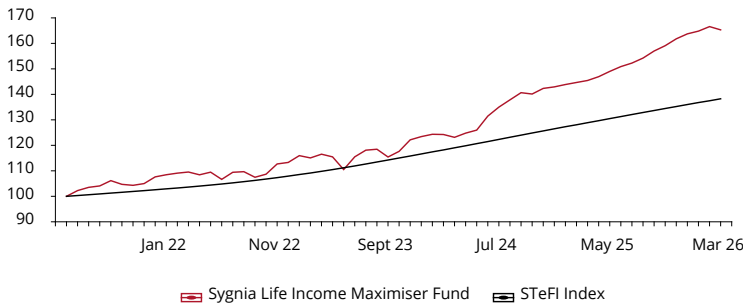
Portfolio Manager **Sygnia Life Limited**  
 Regulation 28 **Compliant**  
 Fund Launch Date **29 April 2021**

Investment Objective



**To provide maximum yield while avoiding the use of capital to fund drawdowns**  
**Life Fund**

## Cumulative Investment Performance



Cumulative investment performance is for illustrative purposes only and is calculated using the NAV before any distributable income and management fee.

## Performance Analysis

Periodic Performance	Fund	*BM	Difference
<b>1 Month</b>	-0.8%	0.6%	-1.3%
<b>3 Months</b>	1.0%	1.7%	-0.7%
<b>6 Months</b>	5.3%	3.4%	1.9%
<b>Year to Date</b>	1.0%	1.7%	-0.7%
<b>1 Year</b>	13.7%	7.3%	6.4%
<b>**3 Years</b>	12.4%	8.0%	4.4%
<b>**Since Inception</b>	10.8%	6.8%	4.0%
<b>Gross Current Yield</b>	9.3%		

\*STeFI Index  
 \*\*Performance figures greater than 1 year are annualised

## Historical Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
<b>2021</b>					2.2%	1.2%	0.5%	2.0%	-1.4%	-0.4%	0.6%	2.5%	7.6%
<b>2022</b>	0.8%	0.6%	0.4%	-1.0%	1.0%	-2.6%	2.6%	0.2%	-2.0%	1.1%	3.7%	0.5%	5.3%
<b>2023</b>	2.4%	-0.8%	1.3%	-0.9%	-4.3%	4.5%	2.3%	0.3%	-2.6%	1.9%	3.8%	1.0%	8.9%
<b>2024</b>	0.7%	-0.1%	-0.9%	1.3%	1.0%	4.4%	2.7%	2.1%	2.0%	-0.4%	1.6%	0.4%	15.8%
<b>2025</b>	0.6%	0.6%	0.5%	1.0%	1.4%	1.3%	0.9%	1.3%	1.8%	1.3%	1.7%	1.2%	14.6%
<b>2026</b>	0.7%	1.1%	-0.8%										1.0%

## Risk Statistics

	Fund	BM
<b>% Positive Months</b>	78.0%	100.0%
<b>% Negative Months</b>	22.0%	0.0%
<b>Best Month</b>	4.5%	0.7%
<b>Worst Month</b>	-4.3%	0.3%
<b>Avg Negative Return</b>	-1.4%	0.0%
<b>Maximum Drawdown</b>	-5.2%	0.0%
<b>Standard Deviation</b>	5.6%	0.5%
<b>Downside Deviation</b>	4.1%	0.0%

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

## Asset Allocation as at 31 March 2026

Model	Weight	Allocation
<b>Domestic Bonds</b>	42.1%	
<b>Domestic Income</b>	52.8%	
<b>International Cash</b>	5.1%	

## Manager Allocation as at 31 March 2026

Manager	Percentage
<b>Sygnia Asset Management</b>	100.0%

## Total Return

	1 year	2 years	3 years	4 years	Since Inception
<b>Income Return</b>	9.2%	9.8%	9.7%	9.7%	9.6%
<b>Price Return</b>	4.4%	6.1%	2.6%	1.1%	1.0%
<b>Total Return</b>	13.7%	15.9%	12.4%	10.8%	10.6%

## Fees

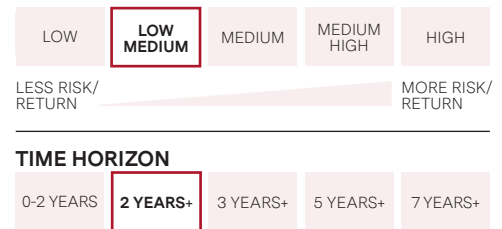
<b>Advisory Fee</b>	N/A
<b>Initial Fee</b>	0.00% (Dec 2025)
<b>Management Fee</b>	per annum (inclusive of VAT) 0.50% (Dec 2025)
<b>Performance Fee</b>	N/A

# Sygnia Life Income Maximiser Fund

## Fund commentary

Minimum disclosure document (MDD)

1st Quarter 2026



### Market performance

Escalation between the US/Israel and Iran has driven crude oil to \$120 per barrel (/bbl). Equity, currency and bond markets across Europe and emerging economies have sold off sharply as carry trades unwind. The dollar has strengthened and gold has softened, reaffirming the dollar's safe-haven status in a high-geopolitical-risk environment.

US forces have struck Iran's Kharg Island, the country's principal crude export hub. Iran has struck its Gulf neighbours hard, removing 12 million barrels per day (mb/d) of supply and effectively closing the Strait of Hormuz and impeding the 20 mb/d that ordinarily transits it. In response, the International Energy Agency released 400 million barrels – larger than any prior drawdown. The US has also permitted purchases of sanctioned Russian oil, estimated at 124 million barrels. However, these measures combined amount to only 26 days of Hormuz-replacement supply. Yemen's Houthi militia have officially entered the war, which threatens to close the key Bab al-Mandab Strait, the alternative transit route via the Red Sea; this could affect a further 5mb/d of seaborne crude oil. On 18 March, Israel struck the Iranian portion of the South Pars/North Dome gas field, the largest gas field in the world (shared with Qatar). Iran retaliated with widespread attacks on oil and gas infrastructure, impairing 17% of Qatar's liquid natural gas capacity for three to five years. Natural gas prices have almost doubled year-to-date.

Even a unilateral US declaration of "victory" would not produce a clean exit. Several structural obstacles remain:

- Iran has rejected the US's 15-point proposal, wishing to maintain its nuclear facilities and gain recognition of its "authority" over the Strait of Hormuz.
- Iran "wins" by controlling the Strait. It is charging transit fees on some commercial vessels through the strait at \$2m per voyage; the US has limited means to prevent Iranian drone attacks on Persian Gulf shipping, and Iranian mines make naval escorts operationally difficult.
- Russia benefits from a prolonged conflict, as higher prices are delivering a financial windfall to Moscow. Russia may also be supplying Iran with weapons.
- Israel has extended evacuation orders in southern Lebanon to cover 14% of the total area, and domestic Israeli polling shows overwhelming support for the operation Prime Minister Netanyahu has advocated for decades. Israeli skirmishes may thus independently continue to keep Iran engaged.
- Ports and infrastructure damaged during the conflict will take time to repair.
- Once drawn down, strategic reserves must be replenished, creating a persistent demand overhang.

JPM research shows energy prices close to \$100/bbl through midyear (moderating towards \$80/bbl thereafter), which would raise consumer prices by 1.0% and reduce growth by 0.8%. But the disruption extends well beyond crude oil. The Strait of Hormuz also carries critical flows of chemical and petrochemical products whose supply impairment has global implications for food, agriculture and semiconductor manufacturing. To place this in historical context, the Strait of Hormuz remained open during both the Gulf War (1990) and the Iraq War (2003).

The closest historical analogue is Russia's invasion of Ukraine in 2022, which disrupted the Black Sea, a critical corridor for grain and fertiliser. Around 50% of the world's seaborne sulphur trade passes through the Strait of Hormuz; sulphuric acid is a key input in wafer cleaning and microchip fabrication. The price of urea – the world's most widely used nitrogen fertiliser – has risen 70% since the conflict began, and ammonia is up 80%. The Middle East also supplies approximately one-third of the world's commercial helium, which is essential for semiconductor manufacturing equipment.

The US is most protected from this shock, as dollar strength dampened imported inflation for the US, growth coming into the shock was stronger than peers, the US is a net energy exporter and American WTI oil is trading \$20/bbl cheaper than Brent crude. Energy goods and services as a share of US personal consumer expenditure have more than halved over the past 50 years. Europe is materially more exposed, as currency weakness provides less of a cushion against dollar-denominated commodities, and the region is bearing the primary burden of the sharp rise in natural gas prices. Energy costs account for about 11% of household income in Europe, compared with 3.4% in the US. We have reduced our eurozone bond allocation to neutral.

Major emerging market (EM) economies are oil importers, and households spend a higher share of consumption on transport and food than in developed markets. Immediate currency weakness has already raised inflation expectations, and EM central banks are being forced into rate hikes even as growth deteriorates. The combination of a stronger dollar, higher inflation, rising rates and deteriorating risk sentiment creates a deeply adverse environment for EM assets. We have reduced our EM bond and equity overweight to neutral.

The key question is whether the oil shock will trigger a major global downturn. The answer depends on the magnitude and duration of the energy shock. Historically, a sustained doubling of oil prices to around \$130 for two months has been the threshold for a recession. The US has strong incentives to seek a relatively swift resolution to the conflict in the Middle East. However, even if a ceasefire happens immediately, it will take time for supply to return to the Strait. Given the uncertainty of the outlook, we have reduced our overweight in EMs back to neutral, including South African equities.

South Africa is heavily dependent on energy and fertiliser imports, and the rand has weakened materially. Rate expectations have shifted from pricing in nearly three cuts over the next twelve months to pricing in three hikes. If oil is sustained at \$90/bbl and the USD/ZAR at 17.00 for three months, JPMorgan models headline CPI above 4.1% by June. Gold's failure to make new highs during this conflict represents an additional downside risk to South African equities, as precious metals make up one third of the Top 40 Index.

### Fund performance

The Sygnia Life Income Maximiser Fund returned 1.0% for the quarter, underperforming its benchmark, the Short-Term Fixed Interest Index, which returned 1.7%. Over 12 months, the fund delivered 13.7% against the benchmark's return of 7.3%.

The fund continues to maximise income by dynamically managing allocations based on the shape of the yield curve, in line with its investment objective.

Towards the end of the quarter, the fund reduced its offshore money market exposure and added to its domestic bond exposure as the rand weakened and bond yields rose.

South African bonds experienced a significant sell-off in March as the conflict in the Middle East led to surging oil prices, somewhat reversing a stellar run over the prior year. Domestic inflation fell to 3.0% in February. However, the South African Reserve Bank (SARB) held its repo rate unchanged at 6.75% at the March 2026 Monetary Policy Committee (MPC) meeting, with the governor flagging near-term upside risks to inflation from the conflict as warranting a cautious stance.

Global bond markets were similarly dragged lower by geopolitical risk during the quarter, with the Iran conflict complicating the outlook for the US Federal Reserve. US headline CPI, which ran at 2.4% in January and February, surged to 3.3% in March, its highest reading since April 2024, driven almost entirely by a monthly jump in gasoline prices. Global bond yields subsequently ended the quarter higher as markets repriced future interest rate expectations.

CAPE TOWN: 7th Floor, The Foundry, Cardiff Street, Green Point, 8001 T +27 21 446 4940

JOHANNESBURG: Unit 40, 6th Floor, Katherine & West Building, West Street, Sandton T +27 10 595 0550

www.sygnia.co.za | info@sygnia.co.za

Sygnia 

## Important information to consider before investing

### Investment Objective & Strategy

The Sygnia Life Income Maximiser is designed for Living Annuity clients seeking maximum yield while avoiding the use of capital to fund drawdowns. The fund dynamically switches between SA Enhanced Income and SA Bonds, depending on the shape of the yield curve: when the yield curve is flat, the fund invests in SA Income, and when the yield curve is steep, the fund switches into SA Bonds. Thus, the fund maximises yield and minimises risk dependent on the economic environment. A small allocation to property diversifies the overall fund.

### Balancing Risk and Reward

The Sygnia Life Income Maximiser is a low to medium risk investment. The fund targets high income to fund living annuity drawdowns and is designed for investors seeking high yield, who can tolerate moderate capital fluctuations.

### Fees

Sygnia charges an annual management fee comprised of applicable basic fees paid to underlying managers and Sygnia's annual service fee.

Fees charged by underlying managers are treated as an expense of the account.

Sygnia does not provide advice and therefore does not charge advice fees. If a financial planner is appointed, initial and ongoing advice fees may be payable as agreed upon between you and your financial advisor. The payments of these fees are facilitated by the Linked Investment Service Provider (LISP) where the fund is made available and not directly by Sygnia.

### Disclaimer

Product provider and manager:

The Sygnia Group is a member of the Association for Savings and Investment SA. Sygnia Life Limited is an authorised financial services provider (FSP 2935) and licensed linked insurer (1197). Sygnia Asset Management (Pty) Limited is an authorised financial services provider (FSP 873) and is the appointed investment manager of the Fund.

Linked policies:

The policy benefits of the linked policies are determined solely on the value of the assets or categories of assets to which the policies are linked. The value of investments may go down as well as up.

Performance:

Past performance is not necessarily a guide to future performance. Performance is based on NAV-to-NAV calculations, with income reinvestments done on the ex-div date. Performance is calculated for the portfolio, and individual investor performance may differ as a result of initial fees, actual investment date, date of reinvestment and dividend withholding tax.

Guarantee:

Sygnia does not provide any guarantee with respect to either the capital or the return of the portfolio.

Other risks:

The fund may from time to time invest in foreign countries and may therefore have risks regarding liquidity, the repatriation of funds, political and macro-economic situations, foreign exchange, tax, settlement and the availability of information.

General:

Sygnia has the right to close any portfolios to new investors to manage them more efficiently in accordance with their mandates.

**SYGNIA LIFE LIMITED**  
Registration no. 2000/022679/06

**CAPE TOWN:** 7th Floor, The Foundry, Cardiff Street, Green Point,  
8001 T +27 21 446 4940

**JOHANNESBURG:** Unit 40, 6th Floor Katherine & West Building,  
West Street, Sandton, 2196 T +27 10 595 0550

**DURBAN:** Office 2, 2nd Floor Ridgeview, 1 Nokwe Avenue,  
Ridgeside, Umhlanga Ridge, 4319 T +27 31 001 0650

www.sygnia.co.za | info@sygnia.co.za

