



**LAURIUM  
CAPITAL**

## **LAURIUM STABLE PRESCIENT FUND**

### **Quarterly Commentary | March 2026**

The first quarter of 2026 ended on a highly unsettled note, with March marking an exceptionally unusual and difficult period for global markets. Geopolitical risk escalated sharply as February drew to a close, following the outbreak of conflict between the Israel-United States alliance and Iran. The conflict drew in a number of regional actors, including parts of the Gulf Cooperation Council, raising fears of broader regional instability. The key issue unsettling markets was Iran's closure of the Strait of Hormuz, a critical chokepoint through which roughly 20% of global oil supply flows, along with significant volumes of refined products and fertiliser. Energy prices responded aggressively, with Brent crude surging sharply at points during March and driving renewed inflation concerns globally.

Global equity markets struggled to retain early quarter gains. For the quarter as a whole, MSCI World ended broadly flat in local currency terms but declined -3.4% in USD year to date (YTD), while the S&P 500 closed the quarter down -4.4% in USD. Emerging markets were disproportionately affected, reflecting tighter financial conditions driven by higher oil prices, rising real yields and a stronger US dollar. While MSCI Emerging Markets remained positive (+2.5% YTD in ZAR terms), returns were weaker in USD (-0.1% YTD).

South African markets also experienced a volatile quarter. Equities ended modestly higher for the year, with the FTSE/JSE All Share Capped Index down -0.5% YTD, but this masked a sharp selloff in March of -10.5%. Bonds underperformed, with the All Bond Index down -3.6% YTD, reflecting higher global yields and a widening local risk premium. The rand weakened meaningfully over the quarter, amplifying USD based losses and contributing to South Africa's underperformance in dollar terms, with MSCI South Africa down sharply in USD YTD terms.

Against this backdrop, the Laurium Stable Prescient Fund declined -1.2% over the three months to 31 March 2026. From an asset allocation perspective, positioning added modestly over the period, with the total relative contribution versus its strategic asset allocation positive overall. The most important driver was security selection within South African fixed income. This was partly offset by weaker security selection in foreign equity and, to a lesser extent, foreign fixed income. In a difficult quarter for both risk assets and duration, the fund's more defensive positioning helped preserve capital relative to its base case, even though absolute returns were negative.

Within equities, the strongest support came from the resources complex, particularly gold and diversified mining exposures. Resources-Mining (Gold) contributed +0.5% over the quarter, while Resources-Mining (Non-Precious) added +0.4%. The FTSE/JSE Capped SWIX Top 40 options position contributed 0.2% over the quarter and helped cushion the impact of the sharp local equity correction in March. In the context of a low-equity multi-asset strategy, this type of protection remains an important element of capital preservation during abrupt risk-off periods.

At a stock level, AngloGold Ashanti was the single largest positive contributor, adding +0.4%, while Glencore also contributed +0.4%. Gold Fields added a further +0.1%, the diversified miners also provided useful resilience. Glencore's positive contribution reflects the market's positive response to merger discussions involving Glencore and Rio and continued investor interest in diversified miners with copper exposure.

Outside of equities, South African government bonds detracted over the quarter as yields rose sharply into March month-end. The 2035, 2037 and 2032 bonds each detracted -0.1%, while the 2044 bond was broadly flat over the period. Notwithstanding this negative absolute outcome, relative positioning in South African fixed income was the strongest asset allocation call versus strategic asset allocation. The fund was significantly underweight South African fixed income, and both that positioning and security selection contributed positively on a relative basis. This distinction is important: local bonds hurt absolute return late in the quarter, but the fund still benefited from holding less than the base case and from better security selection within the fixed income book.

Looking ahead, the outlook remains highly fluid. Messaging from the US regarding the likely duration of the conflict has been inconsistent, and the trajectory of oil prices remains critically dependent on how long the Strait of Hormuz remains disrupted. The implications for global inflation and central bank policy responses remain the key risks for the South African markets in the coming quarters.

**The Laurium Stable Prescient Fund** remains well diversified, the duration of the fixed income positions has been reduced and has one of the highest cash balances in its history. In addition the fund has put option protective structures over part of the South African Equity in place through to the end of June 2026. In an environment defined by geopolitical shocks and policy uncertainty, disciplined risk management is key.

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## \* Performance declaration for Laurium Stable Prescient Fund (Class A2)

	FUND	BENCHMARK (CPI +3% p.a.)
Annualised return since inception	+10.3%	+7.6%
Cumulative return since inception	+104.6%	+70.9%
1 Year	+16.1%	+6.2%
3 Years (annualised)	+12.0%	+6.8%
Highest rolling 1-year return (since inception)	+22.8%	
Lowest rolling 1-year return (since inception)	-4.3%	
Fund inception date	1 December 2018	

Collective investment schemes in Securities CIS should be considered as medium to long-term investments. The value may go up as well as down and past performance is not necessarily a guide to future performance. CIS's are traded at the ruling price and can engage in scrip lending and borrowing. A schedule of fees, charges and maximum commissions is available on request from the Manager. There is no guarantee in respect of capital or returns in a portfolio. A CIS may be closed to new investors in order for it to be managed more efficiently in accordance with its mandate.

Performance for the A1 class has been calculated using net NAV to NAV numbers with income reinvested. The performance for each period shown reflects the return for investors who have been fully invested for that period. Individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestments and dividends withholding tax. Full performance calculations are available from the manager on request.

Annualised performance: Annualised performance show longer term performance rescaled to a 1 year period. Annualised performance is the average return per year over the period. Actual annual figures are available to the investor on request. Highest & Lowest return: The highest and lowest returns for any 1 year over the period since inception have been shown. NAV: The net asset value represents the assets of a Fund less its liabilities. High Water Mark: The highest level of performance achieved over a specified period.

Prescient Management Company (RF) (Pty) Ltd is registered and approved under the Collective Investment Schemes Control Act (No.45 of 2002) . Laurium Capital (Pty) Ltd, Registration number: 2007/026029/07 is an authorised financial services provider. (FSP34142) under the Financial Advisory and Intermediary Services Act (No. 37 of 2002) For any additional information such as fund prices, fees, brochures, minimum disclosure documents and application forms please go to [www.lauriumcapital.com](http://www.lauriumcapital.com)