MAY 2026

Dear CRF Member,

Offshore equity and local property rebounded in April 2026, delivering 6.9% in Rand terms and 5.8% respectively. Local bonds and in particular inflation-linked bonds also performed well, after a significant sell-off in March 2026. Local equity returns remained relatively weak, having delivered -2.6% over the 3 months ended April 2026, but it's one year return remains strong at over 30%. The returns for the major asset classes to the end of April 2026 are shown below:

	1 month	3 months	6 months	1 year
SA Equity (Capped SWIX)	1.6%	-2.6%	8.2%	30.8%
SA Bonds (ALBI)	3.3%	-2.1%	6.0%	22.2%
SA Property (ALPI)	5.8%	-0.9%	8.1%	26.8%
SA Cash (STeFI)	0.5%	1.6%	3.4%	7.2%
SA Inflation Linked Bonds (CILI)	4.3%	1.8%	9.9%	18.4%
Global Equity (MSCI World ($))	9.6%	3.4%	6.8%	29.2%
Global Equity (MSCI World (R))	6.9%	7.6%	2.9%	15.9%
Global Bonds (WGBI ($))	1.1%	-0.8%	0.4%	1.5%
Global Bonds (WGBI (R))	-1.3%	3.3%	-3.2%	-8.9%

The returns of the CRF portfolios (net of all fees) up to the end of April 2026 were as follows:

Portfolio	1 month	3 months	6 months	1 year
CRF Aggressive Portfolio	3.6%	0.6%	5.3%	21.3%
CRF Growth Portfolio	2.6%	0.6%	6.2%	21.2%
CRF Moderate Portfolio	1.7%	0.9%	5.1%	14.2%
CRF In-Fund Pension Portfolio	3.8%	1.1%	8.5%	17.6%
CRF Money Market Portfolio	0.5%	1.4%	3.5%	8.2%
CRF Shari'ah Portfolio	2.8%	2.7%	8.5%	23.1%
CRF Children's Benefit Portfolio	2.0%	1.3%	4.6%	12.7%

All of the CRF portfolios recovered in April 2026 with the CRF In-Fund Pension and CRF Aggressive portfolios being the best performing. Returns for the riskier portfolios remained above 20% over the past year ended April 2026.

The International Monetary Fund (IMF) lowered its global growth forecast for 2026 to 3.1% (from 3.3% in its January update) and kept its forecast for 2027 unchanged at 3.2%. The **SA GDP growth forecast** was lowered to 1.0% (from 1.4%) in 2026 and 1.3% (down from 1.5%) in 2027. Geopolitics, high oil prices and war are the primary reasons for this downgrade in growth expectations. US president Trump threatened further escalation of the conflict with Iran if no deal was reached, again undermining expectations for a winding down of the conflict in his address to the nation. President Trump also told the “countries of the world” affected by the global energy crisis that they would have to take the lead on breaking Iran's chokehold of the Strait of Hormuz.

Meanwhile, President Cyril Ramaphosa stated that the strong outcome of SA's sixth Investment Conference reflected renewed confidence in the SA economy. The Investment Conference secured a record R890 billion in investment pledges, with a significant share of the commitments coming from local companies. He argued that domestic investors are best placed to judge conditions on the ground, and that their willingness to invest sends a positive signal to international markets. The SA government aims to mobilise at least R3 trillion in new investments over the next five years. President Ramaphosa highlighted that investment is flowing into priority sectors such as mining, agro-processing, tourism, renewable energy, the green economy and the digital economy, which are crucial for growth and job creation.

The CRF has been “ahead of the curve” with its significant investment in private markets that have delivered good risk-adjusted returns and positive impact. CRF in fact has investments in almost all of the priority sectors that were outlined at the Investment Conference. In previous newsletters, we discussed CRF’s investment in mining in Africa and America, which will benefit from high commodity prices and the green transition. In previous newsletters, CRF has also discussed its investment in renewable energy and blended finance funds targeting job creation. CRF’s investment in venture capital has included companies operating in the digital economy. Some of these investments such as Retail Capital, Optasia, Ozow, RapidDeploy and GoTyme have performed well or are expected to continue to grow over the long term, highlighting the power of CRF in helping companies grow but also delivering top quartile returns for members.

Kind regards,

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