

AUGUST 2026

Dear CRF Member,

Local markets were mixed in July 2026. SA Property (+2.2%) and SA Equity (+1.2%) recorded gains, while SA Bonds declined by 1.4% as renewed oil price pressure revived inflation concerns. Global Equity returned 0.5% in US Dollar terms and 1.5% in Rand terms, as the Rand weakened modestly against the US Dollar. The returns for the major asset classes to the end of July 2026 are shown below:

	1 month	3 months	6 months	1 year
SA Equity (Capped ALSI)	1.2%	-2.8%	-5.3%	18.2%
SA Bonds (ALBI)	-1.4%	3.0%	0.8%	16.6%
SA Property (ALPI)	2.2%	6.8%	5.8%	26.1%
SA Cash (STeFI)	0.6%	1.7%	3.4%	7.0%
SA Inflation Linked Bonds (CILI)	-0.2%	1.9%	3.7%	18.7%
Global Equity (MSCI World ($))	0.5%	4.3%	7.8%	20.4%
Global Equity (MSCI World (R))	1.5%	3.4%	11.3%	10.2%
Global Bonds (WGBI ($))	-0.5%	-0.9%	-1.8%	1.2%
Global Bonds (WGBI (R))	0.5%	-1.8%	1.4%	-7.4%

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

Portfolio	1 month	3 months	6 months	1 year
CRF Aggressive Portfolio	1.2%	1.1%	1.6%	14.0%
CRF Growth Portfolio	0.9%	0.8%	1.4%	14.3%
CRF Moderate Portfolio	1.6%	2.5%	3.4%	12.2%
CRF In-Fund Pension Portfolio	0.2%	2.6%	3.7%	17.3%
CRF Money Market Portfolio	0.6%	1.9%	3.4%	7.8%
CRF Shari'ah Portfolio	0.0%	0.8%	3.5%	16.4%
CRF Children's Benefit Portfolio	1.4%	2.1%	3.5%	10.6%

The CRF portfolios delivered positive returns in July, with the exception of the CRF Shari'ah Portfolio, which was flat. The CRF Moderate Portfolio was the best performer for the month, returning 1.6%, followed by the CRF Children's Benefit (1.4%) and CRF Aggressive (1.2%) portfolios. The CRF In-Fund Pension Portfolio, which led in June, returned 0.2%. One year returns for most CRF portfolios remained in double digits, ranging from 10.6% to 17.3%, while the more conservative CRF Money Market Portfolio returned 7.8%.

Globally, July 2026 was dominated by a resumption of hostilities between the US and Iran, with Iran effectively closing the Strait of Hormuz again. The Brent crude oil price rose around 20% over the month, briefly exceeding $100 per barrel for the first time since late May 2026, before closing July 2026 at about $87. The US Federal Reserve (under Chair Kevin Warsh), the European Central Bank, the Bank of England and the Bank of Japan all left interest rates unchanged, although the US 30-year government bond yield reached 5.1%, its highest level since 2007. Global equity and bond markets were volatile, as market participants started to question whether AI companies would earn a return on the massive AI-related investments that they were implementing. Meanwhile US manufacturing activity remained strong, with the ISM index rising to 55.6 in July (from 53.3).

Locally, the SARB's Monetary Policy Committee (MPC) surprised markets on 23 July 2026 by leaving the Repo rate unchanged at 7.0%, with four members voting to hold and two favouring a 0.25% point hike. This came despite headline inflation rising to 5.0% in June (from 4.5% in May), largely due to higher fuel prices, with core inflation increasing to 4.0%. The SARB cut its 2026 inflation forecast to 4.0% (from 4.4%) on lower assumed oil prices, and nudged up its 2026 GDP growth forecast to 1.4% (from 1.2%). The Rand fell sharply after the announcement, as markets had positioned for an interest rate hike.

With geopolitical tensions and oil price volatility likely to persist, members should expect further bouts of market volatility. CRF's diversified portfolios are designed to withstand this over the long term, and members are reminded to view retirement savings through a long-term lens rather than reacting to short-term market movements.

Kind regards,



Mr Raymond Wentworth
Principal Executive Officer

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