



NEDBANK
INSURANCE

September 2025

Guaranteed Dreammaker Fund

see money differently

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The below returns are after investment manager fees only.

The annualised returns below are for a R100 recurring premium, payable monthly.

Return period	5 years	4 years	3 years	2 years	1 years
	1 Oct 20 30 Sep 25	1 Oct 20 30 Sep 25	1 Oct 20 30 Sep 25	1 Oct 20 30 Sep 25	1 Oct 20 30 Sep 25
Gross return – R100 recurring premium	8.88%	9.61%	10.85%	12.46%	14.06%
Consumer price index (CPI) inflation	5.00%	5.01%	4.20%	3.62%	3.40%
Real return – R100 recurring premium	3.88%	4.59%	6.65%	8.84%	10.66%

The annualised returns below are for a R100 recurring premium, escalating at 5% a year.

Return period	5 years	4 years	3 years	2 years	1 years
	1 Oct 20 30 Sep 25	1 Oct 20 30 Sep 25	1 Oct 20 30 Sep 25	1 Oct 20 30 Sep 25	1 Oct 20 30 Sep 25
Gross return – R100 recurring premium, escalating at 5% a year	8.97%	9.69%	10.90%	12.48%	14.06%
CPI inflation	5.00%	5.01%	4.20%	3.62%	3.40%
Real return – R100 recurring premium, escalating at 5% a year	3.97%	4.67%	6.70%	8.86%	10.66%

The annualised returns below are for a R5 000 single premium, payable at the outset.

Return period	5 years	4 years	3 years	2 years	1 years
	1 Jul 20 30 Jun 25	1 Jul 20 30 Jun 25	1 Jul 20 30 Jun 25	1 Jul 20 30 Jun 25	1 Jul 20 30 Jun 25
Gross return – R5 000 single premium	7.93%	7.71%	10.62%	11.82%	11.42%
CPI inflation	5.00%	5.01%	4.20%	3.62%	3.40%
Real return – R5 000 single premium	2.93%	2.69%	6.42%	8.19%	8.02%

Guaranteed Dreammaker Fund

The below returns are after all fees, i.e. net of the investment manager fee, administration fee and capital guarantee fee.

Return period	5 years 1 Oct 20 30 Sep 25	4 years 1 Oct 20 30 Sep 25	3 years 1 Oct 20 30 Sep 25	2 years 1 Oct 20 30 Sep 25	1 years 1 Oct 20 30 Sep 25
Net return – R100 recurring premium	6.56%	7.27%	8.47%	10.03%	11.60%
Net return – R100 recurring premium, escalating at 5% a year	6.65%	7.34%	8.52%	10.05%	11.60%
Net return – R5 000 single premium	5.59%	5.37%	8.22%	9.39%	9.00%

The tables below illustrate the fund breakdown for 5 policies with different start dates, at 30 September 2025.

The fund build-up below is for a R100 recurring premium, payable monthly.

Fund build-up – recurring premium		5 years 1 Oct 20 30 Sep 25	4 years 1 Oct 20 30 Sep 25	3 years 1 Oct 20 30 Sep 25	2 years 1 Oct 20 30 Sep 25	1 years 1 Oct 20 30 Sep 25
Income	Premiums paid	R6 000	R4 800	R3 600	R2 400	R 1 200
	Investment return	R1 444	R988	R622	R314	R 89
Outgo	Administration	-R288	-R183	-R104	-R46	-R 12
	Capital guarantee fee	-R74	-R47	-R27	-R12	-R 3
Closing fund balance at end of period		R7 082	R5 558	R4 091	R2 656	R1 274

Guaranteed Dreammaker Fund

The fund build-up below is for a R5 000 single premium, payable at the outset.

Fund build-up – single premium		5 years 1 Oct 20 30 Sep 25	4 years 1 Oct 20 30 Sep 25	3 years 1 Oct 20 30 Sep 25	2 years 1 Oct 20 30 Sep 25	1 years 1 Oct 20 30 Sep 25
Income	Premiums paid	R5 000	R5 000	R5 000	R5 000	R5 000
	Investment return	R2 178	R1 633	R1 706	R1 222	R562
Outgo	Administration	-R490	-R375	-R295	-R191	-R90
	Capital guarantee fee	-R126	-R97	-R76	-R49	-R23
Closing fund balance at end of year		R6 562	R6 162	R6 336	R5 982	R5 448

The fund build-up below is for a R100 recurring premium, escalating at 5% a year.

Fund build-up – recurring premium		5 years 1 Oct 20 30 Sep 25	4 years 1 Oct 20 30 Sep 25	3 years 1 Oct 20 30 Sep 25	2 years 1 Oct 20 30 Sep 25	1 years 1 Oct 20 30 Sep 25
Income	Premiums paid	R6 631	R5 172	R3 783	R2 460	R1 200
	Investment return	R1 549	R1 041	R642	R318	R89
Outgo	Administration	-R305	-R191	-R107	-R47	-R12
	Capital guarantee fee	-R79	-R49	-R28	-R12	-R3
Closing fund balance at end of year		R7 795	R5 972	R4 291	R2 719	R1 274

Please note the following important assumptions:

- The above calculations assume that each premium is received on the first of the month and invested immediately.
- The client may pay the premium on any date.
- The above calculations do not account for any call interest earned on each premium.

Guaranteed Dreammaker Fund



Charges



Commission charge

There are no commissions or start-up costs – 100% of the contributions are invested for growth.



Plan charge

There is a plan charge of 1,75% a year, deducted monthly from the investment.



Capital guarantee charge

There is a charge of 0,45% a year of gross total value, deducted monthly.



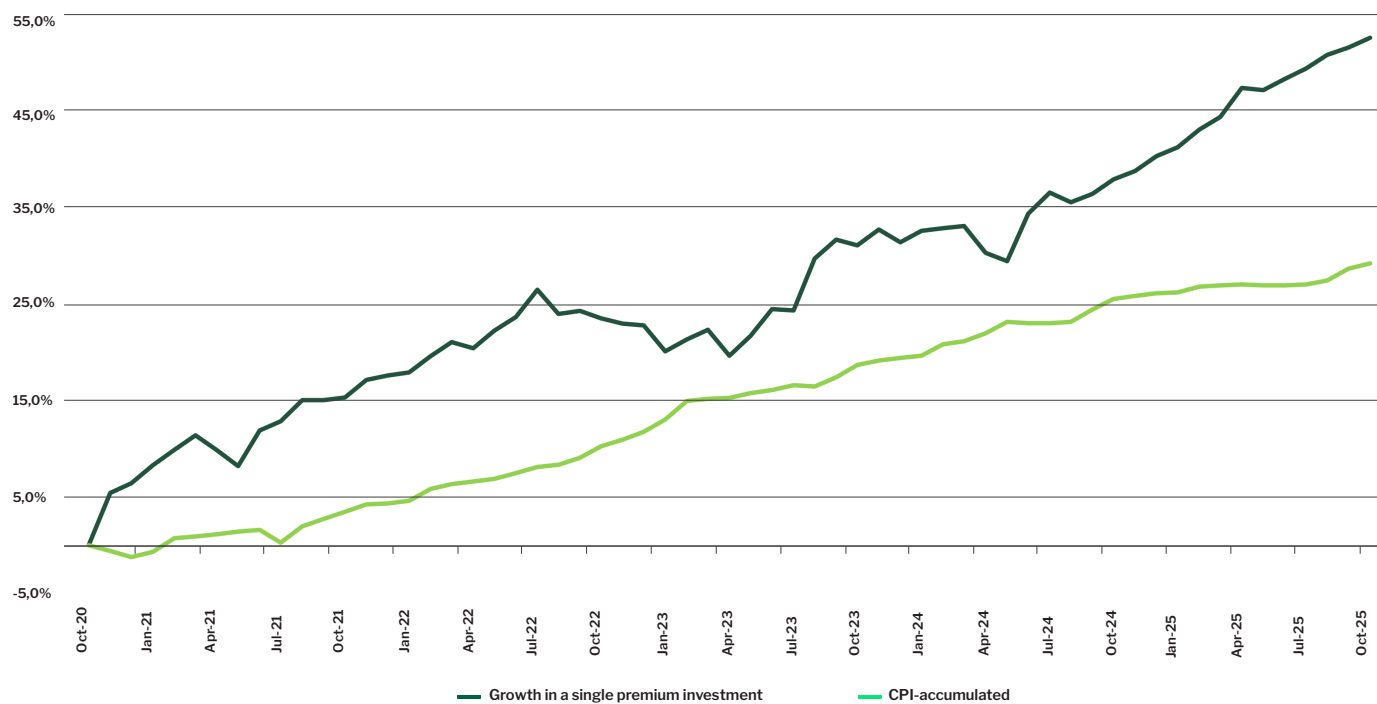
Asset management charge

The Nedgroup Investments Core Guarded Fund charges 0.45% of the gross total value a year and the Nedgroup Investments Stable Fund charges 0.95%, excluding value-added tax.

The graph below shows the growth in the Guaranteed DreamMaker Fund relative to CPI over the past 5 years. The returns shown are after investment manager fees only.

As can be seen from the graph below, the Guaranteed DreamMaker Fund five-year returns are above inflation.

Growth in single premium, invested 5 years ago





Economic and market review

Global markets navigated a turbulent quarter marked by trade shocks, monetary policy pivots, and record-breaking rallies. In a dramatic move, the United States (US) imposed a 50% tariff on Indian exports, rattling regional markets and amplifying volatility. Mexico followed suit, announcing steep tariffs on Chinese vehicles and other imports, signalling a broader shift in global trade dynamics.

Despite these headwinds, the US economy showcased resilience. Revised data from the Bureau of Economic Analysis revealed gross domestic product (GDP) growth of 3.3% year on year in the second quarter, up from an initial 3% estimate and rebounding from a 0.5% contraction in the first quarter. Robust consumer spending and a decline in imports, driven by tariff measures, underpinned the recovery.

Equity markets soared to unprecedented heights in September, led by Wall Street's Artificial Intelligence (AI)-fuelled optimism. Oracle emerged as a standout, with shares surging 30% in a single session – the largest 1-day gain in nearly 3 decades – after forecasting a sharp increase in AI-related revenue. This rally unfolded against a backdrop of tariff uncertainty and looming government shutdown risks.

Inflation trends painted a mixed picture. Headline US consumer price index (CPI) held steady at 2.7% in July, while core CPI accelerated to 3.1%, driven by services inflation posting its strongest monthly gain this year. Goods inflation remained muted, particularly in tariff-sensitive categories. Central banks delivered divergent signals. At Jackson Hole, Fed Chair Jerome Powell hinted at a September rate cut, citing a disconnect between inflation and employment. The Federal Reserve later trimmed rates by 25 basis points to 4% (from 4.25%), with 1 dissenting vote favouring a deeper cut. Across the Atlantic, the Bank of England lowered rates to 4%, while the European Central Bank held steady at 2%, reflecting persistent inflationary pressures and global uncertainty. US Treasury yields eased, with the 10-year falling to 4.2% after weak labour data.

Commodities mirrored the volatility. Gold surged 16.8% for the quarter, hitting a record \$3 858 per ounce in September amid dollar weakness and shutdown fears. Brent crude slid by 6.1% to \$68 per barrel on softer Chinese demand. Emerging markets outperformed, with the Morgan Stanley Capital Emerging Market (MSCI EM) Index up 10.9%, led by China's 20.8% rally on stimulus and AI enthusiasm. Indian equities lagged, dropping 6.6%.

South Africa offered its own narrative of cautious recovery. Rail reforms advanced as Transport Minister Barbara Creecy granted private operators conditional access to Transnet's network – a first in decades. GDP grew by 0.8% in Q2, supported by household and government spending, although annual growth eased to 0.6%. Eskom reported a R23.9 billion profit, reversing years of losses, even as unemployment ticked up to 33.2%.

Inflation edged higher to 3.5% in July, prompting the South African Reserve Bank (SARB) to maintain a cautious stance in the third quarter, holding its benchmark interest rate at 10.5% after cumulative cuts of 125 basis points earlier in the year. Policymakers signalled a pause to assess the impact of previous easing measures while monitoring inflation risks, which edged higher to 3.5% in July. In a notable policy shift, the SARB reaffirmed its commitment to a preferred 3% inflation target, emphasising that any adjustments to the framework would be evidence-based. This measured approach underscores the central bank's balancing act between supporting growth and safeguarding price stability amid persistent structural challenges. South African (SA) Equities outperformed bonds, gaining 12.9%, buoyed by resource stocks surging over 50% on rising gold and platinum prices.

As the quarter closed, markets stood at a crossroads – buoyed by technological optimism yet shadowed by trade frictions and policy uncertainty. Investors, it seems, are betting that innovation can outrun geopolitics, at least for now. Looking ahead, uncertainty looms large as policymakers and investors weigh competing forces. Trade tensions threaten to reshape global supply chains, while the AI-driven boom continues to redefine corporate strategies and market valuations. With central banks signalling caution and commodity markets flashing mixed signals, the coming months may test whether optimism rooted in technological progress can withstand the pressures of geopolitics and structural economic challenges.

South African assets delivered solid returns in the second quarter of 2025, despite mounting global trade tensions and renewed political uncertainty at home. Nominal government bonds outperformed inflation-linked securities in June, widening the performance gap after a 1.7% monthly gain. In Q2, domestic bonds returned 5.9%, while the FTSE/JSE All Share gained 10.2%. Listed property also performed strongly, rising by 9.1%. The rand appreciated by 3.1% against the US dollar but weakened by 5.4% against the euro.

Guaranteed Dreammaker Fund



Nedgroup Investments Stable Fund

International

- Global growth stayed resilient as US economic activity was sustained on continued massive investment into AI infrastructure – the Chinese economy is stabilising on targeted stimulus, but Europe is stagnating.
- Metals dominated the quarter after gold surged to fresh highs near \$4 000 per ounce and platinum rallied on tightening supply – copper traded higher after the collapse of Freeport McMoRan's key Indonesian mine.
- The US Federal Reserve cut rates 0.25% in September, its first rate cut this year, while the European Central Bank (ECB) and Bank of England (BoE) paused – meanwhile the US government faced a shut down from October after budget negotiations faltered.
- The US dollar dipped after the Federal Reserve (Fed's) dovish pivot, now down 12% against the euro this year – the other majors also firmed, while emerging-market currencies recovered on renewed risk appetite.
- Global equities rose sharply to new highs as trade tensions eased and the AI frenzy continued – developed markets gained in mid-single-digits, but emerging markets outperformed after the MSCI China Index jumped 20%.
- Global bonds were subdued as the US Federal Reserve delivered its first rate cut of the year – government bond yields declined modestly, but corporate bond credit spreads tightened to paper-thin levels in the risk-on environment.

South Africa

- South Africa's GDP recorded modest growth, supported by stronger mining and manufacturing output – household consumption showed a mild uptick, but fixed investment and employment remained subdued.
- The SARB cut the repo rate by 0.25% in July, but held rates steady thereafter, even as inflation moderated to below 3% – citing uncertainties relating to US reciprocal tariffs.
- The rand gained against the weaker dollar, supported by broad emerging market strength, high carry yields and improved terms of trade as precious metals prices jumped – despite persistent political and fiscal uncertainty.
- The FTSE/JSE All-share Index climbed sharply to a new record high, posting double-digit gains as gold and platinum miners rallied on soaring bullion prices – industrial and financial counters also strengthened, supported by a rebound in Naspers and Prosus in line with the recovery in Chinese technology shares.
- Local bond yields fell during the third quarter, driving a strong rally in bond prices –inflation pressures eased, inflation expectations receded, and foreign investor interest strengthened amid growing signals that the SARB is preparing to formally lower the inflation target.

Guaranteed Dreammaker Fund



Nedgroup Investments Stable Fund

Portfolio commentary

- The fund added another 4.4% in the third quarter, taking its year-to-date return to 11.5% – well ahead of the CPI + 4% benchmark which stands at 6.4%, as well as the peer average which delivered 10.6%.
- Over the past year, the fund has returned 12.8%, delivering real returns of 9% above inflation. In addition to generating strong real returns, the fund also continues its proud record of never having produced a negative return over any rolling 12-month period.
- Global equities contributed positively to rand returns despite rand strength – Global equities climbed to new record highs as trade tensions eased and enthusiasm for AI persisted, with developed markets advancing in the mid-single digits, while emerging markets outperformed, led by a 20% surge in the MSCI China Index.
- SA bonds also contributed meaningfully to returns, with local bonds rallying as inflation moderated and foreign demand strengthened – with the SA Reserve Bank coming out strongly in favour of lowering the inflation target to a fixed 3% from its current 3–6% range.
- South African equities added to returns, with the FTSE/JSE All-share Index surging by double digit gains to an all-time high as gold and platinum miners rallied on record bullion prices – industrials and financials also advanced, with Naspers and Prosus rebounding alongside Chinese tech stocks.
- The fund continued to benefit from its allocation to gold – the gold price surged to new highs near \$4 000 per ounce, fuelled by ongoing US dollar weakness, heightened geopolitical tensions that bolstered safe-haven demand, and sustained central bank purchases.
- The fund's holding in brewer Anheuser-Busch InBev was a detractor from returns this quarter – the world's largest brewer saw a share price decline after it reported a drop in volumes due to weaker demand in Brazil and China.
- Domestic cash holdings continued to enhance absolute returns, with yields still outpacing inflation – the rand also strengthened against a softer US dollar despite ongoing political and fiscal uncertainty, supported by broad emerging market resilience, attractive carry yields, and improved terms of trade.