



SHARIAH GENERAL EQUITY PORTFOLIO

July 2025

THE INVESTMENT ENVIRONMENT

The July 2025 IMF World Economic Outlook (WEO) Update suggests that while global economic uncertainty persists, there is also tenuous resilience. Global growth is projected at 3.0% for 2025 and 3.1% in 2026. This reflects stronger than expected front-loading in anticipation of higher tariffs; an improvement in financial conditions, including due to a weaker US dollar; and fiscal expansion in some major jurisdictions. Global headline inflation is expected to fall to 4.2% in 2025 and 3.6% in 2026. The overall picture hides notable cross-country differences, with forecasts predicting inflation will remain above target in the United States and be more subdued in other large economies. Risks to the outlook continue to be tilted to the downside. A rebound in effective tariff rates could lead to weaker growth. Elevated uncertainty could start weighing more heavily on activity, also as deadlines for additional tariffs expire without progress on substantial, permanent agreements. Geopolitical tensions could disrupt global supply chains and push commodity prices up. Larger fiscal deficits or increased risk aversion could raise long-term interest rates and tighten global financial conditions. Combined with fragmentation concerns, this could reignite volatility in financial markets. On the upside, global growth could be lifted if trade negotiations lead to a predictable framework and to a decline in tariffs.

Global Equity Markets

During July, global equity markets continued to increase moderately. The FTSE All-World Index (USD) increased by a further 1.6% during the month, ending the month at another new 12-month high, while growing by 14.25 over the past 12 months.

South African Financial Markets

In South Africa, the JSE All Share Index increased moderately by a further 2.3% during the month, ending 2.0% below its 12-month high while seeing strong growth of 23.2% over the past 12 months. During the month, the JSE Industrial-25 Index increased by 1.3%, the JSE Resources-10 Index increased by 5.1%, and the JSE Financial-15 Index gained 1.4%. The ZAR weakened by 2.8% against the USD, the SA Government Bond Index increased by 2.7% and the JSE SA Property Index declined by 4.8%.

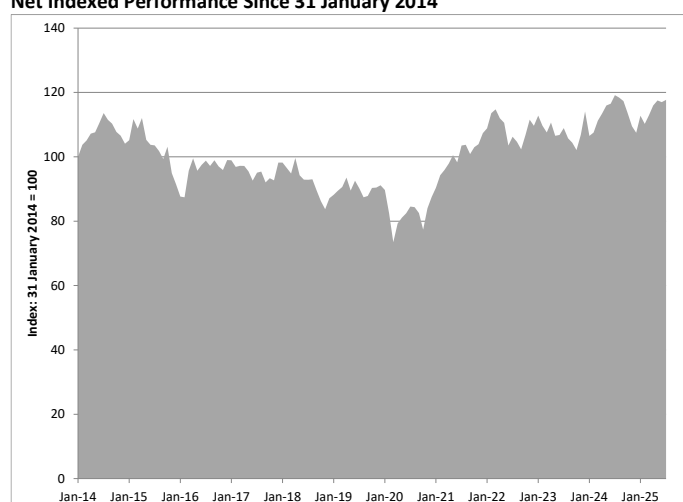
Investment Portfolios

Portfolios continue to see the advantage of broad diversification across multiple risk factor exposures and diverse sources of portfolio return. Market risk exposures remain balanced to reduce the risk of capital loss. Portfolios will continue to be cautiously re-positioned into attractively priced high-quality assets to achieve strong long-term returns.

PORTFOLIO PERFORMANCE

During July, TSB Shariah General Equity Portfolios increased by 0.59%. Noting that portfolio performance is very cyclical in the short term, over the past 12 months, portfolios declined marginally by -1.24%, having grown by a net annualized average rate of 6.84% over the past five years (equivalent to total growth of 39.20%), and 1.43% per year, since inception on 31 January 2014*. This can be compared with the annualized average inflation rate of 4.95% over the same period, and risk as measured by the annualized monthly return volatility of 11.72%, equivalent to only 63% of the level of volatility of the FTSE-JSE Shariah All Share Index.

Net Indexed Performance Since 31 January 2014



Source: TSB Securities

Strategically, TSB Active Growth Portfolios are well positioned, and the objective remains to add incremental value over time. However, uncertainty in the investment environment and the high level of financial market volatility can be expected to persist therefore, it is necessary for investors to remain disciplined and not overreact to short-term market movements.

Ian Katz

Chief Investment Officer

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2014	-	3.74	1.28	2.05	0.36	2.67	2.82	-1.85	-1.06	-2.33	-1.10	-2.34	4.06
2015	1.05	6.25	-2.63	3.02	-6.06	-1.47	-0.19	-1.69	-2.42	3.84	-7.95	-3.64	-12.09
2016	-4.20	-0.27	9.48	4.00	-3.85	1.89	1.35	-1.65	1.77	-1.90	-1.18	3.24	8.20
2017	-0.06	-2.07	0.33	-0.05	-1.71	3.03	2.69	0.36	-3.54	1.41	-0.72	5.98	-0.78
2018	-0.01	-1.74	-1.76	5.11	-5.40	-1.42	-0.05	0.15	-3.72	-3.75	-2.86	4.04	-11.30
2019	1.24	1.43	1.33	3.20	-4.31	3.41	-2.50	-3.16	0.51	2.83	0.14	0.75	4.62
2020	-1.58	-8.07	-10.94	7.93	2.28	1.70	2.54	-0.20	-2.18	-6.24	8.59	4.17	-3.95
2021	3.23	4.36	1.69	2.09	2.68	-2.23	5.31	0.22	-2.76	2.10	0.90	3.31	22.64
2022	1.38	4.35	1.04	-2.40	-1.27	-6.39	2.66	-1.49	-2.26	4.34	4.49	-1.71	2.12
2023	2.91	-2.78	-1.92	2.86	-3.74	0.25	2.00	-2.92	-1.30	-2.18	4.67	6.74	4.05
2024	-6.64	0.99	3.39	2.05	2.18	0.48	2.27	-0.62	-0.93	-3.20	-3.60	-1.84	-5.80
2025	4.93	-2.23	2.43	2.69	1.34	-0.44	0.59						9.51

* 95% Confidence Interval range of portfolio Returns for portfolios that exceed a value of R100 000

Disclaimer: This document is subject to the TSB Securities disclaimer which can be viewed on <http://www.tsbsec.co.za/disclaimer.htm>
Financial Services Provider (FSP number 18047)