

# COMPREHENSIVE FUND REPORT

MitonOptimal BCI Income Plus Fund of Funds

MARCH 2026

## FUND OBJECTIVE

The objective of the MitonOptimal BCI Income Plus Fund of Funds is to provide a return (net of fees) more than money market portfolios, for investors seeking to earn a reasonable level of income with low risk of capital loss. The benchmark is to outperform the average of the Multi-Asset Income Sector.

## FUND PERFORMANCE OVER THE PAST QUARTER

The fund returned 0.62% over the past quarter, outperforming the Sector that returned 0.45%.

The fund returned 11.45% p.a. versus the sector average of 10.94% p.a. since the first investment in the fund on 31 May 2024. Leading Money Market funds returned 7.86% p.a. over the same period.

\*Source: Financial Express

## WHY A CORE FUND IN YOUR MODEL PORTFOLIO?

While the entire fund positioning is managed by MitonOptimal daily as we receive inflows and implement opportunities on a periodic basis, the fund composition has some definitive components which we explain in this strategy report.

We created a Fund of Funds to access any SA Fixed Interest manager that passes our rigorous due diligence process. This means we can also negotiate fees as we have no ability to do so on LISPs as they need to treat all their clients equally (TCF).

We can also manage the risk asset exposure to enhance returns on a risk-controlled basis over and above the returns from underlying SA Fixed Interest Managers.

It is fair to say that this one fund can represent the entire model portfolio if it matches the conservative income investor's risk and return profile. At present we use this fund as part of a core holding in our tailored model portfolio for you.



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## FUND STRATEGY AND COMPONENTS

The objective of the portfolio construction methodology is to combine the best available SA Fixed Interest specialist managers and indexation components to outperform Money Market returns, net of fees.

The fund is managed on a Core/Satellite approach where we break down the components into three silos:

- HOUSE VIEW ALLOCATION

These will be funds managed by an external fund manager where the people/process/philosophy and asset allocation process conform to the MitonOptimal Strategic Asset Allocation process and current house view. House view components may also include a theme that forms part of our current house view.

- INDEXATION ALLOCATION

These are Beta Index ETF's that represent an asset class – e.g. SA Equities, MSCI World, SA Property, Global Property, SA Bond proxies for the underlying market beta index.

The house view and indexation components are normally the largest part of the portfolio (between 70-80%).

- ALPHA MANAGER ALLOCATION

These are funds managed by Specialist SA fund managers that - in an ideal world - add value to the house view / indexation allocation (e.g. higher duration risk mandate or a SA and global property manager) due to their specialist skill or theme that they manage - this component could also be a specialist ETF allocation).

## FUND ACTIONS OVER THE PAST QUARTER

During the quarter we reduced the Satrix Property ETF exposure after a significant rally in the first 2 months of the year. We also retired the Marriot Core Income fund from the fund to reduce overall duration risk within the fund. We used the proceeds and inflows to continue to build a higher exposure to the Foord Flexible Income fund – this fund is positioned to benefit from the potential of higher inflation and interest rates. It will therefore serve as a risk diversifier within the fund.

We also retired the Guinness BCI Equity Income fund to introduce the Orbis Global Balanced Prescient Active ETF. We believe it will serve as an improved offshore diversification building block under current global macro conditions. The Orbis fund has a component of global equities (partially hedged), global inflation linked bonds and high yield Brazilian Government Bonds - all valuable building blocks in a diversified income fund.

We also introduced the Abax Absolute fund - a 4% exposure within our fund. This fund is managed by an experienced Abax team and includes SA equity protection. We believe this is a prudent approach to ensure a higher probability of increased absolute returns within an uncertain global macro environment that may mean a weaker ZAR and potentially higher SA interest rates.

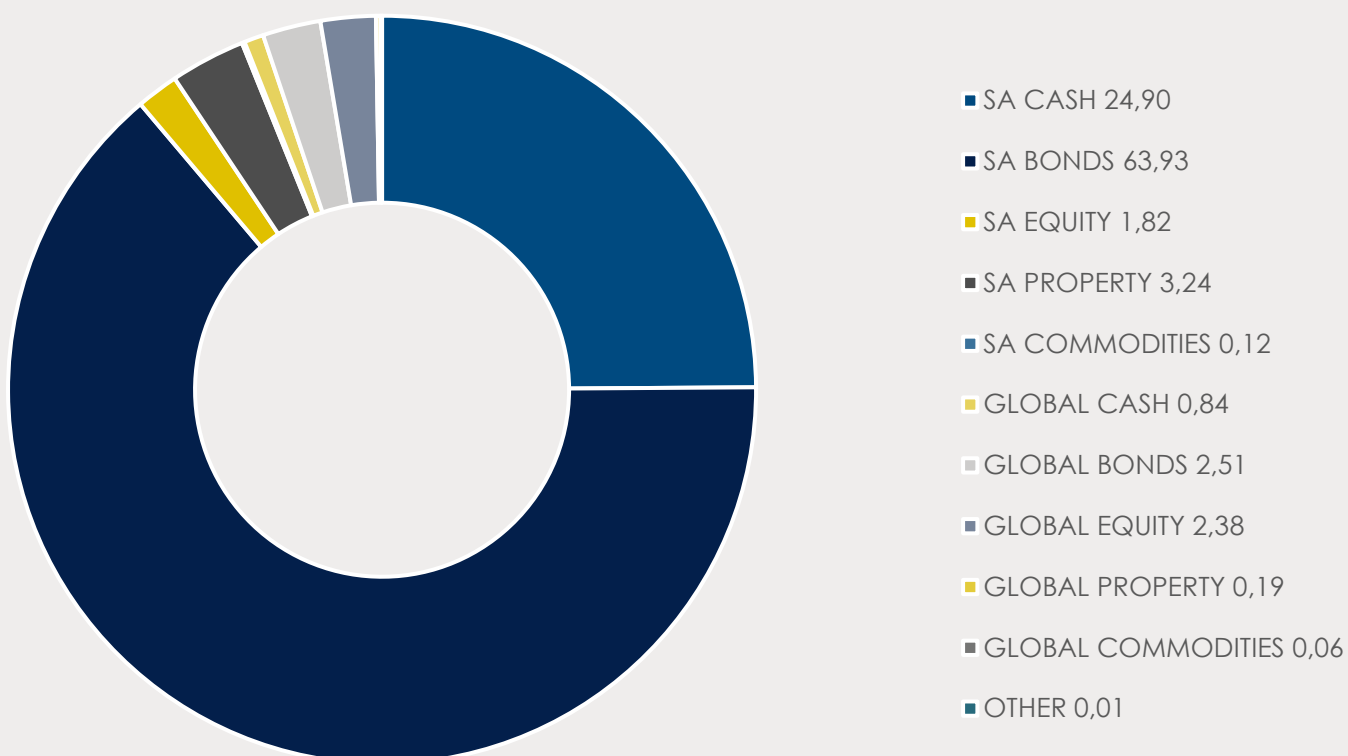
We continue to monitor the environment and in the event of a renewed sell-off in SA long duration bonds we will increase exposure to funds that assume longer duration risks in the SA fixed interest market.

# HOLDINGS REPORT

## Portfolio composition

Holding	Weight %
PSG Diversified Income	28,55
Coronation Strategic Income	20,79
Visio BCI Unconstrained Fixed Interest Fund	14,16
Foord Flexible Income	7,78
PortfolioMetrix Active Income Prescient	6,85
Granate BCI Multi Income	6,67
Nedgroup Investments Corporate Money Market	5,04
Abax Absolute Prescient A	4,11
Allan Gray-Orbis Global Balanced Feeder	1,88
Satrix Property ETF	1,65

## Asset allocation



## Component breakdown

	Holding	Weight %
<b>HOUSE VIEW ALLOCATION: 54,38%</b>	PSG Diversified Income	28,55
	Coronation Strategic Income	20,79
	Nedgroup Investments Corporate Money Market	5,04
<b>ALPHA MANAGER: 41,45%</b>	Visio BCI Unconstrained Fixed Interest Fund	14,39
	Foord Flex Income	7,78
	PortfolioMetrix Active Income Prescient	6,85
	Granate BCI Multi Income	6,67
	Abax Absolute Prescient	4,11
	Allan Gray-Orbis Global Balanced Feeder	1,88
<b>INDEXATION: 1,65%</b>	Satrix Property ETF	1,65

Source of all data: MitonOptimal at 31.03.2026, unless otherwise stated. The content of this document is for information purposes only and does not constitute an offer or invitation to any person. The opinions expressed are subject to change and are not to be interpreted as investment advice. You should consult an adviser who will be able to provide appropriate advice that is based on your specific needs and circumstances. The information and opinions contained herein have been compiled or arrived at from sources believed to be reliable and given in good faith, but no representation is made as to their accuracy, completeness or correctness. MitonOptimal South Africa (Pty) Limited is an Authorised Financial Services Provider Licence No. 28160, regulated by the Financial Sector Conduct Authority (FSCA) – Registration No. 2005/032750/07. MitonOptimal Portfolio Management (Pty) Limited is an Authorised Financial Services Provider Licence No. 734, regulated by the FSCA – Registration No. 2000/000717/07.



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