

## NAM CORONATION MONEY MARKET FUND QUARTERLY COMMENTARY Q4-25

*Please note that the commentary is for the retail class of the Fund.*

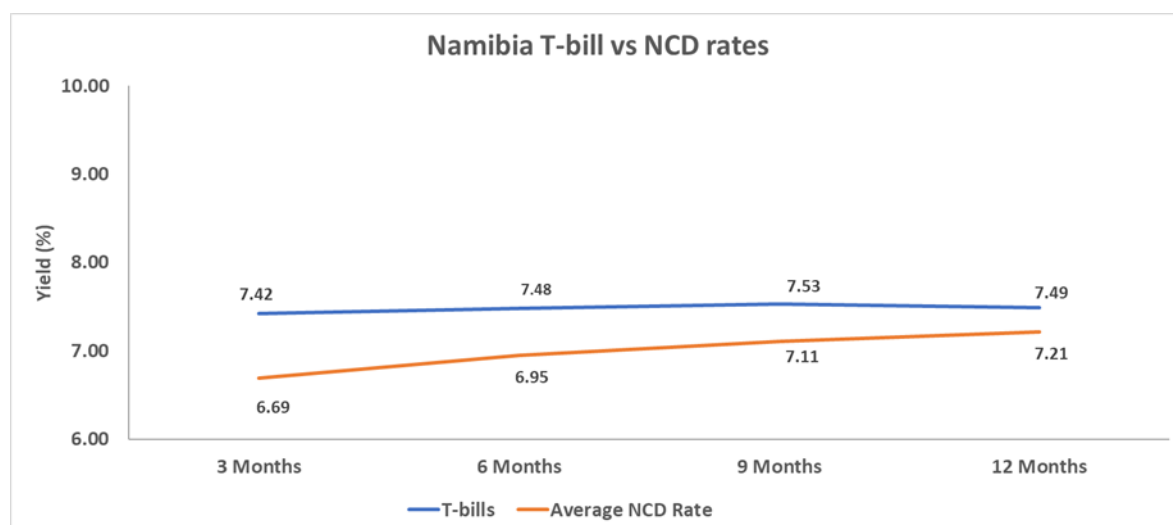
### 31 December 2025 commentary

The NAM Coronation Money Market Fund generated a return (net of management fees) of 1.67% for the fourth quarter of 2025 (Q4-25). Over the rolling 12-month period, it returned 7.19%, ahead of the benchmark (IJG 3-month NCD Index) return of 6.78%.

The Bank of Namibia (BoN) cut the repo rate by 25 basis points (bps) to 6.50% at the October Monetary Policy Committee (MPC) meeting but kept it unchanged at the December meeting. The "no change" in rate was considered appropriate regarding safeguarding the currency peg between Namibia and South Africa and is supportive of domestic economic activity. While economic activity maintained positive growth, the pace of expansion slowed down during 2025 compared to 2024.

The slowdown was primarily driven by contractions in the manufacturing sector, diamond mining, livestock farming and transport subsectors. Real GDP is now projected to slow to 3.0% in 2025 from 3.7% in 2024. 2025 posted an average annual inflation rate of 3.5%, down from 4.2% in 2024. Food and non-alcoholic beverages drove most of 2025's inflation before housing and utilities took over as the main drivers in October due to price hikes in rent.

During Q4-25, the 3-month Johannesburg Interbank Average Rate (Jibar) reduced from 7.000% to 6.750%, reflecting the market's view of an easing policy environment. At the end of Q4-25, local Namibian banks were offering a spread of 25bps above the Jibar for one-year tenor floating-rate notes. The one-year fixed rate negotiable certificate of deposit (NCD) yield decreased by 0.15% to 7.21% from the 7.36% offered in the third quarter of 2025. The decrease in rates is reflective of Namibia's downward trend in the interest rate environment. Treasury Bills (T-Bills) remain attractive relative to fixed-rate NCDs; however, floating-rate notes offer reasonable returns without taking the duration risk. The Fund increased its holdings in floating-rate NCDs and T-Bills during Q4-25.



Source: IJG Research

We remain cautious and invest only in instruments that are attractively priced relative to their underlying risk profile. Capital preservation and liquidity remain the Fund's key focus areas.

Portfolio manager

**Nishan Maharaj** as at 31 December 2025