

NAM CORONATION MONEY MARKET FUND

QUARTERLY COMMENTARY Q3-26

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

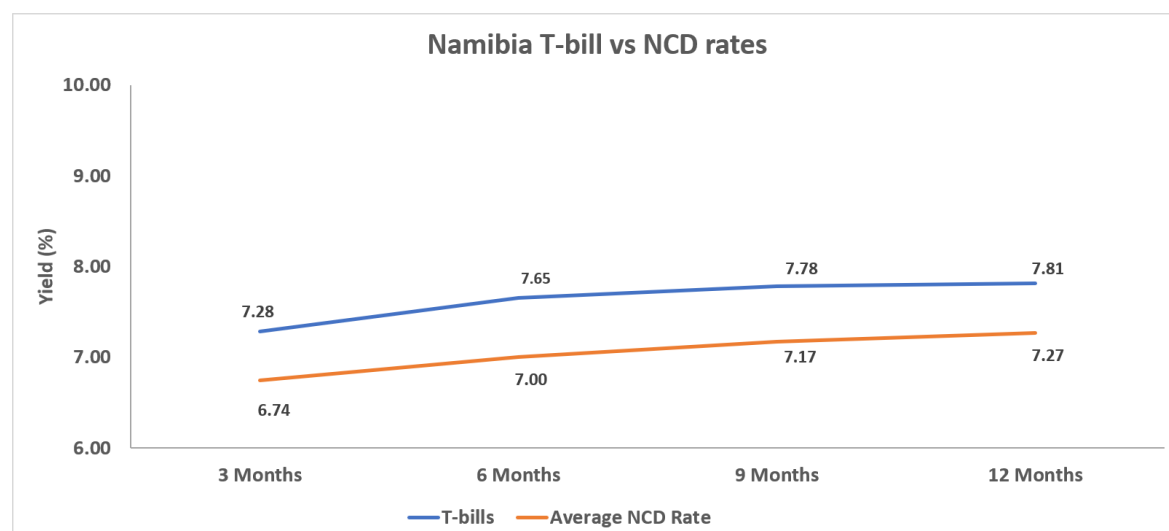
30 September 2026 commentary

The NAM Coronation Money Market Fund generated a return (net of management fees) of 1.69% for the third quarter of 2026 (Q3). Over the rolling 12-month period, it returned 6.74%, ahead of the benchmark (IJG 3-month NCD Index) return of 6.71%.

The Bank of Namibia (BoN) maintained the repo rate at 6.75% at the August Monetary Policy Committee (MPC) meeting. The “no change” in rate was considered appropriate in respect of safeguarding the currency peg between Namibia and South Africa and is supportive of domestic economic activity. Domestic economic activity moderated during the first half of 2026, with high-frequency indicators suggesting broad-based sluggish economic performance, especially in the mining, manufacturing, electricity generation, and transport sectors.

Headline inflation accelerated to 5.0% y/y in August from 4.4% y/y in July, primarily due to higher prices in the transport category, driven by the conflict in the Middle East. The BoN expects inflation to average at 4.0% for 2026 before falling to 3.9% in 2027.

During Q3, the South African Rand Overnight Index Average (ZARONIA) increased from 6.87% to 7.11%, reflecting the market's view of higher policy rates in the short term. At the end of Q3, local Namibian banks were offering a spread of 39 basis points (bps) above ZARONIA for one-year tenor floating-rate notes. The one-year fixed rate negotiable certificate of deposit (NCD) yield increased by 0.14% to 7.27% from the 7.13% offer in Q2. 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 Q3.



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 30 September 2026