

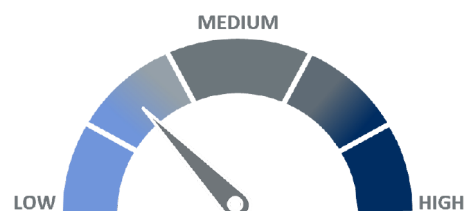
General Fund Information

Fund Structure	CIS
Region	Eswatini
Currency	SZL
Asset Class	Fixed Income
Portfolio Manager	Peter Jarvis
Headline Fee	2.00%
TER (includes Headline Fee)	0.01%
Initial Fee	-
Distribution Frequency	Semi-annually
Launch Date	September 30, 2016
Financial Year End	April
Minimum Lump Sum Investment	100000
Risk Rating	Medium-Low
Net Asset Value (NAV)	1.03
Assets Under Management (AUM)	549,403,726.00

Fund Objective

The African Alliance Eswatini Umnotfo Fund will seek to follow an investment policy which will generate returns in excess of money market yields. The Fund invests only in local (Eswatini) debt opportunities and aims to maintain a portfolio that is diverse in term structure, issuer and sector. The Fund is ideally suited to investors with a time horizon that is longer than 12 months.

Risk Rating



Gross Performance (%)

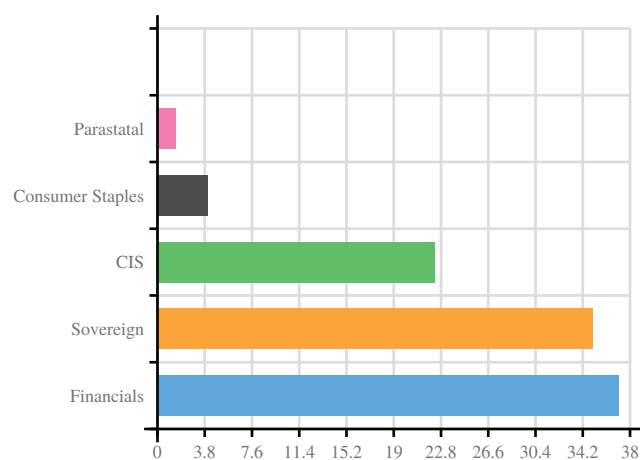
	1 Month	3 Months	6 Months	1 Year	2 Years*	3 Years*	5 Years*
Fund	0.85	2.45	4.96	9.72	8.98	8.83	9.10
Benchmark**	0	0	0	0	0	0	0
Value Add	0.85	2.45	4.96	9.72	8.98	8.83	9.10

*Annualised **Not Applicable

Issuer Exposure (%)

Central Bank of Eswatini	35.0
CIS	22.3
SBC	10.4
Select	9.9
Lesana Lesotho Limited	9.8
StructCo	5.0
Lojaf	4.1
Nedbank	1.9
Motor Vehicles Accident Fund	1.5

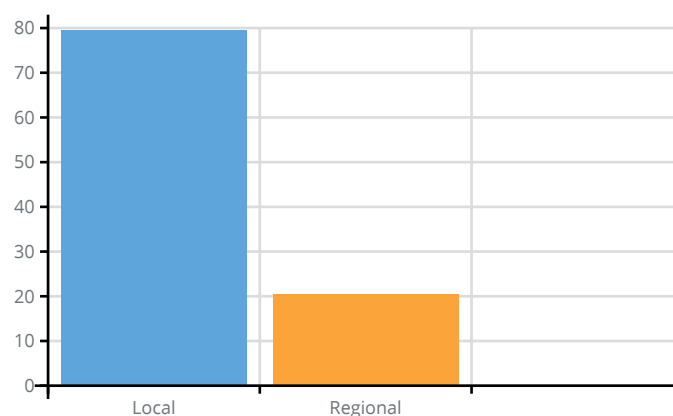
Sector Allocations (%)



Asset Class Breakdown (%)



Region Breakdown (%)



Portfolio Manager Commentary

The Eswatini market saw no change in the ESE All Share, remaining at E464.27, with limited liquidity remaining on the market. However, activity is expected to increase in the coming months. The T-Bill yields have pulled back, with the average competitive yield for 91-day and 364-day Bills now at 9.31% and 10.56%, respectively, at the end of the August auction.

In July 2023, the currency in circulation in Eswatini increased by E83,585 thousand compared to July 2022, reaching a total of E1.33 million, as reported by the Central Bank of Eswatini (CBE) Governor Phil Mnisi. Additionally, SDR allocations grew from E2.69 million in July 2022 to E2.95 million in July 2023, a year-on-year increase of E257 thousand. Domestic deposits decreased by E451,000, dropping from E4.15 million in July 2022 to E3.7 million in July 2023. External liabilities rose by E675,000, reaching E2.8 million in 2023, up from E2.1 million in 2022. In contrast, external assets increased by E683,000, going from E9.3 million in 2022 to E9.9 million in 2023.

The Eswatini Sugar Association (ESA) continues to export approximately 26,535 tonnes of sugar to the United States annually through the African Growth and Opportunity Act (AGOA). This sugar is shipped from Eswatini to Maputo, Mozambique, and is jointly owned by sugar companies from Eswatini, South Africa, Zimbabwe, and Mozambique. Each country holds a 25% share in the terminal, and the raw sugar is primarily sent to the European Union for refining. ESA emphasizes its importance to the business sector in 10 targeted Southern African countries.

According to Trading Economics via Business Insider Africa, Eswatini has been ranked 10th in Africa for GDP per capita. The continent exhibits significant disparities in GDP per capita, with countries like Seychelles and Mauritius boasting higher figures due to tourism and services. In contrast, some Sub-Saharan African countries like Chad and the Central African Republic struggle with low GDP per capita due to political instability and limited infrastructure. While Eswatini's ranking is positive, it may not reflect equitable wealth distribution.

Regionally, the South African equity market experienced a pullback in August, erasing July gains, with the Capped SWIX index posting a 4.79% loss over the month. This decline was seen across nearly all sectors, except for small caps, which were up 1.72%. The most significant detractor was the resources sector, down 8.38%. As September traditionally marks the weakest month of the year for financial markets, most sectors remain positive for the year to date.

The Eswatini Emalangeni has once again been influenced by global dynamics, with the Brics summit offering some relief. However, it weakened due to news from the US Fed, where Jerome Powell reiterated the possibility of further interest rate hikes to combat inflation. It closed the month at E18.94, down 6.52%.

Disclaimer

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