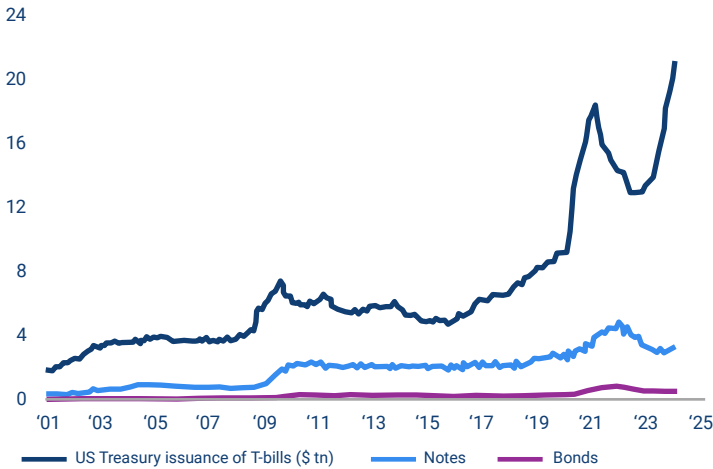


\$21tn of T-Bill issuance in past 12 months

US Treasury issuance of debt securities by tenor (12-month cumulative, \$bn)



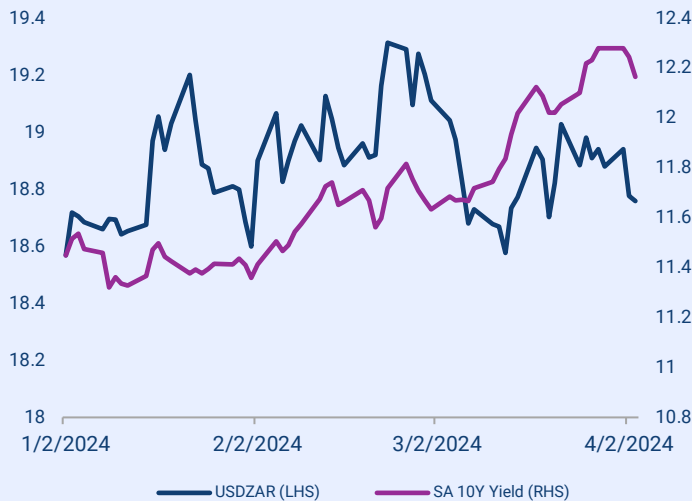
Source: BofA Global Investment Strategy, Haver, 10X Investments

The US fiscal deficit, exceeding 6% of GDP, is the largest observed outside of a recession or wartime and has fuelled robust economic growth. This significant increase in spending is financed through increased government debt issuance, which can create upward pressure on yields, especially at a time when the US Federal Reserve is conducting quantitative tightening.

In Q3 2023, yields spiked, with the US 10-year surpassing 5%, prompting the US Treasury to favour more T-bill issuance over notes and bonds. This had the impact of reducing the supply of treasuries and alleviating pressure on yields. However, a normalisation of the funding mix would increase the supply of treasuries in the market, increasing risks around liquidity and creating upward pressure on yields.

SA Bonds pricing greater SA Inc. risk than the Rand

USDZAR vs SA 10-year yield, YTD



Source: Bloomberg, 10X Investments

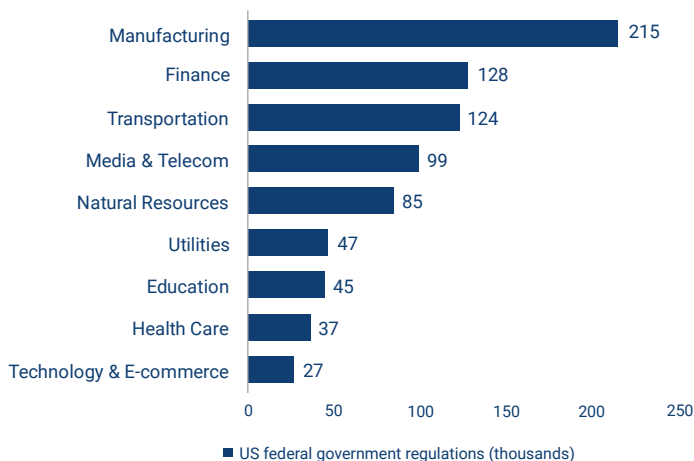
The Rand and South African government bond yields are both proxies for South Africa specific risk and tend to be correlated during times of stress.

Increasing election risk, with uncertainty around coalition politics and the rise of MKP in polling together with a deteriorating fiscal picture has seen an increase in SA Inc risks this year.

These risks have been discounted in higher South African government bond yields with the 10-year up 70 bps in 2024. However, the Rand has remained range bound over this period, not reflecting these risks to the same extent.

Tech has been the least regulated of all US sectors

US Federal regulations by industry



Source: BofA, 10X Investments

The technology sector is the least regulated sector by the federal government in the US. This has historically supported growing market share, revenue and margins.

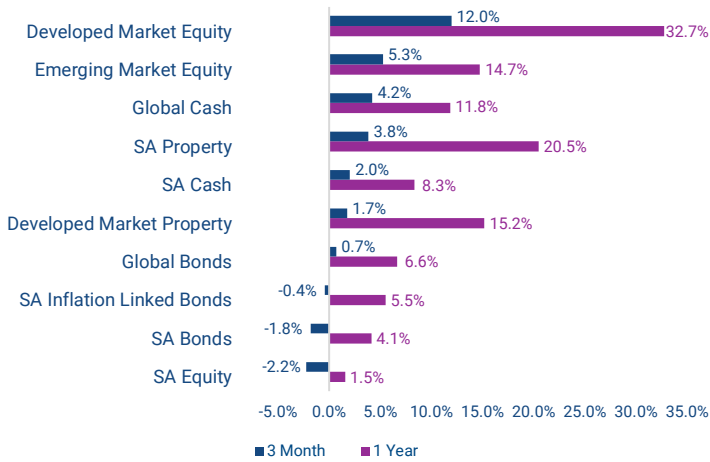
Over the last 12 months antitrust suits have been filed against Apple, Amazon, Meta and Alphabet in the US.

However, US regulatory eyes will be watching how more advanced EU regulations are being imposed under the Digital Markets Act which became effective on 7 March 2024.

By the 25th of March EU regulators opened their first antitrust investigations into the big US tech companies above as well as Microsoft and Bytedance which, if found guilty, could face fines of up to 10% of annual global revenue.

Asset class returns to 31 March 2024

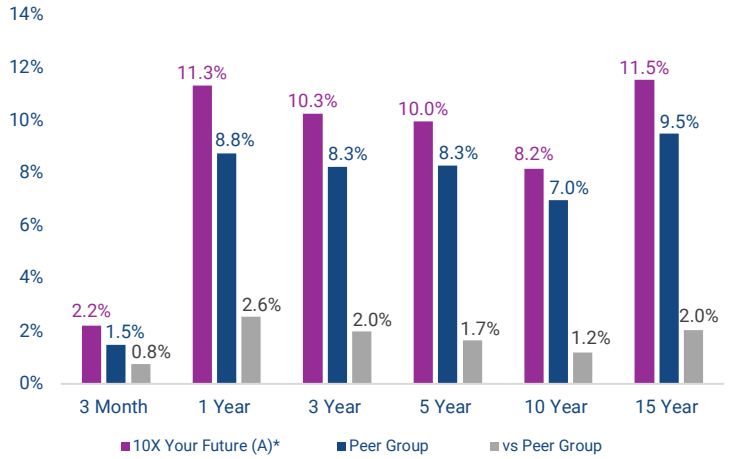
Rand depreciation supporting offshore



Source: 10X Investments Bloomberg

Portfolio returns to 31 March 2023

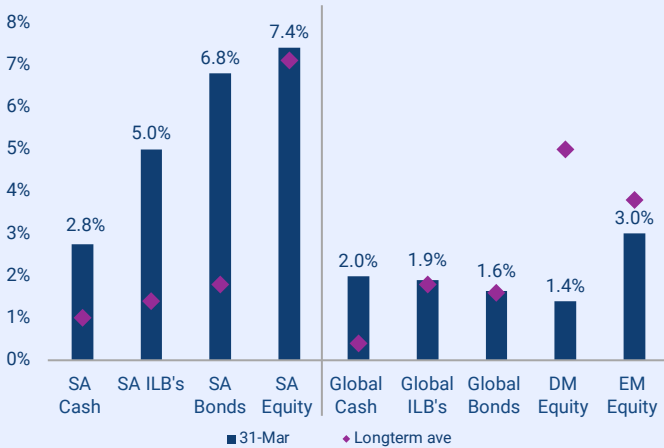
Consistent performance



Source: 10X Investments Morningstar, CPI lagged by 1 month; * returns prior to March 2019 are those of 10X Umbrella Pension Fund adjusted for Class A fee

5-10 year expected asset class return

31 March 2024



Source: 10X Investments, Bloomberg

Real (after-inflation) return expectations

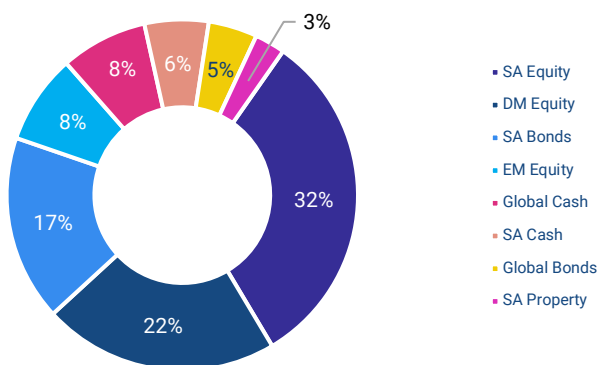
The increase in SA bond yields over the month was driven by rising breakeven inflation, as the market sought a greater inflation risk premium due to increased SA-specific risks. Real rates remained unchanged during this period.

The higher starting yields for SA bonds mean that forward looking returns for this asset class have improved.

Local and global equities rallied over the month, driven by an increase in valuations, decreasing return expectations across the board. SA & EM equities are close to fair value whilst DM equities (S&P 500) are expensive.

10X Your Future Fund Asset Allocation

31 March 2024



Source: 10X Investments

Asset Allocation

Off the back of continued de-rating, we increased our exposure to SA equity at the start of the month, rebalancing back to a combined SA Equity & Property exposure of 35%.

The sell-off in SA bonds provided an opportunity to incrementally add exposure to this asset class during the month.

In addition to total offshore exposure of 43%, the portfolio remains defensively positioned with high allocations to SA and Global cash.



Anton Eser
Chief Investment Officer



Chris Eddy
Head of Multi Asset Funds

Disclaimer

10X Investments (Pty) Ltd is an authorised Financial Services Provider (#28250) and an Investment Manager licenced under the Financial Advisory and Intermediary Services Act, 37 of 2002. 10X Index Fund Managers (RF) (Pty) Ltd ("10XIFM") is registered as a Management Company under the Collective Investment Schemes Control Act 45 of 2002, in terms of which it operates unit trust portfolios under the 10X Unit Trust Scheme, and is supervised by the Financial Sector Conduct Authority. 10X Investments (Pty) Ltd is the appointed investment manager of 10XIFM. 10X Investments (Pty) Ltd is an approved Benefit Administrator in terms of Section 13B of the Pension Funds Act, 24 of 1956. 10X Investments (Pty) Ltd has been mandated by the 10X Sponsored Retirement Funds ("Funds") (including the 10X Umbrella Provident Fund and the 10X Umbrella Pension Fund) to act as Investment Manager of the Funds' respective investment portfolios. The content and information contained in this presentation may not be reproduced or distributed without the prior written consent of 10X. 10X has taken, and will continue to take care, that all information provided, in so far as this is under its control, is true and correct. However, 10X shall not be responsible for, and therefore disclaims any liability for, any loss, liability, damage (whether direct or consequential) or expense of any nature whatsoever, which may be suffered as a result of, or which may be attributable, directly or indirectly, to the use of or reliance upon any information provided. The content and information provided in this presentation is provided by 10X as general information about the company and its products and services, and investment performance as at the time of the presentation. 10X does not guarantee the suitability of any information or the performance of a particular investment source. The information provided is not intended to be, nor does it constitute, financial, tax, legal, investment, or other advice. Nothing contained in this presentation constitutes a solicitation, recommendation, endorsement, or offer by 10X, but is merely an invitation to do business. Collective Investment Schemes in Securities (known as Unit Trusts) are generally medium- to long-term investments and the value of units may go down, as well as up. Past performance is not necessarily a guide to future performance. 10XIFM does not provide any guarantee regarding the capital or the performance of its Unit Trusts. Performance figures are for lump sum investments with income distributions reinvested. Where annualised performance is mentioned, this refers to the average return per year over the period. Actual investor performance may differ as a result of the investment date, the date of reinvestment and dividend withholding tax. Movements in exchange rates may also be the cause of the value of underlying international investments going up or down. The 10X FAIS Disclosure as well as the Unit Trust Funds' Minimum Disclosure Document is available on the 10X website: www.10x.co.za