MATRIX
FUND MANAGERS

Fault Lines

Investing when the ground is shifting

Think Tank 2025

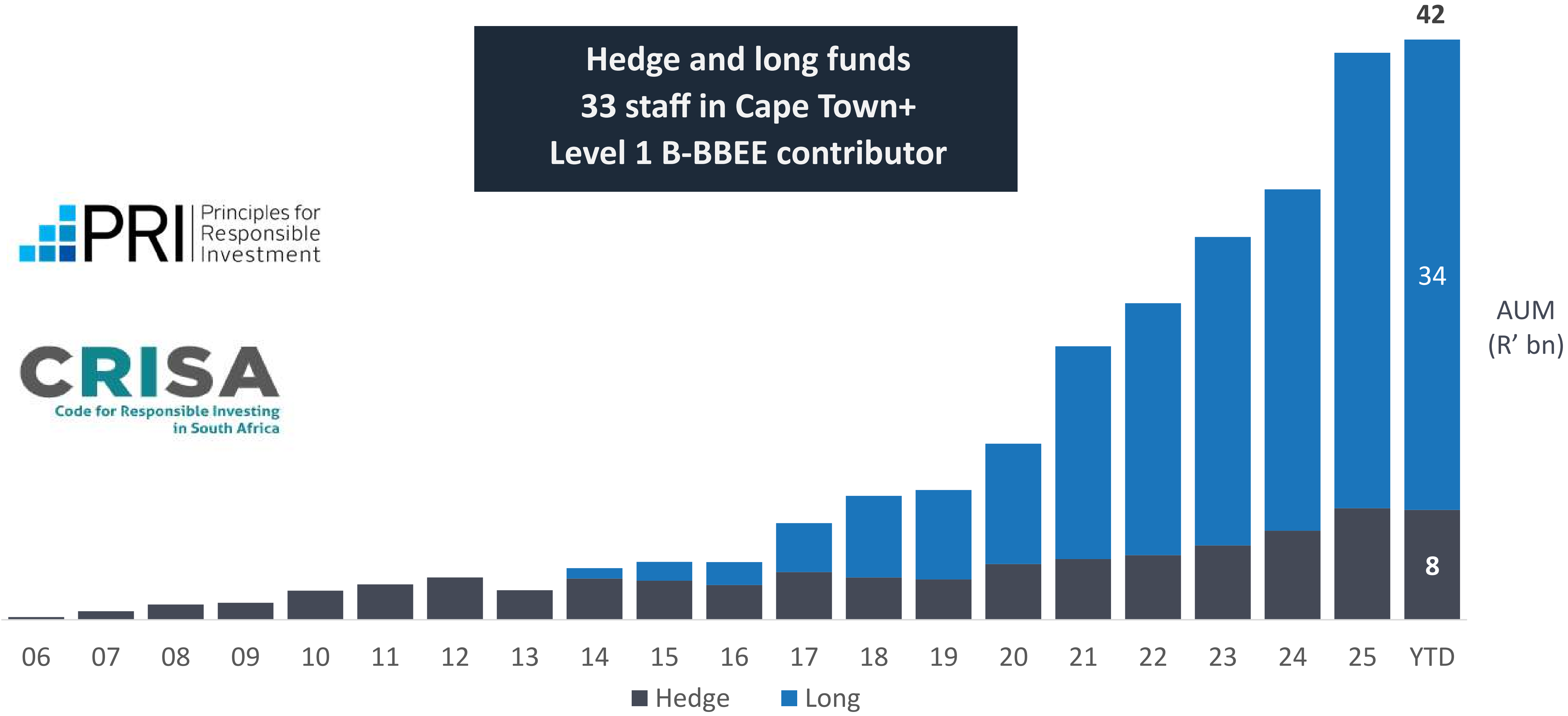
Jean-Pierre Matthews | André van der Merwe

Matrix Fund Managers

Hedge and long funds
33 staff in Cape Town+
Level 1 B-BBEE contributor

Principles for Responsible Investment

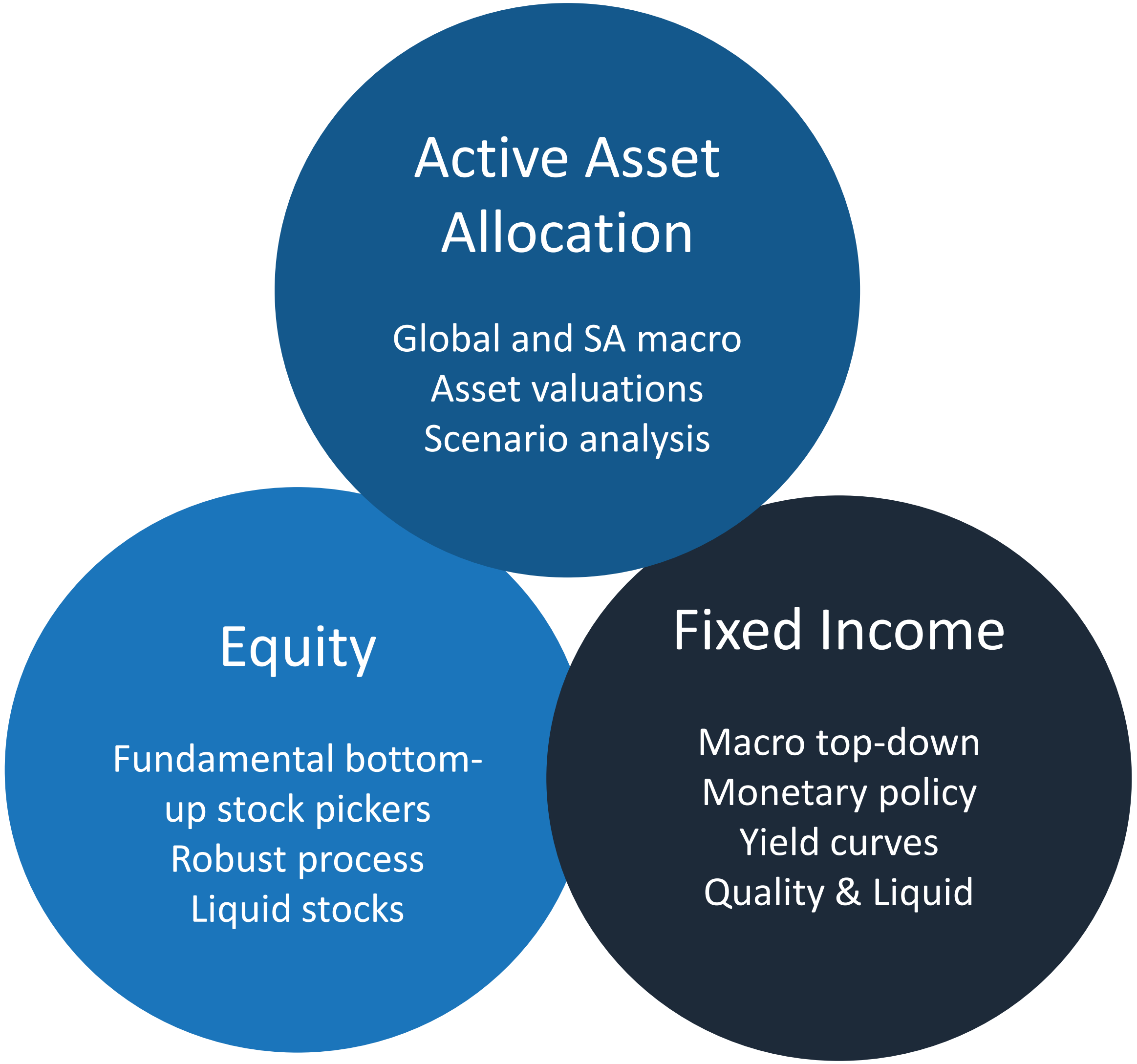
CRISA
Code for Responsible Investing in South Africa



Source: Matrix, as at 30 June 2026

Matrix Fund Managers

- Active
- Pragmatic
- Liquid markets
- Absolute Return Focus



Matrix Fund Managers

Unit Trust	ASISA Category
Matrix SCI Stable Income Fund	SA Income (IB-ST)
Matrix SCI Enhanced Income Fund	SA MA – Income
Matrix SCI Bond Fund	SA Bonds (IB-VT)
Amplify SCI Defensive Balanced Fund*	SA MA – Low Equity
Amplify SCI Absolute Fund*	SA MA – Med Equity
Matrix SCI Balanced Fund	SA MA – High Equity
Matrix SCI Fixed Income RHF / Amplify SCI Income Plus RHF*	SA RHF – Fixed Income
Matrix Global FI Hedge SP (Cayman)**	Global Fixed Income
Matrix SCI SA Equity Fund	SA Equity

* Exclusively managed by Matrix Fund Managers for Amplify Investment Partners ** Section 65 approved by FSCA as a QIHF in South Africa

The ground shifted, did your portfolio?

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The ground shifted, did your portfolio?

1. Tectonic events that changed the investment landscape
2. Managing your behavioural biases when earthquakes hit
3. When to run and when to stand your ground
4. Building portfolios that move with the shifts

LONG ONLY

Active Asset Allocation

- Diversification exposure between risky and less risky assets
- Protect downside
- Participate in upside

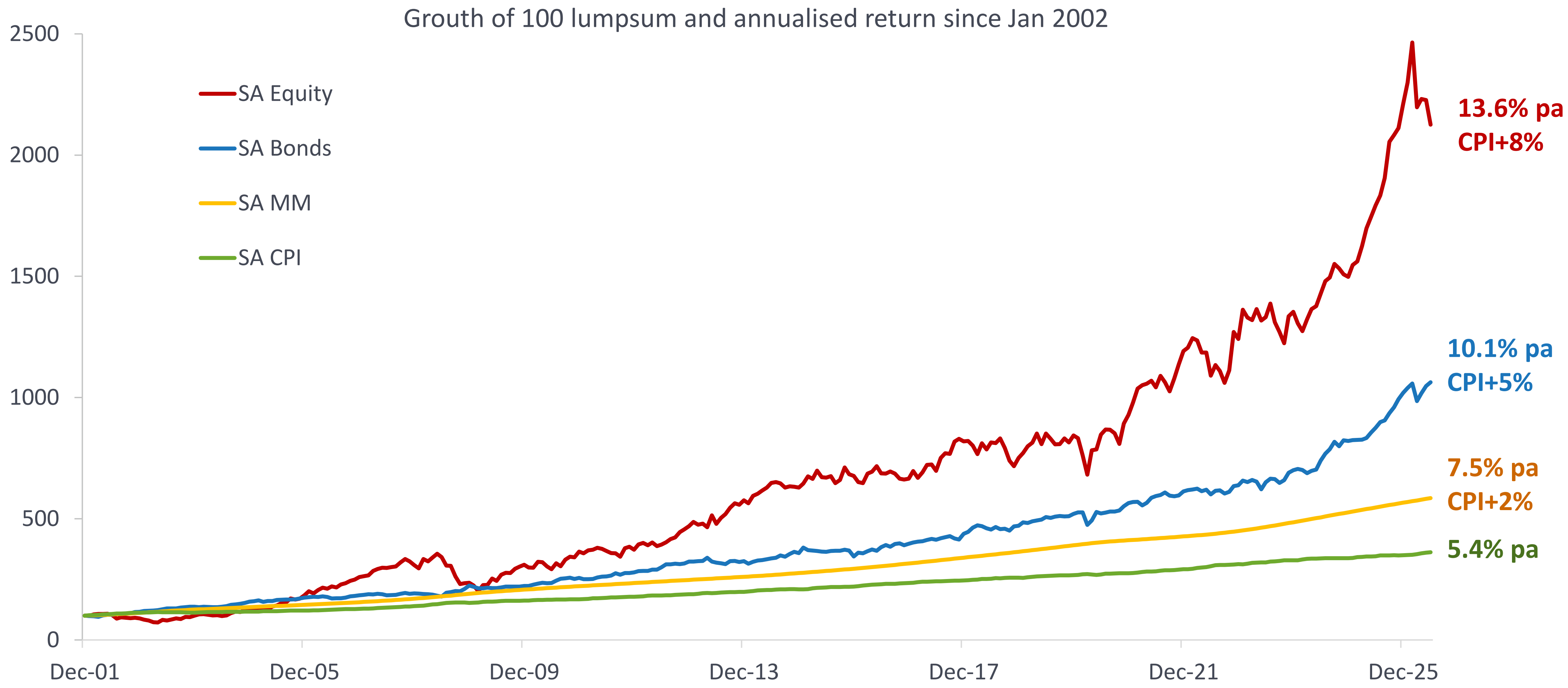
HEDGE FUNDS

- Can profit when prices fall
- Uncorrelated returns add major diversification benefits

1. Tectonic events that changed the investment landscape

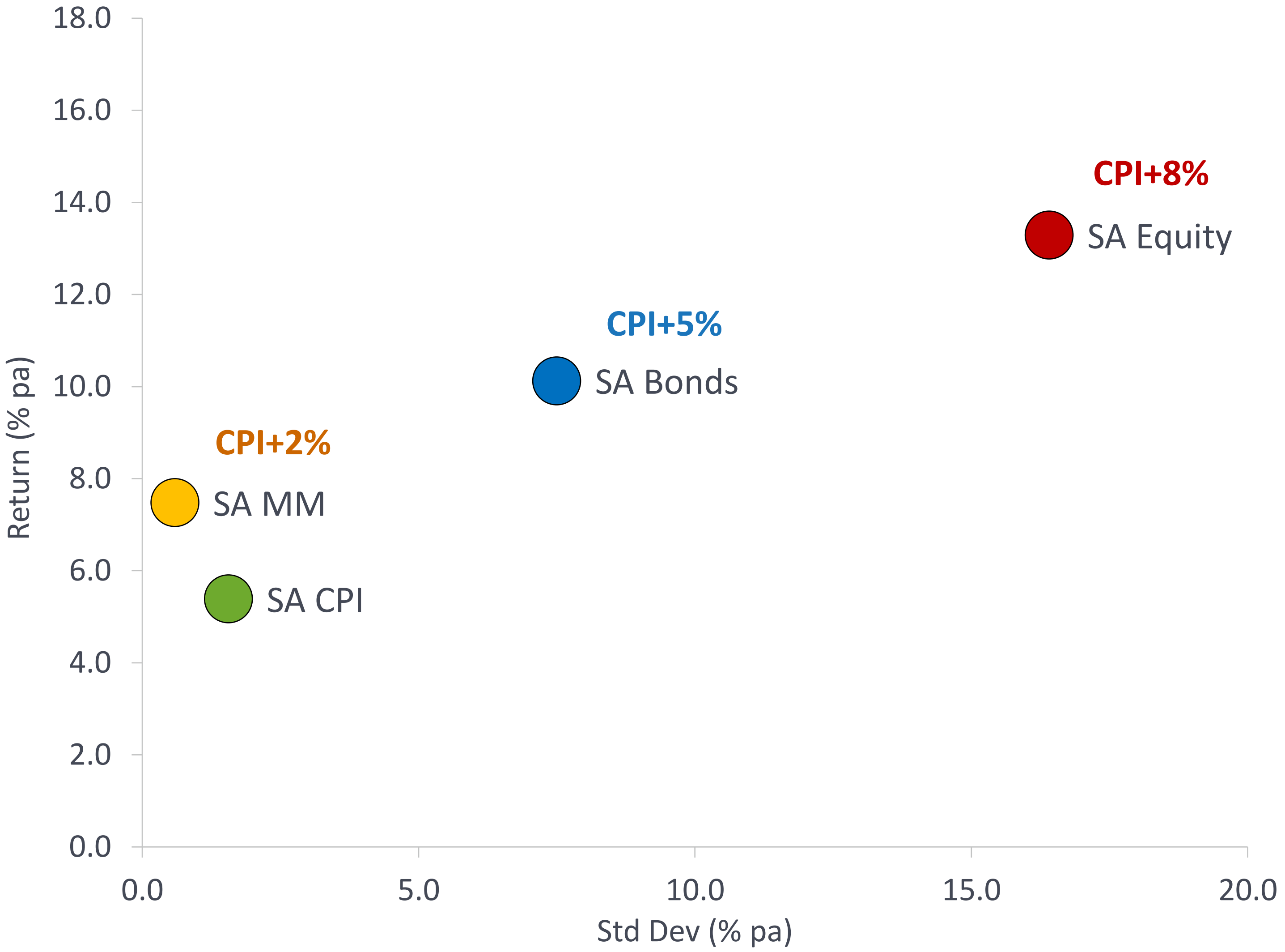
Statistics…

Past performance



Source: Matrix Fund Managers, Bloomberg, Monthly market data since January 2002, SA Equity is FTSE/JSE Top40 TR, SA Bonds is FTSE/JSE All Bond TR, SA MM is STeFI Composite, SA CPI is headline inflation

Past performance



Source: Matrix Fund Managers, Bloomberg, Monthly market data since January 2002, SA Equity is FTSE/JSE Top40 TR, SA Bonds is FTSE/JSE All Bond TR, SA MM is STeFI Composite, SA CPI is headline inflation

Domestic events

Emerging market events

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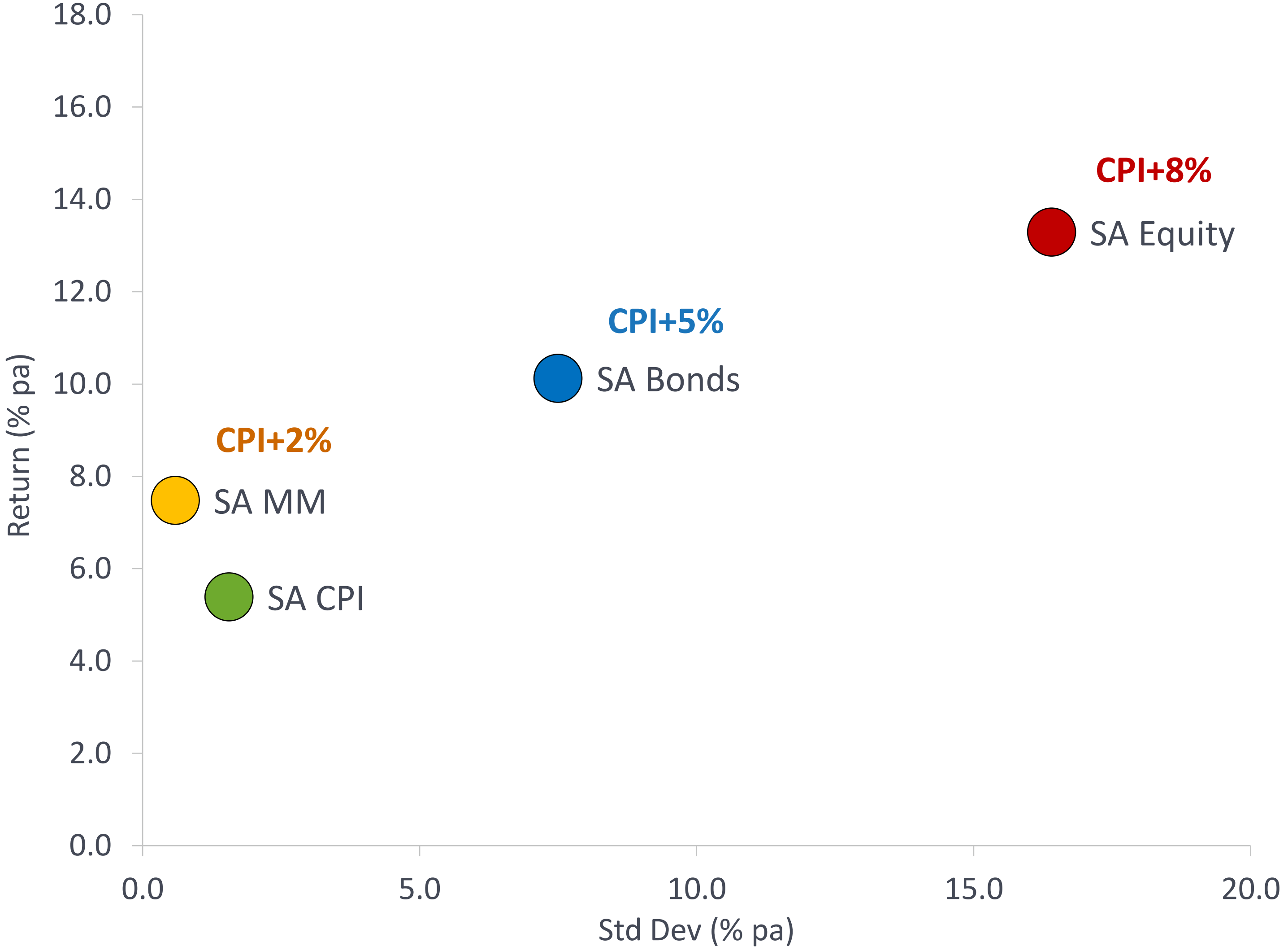
Global events

Past performance



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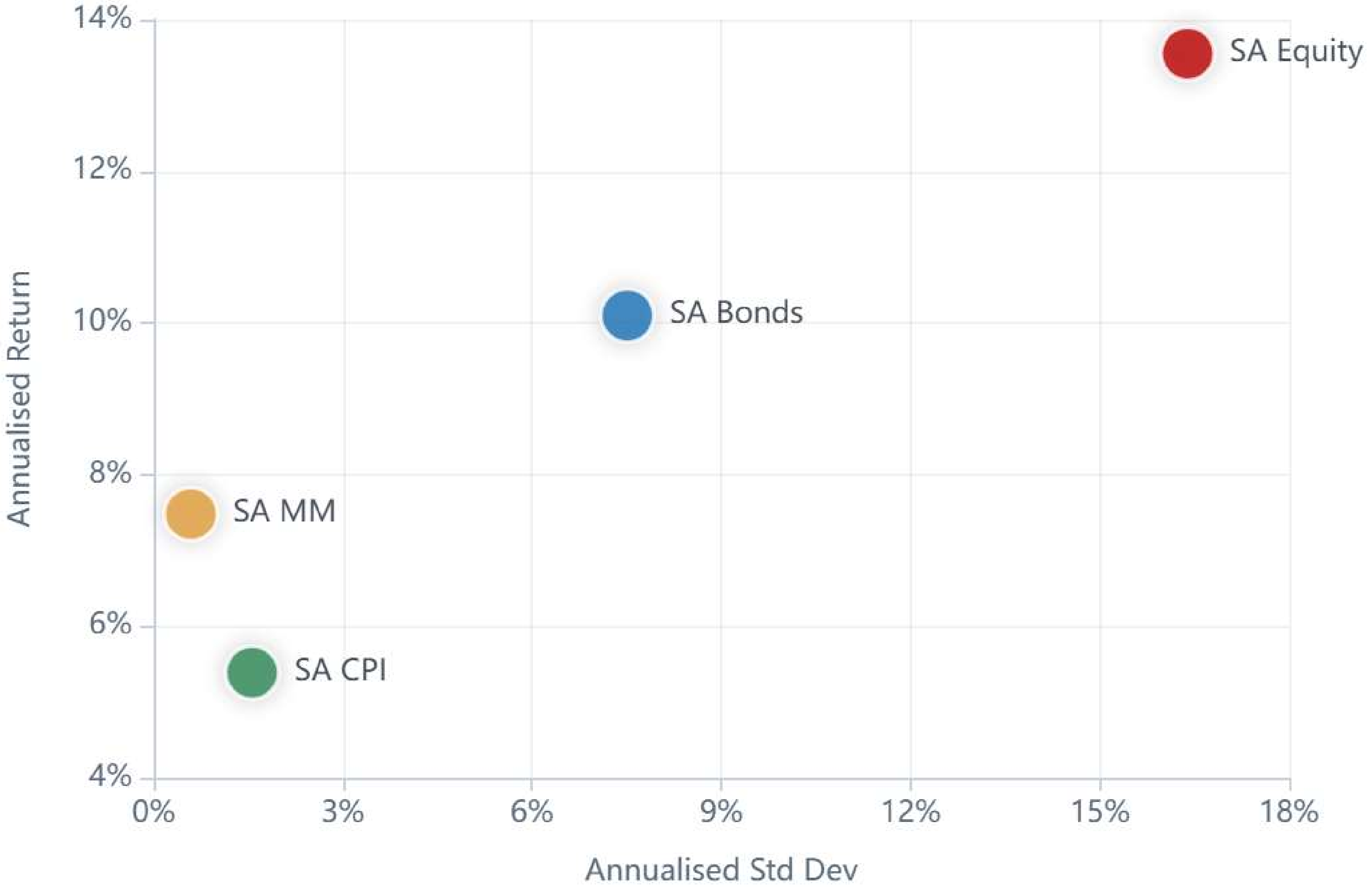
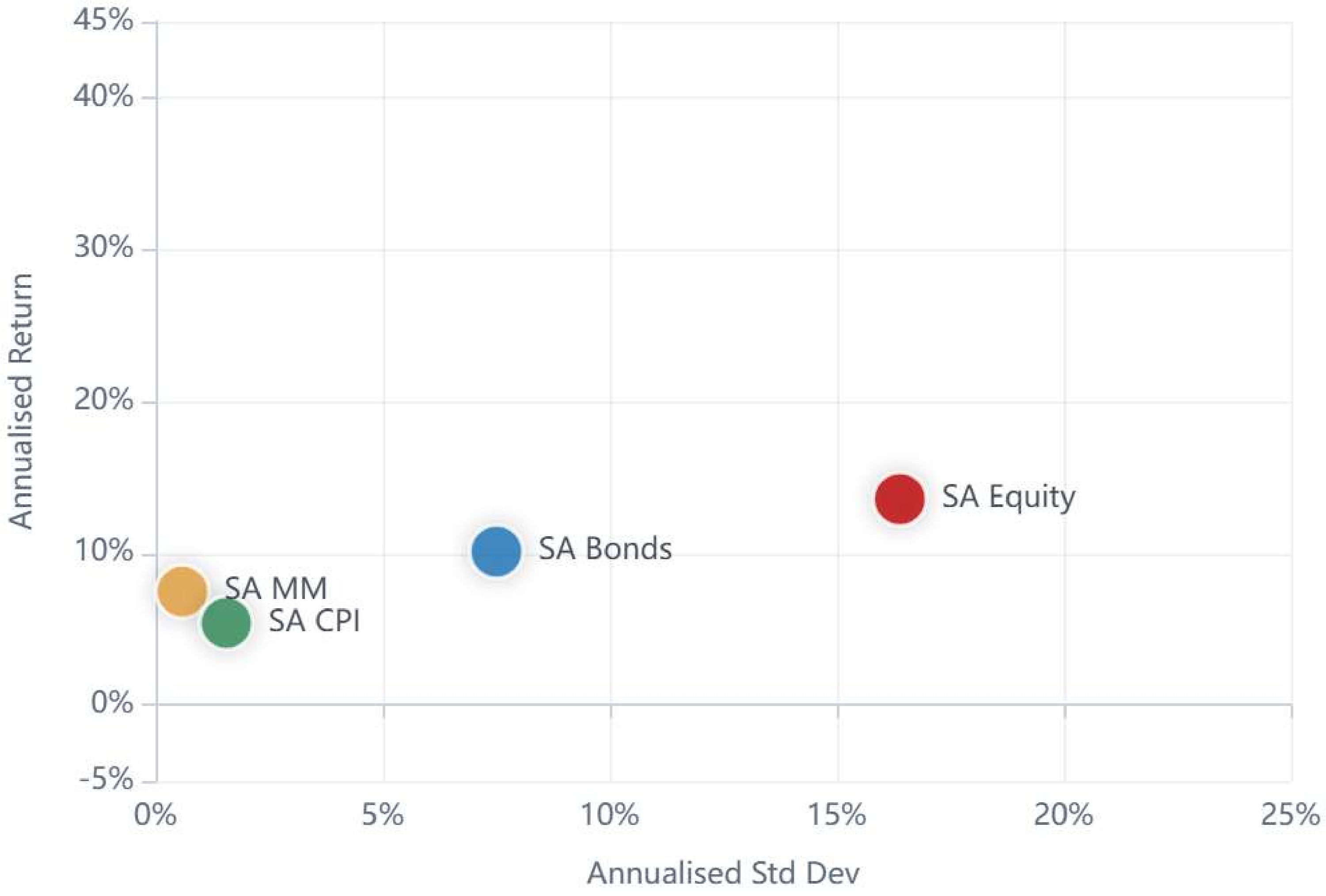
Past performance



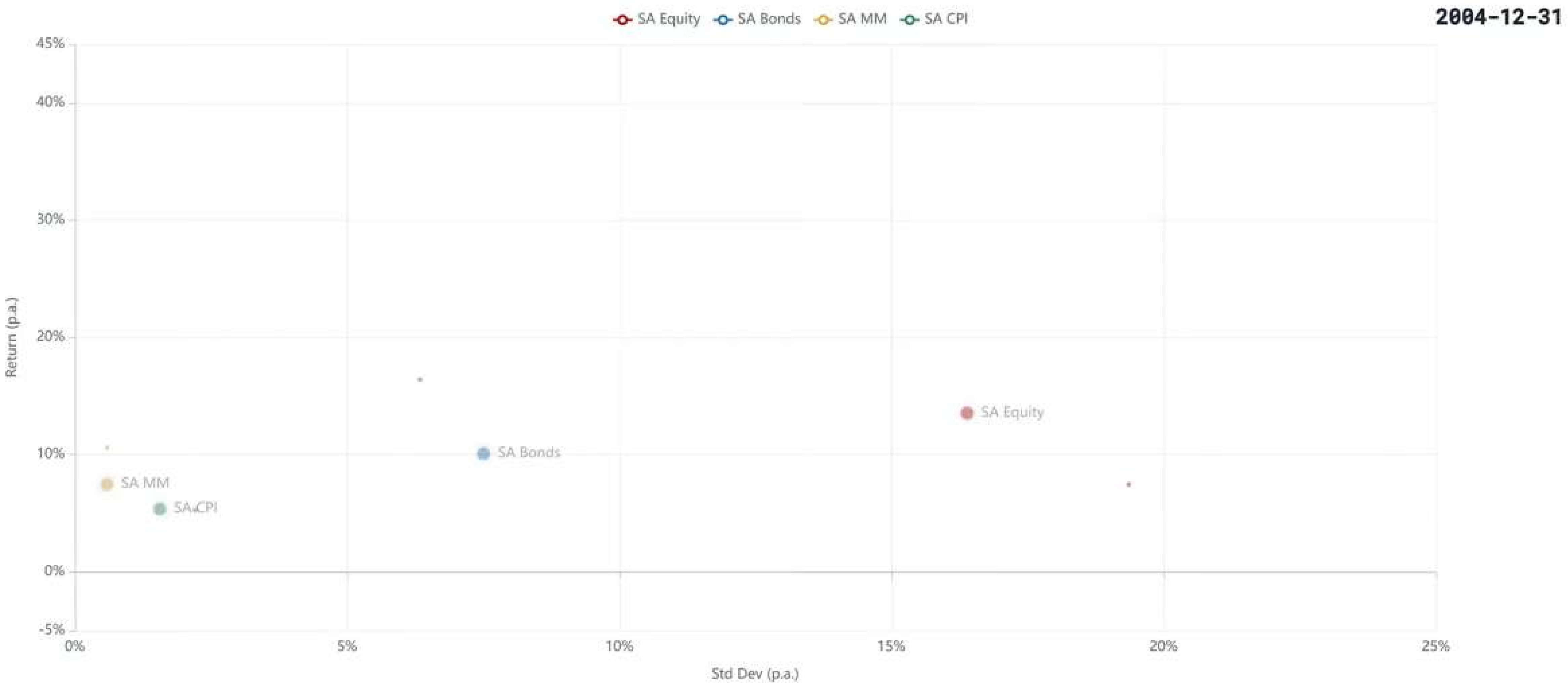
Source: Matrix Fund Managers, Bloomberg, Monthly market data since January 2002

Past performance



Source: Matrix Fund Managers, Bloomberg, Monthly market data since January 2002

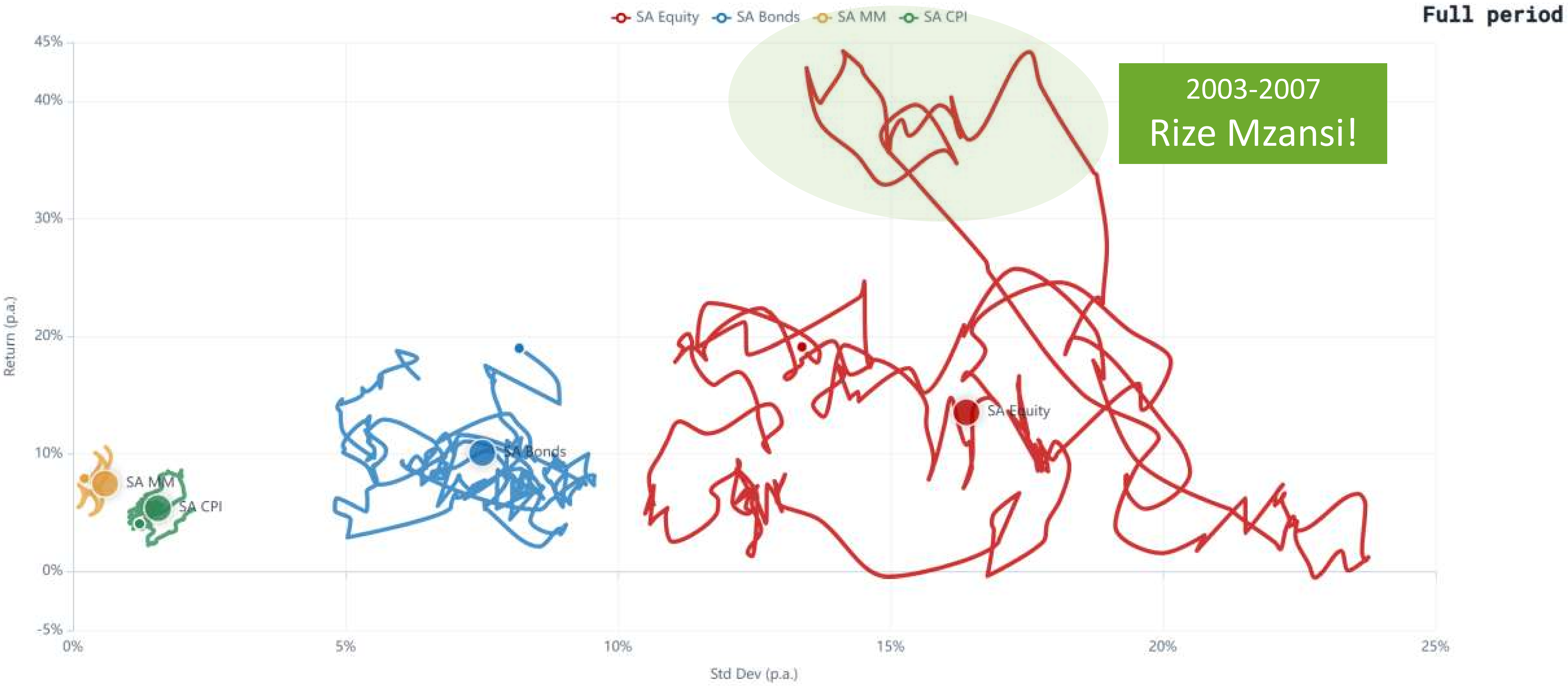
The risk return journey : rolling 3Y risk-return



The risk return journey : rolling 3Y risk-return

Full period

The risk return journey : rolling 3Y risk-return



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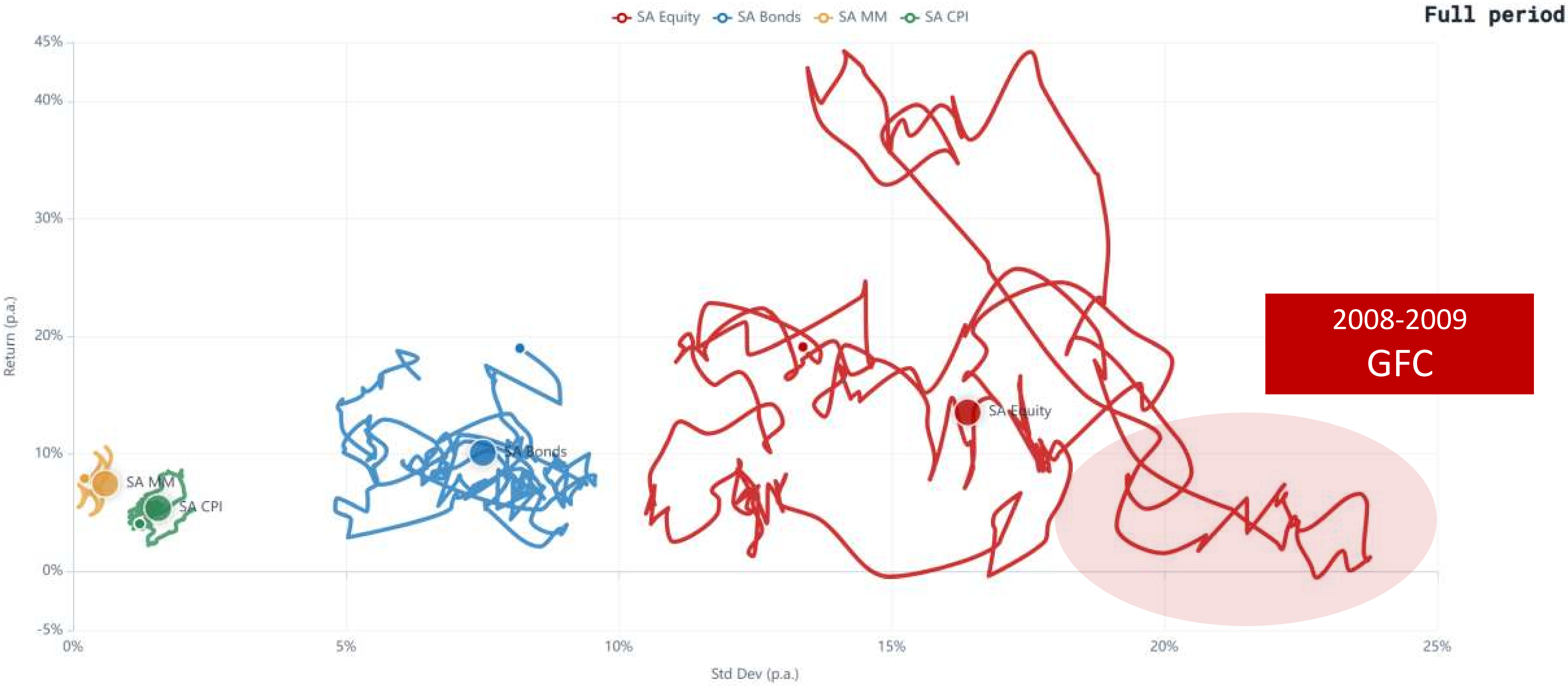

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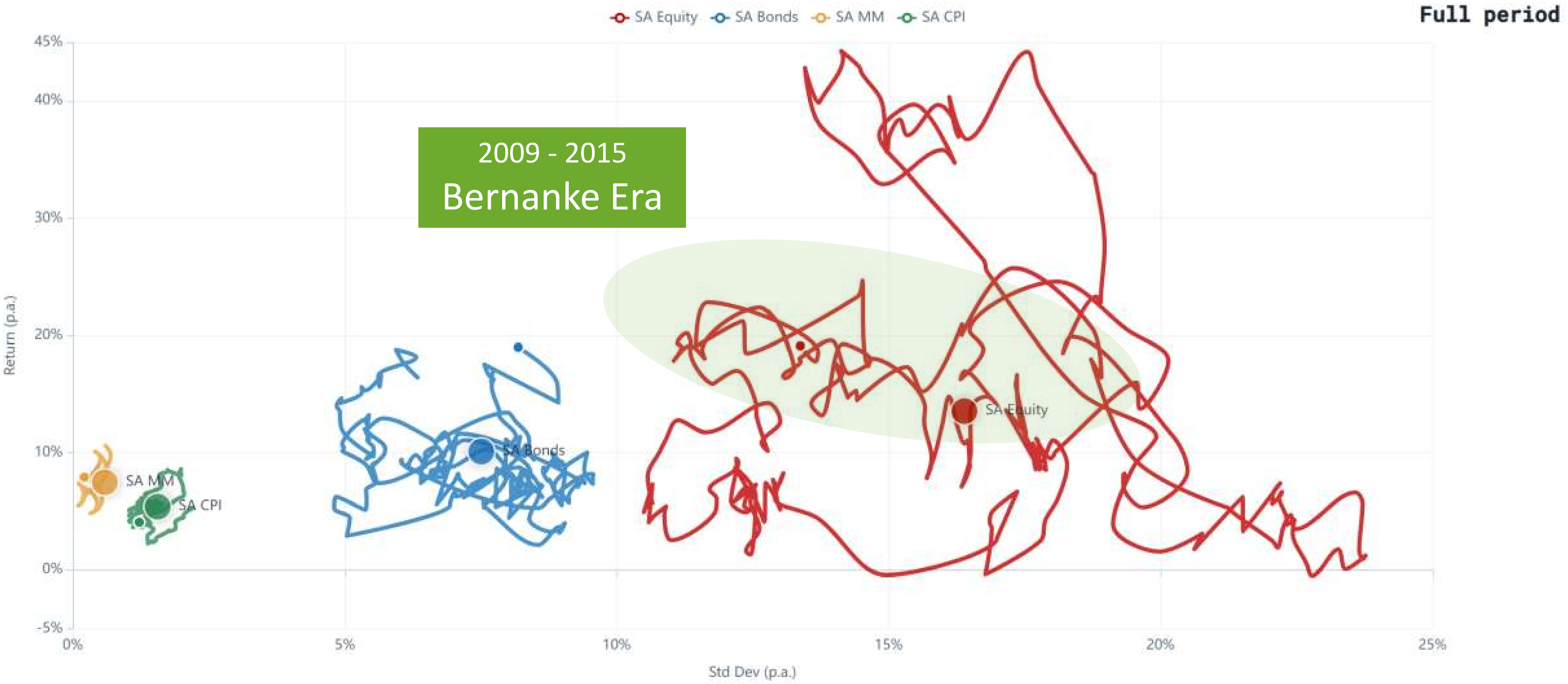

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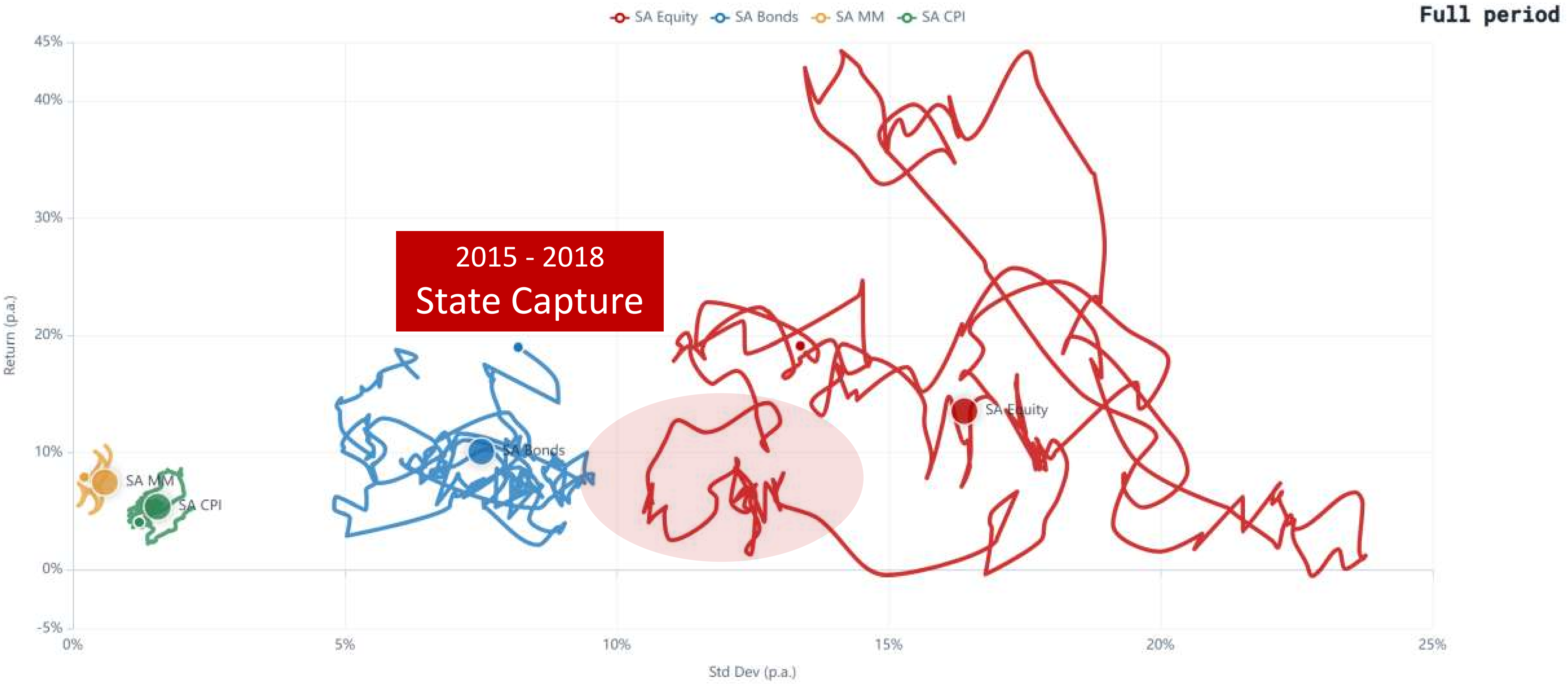

The risk return journey : rolling 3Y risk-return

Full period

The risk return journey : rolling 3Y risk-return

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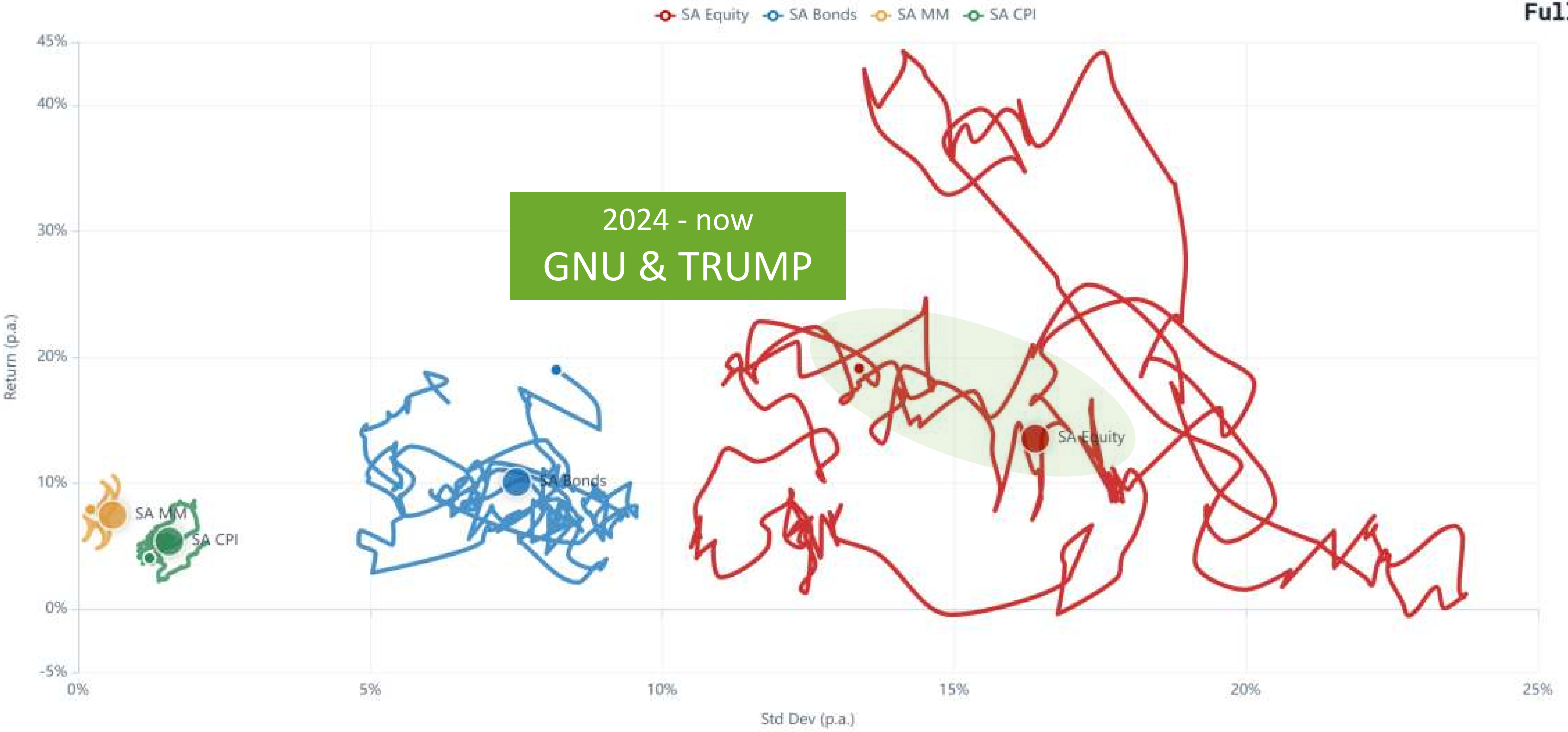
Full period



2. Managing your behavioural biases

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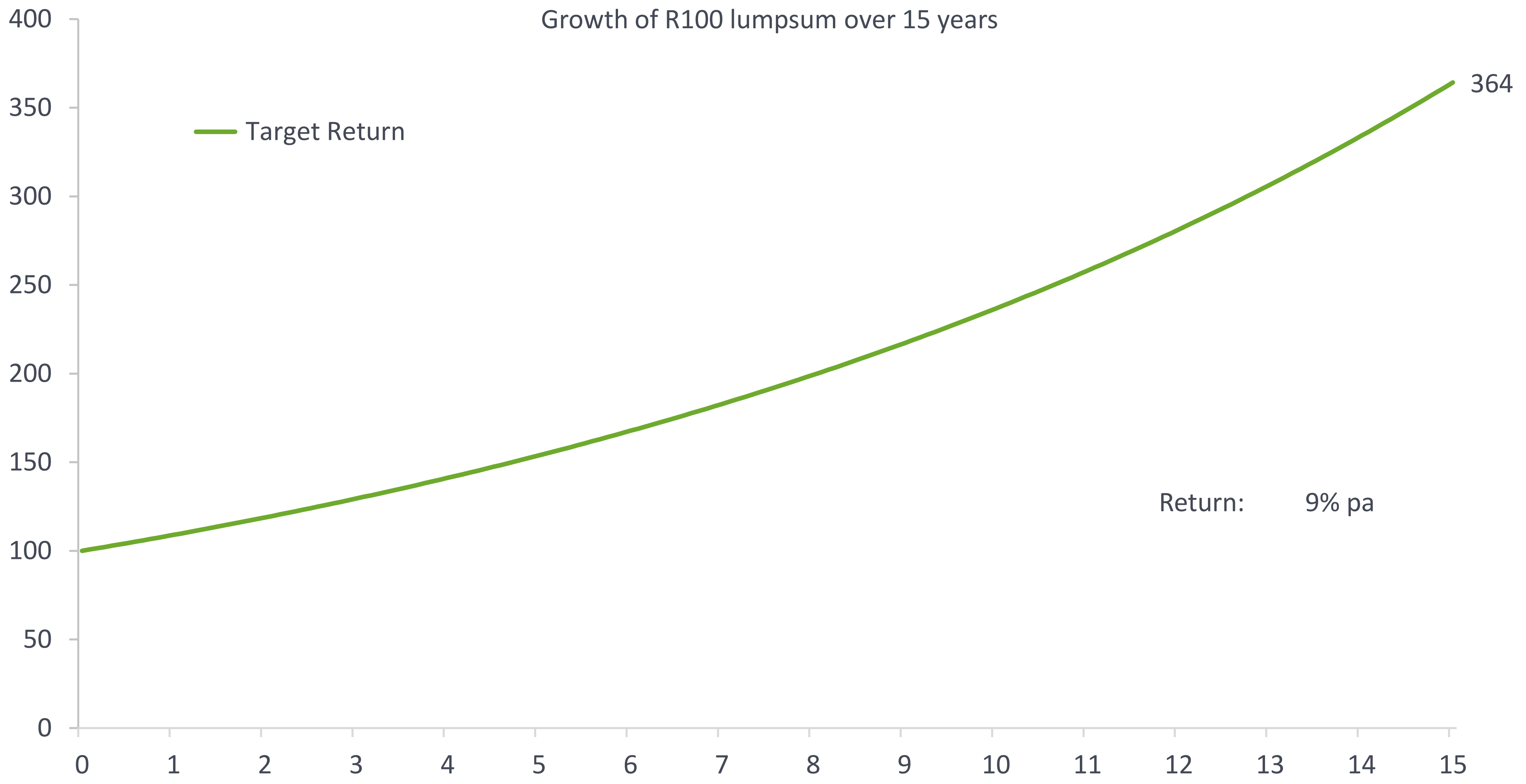
Managing your behavioural biases

- α : **Alpha** is the return from Asset Managers
- β : **Beta** is the return from the Market
- γ : **Gamma** is the return from Advice (DFMs and Advisors)

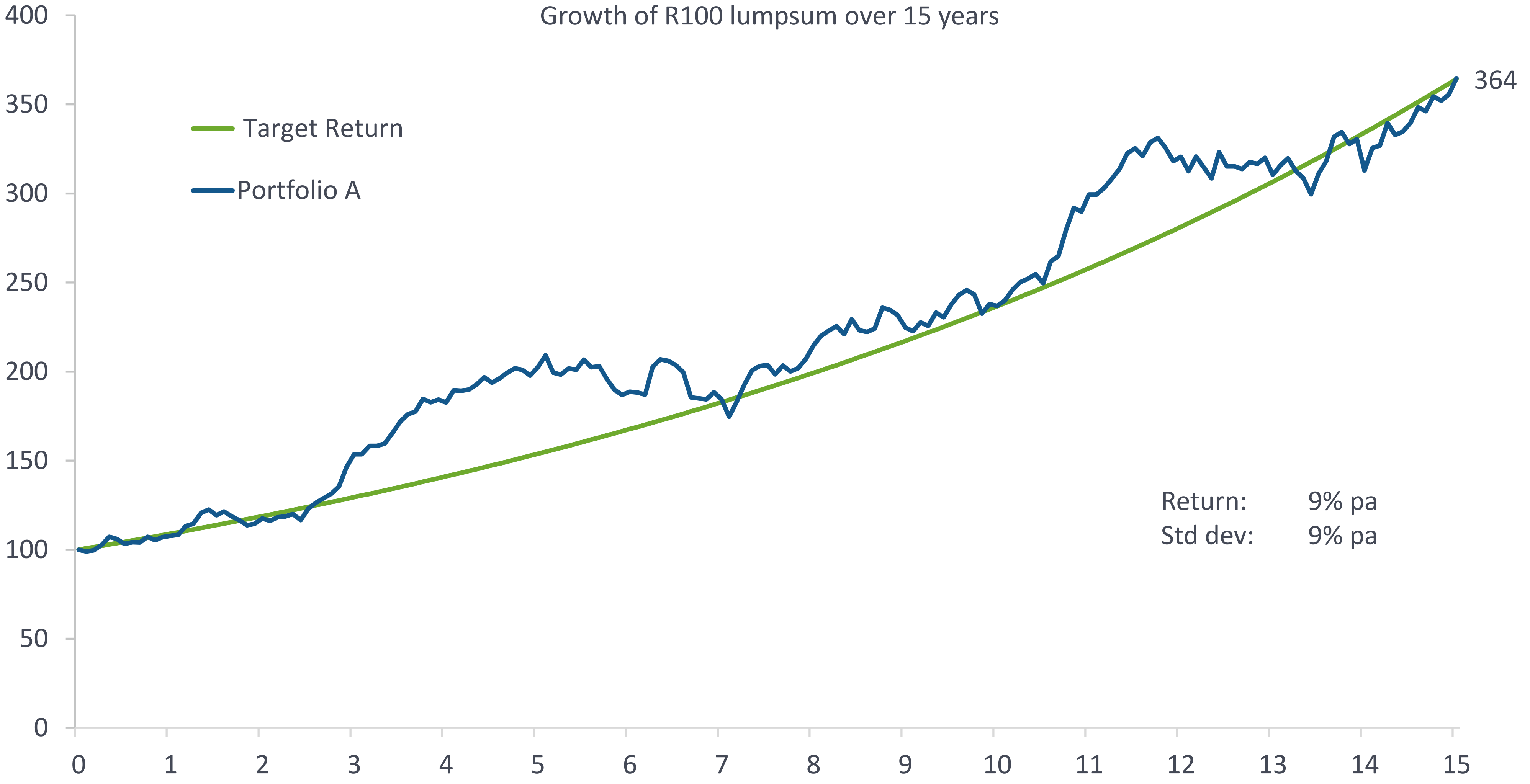
Robust Solutions	Behavioural Coaching
	

Sequence risk



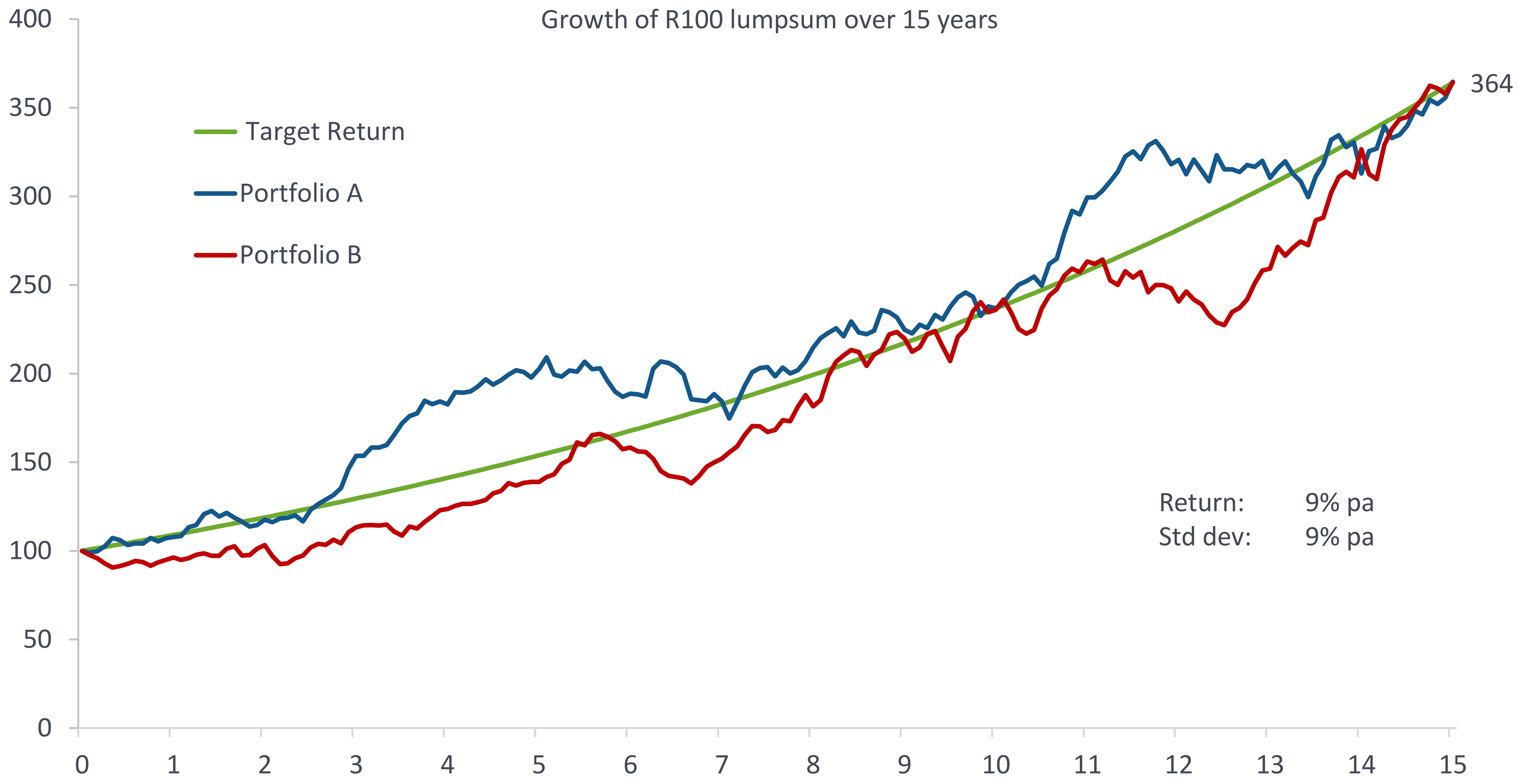
Source: Matrix

Sequence risk



Source: Matrix

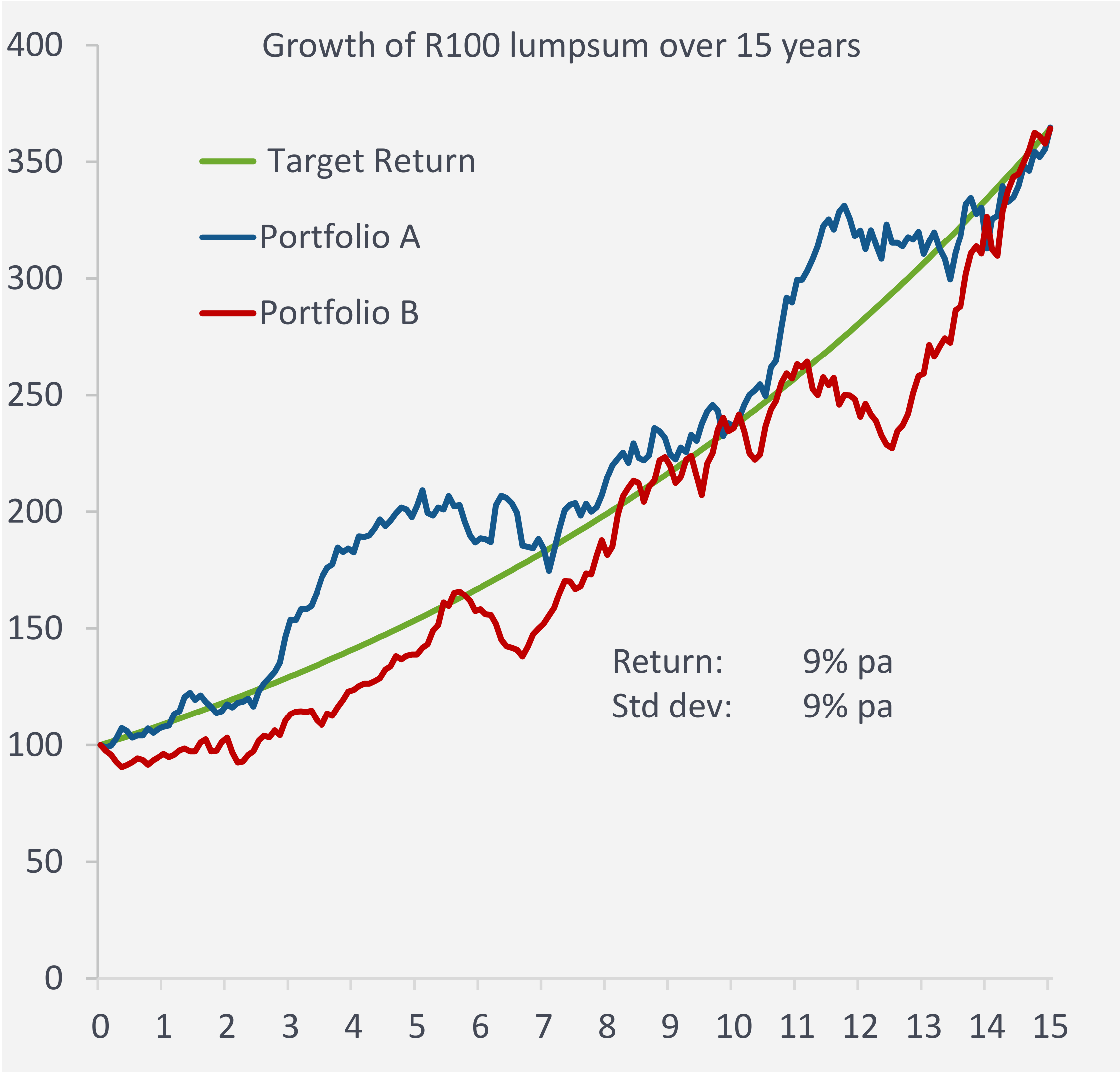
Sequence risk



Source: Matrix

Sequence risk: Retirement Annuity

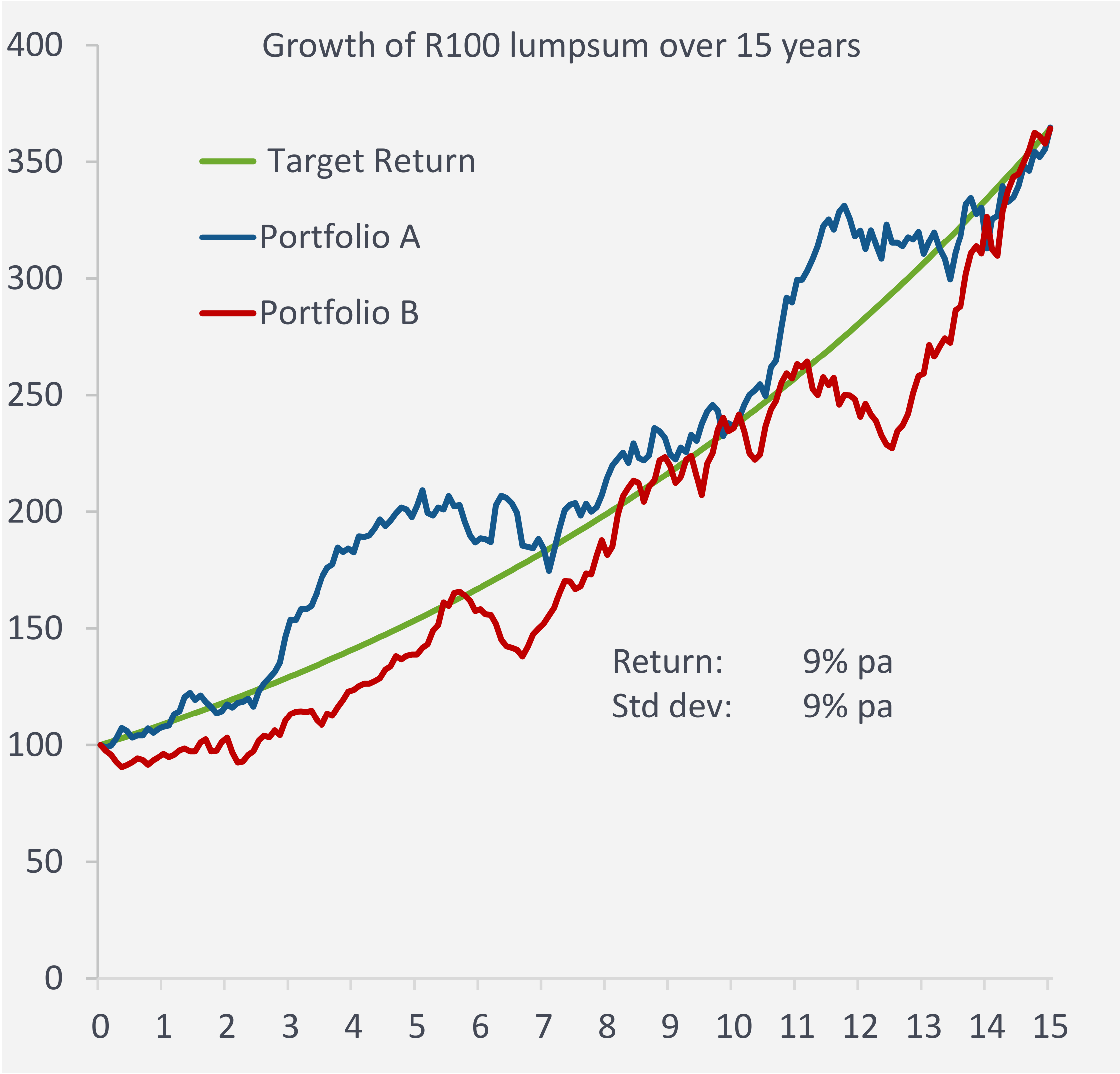
Contribute R1000 pm, growing at CPI+1% pa



Source: Matrix, assume CPI at 4%pa

Sequence risk: Retirement Annuity

Contribute R1000 pm, growing at CPI+1% pa



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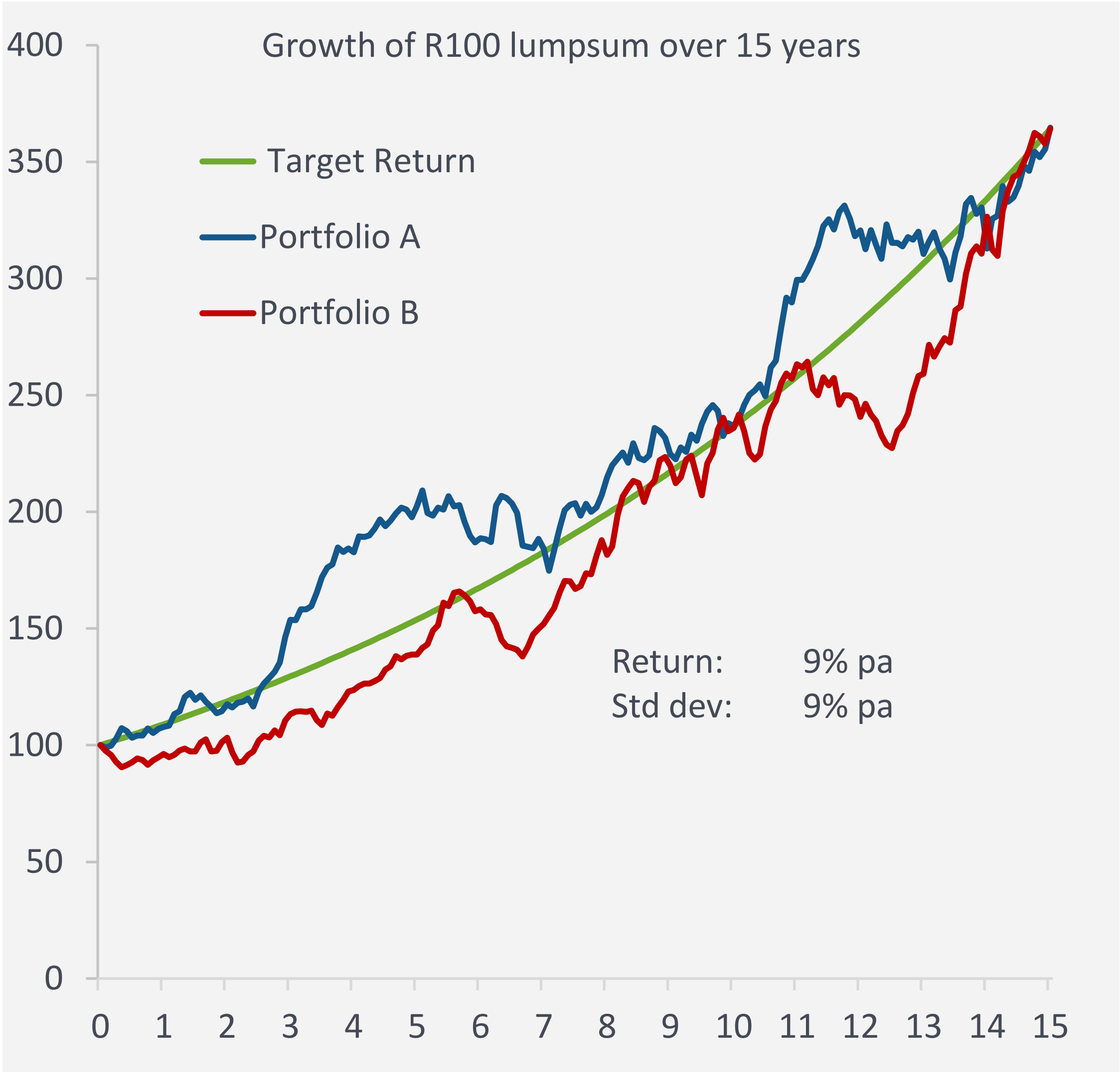

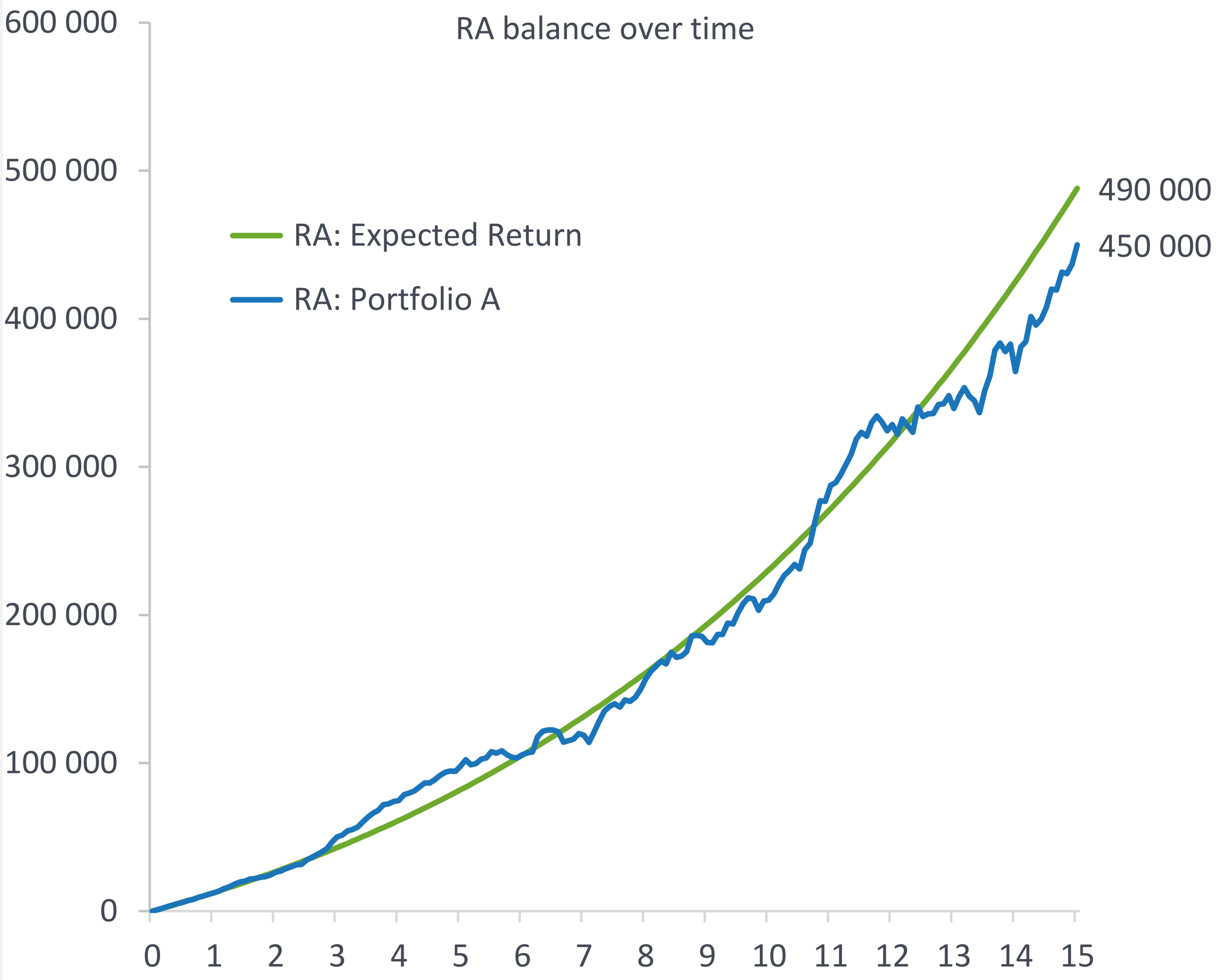

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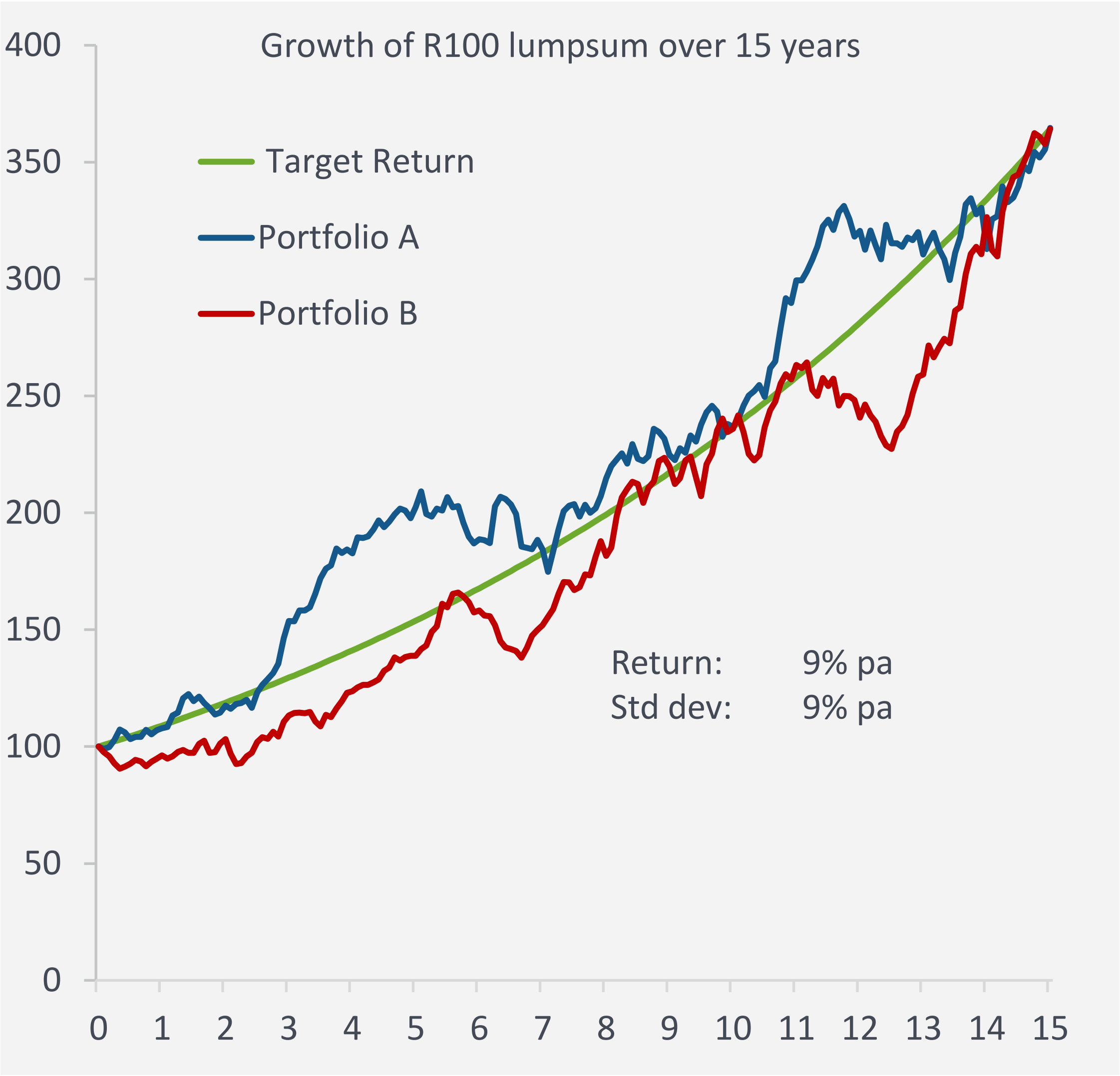

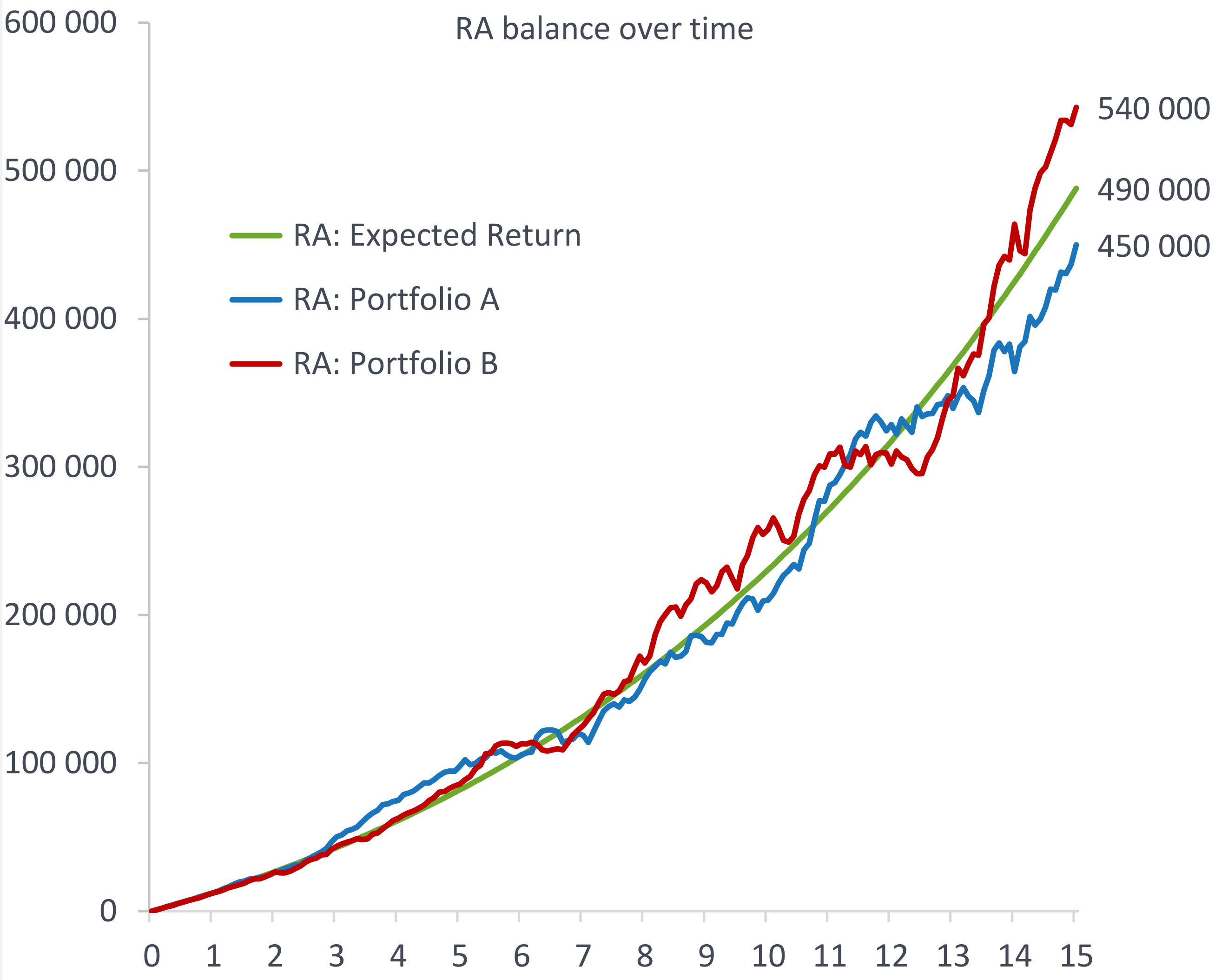

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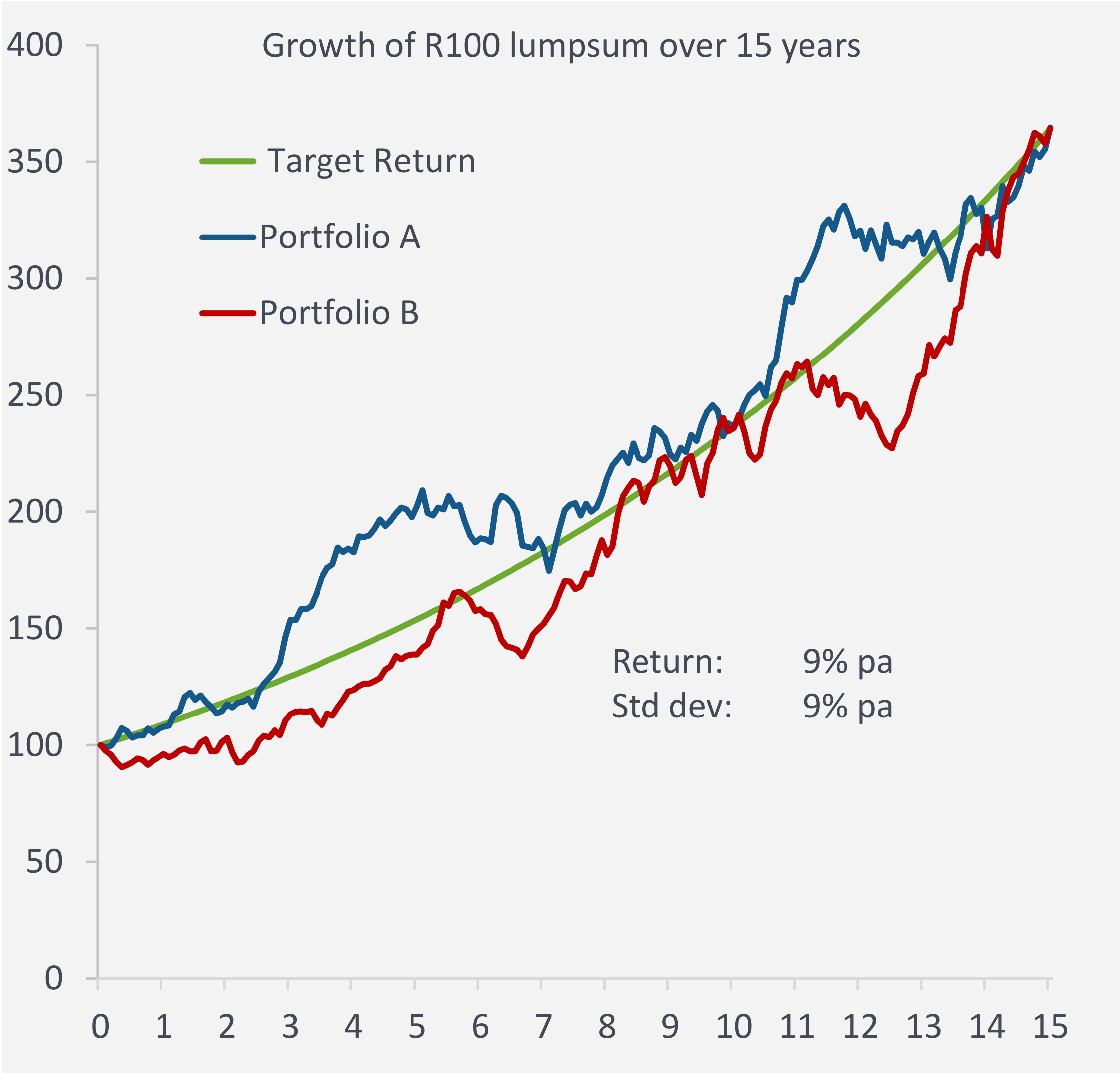
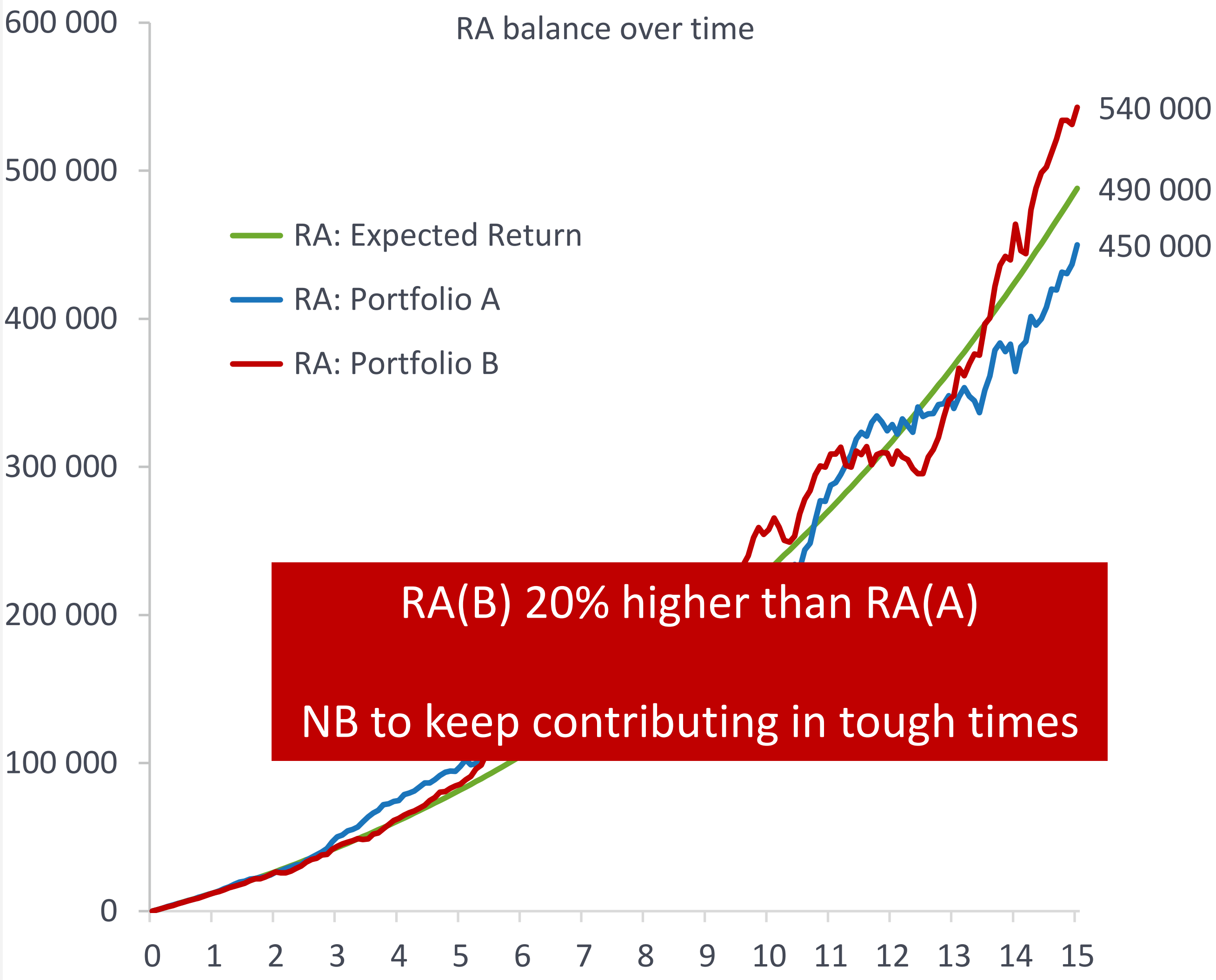
Sequence risk: Retirement Annuity

Contribute R1000 pm, growing at CPI+1% pa

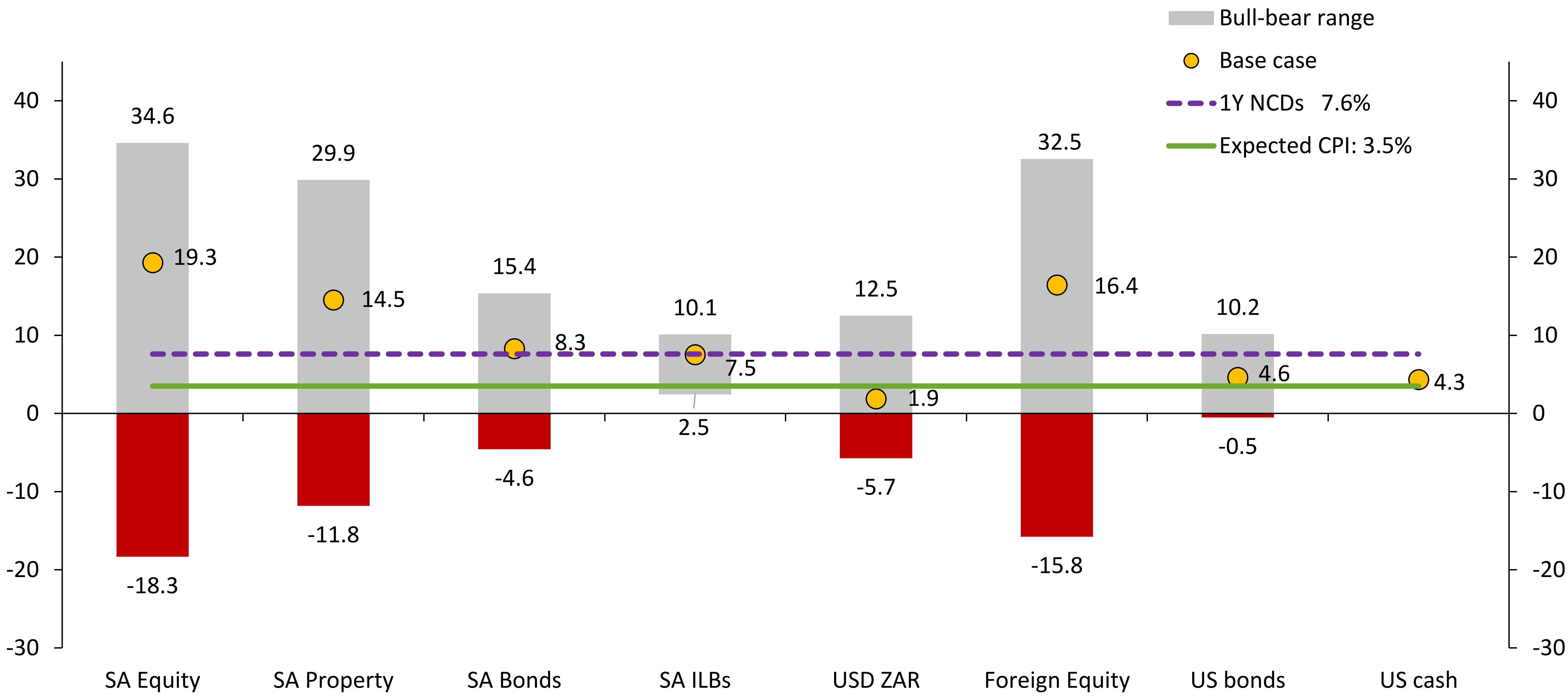




Source: Matrix, assume CPI at 4%pa

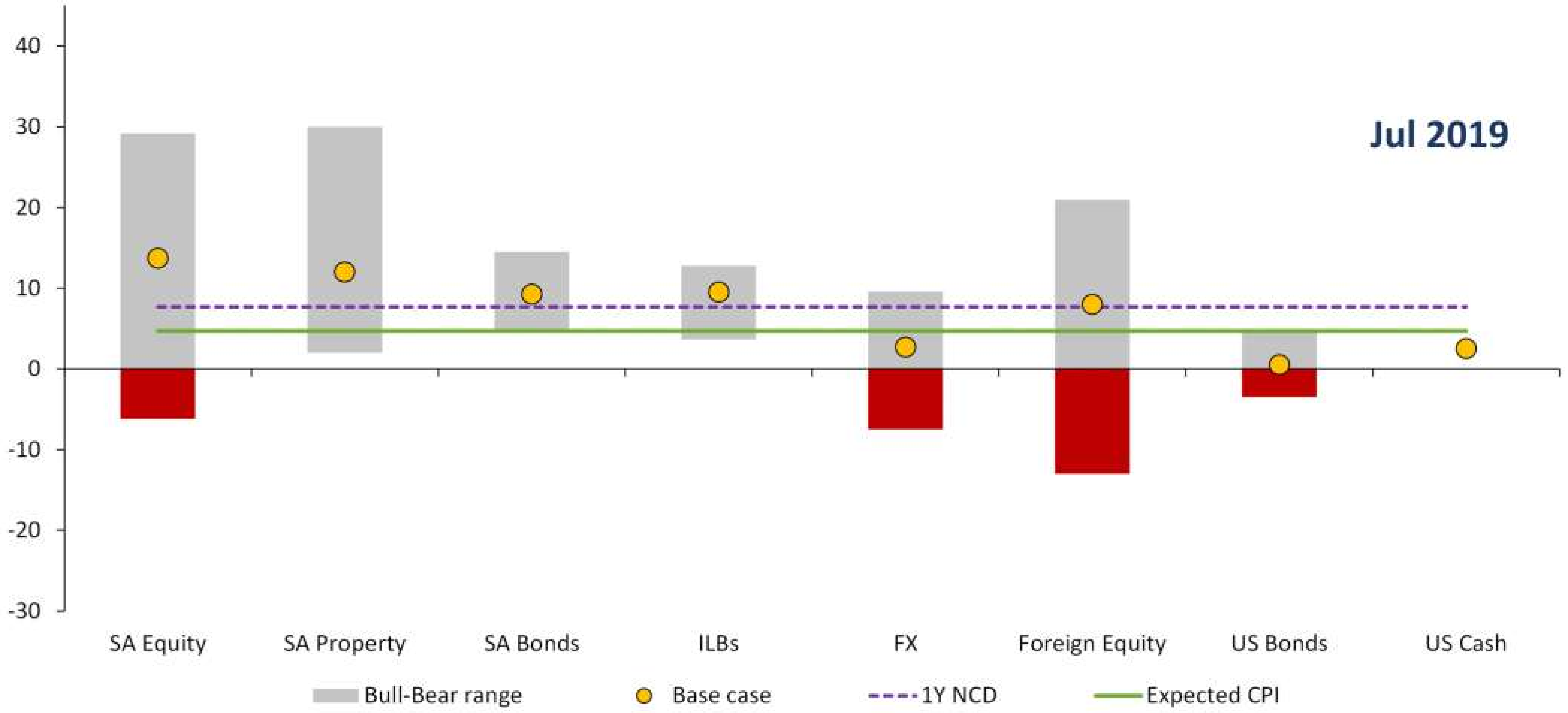
3. When to run and when to stand your ground

12-Month asset class return scenarios

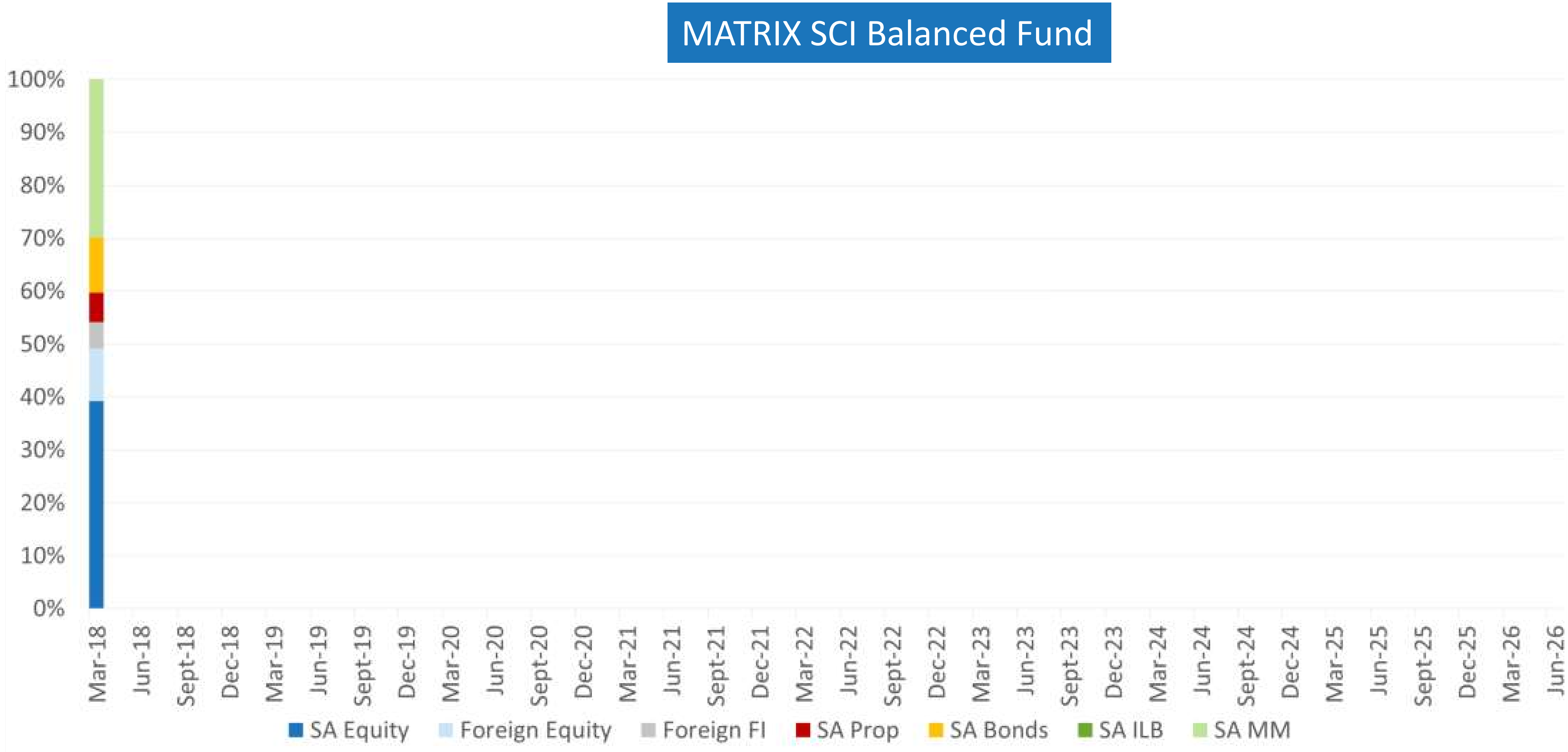


Source: Matrix as at 29 June 2026

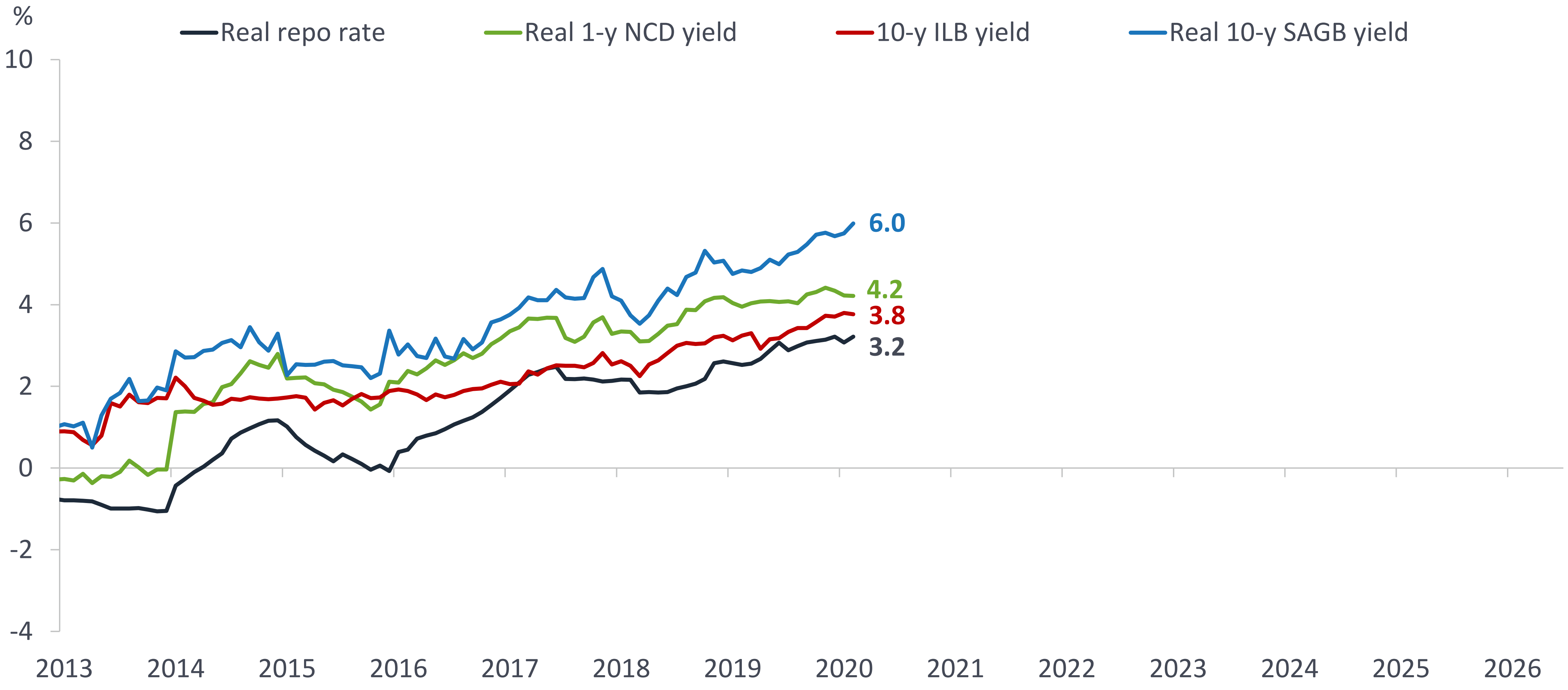
12-Month asset class return scenarios



When to run and when to stand your ground



SA fixed income real returns



Source: Bloomberg, Matrix, *Real yield = Nominal yield less average inflation over the next 12 months, Bloomberg Consensus forecasts used where actual data is not available*

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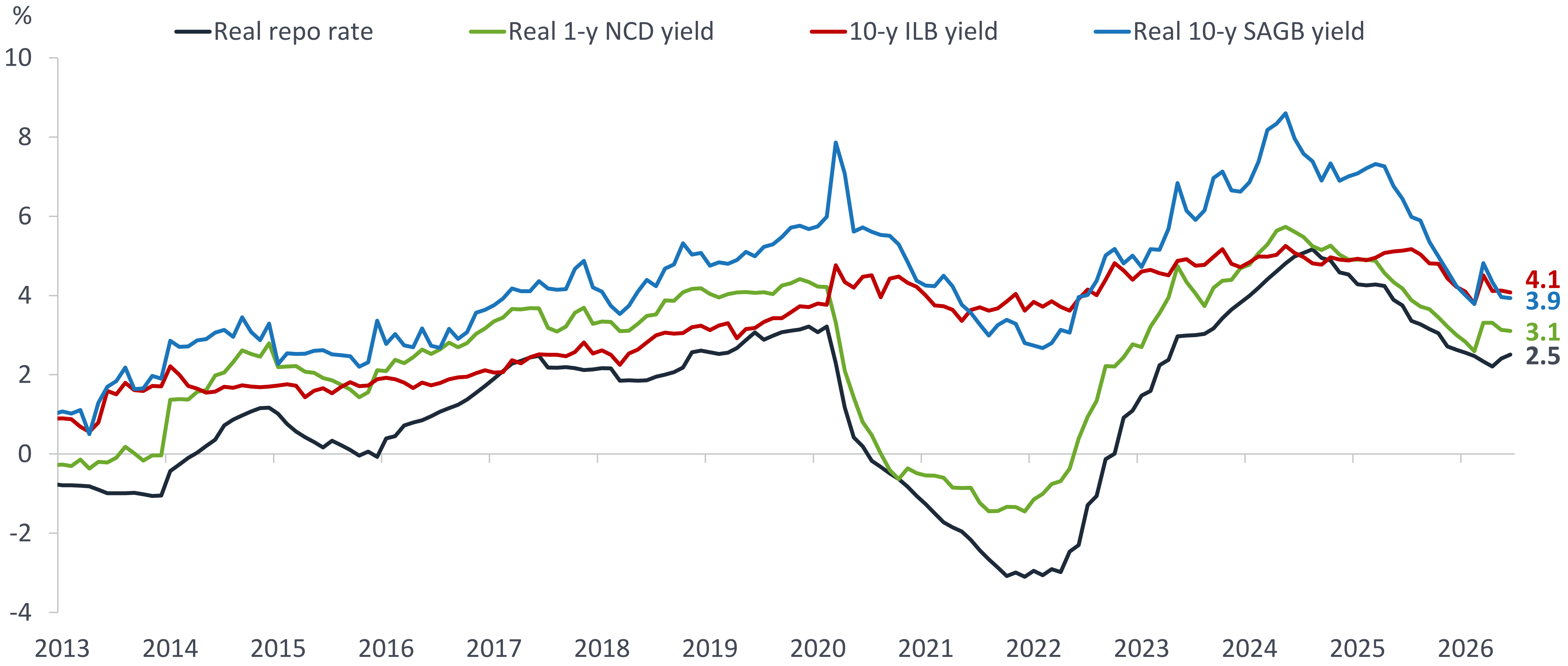

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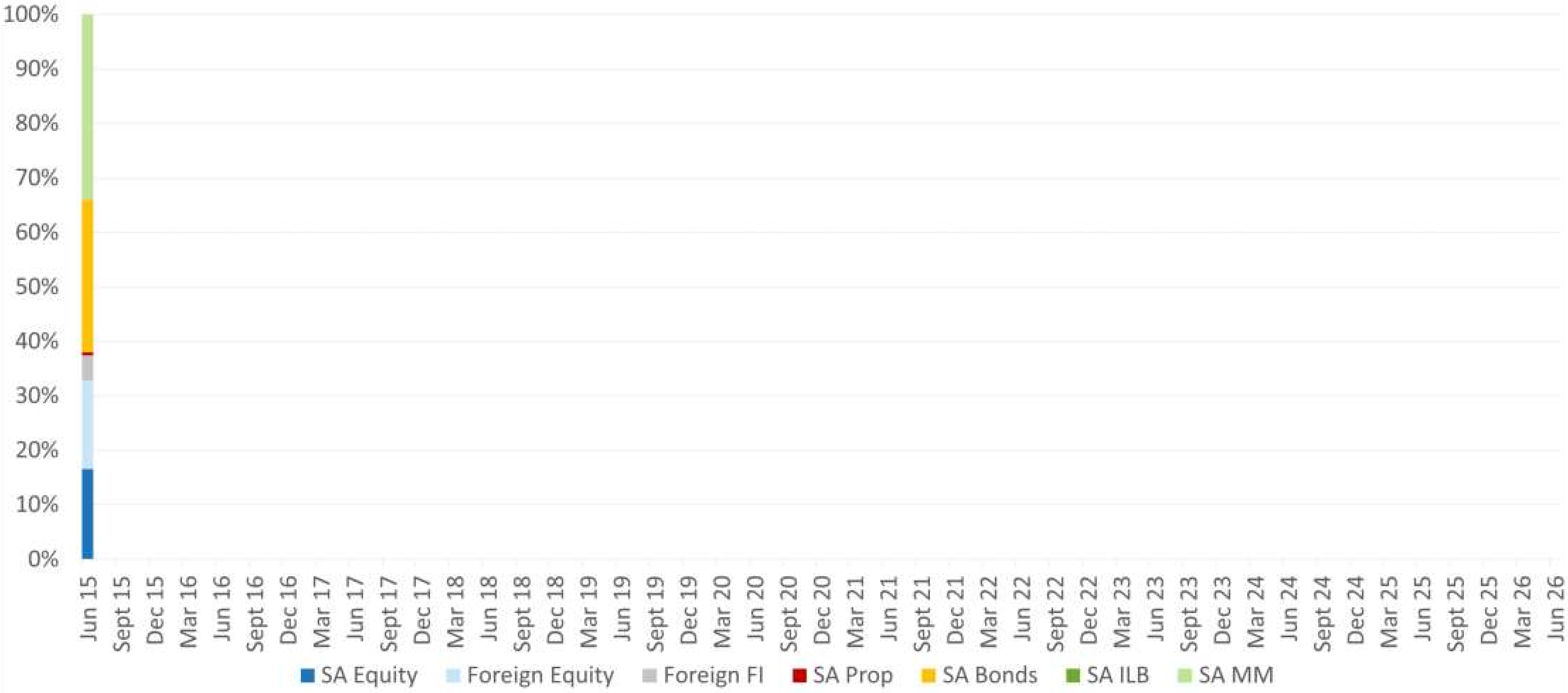
When to run and when to stand your ground

AMPLIFY SCI Defensive Balanced Fund*

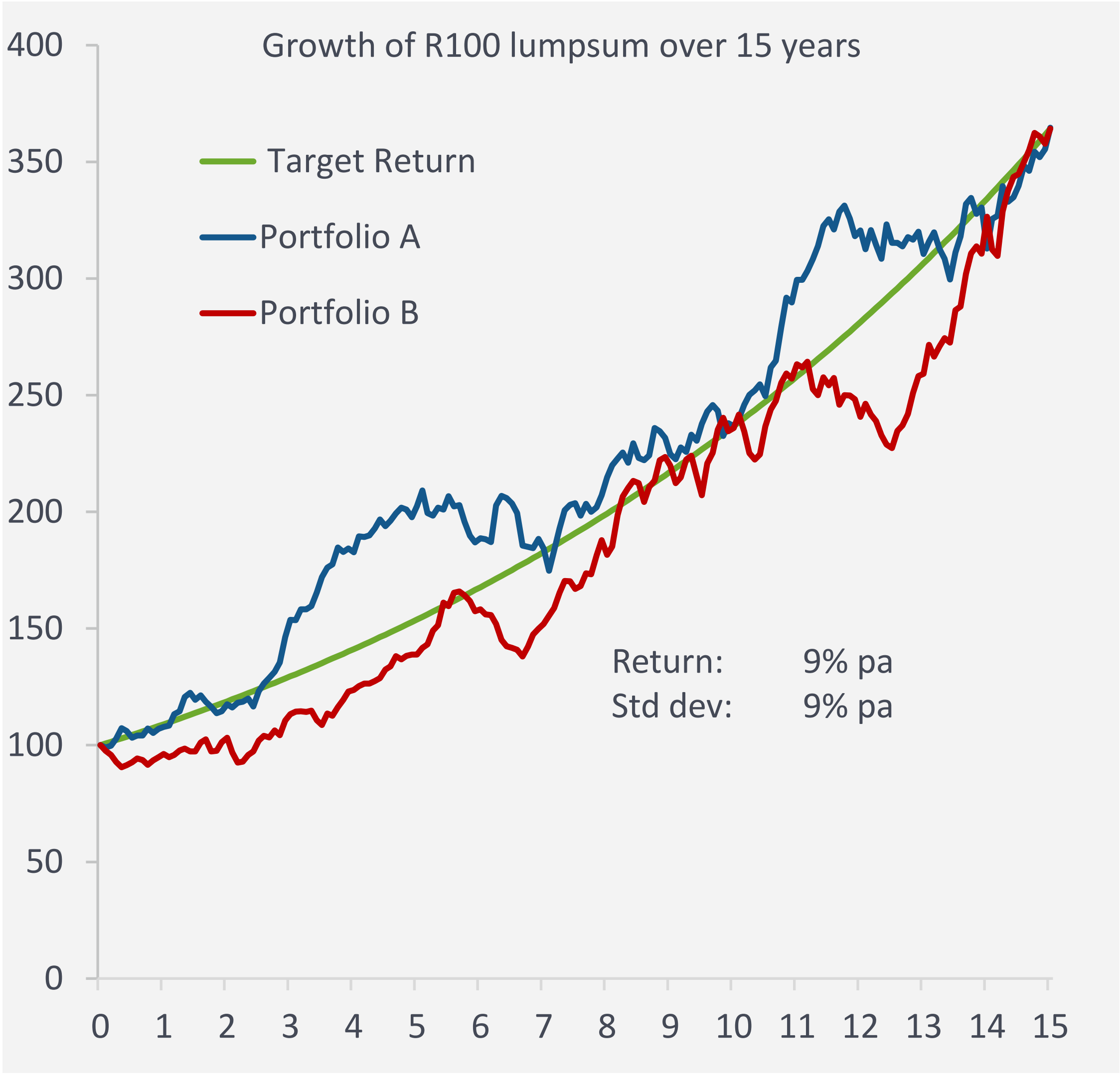


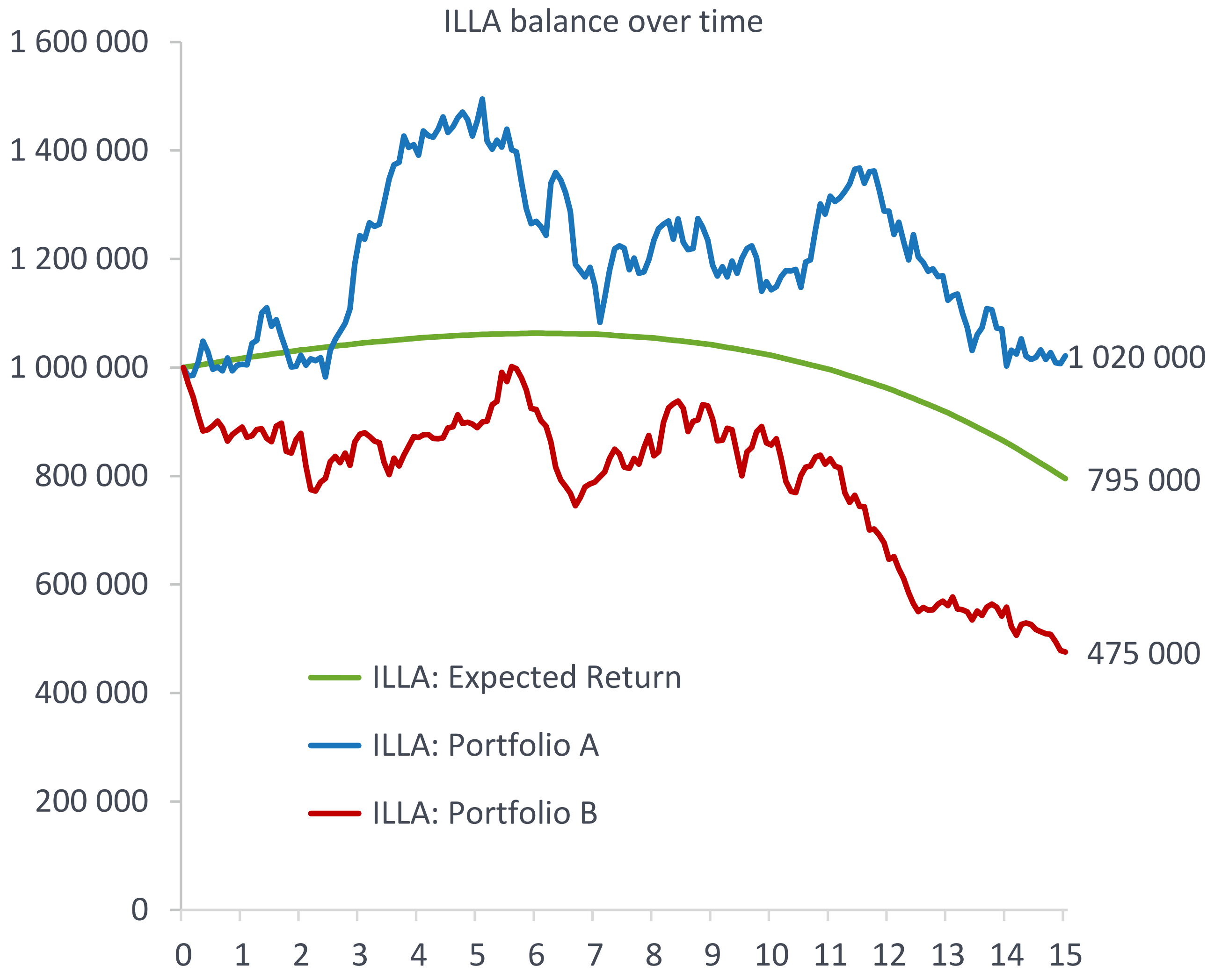
* Exclusively managed by Matrix Fund Managers for Amplify Investment Partners

4. Building portfolios that move with the shifts

Sequence risk: ILLA

R1 000 000 lumpsum, 6% pa initial draw, growing at CPI+1% pa

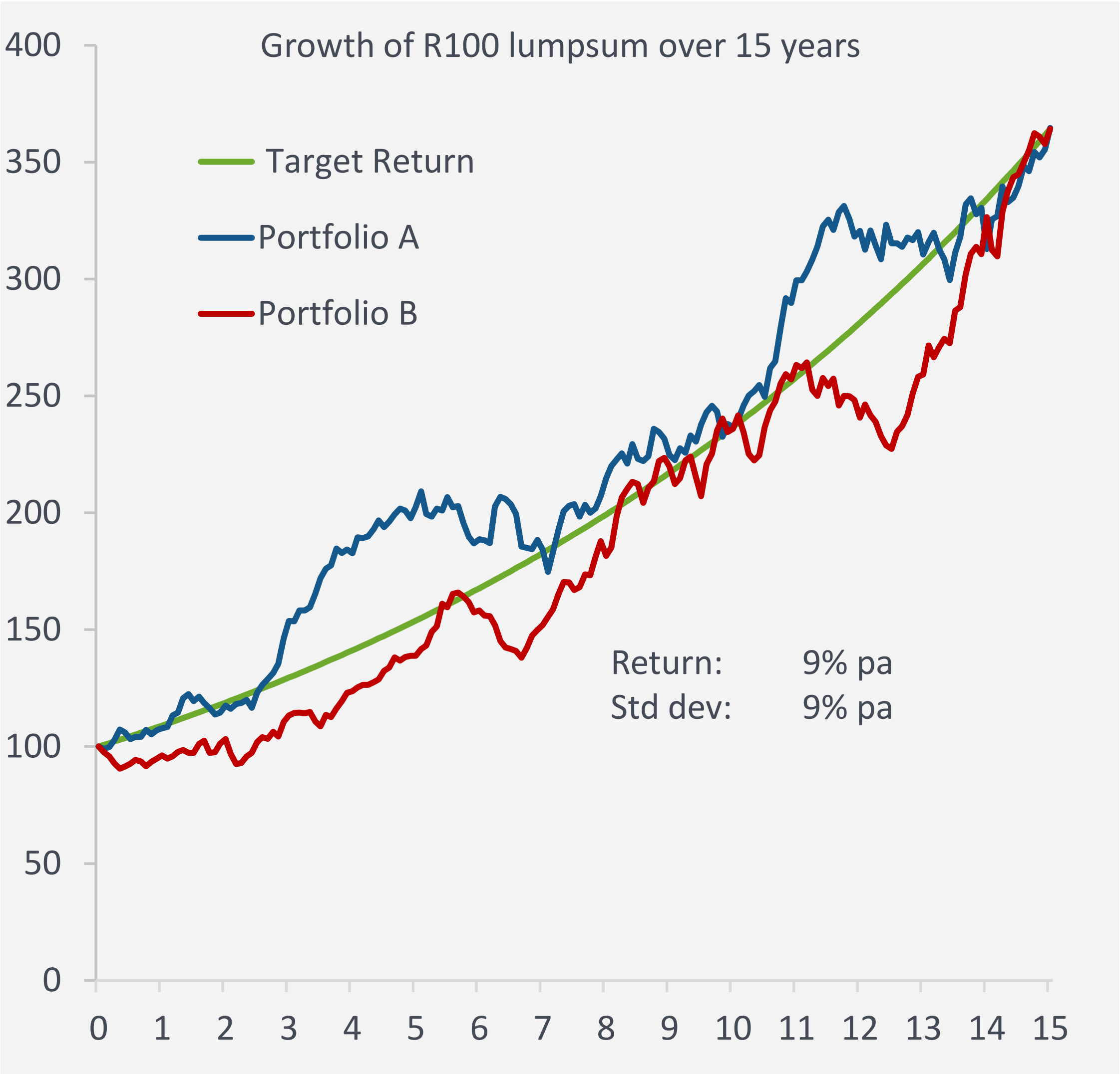


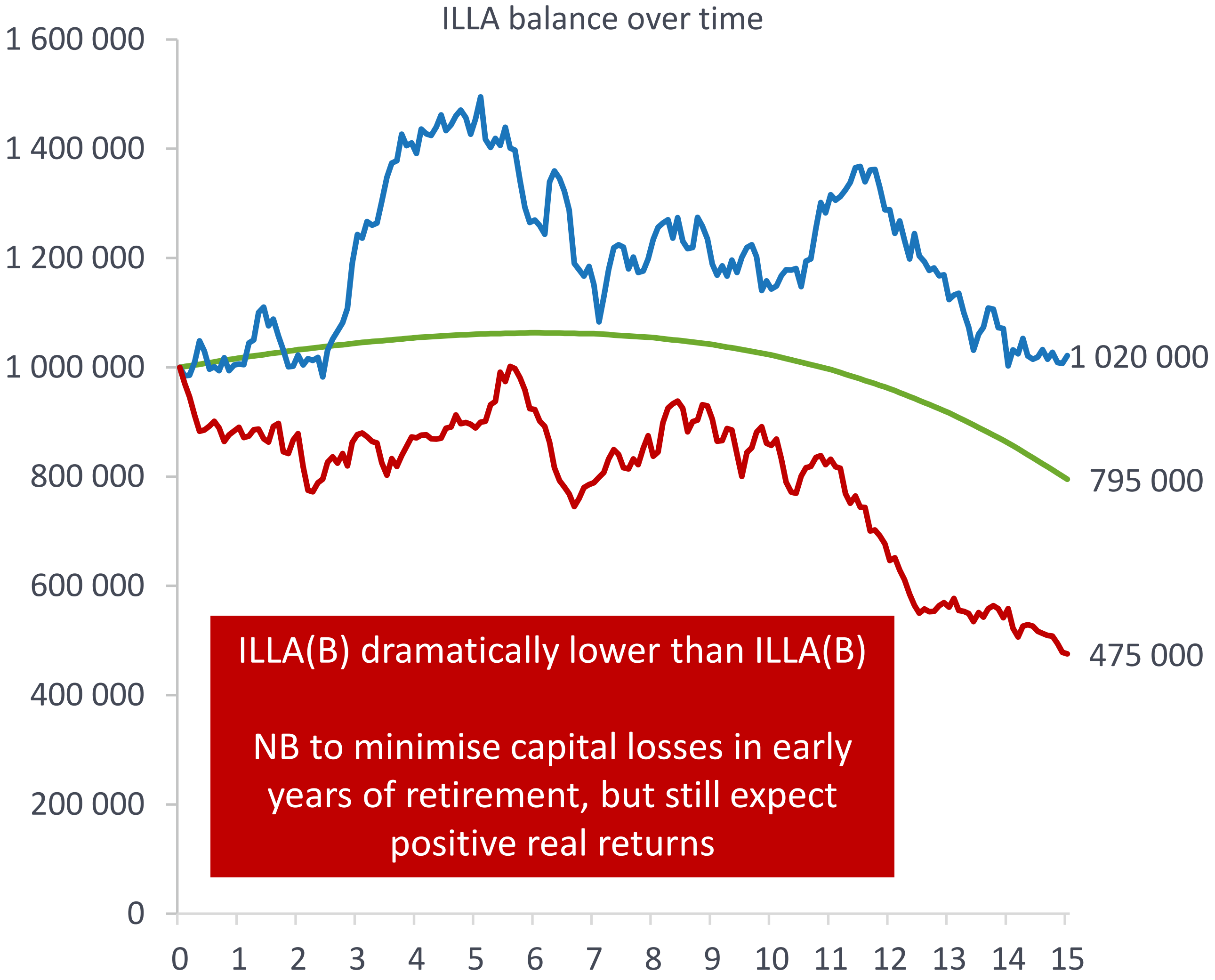


Source: Matrix, assume CPI at 4%pa

Sequence risk: ILLA

R1 000 000 lumpsum, 6% pa initial draw, growing at CPI+1% pa





Source: Matrix, assume CPI at 4%pa

An illustrative ILLA solution

MATRIX FUND MANAGERS

LONG ONLY

- Diversified exposure between risky and less risky assets
- Protect downside
- Participate in upside
- MA Low or Medium Equity
- Building blocks or MA Funds

+

HEDGE FUNDS

- Can profit when prices fall
- Uncorrelated returns add major diversification benefits

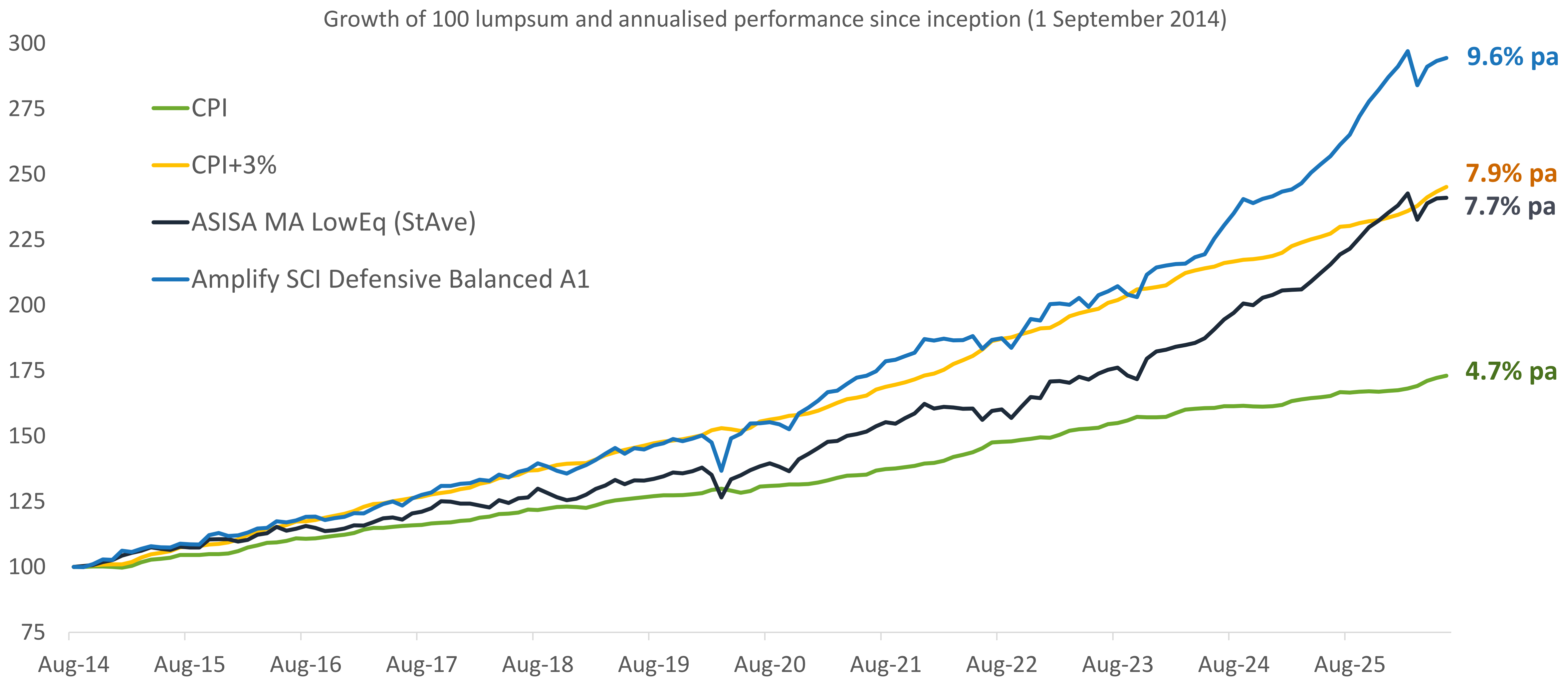
Amplify SCI Defensive Balanced Fund*

Matrix SCI Fixed Income RHF**

* Exclusively managed by Matrix Fund Managers for Amplify Investment Partners

** Retail and LISP availability in Amplify SCI Income Plus RHF

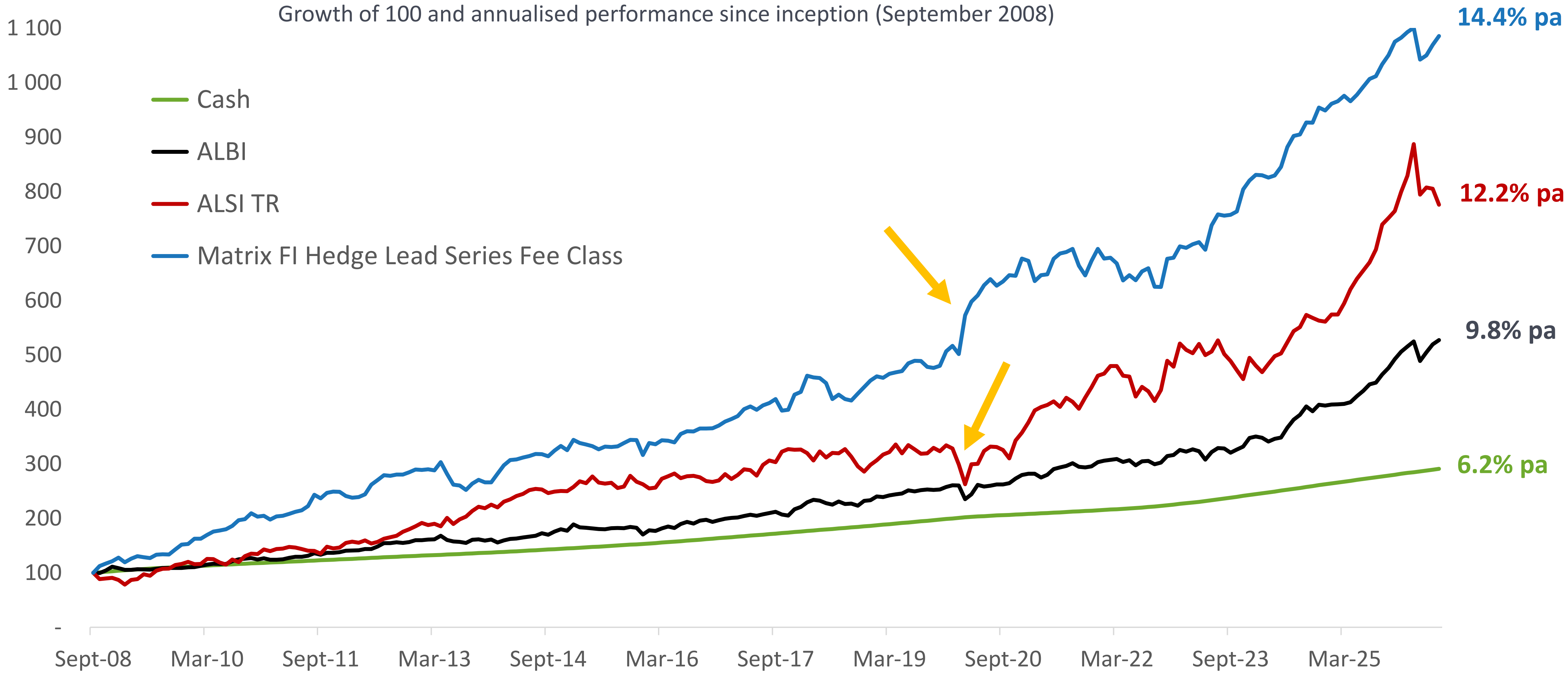
Amplify SCI Defensive Balanced Fund – Class A1



Total return performance from 1 September 2014 – 30 June 2026 based on a 100 lumpsum investment on 1 September 2014 in Class A1 (after TIC) , SCI: Sanlam Collective Investments
Source: Morningstar, Matrix , Past performance is not indicative of future performance, Returns are annualised for periods longer than 12 months, Fund SI 2/72 ranking in ASISA SA MA Low Equity Category

Matrix SCI Fixed Income RHF Class B1

See also Amplify SCI Income Plus RHF available on most LISPs

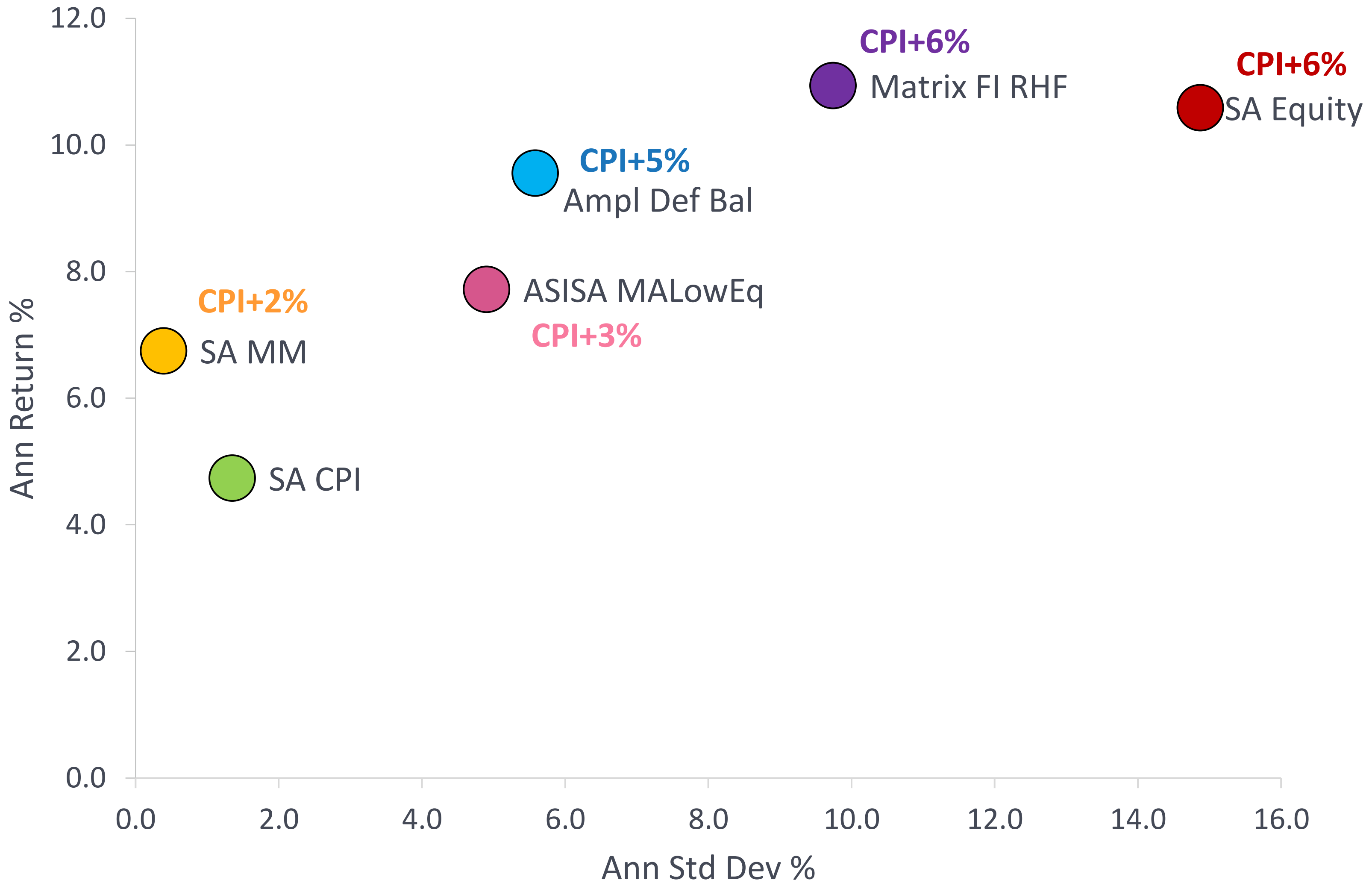


Fund performance is net after fees. The Fund converted to a regulated CIS Hedge Fund on 1 September 2016. Performance prior to that date is from an unregulated environment.
Cash performance measured by STeFI Call Deposit Index (STFCAD), Bond performance as per FTSE/JSE All Bond Index (total return), SA Equity is FTSE/JSE All Share Total Return Index.

Performance from 1 October 2008 – 30 June 2026
Source: Matrix, Bloomberg, SCI
Past performance is not indicative of future performance

Past Performance

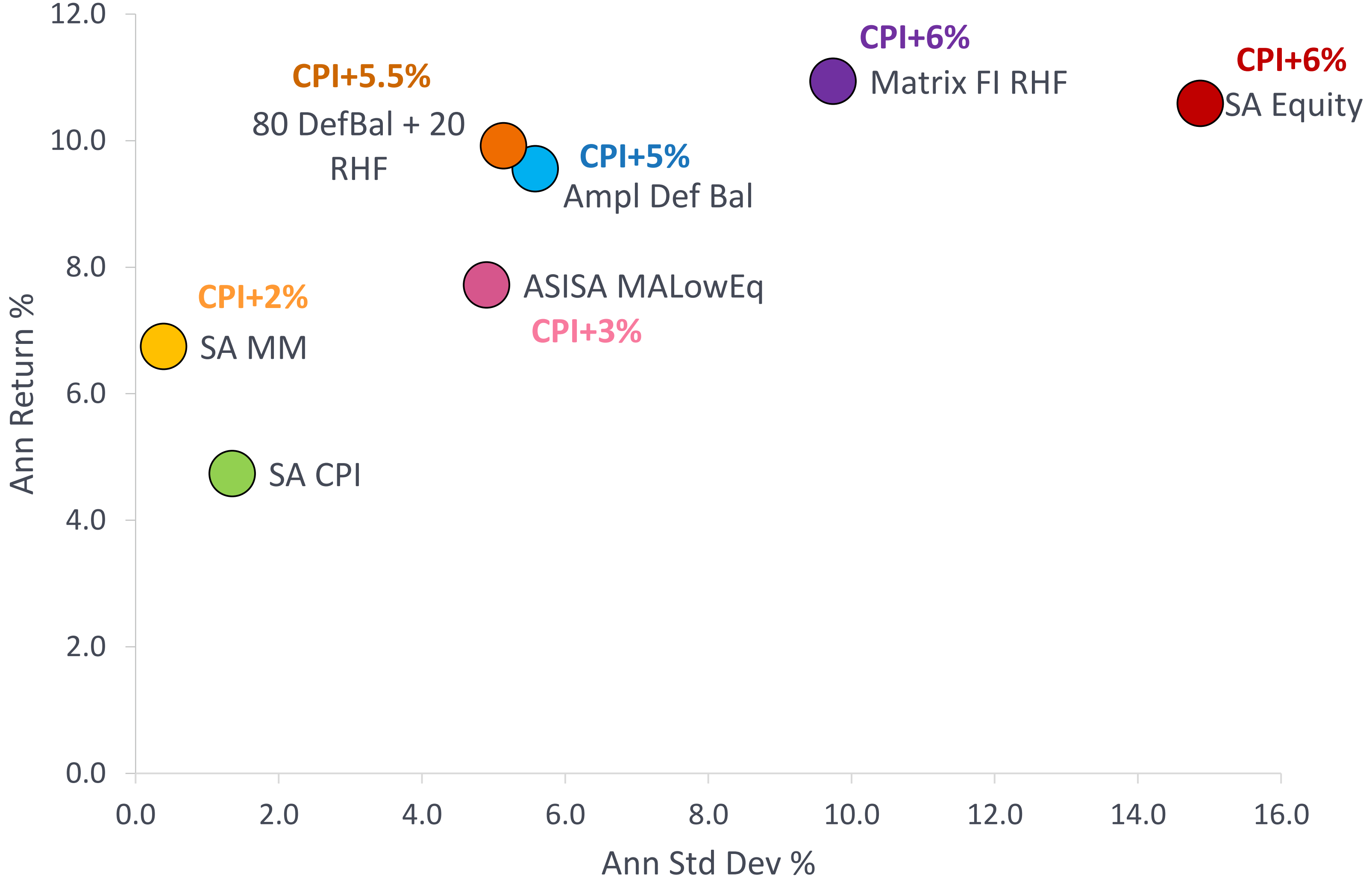
Since Sep-14… adding 80|20 blend



Source: Matrix Fund Managers, Bloomberg, Monthly market data from Sep-14 to Jun-26, SA Equity is FTSE/JSE Top40 TR, SA Bonds is FTSE/JSE All Bond TR, SA MM is STeFI Composite, SA CPI is headline inflation, ASISA MALowEq is straight average of SA Low Equity Category, Ampl Def Bal is Class A1 of Amplify SCI Defensive Balanced Fund, Matrix FI FHF is Class B1 of Matrix SCI Fixed Income Retail Hedge Fund, past performance not indicative of future performance

Past Performance

Since Sep-14… adding 80|20 blend



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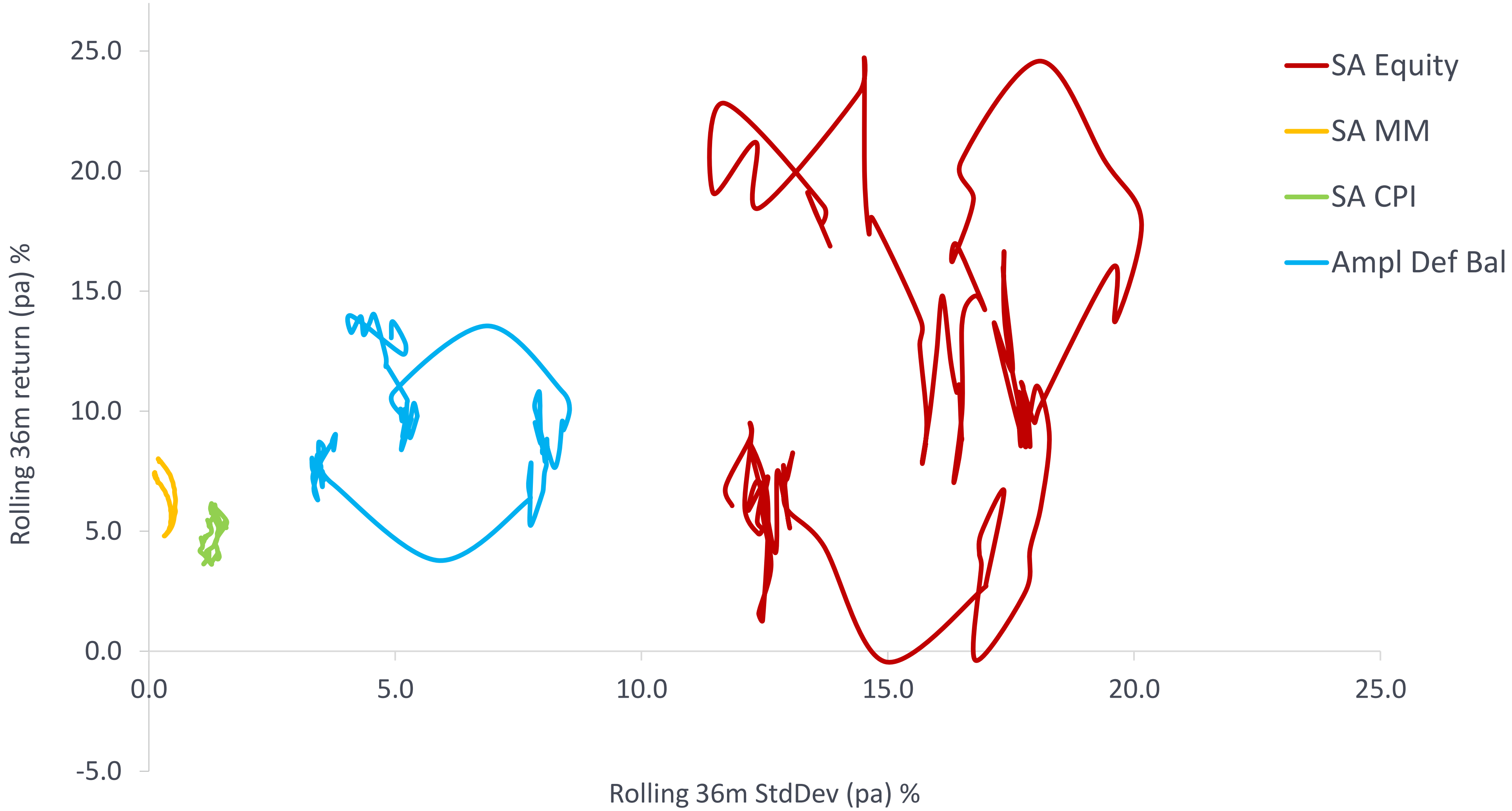
The snails

Rolling 3Y returns since Sep-14



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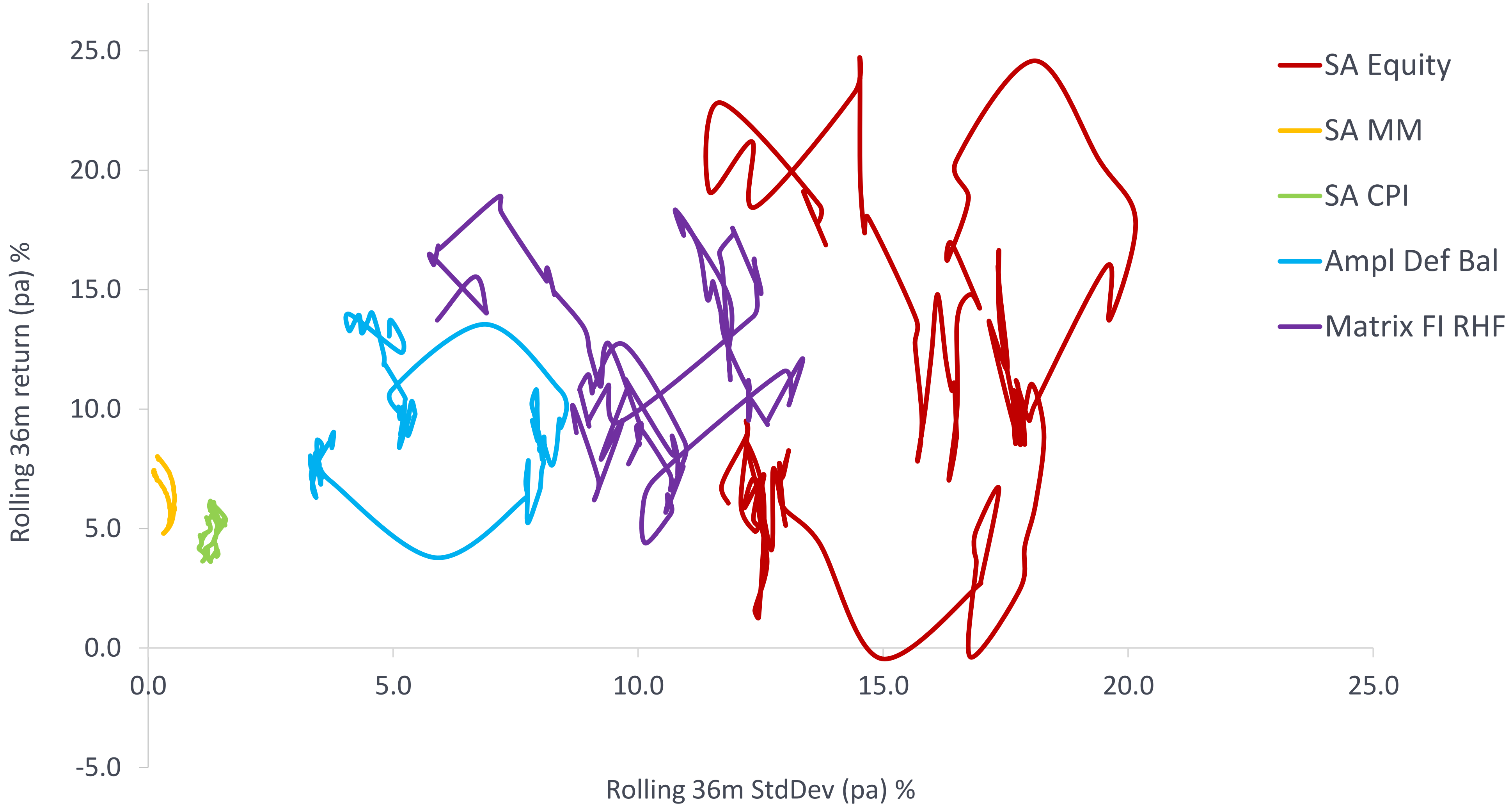

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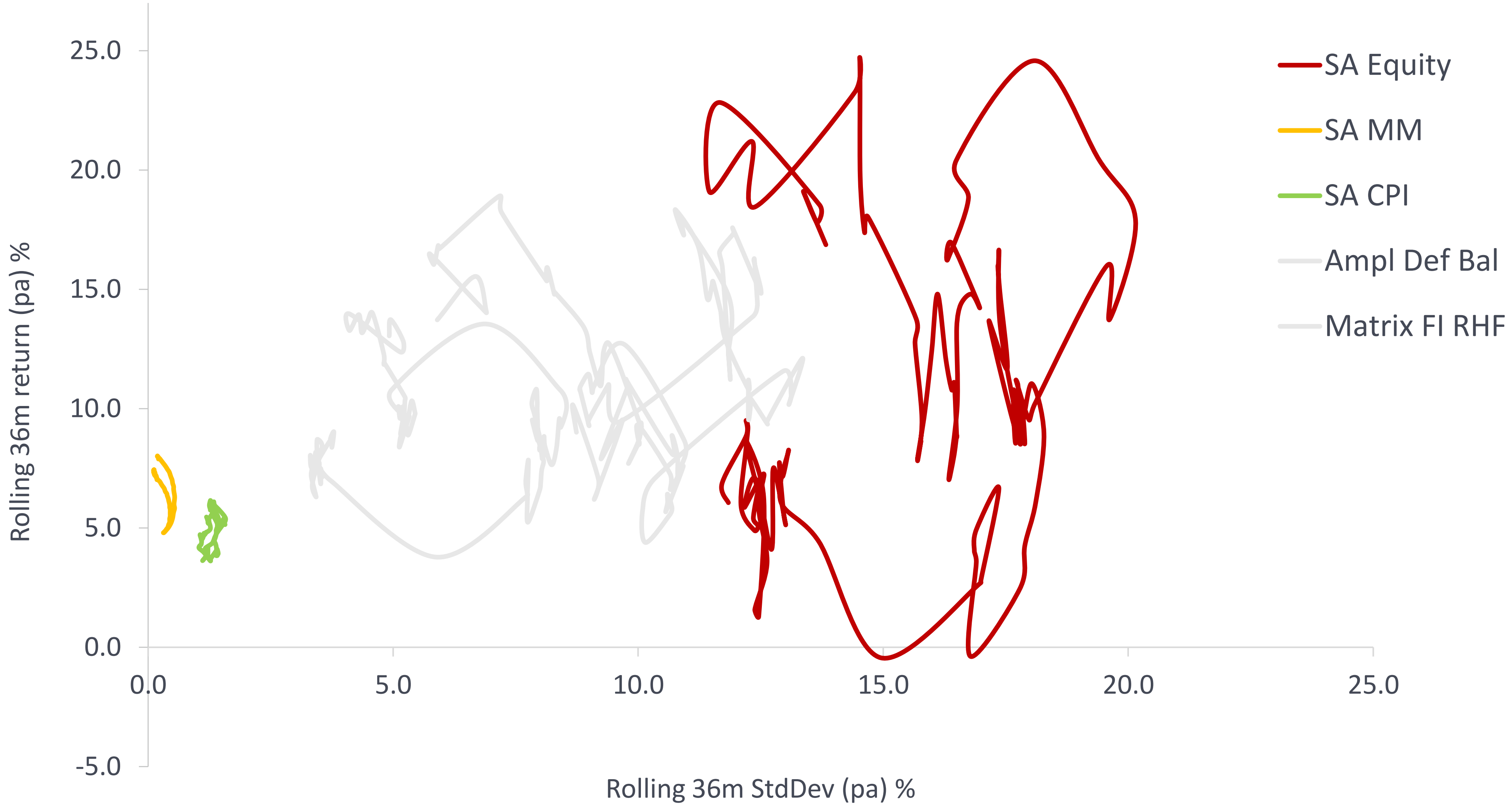

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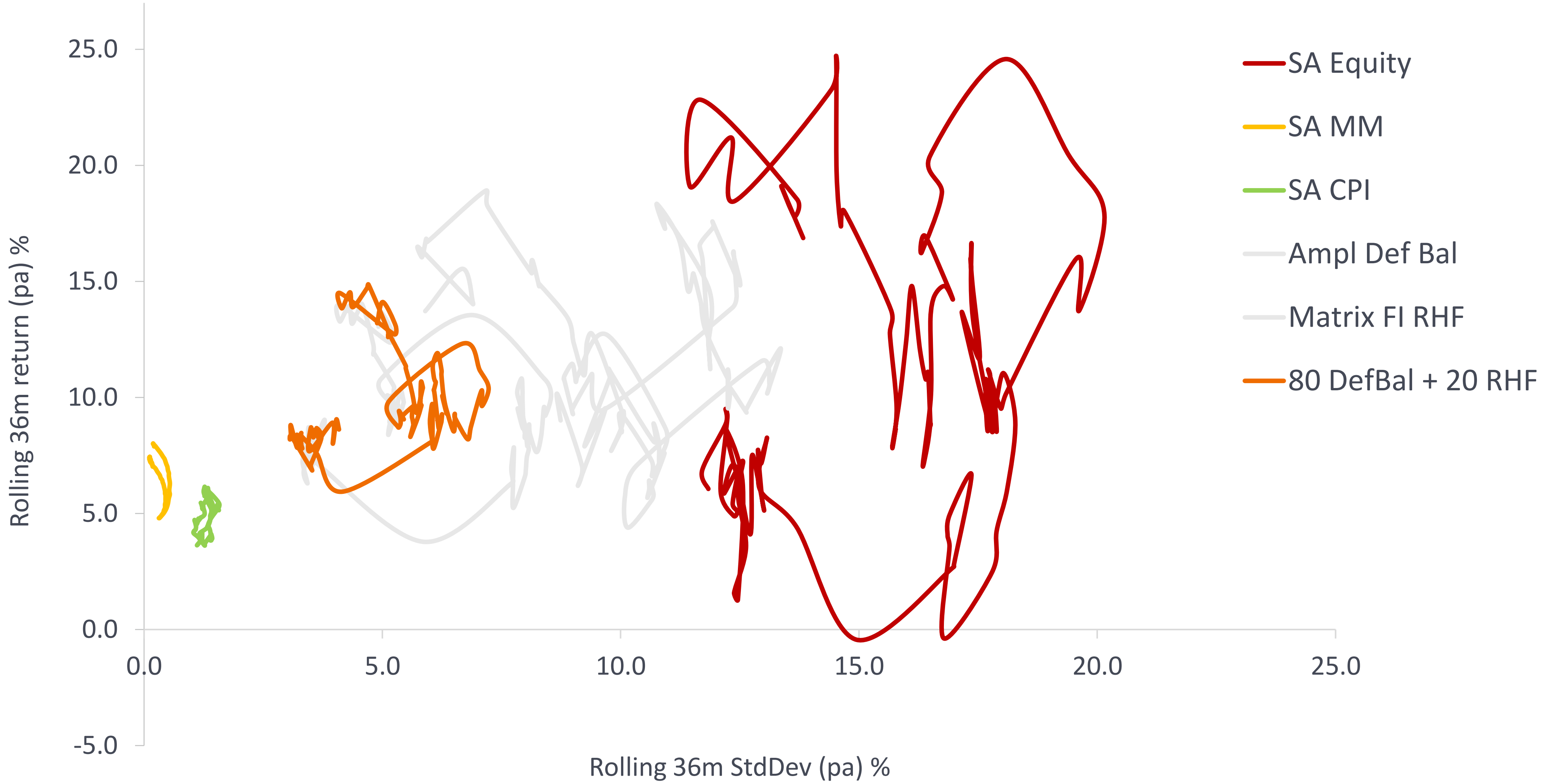
MATRIX FUND MANAGERS



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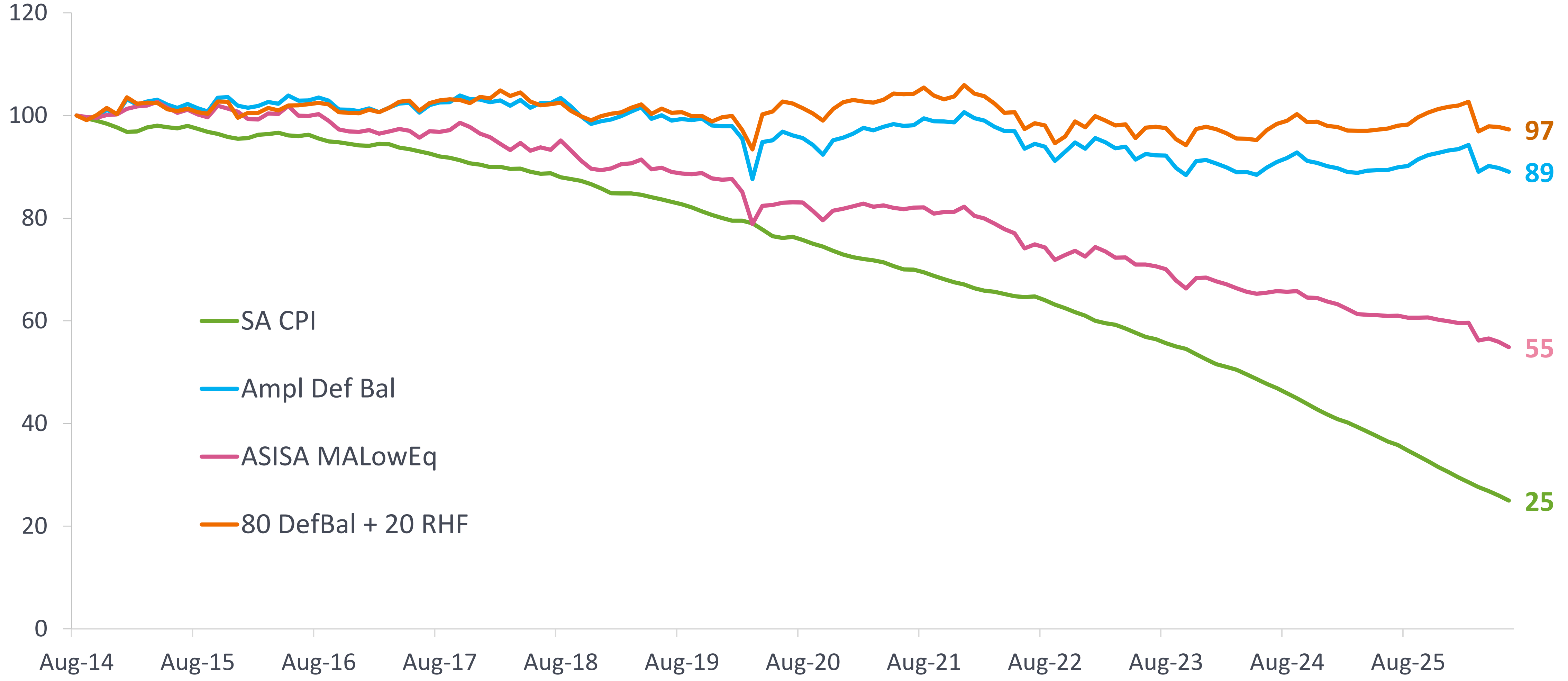
Managing Sequence Risk

Example: R100 lumpsum on 1Sep-14, R7pa initial drawdown with CPI+1% increases



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Active Asset Allocation

Hedge Funds

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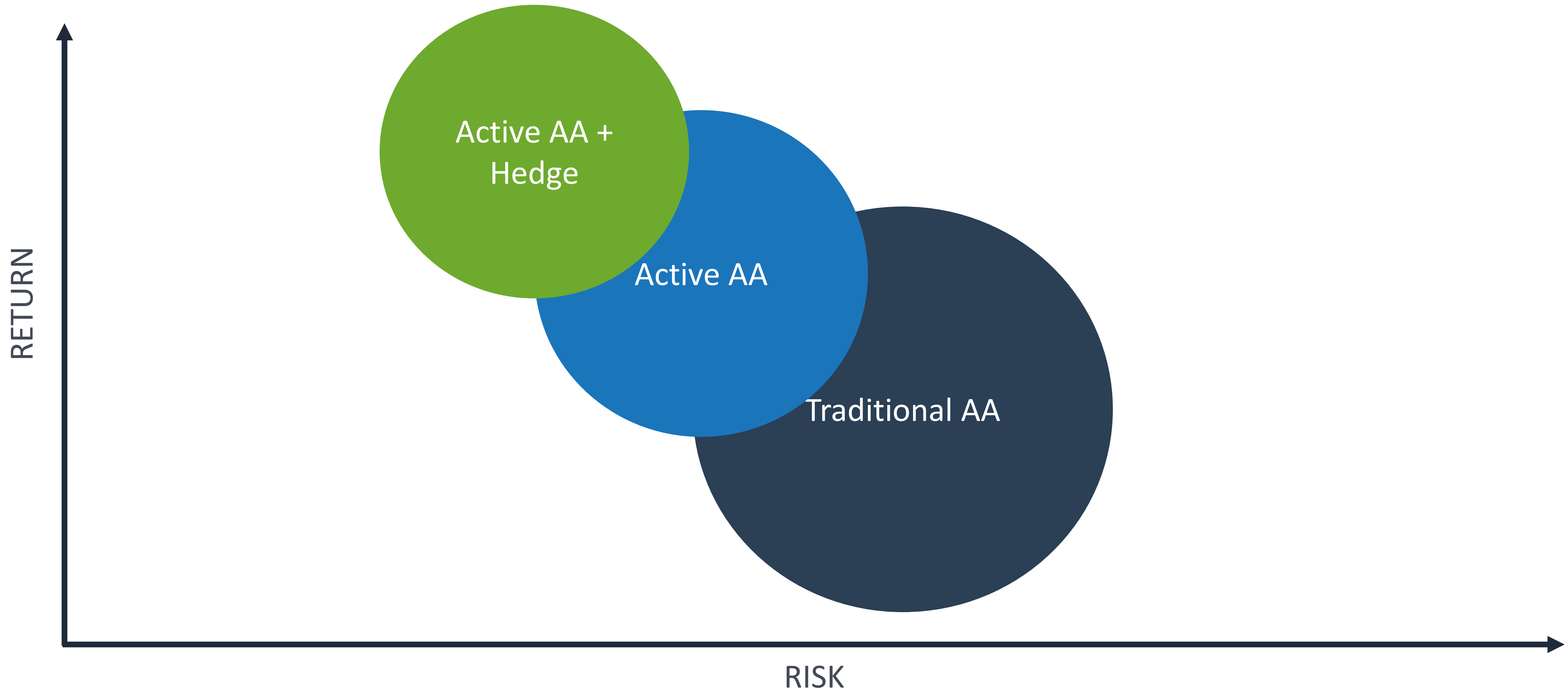
Building portfolios that move with the shifts



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Thank you

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