Hi All,

Introduction

At PortfolioMetrix, we are continuously monitoring client portfolios to ensure they remain aligned with their strategic objectives and agreed risk mandates. Following recent market movements, we will be implementing a rebalance across all portfolios on platform to bring them back in line with target allocations.

Over recent months, South African asset classes, notably local equities, property, and bonds, have performed strongly, and the rand has appreciated. While this has been positive for portfolio returns, it has also resulted in portfolios drifting away from their target positions, increasing their exposure to risk assets beyond intended levels.

As a result, we believe it is now prudent to de-risk portfolios by rebalancing them back to their strategic asset allocations. This ensures portfolios continue to reflect the risk/return profile appropriate to each client's mandate.

Rebalancing is a core component of our disciplined investment process, ensuring that emotion and market noise do not dictate portfolio decisions. By systematically bringing portfolios back to target, we reinforce the long-term consistency and risk management that underpin our philosophy, helping advisers deliver better outcomes for clients.

Timing and platform processing

The rebalance is expected to be processed across most platforms* between the **10th and the 13th of November 2025**. Please note that while the rebalance is being processed (which typically takes 1 to 2 days):

- Withdrawals will not be processed; and

- Change mandates can be instructed in WealthExplorer™ but, depending on the timing of the instruction, may only be processed by the platform on completion of the rebalance.

*The rebalance of the portfolios on the Allan Gray platform is likely to be processed slightly later, on the **25th of November 2025**.

Asset Allocation Adjustments

Below we provide a visual indication of what the trades within portfolios will look like:

All Portfolios

	Change	Asset Class	Change
Local Asset Classes	↓	SA Equity	↓↓
		SA Bonds	↓
		SA Cash	↑
		SA Property	↓
Global Asset Classes	↑	Global Equity	↑
		Global Bonds	↑
		Global Cash	↔
		Global Property	↑

Key	
↓↓	Significant Downweight
↓	Downweight
↔	No Material Change
↑	Upweight
↑↑	Significant Upweight

These adjustments are not about taking a view on where markets might go next. Rather, they reflect our systematic and disciplined approach to portfolio management. By realising gains from areas that have performed strongly and reallocating to those that have lagged, we're ensuring portfolios remain diversified and appropriately balanced. This measured rebalancing process captures the natural cycles of the market, helping to preserve the integrity of each client's risk mandate and, over time, enhance long-term outcomes through consistent risk management.

Conclusion

We believe these changes appropriately balance the risks we see in the markets with the opportunity set available to us to produce inflation-beating returns.

Should you have any questions or require any information please contact the Partner Relations team on support@portfoliometrix.co.za.

Kind regards,

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