

A NEW YEAR ON THE HORIZON



CUSTODIAN

January 2026

DISTRACTIONS vs CONSTRUCTION

CUSTODIAN | DFM

Your Dedicated Investment Partner

We believe great investing doesn't need Ego's. Check your EGO at the Door!
It requires: **Predictability, Transparency and CONSISTENCY**

Our products supports Financial Advisors in their clients' plans by providing:



Our range of solutions are designed to serve as the dependable **CORE** to any investment portfolio not to chase distractions.

*"Don't let your ego stand in the way of your learning. If you can be open-minded and objective about your own weaknesses, you will grow much faster."
— Ray Dalio*

Dedicated to SIMPLICITY | Driven by CONSISTENCY | Designed for YOU

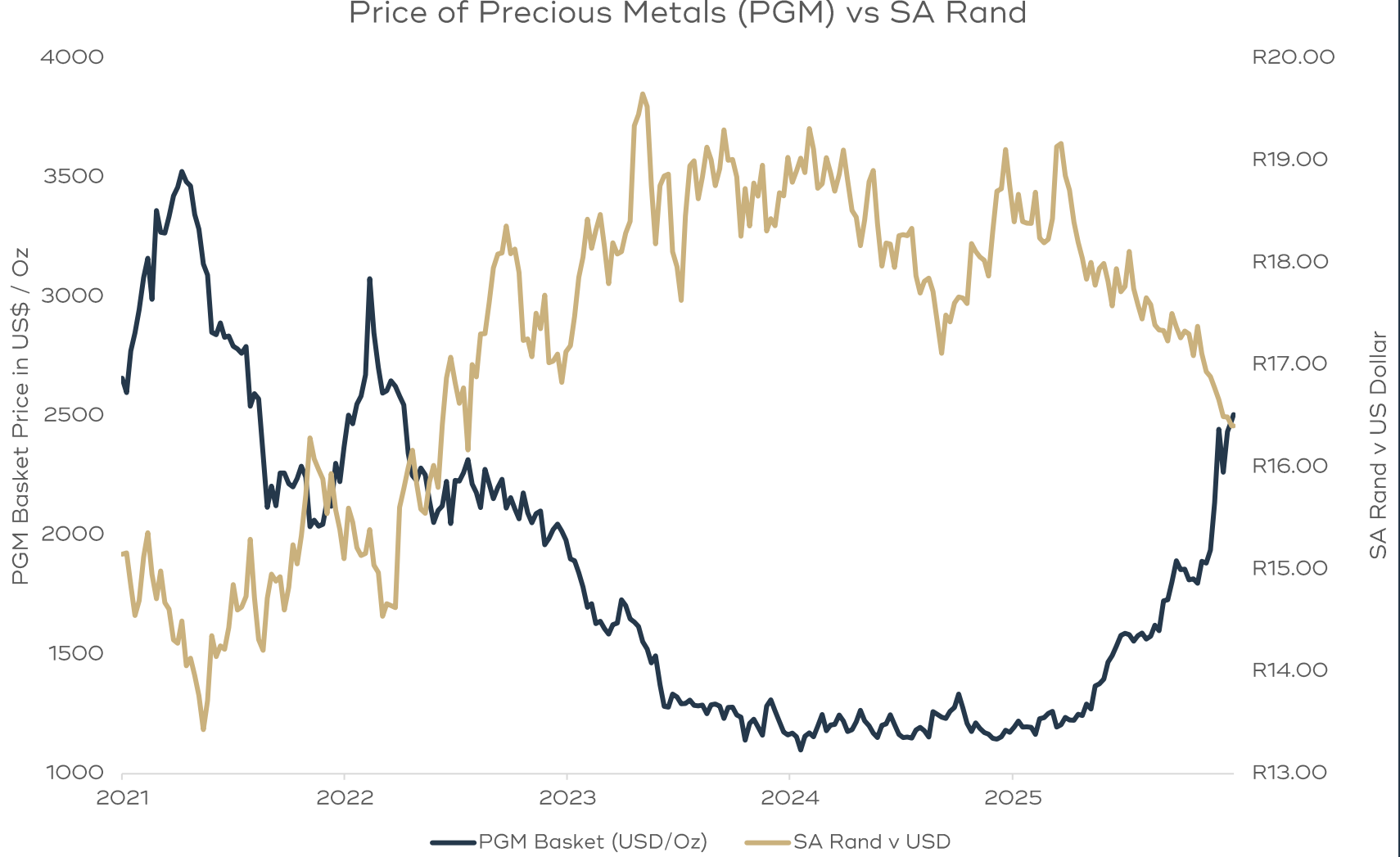
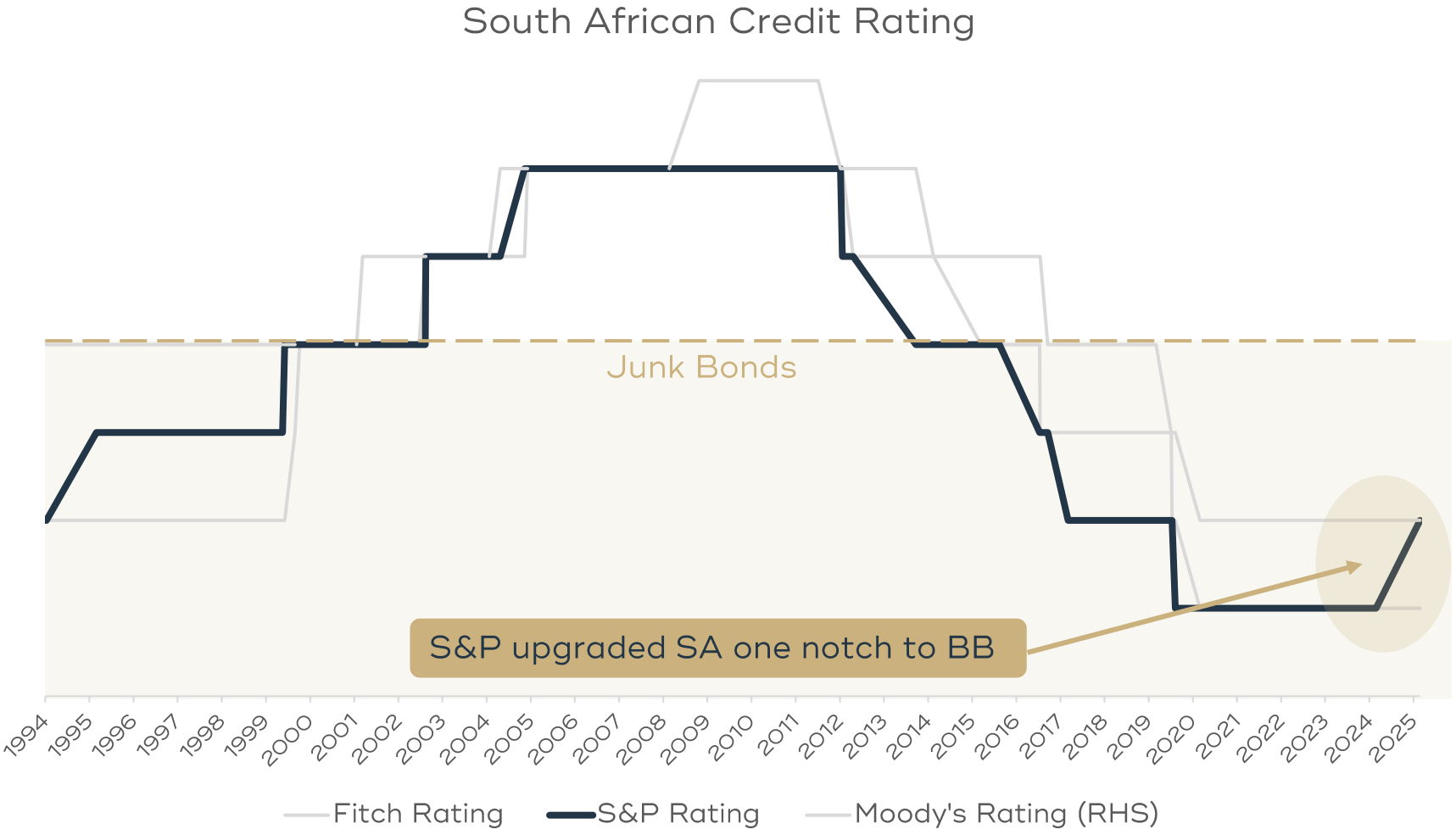


The background is a dark, moody landscape. In the foreground, there's a misty or foggy valley. In the middle ground, a silhouette of a castle or fortress with several towers is visible. In the background, there are dark, jagged mountain peaks. The overall color palette is dark blues, greys, and blacks, with a touch of gold for the text.

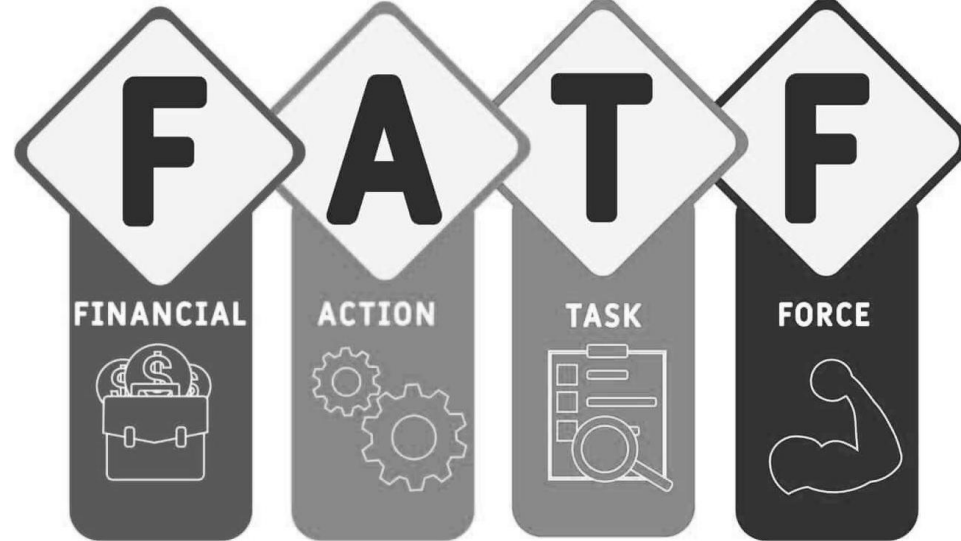
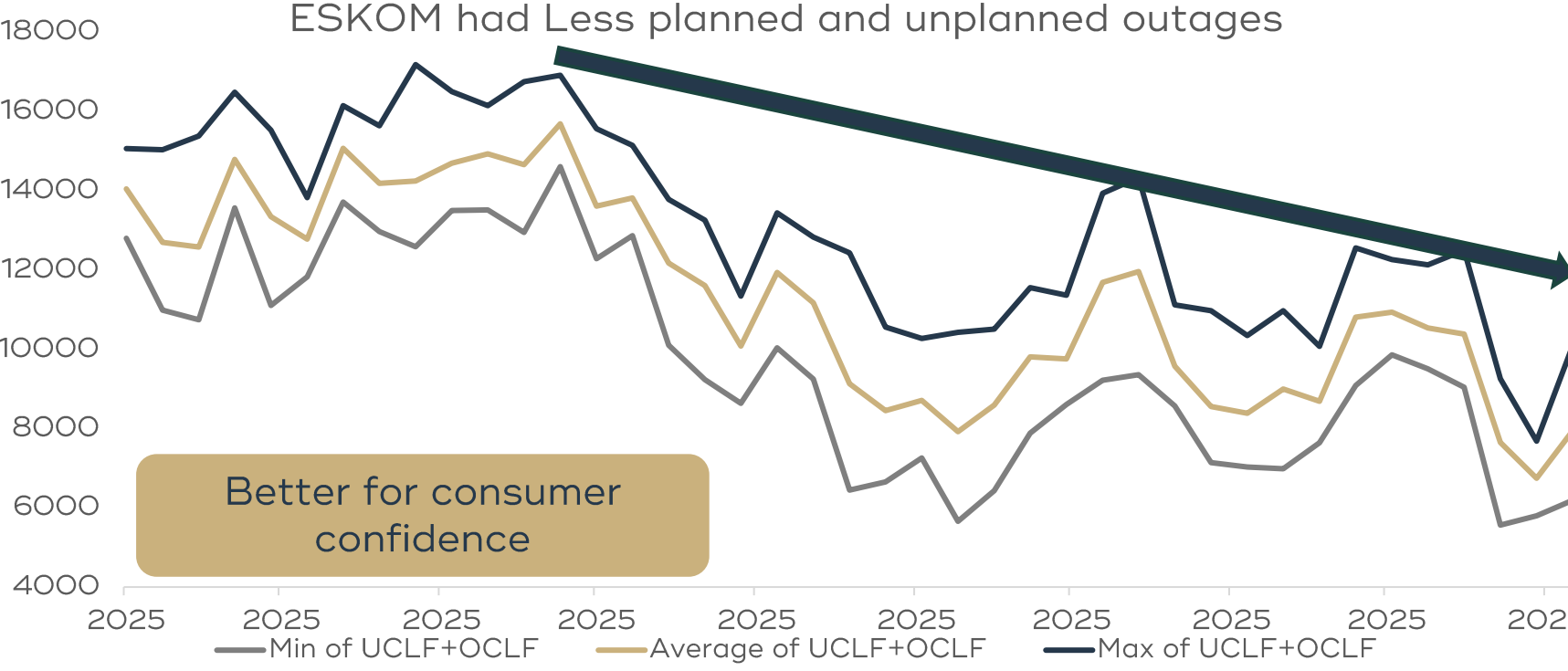
THE YEAR THAT WAS

2025

WHAT DROVE THE MARKET AT HOME



PGM Prices helped SA exports and Strengthened the Rand.
 As long as commodities trend higher, the Rand will continue downward.



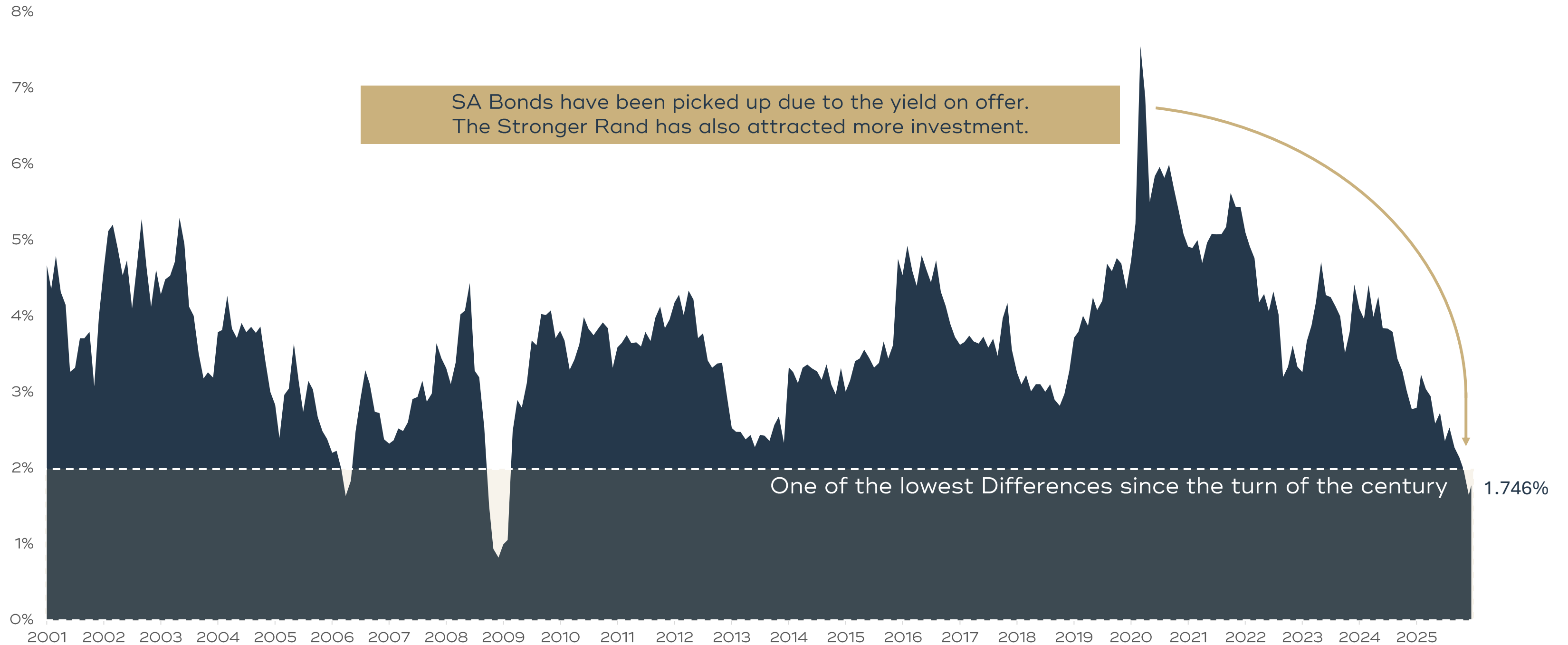
SA is off of the GREY LIST



Source: TradingEconomics, Eskom, Morningstar, Bloomberg & Custodian DFM. Data as of 31 Dec 2025.

WHAT DROVE THE MARKET – HIGH BOND YIELDS

SA Bonds through the eyes of a Foreign Investor
(earn) SA 10yr – (finance with) US 10yr (Incl. CDS or insurance)



With South African bonds being bought up, yields have fallen and the Custodian BCI Income Plus has been well positioned for exactly this, performing 14.6% in 2025, simply by following the trend.

WHAT DROVE THE MARKET - CURRENCY

USD DXY from 1 Jan 2024 - Forecast

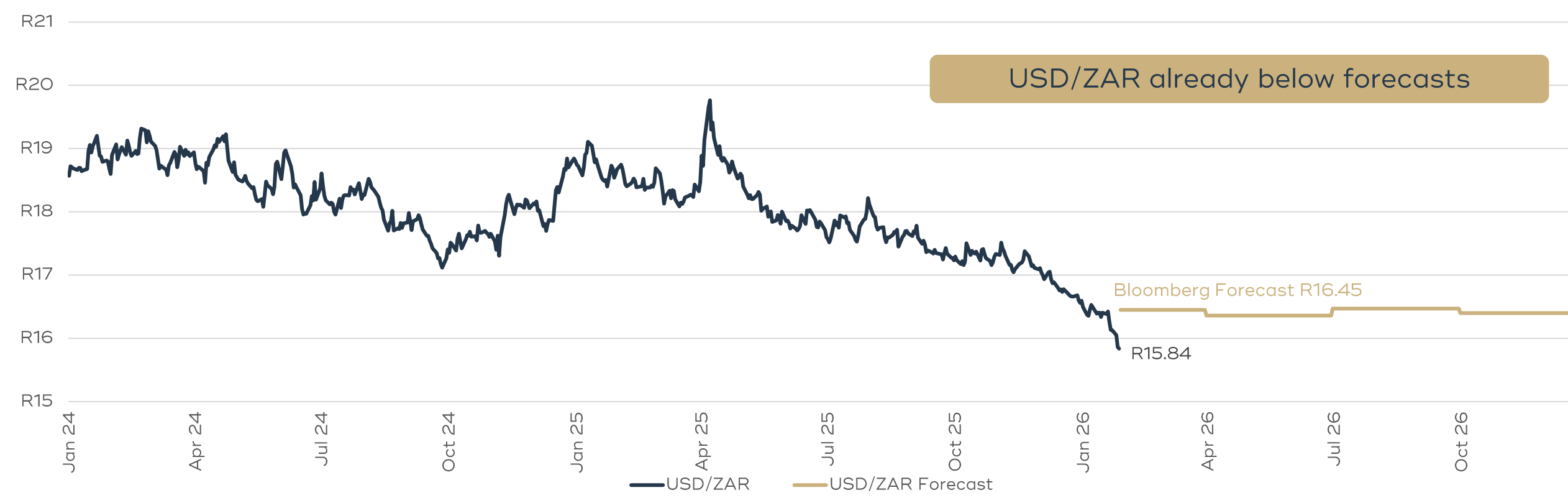


Dollar is forecasted to stay weak

Bloomberg Forecast \$97.70

\$95.95

USD/ZAR from 1 Jan 2024 - Forecast



USD/ZAR already below forecasts

Bloomberg Forecast R16.45

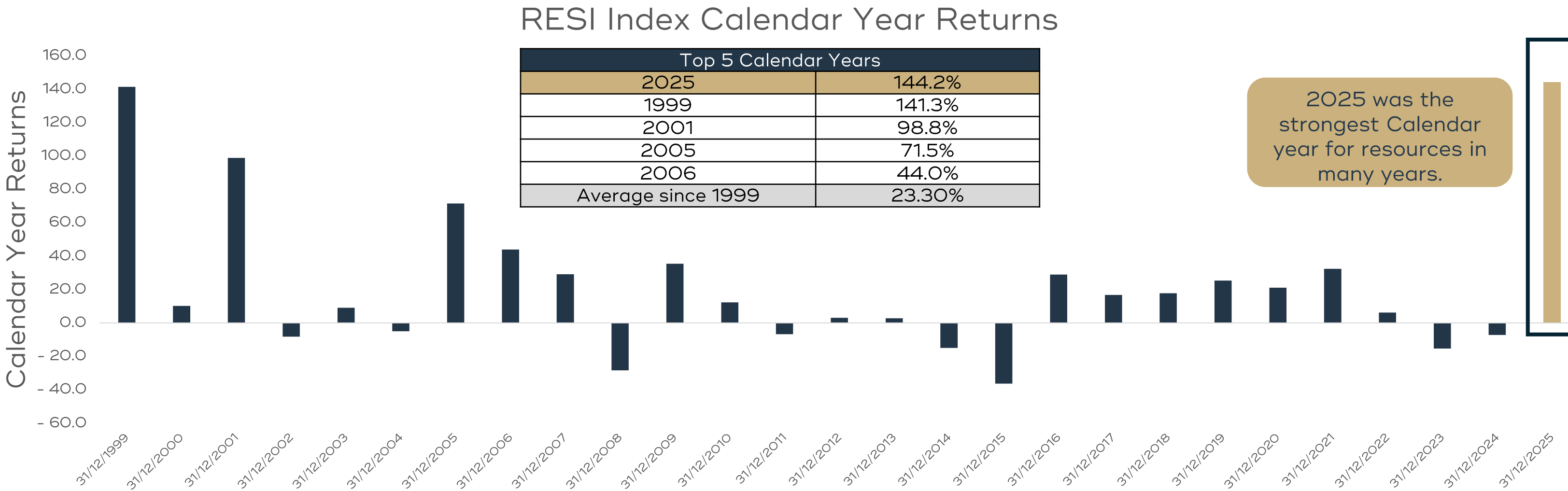
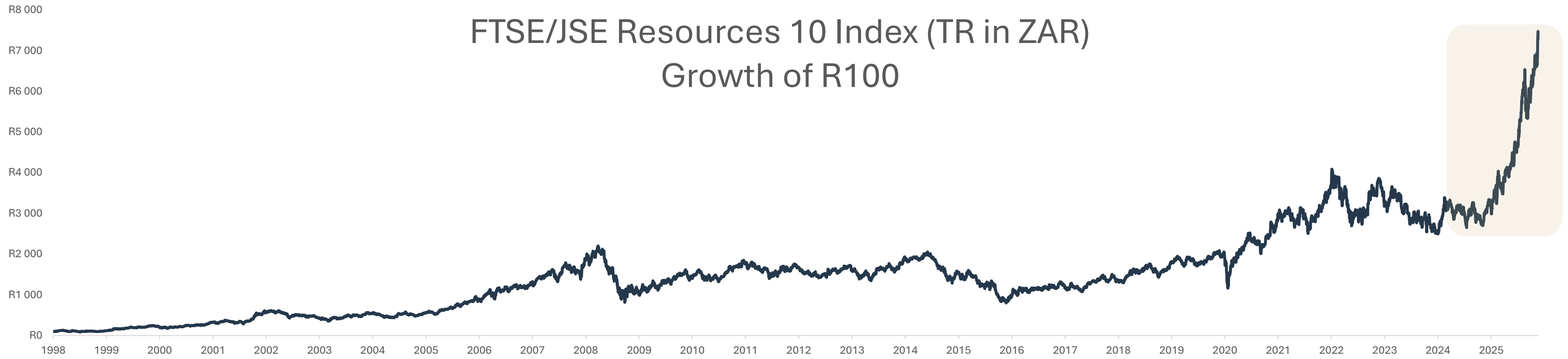
R15.84

Challenges for the Rand

- Tariff Issues
- Constantly aligning with Enemy of the USA
- Potential removal from AGOA
- Military exercises with the worlds “least wanted”
- ANC leadership change

Source: Bloomberg; Data as at 28 Jan 2026
<https://www.resbank.co.za/en/home/what-we-do/statistics/key-statistics/selected-historical-rates>

WHAT DROVE THE MARKET – PRECIOUS METALS



Source: Morningstar, Custodian. Data are 1 Jan 1999 to 31 Dec 2025.



LOCAL EXPERTS &
INSIGHTS

2026 Outlooks

2026 – LOCAL MANAGER OUTLOOK



	SA Equity	Global Equity			SA Cash & Bonds		Global Cash & Bonds		SA Property	Commodities	Rand vs Major Currencies	
ABAX		EM	DM Ex US	US			Cash	US Bonds				
Allan Gray												
Coronation					Cash	Bonds						
Foord		EM Equity		Dev world								
M&G Inv												
Nedgroup												
Ninety One Managed					Cash	Bonds	Bonds	Cash				
Ninety One Opportunity							Cash	Bonds				
Old Mutual					Cash	SA Bonds	Bonds	Cash				
Sanlam					Cash	Bonds						
Stanlib					Cash	Bonds						
Sygnia							EM Bonds	DM Bonds			DM	EM

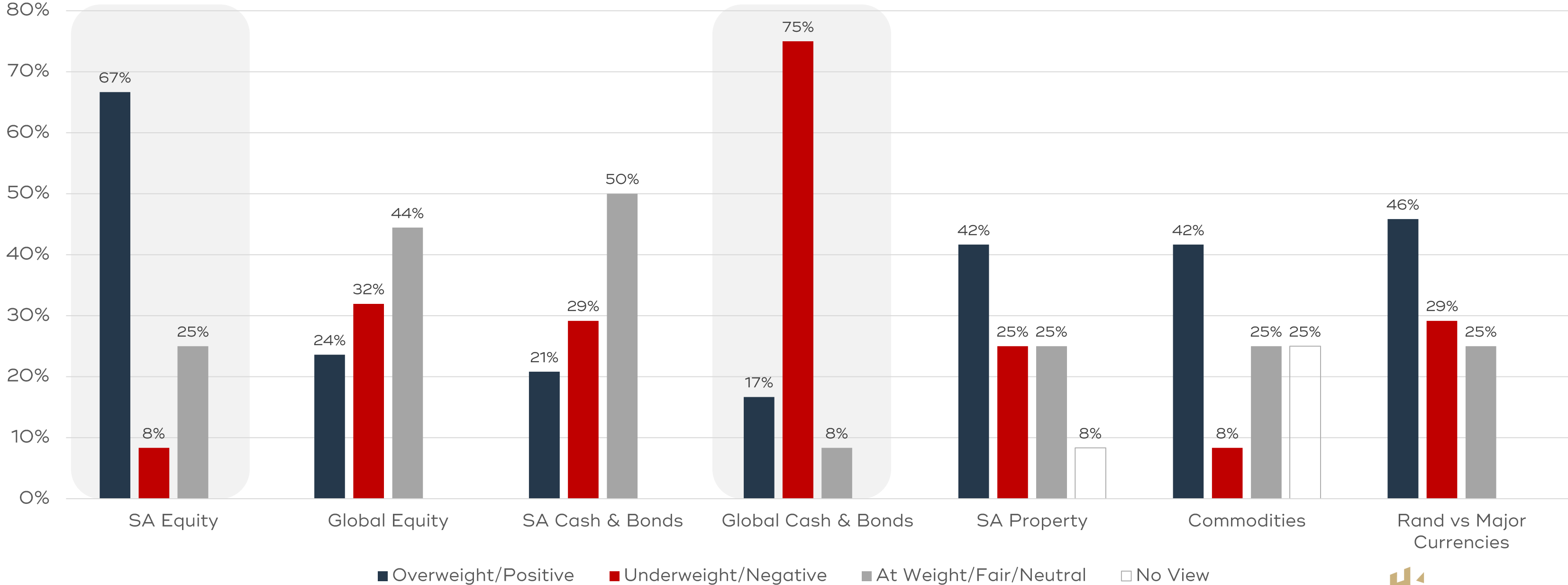


Source: responses to questionnaire. Across Dec 2025 and January 2026

2026 – LOCAL MANAGER OUTLOOK



Local Manager Outlook 2026 Summary



Source: responses to questionnaire. Across Dec 2025 and January 2026

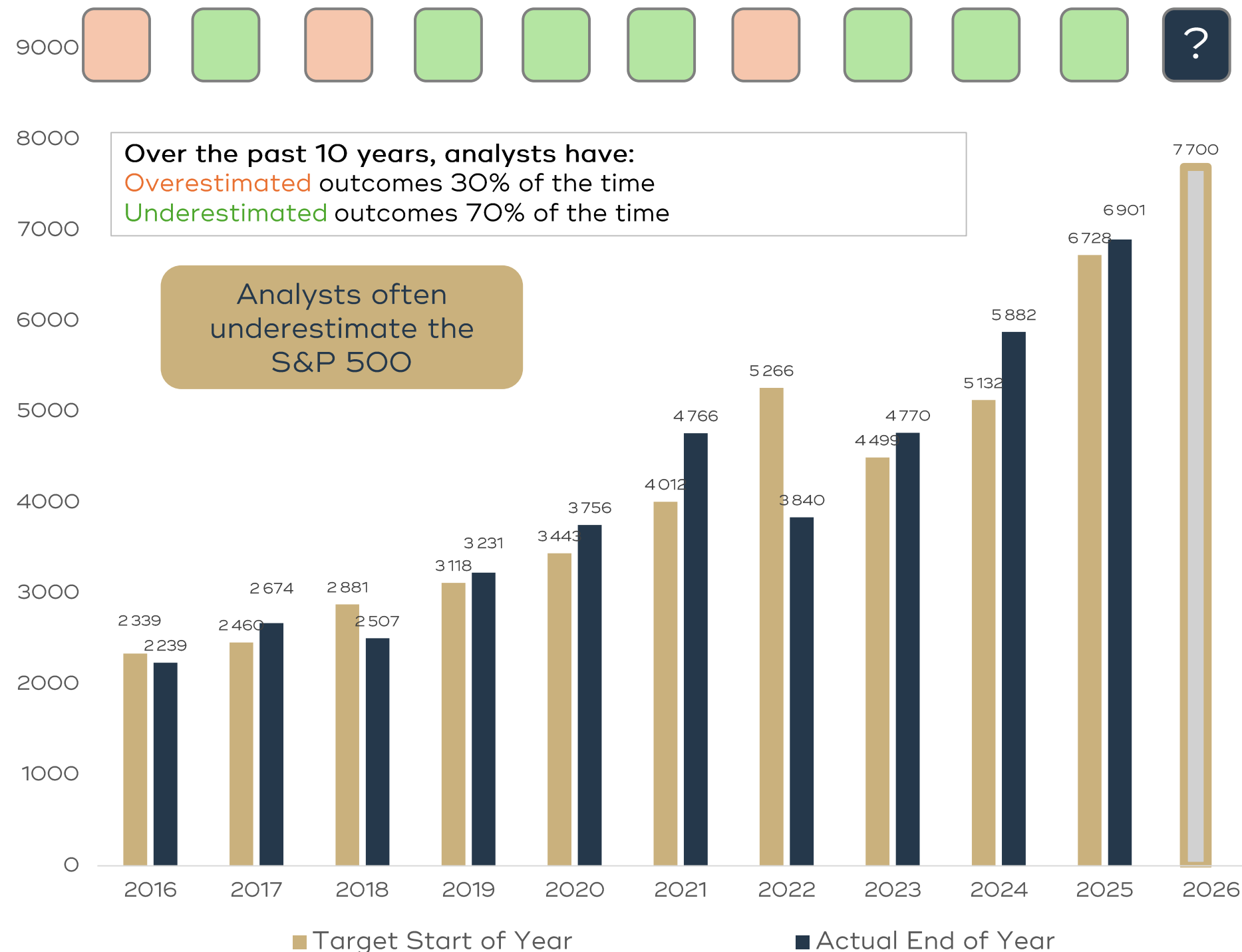


GLOBAL EXPERTS & INSIGHTS

2026 Outlooks

S&P500 PRICE TARGETS 2025

S&P500: Bottom-Up target Price Estimates
Start of Year vs. Actual

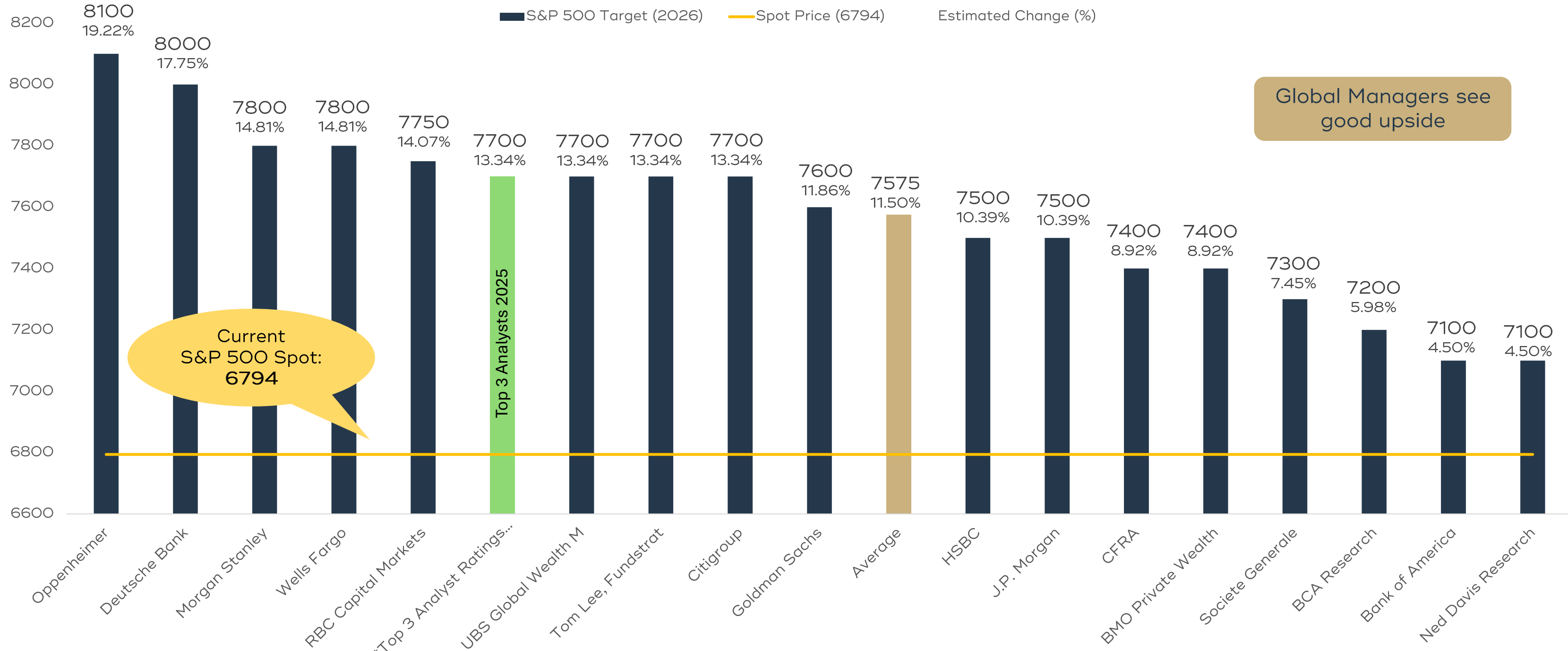


Bank	Early 2025 Target	% Error vs Actual (Actual Close: 6900)
Oppenheimer	7100	-2.90%
Wells Fargo	7007	-1.55%
Deutsche Bank	7000	-1.45%
Societe General	6750	2.17%
HSBC	6700	2.90%
BMO Private Wealth	6700	2.90%
Bank of America	6666	3.39%
Tom Lee, Fundstrat	6600	4.35%
Ned Davis Research	6600	4.35%
CFRA	6585	4.57%
Morgan Stanley	6500	5.80%
Citigroup	6500	5.80%
J.P. Morgan	6500	5.80%
UBS Global Wealth M	6400	7.25%
RBC Capital Markets	6200	10.14%
Goldman Sachs	5700	17.39%
BCA Research	4450	35.51%

S&P500 PRICE TARGETS 2026



S&P 500 Target (2026)

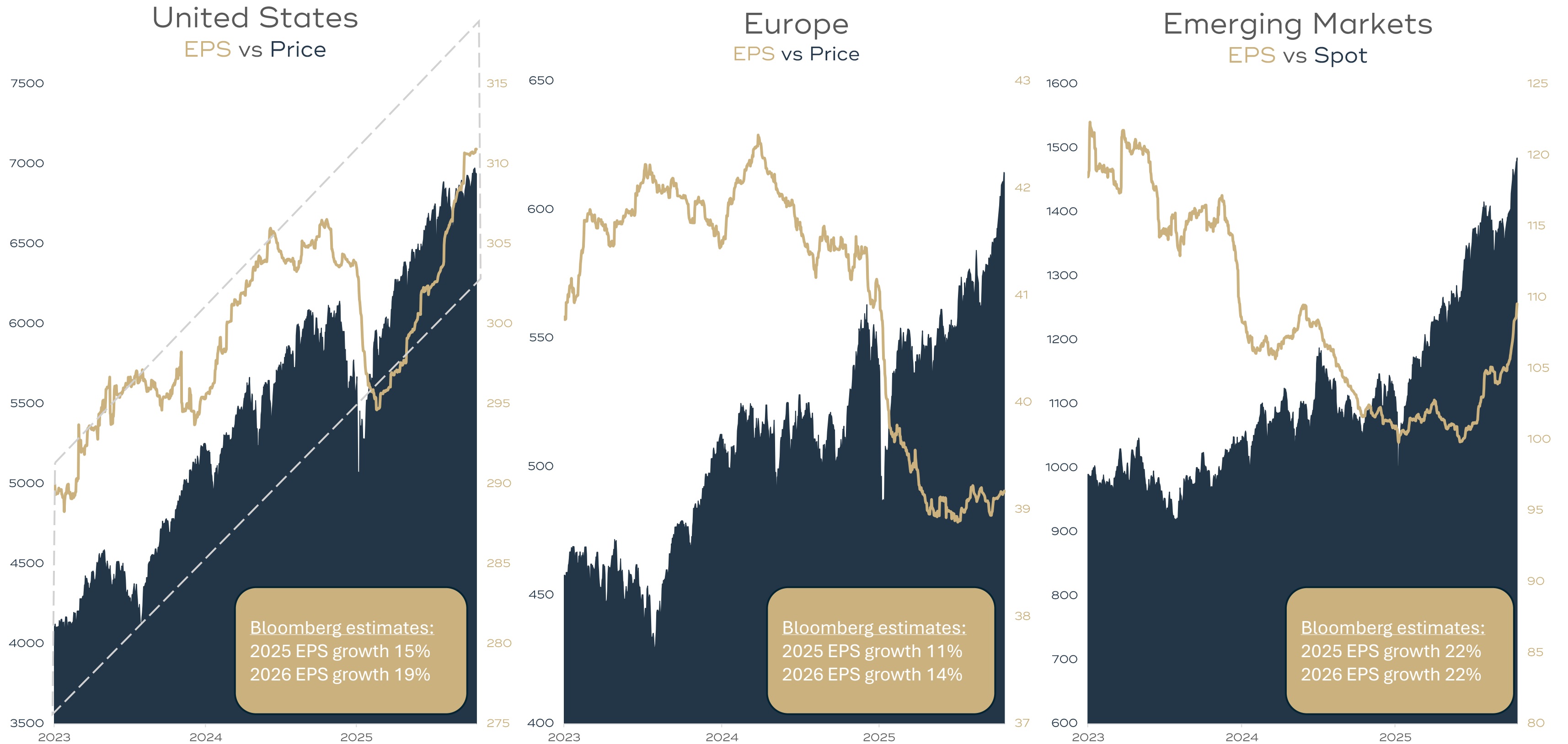


Average of all of the Financial Institutions S&P500 Price Target 2026 listed in the graph
 Average of Deutsche Bank, Wells Fargo, Societe General S&P500 Price Target 2026

Source: Custodian | DFM; <https://x.com/fverinvest/status/2006893586487586880>; 2 Jan 2026 (relative to December 26, 2025 -- the last Friday close of 2025).
 S&P500 Spot: Investing.com; <https://za.investing.com/indices/us-spx-500>; Close: 20 Jan 2026

Price Movement vs The Expected EPS for 2026

US and EM see good earnings growth where Europe lags.



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