



# Mazi Asset Management Prime Africa Equity Fund A

28 February 2025

## Fund Objective

The Mazi Asset Management Prime Africa Equity Fund is a Regional general equity portfolio that seeks to sustain high long-term capital growth.

## Risk Profile\*

Low	Low - Medium	Medium	Medium - High	High
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*Portfolios in this category are tilted towards a higher equity exposure (both local and international) which could be tantamount to greater fluctuations (volatility) in short-term performances. While statistical analyses of markets' returns indicate that investments in equities (company shares) offer the highest expected returns in the longer-term, it also comes with the highest risk of short-term capital losses. Most investment returns from these portfolios are of a capital (rather than income) nature.*

## General Fund Information

Classification	Regional Equity - General - Africa
Benchmark	MSCI EFM Ex ZA
Fund Inception Date	2017/07/07
Domicile	South Africa
Base Currency	Rand
Fund Size	R 1 616 270 890
Fund Size Date	2025/02/28
JSE Code	MCAFCA
ISIN Number	ZAE000208674
NAV Price (Month-End)	R 0,93
Income Distribution	Semi-Annually
Distribution Payment	3rd working day of March / September
Valuation Time	10:00
Transaction Cut-off	14:00
Regulation 28 Compliant	No
Issue Date	28 February 2025

## Distributions

Last Distribution Date	03/2025	09/2024	03/2024
Last Distribution (Rand per unit)	0,007	0,021	0,007

## Fund Universe

The portfolio may invest in listed and unlisted equity securities, preference shares, property securities, listed and unlisted financial instruments and assets in liquid form. The portfolio's equity exposure shall always exceed 80%. The portfolio shall give investors at least 80% exposure to assets in Africa Ex South Africa.

## Investment Strategy

The portfolio may also include participatory interests or any other form of participation in portfolios of collective investment schemes or other similar collective investment schemes as the Act may allow from time to time. Where the aforementioned schemes are operated in territories other than South Africa, participatory interests or any other form of participation in portfolios of these schemes will be included in the portfolio only where the regulatory environment is to the satisfaction of the manager and trustee of a sufficient standard to provide investor protection at least equivalent to that of South Africa.

## Who should be investing

The Fund is suitable for investors who:

- Seek specialist Africa (excluding South Africa) equity exposure as part of their overall investment strategy;
- Believe long term equity exposure adds value;
- Understand the nature of equity exposure in that there is a risk of market fluctuations

## Fee Structure

Total Expense Ratio (TER)	1,38%
Transaction Costs (TC)	0,32%
Investment Management Fee	1,15%
Initial Fee	3,45%
Total Investment Charges (TIC)	1,70%

*The TER above is as of 31 December 2024*

*All fees are annualised and include 15% Value Added Tax (VAT).*

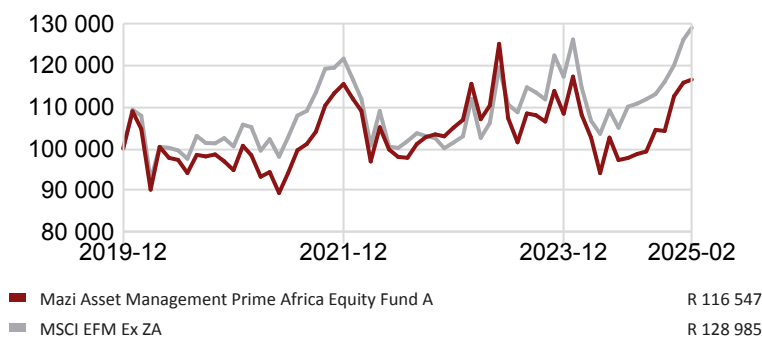
## NAV Values

	02/2025	01/2025	12/2024
Fund NAV*	1 616 270 890	1 604 351 622	1 557 620 713

*\*Fund size/NAV as at relevant month-end date.*

## Growth of a R 100 000 investment\*

Time period: 2019/12/31 to 2025/02/28



\*Performance History: Based on an initial investment of R 100 000.

## Return Statistics

	Portfolio	Benchmark
YTD	3,57%	7,53%
1 Month	0,65%	2,28%
3 Months	11,82%	11,18%
6 Months	18,08%	16,41%
1 Year	7,87%	12,59%
3 Years	2,24%	4,85%
5 Years	2,17%	3,64%
Since Inception	4,47%	4,95%

\*Returns are net of fees reflecting the total monthly return.

## Top Portfolio Holdings

Portfolio Date: 2025/02/28

	Portfolio
Commercial International Bank (Egypt) SAE	15,63%
Equity Group Holdings Ltd	7,50%
Safaricom PLC	7,39%
MCB Group Ltd	5,87%
Societe Nationale des Telecommunications SONATEL	5,53%
Maroc Telecom SA	4,77%
Eastern Co SAE	4,42%
KCB Group Ltd	4,28%
Attijariwafa Bank SA Registered Shares	3,46%
Guaranty Trust Holding Co PLC	2,88%

## Risk Statistics

	Portfolio	Benchmark
Standard Deviation	21,40%	19,11%
Sortino Ratio	-0,12%	0,02%
Max Drawdown	-24,78%	-17,94%
Up Period Percent	81,61%	N/A
Sharpe Ratio	-0,08%	0,01%
Max 1 Month Return	13,43%	12,57%
Min 1 Month Return	-14,29%	-9,99%

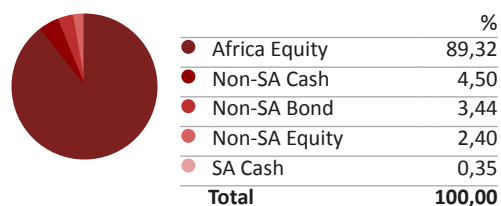
## Monthly Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	YTD
2025	2,90%	0,65%	-	-	-	-	-	-	-	-	-	-	3,57%
2024	8,20%	-7,86%	-5,02%	-8,28%	9,05%	-5,25%	0,52%	0,98%	0,61%	5,22%	-0,25%	7,97%	3,84%
2023	1,77%	8,08%	-7,35%	3,06%	13,43%	-14,29%	-5,36%	6,82%	-0,39%	-1,41%	6,90%	-4,80%	3,17%
2022	-3,08%	-2,58%	-11,12%	8,47%	-5,09%	-1,77%	-0,22%	3,38%	1,65%	0,63%	-0,45%	2,04%	-9,04%
2021	6,16%	-2,24%	-5,25%	1,20%	-5,32%	5,35%	5,81%	1,51%	2,89%	6,05%	2,68%	1,96%	21,78%
2020	8,93%	-3,88%	-13,90%	11,36%	-2,62%	-0,49%	-3,23%	4,62%	-0,38%	0,48%	-1,67%	-2,19%	-5,17%
2019	-3,86%	12,35%	3,53%	0,90%	-1,18%	-1,14%	-3,75%	10,08%	0,49%	0,63%	-1,31%	-2,13%	14,07%
2018	3,51%	-0,37%	4,74%	2,94%	-3,09%	8,92%	-6,45%	8,87%	-7,89%	0,10%	-7,17%	3,66%	6,04%
2017	-	-	-	-	-	-	-	-2,57%	3,26%	4,99%	-0,67%	-8,64%	-

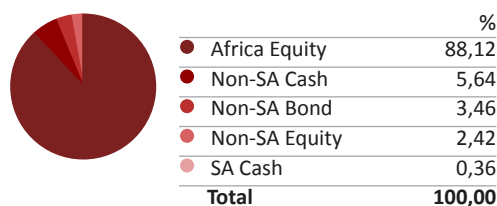
Past performance is not a reliable indicator of future results. The portfolio's share prices fluctuate and are not guaranteed. Returns may decrease or increase as a result of currency fluctuations. When making an investment in the portfolio, an investor's capital is at risk. See disclaimer and disclosures for important information regarding this Minimum Disclosure Document. Mandate Compliance: The portfolio remains within the reporting framework as at the date of this report

## Asset Allocation

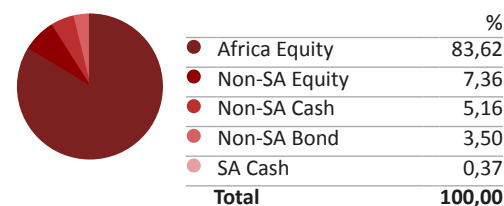
Portfolio Date: 2025/02/28



Portfolio Date: 2025/01/31



Portfolio Date: 2024/12/31




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## Portfolio Contact Details


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### Trustee

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### Administrator

Prime Fund Services (Pty) Ltd

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## Glossary of Terms

**Standard Deviation** is a statistical measure of the dispersion of returns for a given security or market index.

**Sortino Ratio** measures the risk-adjusted return of an investment asset, portfolio, or strategy. It is a modification of the Sharpe ratio but penalizes only those returns falling below a user-specified target or required rate of return, while the Sharpe ratio penalizes both upside and downside volatility equally.

**Sharpe Ratio** is a measure for calculating risk-adjusted return. It is the average return earned in excess of the risk-free rate per unit of total risk.

**Max Drawdown** is the maximum loss from a peak to a trough of a portfolio, before a new peak is attained. Max drawdown is an indicator of downside risk over a specified time period.

**Total Investment Charge (TIC)** is the sum of the Total Expense Ratio (TER) and the Transaction Costs (TC).

**Total Expense Ratio (TER)** is the global standard used to measure the impact that the deduction of management and operating costs has on a fund's value. It gives you an indication of the effects these costs have on the future growth of your investment portfolio. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. Also, the current TER may not necessarily be an accurate indication of future TERs.

**Transaction Costs (TC)** is a necessary cost in administering the fund and impacts fund returns. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of fund, the investment decisions of the investment manager and the TER. Calculations are based on actual data where possible and best estimates where actual data is not available.

## Quarterly Commentary

### Fund Performance:

The Mazi Africa fund delivered a return of 1.9% in USD terms during the year, compared to the MSCI Africa EFM ex ZA benchmark of -1.3%, outperforming the benchmark by 3.2%. The fund's overweight positions in Kenya, the UK, and Ghana contributed positively to performance. The underweight in Morocco, along with the overweight positions in Nigeria and Egypt detracted from performance for the year. At the stock level, the overweight positions in KCB Group, Equity Group and Safaricom added positively to performance. Key detractors were the overweight positions in MTN Nigeria and Edita Foods as well as the underweight position in Attijariwafa Bank.

### Market commentary

African currencies underwent significant reform in 2024. The first half of the year saw sizable devaluations in Egypt and Nigeria. The Egyptian Pound devalued by 39% during the year, but has remained relatively stable since its initial devaluation in February. The Nigerian Naira similarly lost 40% of its value in 2024, though has seen much more flexibility in its exchange rate. We view this as a positive step towards a more flexible currency regime. Foreign exchange liquidity across our markets improved dramatically through 2024, and remains robust going into 2025.

Inflation continues to moderate across our markets, a trend that is expected to continue into 2025. Interest rates similarly appear to have peaked with Morocco and Kenya already in a rate cutting cycle. This should give markets a much needed boost, and improves the outlook for growth over the short to medium term.

All the major African equity markets produced strong local currency performance for the year. Despite strong market local market rallies, the hard-currency performance was more mixed. The Egyptian and Nigerian markets ended the year down in USD, predominantly driven by sizable currency devaluations. Kenya was the key outperformer, ending the year up 63% driven by both a rally in local share prices and a strengthening of the currency. The Moroccan market ended the year up 19% driven by a local market rally and currency stability.

## Outlook

Nigeria has remained committed to its economic reform agenda. The Central Bank has maintained a tight monetary policy environment, in order to curtail inflation and stabilise the currency. The currency has been allowed to trade in a relatively wide band, which has resulted in improved liquidity and tradability. A number of companies, particularly the multinational consumer companies, were forced to raise equity capital as the foreign currency liabilities from their parent companies caused significant deterioration in their balance sheets post the devaluation. Nigerian banks were similarly forced to raise equity capital, as the Central bank seeks to bolster the banking sector. The economic reforms we have seen so far, and the commitment to maintaining a more flexible currency regime gives us confidence that the country is on a more sustainable path.

The Egyptian pound has remained stable since the devaluation in February. Liquidity has improved dramatically despite the currency's limited trading range. The Central Bank raised interest rates dramatically as it seeks to attract foreign portfolio flows and curtail inflation. Interest rates have stabilised at 27.25% and appear to have peaked. Inflation, which peaked at 35% in February 2024, is on a downward trajectory and is expected to moderate further into 2025. Egyptian corporates continue to produce strong operational results as price increases have been passed onto the consumer, without a major hit to volumes. Purchasing power will increase further as inflation and interest rates are expected to decline.

The Kenyan government has attempted to improve its fiscal position by curtailing Government spending and increasing taxes. The hike in taxes was met with significant public backlash, with public protests erupting across the country. Government was unable to push through these tax increases, instead refocussing on spending cuts. We believe the country will need to widen the tax base in order to sustain its debt burden, raising the risk of higher taxes in the future. We continue to see significant opportunity in Kenyan equities as they remain highly undervalued.

The Moroccan central bank has already started cutting interest rates, having cut rates twice in 2024 to 2.5%. Interest rates in Morocco remain below its major trading partners, namely, Europe and the USA, where interest rates are 3% and 4.5% respectively. The announcement of Morocco as a joint host for the 2030 FIFA World Cup is spurring a construction boom in the country and has improved the outlook for the economy in the short-medium term. The equity market remains overvalued in our view, though we have found some opportunities in the mid-cap space.

The fund is overweight Egypt, Kenya and Nigeria, while Morocco is our key underweight. The fund participated in the IPO of CMGP Group, a Moroccan company specialising in the manufacturing and distribution of irrigation systems, agricultural equipment and supplies. CMGP seeks to position themselves as a 'one stop shop' for African farmers, helping to formalise the under developed but highly important agricultural sector on the continent. We sold out of Centamin Egypt after the announcement of the take-out by AngloGold Ashanti, at a valuation we saw as attractive. During the period we increased our exposure to a number of holdings, namely, Safaricom, IDH, East African Breweries, and Sonatel given the relative value we saw in these stocks.

Currency reform and monetary policy played a significant role in shaping African market dynamics during 2024. Inflation and interest rates have peaked in our markets, and are expected to continue to moderate in 2025. We believe African equities are attractively priced and with currency reform now behind us, we expect to see company fundamentals drive strong performance in our markets.

## Disclaimer

"The co-named funds (as defined in BN 778 of 2011) are registered under the Prime Collective Investment Scheme, managed by Prime Collective Investment Schemes Management Company (RF) (Pty) Ltd ("the manager") (Registration No. 2005/017098/07), a registered Collective Investment Schemes Management Company in terms of the Collective Investment Schemes Control Act 45 of 2002, supervised by the Financial Sector Conduct Authority ('FSCA'). The manager takes full responsibility for the co-named portfolio, regardless of any co-naming arrangements. Mazi Asset Management (Pty) Ltd (FSP No: 46405) is the FSCA approved and appointed investment manager of the co-named CIS funds situated on the North Wing, 4th Floor, 90 Rivonia Road, Sandton and is authorised as a Financial Services Provider. Collective Investment Schemes ("CIS") in securities are generally medium to long term investments. The value of participatory interests or the investment may go down as well as up and past performance is not necessarily a guide to future performance. The manager does not provide any guarantee either with respect to the capital or the return of a portfolio. All CIS are traded at ruling prices and can engage in borrowing and scrip lending. The manager reserves the right to close and reopen the portfolio to new investors from time to time in order to manage them more efficiently and in accordance with its mandate. A schedule of fees and charges and maximum commissions is available on request from the manager. Commission and incentives may be paid and if so, would be included in the overall costs. Forward pricing is used. The manager may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. Investment performance is calculated for the portfolio and is for illustrative purposes only. The investment performance may differ for each investor as it is calculated by taking into account the initial fees, the actual investment date, the date of reinvestment of income and dividend withholding tax and all ongoing fees. Dealing prices are calculated on a net asset value and auditor's fees, bank charges and trustee fees are levied against the portfolios. Lump sum investment performances are quoted. Income distributions are in the calculations. Income is reinvested on the reinvestment date. The reinvestment of income is calculated on the actual amount distributed per participatory interest by using the ex-dividend date NAV price of the applicable class of the portfolio, irrespective of the actual reinvestment date. Performance numbers and graphs are sourced from Morningstar. NAV to NAV figures have been used. Risk profile of the fund ranges from low risk to high risk with a low risk potentially associated with lower rewards and a high risk with potentially higher rewards. Foreign securities may be included in the portfolio from time to time and as such may result in the following risks: potential constraints on liquidity and the repatriation of funds; macroeconomic risks; political risks; foreign exchange risks; tax risks; settlement risks and potential limitations on the availability of market information. A Money market portfolio is not a bank deposit account. The value of participatory interests may go down as well as up. The manager does not provide any guarantee either with respect to the capital or the return of a portfolio. The total return to the investor is made up of interest received and any gain or loss made on any particular instrument. This will have the effect of increasing or decreasing the daily yield but in case of abnormal losses it can have the effect of reducing the capital value of the portfolio. The purpose of the money market yield is to indicate to investors a compounded annual return for all money market portfolios on a comparable basis. The yield calculation is not used for income distribution purposes. A forward-looking yield is used. This means that the last seven days' yield (less the service charges, including VAT) is taken and is annualised for the next 12-month period, assuming the income returns are reinvested. Yields for money market funds are published daily. The daily cut off time is 14:00 for trades and the valuation point is 17:00. Prices are published on Finswitch by 10:00 daily and are also available on request from the manager. This is a Minimum Disclosure Document and a general investor report and should not be seen as an offer to purchase any specific product and is not to be construed as advice or guidance in any form whatsoever. Investors are encouraged to obtain independent professional investment and taxation advice. Investors can also obtain additional information on the managers' website and all price related queries or information is readily available on request"