



RFLAUN

Retirement Fund for Local Authorities
and Utility Services in Namibia

Newsletter

March 2026



Editor's Desk



A year of strong growth and strategic progress, positioning the Fund for long-term sustainability.

- Mr. Julianus Rukamba

RFLAUN is once more pleased to share key highlights from the 2025 financial year, a period marked by strong investment performance, continued growth, and the adoption of a renewed strategic direction that positions the Fund for long-term sustainability and enhanced member outcomes.

During the 2025 financial year, the RFLAUN Fund achieved notable success, reinforcing its position as a growing and resilient investment vehicle. The Fund is slowly approaching to reaching an important milestone of N\$10 billion in assets under management, reflecting both disciplined stewardship and sustained member confidence. Performance across investment portfolios was particularly strong: the Market Value Portfolio returned an impressive 20.7%, while Capital Protection Portfolio 1 and Capital Protection Portfolio 2 posted solid returns of 13.1% and 12.2%, respectively, contributing meaningfully to the Fund's continued upward trajectory.

In response to evolving member needs and shifting global market dynamics, the Fund has adopted a refreshed Strategic Plan that will guide its priorities and operations over the coming years.

Our Vision

To be a world-class, sustainable pension fund that delivers 100% income replacement for members.

Our Mission

To deliver a 100% income replacement ratio for members, ensuring lasting financial security through prudent investments and the adoption of cutting-edge technology.

This strategy reinforces the Fund's commitment to excellence, sustainability, and innovation as we work to strengthen members' retirement readiness.

As part of our mission to enhance member engagement and transparency, the Fund encourages all members to take advantage of the digital resources available on our platforms. Members are encouraged to use the Net Replacement Ratio Tool, available on the Fund's website, to assess whether they are on track to achieve the ideal 100% income replacement at retirement. This easy-to-use tool provides personalised insights into how current savings patterns will translate into retirement income, enabling members to make informed decisions about their financial future.

The Member Online Portal allows members to Monitor the growth of their fund credit, View contributions and benefits, and Update personal information. Regular use of the portal ensures that members stay informed and empowered to manage their retirement journey proactively.

Thank you for taking the time to engage with this publication. Stay tuned for our next update.

Annual Investment Returns

The Funds' total assets as at 31 December 2025 amounted to N\$9,399,280,876 which comprises of the portfolios below:

Market Value Portfolio

N\$8,533,127,585

Capital Protection Portfolio

**(CPO 1)
N\$3,008,511**

Capital Protection Portfolio

**(CPO 2)
N\$863,144,780**

The table below provides an indication of the monthly investment returns earned on the respective portfolios for the Fund year from 1 January 2025 to 31 December 2025.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Year 2024
Market Value Portfolio	1.8	-0.1	0.3	1.9	2.7	2.1	1.9	1.3	2.7	1.9	0.6	1.9	20.7%
CPO 1	0.7	0.7	0.7	0.7	0.7	2.3	0.6	0.8	0.7	0.8	2.8	2.8	13.1%
CPO 2	0.8	0.8	0.9	0.8	0.7	1.5	0.9	0.9	1.0	1.0	1.1	1.1	12.2%

Investments

With this newsletter we want to update you in terms of the Fund's fantastic investment performance the last couple of months, as well as what impact current unfolding events in the Middle East have on global markets.

But first to start on a positive note. From an investment perspective 2025 has definitely been one of the best years in decades. Pension funds last experienced investment growth exceeding 20% in 2006 and 2007, similar to what occurred in 2025.

The main drivers of performance during last year can largely be attributed to the uncertainty and volatility brought about by the election of President Trump for a second term as United States President just over a year ago. Investors sought a safer haven from the US \$ which resulted in the gold price increasing by 64% over the year. This uncertainty was further evident towards the end of 2025 with the US dollar weakening against other currencies due to expectations surrounding further Federal Reserve rate cuts as well as concerns over the fiscal deficit.

Precious metals like platinum and palladium were further big contributors to performance during 2025 as demands for catalytic converters (used to reduce harmful emissions from engines) and an ever increasing AI expansion increased exponentially during the year. This is then also evident in the price of platinum that increased by 127% during 2025, whilst the price of palladium increased by 77% over the same period.

Taking into account that South Africa is the largest producer of platinum in the World, second largest producer of palladium and one of the top 10

producers of gold, it goes without saying that these mining companies profits also increased substantially which ciphered through to investors like the Retirement Fund for Local Authorities and Utility Services in Namibia investing in their shares through the Johannesburg Stock Exchange (JSE). The JSE ALSI Index returned a staggering 42.2% in Namibian Dollar terms for the year ended 31 December 2025, largely driven by these commodity counters. South African bonds were a further big

Considering that Iran, Iraq, Saudi Arabia and Kuwait are amongst the top 10 oil producing countries in the world, the disruption brought about by the conflict and the subsequent closure of the Strait of Hormuz (20% of the World's oil being shipped through the Strait), had an immediate massive negative impact on the price of oil with Brent Crude increasing from approximately US\$ 73 per barrel on the 27th of February 2026, to well in excess of US\$ 100 per barrel a week later.



Despite global uncertainty, active management remains key to protecting member interests.

contributor to the stellar performance last year with a return of 24.2% for the year. This return was largely due to the Country's improved fiscal position, removal from FATF Grey listing, sovereign credit upgrade outlook from S&P Global Ratings and an estimated R 1 trillion to be spend over the next couple of years to renew roads, upgrade and expand port and rail networks as well as fixing aging energy and water infrastructure systems. And how quickly things changed on the 28th of February 2026 when we turned our televisions on and were confronted with the reality that the United States, together with Israel, launched a full-blown attack on Iran. Iran immediately responded by launching retaliatory missile attacks not only on its archenemy (Israel), but also towards its neighbours like Kuwait, the United Arab Emirates, Qatar and all other countries in the region hosting US military bases from which attacks are being launched.

The Namibian Dollar depreciated from N\$ 15.90 at the end of February 2026 to currently edging towards the N\$ 17,00 mark. The increasing price of oil, a depreciating currency will have massive upward pressure on inflation, and depending on how long this war is going to last (which at this stage do not appear to be abating) will result in Central Banks having to again start increasing interest rates should inflation explode as we saw in 2021/2022 after COVID and the invasion of Ukraine by Russia.

Comforting however is that the Fund's underlying assets are actively managed by experienced reputable investment managers who will be monitoring current events very closely and in doing so ensuring that members interests are protected as much as possible.

Events like the IT bubble / September 11 in 2001, global financial crisis in 2008, COVID-19 pandemic and more recently US/Iran War are unfortunately not foreseen. How deep and how long this current downturn is going to last, unfortunately only time will tell. The ongoing conflict is expected to impact the Fund's performance, and we will provide a more detailed analysis in our next publication.