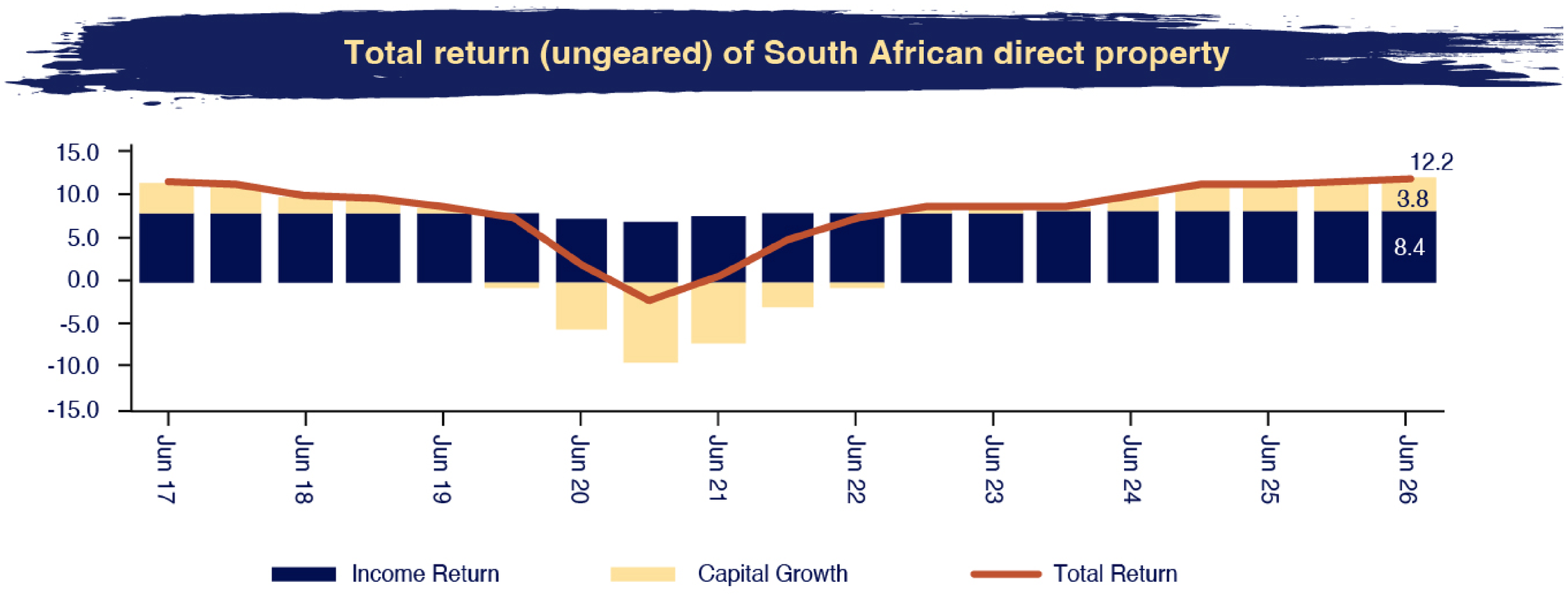


South African direct property's annualised total return reached 12.5% to June 2026, its highest level in the past decade. Income has remained steady, while recovering property values have provided an increasing boost to returns.

This supports the constructive view **Sesfikile Capital**, manager of the **Curate Momentum Flexible Property Fund**, has on the South African listed property market.



Source: MSCI South Africa bi-annual property index, June 2026 Date: 29 October 2026

Note: returns are annualised

Summary of chart

Direct property total returns, which is the sum of income return and capital growth, rose to 12.5% (annualised) to June 2026, the highest level in the past decade. Income has remained steady at around 8%, while recovering property values have provided an increasing boost to returns.

Capital growth improved from around -9% in late 2020 to +3.8% as operating conditions have strengthened since the Covid-19 pandemic.

Importantly, this data is reported semi-annually. The recent rate hike and expectations around further rate hikes expectations are unlikely to materially alter the finding as capitalisation rates are stable and remain sticky over time.

How does this link to the positioning of the fund?

Direct property returns are the long-term foundation for listed property returns, with borrowing amplifying the returns.

Capital growth, which is the change in property values, is increasing as rental income grows and as a higher value is placed on the income these properties are expected to generate.

This supports Sesfikile's constructive view on the SA listed property market.

Why is this relevant?

- Direct property total returns reached 12.5% (annualised) to June 2026, ahead of the **3, 5 and 10 year annualised returns of 11.4%, 10.1%** and **8.3%** respectively.
- This is underpinned by a **healthy 8% income return**, while capital growth is beginning to accelerate.
- Property values are reflecting improving operations after the Covid disruption. Listed property can further benefit from the use of borrowing, which can amplify returns when property values and income are rising. This creates a positive outlook for the listed property market.

Curate Momentum Flexible Property Fund

Managed by **Sesfikile Capital (FSP 39946)**

SESFIKILE CAPITAL
Property Investments

Overview of the Curate Momentum Flexible Property Fund

This fund owns shares in a range of listed property companies, both in South Africa and around the world. It is designed to give investors high levels of income as well as growth on their capital over time.

For more information, visit our website **here**.

Disclaimer

This document has been prepared by Curate Investments (Pty) Ltd (Curate). Curate is an authorised financial services provider (FSP No. 53549) under the Financial Advisory and Intermediary Services Act, 37 of 2002 (FAIS). This is a marketing communication. Collective investments are generally medium to long-term investments. The value of units may go down as well as up and past performance is not necessarily a guide to the future. Collective investments are traded at ruling prices. Commission and incentives may be paid and, if so, would be included in the overall costs. All performance is calculated on a total return basis, after deduction of all fees and commissions and in US dollar terms. Higher risk investments include, but are not limited to, investments in smaller companies, even in developed markets, investments in emerging markets or single country debt or equity funds and investments in high yield or non-investment grade debt. Foreign securities may have additional material risks, depending on the specific risks affecting that country, such as 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. Investment in the Fund may not be suitable for all investors. Investors should obtain advice from their financial adviser before proceeding with an investment. This document should be read in conjunction with the prospectus of MGF, in which all the current fees additional disclosures, risk of investment and fund facts are disclosed. This document should not be construed as an investment advertisement, or investment advice or guidance or proposal or recommendation in any form whatsoever, whether relating to the Fund or its underlying investments. It is for information purposes only and has been prepared and is made available for the benefit of the investors. While all care has been taken by the Investment Manager in the preparation of the information contained in this document, neither the Manager nor Investment Manager make any representations or give any warranties as to the correctness, accuracy or completeness of the information, nor does either the Manager or Investment Manager assume liability or responsibility for any losses arising from errors or omissions in the information.

This Fund is a sub-fund of the MGF SICAV, which is domiciled in Luxembourg and regulated by the Commission de Surveillance du Secteur Financier. The Fund conforms to the requirements of the European UCITS Directive. FundRock Management Company S.A., incorporated in Luxembourg, is the Management Company with its registered office at 33, Rue de Gasperich, L-5826 Hesperange, Luxembourg. Telephone +352 271 111. JP Morgan Bank Luxembourg SA, incorporated in Luxembourg, is the Administrator and Depositary with its registered office at European Bank & Business Centre, 6, route de Trèves, L-2633 Senningerberg, Luxembourg. Telephone +352 462 6851.

This document is issued by Momentum Global Investment Management Limited (MGIM). MGIM is the Investment Manager, Promoter and Distributor for the MGF SICAV. MGIM is registered in England and Wales No. 03733094. Registered Office: The Rex Building, 62 Queen Street, London EC4R 1EB. Telephone +44 (0)20 7489 7223 Email DistributionServices@momentum.co.uk. MGIM is authorised and regulated by the Financial Conduct Authority No. 232357 and is exempt from the requirements of section 7(1) of the Financial Advisory and Intermediary Services Act 37 of 2002 (FAIS) in South Africa, in terms of the FSCA FAIS Notice 141 of 2021 (published 15 December 2021). Either MGIM or FundRock Management Company SA, the management company, may terminate arrangements for marketing under the denotification process in the new Cross-border Distribution Directive (Directive EU) 2019/1160.