

// MONTHLY UPDATE

SOUTH AFRICAN REVIEW FEBRUARY 2024

// MARKETS

Best performing

Worst performing

ASSET CLASS INDEX RETURNS

	1 MONTH	YTD	1 YEAR	3 YEARS	5 YEARS	7 YEARS	10 YEARS
SA EQUITY (Cap SWIX)	-2.3%	-5.1%	-2.8%	6.9%	6.2%	5.2%	5.7%
SA BONDS	-0.6%	0.2%	7.6%	7.2%	7.8%	8.2%	8.1%
SA CASH (STeFI)	0.7%	1.4%	8.3%	6.0%	6.0%	6.4%	6.5%
SA PROPERTY	0.8%	4.9%	17.6%	14.8%	0.6%	-1.2%	3.7%
GLOBAL EQUITY	7.6%	10.0%	28.7%	15.5%	17.6%	16.1%	14.8%
GLOBAL BONDS	2.0%	2.3%	7.9%	2.3%	5.4%	5.7%	5.9%
GLOBAL PROPERTY	2.5%	-0.2%	5.6%	7.9%	7.5%	8.1%	10.3%

SA EQUITY INDEX RETURNS

	1 MONTH	YTD	1 YEAR	3 YEARS	5 YEARS	7 YEARS	10 YEARS
FINANCIALS	-1.2%	-4.3%	8.0%	17.0%	5.0%	5.6%	7.4%
INDUSTRIALS	-0.7%	-1.9%	-0.2%	7.9%	10.2%	7.7%	8.0%
RESOURCES	-6.9%	-12.8%	-17.3%	-2.0%	8.9%	13.0%	4.3%
TOP 40	-2.5%	-5.9%	-4.2%	7.1%	9.8%	9.6%	7.9%
MID CAP	-3.0%	-5.7%	-0.1%	8.6%	5.1%	3.6%	6.4%
SMALL CAP	-2.0%	-0.3%	7.5%	19.0%	12.8%	6.2%	8.2%

GLOBAL EQUITY INDEX RETURNS

	1 MONTH	YTD	1 YEAR	3 YEARS	5 YEARS	7 YEARS	10 YEARS
DEVELOPED EQUITY	7.5%	10.7%	30.6%	17.5%	18.8%	17.0%	15.6%
EM EQUITY	8.1%	4.8%	13.6%	1.4%	8.4%	9.6%	9.2%

GLOBAL BONDS INDEX RETURNS

	1 MONTH	YTD	1 YEAR	3 YEARS	5 YEARS	7 YEARS	10 YEARS
GLOBAL GOV BONDS	1.9%	1.7%	6.2%	0.7%	4.1%	4.8%	5.0%
GLOBAL CORP BONDS	2.1%	3.2%	11.9%	4.2%	7.4%	7.2%	7.4%
GLOBAL HY BONDS	4.3%	5.9%	17.7%	8.7%	9.5%	9.1%	9.6%
EM BONDS	2.6%	2.7%	14.2%	5.4%	6.3%	6.7%	5.9%

ASISA MULTI-ASSET SECTORS

	1 MONTH	YTD	1 YEAR	3 YEARS	5 YEARS	7 YEARS	10 YEARS
ASISA MA LOW EQ	0.7%	0.9%	7.7%	7.7%	7.3%	6.9%	6.8%
ASISA MA MED EQ	0.8%	0.8%	6.7%	7.8%	7.8%	6.9%	6.6%
ASISA MA HIGH EQ	0.8%	0.7%	6.9%	8.6%	8.6%	7.3%	7.0%

* INDICES REPRESENTING ASSET CLASSES

SA Equity (Cap SWIX)	FTSE JSE Capped SWIX	Global Equity	MSCI ACWI
SA Bonds	ALBI	Global Bonds	Bloomberg Barclays Global Aggregate
SA Cash (STeFI)	STeFI	Global Property	FTSE EPRA Nareit Developed Rental
SA Property	FTSE / JSE SA Listed Property	Developed Equity	MSCI World
Financials	FTSE / JSE Financial	EM Equity	MSCI Emerging Markets
Industrials	FTSE / JSE Industrial	Global Gov Bonds	Bloomberg Global Treasury
Resources	FTSE / JSE Resources	Global Corp Bonds	Bloomberg Global Aggregate - Corporates
Top 40	FTSE / JSE Top 40	Global HY Bonds	Bloomberg Global High Yield
Mid Cap	FTSE JSE Mid Cap	EM Bonds	JPM GBI EM Global Diversified Composite
Small Cap	FTSE JSE Small Cap		

// PMX REG 28 PROFILE PERFORMANCE*

	FEBRUARY 2024	1 YEAR	3 YEARS	5 YEARS	SINCE INCEPTION
PMX PROFILE 2	0.9%	9.7%	8.4%	7.9%	8.6%
QUARTILE RANK	2	1	1	2	1
MA LOW EQUITY	0.7%	7.7%	7.7%	7.3%	7.6%
RELATIVE	0.2%	2.0%	0.7%	0.5%	1.0%
PMX PROFILE 4	1.0%	9.2%	9.2%	9.0%	10.0%
QUARTILE RANK	2	1	1	1	1
MA MEDIUM EQUITY	0.8%	6.7%	7.8%	7.8%	7.9%
RELATIVE	0.2%	2.5%	1.4%	1.2%	2.1%
PMX PROFILE 6	1.4%	9.2%	10.3%	10.1%	11.2%
QUARTILE RANK	1	1	1	1	1
MA HIGH EQUITY	0.8%	6.9%	8.6%	8.6%	8.4%
RELATIVE	0.6%	2.3%	1.7%	1.6%	2.8%

// SA DRIVERS

TOPIC	IMPORTANCE	DETAIL
Treasury Taps into GFECRA	HIGH	The SARB will transfer R250bn to the Treasury of which R150bn will be used to reduce debt over the next three years. The Gold and Foreign Exchange Contingency Reserve Account (GFECRA) has grown substantially over the years (mainly due to a weakening currency and appreciation in the gold price) resulting in it becoming sizable as a percentage of GDP relative to global norms. The GFECRA withdrawal will be formalised through legislation, and through a framework agreed upon between the National Treasury and the SARB. This resulted in the outlook for debt-to-GDP of the country improving from the MTBPS. However, the move is a "once off" that cannot be repeated in the short to medium term. Fundamentally the country requires growth.
Transnet Leadership	HIGH	State owned logistics firm, Transnet, appointed Michelle Phillips as CEO after she had been acting CEO of freight rail, ports and pipelines utility since November. The move was seen as broadly positive by business, a rarity in South Africa, particularly given prior dubious appointments at SOE's in the past. Logistic backlogs are a major hindrance to growth for the country and significant changes are needed to ensure smooth functioning of the economy.
South Africa Inflation	HIGH	South Africa's headline consumer inflation quickened to 5.3% year on year in January from 5.1% in December. Key contributors to the annual inflation rate included food, housing, utilities and transport. With the SARB wanting to see a clearer trend of disinflation, it is unlikely we will see a rate cut in the first half of the year.

// MANAGER ENGAGEMENTS

MANAGERS	DETAIL
Fidelity	China Macro and Policy
Ninety One	EM Sustainability Fund
Standard Bank	Structured Products
Old Mutual	Business Update
RMB	SA Elections
Allianz	China Equity Update
Sanlam IM	ABSA Property Update
Nedgroup Investments	Summit
Robeco	Update
Nomura	Equity Update
State Street	Investment Strategy

MANAGERS	DETAIL
PSG	Outlook 2024
Invesco	ETF Products
Mirova	Sustainable Equity Update
Stanlib	Fixed Income Update
Catalyst	Global Property Update
Matthews Asia	Pacific Tiger Update
RMB	Budget Speech Event
Schroders	Investment Symposium
Matrix Fund Managers	Update
Coronation	Fixed Income Update

Compiled by PortfolioMetrix

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