



## News from Paul's Desk

The markets are up and down but are starting to have more up days than down. My guess is that we should break out of the down cycle in the next 3 months as the world has already started to absorb the Ukraine / Russia Fiasco. I read a very interesting article that said, "China did covid on purpose, Russia did Ukraine Invasion on purpose. They colluded on this as a plan to weaken the western world.

The reason for this is that China or Russia on their own cannot defeat the world. As we can see, in the Ukraine Invasion Russia is struggling to overcome a small country with very little weaponry so they by themselves are not a threat to the West.

The conspiracists say that they did that to see how the West would react and how far they would go to assist the Ukraine. So far, the assistance that the West has given is pathetic and this would give Russia and China confidence. China is watching closely because they are targeting a takeover of Taiwan (their Ukraine problem) So watch this space.

Once they have taken over Taiwan, they will get together with Russia to form their own Global currency with the intent of this currency to replace the American Dollar as the world currency.



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Markets, commodities & Currencies

WHAT A JOKE

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Their goal is to weaken the Western world and be in charge of the world currency.

China has already left billions to most of Africa and about 20 countries outside of Africa. So, it begs the question why is China lending  $\frac{3}{4}$ 's of the world money that they never can repay? China already has one foot in the door to owning them.

Wow!! Mind Boggling...

## MONTHLY REVIEW | GLOBAL OVERVIEW

### INTERNATIONAL INDICATORS

	CLOSE	APR 2022	MAR 2022	YTD	12 MONTHS	2021
MSCI World	2795.62	-8.43%	2.52%	-13.49%	-4.87%	20.14%
MSCI Emerging Market	1076.19	-5.75%	-2.52%	-12.65%	-20.14%	-4.62%
JP Morgan EMBI	788.70	-5.48%	-1.12%	-14.23%	-12.98%	-1.51%
Bloomberg Global Aggregate	472.25	-5.48%	-3.05%	-11.30%	-12.63%	-4.71%

### UNITED STATES

S&P 500	4131.93	-8.80%	3.58%	-13.31%	-1.18%	26.89%
Dow Jones	32977.21	-4.91%	2.32%	-9.25%	-2.65%	18.73%
Nasdaq	12334.64	-13.26%	3.41%	-21.16%	-11.66%	21.39%
Russell 2000	1864.10	-9.95%	1.08%	-16.98%	-17.75%	13.70%

### EUROPE

Stoxx Euro 50	3802.86	-2.55%	-0.55%	-11.53%	-4.32%	20.99%
FTSE 100	7544.55	0.38%	0.77%	2.17%	8.25%	14.30%
DAX 30	14097.88	-2.20%	-0.32%	-11.25%	-6.86%	15.79%
CAC 40	6533.77	-1.89%	0.02%	-8.66%	4.22%	28.85%

### ASIA

	CLOSE	APR 2022	MAR 2022	YTD	12 MONTHS	2021
Nikkei 225	26,847.90	-3.50%	4.88%	-6.75%	-6.82%	4.91%
S&P/ASX 200	7435.01	-0.86%	6.39%	-0.13%	5.82%	13.02%
Hang Seng	21089.39	-4.13%	-3.15%	-9.87%	-26.58%	-14.08%
CSI 300	4016.24	-4.89%	-7.84%	-18.71%	-21.61%	-5.20%

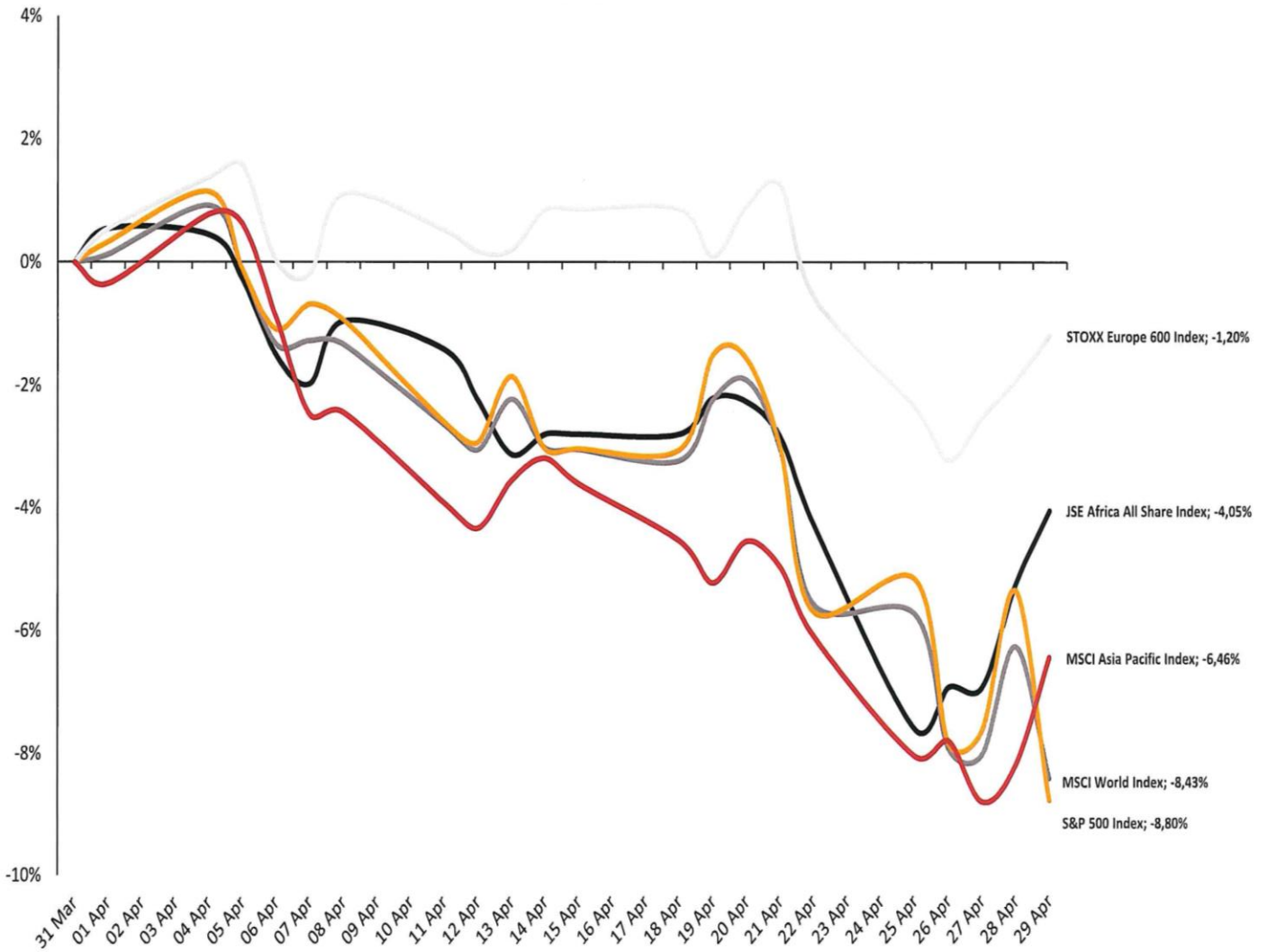
### SOUTH AFRICA

All Share	72438.25	-4.05%	-0.78%	-1.72%	8.22%	24.07%
Africa Resource 20	77198.27	-5.39%	-3.25%	8.77%	12.50%	23.27%
Africa Industrial 25	80198.50	-1.97%	-5.24%	-15.98%	-6.86%	22.54%
Africa Finance 15	16309.42	-7.80%	11.58%	10.21%	32.16%	22.71%

### CURRENCIES

GBP/USD	1.26	-4.29%	-2.10%	-7.08%	-9.03%	-1.02%
EUR/USD	1.05	-4.72%	-1.35%	-7.26%	-12.27%	-6.92%
AUD/USD	0.71	-5.63%	3.02%	-2.77%	-8.49%	-5.61%
USD/JPY	129.70	6.57%	5.83%	12.70%	18.65%	11.51%

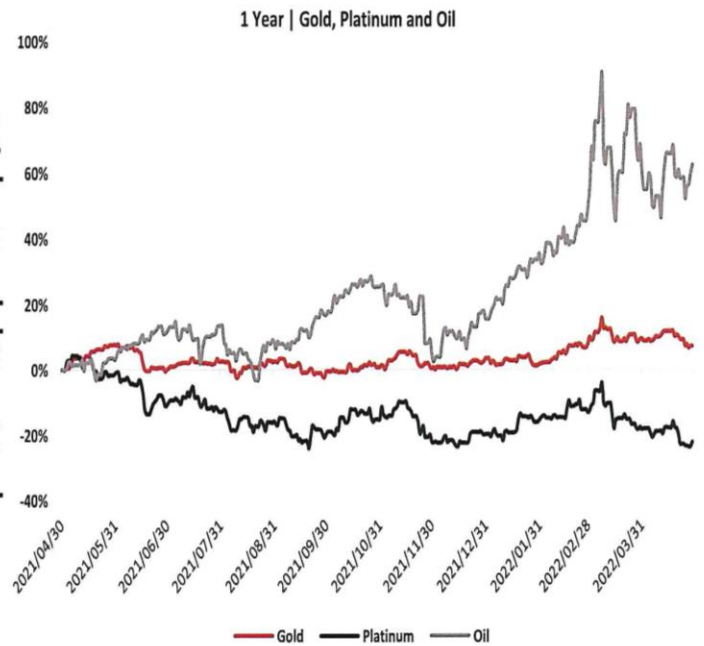
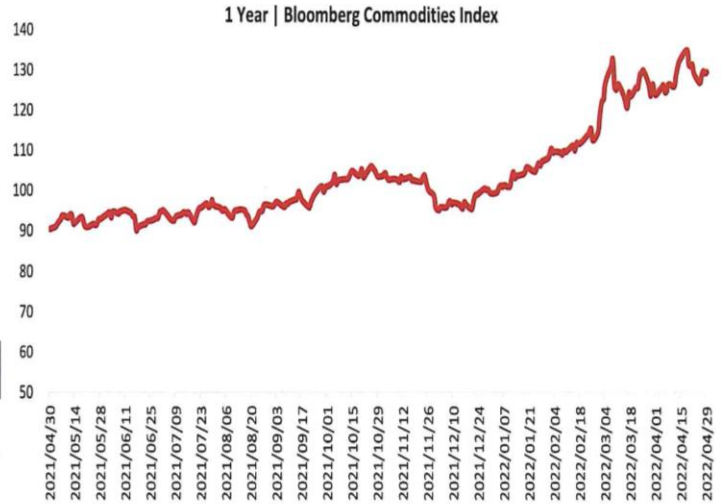
### 1 MONTH NORMALISED % PERFORMANCE (USD)



# COMMODITIES

Commodities ended the month of April higher as a whole, with Natural Gas and Coal leading the way for significant gains. Commodity prices continue to soar in 2022 as supply chain and inflationary pressure mount.

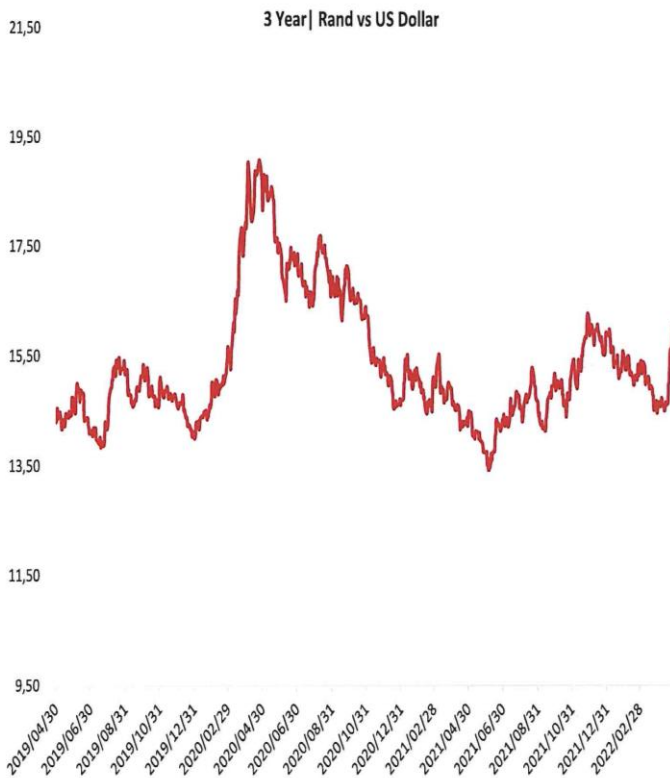
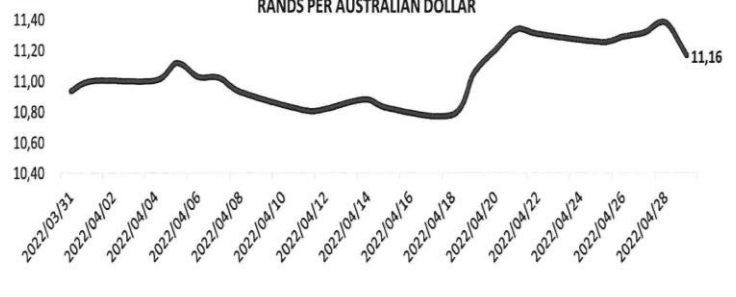
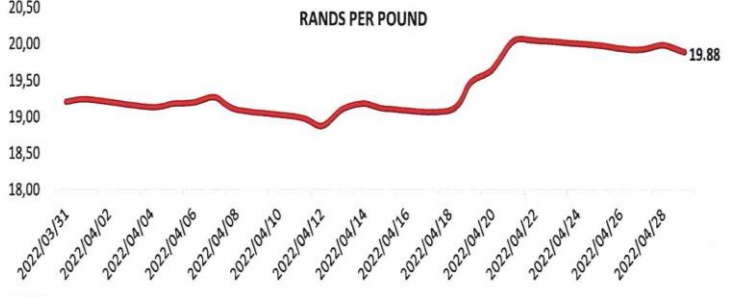
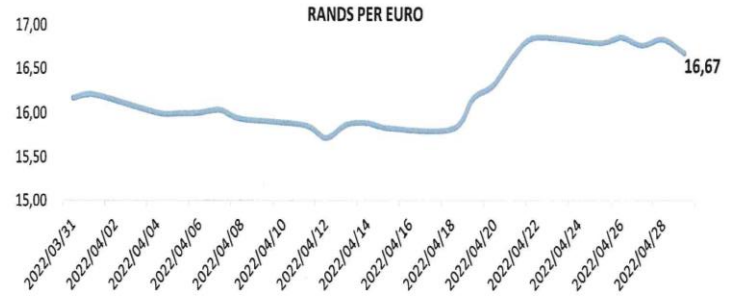
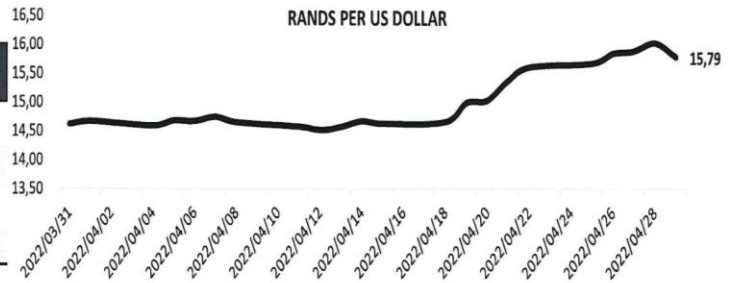
- The Bloomberg Commodity Index reached 129 at the end of April, the index tracks 23 commodities



USD	CLOSE	APR 2022	MAR 2022	YTD	12 MONTHS	2021
Gold	1,911.70	-1.92%	2.55%	4.54%	8.15%	-3.51%
Platinum	939.60	-5.33%	-4.45%	-2.57%	-22.04%	-10.32%
Silver	2,307.00	2.28%	-9.79%	20.65%	-21.89%	-22.08%
Palladium	439.50	-7.49%	6.90%	-1.53%	-1.88%	26.84%
Copper	23.04	-8.33%	3.17%	-1.34%	-10.88%	-11.59%
Aluminium	3,035.50	-12.86%	3.25%	8.29%	26.98%	41.64%
Oil Spot	109.34	1.33%	6.85%	40.58%	62.59%	50.15%
Coal	326.60	26.10%	-5.65%	92.57%	250.05%	110.68%
Natural Gas	7.24	28.39%	28.17%	94.21%	147.15%	46.91%
Sugar	19.35	-0.72%	8.28%	2.49%	10.95%	21.89%
Cocoa	2,597.00	-2.00%	6.38%	3.06%	10.89%	-3.19%
Coffee	222.55	-1.70%	-3.35%	-1.57%	59.02%	76.30%
Corn	1.05	-4.72%	-1.35%	-7.26%	-12.27%	-6.92%

## SOUTH AFRICAN RAND

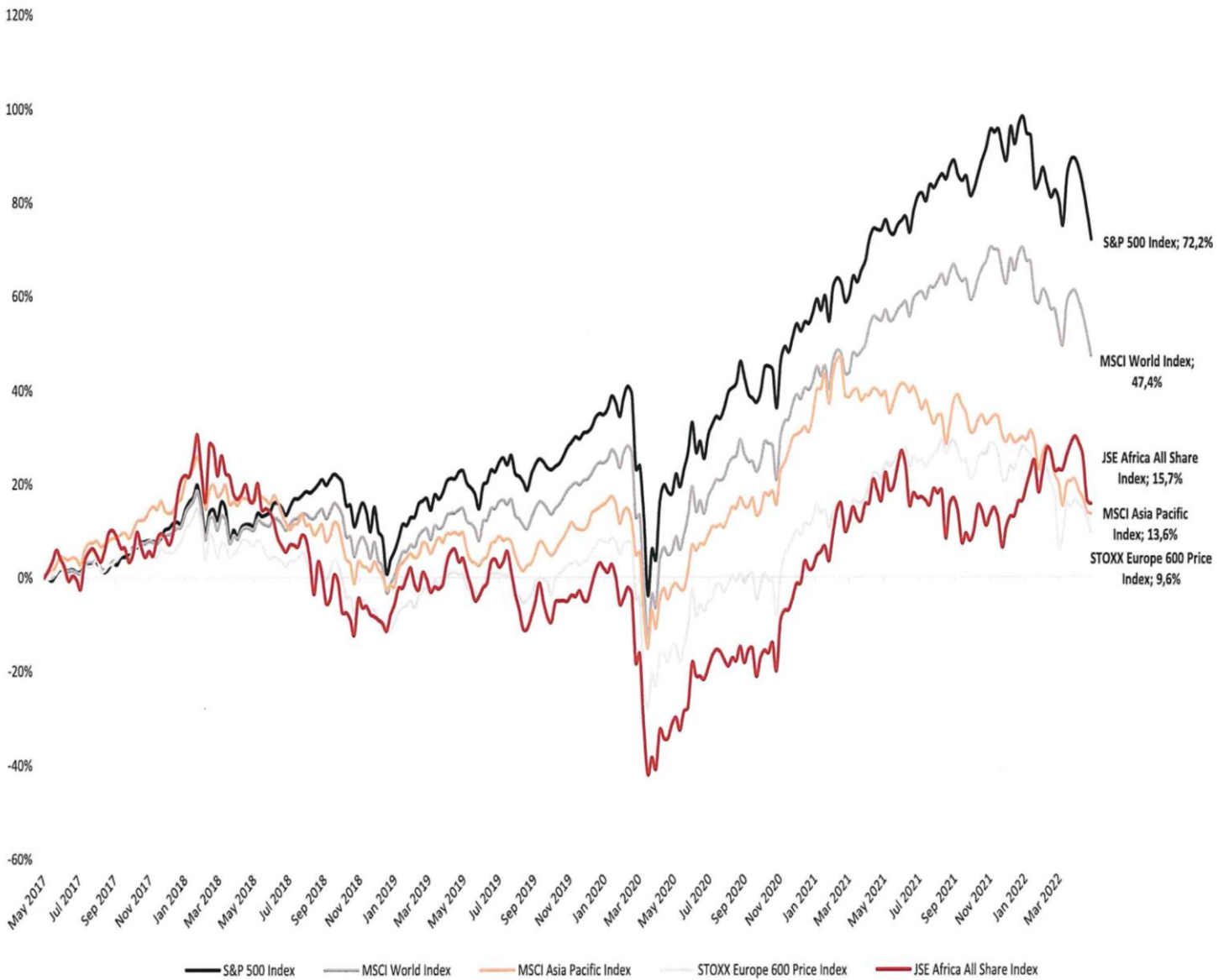
	CLOSING PRICE	APR 2022	MAR 2022	YTD	2021
US Dollar / ZAR	15.79	-8.06%	4.97%	0.93%	-4.86%
Euro / ZAR	16.67	-3.11%	6.18%	8.08%	-14.21%
Pound / ZAR	19.88	-3.54%	6.85%	7.86%	-8.29%
AU Dollar	11.16	-2.11%	2.00%	3.58%	-15.02%



### 5-YEAR JSE PERFORMANCE (ZAR)



## 5-YEAR JSE vs LEADING GLOBAL INDICATORS (USD)







## LESSON 1 | INFLATION IS YOUR ENEMY

### REALITY

Many investors suffer from "inflation illusion" as they don't notice how destructive inflation can be over time.

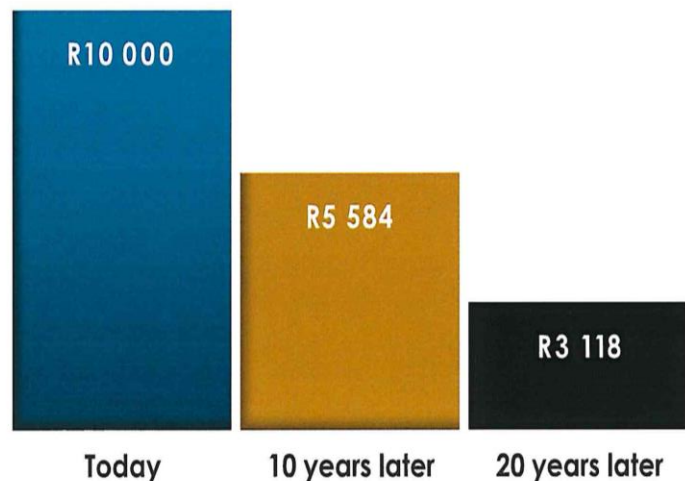
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### LESSON

We need to look at long-term investment returns in "real" terms, stripping out the impact of inflation

### INFLATION ERODES SPENDING POWER

Take a look at what a 6% inflation rate effectively does to your money

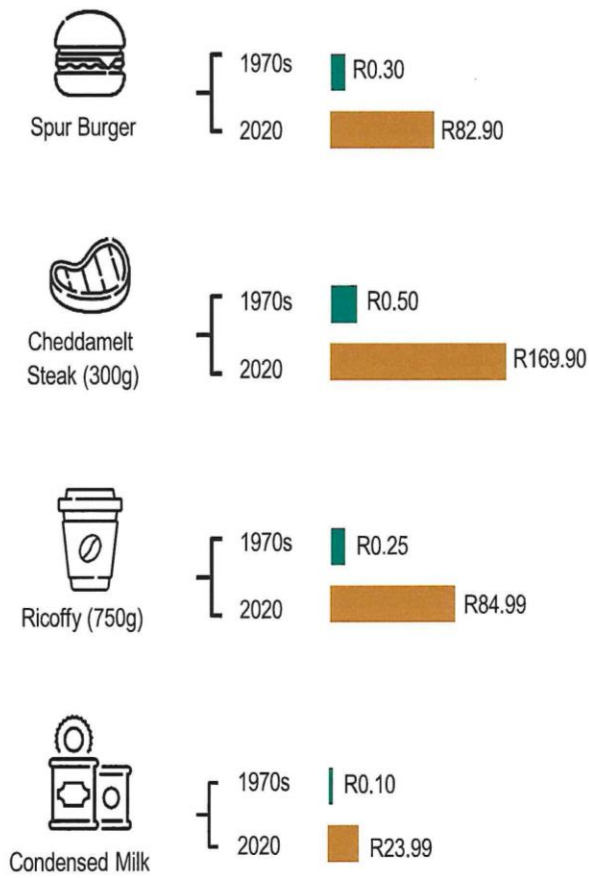


**“Inflation is as violent as a mugger,  
as frightening as an armed robber and as deadly as a hit man.”**

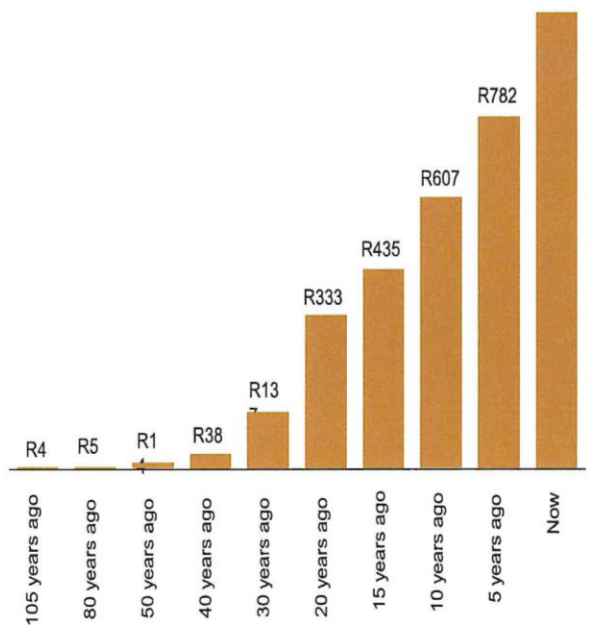
Ronald Reagan

# THE IMPACT OF INFLATION ON OUR EVERYDAY LIVES

## TWO | HOW MUCH HAVE PRICES GONE UP?



VALUE OF BASKET OF GOODS THAT COSTS R1 000 TODAY





## LESSON 2 | TIME IS YOUR FRIEND

### REALITY

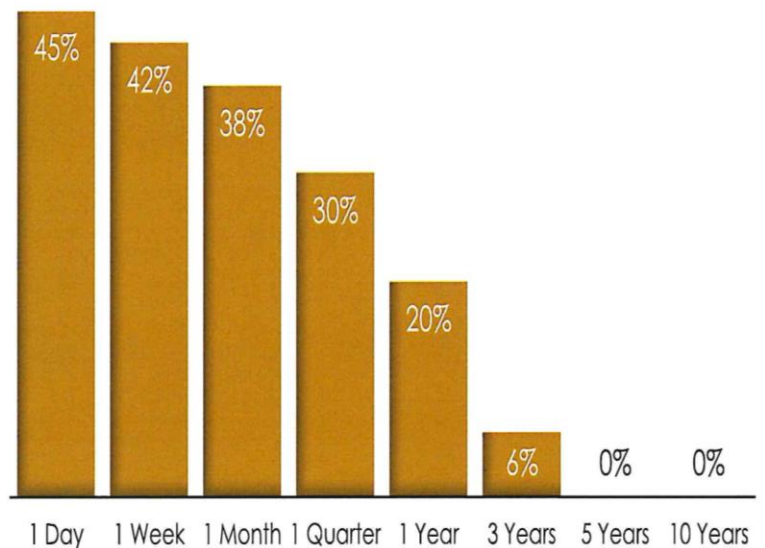
The main reason investors prefer cash to equities is the fear of losing money.

### LESSON

The best way to manage the risk of losing money is to remain invested in equities for longer. As soon as you extend your holding period for more than three years, SA equity past performance shows that the chance of losing money becomes negligible. Take what happened in 2008: after a negative 30% return, the market rebounded to deliver 14% a year over the following five years.

**The old ADAGE holds true:  
It's time in the market, not timing  
the market, that counts.**

### FREQUENCY OF NEGATIVE EQUITY RETURNS OVER DIFFERENT TIME PERIODS



1 day and 1 week: Rolling total returns for SA equity, June 1995 – December 2021

1 month to 10 years: Rolling returns for SA equity, January 1960 – December 2021



# LESSON 3 | YOU NEED EQUITIES

## REALITY

Many investors will not retire with enough money.

## LESSON

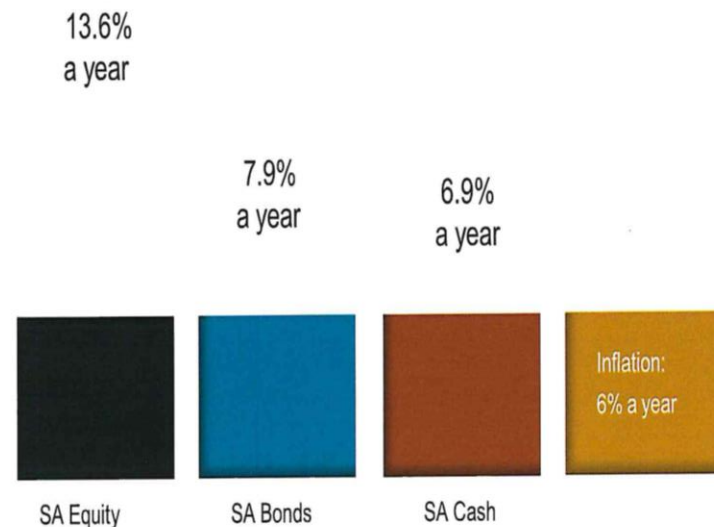
We need the higher long-term returns from equities to grow our wealth. This is particularly important in a world where people are living longer.

### TIME NEEDED TO DOUBLE YOUR MONEY

Using each asset class's long-term average returns, this is how long it will take to double your REAL investment value



### PERFORMANCE OVER 92 YEARS (nominal returns)



4 Source: Old Mutual Investment Group, MacroSolutions



# LESSON 4 | CASH IS TRASH

## REALITY

A bank deposit exposes you to minimal risk, but there's a price to be paid for that security.

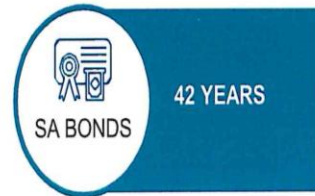
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## LESSON

Cash does not significantly increase your real wealth over time. Over 92 years, cash has an after-inflation return of less than 1% a year. It is better to own shares in the bank than to leave your money there.

## TIME NEEDED TO DOUBLE YOUR MONEY

Using each asset class's long-term average returns, this how long it will take to double your REAL investment value



# LESSON 5 | COMPOUNDING IS A POWERFUL WEALTH GENERATOR

## REALITY

Money needs time to benefit from the full potential of compounding growth.

## LESSON

Start saving as soon as you can, leave it for as long as you can, and let compounding do the work for you. And tick the dividend reinvest box on your investment application form to maximise your growth.

## GROWING YOUR WEALTH OVER TIME

Using the long-term nominal average return of 13.8% a year, look at what happens when a lump sum is invested in SA equities over time.



Compounding simply means making money on your original investment as well as on the gains made in previous years (i.e. growth on growth over time).



## LESSON 6 | HIGH PRICE OF MISSING OUT

### REALITY

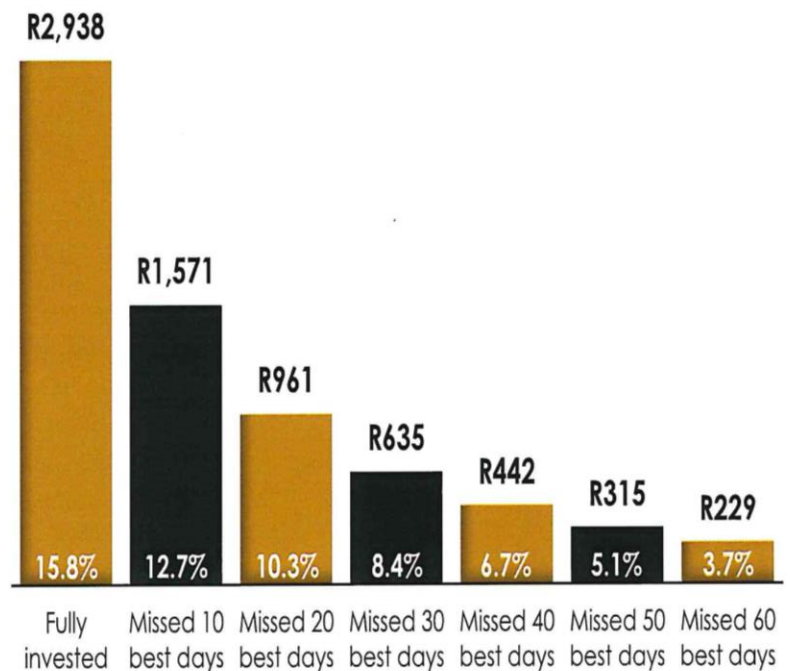
Short-term volatility can often lead to investors selling their investments at the worst time – as almost all of the 10 best days on the JSE occurred after bad news or during uncertain times.

### LESSON

Sitting on the sidelines and missing those good days can be detrimental to your savings. The only thing you can control is to have a well-considered plan and to stick to that plan. It is the best way of ensuring you have a secure retirement.

### THE HIGH PRICE OF MISSING OUT

The performance of R100 invested in the FTSE/JSE All Share Index (January 1999 to December 2021)



# LESSON 7 | DON'T PUT ALL YOUR EGGS IN ONE BASKET

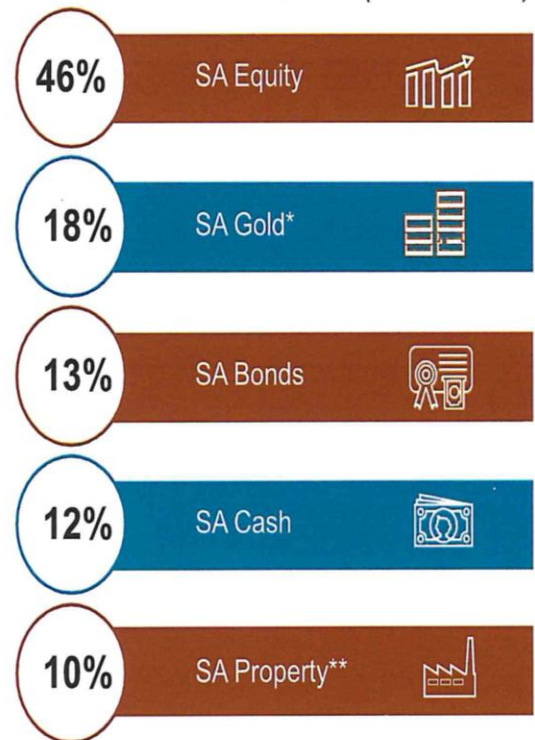
## REALITY

Equities may have been the best performing asset class since 1930, but cash was the best performer for 11 of those 92 years and listed property for 9 years.

## LESSON

Diversification is the one free lunch in investments; use it. That is because it pays to invest across different asset classes. It pays to diversify and you can see the consistent, above-average returns of the diversified MacroSolutions Balanced Index over time relative to other individual asset classes.

### PERCENTAGE OF TIME AS THE YEAR'S BEST PERFORMING LOCAL ASSET CLASS (1930 – 2021)



\* since 1967 \*\* since 1980





# LESSON 8 | ACTIVE ALLOCATION ADDS VALUE

## UNDERSTAND THAT MARKETS MOVE IN CYCLES

### REALITY

Asset classes have distinct secular or long-term periods of under- and outperformance.

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### LESSON

Active asset allocation is a vital tool in delivering superior returns.



#### LISTED PROPERTY

went nowhere for 15 years, before becoming the best performing asset class for the next 20.



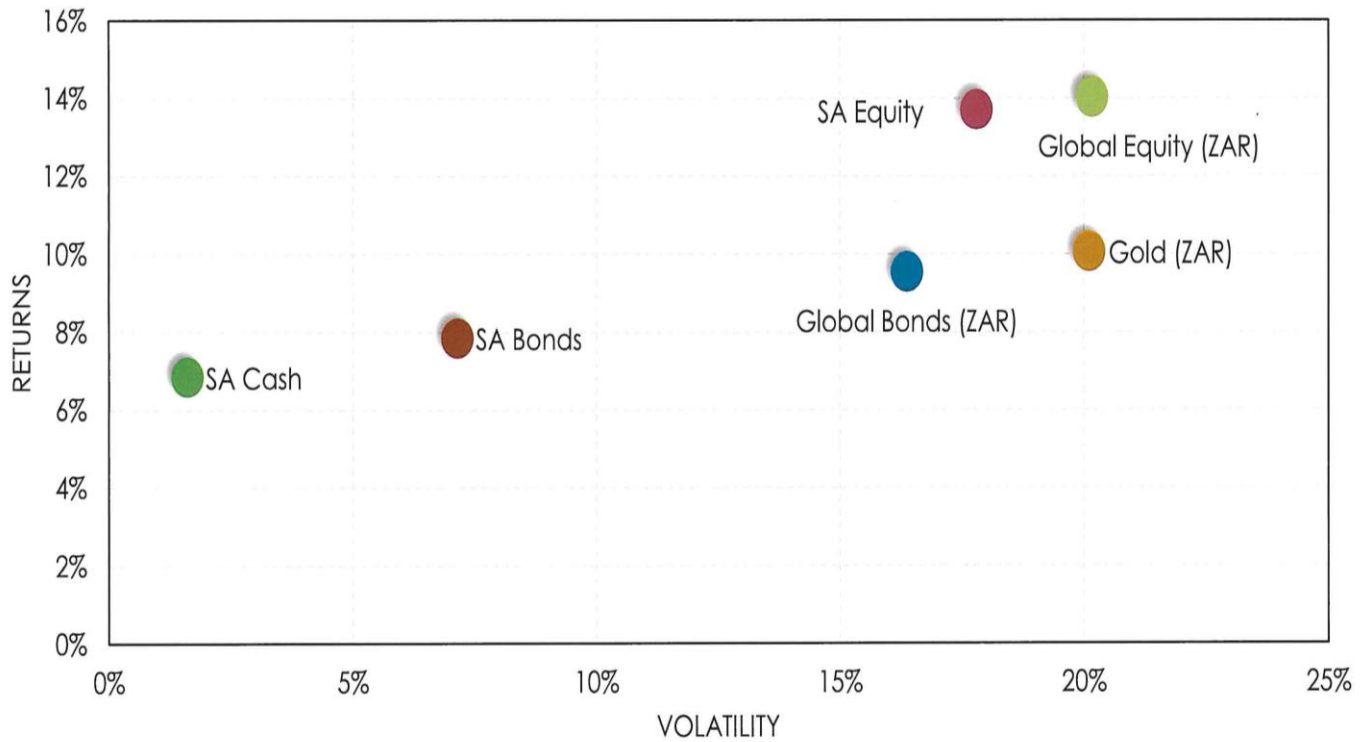
#### SA BONDS

delivered a negative real return for 40 years, before delivering a great return over the last 30 years.



# A BALANCING ACT BETWEEN RISK AND RETURN

Annualised real returns versus volatility of nominal returns (December 1929 - December 2021)





# THE VALUE OF DIVERSIFICATION

	50 Years	40 Years	30 Years	25 Years	20 Years	15 Years	10 Years	5 Years	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
HIGHEST RETURN	SA Equity (ZAR) 17.4%	Global Equity (ZAR) 18.8%	Global Equity (ZAR) 15.2%	SA Property 13.5%	SA Property 14.4%	Global Equity (ZAR) 14.1%	Global Equity (ZAR) 21.3%	Global Equity (ZAR) 19.3%	SA Property 35.9%	Global Equity (ZAR) 57.2%	SA Property 26.4%	Global Equity (ZAR) 33.5%	SA Bonds 15.4%	SA Equity 21.0%	Global Bonds (ZAR) 15.4%	Global Equity (ZAR) 24.8%	Gold (ZAR) 30.9%	SA Property 36.9%
↑	Global Equity (ZAR) 17.1%	SA Equity 15.9%	Nominal Balanced Index Returns 13.9%	Global Equity (ZAR) 13.5%	SA Equity 12.9%	Gold (ZAR) 13.3%	Nominal Balanced Index Returns 12.4%	Gold (ZAR) 13.0%	SA Equity 26.7%	Nominal Balanced Index Returns 23.3%	Global Equity (ZAR) 16.5%	Global Bonds (ZAR) 30.4%	SA Property 10.2%	SA Property 17.2%	Gold (ZAR) 15.1%	Gold (ZAR) 15.1%	Global Equity (ZAR) 22.4%	Global Equity (ZAR) 32.9%
	Nominal Balanced Index Returns 16.2%	Nominal Balanced Index Returns 15.6%	SA Equity 13.5%	Nominal Balanced Index Returns 13.2%	Nominal Balanced Index Returns 12.4%	Nominal Balanced Index Returns 11.2%	SA Equity 10.8%	Nominal Balanced Index Returns 11.1%	Global Equity (ZAR) 22.5%	SA Equity 21.4%	Nominal Balanced Index Returns 11.5%	Gold (ZAR) 17.7%	SA Cash 7.4%	Nominal Balanced Index Returns 14.7%	SA Bonds 7.7%	Nominal Balanced Index Returns 11.3%	Global Bonds (ZAR) 15.2%	SA Equity 27.1%
	Gold (ZAR) 14.5%	Global Bonds (ZAR) 14.9%	SA Bonds 12.3%	SA Equity 12.8%	Gold (ZAR) 11.4%	SA Equity 9.9%	Gold (ZAR) 8.8%	SA Bonds 9.1%	Nominal Balanced Index Returns 21.3%	Global Bonds (ZAR) 17.9%	Global Bonds (ZAR) 11.2%	Nominal Balanced Index Returns 11.1%	SA CPI 6.7%	Global Equity (ZAR) 11.4%	SA Cash 7.3%	SA Bonds 10.3%	Nominal Balanced Index Returns 8.8%	Nominal Balanced Index Returns 21.9%
	Global Bonds (ZAR) 13.4%	SA Bonds 12.9%	Gold (ZAR) 12.0%	Gold (ZAR) 11.9%	Global Equity (ZAR) 10.2%	Global Bonds (ZAR) 9.0%	SA Bonds 8.2%	SA Equity 8.6%	SA Bonds 16.0%	SA Property 8.4%	SA Equity 10.9%	SA Property 8.0%	Nominal Balanced Index Returns 2.6%	SA Bonds 10.2%	Global Equity (ZAR) 6.7%	SA Cash 7.3%	SA Bonds 8.7%	SA Bonds 8.4%
	SA Bonds 11.6%	SA Property 11.6%	SA Property 11.2%	SA Bonds 11.5%	SA Bonds 9.5%	SA Property 8.6%	Global Bonds (ZAR) 8.2%	SA Cash 6.3%	Gold (ZAR) 13.8%	SA CPI 5.4%	Gold (ZAR) 10.6%	SA Cash 6.5%	SA Equity 2.6%	SA Cash 7.5%	SA CPI 4.5%	SA Equity 6.8%	SA Cash 5.4%	SA CPI 4.0%
	SA Cash 11.0%	SA Cash 11.5%	Global Bonds (ZAR) 11.1%	Global Bonds (ZAR) 9.3%	SA Cash 7.5%	SA Bonds 8.3%	SA Cash 6.2%	Global Bonds (ZAR) 6.1%	Global Bonds (ZAR) 6.5%	SA Cash 5.2%	SA Bonds 10.1%	SA CPI 5.3%	Global Equity (ZAR) -4.6%	SA CPI 4.7%	Nominal Balanced Index Returns -0.1%	SA CPI 4.0%	SA CPI 4.0%	Gold (ZAR) 3.9%
	SA CPI 8.8%	Gold (ZAR) 11.4%	SA Cash 9.7%	SA Cash 8.8%	Global Bonds (ZAR) 6.0%	SA Cash 7.0%	SA Property 5.9%	SA CPI 4.3%	SA CPI 5.7%	SA Bonds 0.6%	SA Cash 5.9%	SA Equity 5.1%	Gold (ZAR) -4.6%	Gold (ZAR) 2.0%	SA Equity -8.5%	Global Bonds (ZAR) 3.1%	SA Equity 0.6%	SA Cash 3.8%
	LOWEST RETURN	SA CPI 8.3%	SA CPI 6.1%	SA CPI 5.5%	SA CPI 5.5%	SA CPI 5.6%	SA CPI 5.0%	SA Property -4.4%	SA Cash 5.6%	Gold (ZAR) -10.3%	SA CPI 5.3%	SA Bonds -3.9%	Global Bonds (ZAR) -10.4%	Global Bonds (ZAR) -3.3%	SA Property -25.3%	SA Property 1.9%	SA Property -34.5%	Global Bonds (ZAR) 1.6%

Range between highest and lowest return: 8.6%, 10.5%, 9.1%, 8.0%, 8.9%, 8.5%, 16.3%, 23.6%, 30.3%, 67.5%, 21.3%, 37.4%, 25.8%, 24.2%, 40.7%, 22.9%, 65.4%, 35.3%



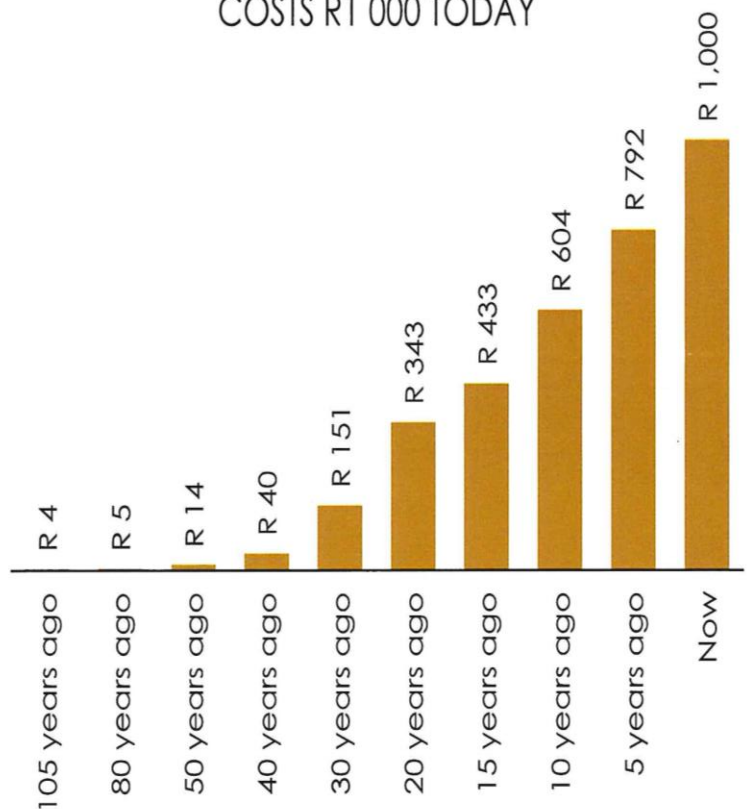
# THE IMPACT OF INFLATION ON OUR EVERYDAY LIVES

## TWO | HOW MUCH HAVE PRICES GONE UP?

Ten years ago, you would have paid 60% of what it costs today for a basket of consumer goods. Twenty years ago, it would have cost around one-third of what you would pay today to fill your trolley.



VALUE OF BASKET OF GOODS THAT COSTS R1 000 TODAY



## ANCHOR RAND VIEW: THE US FED NOT ACTIVELY CONSIDERING A 75-BPT RATE INCREASE

### Rand vs US dollar



We have previously stated in *The Navigator: Strategy and asset allocation report, 2Q22* dated 12 April 2022, that we expected the rand to weaken during April. However, we were surprised by the extent of the weakness which saw the local unit push towards R16.10/US\$1. The market narrative for 1Q22 has been that of runaway inflation, with March US inflation, as measured by the consumer price index (CPI), reaching 8.5% YoY. The inflation frenzy was brought about by escalating commodity prices with oil, coal, iron ore, copper, and the like reaching their highest prices in decades. South Africa (SA), as a commodity-exporting nation, has benefitted massively. In December 2021, the SA Reserve Bank (SARB) was projecting a current account deficit for 2022 but now it is apparent that the current account will show a significant surplus. The SA Revenue Service (SARS) has claimed its share of the commodities boom and the debate is now around how large the tax collection overrun will be for the current year. SA financial assets (bonds, the rand, and equities) were bolstered by the commodity boom. The rand, which started the year at c. R16.00/US\$1 was trading stronger than R14.50/US\$1 during 1Q22.

However, April saw the market narrative shift, with the focus now firmly on US interest rate hikes. Analysts have been contorting themselves to price-in the most aggressive rate-hiking cycle and, inevitably, there has been a realisation that the US economy will slow down from its current pace. In fact, the US economy, which was growing at around 6.9% p.a. a few quarters ago might well slow towards a growth rate of 1% by the end of this year – a significant deceleration. China, meanwhile, has been battling the pandemic with a zero-COVID strategy, which entails draconian lockdowns. We believe that it is now bordering on the impossible for China to achieve its 5.5% growth target this year. Getting China to even a 4.5% growth rate is probably going to require some aggressive stimulus once the country's lockdowns end. A slowing US economy and a disappointing China had analysts slashing their economic growth forecasts. Bank of America, Deutsche Bank and a few other investment banks grabbed media attention by talking about a US recession. Although it was for technical reasons, the US economy unexpectedly shrinking in 1Q22 (real GDP shrank at an annual rate of 1.4% vs an increase of 6.9%

YoY in 4Q21) did not help markets. Slowing growth expectations are bad for equities and for the rand and we saw the local unit snap towards R15.57/US\$1 in mid-April.

The US Federal Reserve (Fed) began preparing markets for rate hikes in early May as we had several Federal Open Market Committee (FOMC) members talk about expeditiously hiking towards the neutral rate. The Federal Reserve Bank of St Louis President James Bullard is a Fed committee member known to be hawkish. He started talking about rate hikes of 0.75% increments in the US. Meanwhile, Fed Chair Jerome Powell, made it clear that the US central bank was going to act expeditiously to curb inflation expectations. The market priced-in the worst from the Fed and we saw further pressure on equity markets and the rand, with the local currency testing R16.10/US\$1 toward the end of April.

However, Wednesday's (4 May) statement from the FOMC and Powell's subsequent press conference has calmed market fears. It is clear that US rates will rise toward 2.25% this year and probably to 3.25% next year and that we will see rate-hiking increments of 0.5% at the Fed's June and (probably) July meetings. The balance sheet runoff (quantitative tightening) will also start as expected. The Fed is targeting a balance sheet wind-down of US\$95bn/month (although we note that this is dependent on the pace at which its bonds mature – we will likely see a slower actual runoff). This is all summed up in the Fed's lurch towards hawkishness, as expected. The point is that the Fed prepared the market for the worst and then delivered something slightly softer than the worst. The market cheered when Powell stated that the FOMC is not actively considering a 0.75% rate increase and the knee-jerk reaction to this was for markets to rally. We see equities a little stronger and the rand back to around R15.60/US\$1 following the Fed's statement. The market has calmed down and we now have a sense of direction from the Fed again, which should see volatility decrease for a period. Smoother waters would certainly be welcome for investors at this stage.

Looking toward the SARB'S next meeting, we expect that the Monetary Policy Committee (MPC) will hike rates again at its meeting later this month. The debate is whether to expect a hike of 0.25% or a hike of 0.50%. Market pricing seems to be leaning toward a hike of 0.50%. We think that with March SA inflation, released in April, of 5.9% YoY touching the upper-end of the SARB's target range (of 3%-6% YoY), with petrol prices likely to increase further and considering recent rand volatility, the SARB will be justified in hiking rates by 0.5% at its May meeting. We maintain our view that the repo rate will likely increase from the current 4.25% toward 5.25% at year-end and to 5.75% next year. However, we note that the timings of these hikes remain a little uncertain.

The commodity support has not gone away, and SA reported a healthy trade surplus of R45.9bn in March. Rate hikes will also continue to bolster the case for the rand, and we maintain our view that the local currency might be able to creep stronger again. Looking ahead toward our purchasing power parity (PPP) model in *Figure 2*, you can see how the rand has pushed above our fair band. We are maintaining our target level of R14.50-R15.00/US\$1 that we have been speaking about for the past year. We have taken advantage of rand weakness in April to hedge out some of our US dollar risk positions at higher levels.

### Actual rand/US\$ vs rand PPP model



Source: Thomson Reuters, Anchor

## MARKET INDICATORS

## AS AT 28 February 2022

	DY %	P/E Ratio	1 Month %*	12 Months %*
FTSE/JSE All Share Index	3.9	12.3	2.9	20.5
FTSE/JSE Resource Index	6.2	8.3	16.1	35.7
FTSE/JSE Industrial Index	2.9	13.7	-7.4	3.5
FTSE/JSE Financial Index	2.9	14.1	2.7	30.5
FTSE/JSE SA Quoted Property Index	7.7	13.0	-3.3	22.4
ALBI BEASSA Bond Index			0.5	9.0
STeFI Money Market Index			0.3	3.9
MSCI World Emerging Markets (R)			-3.1	-8.9
MSCI World Emerging Markets (\$)			-3.0	-10.7
MSCI World Index (R)			-2.6	13.5
MSCI World Index (US\$)			-2.5	11.2

\*Total return index percentage change

Economic Indicators		Latest Data	Previous Year
<b>Exchange Rates</b>			
Rand/US\$	February-22	15.37	15.13
Rand/UK Pound	February-22	20.62	21.08
Rand/Euro	February-22	17.24	18.26
Rand/Aus\$	February-22	11.16	11.65
<b>Commodity Prices</b>			
Gold Price (US\$)	February- 22	1 895.7	1 770.2
Gold Price (R)	February- 22	2 9374.7	26 147.7
Oil Price (US\$)	February- 22	89.3	55.0
<b>Interest Rates</b>			
Prime Overdraft	February- 22	7.5%	7.0%
3-Month NCD Rate	February -22	4.2%	3.6%
R186 Long-bond Yield	February- 22	7.9%	7.3%
<b>Inflation</b>			
CPI (y-o-y)	February 22	5.7%	2.8%
<b>Real Economy</b>			
GDP Growth (y-o-y)	December-21	1.8%	-3.4%
HCE Growth (y-o-y) (Household Consumption Expenditure)	December-21	2.3%	-2.9%
Household Consumption Expenditure (HCE) Growth (y-oy)			
Gross Fixed Capital Formation (GFCF) Growth (Y-O-Y)	December – 21	0.3%	-10.0%
Manufacturing Production (y-o-y) (seasonally adjusted)	January – 22	3.1%	-3.5%
<b>Balance of Payment</b>			
Trade Balance (cumulative 12-month)	January– 22	\$3.6	\$12.4
Current Account (% of GDP)	December– 21	1.9%	3.2%
Forex Reserves (incl. gold)	February- 22	\$887.9	\$804.4

Sources: JSE, Iris, I-Net



<b>Fund</b>	<b>Year To Date Performances 1<sup>st</sup> Jan to 31<sup>st</sup> December 2022</b>	<b>30 April 2022</b>
Allan Gray Balanced	<b>3.30%</b>	<b>1.14%</b>
Allan Gray Stable	<b>2.69%</b>	<b>1.75%</b>
Coronation Balanced Plus	<b>-3.26%</b>	<b>-1.97%</b>
Investec Managed	<b>-0.98%</b>	<b>0.10%</b>
Prudential Balanced	<b>-1.41%</b>	<b>-1.24%</b>
Prudential Inflation Plus	<b>-1.03%</b>	<b>-0.29%</b>

*Skybound Capital Funds*  
**South Africa**

<b>Fund</b>	<b>Year To Date Performances 1<sup>st</sup> Jan to 31<sup>st</sup> December 2022</b>	<b>Current Performances as at 30 April 2022</b>
The Apello Fund	<b>0.92%</b>	<b>2.74%</b>
The Azacus Fund	<b>0.89%</b>	<b>2.64%</b>

*Skybound Capital Funds*  
**INTERNATIONAL - GBP**

	<b>Year To Date Performances 1<sup>st</sup> Jan to 31<sup>st</sup> Dec 2022</b>	<b>Current Performances as at 30 April 2022</b>
<b>Prism Income</b>	<b>0.49%</b>	<b>1.50%</b>
<b>Prism Income Australian</b>	<b>0.40%</b>	<b>1.20%</b>
<b>The Willow Tree</b>	<b>0.40%</b>	<b>1.50%</b>

## WHAT A JOKE

### Words on wealth

Lying on his deathbed, a rich, miserly old man calls to his long-suffering wife. "I want to take all my money with me, so promise me you'll put it in the casket."

After the man dies, his widow attends the memorial service with her best friend. Just before the undertaker closes the coffin, she places a small metal box inside.

Her friend looks at her in horror. "Surely, " she says, "you didn't put the money in there".

"I did promise him I would." The widow answers. "So , I got it all together, deposited every penny in my account, and wrote him a cheque. If he can cash it, he can spend it."

Visiting a university campus, a prospective student spots a building called Hemingway Hall.

"That's nice," he says, "a building named for Ernest Hemingway."

"Actually," says the guide, "it's named for Joshua Hemingway."

"Was he a writer?" the student asks.

"Yes. He wrote a big cheque."

One day at a coffee shop, a woman suddenly calls out, "My daughter's choking! She swallowed a 10-cent coin! Please, anyone help!"

Immediately, a man at a nearby table rushed up to her and said he was experienced in these situations. He calmly stepped over to the little girl, then with no look of concern, wrapped his arms around her and squeezed. Out popped the coin.

The man returned to his table as if nothing had happened.

"Thank you!" the mother cried. "Tell me, are you a doctor?"

"No," the man replied. "I work for SARS."

During an antiharassment seminar at work, a man asks, "What's the difference between harassment and good-natured teasing?" A voice from the back shouts, "A million rand."

*Till next high tide,*

*Paul Bekker*

## *Contact Us*

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