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ASSURANCE, INSURANCE & INVESTMENT BROKERS

News from Paul's Desk

The Rand is in a honeymoon period, but the clever people are saying its not going to last, so "make hay while the sun shines" and get your money offshore at these good rates. The overseas markets are still in positive territory, and it looks like its going to be a good finish for the year. I have just retuned from Mauritius where I have had some meetings with Trust companies as we are in the process of setting up offices there. The mood is very positive and there is a lot of foreign capital being invested there.

The property sector is booming with plenty Saffers and European investors buying. Reasons for moving or investing there is:

1. Safety & Security
2. Friendly business and Investment atmosphere.
3. Friendly people
4. Excellent private healthcare
5. Excellent private schooling
6. Awesome weather.
7. Very low tax rates 3% - 5%

As we are heading down to Christmas, we are not going to fiddle much with the investments. We will do our full reviews again in January.

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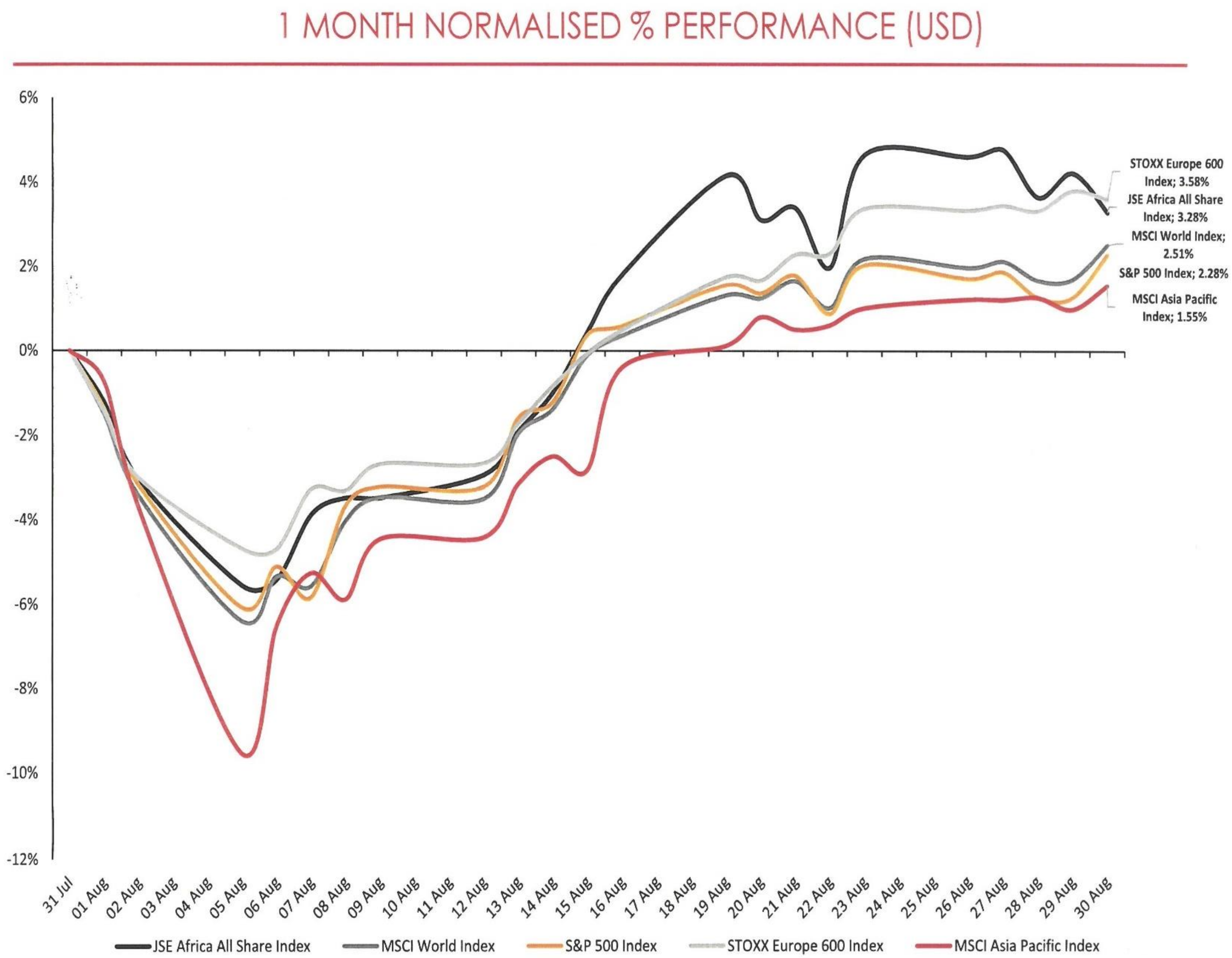
Inside this issue:

MONTHLY REVIEW | GLOBAL OVERVIEW

INTERNATIONAL INDICATORS	CLOSE	AUG 2024	JUL 2024	YTD	12 MONTHS	2023
MSCI World	3661.24	2.51%	1.70%	15.53%	22.61%	21.77%
MSCI Emerging Market	1099.92	1.40%	-0.14%	7.44%	12.20%	7.04%
JP Morgan EMBI	900.46	2.33%	1.82%	6.12%	12.69%	10.45%
Bloomberg Global Aggregate	480.19	2.37%	2.76%	1.86%	6.90%	5.72%
UNITED STATES						
S&P 500	5648.40	2.28%	1.13%	18.42%	25.31%	24.23%
Dow Jones	41563.08	1.76%	4.41%	10.28%	19.70%	13.70%
Nasdaq Composite	17713.63	0.65%	-0.75%	18.00%	26.21%	43.42%
Russell 2000	2217.63	-1.63%	10.10%	9.40%	16.74%	15.09%
EUROPE						
Stoxx Euro 50	4957.98	1.75%	-0.43%	9.65%	15.38%	19.19%
FTSE 100	8376.63	0.10%	2.50%	8.32%	12.60%	3.78%
DAX 30	18906.92	2.15%	1.50%	12.87%	18.56%	20.31%
CAC 40	7630.95	1.32%	0.70%	1.16%	4.29%	16.52%

ASIA	CLOSE	AUG 2024	JUL 2024	YTD	12 MONTHS	2023
Nikkei 225	38647.75	-1.16%	-1.22%	15.49%	18.48%	28.24%
S&P/ASX 200	8091.85	-0.01%	4.18%	6.60%	10.77%	7.84%
Hang Seng	17989.07	3.72%	-2.11%	5.52%	-2.14%	-13.82%
CSI 300	3321.43	-3.51%	-0.57%	-3.20%	-11.79%	-11.38%
SOUTH AFRICA						
All Share	83749.86	1.19%	3.84%	8.92%	11.74%	5.26%
Africa Resource 20	56092.36	-10.11%	5.65%	-2.50%	-2.68%	-18.74%
Africa Industrial 25	114315.40	4.00%	1.56%	10.22%	10.46%	14.85%
Africa Finance 15	20933.00	5.51%	5.15%	17.12%	23.26%	15.12%
CURRENCIES						
GBP/USD	1.31	2.11%	1.67%	3.11%	3.58%	5.36%
EUR/USD	1.10	2.05%	1.05%	0.08%	1.89%	3.12%
AUD/USD	0.68	3.42%	-1.92%	-0.68%	4.33%	-0.02%
USD/JPY	146.18	-2.54%	-6.78%	3.64%	0.44%	7.56%


1 MONTH NORMALISED % PERFORMANCE (USD)
6%
4%
2%
0%
-2%
-4%
-6%
-8%
-10%
-12%
STOXX Europe 600 Index; 3.58%
JSE Africa All Share Index; 3.28%
MSCI World Index; 2.51%
S&P 500 Index; 2.28%
MSCI Asia Pacific Index; 1.55%
31 Jul
01 Aug
02 Aug
03 Aug
04 Aug
05 Aug
06 Aug
07 Aug
08 Aug
09 Aug
10 Aug
11 Aug
12 Aug
13 Aug
14 Aug
15 Aug
16 Aug
17 Aug
18 Aug
19 Aug
20 Aug
21 Aug
22 Aug
23 Aug
24 Aug
25 Aug
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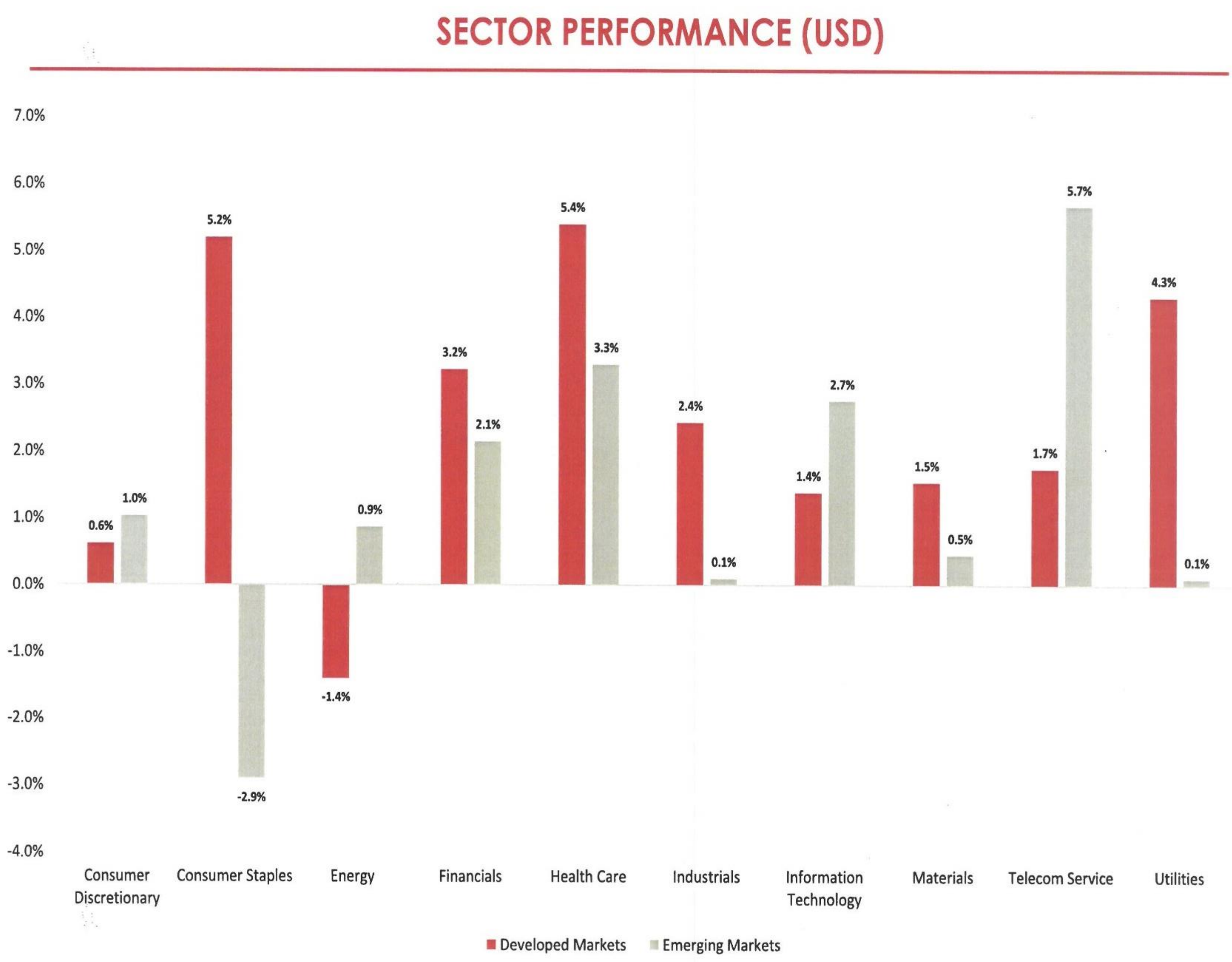
27 Aug
28 Aug
29 Aug
30 Aug
JSE Africa All Share Index
MSCI World Index
S&P 500 Index
STOXX Europe 600 Index
MSCI Asia Pacific Index

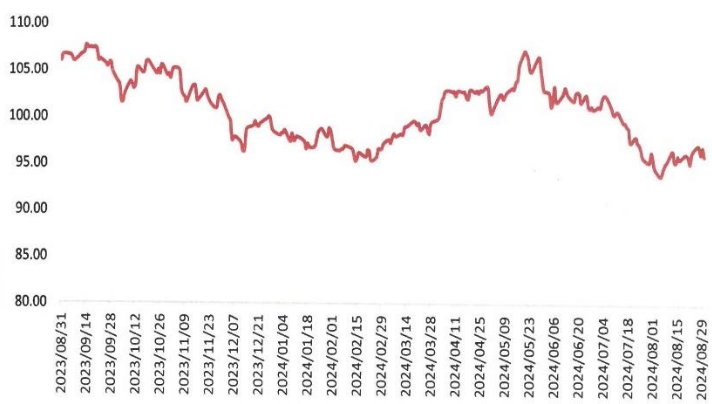

SECTOR PERFORMANCE (USD)
7.0%
6.0%
5.0%
4.0%
3.0%
2.0%
1.0%
0.0%
-1.0%
-2.0%
-3.0%
-4.0%
0.6%
1.0%
5.2%
-2.9%
-1.4%
0.9%
3.2%
2.1%
5.4%
3.3%
2.4%
0.1%
1.4%
2.7%
1.5%
0.5%
1.7%
5.7%
4.3%
0.1%
Consumer Discretionary
Consumer Staples
Energy
Financials
Health Care
Industrials
Information Technology
Materials
Telecom Service
Utilities
Developed Markets
Emerging Markets

COMMODITIES

Commodities ended the month of August lower, with Platinum and Oil leading the losses.

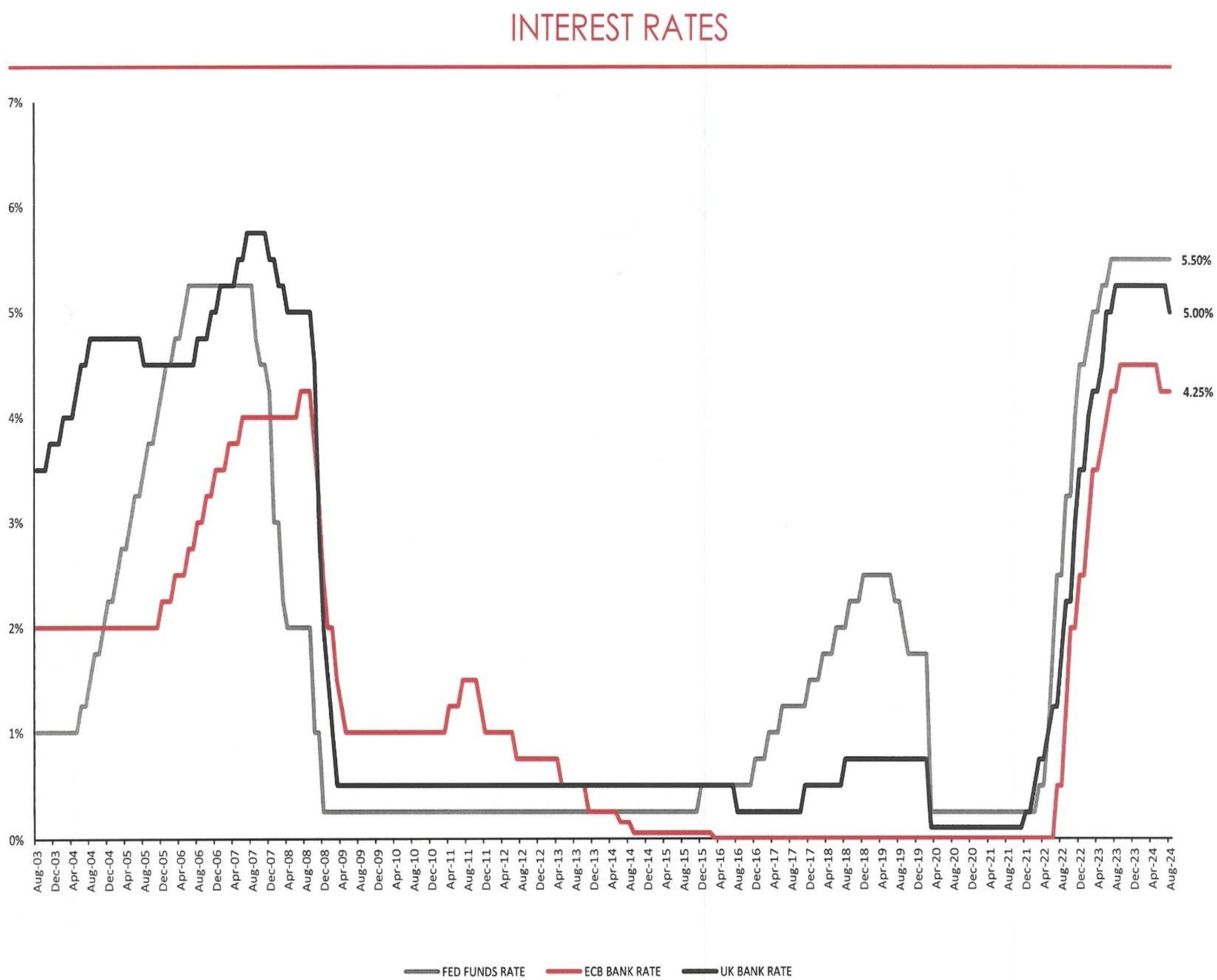
- The Bloomberg Commodity Index reached 96.09 at the end of August, the index tracks 23 commodities.

1 Year | Bloomberg Commodities Index



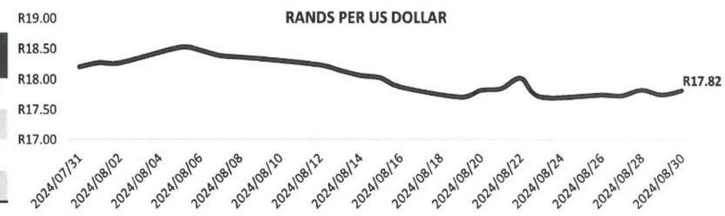
USD	CLOSE	AUG 2024	JUL 2024	YTD	12 MONTHS	2023
Gold	2504.50	3.21%	3.71%	20.89%	28.63%	13.45%
Platinum	932.20	-5.49%	-1.55%	-6.31%	-4.33%	-7.33%
Silver	961.10	3.88%	-5.39%	-13.36%	-20.43%	-38.30%
Palladium	414.50	-0.75%	-4.87%	6.54%	9.87%	2.10%
Copper	28.73	-0.72%	-1.02%	19.29%	17.40%	0.19%
Aluminium	2433.90	8.56%	-9.98%	3.50%	11.97%	0.08%
Oil Spot	78.80	-2.38%	-6.58%	2.28%	-9.28%	-10.32%
Coal	146.20	4.35%	4.98%	-0.14%	-6.28%	-63.78%
Natural Gas	2.13	4.47%	-21.72%	-15.39%	-23.16%	-43.82%
Sugar	19.38	2.32%	-6.75%	-5.83%	-22.67%	2.69%
Coffee	248.20	8.29%	0.11%	31.81%	62.54%	12.55%
Wheat	551.50	-0.09%	-7.54%	-17.56%	-19.05%	-17.69%
Corn	401.00	0.31%	-4.99%	-20.36%	-20.99%	-10.41%

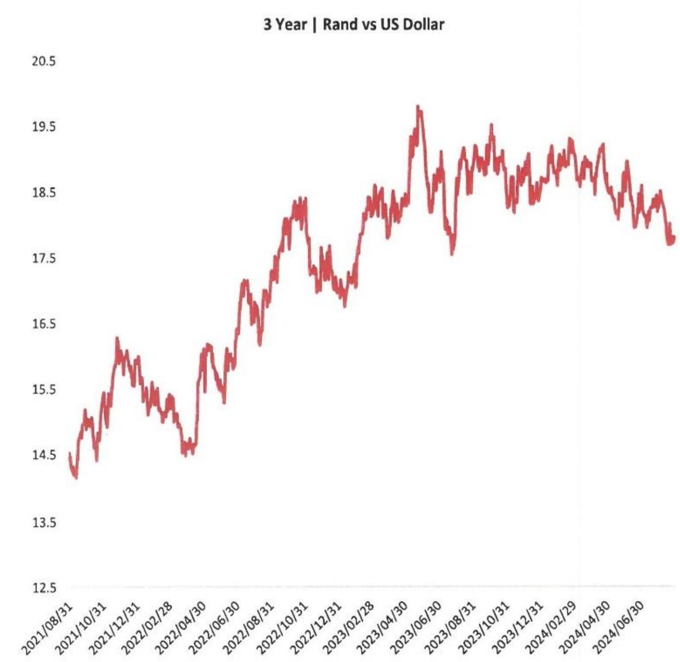
1 Year | Gold, Platinum, Oil

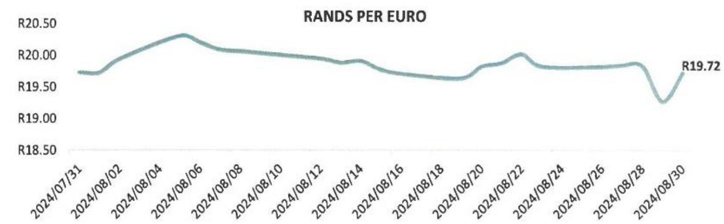

INTEREST RATES
7%
6%
5%
4%
3%
2%
1%
0%
5.50%
5.00%
4.25%
Aug-03 Dec-03 Apr-04 Aug-04 Dec-04 Apr-05 Aug-05 Dec-05 Apr-06 Aug-06 Dec-06 Apr-07 Aug-07 Dec-07 Apr-08 Aug-08 Dec-08 Apr-09 Aug-09 Dec-09 Apr-10 Aug-10 Dec-10 Apr-11 Aug-11 Dec-11 Apr-12 Aug-12 Dec-12 Apr-13 Aug-13 Dec-13 Apr-14 Aug-14 Dec-14 Apr-15 Aug-15 Dec-15 Apr-16 Aug-16 Dec-16 Apr-17 Aug-17 Dec-17 Apr-18 Aug-18 Dec-18 Apr-19 Aug-19 Dec-19 Apr-20 Aug-20 Dec-20 Apr-21 Aug-21 Dec-21 Apr-22 Aug-22 Dec-22 Apr-23 Aug-23 Dec-23 Apr-24 Aug-24
FED FUNDS RATE
ECB BANK RATE
UK BANK RATE

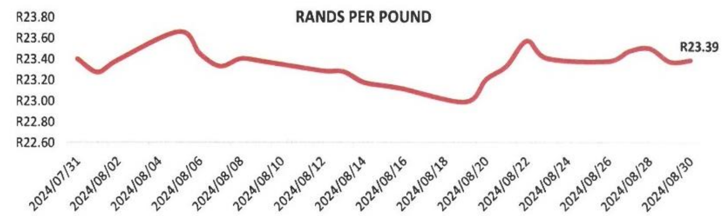
SOUTH AFRICAN RAND

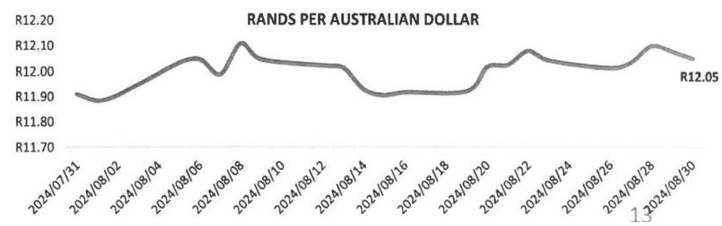
	CLOSING PRICE	AUG 2024	JUL 2024	YTD	2023
US Dollar / ZAR	R17.82	2.11%	-0.05%	2.96%	-7.78%
Euro/ ZAR	R19.72	0.02%	-1.14%	2.29%	-10.64%
Pound / ZAR	R23.39	0.06%	-1.72%	-0.44%	-12.98%
AU Dollar / ZAR	R12.05	-1.17%	1.90%	3.37%	-7.36%

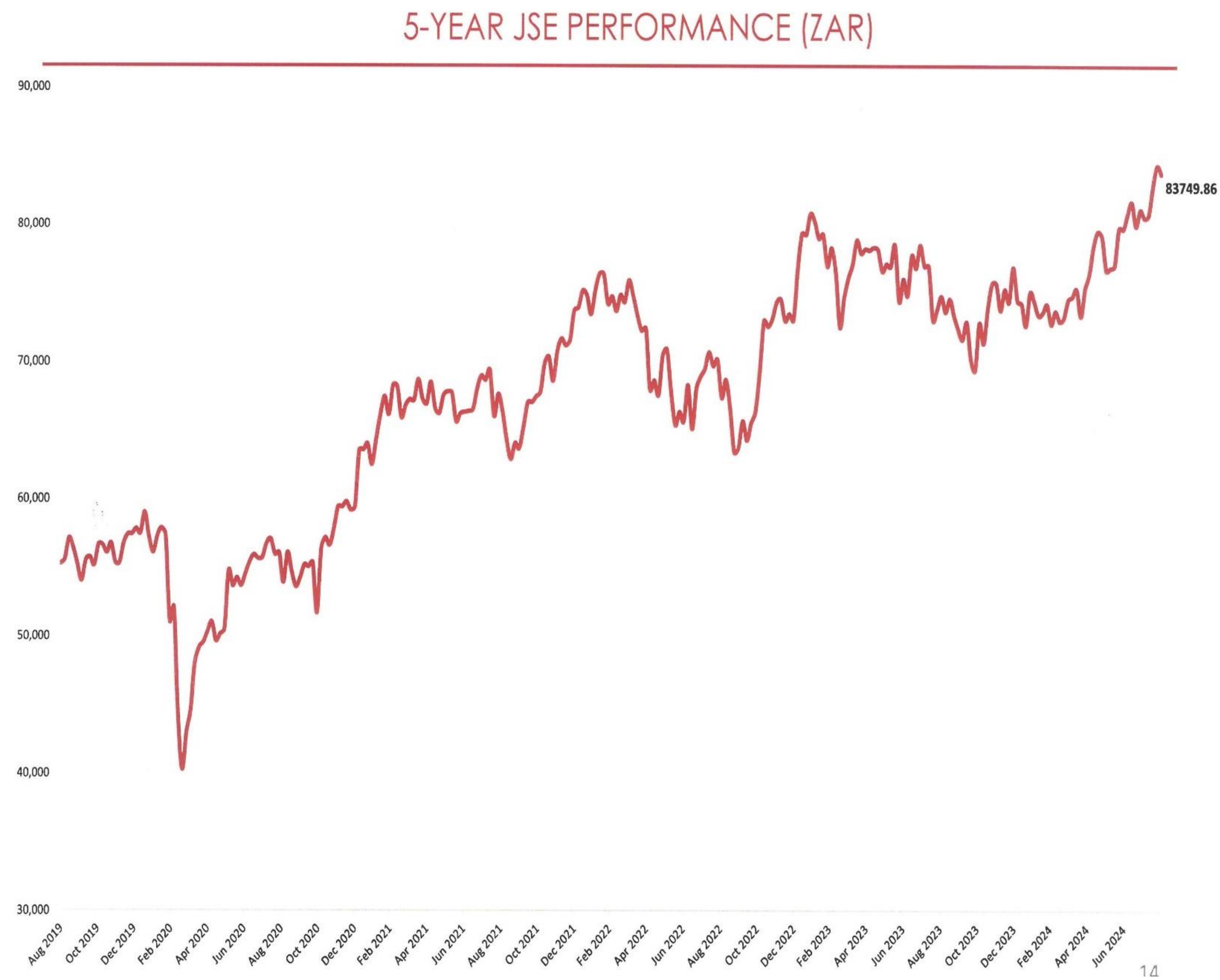






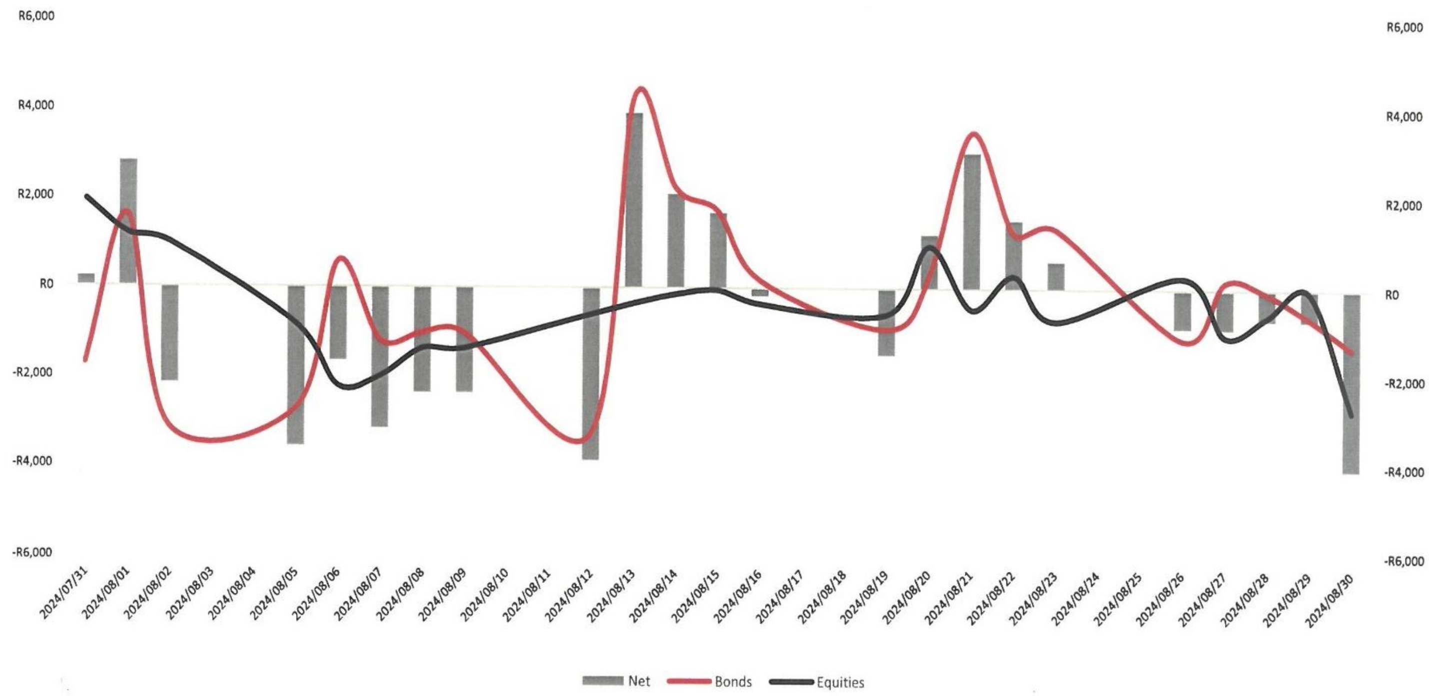


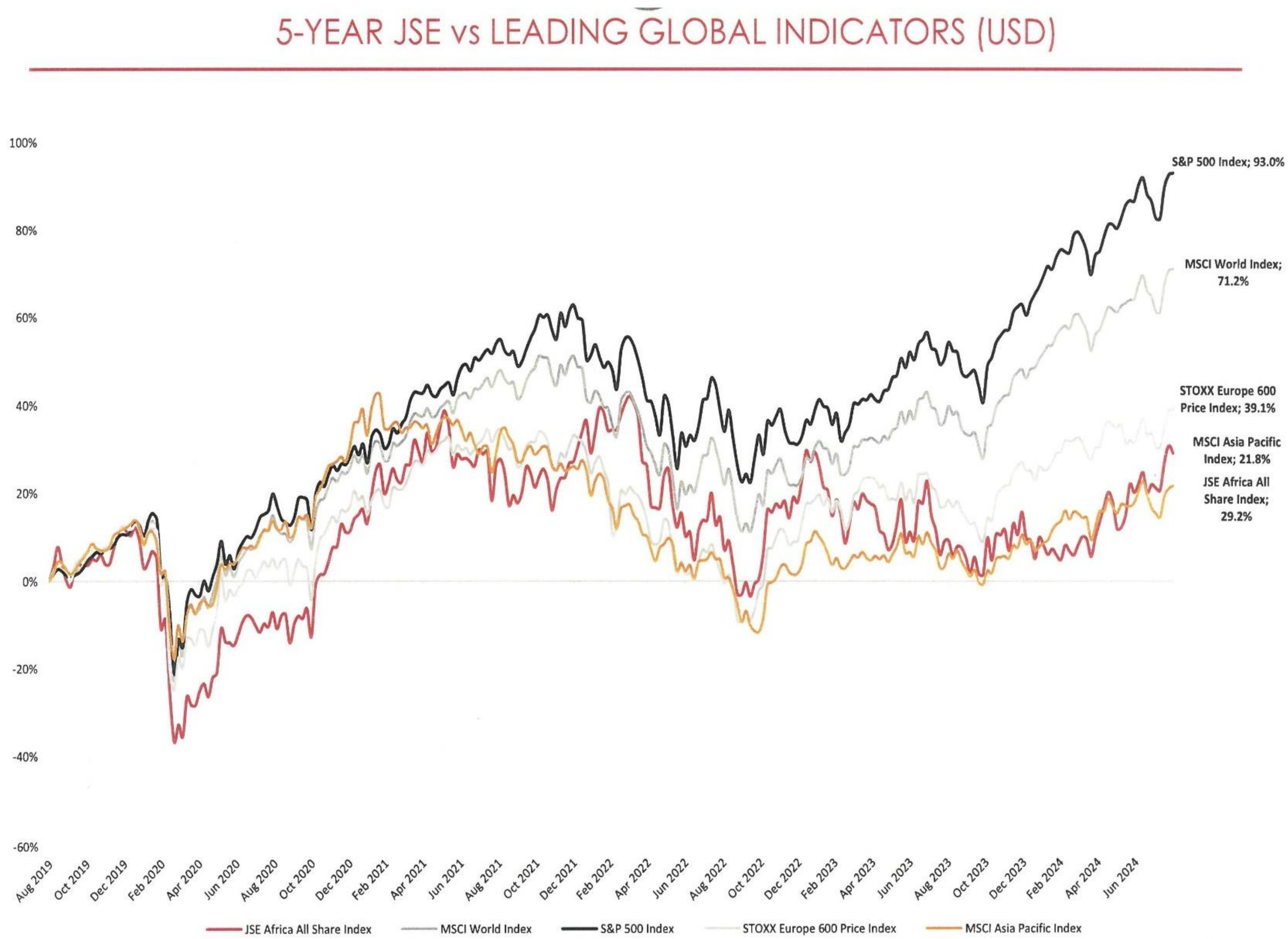



5-YEAR JSE PERFORMANCE (ZAR)
90,000
80,000
70,000
60,000
50,000
40,000
30,000
83749.86
Aug 2019
Oct 2019
Dec 2019
Feb 2020
Apr 2020
Jun 2020
Aug 2020
Oct 2020
Dec 2020
Feb 2021
Apr 2021
Jun 2021
Aug 2021
Oct 2021
Dec 2021
Feb 2022
Apr 2022
Jun 2022
Aug 2022
Oct 2022
Dec 2022
Feb 2023
Apr 2023
Jun 2023
Aug 2023
Oct 2023
Dec 2023
Feb 2024
Apr 2024
Jun 2024
14

INTERNATIONAL FLOWS (MILLIONS ZAR)

	LAST PRICE	1 MONTH	YEAR-TO-DATE	1 YEAR
SA Equity Sales to Foreigners	-2,752.77	-8,453.89	-90,824.76	-154,764.37
SA Bond Sales to Foreigners	-12,148.37	-145.99	-90,678.25	-151,302.51
Net	**-14,901.14**	**-8,599.88**	**-181,503.01**	**-306,066.89**



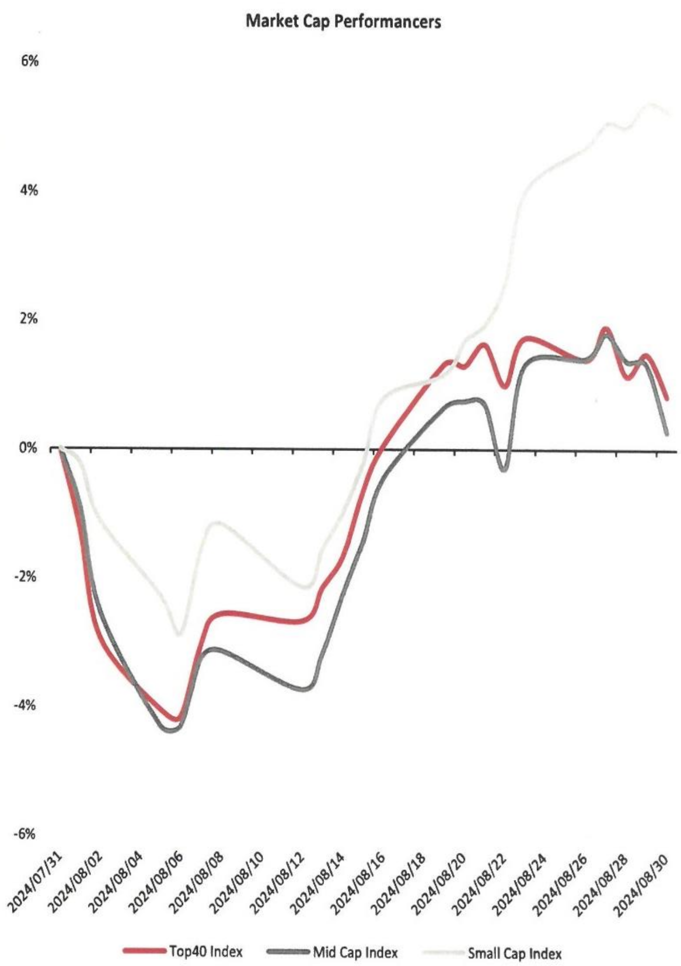

5-YEAR JSE vs LEADING GLOBAL INDICATORS (USD)
100%
80%
60%
40%
20%
0%
-20%
-40%
-60%
S&P 500 Index; 93.0%
MSCI World Index; 71.2%
STOXX Europe 600 Price Index; 39.1%
MSCI Asia Pacific Index; 21.8%
JSE Africa All Share Index; 29.2%
Aug 2019
Oct 2019
Dec 2019
Feb 2020
Apr 2020
Jun 2020
Aug 2020
Oct 2020
Dec 2020
Feb 2021
Apr 2021
Jun 2021
Aug 2021
Oct 2021
Dec 2021
Feb 2022
Apr 2022
Jun 2022
Aug 2022
Oct 2022
Dec 2022
Feb 2023
Apr 2023
Jun 2023
Aug 2023
Oct 2023
Dec 2023
Feb 2024
Apr 2024
Jun 2024
JSE Africa All Share Index
MSCI World Index
S&P 500 Index
STOXX Europe 600 Price Index
MSCI Asia Pacific Index

LOCAL INDICATORS

	CLOSE	AUG 2024	JUL 2024	YTD	12 MONTHS	2023
Top40 Index	76,290.35	0.83%	3.68%	8.22%	10.12%	5.29%
Mid Cap Index	87,739.81	0.27%	4.88%	9.11%	16.05%	4.31%
Small Cap Index	85,630.96	5.24%	5.17%	18.12%	23.32%	5.63%

10 Year Government Bond	104.77	0.18%	0.77%	0.08%	0.24%	-0.98%
JSE Listed Property	2,307.38	8.25%	4.39%	23.81%	38.20%	10.15%
All Bond Index	1,056.78	2.35%	4.02%	12.37%	18.57%	9.60%

	AUG 24 | Forward P/E	JUL 24| Forward P/E	AUG 24| Dividend Yield
Top40 Index	9.71	9.41	0.04
Mid Cap Index	9.47	8.01	0.04
Small Cap Index	3.41	8.39	0.07
Resources	7.31	7.60	0.03
Industrials	11.82	11.27	0.03
Financials	9.77	9.26	0.05



CELEBRATING THE LEGACY OF SA'S OLDEST HEDGE FUND MANAGER

Peregrine Capital marks 26 years of market-beating performance and unwavering resilience.

One of its best investments – buying shares in Thungela Resources 'at R24 to R30 each' in 2021 and selling at over R300 some 18 months later. Image: AdobeStock

As South Africa's oldest hedge fund manager, Peregrine Capital has successfully weathered 26 years of global market crashes, bear markets, and the unique challenges of investing in South Africa. Our flagship Peregrine Capital Pure Hedge H4 QI Hedge Fund, commonly known as the Pure Hedge Fund, stands out for never having posted a negative year in its history. This exceptional record sets Peregrine Capital apart from its peers, with investment performance that competes with the best global asset managers.

For those who invested R1 million in the Peregrine Capital High Growth H4 QI Hedge Fund (the High Growth Fund) at its inception, the value today exceeds R150 million. However, the impressive returns are only part of the story behind South Africa's pioneering hedge fund manager.

“Hedge funds come and go, both internationally and domestically. Longevity is all about consistently delivering market-leading returns for clients, regardless of the circumstances,” says Peregrine Capital executive chair and co-founder David Fraser.

An enduring legacy

Fraser and Clive Nates established Peregrine Capital on 1 July 1998 as a boutique asset management firm specialising in hedge fund strategies. The firm launched amidst the emerging market debt crisis, which triggered a global economic slowdown. South Africa’s commodity-driven economy was severely impacted, leading to rand depreciation, high inflation and rising interest rates.

“We received R33 million in seed capital from Peregrine Holdings following its IPO. We used this to seize opportunities identified through disciplined research and a streamlined decision-making process,” Fraser explains.

“Much of the seed capital was allocated to arbitrage opportunities, capitalising on discounts in various holding companies and N-share control structures on the JSE. By investing in these control structures at significant discounts to their intrinsic value, the fund benefitted from unlocking value as these structures unwound,” he adds.

The Pure Hedge Fund achieved a return of 133.81% in its inaugural year, outperforming the JSE All Share Index, which dropped by 10%. This performance laid a strong foundation for the fund’s long-term success, leading to Peregrine Capital surpassing R100 million in assets under management (AuM) within a year.

Maintaining momentum

The bursting of the dotcom bubble in 2000 positioned Peregrine Capital to capitalise on the difficult market conditions. By avoiding the overvalued tech stocks that were prevalent at the time, Peregrine Capital maintained minimal exposure to these sectors, keeping cash available to invest in emerging opportunities.

In the aftermath of the dotcom crash and the end of the US recession in 2002, equity markets had lost $5 trillion in value from their peak, with the Nasdaq down by 78%. The JSE also experienced declines in 2000 (-2.64%) and 2002 (-11.15%).

Despite these conditions, the Pure Hedge Fund delivered returns of 28.9% in 2000 and 22.29% in 2002. The newly launched High Growth Fund also excelled, yielding returns of 37.4% in 2000 and 31.9% in 2002.

Identifying opportunities

As the global economy recovered in the early 2000s, Peregrine Capital recognised an opportunity in South Africa's liberalising gambling industry.

"We saw the potential for growth in this sector and invested in shares with casino licences," Fraser recalls.

Peregrine Capital invested in HCI, Real Africa Holdings, Aquila, and Gold Reef Casinos. "At one point, we held a 15% stake in Gold Reef Casinos at an average price of R1 per share. We sold this investment in 2007 for over R30 per share following a private equity bid," Fraser adds.

A diamond in the rough

During a period of global economic prosperity, Peregrine Capital saw its AuM exceed R1 billion while continuing to deliver market-beating returns.

Jacques Conradie joined Peregrine Capital in 2007 as an investment analyst, marking the beginning of a new era in the firm's leadership. The same year, the global financial crisis (GFC) abruptly ended the bull market, with the JSE All Share Index declining by 23.23% in 2008. While the High Growth Fund also fell by 11.98% that year, the Pure Hedge Fund delivered a positive return.

After the GFC, the Peregrine Capital team remained steadfast, always searching for new investment opportunities. Conradie highlights the case of Capitec, which was transitioning from high-risk micro-loans to a low-cost banking model.

"Capitec had fewer than one million clients, and no fund managers were interested in it due to its small size. After thorough due diligence, we invested in Capitec at around R40 per share. The bank eventually grew to over 20 million customers, and the share price soared. We exited at prices between R1 100 and R2 000 per share, achieving remarkable returns for our investors," Conradie explains.

In 2014, Peregrine Capital capitalised on the collapse of African Bank by purchasing its offshore debt at a substantial discount. Despite the negative sentiment surrounding the collapse, Peregrine Capital's contrarian approach proved highly profitable, with the African Bank bonds becoming one of the most lucrative investments in the firm's history.

Political challenges

In the wake of Jacob Zuma's presidency, South Africa faced increased corruption, declining business confidence, and slower economic growth. Zuma's actions, including firing finance minister Nhlanhla Nene in December 2015, triggered market panic, a sharp decline in the rand, and widespread uncertainty.

During this turbulent period, Peregrine Capital's investment team remained resolute, delivering strong results despite market challenges. Justin Cousins, executive director and portfolio manager, recalls an investment in New European Property Investments (Nepi).

"We were early institutional investors in Nepi, which delivered consistent earnings growth and became a dominant retail property player in Central and Eastern Europe. Nepi's share price increased from R25 to R150 during our investment period, providing excellent diversification benefits when local returns were scarce."

The Covid-19 crisis

Despite Cyril Ramaphosa's presidency, South Africa's economy struggled, exacerbated by the Covid-19 pandemic. The strict lockdowns led to a severe economic downturn, with real GDP contracting by 8.2% in 2020, significant JSE volatility, and a record-low rand.

Peregrine Capital anticipated the risks early and bought portfolio protection through S&P put options. "This protection gave us the flexibility to make strategic investments during the market downturn," Conradie says.

"Being well-positioned for a crisis means having the capacity and confidence to engage the market during a selloff, and being proactive going into a crisis," he adds.

The put options allowed Peregrine Capital to invest in well-capitalised companies poised to benefit from the pandemic, such as those in payments, gaming, and technology sectors, resulting in substantial returns during the rebound. The High Growth Fund and Pure Hedge Fund ended 2020 with returns of 17% and 12.2% respectively.

Coal-fired returns

In 2021, Peregrine Capital made a notable investment in Thungela Resources, identified through extensive research amid declining interest in coal investments due to ESG considerations.

"We bought shares at R24 to R30 each, which we found very attractive," Conradie explains.

Following the Russian-Ukrainian conflict in early 2022, the coal market performed exceptionally well. “We increased our stake and sold when the share price reached over R300, delivering a 15x return in about 18 months, marking one of our best investments,” Conradie adds.

Collaborative success

Fortress Real Estate Investments, one of the largest property firms on the JSE, faced challenges during Covid-19 with conflicts between different classes of shareholders. In November 2022, Fortress relinquished its Reit status, leading to market uncertainty.

Cousins describes how Peregrine Capital in 2023 built a significant position in both FFA and FFB shares of the property company.

“Once we accumulated enough shares to influence outcomes, we worked with other shareholders and the company to resolve the conflict. The result was a transaction that eliminated the dual share class structure, benefiting all stakeholders and unlocking substantial value,” Cousins says.

Looking forward

As Peregrine Capital celebrates its 26th year in 2024, it remains South Africa’s longest-running hedge fund manager. “We have navigated whatever the market has thrown at us over the past 26 years and remain confident in the resilience of our investment process,” Fraser states.

“Our goal remains to grow our clients’ wealth. We invest our own money alongside them and are deeply committed to what we do,” he adds.

Tania Formilan, COO and CFO, emphasises: “Our team is dedicated to building on the strong foundation laid by our founders. We have an exceptional team consistently applying our proven approach to deliver market-leading returns.”

Conradie adds: “Our success is built on relentless hard work and disciplined research. By combining a strong work ethic with a sound investment philosophy and emotional stability, we are poised for continued success for decades to come. We look forward to the future with optimism.”

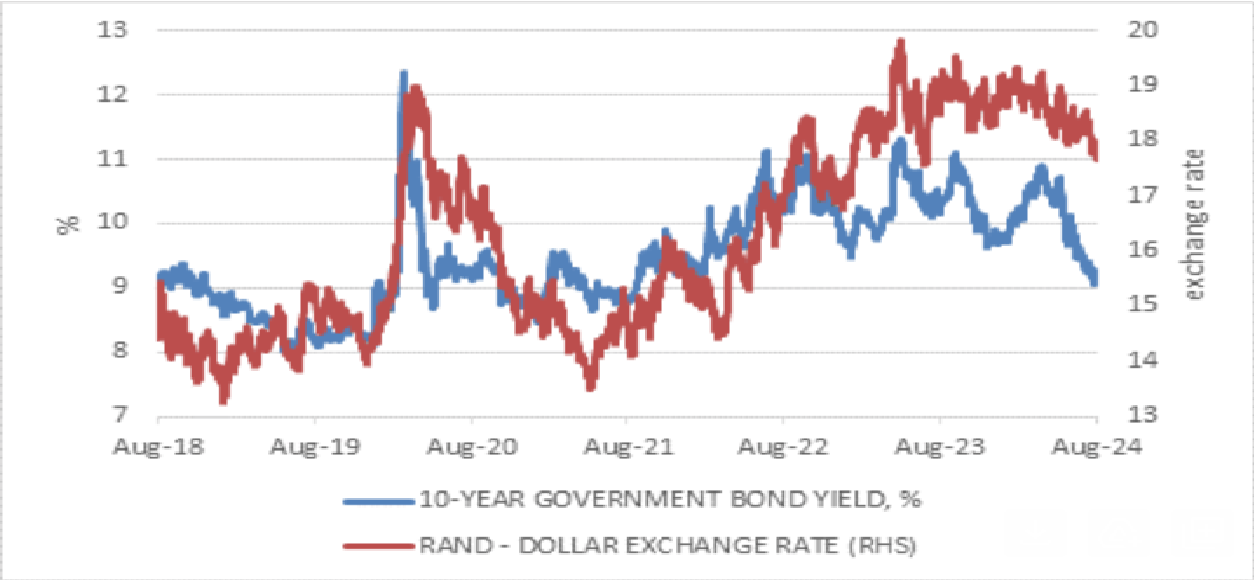
Source: Peregine Capital – Moneyweb

SOUTH AFRICA BOUNCING BACK

South African assets have performed well over the past few months, indicating renewed investor confidence in the country, which can translate into broader economic growth. Local assets have come under immense pressure in recent years as the government struggled to deliver on its reform agenda and improve economic growth. Foreign investors dumped South African stocks and bonds, weakening the local currency and reducing the pool of capital available to fund growth in the country. South Africa was generally seen as a country on a path to nowhere, with the government kicking the can down the road regarding vital reforms and load-shedding getting steadily worse. However, sentiment towards South African investments has significantly shifted since the end of the election in May 2024. The more business-friendly coalition government, coupled with a prolonged period without load-shedding, has made local assets more attractive to foreign and local investors.

This has resulted in an opportunity for the country to enter into a virtuous cycle where improved investor sentiment results in faster economic growth, which encourages further investment. Stanlib chief economist Kevin Lings said the country has the potential to meaningfully improve its growth rate over the next 18 months, significantly boosting investment in local assets. If the country can reach a growth rate of 3%, the entire investment landscape would change. Standard Bank CEO Sim Tshabalala echoed this sentiment, telling Daily Investor that the bank's research shows that 81% of foreign investors are positive about the country's new government. 95% of the investors surveyed said they are planning to or considering increasing their investments in South Africa in the next few years. "As the government continues to execute its structural reforms, business confidence will improve and investment will follow. This will have a positive impact on GDP, and we will support it." The improved investor confidence in South Africa can be seen in the graph below, showing a decline in long-term bond yields and a stronger currency as investors pump money into the country.

Chart 3: South African bonds and currency



Source: LSEG Datastream

There are fears that this may only result from a relief rally, with assets appreciating off a low base due to South Africa avoiding the creation of a coalition less friendly towards business. Old Mutual Wealth investment strategist Izak Odendaal said this is not the case, as there is still plenty of juice left in the tank. Odendaal explained that valuation remains on the side of South African assets and any improvement in the country's economic fundamentals can unlock the underlying value. In particular, the catalyst for future appreciation is likely to be on the back of lower inflation, interest rate cuts, rising business confidence, and no load-shedding. "We've already seen growth forecasts by major banks being upgraded in recent months. Future upgrades should provide fresh impetus to local market valuations," he said. "It is always natural to anchor off the lows, which will make current levels seem very high when they are not." For example, compared to a level of almost R20 to the dollar in May last year, the end-August close of R17.76 seems very strong. But not that long ago, in August 2022, the rand traded between R14 and R15 to the dollar, around 20% stronger than today. Similarly, despite the rally in South African bonds this year, the All Bond Index has not returned to pre-Covid levels. Of the 12% year-to-date return, 5% was due to higher bond prices, with the remainder being interest income. Local assets and economic growth are expected to get another boost in the coming months from interest rate cuts.

Odendaal said the path is clear for the Reserve Bank to enter a cutting cycle, with inflation falling faster than expected and the rand proving resilient. Lower interest rates will boost consumer spending by freeing up disposable income to be spent outside of debt repayments. In turn, this should boost corporate earnings. As the majority of South Africa's GDP is driven by consumer spending, this will have an impact on economic growth. This will, in turn, improve the government's finances by increasing tax collection and improving its debt-to-GDP ratio. Odendaal said this will mean investors should demand a smaller premium for lending to the South African government. This translates to somewhat lower bond yields, all else equal, which further reduces the debt burden and lowers borrowing costs in the private sector, potentially further stimulating the economy. On the JSE, the big winners have also been the interest rate-sensitive sectors, including banks, life insurers, retailers and listed property.

Source :Old Mutual Wealth – Shaun Jacobs / Daily Investor

These Six Essential Items Belong on Your Retirement Planning Checklist

Most of the financial articles you read are about the importance of saving for retirement. Saving is important, but it generally isn't enough to retire successfully. Retirement has lots of moving parts that require advance planning and careful coordination. From Social Security to healthcare to income taxes and more, all the pieces of the financial puzzle must work together.

My planning checklist can play an important role in ensuring you've dotted all the i's and crossed the t's of your retirement finances. Some checklists include dozens of items, but I've boiled it down to six that I believe are an absolute must.

This six-point checklist includes both obvious and obscure items, all of which are essential for making the most of the money you've saved. Overlooking or underestimating any of the items can be problematic.

If you're approaching retirement age, the list can help you prepare for this new phase of life. If you're already retired, use the list to determine whether you're still on the right track.

#1. Create a financial game plan

This involves planning for retirement income. It's essential to figure out how much money you need to live on, how long your money is going to last, and what rate of return you need to make sure you don't outlive your assets. Once you have a plan in place, you can adjust it as you go along.

#2. Plan for healthcare and long-term care costs

I rank this in importance right after building a financial plan because healthcare costs, including long-term care expenses, can be the biggest financial risk to your retirement.

Fidelity's latest annual Retiree Health Care Cost Estimate, which dates from 2023, indicates a 65-year-old enrolled in Medicare Parts A, B, and D will spend an average of $157,500 after taxes on health care and medical expenses during their retirement years. Average spending for a couple that same age is estimated at $315,000.

It's also extremely important to consider the high cost of long-term care. At age 65, retirees have a 70% chance of needing this care in their remaining years. Neither Medicare nor private health insurance cover long-term care, yet only 3 to 4% of people over 50 have long-term care insurance coverage to pay the bills, according to the Life Insurance Marketing Research Association.

These figures are high, but you can plan for them—put some or all the funds in reserve, insure some of these risks with the appropriate Medicare plan and other insurance coverage, and use estate planning strategies for asset protection.

#3. Know when to claim Social Security benefits

There's no single best age at which to claim Social Security. The timing will depend on your situation, and there could be a big dollar difference between getting it wrong or right.

Everything you know about claiming your Social Security benefits has been turned upside down by what's happened in the investment and retirement landscape over the last several years. For example, if you blindly follow the traditional rule of thumb and wait until age 70 to claim, you might be forced to spend savings that you'd be better off growing. Depending on your life expectancy, you could also forfeit additional benefits in the early years.

I believe you should get every nickel you can out of Social Security, which is why I recommend getting a customized analysis from a financial professional before you act.

#4. Create a tax-efficient income strategy

Taxes are one of the most overlooked areas of investing. As a retiree, you have more control over the amount of money you pay in taxes than you did when you were working because you no longer have earned income. Unfortunately, most people repeatedly miss the boat on this.

A smart retirement income strategy is a tax-efficient one. By minimizing the taxes you pay during retirement, you'll increase the funds available to live on and leave to heirs. Don't just think about income. Focus on after-tax income.

#5. Plan withdrawals from tax-deferred retirement accounts

You've wisely contributed for decades to an IRA, a 401(k) or 403(b) for tax-advantaged growth, but what awaits you are the trapdoors and time bombs these accounts have when you withdraw money in retirement.

If you've been diligent saver and have a $1,000,000 balance in your 401K, you must pay taxes when make withdrawals. The IRS is your partner on that $1,000,000, and you may be sharing more of this money with them than you expected.

Savvy people are going to formulate a plan so they can legally pay less to the IRS. This could involve a Roth IRA conversion, an annuity, or some other tax-efficient strategy.

#6. Diversify your sources of income

You've heard a lot about the importance of investment diversification, but what is meant by income diversification? It means you have different places from which to pull your income.

The location of your assets matters. For instance, your IRA, 401(k), or 403(b) accounts are going to be taxed in the same way, so you might choose to diversify these assets by moving some of the money into tax-free and taxable accounts.

Investments that are diversified across the risk-return spectrum can be designated for use at different times, with the most conservative available for withdrawal in the near term and the riskiest earmarked for the later years of retirement.

It's a simple idea that's worth repeating—saving for retirement is important, but it's not the be-all and end-all. What you do with the money you've saved is essential to having a successful retirement. So, plan and continue revisiting that plan throughout retirement, making changes as necessary.

Source: Forbes/ Money/ Personal Finance – Joel Johonson

MARKET INDICATORS AS AT 30 September 2023

	DY %	P/E Ratio	1 Month %*	12 Months %*
FTSE/JSE All Share Index	4.3	10.4	-2.5	17.7
FTSE/JSE Resource Index	5.1	7.4	1.2	-0.6
FTSE/JSE Industrial Index	4.1	8.8	-4.1	27.4
FTSE/JSE Financial Index	5.4	9.9	-3.8	20.6
FTSE/JSE SA Quoted Property Index	8.9	11.2	-4.1	12.9
ALBI BEASSA Bond Index			-2.3	7.2
STeFI Money Market Index			0.7	7.5
MSCI World Emerging Markets (R)			-1.0	17.3
MSCI World Emerging Markets ($)			3.8	1.7
MSCI World Index (R)			-4.8	28.5
MSCI World Index (US$)			-4.3	22.6

*Total return index percentage change

Economic Indicators		Latest Data	Previous Year
Exchange Rates			
Rand/US$	September- 23	18.84	17.97
Rand/UK Pound	September - 23	22.99	20.06
Rand/Euro	September- 23	19.95	17.61
Rand/Aus$	September - 23	12.16	11.56
Commodity Prices			
Gold Price (US$)	September - 23	1 870.5	1 671.8
Gold Price (R)	September - 23	35 239.10	30 045.5
Oil Price (US$)	September- 23	95.9	88.9
Interest Rates			
Prime Overdraft	September- 23	11.8%	9.8%
3-Month NCD Rate	September- 23	8.3%	6.0%
R186 Long-bond Yield	September-23	9.4%	9.4%
Inflation			
CPI (y-o-y)	September- 23	5.4%	7.5%
Real Economy			
GDP Growth (y-o-y)	June - 23	1.7%	0.2%
HCE Growth (y-o-y) (Household Consumption Expenditure)	June - 23	0.7%	1.2%
Household Consumption Expenditure (HCE) Growth (y-oy)			
Gross Fixed Capital Formation (GFCF) Growth (Y-O-Y)	June - 23	7.8%	4.7%
Manufacturing Production (y-o-y) (seasonally adjusted)	August- 23	1.4%	1.3%
Balance of Payment			
Trade Balance (cumulative 12-month)	August- 23	$13.3	$6.2
Current Account (% of GDP)	June- 23	-2.3%	-1.7%
Forex Reserves (incl. gold)	September- 23	US$1 152.5	US$1 058.8

Sources: JSE, Iris, I-Net

	Year To Date Performances 1st Jan to 31st December 2024	31 August 2024
Allan Gray Balanced	7.64%	0.11%
Allan Gray Stable	7.11%	0.34%
Coronation Balanced Plus	7.85%	0.75%
Ninety One Managed	6.78%	1.00%
M&G Balanced	7.24%	1.17%
M&G Inflation Plus	7.40%	1.66%

Skybound Capital Funds

South Africa

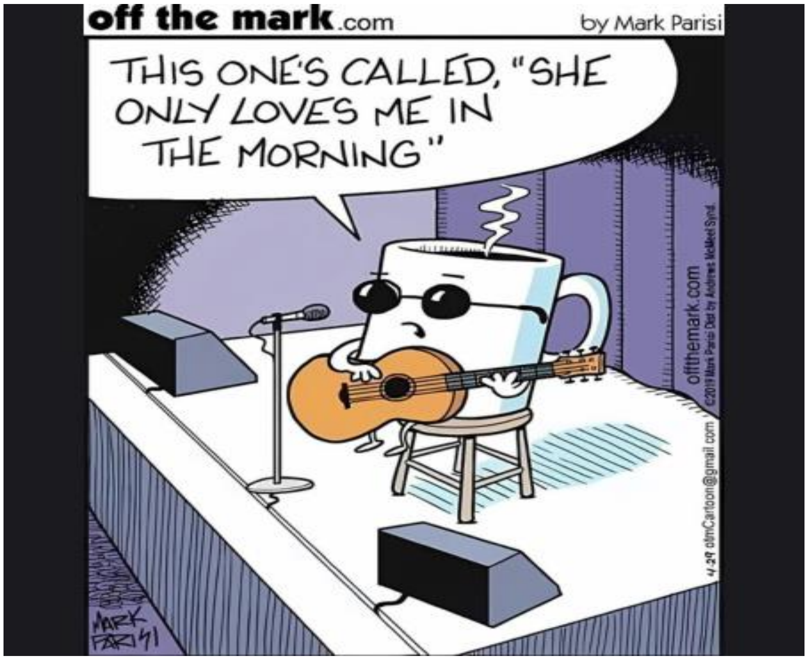
Fund	Year To Date Performances 1st Jan to 31st December 2024	Current Performances as at 31 August 2024
The Apello Fund	6.1 %	0.91%
The Azacus Fund	6.04%	0.92%

Skybound Capital Funds

INTERNATIONAL - GBP

	Year To Date Performances 1st Jan to 31st December 2024	Current Performances as at 31 August 2024
Prism Income	5.08%	0.64%
Prism Income Australian	5.08%	0.64%
The Willow Tree	4.26%	0.78%

WHAT A JOKE


off the mark.com
by Mark Parisi
THIS ONE'S CALLED, "SHE ONLY LOVES ME IN THE MORNING"
offthemark.com
MARK PARISI


AS ROMANTIC AS IT MIGHT LOOK IN MOVIES, I JUST DON'T THINK SPOONING IS FOR US.
6/1
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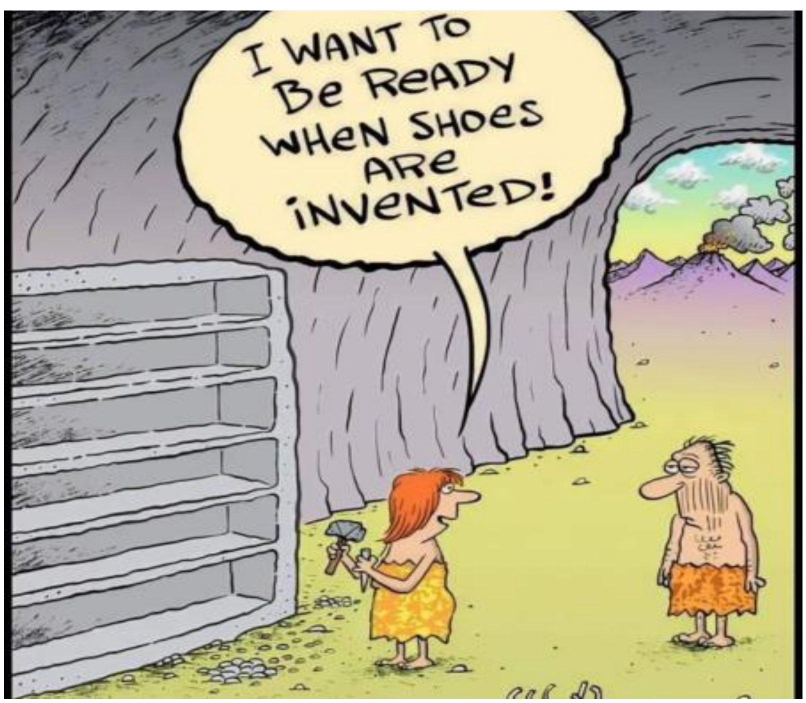
OKAY...ONE MORE GAME OF PEEK-A-BOO, BUT THAT'S IT!


I WANT TO Be ReADY WHeN SHOeS ARe iNVeNTeD!

MICK AND PADDY

A man at a horse race whispers to Paddy next to him, “Do you want the winner of the next race?”
Paddy replies: “No thanks. I’ve only got a small yard.”

Paddy and Mick found three hand-grenades and decided to take them to the police station.
Mick: “What if one explodes before we get there?”
Paddy: “We’ll lie and say we only found two.”

Paddy finds a sandwich with two wires sticking out of it. He phones the police and says: “I’ve just found a sandwich that looks like a bomb.”
The operator: “Is it ticking?”
Paddy: “No, I think it’s beef.”

Mick walks into Paddy’s barn and catches him dancing naked in front of a tractor.
“Oi Paddy, what are you doing?”
“Well, me and Mary haven’t been getting on in the bedroom lately, and the therapist recommended I do something sexy to attract ’er.”

Mick says to Paddy: “Christmas is on a Friday this year.”
Paddy: “Let’s hope it’s not the13th.”

Paddy is in the bathroom and Mick shouts to him: “Did you find the shampoo?”
Paddy: “I did, but it’s for dry hair and I’ve just wet mine.”

Paul Bekker

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