23 June 2022

CHART BOOK: MINI
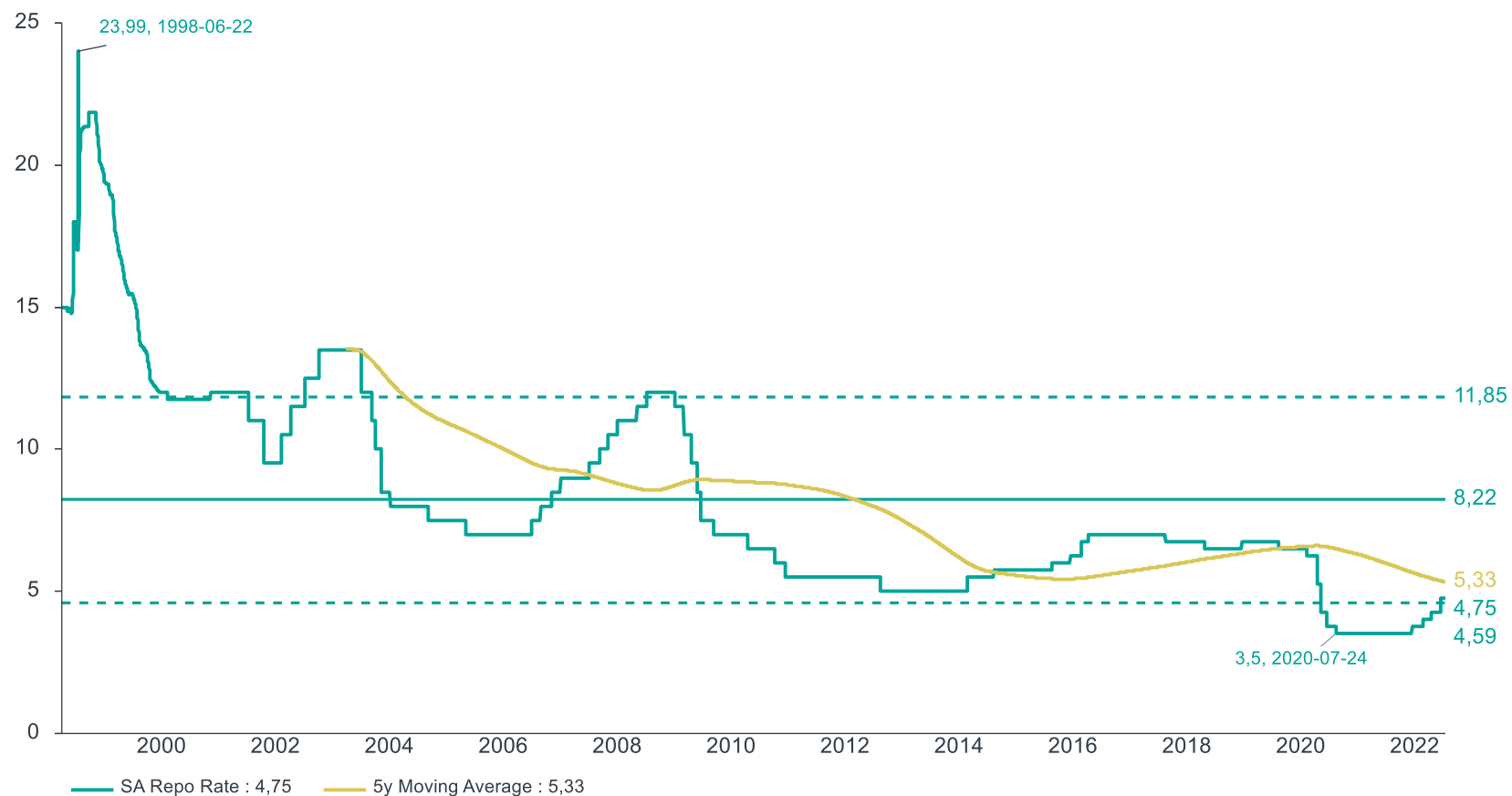
LOCAL

EQUITIES V INFLATION V CASH
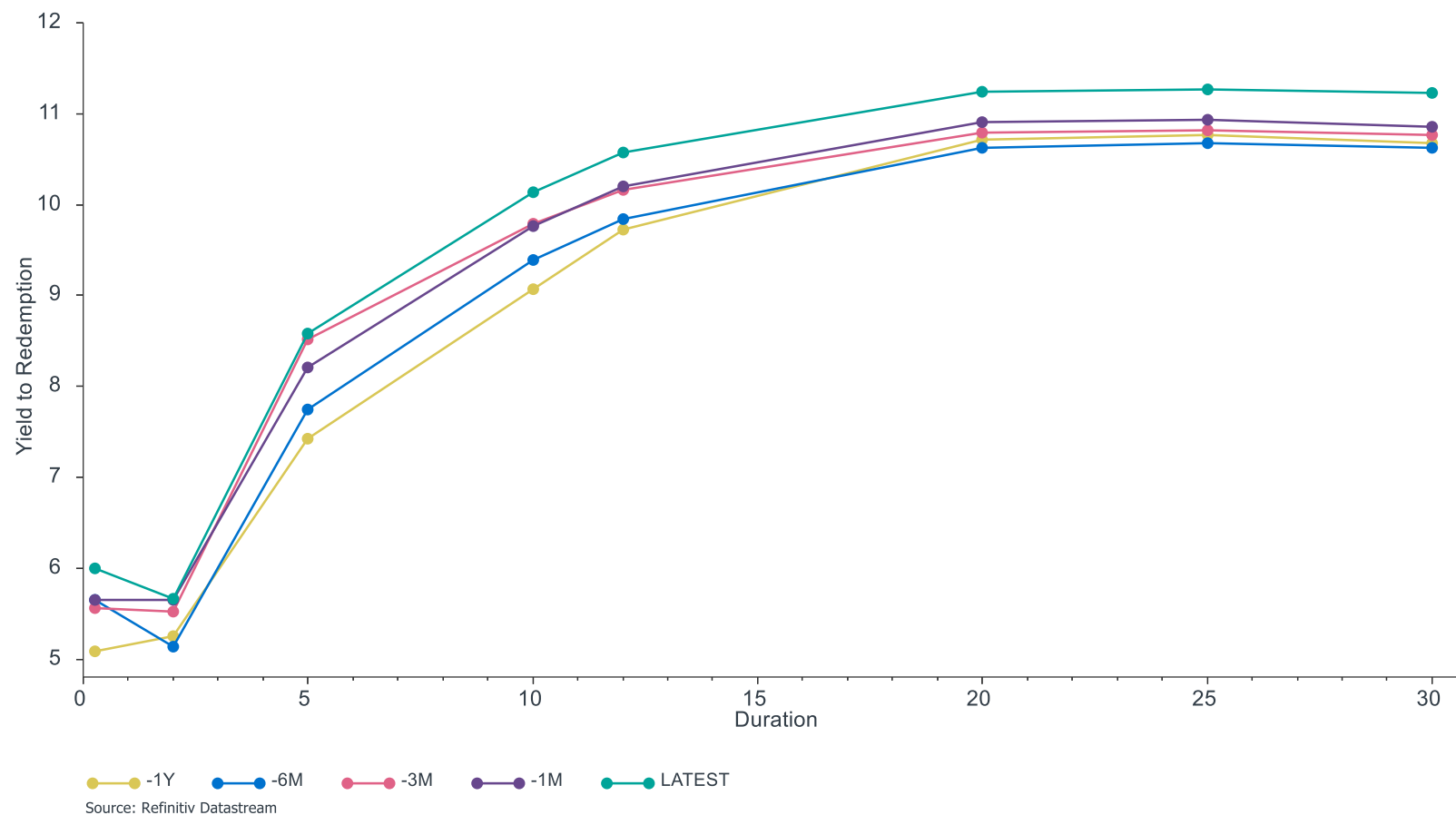

- 5Y growth rate (first - last values) of FTSE/JSE ALL SHARE - Total Return Index
- 5Y growth rate (first - last values) of CPI METHOD BREAK JAN2009 : South Africa
- 5Y growth rate (first - last values) of STEFI COMPOSITE INDEX*0.7

Source: Refinitiv Datastream

KNOWLEDGE INTO WEALTH

SA REPURCHASE RATE

SA Repo Rate : 4,75   5y Moving Average : 5,33

Source: Refinitiv Datastream

KNOWLEDGE INTO **WEALTH**

SA YIELD CURVE

Source: Refinitiv Datastream

KNOWLEDGE INTO **WEALTH**

JSE ALSI

ALSI = All Share Index

x 1 000

77 536, 2022-03-02

65 712,69

4 319,95, 1998-09-11

— JSE ALSI : 65 713

Source: Refinitiv Datastream

FTSE JSE All Share Index Adjusted for SA Inflation

Source: Refinitiv Datastream

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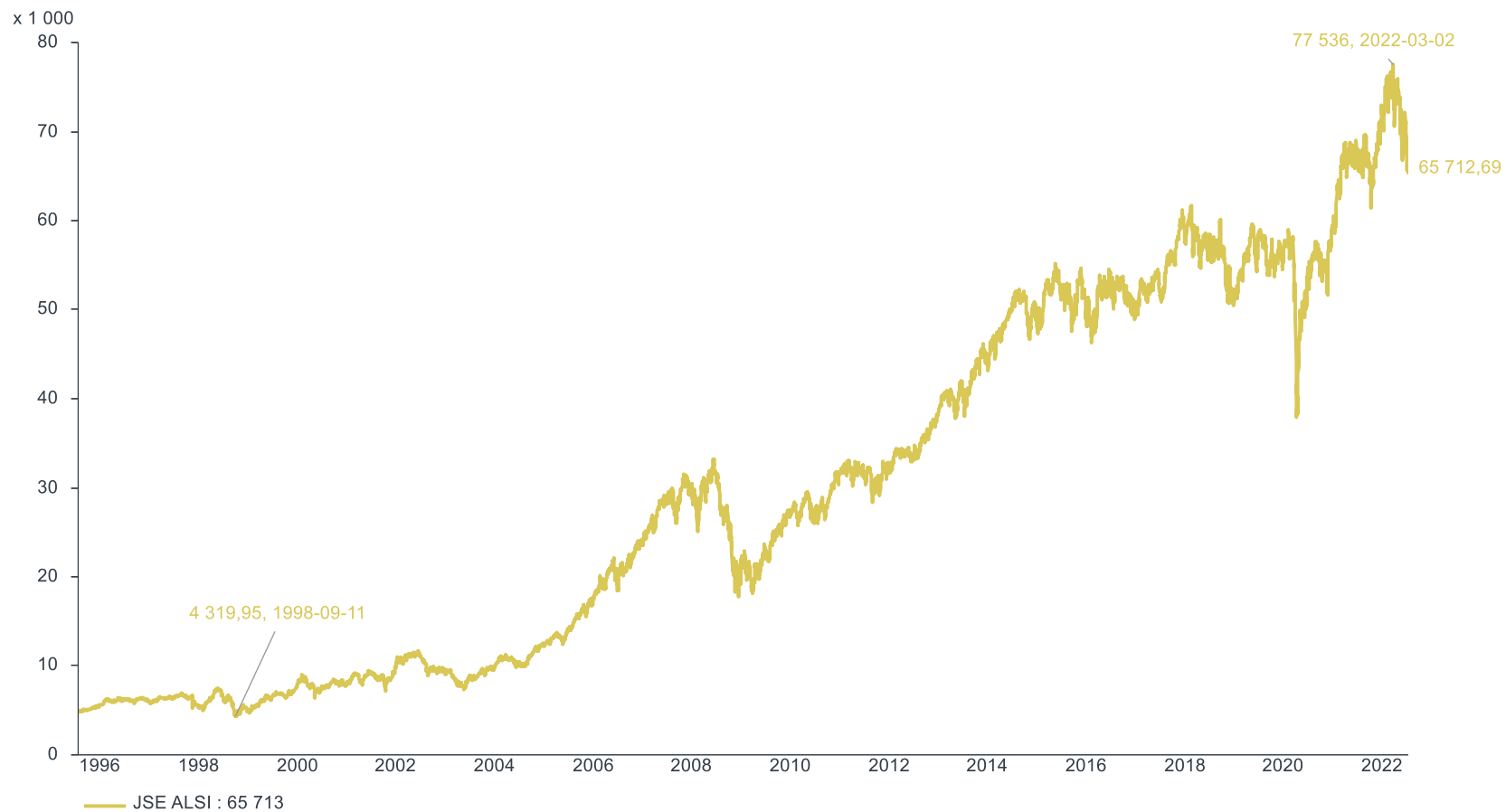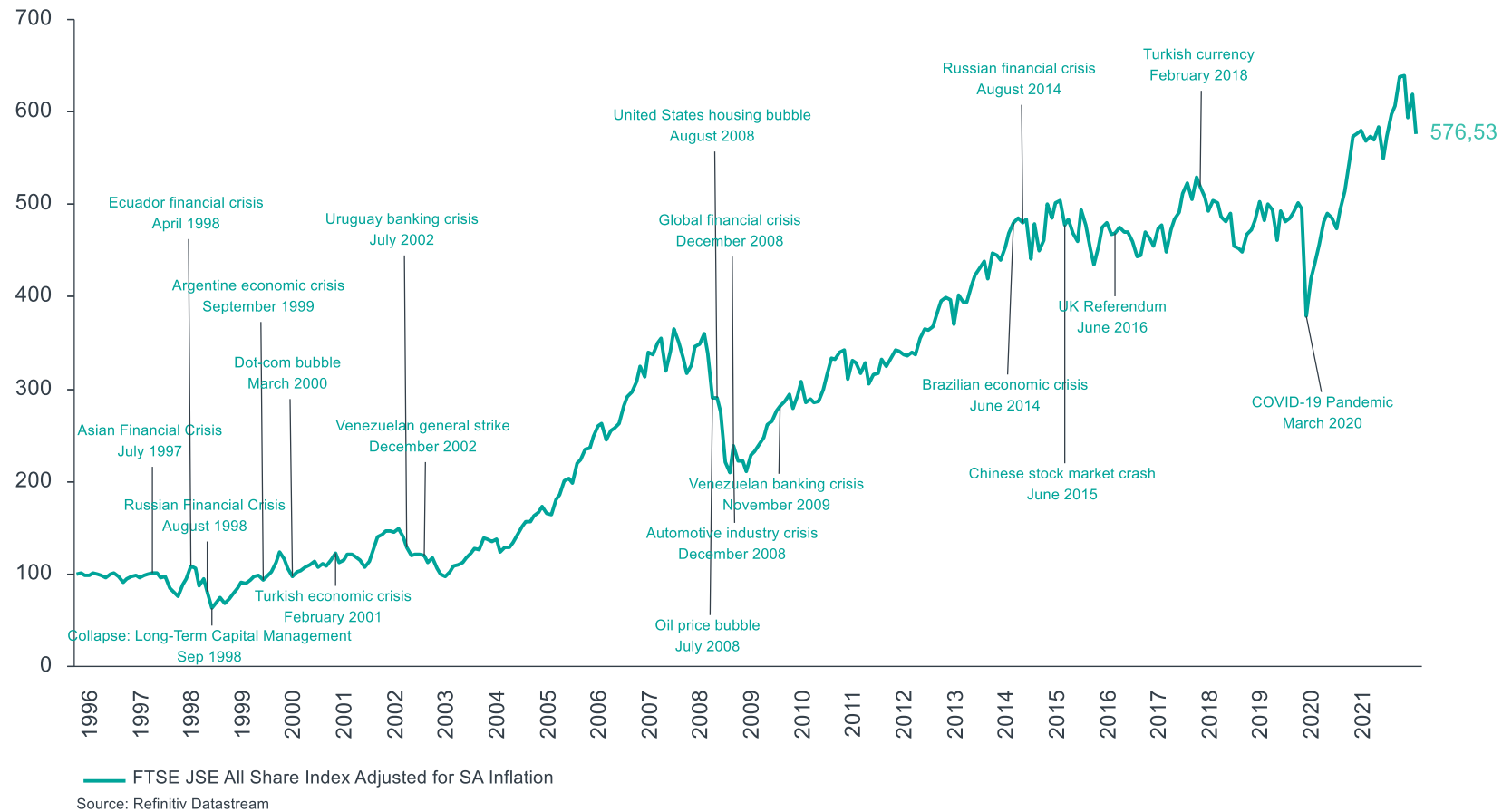
JSE SECTOR INDICES, LAST YEAR, REBASED

Source: Refinitiv Datastream

JSE Financials   JSE Industrials   JSE Resources

120,15
108,17
89,67

KNOWLEDGE INTO WEALTH

JSE ALSI PE

ALSI = All Share Index
PE = Price Earnings
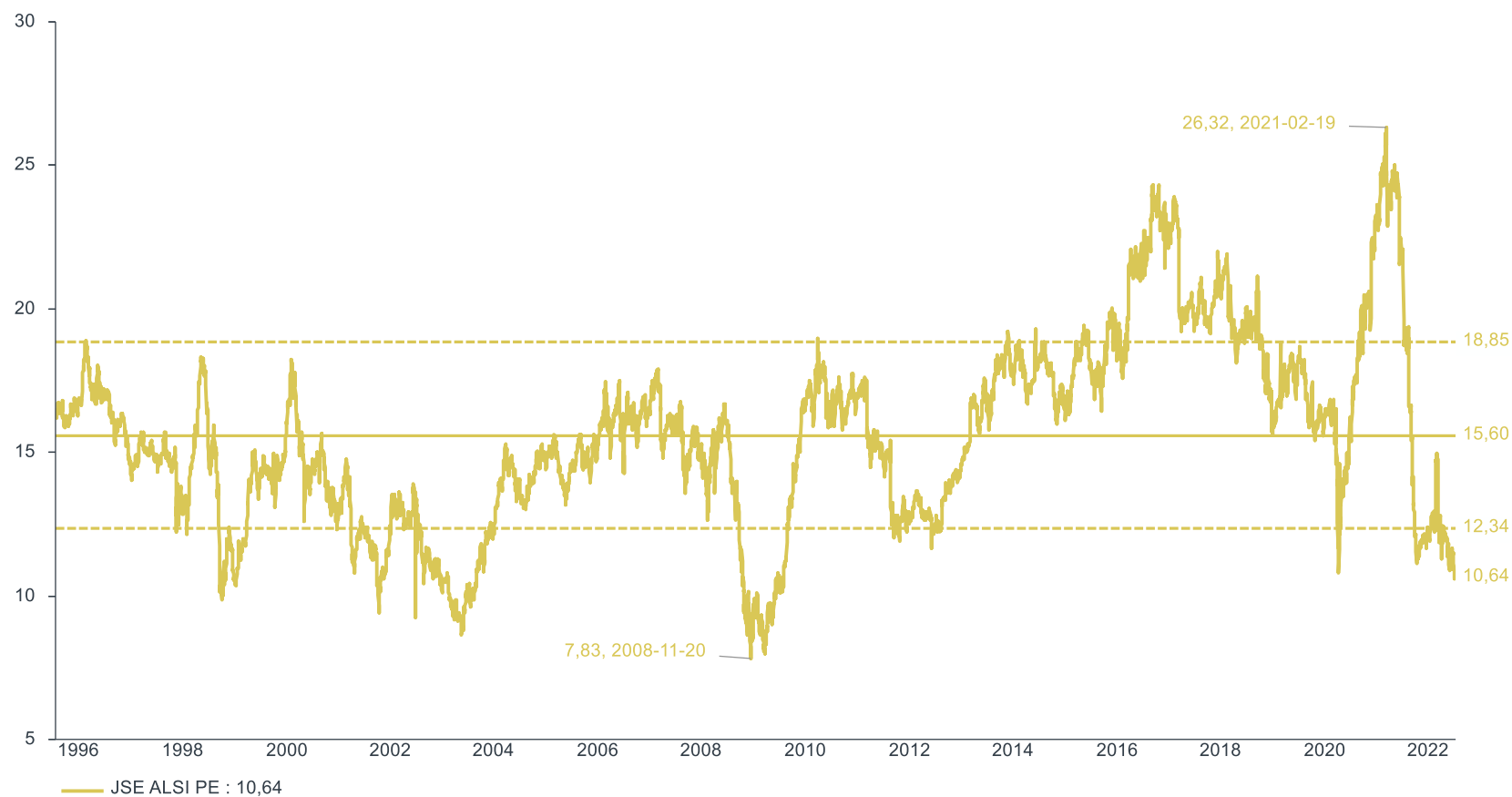
JSE ALSI PE : 10,64

Source: Refinitiv Datastream

JSE ALSI DY

ALSI = All Share Index
DY = Dividend Yield

5,59, 2020-03-19

4,04

3,43

2,85

2,27

1,8, 2000-01-17

JSE ALSI DY : 4,04

Source: Refinitiv Datastream

JSE ALSI, PERCENTAGE CHANGES

ALSI = All Share Index
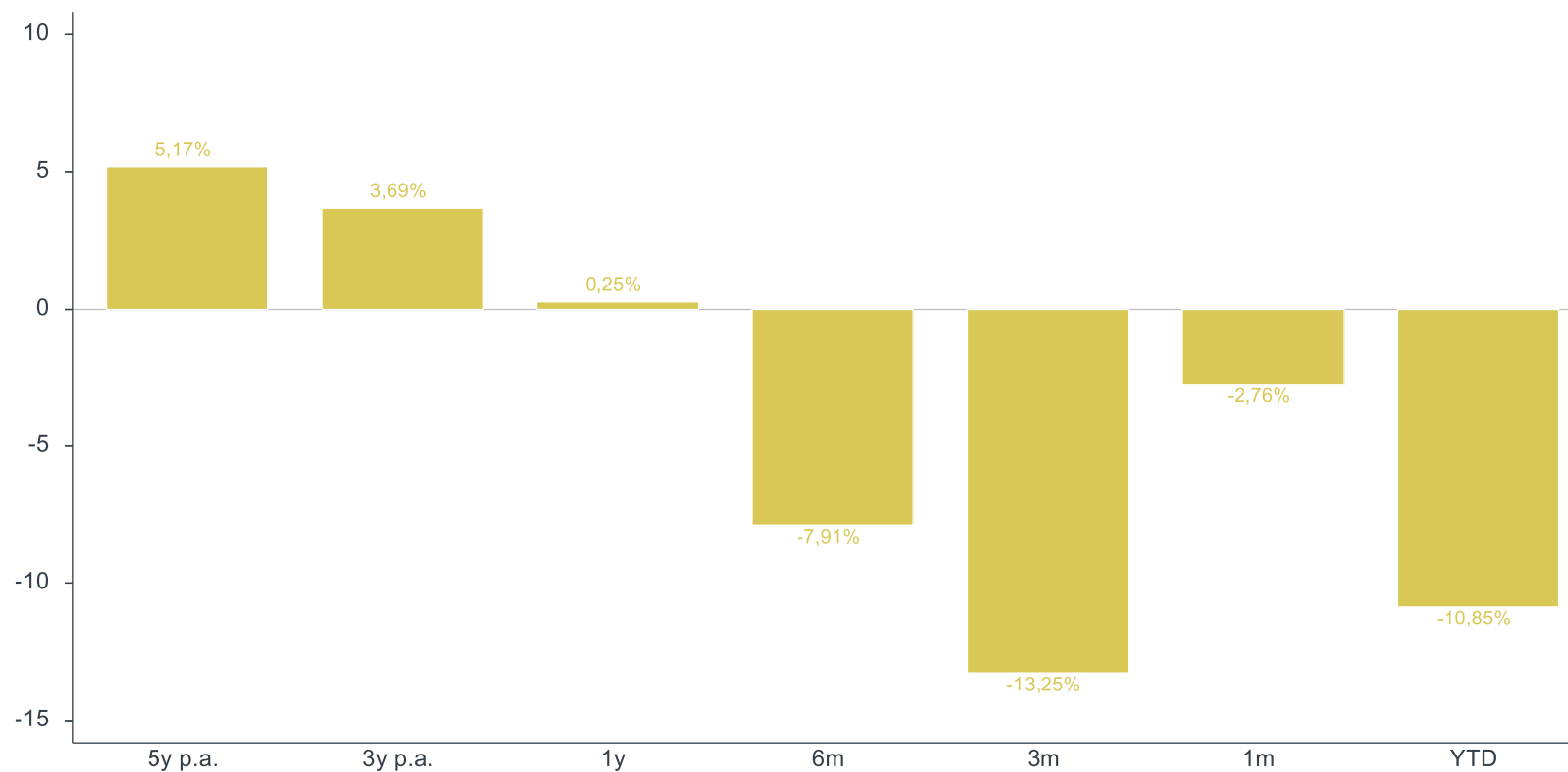
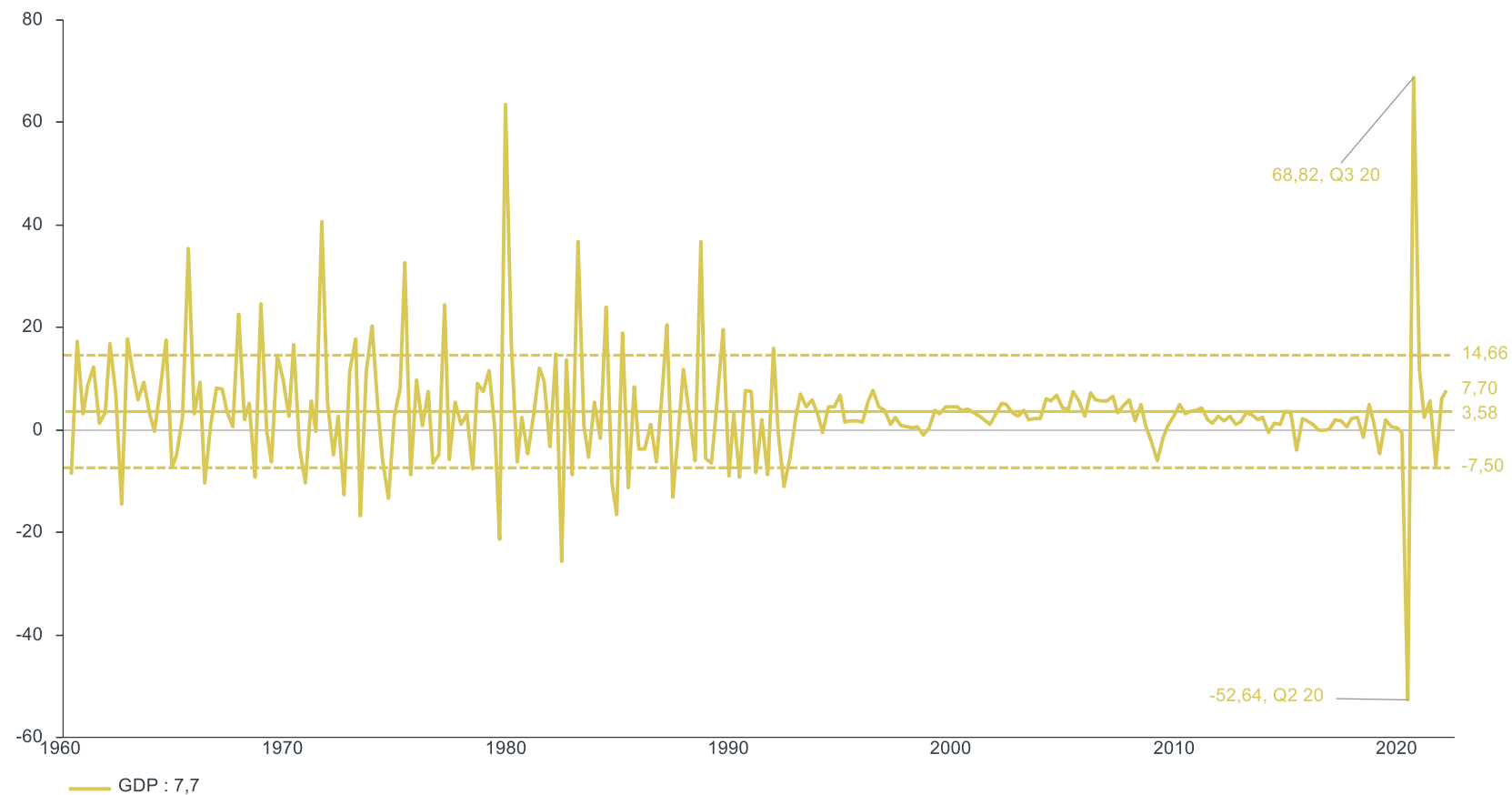Legend: JSE ALSI

Source: Refinitiv Datastream

KNOWLEDGE INTO WEALTH

SA LISTED PROPERTY INDEX DY

DY = Dividend Yield

21,99, 2020-03-23

10,45

9,45

7,45

4,46

4,7, 2021-08-31

—— SA Listed Property Index DY : 9,45

Source: Refinitiv Datastream

GDP

GDP : 7,7

Source: Refinitiv Datastream

KNOWLEDGE INTO WEALTH
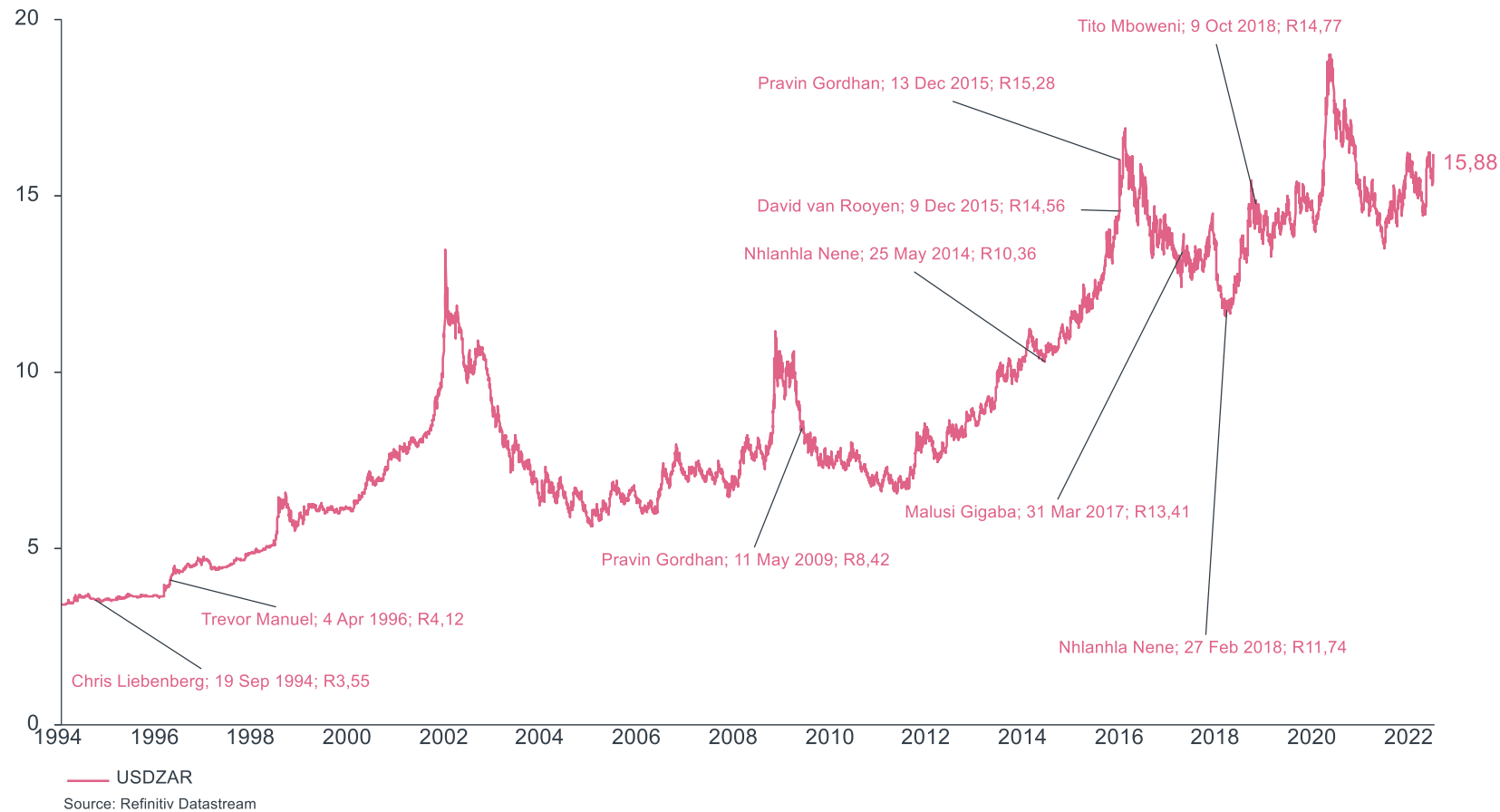
With Tito Mboweni's appointment as Finance Minister on the 9th of October, South Africa has the unenviable track record of having had 5 Finance Ministers in the last three years.
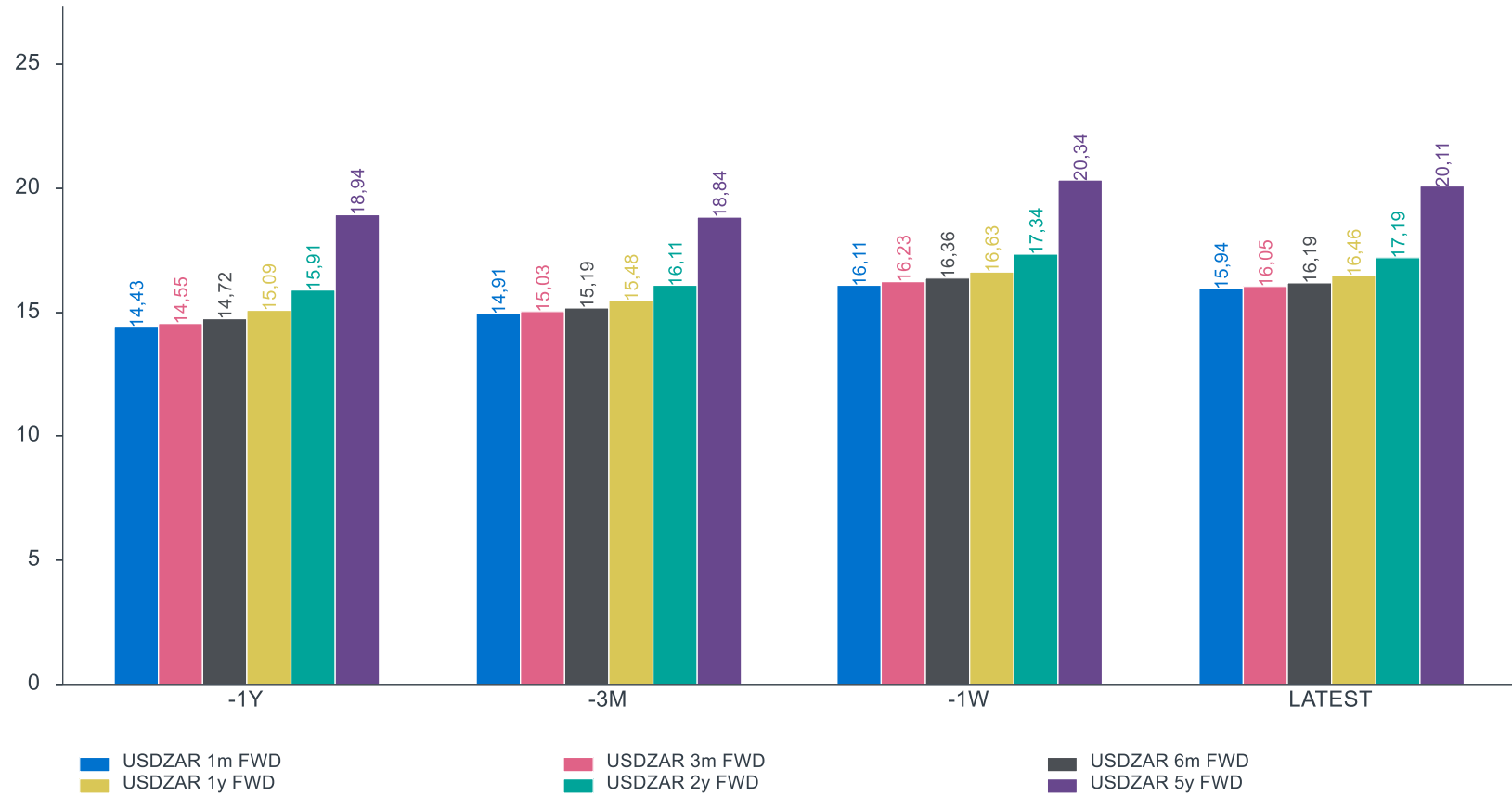
This chart picks out the date of appointment of each successive Finance Minister together with the rand-dollar exchange rate at the time of appointment going back to the appointment of Chris Liebenberg by Nelson Mandela's Government of National Unity.

Source: Refinitiv Datastream

ZAR LAST YEAR, REBASED TO 100

USDZAR - 110,98
EURZAR - 103,89
GBPZAR - 107,61
AUDZAR - 111,13

Source: Refinitiv Datastream

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USDZAR FORWARD

Source: Refinitiv Datastream

Legend:
- USDZAR 1m FWD
- USDZAR 3m FWD
- USDZAR 6m FWD
- USDZAR 1y FWD
- USDZAR 2y FWD
- USDZAR 5y FWD

EMERGING MARKETS

EM CREDIT DEFAULT SWAPS

x 1 000

- South Africa Senior 5Y USD : 279,09
- Brazil Senior 5Y USD : 283,28
- Russia Senior 5Y USD : 12 840
- Turkey Senior 5Y USD : 804,32

Source: Refinitiv Datastream
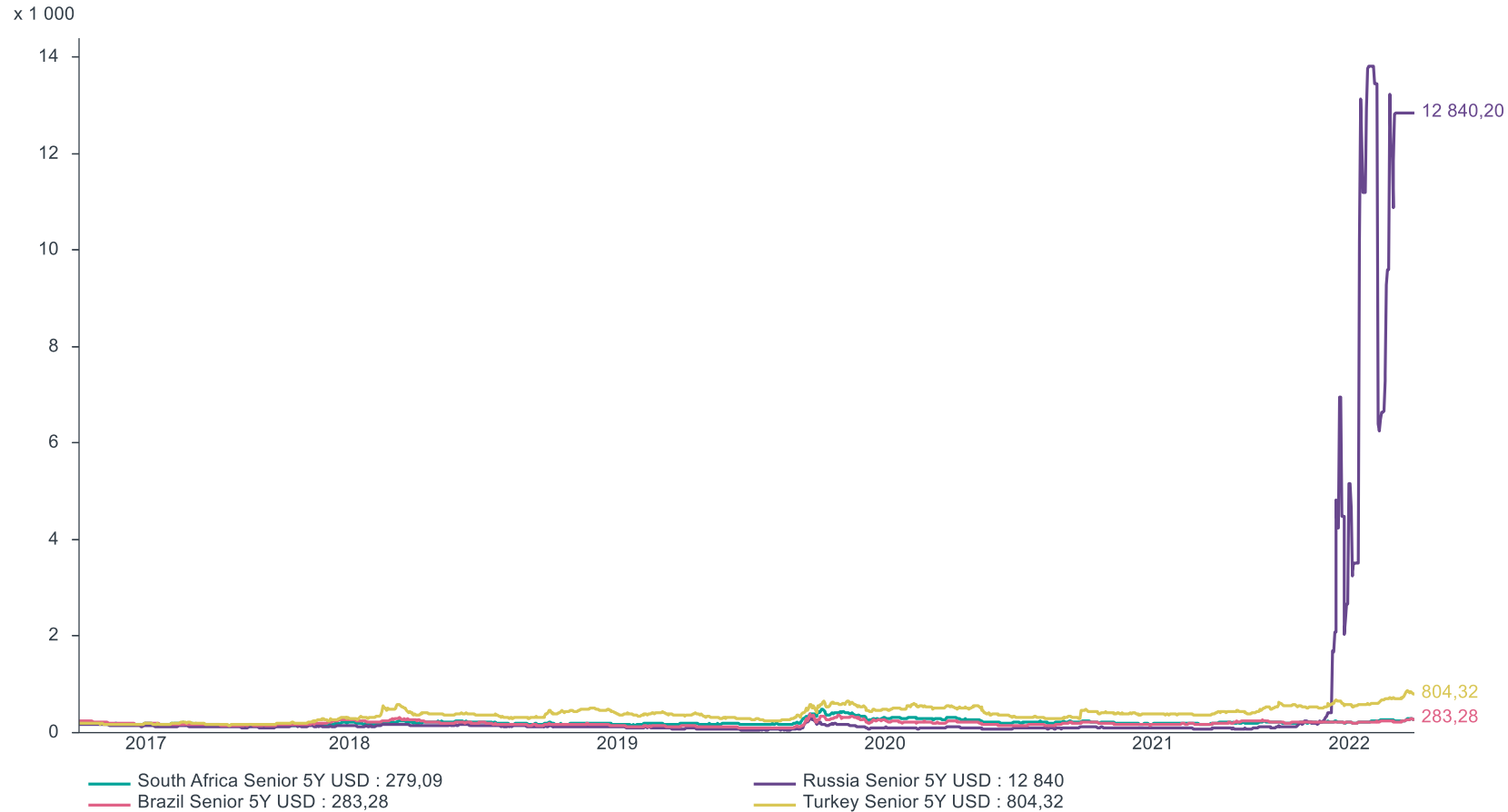
EM = Emerging Markets

This graph shows credit default swap spreads, as measured by 5 year spreads on USD denominated sovereign debt.

Listed CDS spread is the premium paid by the buyer to the seller of the CDS. This varies from conventional understanding of yield spreads i.e. over US treasury yield.

What's important to note in this graph is than the market has priced South African 5Y USD denominated debt at a level considered more risky than both Brazil and Russia (both junk at S&P; Russia junk at Moody's).
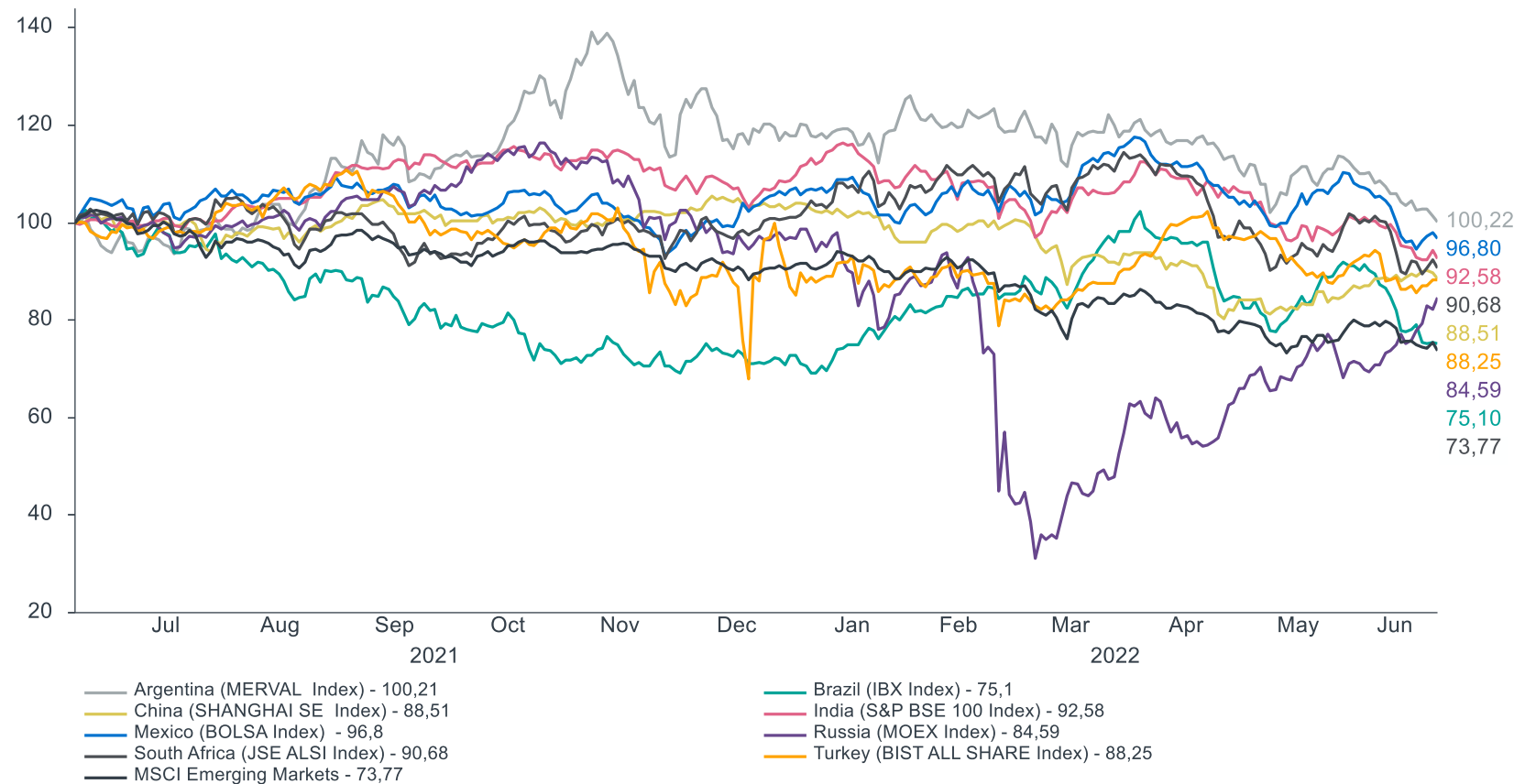
Note:
The default event typically used for EM debt is CR (Credit Restructuring) which triggers an event when a debt obligation is restructured – i.e. interest payments reduced; principal reduced; maturity extended; becoming subordinated to another obligation or having its currency changed.
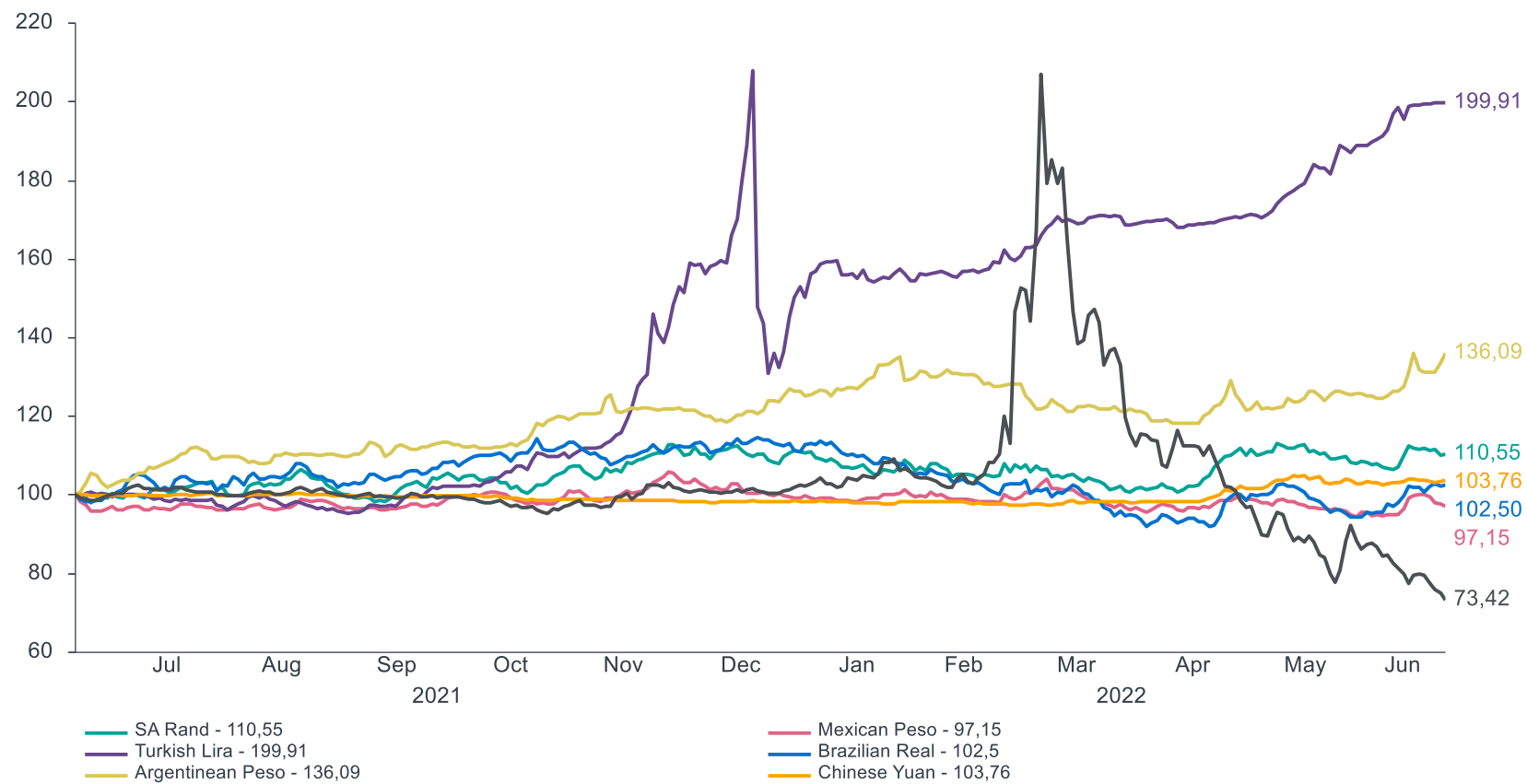
EM RELATIVE, LAST YEAR (USD)

EM = Emerging Markets

100,22
96,80
92,58
90,68
88,51
88,25
84,59
75,10
73,77

Argentina (MERVAL Index) - 100,21
China (SHANGHAI SE Index) - 88,51
Mexico (BOLSA Index) - 96,8
South Africa (JSE ALSI Index) - 90,68
MSCI Emerging Markets - 73,77

Brazil (IBX Index) - 75,1
India (S&P BSE 100 Index) - 92,58
Russia (MOEX Index) - 84,59
Turkey (BIST ALL SHARE Index) - 88,25

Source: Refinitiv Datastream

KNOWLEDGE INTO WEALTH

USD V EMERGING MARKETS, REBASED TO 100

Legend:
- SA Rand - 110,55
- Turkish Lira - 199,91
- Argentinean Peso - 136,09
- Russian Rouble - 73,42
- Mexican Peso - 97,15
- Brazilian Real - 102,5
- Chinese Yuan - 103,76

Source: Refinitiv Datastream

KNOWLEDGE INTO **WEALTH**

DEVELOPED MARKETS

DEVELOPED MARKETS POLICY RATES

Source: Refinitiv Datastream

Legend: EURO REPO RATE, JAPAN REPO RATE, UK REPO RATE, US REPO RATE

KNOWLEDGE INTO WEALTH
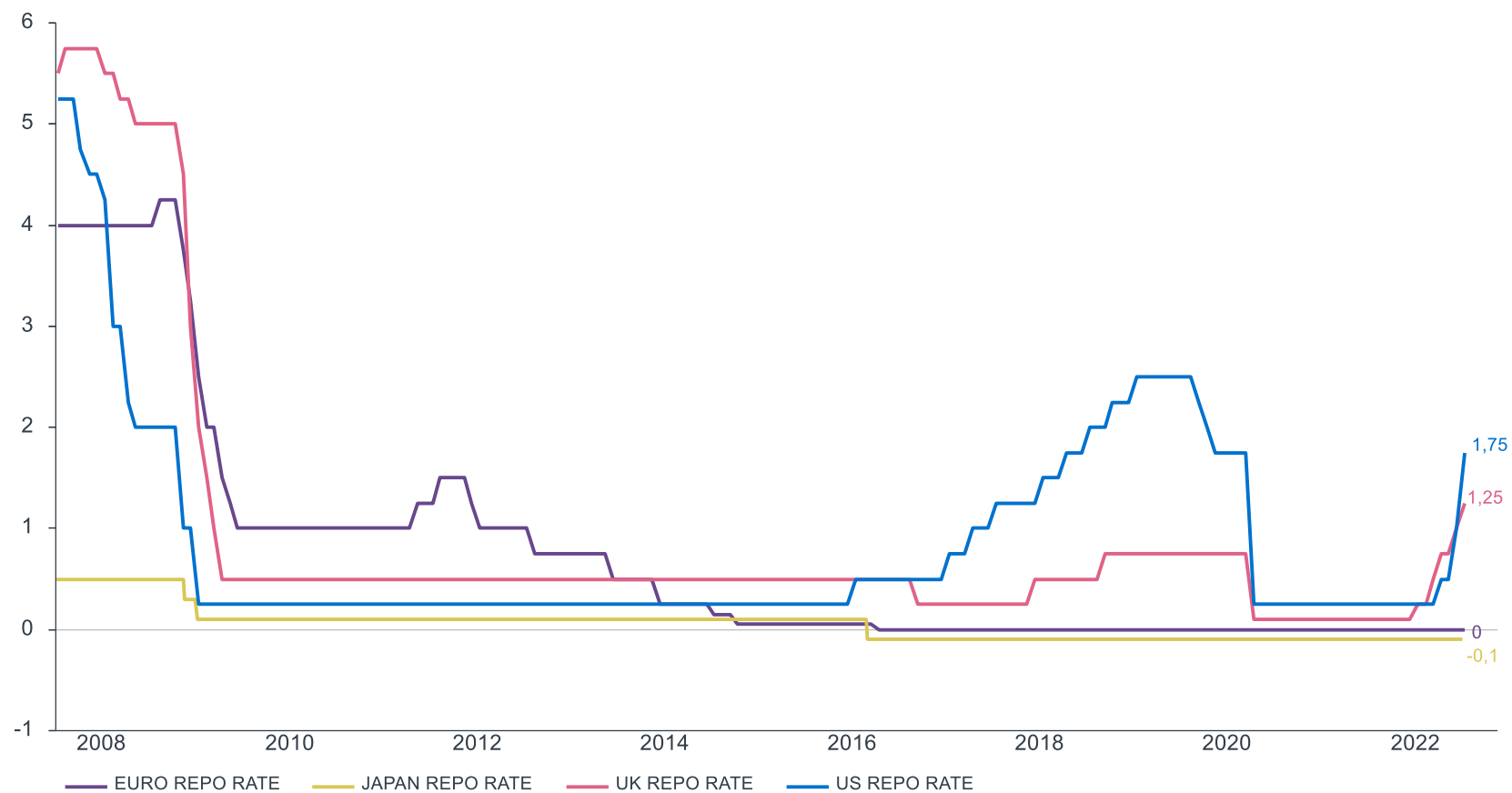
DEVELOPED MARKETS YIELD CURVES

Source: Refinitiv Datastream

KNOWLEDGE INTO **WEALTH**
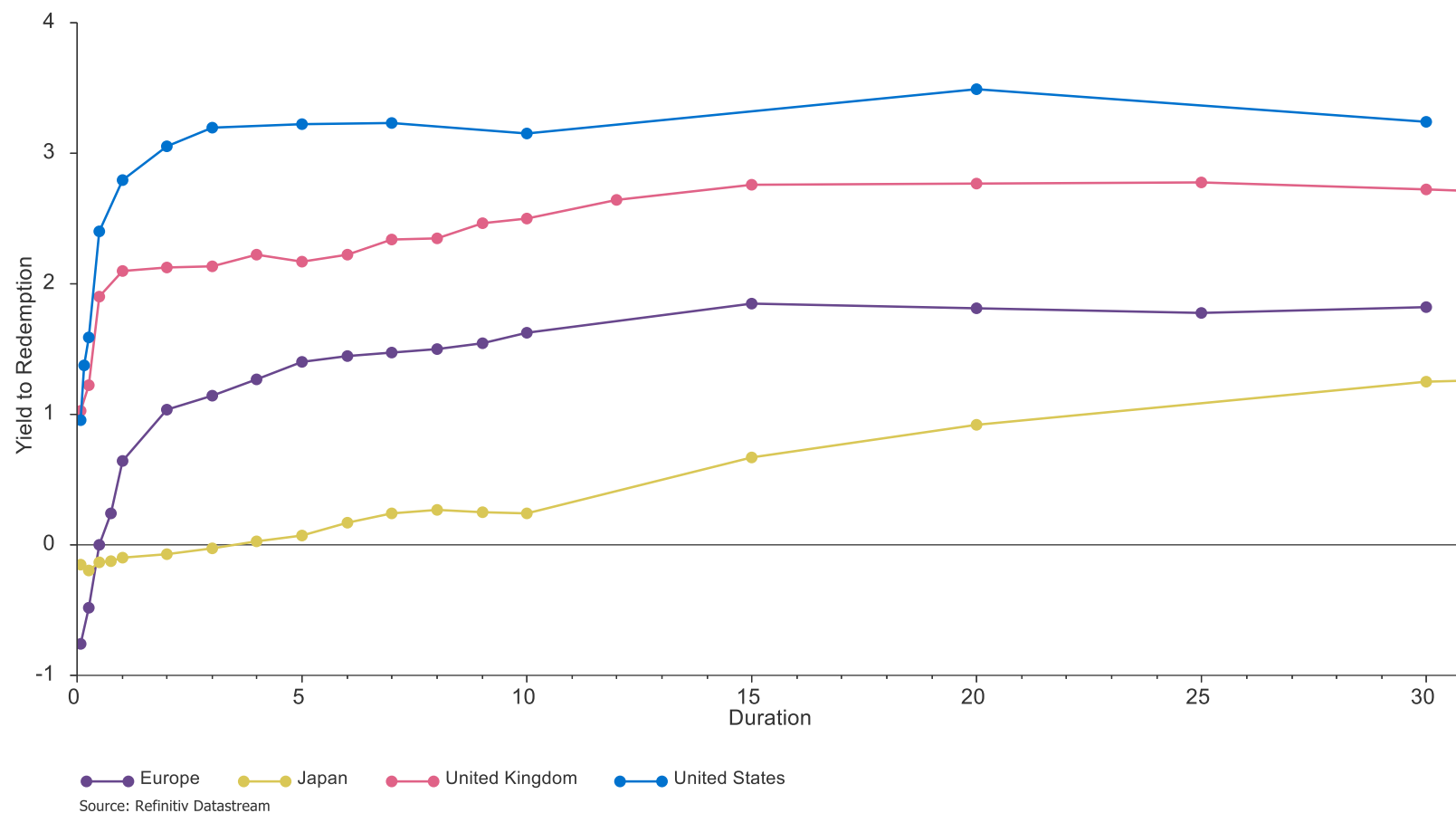
GLOBAL MARKETS YIELD

	3M	6M	1Y	3Y	5Y	10Y	20Y	30Y	50Y
SWITZERLAND	-0.220	-0.050	0.650	0.697	0.950	1.374	1.550	1.529	-0.019
EU	-0.485	0.004	0.639	1.140	1.400	1.624	1.816	1.824	0.402
GERMANY	-0.485	0.014	0.639	1.140	1.400	1.624	0.000	1.824	0.000
JAPAN	-0.195	-0.130	-0.095	-0.025	0.069	0.238	0.921	1.250	0.000
UK	1.222	0.000	2.101	2.131	2.167	2.497	2.769	2.726	2.544
USA	1.593	0.000	2.794	3.196	3.227	3.156	3.492	3.242	0.000
AUSTRALIA	2.020	2.750	2.555	3.574	3.759	4.005	4.198	4.148	0.000
CHINA	3.640	3.550	1.970	2.381	2.588	2.780	3.402	3.274	0.000
INDIA	5.170	5.785	6.265	6.902	7.221	7.396	0.000	7.715	0.000
RUSSIA	22.310	23.420	8.960	8.840	8.970	8.920	8.930	0.000	0.000
SOUTH AFRICA	5.290	6.000	6.780	7.065	8.585	10.135	11.245	11.225	0.000
BRAZIL	13.207	13.405	13.645	12.560	12.555	12.720	0.000	0.000	0.000

Sub 0%	0% - 2%	2% - 5%	5% +

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DEVELOPED MARKETS RELATIVE, LAST YEAR (USD)

Australia (S&P/ASX 200 Index) - 81,88
Hong Kong (HANG SENG Index) - 73,41
Singapore (STRAITS TIMES Index) - 96,59
United States (S&P 500 Index) - 88,54

Europe(EURO STOXX 50 Index) - 74,83
Japan (NIKKEI 225 Index) - 73,79
United Kingdom (FTSE 100 Index) - 88,44
MSCI World (DM Index) - 84,54

Source: Refinitiv Datastream

KNOWLEDGE INTO WEALTH
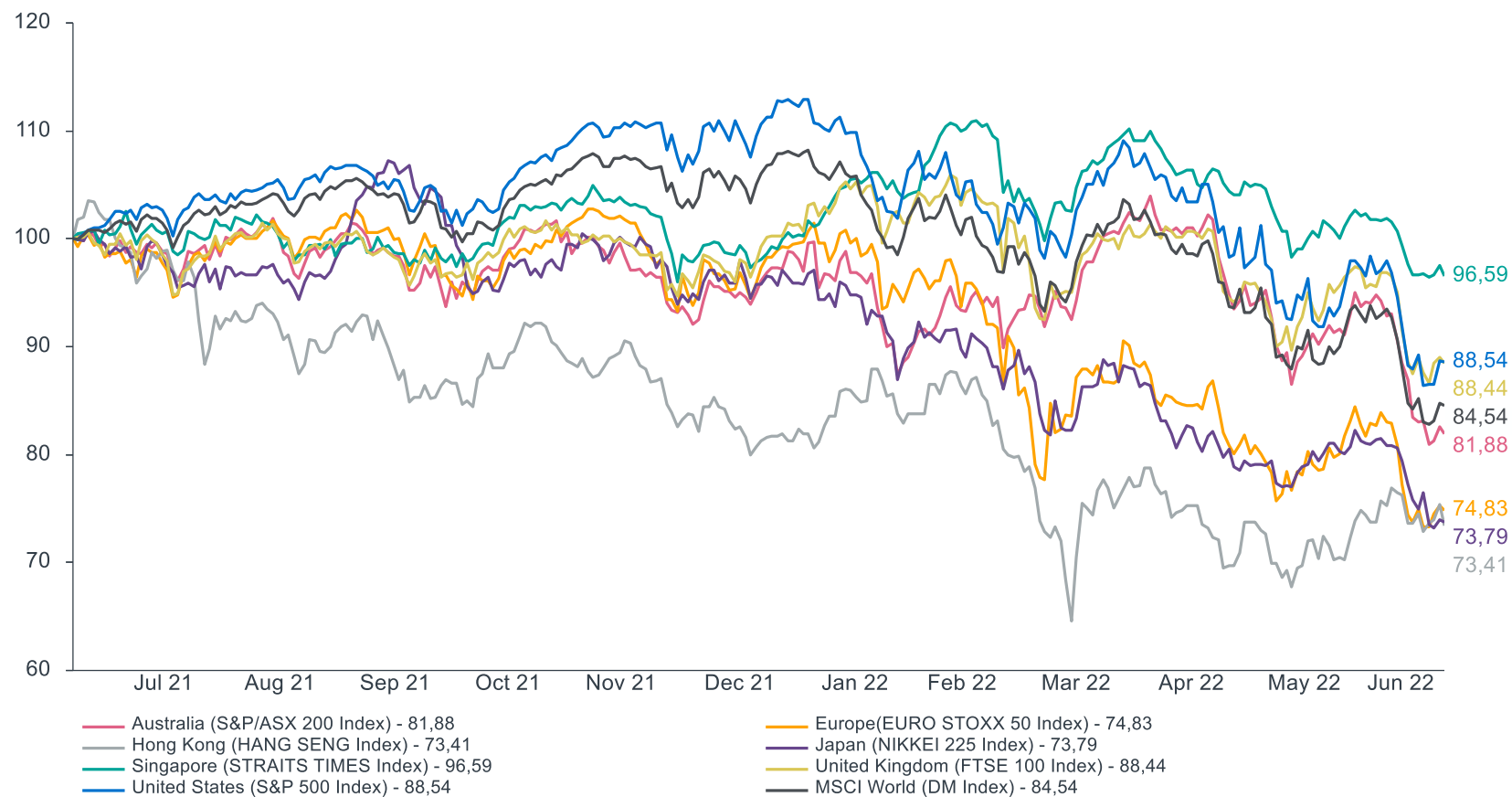
DEVELOPED MARKETS PE'S

PE = Price Earnings

Current PE
Historical Average PE

Source: Refinitiv Datastream

KNOWLEDGE INTO WEALTH
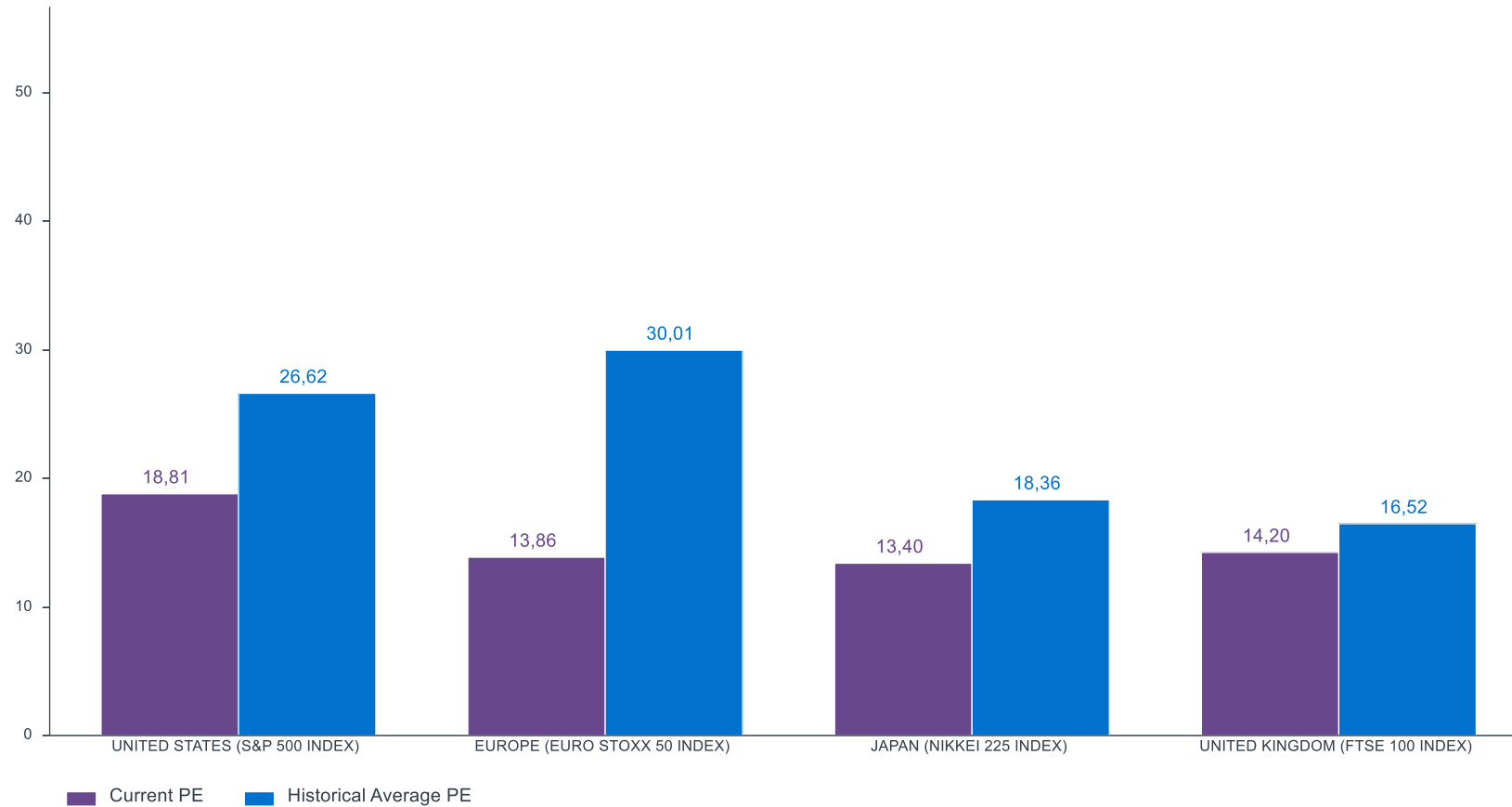
OTHER

OIL PRICE (USD), LAST YEAR
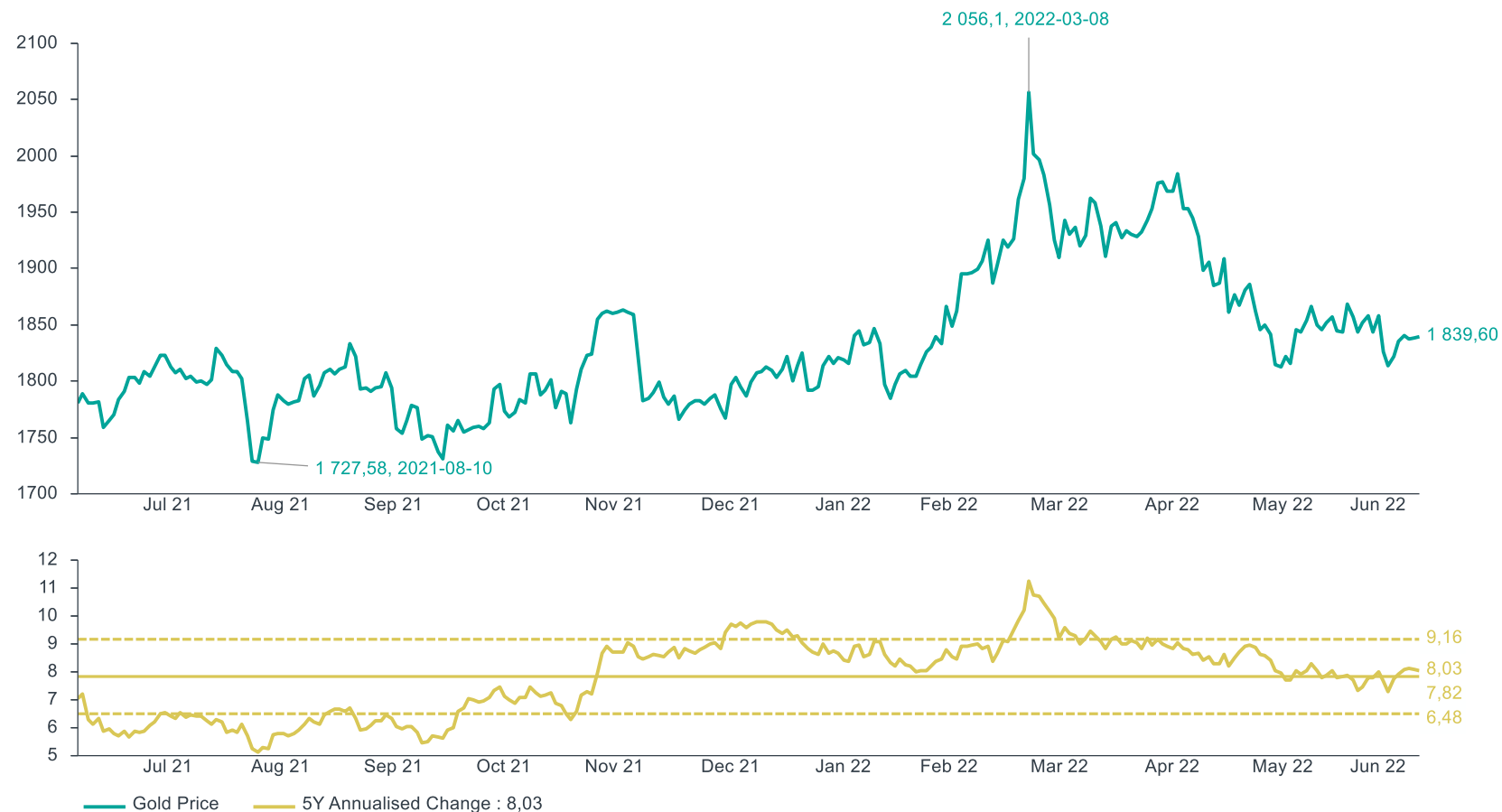
Brent : 111,72
OPEC Basket : 111
5Y PA West Texas Intermediate : 20,4

West Texas Intermediate : 107,69
5Y PA Brent : 19,55
5Y PA OPEC Basket : 21,14

Source: Refinitiv Datastream

KNOWLEDGE INTO **WEALTH**

GOLD PRICE (USD), LAST YEAR

Gold Price ——— 5Y Annualised Change : 8,03 ———

Source: Refinitiv Datastream

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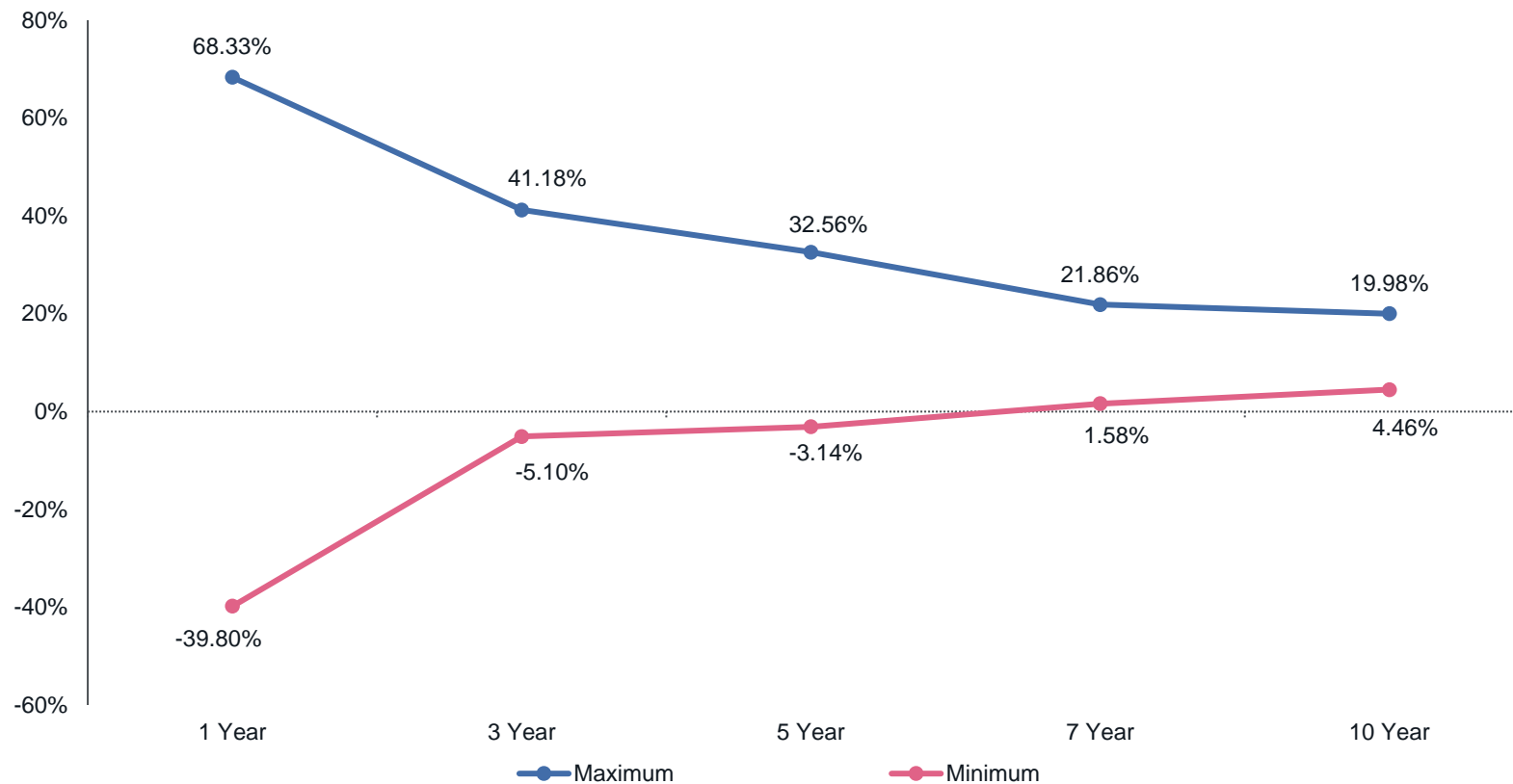
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