



# MONTHLY REPORT

Apr-2024

Monthly updates on relevant indices, asset classes, currencies and commodities as well as updated performance figures across our Fairtree investment offerings. This includes global summaries of the economic climate, political temperatures and headline news.



# Index Activity

Apr-2024

## LOCAL

JSE All Share	Local Equity Market
SWIX	Local Equity Market - Capped
SAPY	Property
ALBI	Bonds
STEFI	Cash

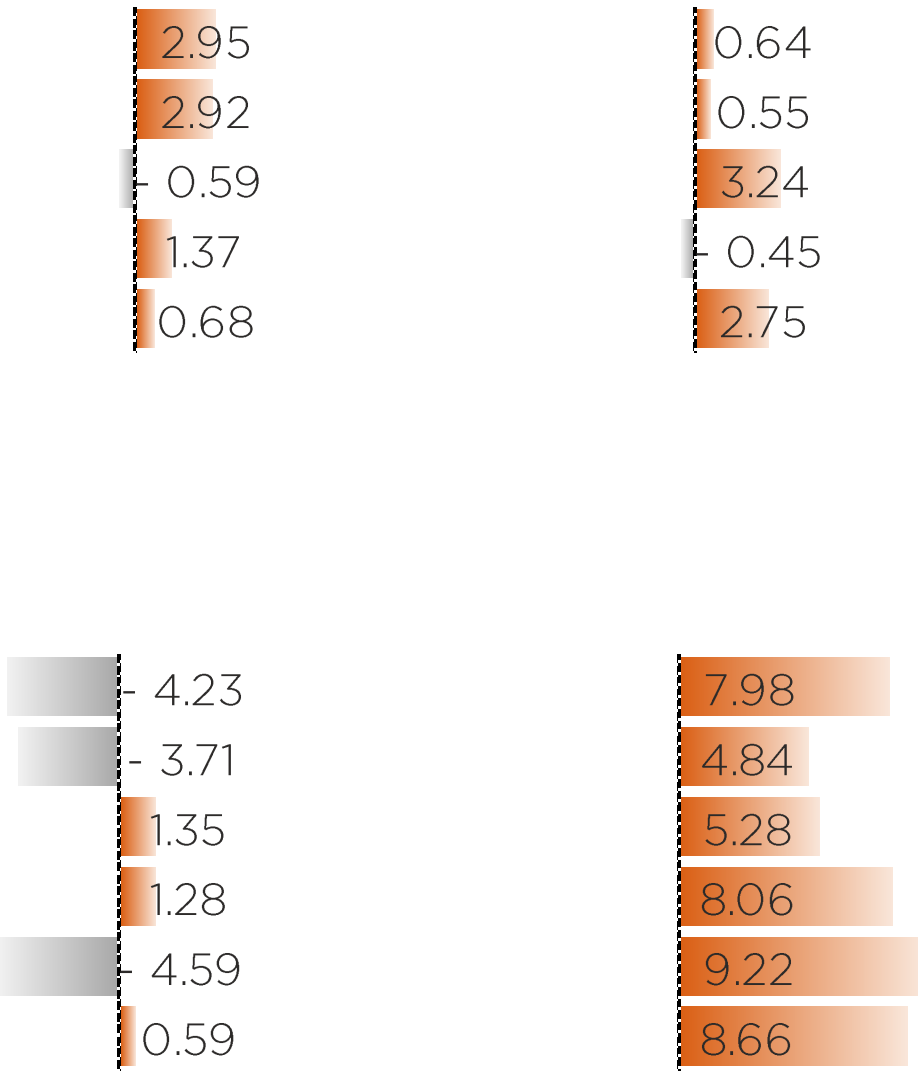
## GLOBAL

MSCI World (ZAR)	Equity Market
MSCI World (\$)	Equity Market
Shangai (ZAR)	China Index
FTSE 100 (ZAR)	Top 100 on London Stock Exchange
SP 500 (ZAR)	Top 500 US Companies
MSCI (EM - ZAR)	BRICS Countries

## PERFORMANCE

### MONTHLY

### YEARLY



All performance data is sourced from MorningStar. Past performances are not necessarily indicative of future performances.. These figures were pulled as of the first day of the next reporting month for the previous month end values. Figures may differ due to rounding discrepancies.

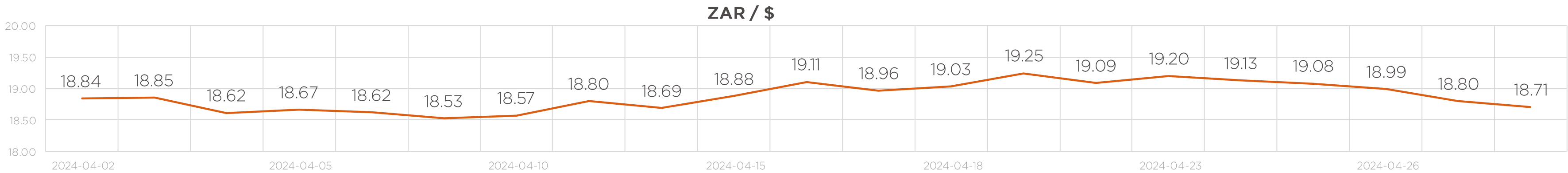
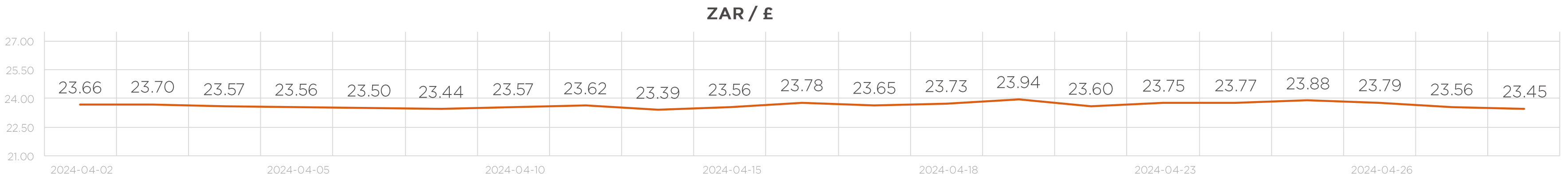
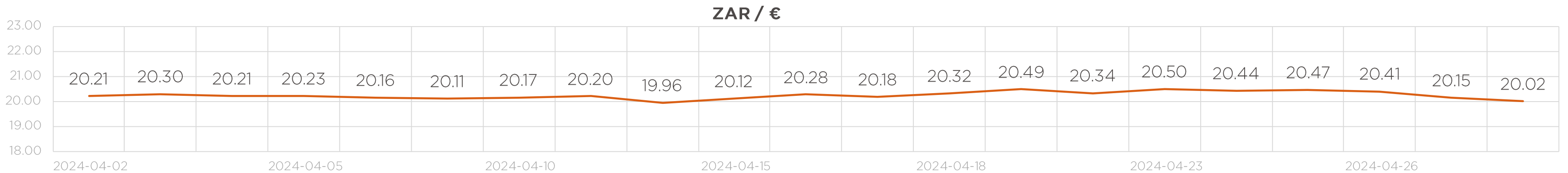
# Asset Class Returns

Apr-2024

1 MONTH		3 MONTH		YTD		1 YEAR		3 YEARS		5 YEARS		
BEST ↑  ↓ WORST	Industrial	1.58	Resources	11.72	Resources	4.67	Financial	12.00	Financial	16.19	Resources	12.34
	Resources	6.40	Equities	3.68	Industrial	2.23	Property	13.24	Property	8.77	Industrial	9.10
	Bonds	1.37	Industrial	3.48	Cash	2.75	Bonds	6.81	Industrial	9.15	Equities	9.41
	Equities	2.95	Cash	2.04	Property	2.97	Cash	8.46	Equities	8.81	Bonds	7.18
	Cash	0.68	Bonds	- 1.15	Equities	0.64	Industrial	1.82	Bonds	7.22	Cash	6.02
	Property	-0.48	Property	-1.39	Bonds	- 0.45	Equities	1.14	Cash	6.21	Financial	4.31
	Financial	2.67	Financial	-1.75	Financial	-4.60	Resources	-6.87	Resources	2.79	Property	-0.74

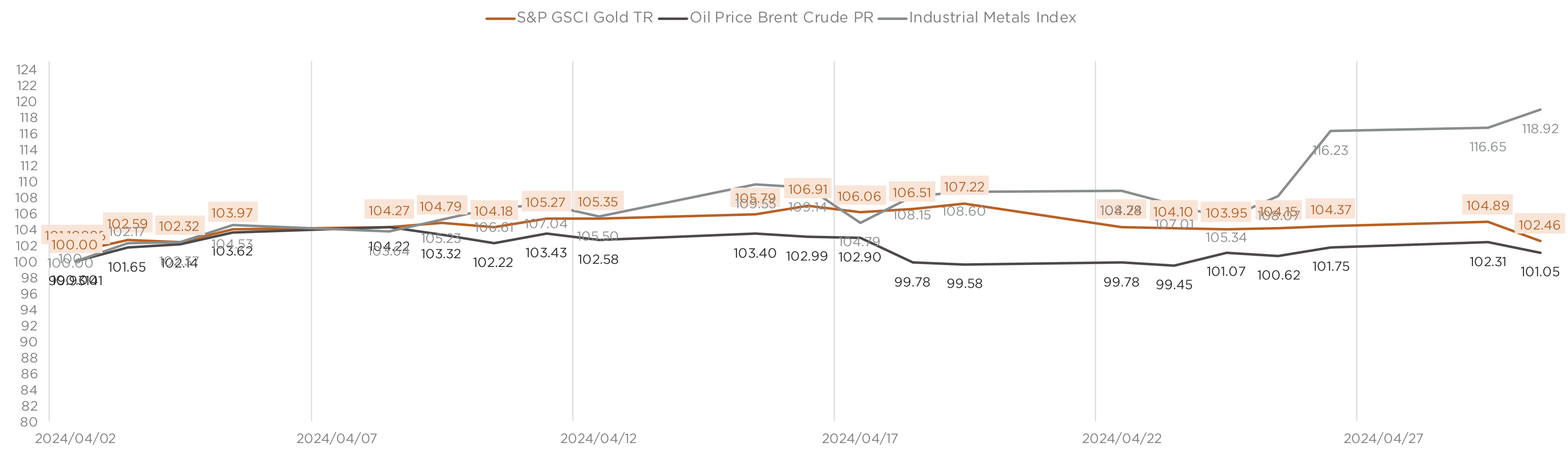
# Currency Comparisons

Apr-2024



# Commodity Tracker

Apr-2024



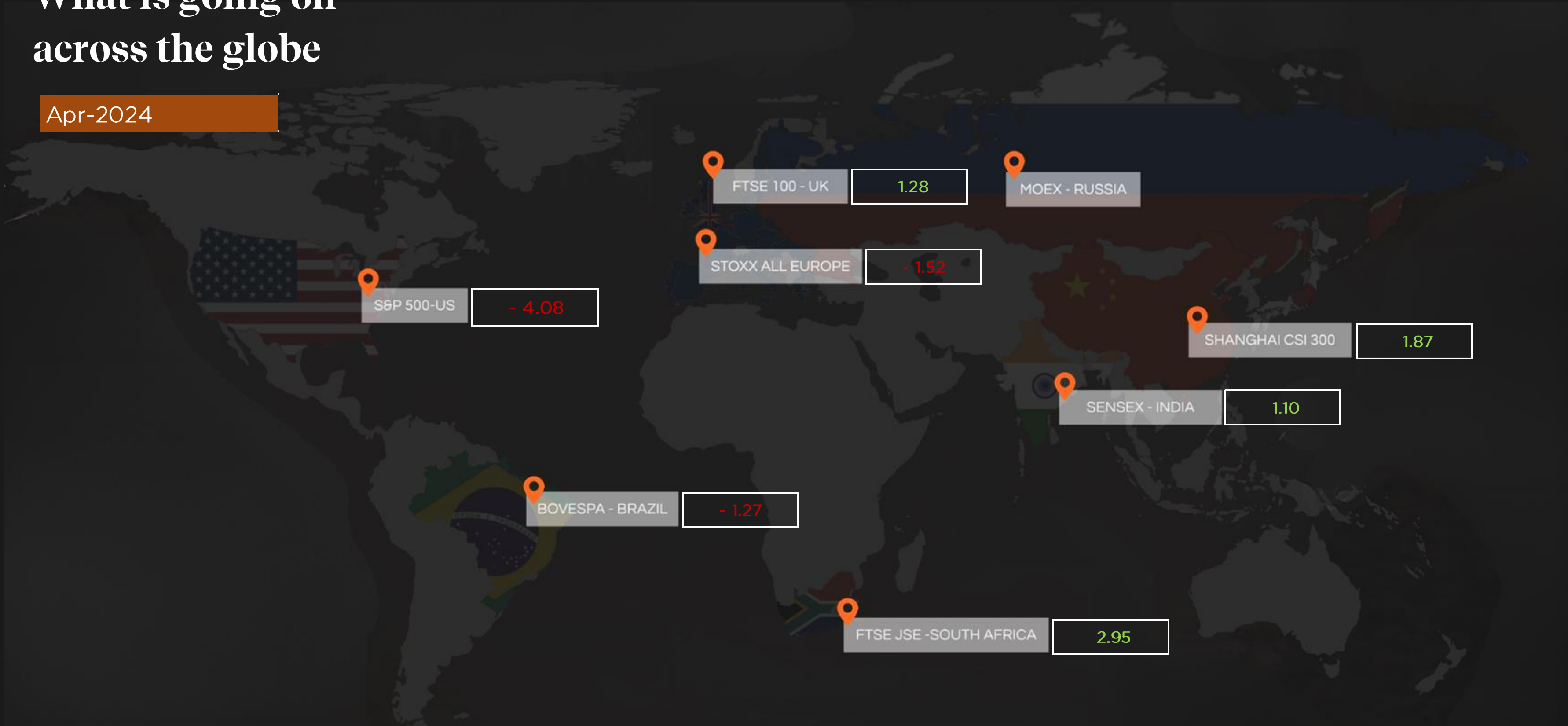
Global markets enjoyed higher prices in industrial metals and precious metals during April. The price of crude oil was unchanged during the past month, despite the ongoing tension in the Middle East.

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# What is going on across the globe

Apr-2024



\*\*\*Due to the ongoing war in Russia, data for Russian markets is not available.

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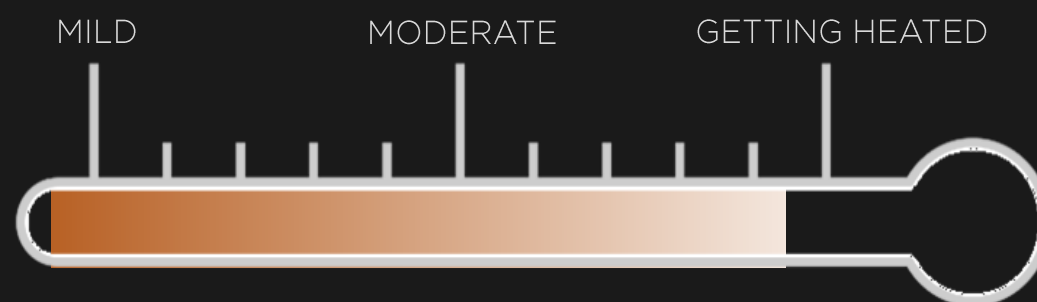
# What is going on across the globe

## GEO - ECONOMIC CLIMATE



Mostly Cloud/Part Sunny

## GEO - POLITICAL TEMPERATURE



## GLOBAL SUMMARY

US Financial conditions remain tight with increasing signs that growth may be slowing. Corporates are finding it harder to pass on higher prices to consumers adding pressure to profit margins. Valuations and earnings expectations remains elevated. Outside the US valuations seems fairer with emerging markets trading at attractive valuations. Local bond yields are attractive. Local core inflation remains contained but upside risks are high. Headline inflation has peaked, and we expect the SARB to cut rates later this year. The sovereign credit premium remains elevated. Global developed market bonds remain attractive given the outlook for softer growth.

# What is going on across the globe

SOUTH AFRICA

AMERICA

EUROPE

ASIA

## ECONOMIC CLIMATE



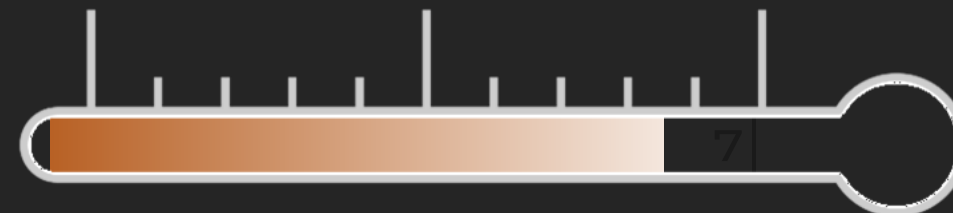
Chance of Rain

## POLITICAL TEMPERATURE

MILD

MODERATE

GETTING HEATED



## NEWS HEADLINES

- Asset prices were boosted during April due to reduced election-related risk.
- The South African Reserve Bank (SARB) is expected to follow suit with rate cuts.
- A likely outcome of the election would remain a government formed by the ANC and several smaller parties.



# What is going on across the globe



SOUTH AFRICA

AMERICA

EUROPE

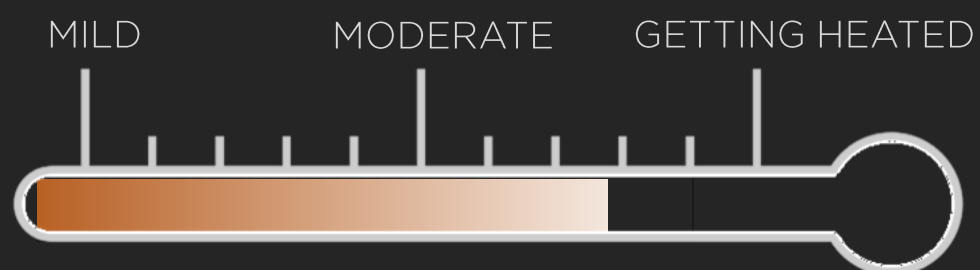
ASIA

## ECONOMIC CLIMATE



Mostly Sun/Part Cloudy

## POLITICAL TEMPERATURE



## NEWS HEADLINES

- Economic data from the US seems to be weakening faster than expected.
- An interest rate cut in June appears to be unlikely.
- The data remains strong enough to support the idea of a soft-landing.

# What is going on across the globe

SOUTH AFRICA

AMERICA

EUROPE

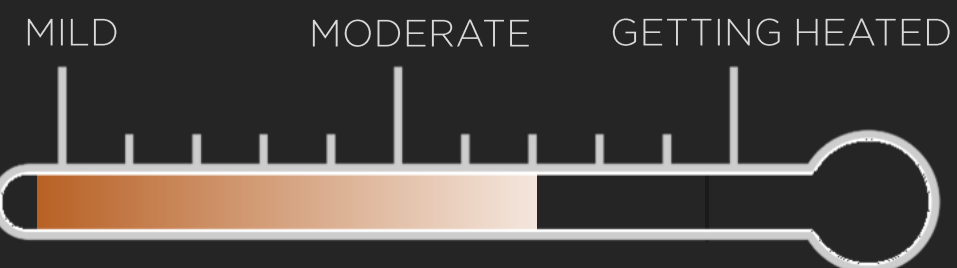
ASIA

## ECONOMIC CLIMATE



Foggy/ Hazy

## POLITICAL TEMPERATURE



## NEWS HEADLINES

- Signs of improvement in the European economy may cause differing expectations in policy rates.
- The Eurozone economy grew in the first quarter of 2024 by 0.3%.
- A flash estimate indicated that Eurozone inflation should be around 2.4% for April.

# What is going on across the globe

SOUTH AFRICA

AMERICA

EUROPE

ASIA

## ECONOMIC CLIMATE



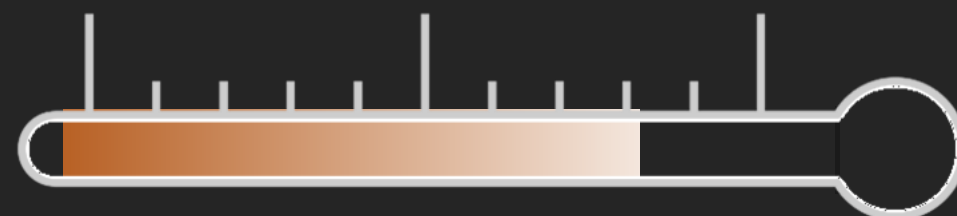
Chance of Rain

## POLITICAL TEMPERATURE

MILD

MODERATE

GETTING HEATED



## NEWS HEADLINES

- The Chinese economy saw an overall improvement on data.
- Trade policies from the Chinese economy came under heavy observation.
- The property sector in China has yet to show any significant turnaround.



# Market Commentary

## SOUTH AFRICA

Asset prices were boosted during April due to reduced election-related risk. This after recent polls indicated a likely outcome of the election would remain a government formed by the African National Congress (ANC) and several smaller parties. The South African Reserve Bank (SARB) is expected to follow suit with rate cuts as local inflation risks remain manageable. Although the SARB's push for a lower inflation target implies higher policy rates initially, they may decrease as inflation expectations align with the new target.

## AMERICA

Economic data from the US seems to be weakening faster than expected, specifically in the labour market and services sector. The data remains strong enough to support the idea of a soft-landing in the US economy. Jerome Powell indicated at the latest Federal Open Market Committee (FOMC) that the Fed's next move is unlikely to be an interest rate increase. An interest rate cut in June is appears to be unlikely and the number of cuts in 2024 has also been revised down from six to just one or two.

## EUROPE

Although economic data in the US is slowing down, signs of improvement in the European economy may cause differing expectations in policy rates between Europe and the US. A flash estimate by Eurostat indicated that Eurozone inflation should be around 2.4% for April. This number is stable compared to March and may lead to an interest rate cut by the European Central Bank (ECB) in June. The Eurozone economy grew in the first quarter of 2024 by 0.3% quarter-on-quarter, after a decline in the fourth quarter of 2023.

## ASIA

The Chinese economy saw an overall improvement on data due to continued policy support from authorities. Trade policies from the Chinese economy came under heavy observation in the past month. This after the United States and several European Union countries accused Chinese producers of dumping its goods in global markets due to industrial overcapacity. The property sector in China has yet to show any significant turnaround during the first few months of the year, as many of the pre-sold apartments are still under construction.





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