



MONTHLY REPORT

July 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

July 2024

LOCAL

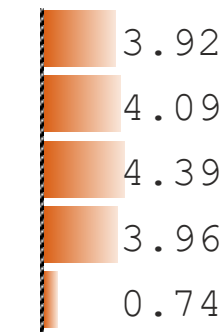
JSE All Share	Local Equity Market
SWIX	Local Equity Market - Capped
SAPY	Property
ALBI	Bonds
STEFI	Cash

GLOBAL

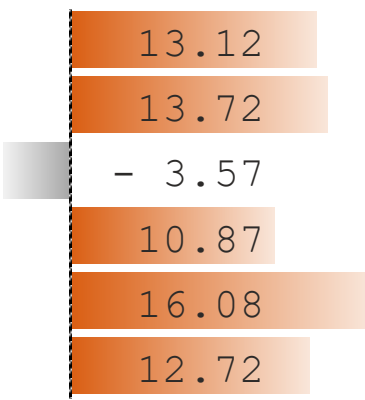
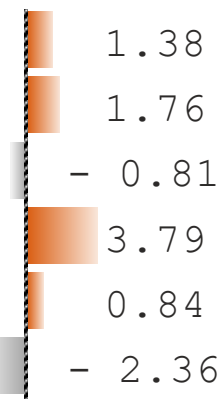
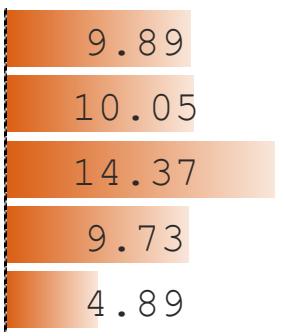
MSCI World (ZAR)	Equity Market
MSCI World (\$)	Equity Market
Shangai (ZAR)	China Index
FTSE 100 (ZAR)	Top 100 on London Stock Exchange
SP 500 (ZAR)	Top 500 US Companies
MSCI (EM - ZAR)	BRICS Countries

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

July 2024

	1 MONTH		3 MONTH		YTD		1 YEAR		3 YEARS		5 YEARS	
BEST ↑ ↓ WORST	Financial	5.15	Financial	19.89	Property	14.33	Property	28.54	Financial	21.50	Resources	13.16
	Property	4.54	Equities	9.20	Financial	14.38	Financial	21.29	Property	12.89	Equities	11.95
	Bonds	3.96	Bonds	10.22	Industrial	8.04	Bonds	15.58	Equities	10.86	Industrial	10.59
	Equities	3.92	Property	11.04	Equities	9.89	Equities	9.04	Industrial	10.12	Bonds	8.82
	Industrial	2.04	Industrial	5.68	Bonds	9.73	Cash	8.56	Bonds	8.72	Financial	9.87
	Cash	0.74	Resources	2.76	Cash	4.89	Industrial	4.55	Cash	6.61	Cash	6.07
	Resources	5.53	Cash	2.08	Resources	7.56	Resources	2.72	Resources	2.65	Property	2.01

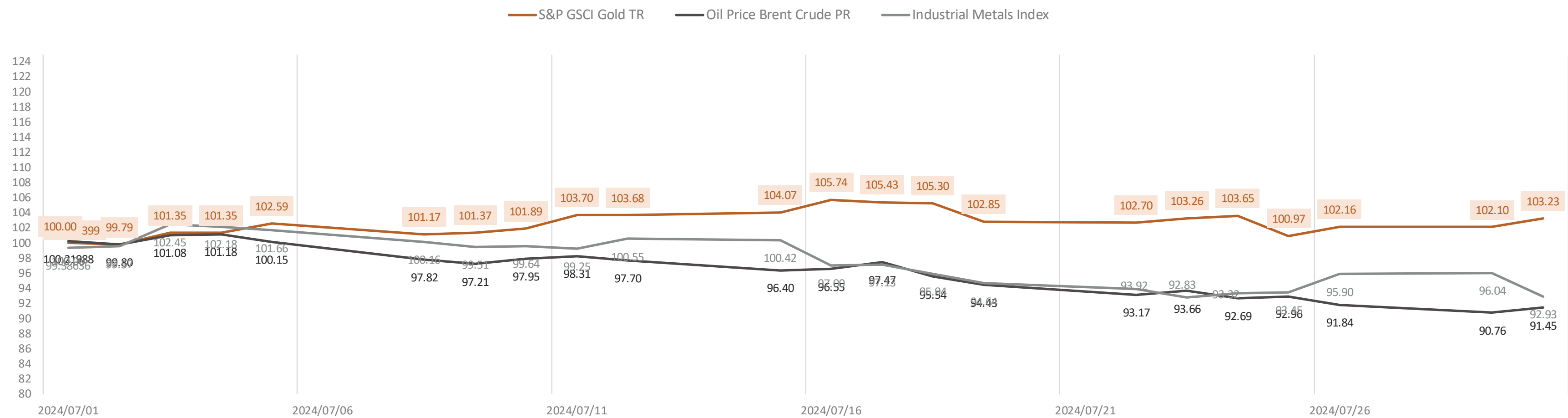
Currency Comparisons

July 2024



Commodity Tracker

July 2024



During the month of July, growth-sensitive commodities like copper, iron ore and oil came under pressure. Gold remains supported by decreasing real rates, geopolitical risks and increased demand from reserve managers. .

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What is going on across the globe

July 2024



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

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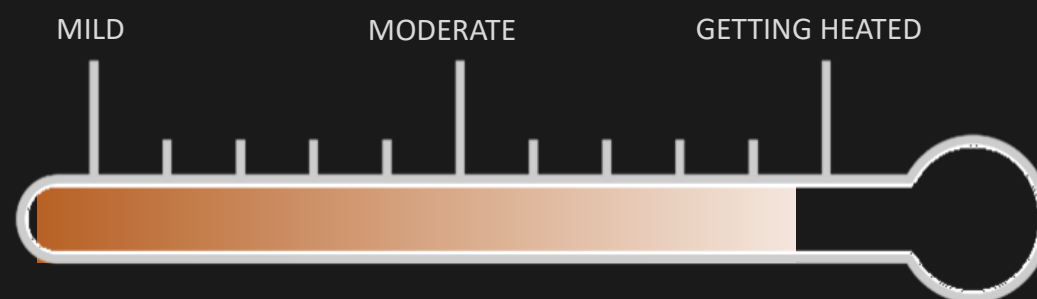
What is going on across the globe

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 remain elevated. Outside the US valuations seem 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 has compressed but remains high. Global developed market bonds remain attractive, given the outlook for softer growth

What is going on across the globe

SOUTH AFRICA

AMERICA

EUROPE

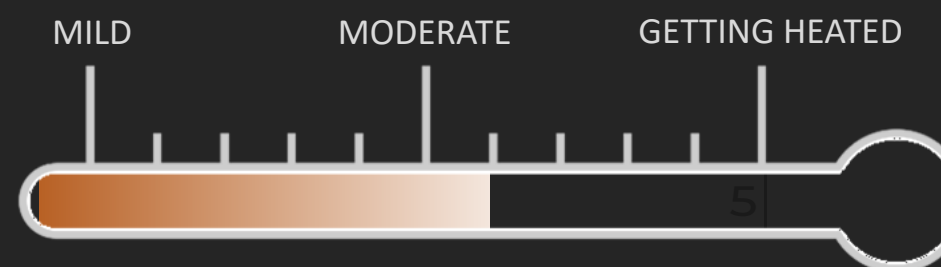
ASIA

ECONOMIC CLIMATE



Foggy/ Hazy

POLITICAL TEMPERATURE



NEWS HEADLINES

- South African assets outperformed during July.
- Foreign investor flows are increasing.
- The SARB may start cutting interest rates in September.

What is going on across the globe



SOUTH AFRICA

AMERICA

EUROPE

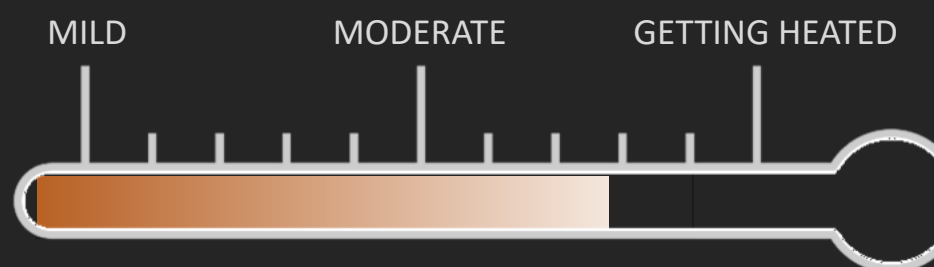
ASIA

ECONOMIC CLIMATE



Mostly Sun/Part Cloudy

POLITICAL TEMPERATURE



NEWS HEADLINES

- The volatility in the US market is currently being driven by politics and the Fed.
- Labour markets weakened during July.
- Top performing sectors in July included real estate, utilities and financials.

What is going on across the globe

SOUTH AFRICA

AMERICA

EUROPE

ASIA

ECONOMIC CLIMATE



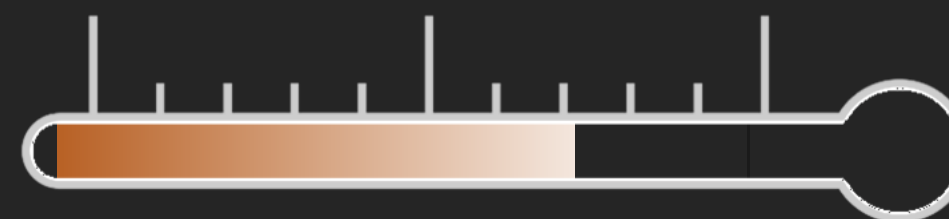
Foggy/ Hazy

POLITICAL TEMPERATURE

MILD

MODERATE

GETTING HEATED



NEWS HEADLINES

- Economic data from the Eurozone indicated that GDP grew.
- The ECB kept interest rates on hold during their previous meeting.
- Annual CPI remained at 2.5% for the UK during June.

What is going on across the globe

SOUTH AFRICA

AMERICA

EUROPE

ASIA

ECONOMIC CLIMATE



Foggy/ Hazy

POLITICAL TEMPERATURE

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NEWS HEADLINES

- Japanese markets experienced significant volatility during July.
- Volatility was likely caused by speculative activity.
- Chinese equity markets underperformed during July.

Market Commentary

- SOUTH AFRICA
- AMERICA

South African assets outperformed during July, benefitting from a post-election re-rating in retail and financial stocks, as well as a reduced risk premium in bonds. Another factor that contributed to South African markets is the ongoing strength of the gold price. Foreign investor flows are increasing, with growth expectations improving due to markets anticipating that the South African Reserve Bank (SARB) may start cutting interest rates in September. The rand continues to outperform other emerging market currencies.

The volatility in the US market is currently being driven by politics and the action of the Federal Reserve (the Fed). US cyclical and value stocks rallied on the back of increased odds that Trump may win the elections, but this was later reversed when Kamala Harris joined the race for the presidency. Labour markets weakened during July, increasing fears of a recession in the US economy. Markets believe that the Fed will need to start cutting interest, possibly starting in September. This is mainly due to the slowdown in the labour market. Top performing sectors in the US economy for July included real estate, utilities, and financials.

- EUROPE
- ASIA

Economic data from the Eurozone indicated that GDP grew by 0.3% quarter-on-quarter during the second quarter of 2024. The European Central Bank (ECB) kept interest rates on hold during their previous meeting, after annual inflation was estimated at 2.6% for July, up from 2.5% during June. The ECB governor indicated that a possible interest rate cut is certainly on the table during their meeting in September. UK annual consumer prices index (CPI) remained at 2.5% during June, increasing the expectation that the UK interest rates may be cut.

The Japanese equity market reached historical high early in July, after which the market contracted sharply. Along with the equity market, the yen experienced significant volatility during the month. This volatility was likely caused by the unwinding of Japanese Yen- funded carry trades. Chinese markets underperformed during July. This is after the People’s Bank of China (PBOC) cut benchmark rates and no clear sign of recovery within the property sector and consumer demand.



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