

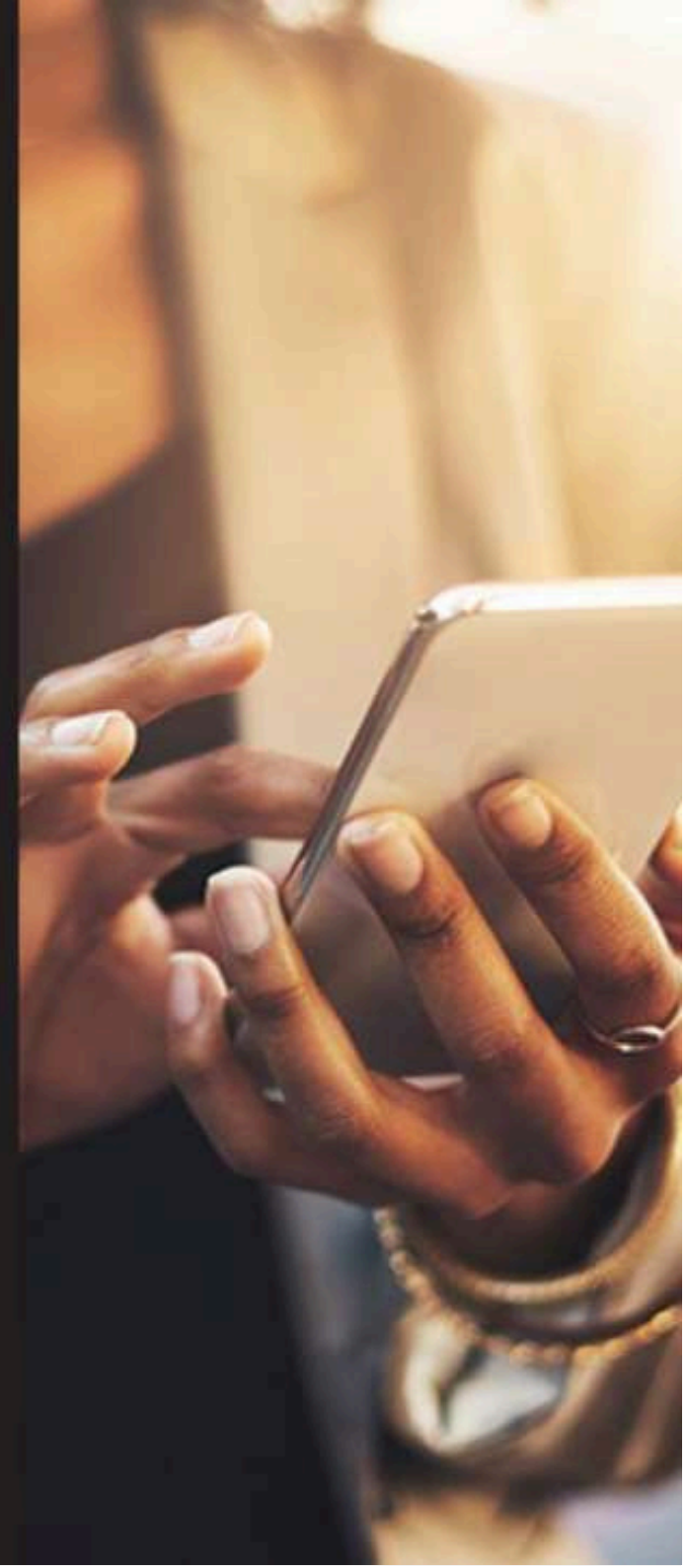


FAIRTREE

Monthly Report

August 2022

2022/08/31





Index Activity

2022/08/31

LOCAL

JSE All Share	<i>Local Equity Market</i>
SWIX	<i>Local Equity Market - Capped</i>
SAPY	<i>Property</i>
ALBI	<i>Bonds</i>
STEFI	<i>Cash</i>

PERFORMANCE

MONTHLY	YTD
---------	-----

- 1.84	- 6.18
- 1.33	- 3.25
- 5.41	- 10.14
0.31	0.78
0.45	3.10

GLOBAL

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

PERFORMANCE

MONTHLY	YTD
---------	-----

- 1.97	- 12.19
- 4.18	- 17.78
- 1.59	- 13.14
- 3.20	- 6.80
- 1.86	- 10.45
2.51	- 18.51



Asset Class Returns

2022/08/31

BEST



WORST



1 MONTH

3 MONTHS

YTD

1 YEAR

3 YEARS

5 YEARS

Cash	0.45	Industrial	6.41	Financial	3.11	Financial	7.14	Resources	18.39	Resources	17.83
Bonds	0.31	Cash	1.28	Cash	3.10	Equities	4.62	Equities	10.79	Bonds	7.83
Industrial	-0.36	Bonds	-0.38	Bonds	0.78	Cash	4.43	Industrial	7.71	Equities	7.21
Equities	-1.84	Equities	-5.88	Equities	-6.18	Industrial	2.40	Bonds	6.67	Cash	5.86
Financial	-2.34	Property	-8.16	Resources	-8.06	Bonds	1.48	Cash	4.90	Financial	3.53
Resources	-3.84	Financial	-12.11	Industrial	-11.10	Resources	1.42	Financial	3.86	Industrial	3.36
Property	-5.95	Resources	-18.51	Property	-11.24	Property	-3.97	Property	-6.61	Property	-8.36



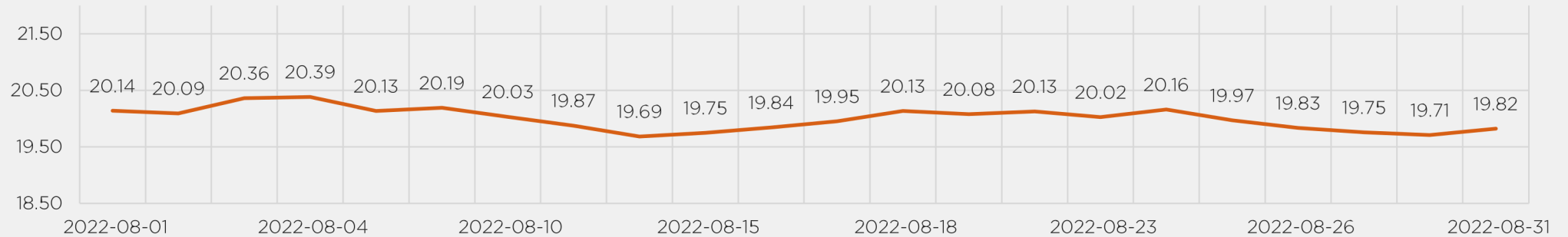
Currency Comparisons

2022/08/31

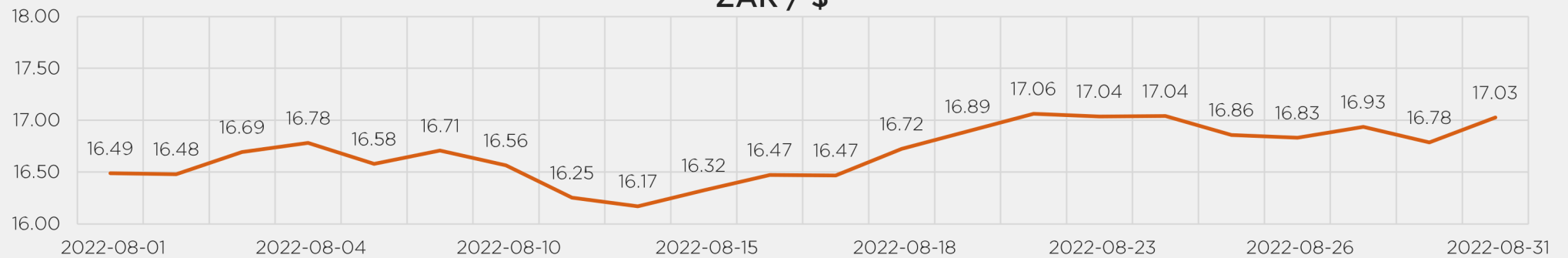
ZAR / €



ZAR / £



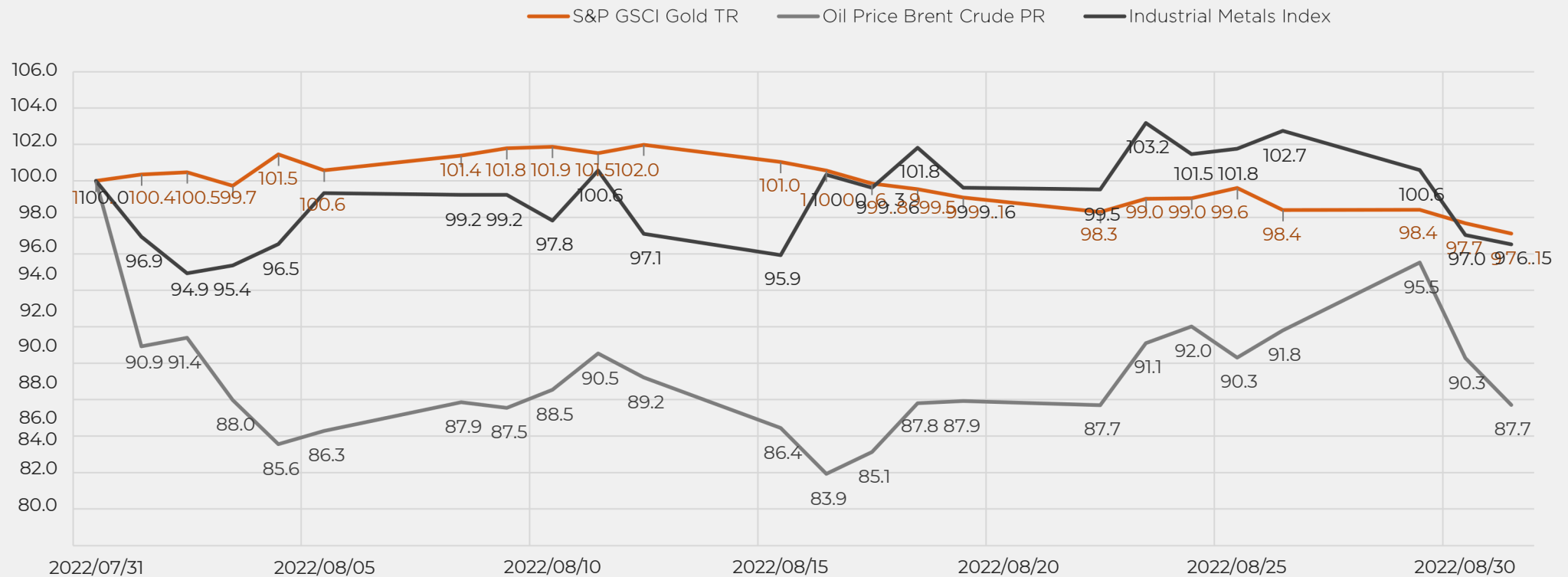
ZAR / \$





Commodity Tracker

2022/08/31



Commodities were down for the month of August, with Oil -12.3% and Iron Ore -8.7% being the worst performers of the month. Agriculture was the only component on the S&P GSCI Index that achieved a positive return.



What is going on across the globe

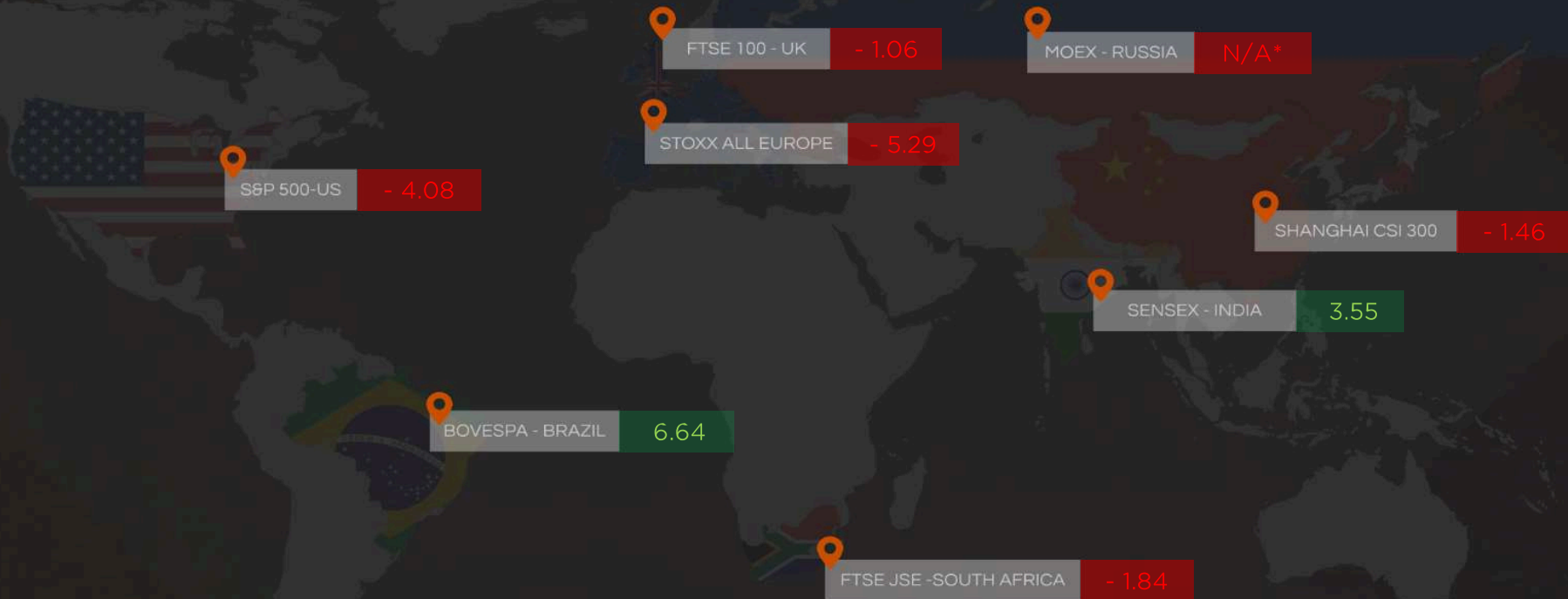
2022/08/31

SOUTH AFRICA

AMERICA

EUROPE

ASIA



*Due to the ongoing war, data is not available



What is going on across the globe

2022/08/31



SOUTH AFRICA

AMERICA

EUROPE

ASIA

Economic Climate



CHANCE RAIN



MOSTLY CLOUDY/PART SUN

Political Temperature

MILD

MODERATE

GETTING HEATED



News Headlines

South Africa recorded negative growth in Q2.

Inflation levels reached close to 8% during August.

The weaker oil price provided some relief for South African consumers.



What is going on across the globe

2022/08/31

SOUTH AFRICA

AMERICA

EUROPE

ASIA

Economic Climate



FOG/HAZEY



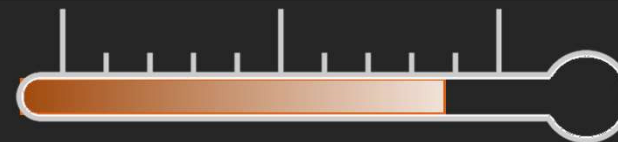
MOSTLY CLOUDY/PART SUN

Political Temperature

MILD

MODERATE

GETTING HEATED



News Headlines

Recessionary conditions are only expected next year.

US Congress passed the Inflation Reduction Act.

Markets hope that future interest rate hikes will be more moderate.



What is going on across the globe

2022/08/31



SOUTH AFRICA

AMERICA

EUROPE

ASIA

Economic Climate



STORMS



FOG/HAZEY

Political Temperature

MILD

MODERATE

GETTING HEATED



News Headlines

The cost of living is increasing at a record pace in Europe. Businesses are facing the risk of energy rationing. The ECB is expected to increase interest rates.



What is going on across the globe

2022/08/31



SOUTH AFRICA

AMERICA

EUROPE

ASIA

Economic Climate



CHANCE RAIN



FOG/HAZEY

Political Temperature

MILD

MODERATE

GETTING HEATED



News Headlines

Economic growth in China continues to remain low.

Economic activity will likely also be dragged down due to ongoing lockdowns.

The outlook for exports is weakening.



What is going on across the globe

2022/08/31

Geo-Economic Climate



CHANCE RAIN



FOG/HAZEY

Geo -Political Temperature



Outlook

Tight financial conditions, higher cost of living and production and increased policy uncertainty should weigh on valuations, earnings, and the risk premium. Valuations have come down from elevated levels, but earnings estimates remain too high. The US dollar should hold its ground in the current growth slowdown environment, keeping the Rand under pressure. Local bond yields are attractive. Local core inflation remains contained but upside risks are rising. The SARB will continue to hike rates and fiscal dynamics are improving. Global developed market bonds remain attractive given the outlook for softer growth.



Fairtree Funds

2022/08/31

LONG ONLY

PORTFOLIOS

HEDGE FUNDS

COMBINATIONS

FUND NAME	1 MONTH	YTD	1 YEAR	3 YEARS	5 YEARS
Growth Funds					
Fairtree Equity Prescient A1	-1.36	0.87	4.53	17.24	11.79
Fairtree Select Equity Prescient A1	0.57	10.02	20.11	18.13	-N/A
Fairtree Balanced Prescient A1	-0.03	-1.10	3.02	14.06	10.77
Multi - Managed Funds					
Fairtree Invest Strategic Fac Prscnt A1	-0.08	-3.97	3.31	-N/A	-N/A
Fairtree Flex Balanced Prescient A1	0.14	-3.23	3.14	4.72	4.75
Fairtree WW MultiStrat Flex Prescient A1	0.83	-6.59	-0.73	5.38	-N/A
Global Funds					
Fairtree Glb RE Prescient Feeder Fd A1	-1.55	-14.29	-3.19	1.85	7.32
Fairtree Global Emerging Mkts Prscnt A1	5.29	-9.24	-5.47	-N/A	-N/A
Fairtree Global Equity Prescient A1	2.09	-10.09	2.20	15.39	12.95
Income Funds					
Fairtree Flex Income Plus Prescient A1	0.58	2.27	4.25	6.15	7.74
Fairtree ALBI Plus Prescient A1	1.74	-1.19	-0.47	5.67	6.96
Fairtree Money Market Prescient A1	0.45	3.03	4.34	4.81	-N/A



Fairtree Funds

2022/08/31

LONG ONLY

PORTFOLIOS

HEDGE FUNDS

COMBINATIONS

FUND NAME	1 MONTH	YTD	1 YEAR	3 YEARS	5 YEARS
Pre - Retirement Portfolios					
Fairtree Stable House View	0.89	-2.28	1.91	6.48	7.45
Fairtree Moderate House View	0.53	-2.74	2.41	8.17	8.14
Fairtree Balanced House View	0.65	1.00	8.46	11.80	10.02
Post - Retirement Illustration					
Fairtree Post - Retirement Illustration	0.88	0.57	7.42	11.12	9.96



Fairtree Funds

2022/07/31

LONG ONLY

PORTFOLIOS

HEDGE FUNDS

COMBINATIONS

FUND NAME	1 MONTH	YTD	1 YEAR	3 YEARS	5 YEARS
SNN Qualified Hedge Fund					
Fairtree Assegai Equity Long Short	1.36	6.94	6.89	22.25	22.25
Fairtree Wild Fig Mul Strategy	5.99	14.36	19.22	18.49	18.49
Fairtree Woodland Mul Strategy	3.68	3.04	5.79	12.47	12.47
Fairtree WW Mutli-Strategy Flexible QIHF	3.26	-2.44	2.88	9.31	9.31
Retail Hedge Fund					
Fairtree Fixed Income SNN	6.09	-2.66	2.89	6.68	6.68
Fairtree Proton RCIS	-0.17	-2.75	-0.75	7.04	7.04
Fairtree WW Mutli-Strategy Flexible RIHF	1.92	-8.20	-2.98	-N/A	-N/A
Portfolios					
Fairtree Growth Hedge Fund of Funds	3.81	9.30	12.55	17.30	17.30



Fairtree Funds

2022/07/31

LONG ONLY

PORTFOLIOS

HEDGE FUNDS

COMBINATIONS

We are one of the first in South Africa to blend traditional asset classes together with alternative asset classes inside a single portfolio. These portfolios give our investors an additional level of diversification, as well as greater long-term investment growth.

FUND NAME	1 MONTH	YTD	1 YEAR	3 YEARS	5 YEARS
Pre - Retirement Portfolios					
Fairtree Stable Houseview (10% HF)	2.45	-2.31	2.13	8.05	8.05
Fairtree Moderate Houseview (10% HF)	3.03	-2.41	2.48	8.91	8.91
Fairtree Balanced Houseview (10% HF)	3.97	0.85	7.33	10.60	10.60
Post - Retirement Portfolios					
Fairtree Post-Retirement Illustration (15% HF)	2.49	-1.76	2.81	8.61	8.61



Market Commentary

2022/08/31

SOUTH AFRICA

The South African economy recorded negative growth in the second quarter of 2022. Consumer and business confidence remained low, due to ongoing loadshedding throughout the month. Inflation levels reached close to 8% during August, as food and fuel prices kept increasing. Markets expect the South African Reserve Bank (SARB) to still pull forward interest rate hikes, as the next Monetary Policy Committee meeting is scheduled for 22 September 2022. The weaker oil price provided some relief for South African consumers, as fuel prices decreased during August. The South African Rand (ZAR) remains under pressure to a strong US dollar.

AMERICA

Economic growth in the US is slowing down, but recessionary conditions are only expected towards sometime next year. Consumers are still benefitting from excess savings, strong balance sheets and adequate growth in the jobs market. US inflation is currently at 8.5%, as US Congress voted for the Inflation Reduction Act, aimed at lowering inflation by reducing the deficit. Markets hope that future interest rate hikes will be more moderate towards the next meeting in September.

EUROPE

The cost of living is increasing at a record pace in Europe, due to significantly high energy prices. The ongoing energy crisis intensified as Russia halted the supply of the Nord Stream 1 pipeline. Businesses in certain countries are now facing the risk of energy rationing, to decrease demand. To counteract the high energy costs during the winter months, European Union (EU) governments are proposing windfall taxes on energy producers and income support to households. The European Central Bank (ECB) remains concerned about inflation and markets expect a considerable increase in interest rates.

ASIA

Economic growth in China continued to remain low for the month of August, as the policy response failed to have a positive response to markets. Policy easing is expected to continue in China to support economic growth, although the property sector remains under pressure. Economic activity will likely also be dragged down due to ongoing lockdowns, as authorities keep the zero-Covid policy in place. Infrastructure investment in China remains strong for the month of August. Although manufacturing activity keeps increasing, the outlook for exports is weakening.