

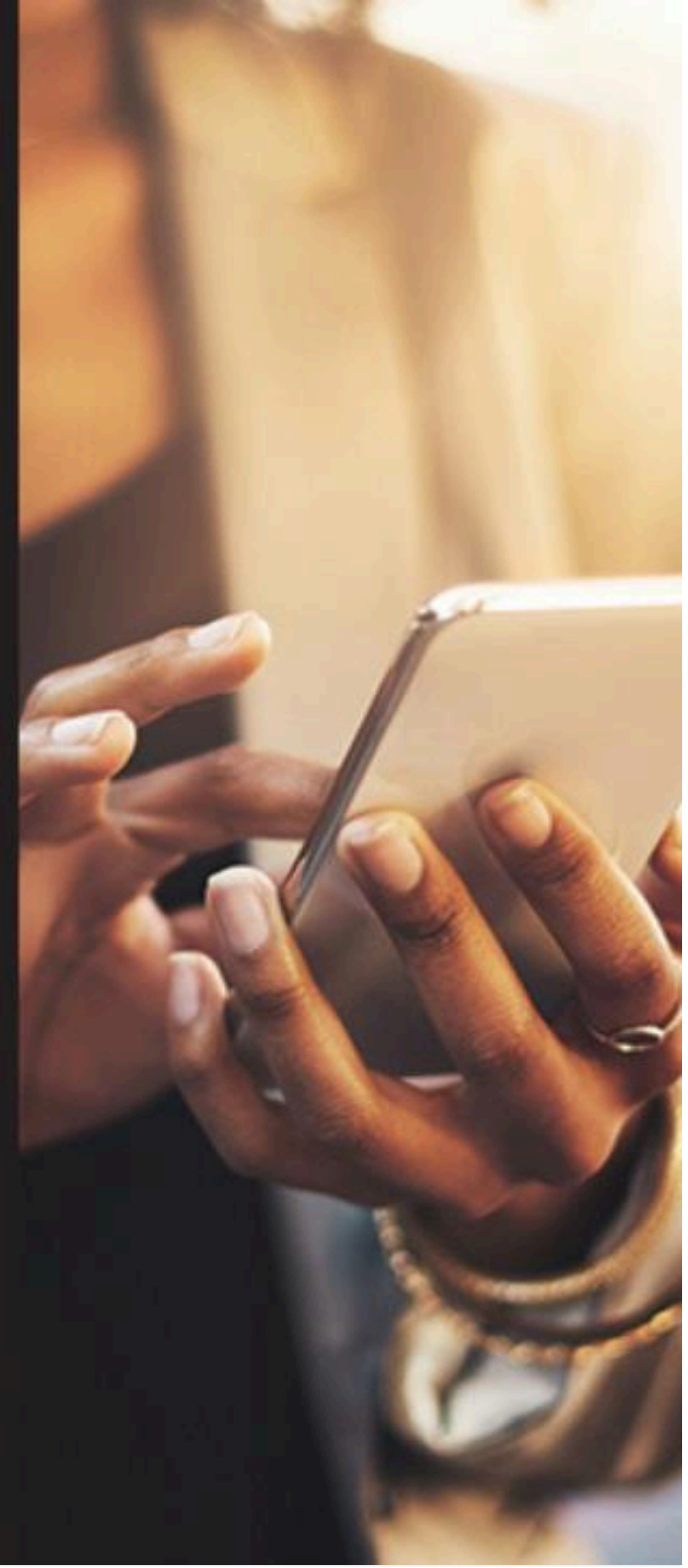


FAIRTREE

Monthly Report

December 2022

2022/12/31





Index Activity

2022/12/31

PERFORMANCE

LOCAL

MONTHLY

YTD

| | |
|---------------|-------------------------------------|
| 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> |

- 2.26

- 2.81

1.13

0.62

0.56

3.58

4.41

0.49

4.26

5.21

GLOBAL

MONTHLY

YTD

| | |
|------------------|---|
| 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> |

- 4.15

- 4.25

0.83

- 0.39

- 5.66

- 0.31

- 12.73

- 18.14

- 17.04

- 0.87

- 12.70

- 23.01



Asset Class Returns

2022/12/31

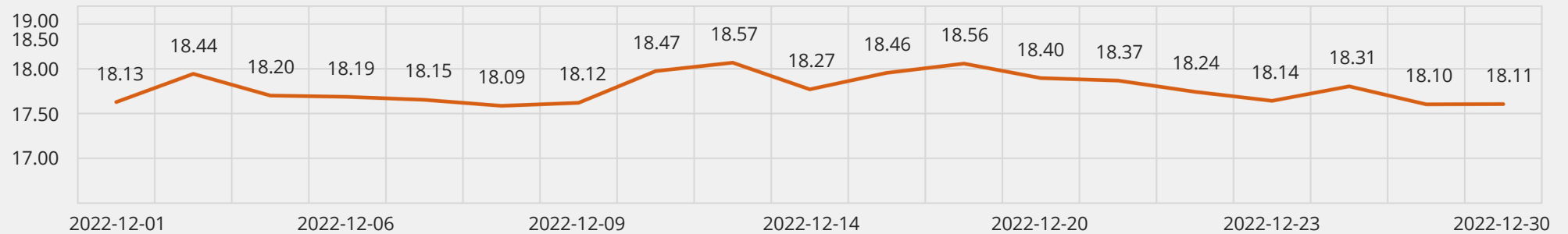
| | 1 MONTH | 3 MONTHS | YTD | 1 YEAR | 3 YEARS | 5 YEARS |
|-------|------------------|------------------|------------------|------------------|------------------|-----------------|
| BEST | Property 1.12 | Property 18.17 | Financial 10.21 | Financial 10.21 | Resources 20.31 | Resources 20.94 |
| | Bonds 0.62 | Resources 16.14 | Resources 8.61 | Resources 8.61 | Equities 12.72 | Equities 7.98 |
| | Cash 0.56 | Industrial 15.67 | Cash 5.21 | Cash 5.21 | Industrial 10.89 | Bonds 7.85 |
| | Industrial -0.27 | Equities 15.16 | Bonds 4.26 | Bonds 4.26 | Bonds 7.08 | Cash 5.78 |
| | Equities -2.26 | Financial 13.92 | Equities 3.58 | Equities 3.58 | Cash 4.80 | Industrial 4.14 |
| | Resources -3.49 | Bonds 5.68 | Property -1.90 | Property -1.90 | Financial 4.11 | Financial 1.78 |
| WORST | Financial -5.15 | Cash 1.58 | Industrial -3.71 | Industrial -3.71 | Property -4.29 | Property -8.11 |



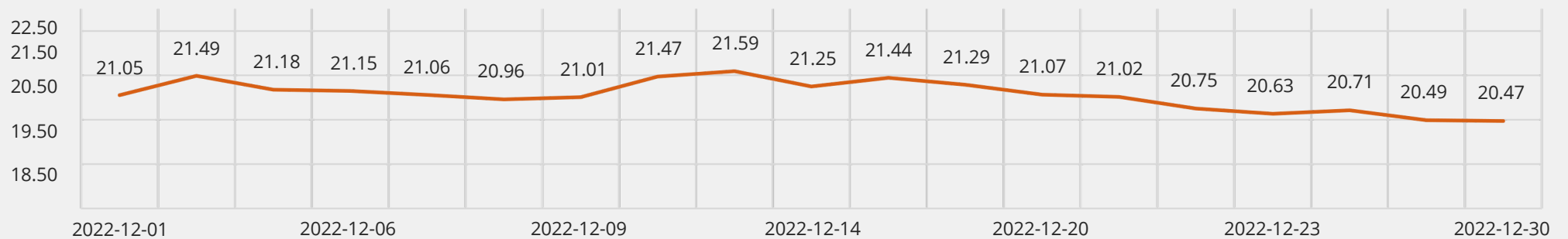
Currency Comparisons

2022/12/31

ZAR / €



ZAR / £



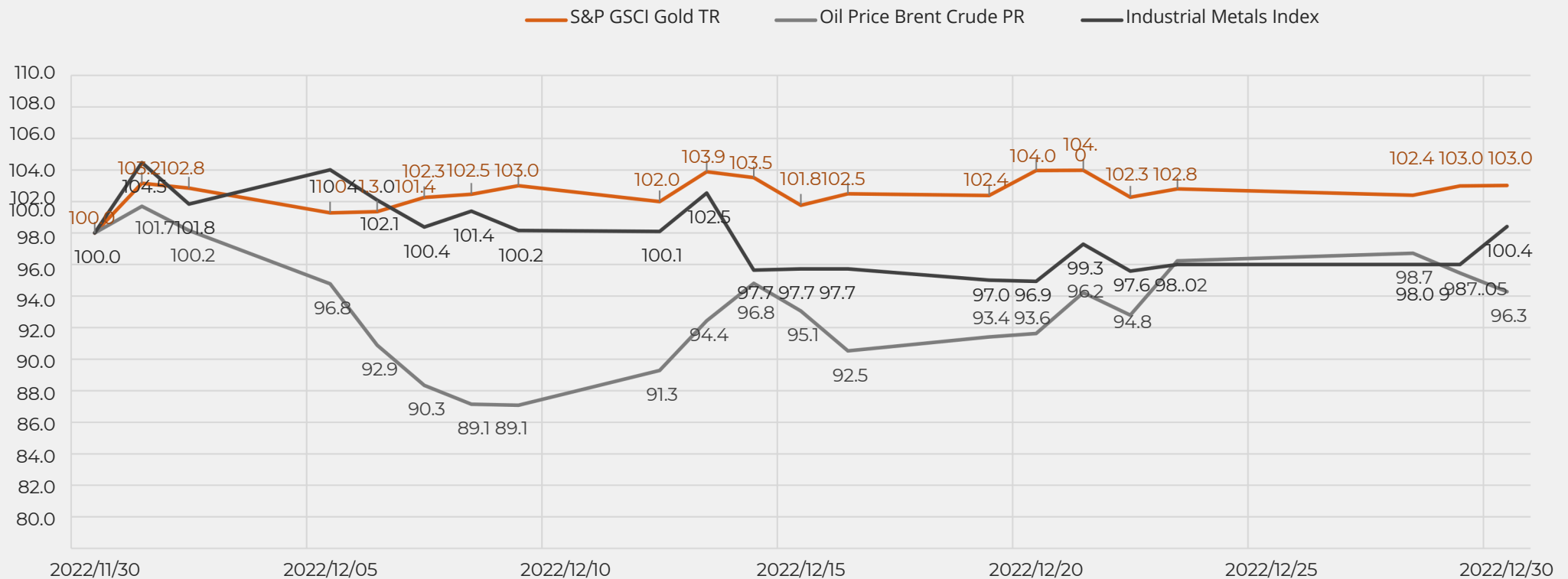
ZAR / \$





Commodity Tracker

2022/12/31



Commodities performed well during the month of December, with base metals up by 1.5%, copper 1.9%, iron ore 15.2% and gold 3.1%. Oil was down during December with 0.6%.



What is going on across the globe

2022/12/31

SOUTHAFRICA

AMERICA

EUROPE

ASIA



S&P 500-US - 5.76



FTSE 100 - UK - 1.49



MOEX - RUSSIA N/A*



STOXX ALL EUROPE - 3.44



SHANGHAI CSI 300 0.95



SENSEX - INDIA - 3.62



BOVESPA - BRAZIL - 2.60



FTSE JSE - SOUTH AFRICA - 2.26

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



What is going on across the globe

2022/12/31



SOUTHAFRICA

AMERICA

EUROPE

ASIA

Economic Climate

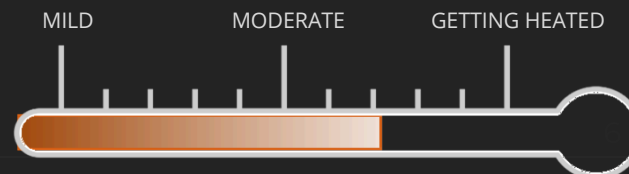


CHANCE RAIN



FOG/HAZEY

Political Temperature



News Headlines

President Ramaphosa remains leader of the ANC.

A cabinet reshuffle is expected soon.

An interest rate hike is expected in January.



What is going on across the globe

2022/12/31



SOUTH AFRICA

AMERICA

EUROPE

ASIA

Economic Climate

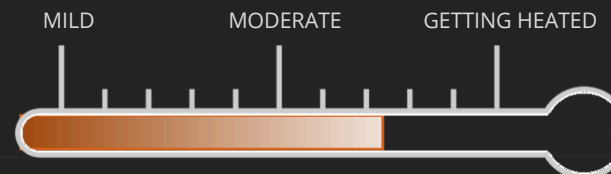


CHANCE RAIN



MOSTLY CLOUDY/PART SUN

Political Temperature



News Headlines

There are signs that US inflation has peaked.
US economic growth is likely to slow down during 2023.
The housing market contracted significantly during 2022.



What is going on across the globe

2022/12/31



SOUTH AFRICA

AMERICA

EUROPE

ASIA

Economic Climate



FOG/HAZEY



MOSTLY CLOUDY/PART SUN

Political Temperature

MILD

MODERATE

GETTING HEATED



News Headlines

The ECB increased interest rates by 50 basis points.
The euro area may contract in the first quarter of 2023.
European countries are still facing high inflation levels.



What is going on across the globe

2022/12/31



SOUTH AFRICA

AMERICA

EUROPE

ASIA

Economic Climate

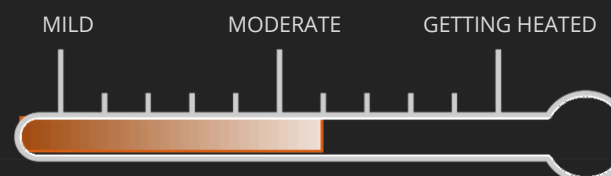


CHANCE RAIN



MOSTLY SUN/PART CLOUDY

Political Temperature



News Headlines

Chinese authorities re-opened the Chinese economy. Relaxed property restrictions and increased fiscal support are also on the cards. Certain data points remain weak towards the end of the year.



What is going on across the globe

2022/12/31

Geo-Economic Climate



CHANCE RAIN

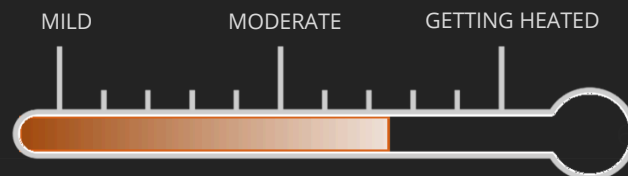


MOSTLY
CLOUDY/PART SUN

Outlook

The last quarter of the year saw global equity markets fall in December, but still managed to end the quarter in positive territory. Volatility remained high as the outlook for developed market economic growth deteriorated further, while central banks continued to adopt a hawkish tone. Global inflation pressures remained high, but there were signs that inflation has peaked in the US and across Europe. Although inflation remains above central bank target levels, markets have started to anticipate a deceleration, pause and potential cuts of interest rates.

Geo -Political Temperature





Fairtree Funds

2022/12/31

LONG ONLY

PORTFOLIOS

HEDGE FUNDS

COMBINATIONS

| FUND NAME | 1 MONTH | YTD | 1 YEAR | 3 YEARS | 5 YEARS |
|--|---------|--------|--------|---------|---------|
| Growth Funds | | | | | |
| Fairtree Equity Prescient A1 | -1.66 | 13.64 | 13.65 | 17.55 | 12.83 |
| Fairtree Select Equity Prescient A1 | -2.48 | 16.14 | 16.16 | 17.04 | -N/A |
| Fairtree Balanced Prescient A1 | -0.84 | 6.49 | 6.49 | 14.34 | 11.26 |
| Multi - Managed Funds | | | | | |
| Fairtree Invest Strategic Fac Prscent A1 | -0.94 | 2.74 | 2.74 | 9.03 | -N/A |
| Fairtree Flex Balanced Prescient A1 | -0.50 | 4.04 | 4.04 | 6.27 | 5.34 |
| Fairtree WW MultiStrat Flex Prescient A1 | -0.71 | -2.40 | -2.40 | 5.72 | -N/A |
| Global Funds | | | | | |
| Fairtree Glb RE Prescient Feeder Fd A1 | -1.37 | -20.74 | -20.75 | 0.82 | 6.41 |
| Fairtree Global Emerging Mkts Prscent A1 | -1.25 | -7.90 | -7.90 | -N/A | -N/A |
| Fairtree Global Equity Prescient A1 | -1.18 | -7.51 | -7.52 | 15.06 | 13.17 |
| Income Funds | | | | | |
| Fairtree Flex Income Plus Prescient A1 | 0.69 | 5.82 | 5.83 | 6.37 | 7.78 |
| Fairtree ALBI Plus Prescient A1 | 0.12 | 2.17 | 2.17 | 6.03 | 7.09 |
| Fairtree Money Market Prescient A1 | 0.50 | 5.10 | 5.10 | 4.70 | -N/A |



Fairtree Funds

2022/12/31

LONG ONLY

PORTFOLIOS

HEDGE FUNDS

COMBINATIONS

| FUND NAME | 1 MONTH | YTD | 1 YEAR | 3 YEARS | 5 YEARS |
|---|---------|------|--------|---------|---------|
| Pre - Retirement Portfolios | | | | | |
| Fairtree Stable House View | -0.25 | 1.76 | 1.76 | 6.94 | 7.82 |
| Fairtree Moderate House View | -0.77 | 1.81 | 1.81 | 8.39 | 8.48 |
| Fairtree Balanced House View | -1.47 | 4.83 | 4.83 | 11.21 | 9.93 |
| Post - Retirement Illustration | | | | | |
| Fairtree Post - Retirement Illustration | -0.93 | 5.21 | 5.22 | 11.02 | 10.15 |



Fairtree Funds

2022/11/30

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 | 19.40 | 27.29 | 29.00 | 27.25 | 24.08 |
| Fairtree Wild Fig Mul Strategy | 9.66 | 27.99 | 32.87 | 27.97 | 22.37 |
| Fairtree Woodland Mul Strategy | 7.48 | 11.95 | 16.88 | 16.62 | 14.75 |
| Fairtree WW Mutli-Strategy Flexible QIHF | 6.97 | 5.16 | 7.22 | 11.27 | 10.11 |
| Retail Hedge Fund | | | | | |
| Fairtree Fixed Income SNN | 5.25 | -0.10 | 5.13 | 7.70 | 6.92 |
| Fairtree Proton RCIS | 1.28 | -0.38 | -0.04 | 4.40 | 7.06 |
| Fairtree WW Mutli-Strategy Flexible RIHF | 7.09 | -2.22 | -0.30 | 8.79 | 7.97 |
| Portfolios | | | | | |
| Fairtree Growth Hedge Fund of Funds | 9.91 | 21.75 | 24.92 | 23.45 | 19.96 |



Fairtree Funds

2022/11/30

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) | 4.77 | 3.40 | 5.36 | 8.32 | 8.55 |
| Fairtree Moderate Houseview (10% HF) | 5.83 | 3.92 | 6.11 | 10.04 | 9.33 |
| Fairtree Balanced Houseview (10% HF) | 4.59 | 7.39 | 9.84 | 13.12 | 10.56 |
| Post - Retirement Portfolios | | | | | |
| Fairtree Post-Retirement Illustration (15% HF) | 4.75 | 4.13 | 5.70 | 9.03 | 8.95 |



Market Commentary

2022/12/31

SOUTH AFRICA

South Africa saw President Cyril Ramaphosa strengthen his hold as leader of the ANC, after their National Congress in December. A cabinet reshuffle is on the cards early in 2023. Loadshedding continues to grapple South Africa during December as Eskom CEO, Andre de Ruyter, announced his resignation. Economic activity increased due to the festive season of 2022, but it is expected to decrease in the coming months. As it looks like inflation has peaked, the South African Reserve Bank (SARB) has their first meeting in January 2023 to discuss possible interest rate hikes.

AMERICA

Global inflation remained high during December, although there were signs that inflation has peaked. US economic growth is expected to slow down during 2023, mainly due to tight fiscal and monetary policy. Strong employment growth in the US economy and decreasing energy prices may have a positive outlook on a recession outlook for 2023. Towards the end of the year, the only major sector that experienced a significant contraction was the housing market, this was mainly due to higher mortgage interest rates.

EUROPE

The European Central Bank (ECB) increased interest rates by 50 basis points during December. This after a substantial upward revision with regards to the inflation outlook. Markets are expecting further increases in 2023. The euro area economy remained weak in the last quarter of 2022, and into the first quarter of 2023. However, the negative outlook has faded somewhat with energy prices falling rapidly. The euro area is still facing high inflation levels, that are tightening consumer spending and increasing production costs.

ASIA

December was highlighted by the re-opening of the Chinese economy. Chinese authorities reversed the Zero-Covid policy towards the end of the month. This decision led to positive reactions throughout markets. The re-opening of the Chinese economy happened earlier than expected, as authorities also relaxed property restrictions and pledged an increase in fiscal support. These factors may have a significant impact on economic activity in China towards the new year. Data that includes industrial production, retail sales, credit and investment remain weak.