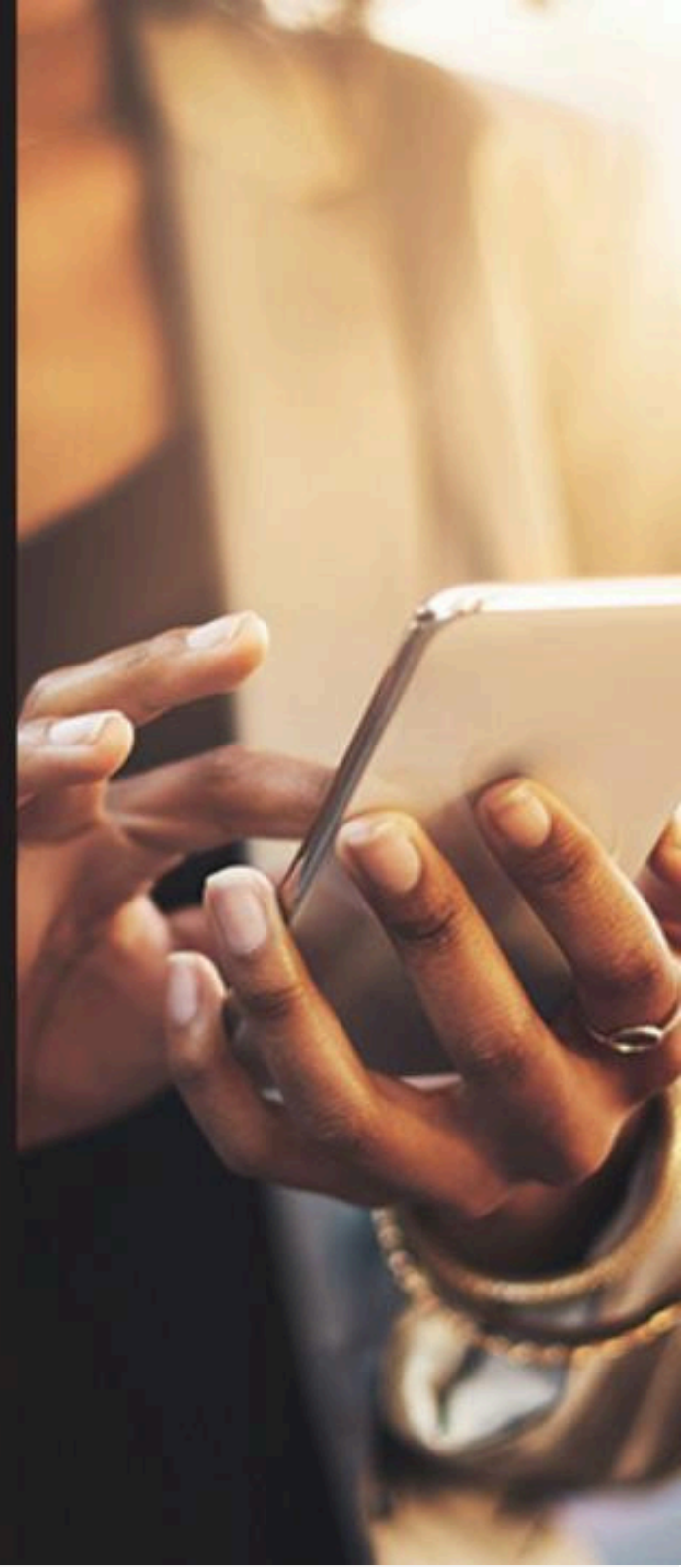




FAIRTREE

# Monthly Report

2022/07/31





# Index Activity

2022/07/31

## PERFORMANCE

### 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>

#### MONTHLY

#### YTD

4.22	- 4.43
2.83	- 1.94
8.81	- 4.99
2.44	0.47
0.43	2.63

### GLOBAL

MSCI World (ZAR)	<i>Equity Market</i>
MSCI World (\$)	<i>Equity Market</i>
Shangai (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>

#### MONTHLY

#### YTD

9.76	- 10.43
7.94	- 14.19
- 3.28	- 11.74
5.64	- 3.72
11.07	- 8.75
- 0.15	- 20.50



# Asset Class Returns

2022/07/31

BEST



WORST



1 MONTH

3 MONTHS

YTD

1 YEAR

3 YEARS

5 YEARS

Property	9.06	Industrial	4.48	Financial	5.58	Financial	23.35	Resources	19.88	Resources	19.95
Industrial	5.82	Cash	1.22	Cash	2.63	Property	9.38	Equities	10.56	Equities	8.17
Equities	4.22	Bonds	0.31	Bonds	0.47	Equities	4.72	Bonds	6.90	Bonds	7.98
Financial	4.10	Property	-2.67	Resources	-4.40	Cash	4.29	Industrial	6.75	Cash	5.89
Bonds	2.44	Equities	-4.47	Equities	-4.43	Bonds	2.88	Cash	4.94	Financial	4.62
Resources	1.28	Financial	-6.14	Property	-5.63	Resources	0.41	Financial	3.27	Industrial	3.84
Cash	0.43	Resources	-15.61	Industrial	-10.78	Industrial	-1.80	Property	-5.67	Property	-7.25



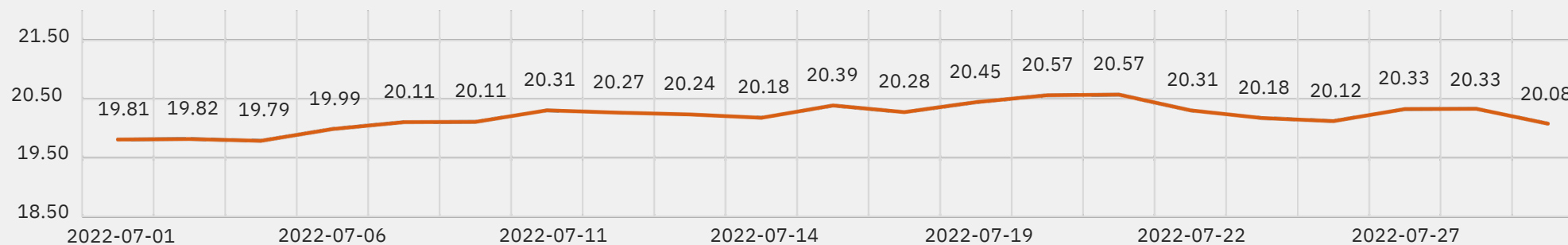
# Currency Comparisons

2022/07/31

ZAR / €



ZAR / £



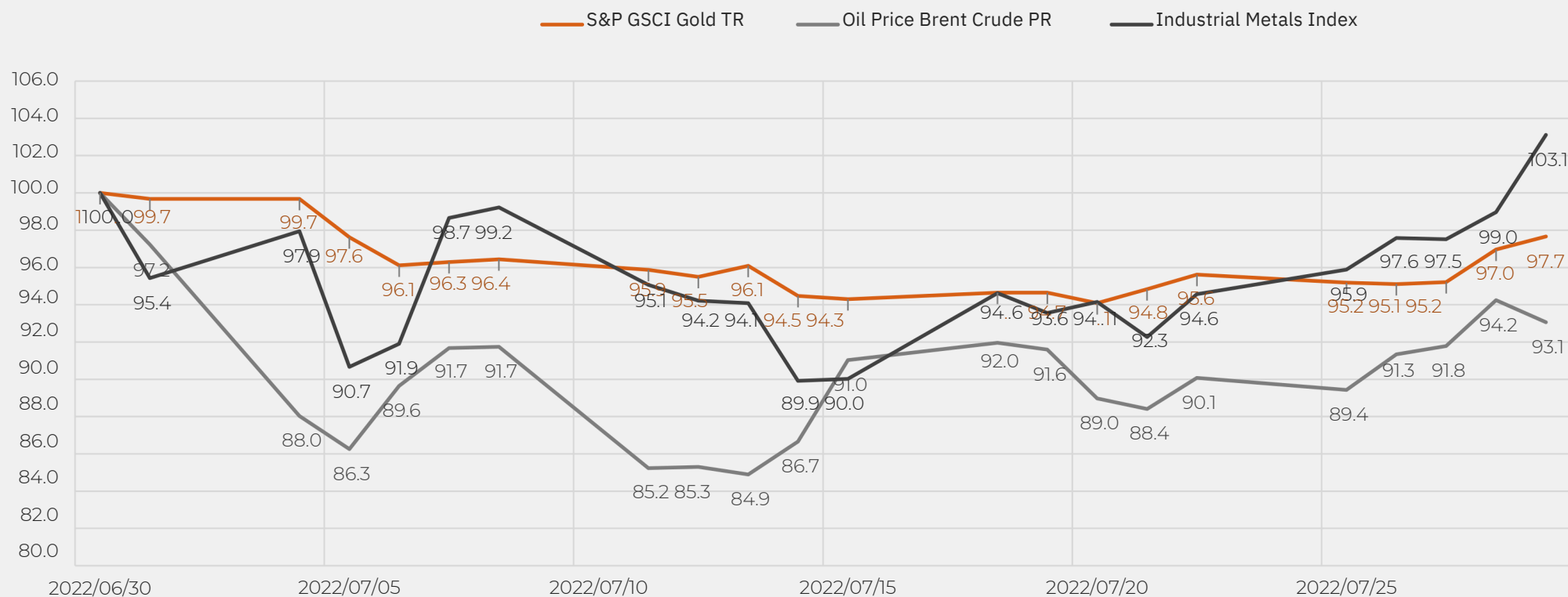
ZAR / \$





# Commodity Tracker

2022/07/31



Commodities were down during the month of July with Copper down -3.8%, Iron Ore -9.7%, Corn -17.1%, Gold -2.3% and oil -4.2%.



# What is going on across the globe

2022/07/31

SOUTHAFRICA

AMERICA

EUROPE

ASIA



S&amp;P 500-US

9.22



FTSE 100 - UK

3.67



STOXX ALL EUROPE

7.63



MOEX - RUSSIA

N/A\*



SHANGHAI CSI 300

- 6.07



SENSEX - INDIA

8.68



BOVESPA - BRAZIL

4.91



FTSE JSE -SOUTH AFRICA

4.22

\*Due to the ongoing war, data is not available



# What is going on across the globe

2022/07/31



SOUTHAFRICA

AMERICA

EUROPE

ASIA

## Economic Climate

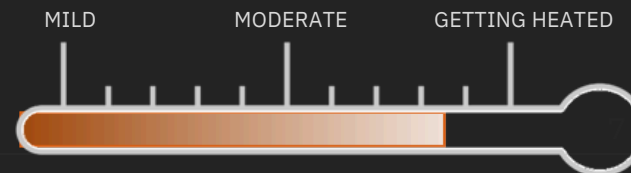


CHANCE RAIN



MOSTLY CLOUDY/PART SUN

## Political Temperature



## News Headlines

Pres. Ramaphosa announced a new energy plan.

The SARB increased interest rates by 0.75%.

The ZAR is likely to remain under pressure.



# What is going on across the globe

2022/07/31



SOUTH AFRICA

AMERICA

EUROPE

ASIA

## Economic Climate



FOG/HAZEY



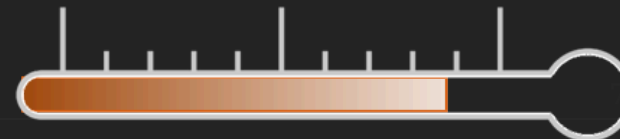
MOSTLY CLOUDY/PART SUN

## Political Temperature

MILD

MODERATE

GETTING HEATED



## News Headlines

The Fed increased interest rates by 0.75%.

The US recorded two consecutive quarters of negative growth.

US inflation slowed down to 8.5% from 9.1%.





# What is going on across the globe

2022/07/31



SOUTH AFRICA

AMERICA

EUROPE

ASIA

## Economic Climate



STORMS



FOG/HAZEY

## Political Temperature

MILD

MODERATE

GETTING HEATED



## News Headlines

Economic growth continues to weaken in Europe

The ECB increased interest rates by 0.50%.

Inflation remains high in European countries.



# What is going on across the globe

2022/07/31



SOUTH AFRICA

AMERICA

EUROPE

ASIA

## Economic Climate



CHANCE RAIN



FOG/HAZEY

## Political Temperature

MILD

MODERATE

GETTING HEATED



## News Headlines

Economic growth in China remains uncertain.

The zero covid policy remains in place.

Tensions between China and Taiwan increased during July.



# What is going on across the globe

2022/07/31

## Geo-Economic Climate

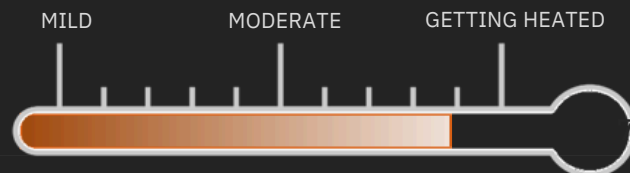


CHANCE RAIN



FOG/HAZEY

## Geo -Political Temperature



## Outlook

Markets rebounded in July after it experienced the worst first 6 months in almost 50 years. Weakness in the first half of 2022 was driven by inflation fears and higher interest rates which has now given way to recession fears. The growth outlook for the US and Europe has deteriorated with forward looking indicators pointing to a contraction in activity over coming months. The higher cost of living and production is weighing on households and corporates, central banks have also tightened financial conditions. As global demand fades, inflationary pressures should peak and central banks may deem it appropriate to dial down their hawkishness. In anticipation of this, bond yields dropped which in turn boosted equity prices, especially in consumer technology growth equities.



# Fairtree Funds

2022/07/31

LONG ONLY

PORTFOLIOS

HEDGE FUNDS

COMBINATIONS

FUND NAME	1 MONTH	YTD	1 YEAR	3 YEARS	5 YEARS
Growth Funds					
Fairtree Equity Prescient A1	2.4	2.26	3.76	17.45	12.87
Fairtree Select Equity Prescient A1	1	9.39	17.30	16.73	-N/A
Fairtree Balanced Prescient A1	4.1	-1.07	2.26	14.44	11.08
	7				
Multi - Managed Funds	2.5				
Fairtree Invest Strategic Fac Prscent A1	1.99	-3.89	4.48	-N/A	-N/A
Fairtree Flex Balanced Prescient A1	2.37	-3.37	3.98	4.61	5.06
Fairtree WW MultiStrat Flex Prescient A1	3.25	-7.36	-1.3	5.20	-N/A
			0		
Global Funds					
Fairtree Glb RE Prescient Feeder Fd A1	5.85	-12.93	-1.77	5.44	7.36
Fairtree Global Emerging Mkts Prscent A1	0.63	-13.80	-10.33	-N/A	-N/A
Fairtree Global Equity Prescient A1	6.29	-11.93	1.15	15.42	12.30
Income Funds					
Fairtree Flex Income Plus Prescient A1	0.81	1.68	4.22	6.15	7.78
Fairtree ALBI Plus Prescient A1	2.26	-2.88	-0.36	5.45	6.84
Fairtree Money Market Prescient A1	0.43	2.57	4.22	4.86	-N/A



# Fairtree Funds

2022/07/31

LONG ONLY

PORTFOLIOS

HEDGE FUNDS

COMBINATIONS

FUND NAME	1 MONTH	YTD	1 YEAR	3 YEARS	5 YEARS
Pre - Retirement Portfolios					
Fairtree Stable House View	2.43	-3.14	1.50	6.48	7.3
Fairtree Moderate House View	3.07	-3.25	1.89	7.86	3
Fairtree Balanced House View	4.11	0.34	7.26	11.2	8.2
				5	7
Post - Retirement Illustration					10.
Fairtree Post - Retirement Illustration	3.29	-0.32	6.27	10.64	<del>9.96</del>



# Fairtree Funds

2022/06/30

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	-3.58	5.51	16.61	24.00	23.09
Fairtree Wild Fig Mul Strategy	1.97	7.89	19.95	23.79	17.32
Fairtree Woodland Mul Strategy	-3.76	-0.62	5.15	14.06	11.80
Fairtree WW Mutli-Strategy Flexible QIHF	-2.45	-5.03	3.42	9.09	9.36
Retail Hedge Fund					
Fairtree Fixed Income SNN	-5.16	-8.25	-5.84	6.04	5.46
Fairtree Proton RCIS	-5.46	-2.59	-0.15	5.06	7.22
Fairtree WW Mutli-Strategy Flexible RIHF	-4.11	-9.45	-1.46	7.36	-N/A
Portfolios					
Fairtree Growth Hedge Fund of Funds	-0.65	5.29	15.10	20.51	16.80



# Fairtree Funds

2022/06/30

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)	-2.92	-4.65	1.54	6.68	7.98
Fairtree Moderate Houseview (10% HF)	-3.55	-5.28	2.03	7.53	8.86
Fairtree Balanced Houseview (10% HF)	-4.06	-3.00	7.14	10.33	10.65
Post - Retirement Portfolios					
Fairtree Post-Retirement Illustration (15% HF)	-2.12	-4.15	2.44	7.43	8.60



# Market Commentary

2022/07/31

## SOUTH AFRICA

During the month of July, the South African economy experienced the impact of lower commodity prices and slower global growth. Risk of loadshedding continued during July, following a new energy plan by President Cyril Ramaphosa to address future energy concerns. The South African Reserve Bank (SARB) increased interest rates by 75 basis points following the Monetary Policy Committee (MPC) meeting in July. The SARB brought forward future interest rate hikes to combat increasing inflation. The South African Rand (ZAR) is likely to remain under pressure in a low growth, high interest rate environment.

## AMERICA

The Federal Reserve (Fed) hiked interest by 75 basis points during the month of July. Jerome Powell indicated that the coming interest rate hikes are likely to be lower. US equities performed positively and were up by 7.9% for July. The US recorded two consecutive quarters of negative growth, increasing the fears of a recession. Underlying detail is showing that households are enduring the economic slowdown well. Unemployment remains steady at 3.5%. US inflation slowed down to 8.5% year on year for July, whereasthe marketsexpected8.7%.

## EUROPE

Economic growth in Europe has weakened for the month of July. Risk is also increasing as gas supplies from Russia is only running at 20% capacity. Energy rationing may be on the cards for certain countries in Europe as the winter months are slowly approaching. The increasing pressure of high inflation led to Boris Johnson and Mario Draghi stepping down from their positions during July. The European Central Bank (ECB) increased interest rates with a larger than expected 50 basis points. European inflation remains high, withenergypricesbeingoneofthefmain contributors.

## ASIA

China remains a key source of global growth uncertainty. We expect the Chinese economic growth to increase, as new infrastructure programs have been announced during July. Problems in the property sector continue to spread in China, as the lack of financing may still have a negative impact on the property sector. New Covid-19 lockdown measures were put in place in certain cities, as the zero covid policy remains in place to combat the spread of the Omicron variant. Increase in tension between China and Taiwan, after the visit of Nancy Pelosi, may also have a negativeimpacton growthtowardstheendoftheyear.