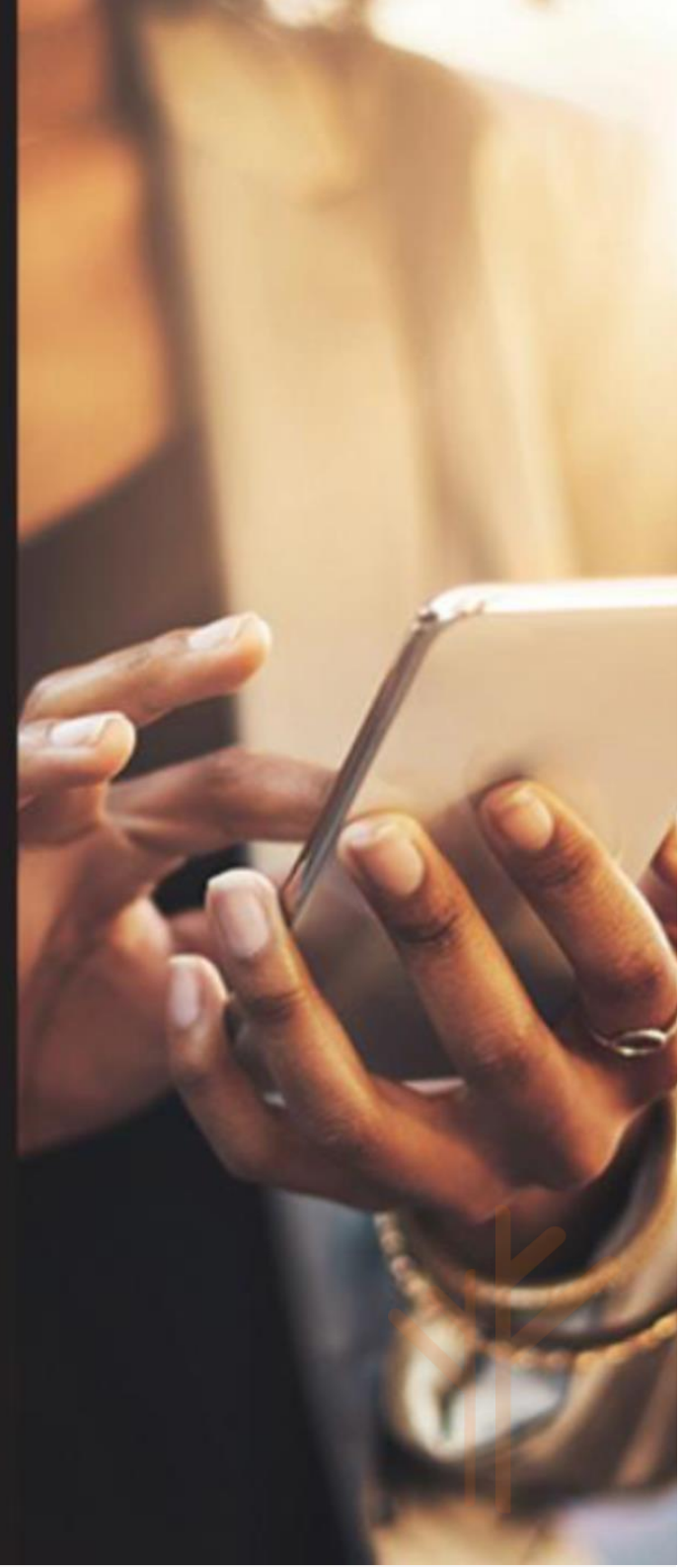




FAIRTREE

# Monthly Report

*September 2023*





# Index Activity

2023/09/30

## LOCAL

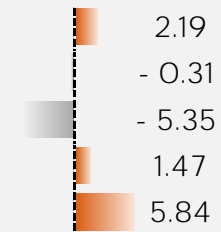
JSE All Share	<i>Local Equity Market</i>
SWIX	<i>Local Equity Market - Capped</i>
SAPY	<i>Property</i>
ALBI	<i>Bonds</i>
STEFI	<i>Cash</i>

## MONTHLY



## PERFORMANCE

## YTD



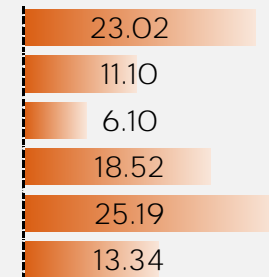
## GLOBAL

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>

## MONTHLY



## YTD





# Asset Class Returns

2023/09/30

BEST



WORST



1 MONTH

3 MONTHS

YTD

1 YEAR

3 YEARS

5 YEARS

Resources	1.21	Cash	2.07	Industrial	10.15	Industrial	27.41	Financial	22.33	Resources	12.84
Cash	0.68	Financial	1.95	Financial	8.50	Financial	23.61	Property	17.13	Equities	9.30
Bonds	- 2.34	Bonds	-0.33	Cash	5.84	Equities	17.68	Equities	14.51	Industrial	8.87
Equities	-2.55	Property	-0.58	Equities	2.19	Property	12.91	Industrial	12.94	Bonds	7.15
Property	-3.76	Equities	-3.48	Bonds	1.47	Cash	7.52	Resources	10.05	Cash	5.88
Financial	-3.83	Resources	-4.35	Property	-4.45	Bonds	7.24	Bonds	6.97	Financial	4.24
Industrial	-4.12	Industrial	-6.23	Resources	-14.41	Resources	-0.59	Cash	5.29	Property	-4.79



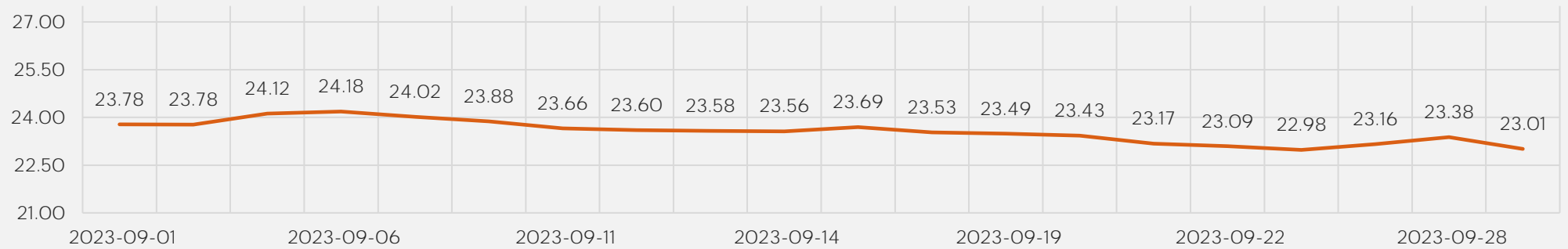
# Currency Comparisons

2023/09/30

ZAR / €



ZAR / £



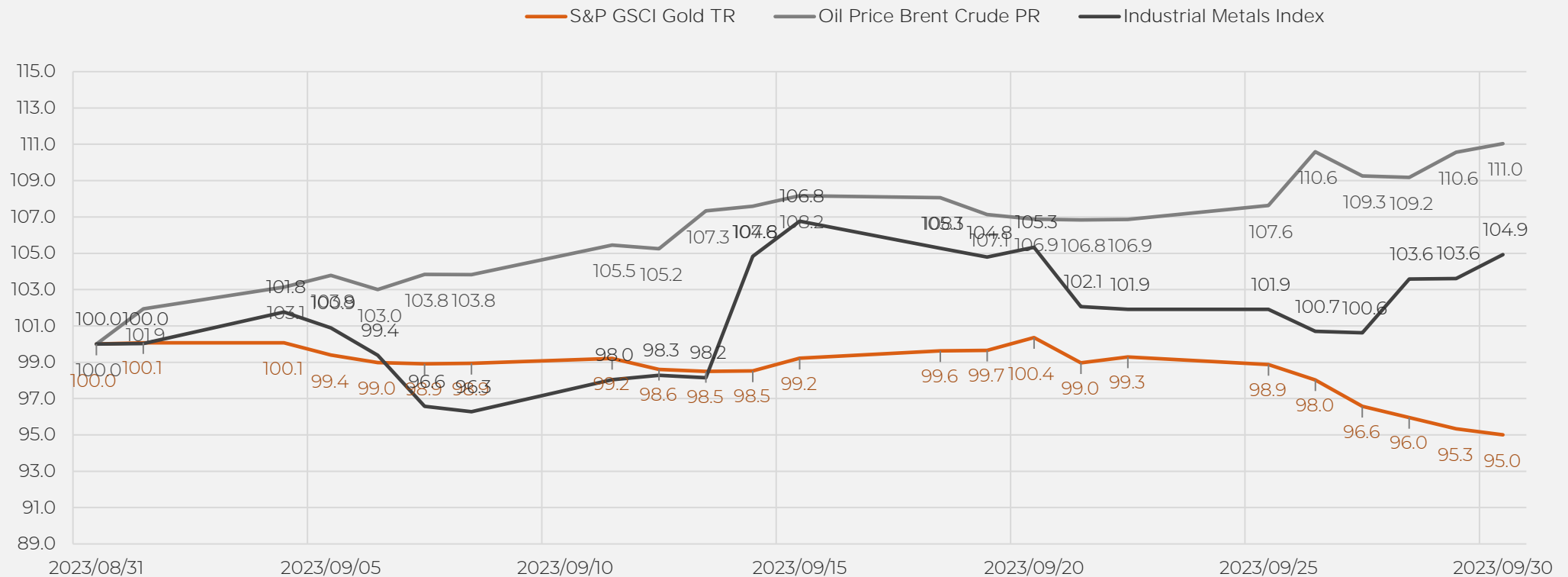
ZAR / \$





# Commodity Tracker

2023/09/30



Commodity markets experienced a mixed month during September. Oil increased by 9.7% for the month, base metals increased by 1.5% and iron ore also rose by 3% for the month. On the other side, gold decreased by 4.7% and copper also was down by 2.2%.



# What is going on across the globe

2023/09/30

SOUTH AFRICA

AMERICA

EUROPE

ASIA



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



# What is going on across the globe

2023/09/30



SOUTH AFRICA

AMERICA

EUROPE

ASIA

## Economic Climate

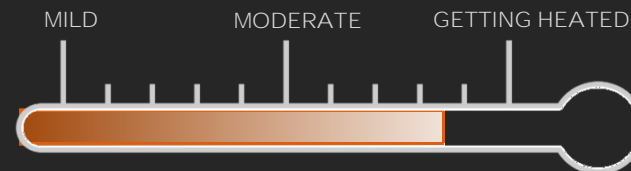


CHANCE RAIN



FOG/HAZEY

## Political Temperature



## News Headlines

Asset classes in South Africa experienced negative returns during September. A fiscal revenue shortfall of around R30 – 80 billion is expected. All eyes will be on the October mini budget on how this will be addressed.



# What is going on across the globe

2023/09/30



SOUTH AFRICA

AMERICA

EUROPE

ASIA

## Economic Climate

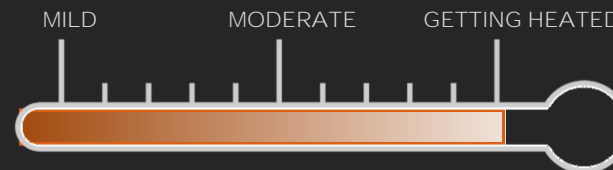


FOG/HAZEY



MOSTLY CLOUDY/PART SUN

## Political Temperature



## News Headlines

US dollar continued to strengthen during September.

The Fed remains focused on lowering inflation.

Another interest rate hike may be on the cards at the next meeting.





# What is going on across the globe

2023/09/30



SOUTH AFRICA

AMERICA

EUROPE

ASIA

## Economic Climate

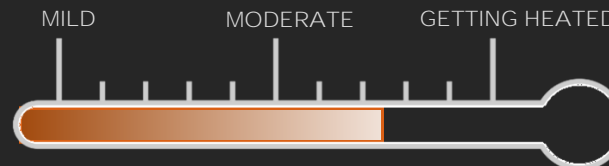


CHANCE RAIN



FOG/HAZEY

## Political Temperature



## News Headlines

Economic data from Europe remained weak during the month.  
The BoE paused interest rates after a 14-month streak.  
Consumer confidence may have started to increase during the past month.



# What is going on across the globe

2023/09/30



SOUTH AFRICA

AMERICA

EUROPE

ASIA

## Economic Climate

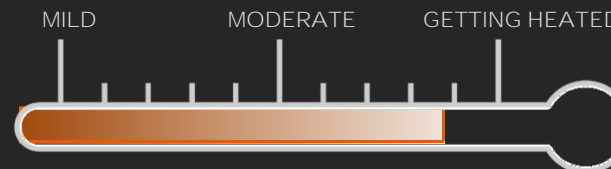


CHANCE RAIN



MOSTLY CLOUDY/PART SUN

## Political Temperature



## News Headlines

Economic data continues to disappoint from the Chinese economy. Authorities implemented several policy measures to aid the property market. Implemented measures` impact have been limited.



# What is going on across the globe

2023/09/30

## Geo-Economic Climate

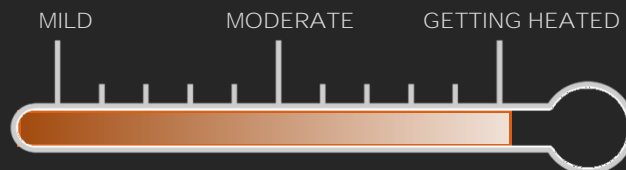


CHANCE RAIN



FOG/HAZEY

## Geo -Political Temperature



## Outlook

Tighter financial conditions, slow growth and high policy uncertainty should weigh on valuations, profit margins and earnings. US valuations and earnings estimates remain somewhat elevated. In terms of performance, global equities lost 4.3% in September, while Emerging Markets declined by 2.6%. Chinese equities were down 2.8%, and South African equities dropped by 3%. Global government bonds fell by 2.9%, and South African government bonds were down by 2.3%.



# Fairtree Funds

2023/09/30

LONG ONLY

PORTFOLIOS

HEDGE FUNDS

COMBINATIONS

FUND NAME	1 MONTH	YTD	1 YEAR	3 YEARS	5 YEARS
<b>Growth Funds</b>					
Fairtree Equity Prescient A1	-1.23	-1.25	14.71	15.16	13.05
Fairtree Select Equity Prescient A1	-0.93	12.80	21.95	21.42	-N/A
Fairtree Balanced Prescient A1	-2.21	4.40	15.76	12.32	11.99
<b>Multi - Managed Funds</b>					
Fairtree Invest Strategic Fac Prscnt A1	-2.29	4.01	15.30	10.60	-N/A
Fairtree Flex Balanced Prescient A1	-1.41	6.36	17.12	8.67	6.22
Fairtree WW MultiStrat Flex Prescient A1	-2.76	7.13	15.87	6.40	6.47
<b>Global Funds</b>					
Fairtree Glb RE Prescient Feeder Fd A1	-6.28	4.69	7.80	2.55	4.91
Fairtree Global Emerging Mkts Prscnt A1	-3.15	17.19	26.91	5.10	-N/A
Fairtree Global Equity Prescient A1	-3.55	23.96	32.14	14.69	14.82
<b>Income Funds</b>					
Fairtree Flex Income Plus Prescient A1	0.39	8.83	13.12	8.21	8.01
Fairtree ALBI Plus Prescient A1	-2.94	3.34	11.54	7.24	7.10
Fairtree Money Market Prescient A1	0.68	5.83	7.45	5.22	-N/A



# Fairtree Funds

2023/09/30

LONG ONLY

PORTFOLIOS

HEDGE FUNDS

COMBINATIONS

FUND NAME	1 MONTH	YTD	1 YEAR	3 YEARS	5 YEARS
<b>Pre - Retirement Portfolios</b>					
Fairtree Stable House View	-1.74	7.52	14.91	7.95	7.83
Fairtree Moderate House View	-2.24	7.05	15.82	8.85	8.36
Fairtree Balanced House View	-2.24	10.91	19.24	12.98	10.91
<b>Post - Retirement Illustration</b>					
Fairtree Post - Retirement Illustration	-1.42	11.36	19.20	12.61	10.93



# Fairtree Funds

2023/08/31

LONG ONLY

PORTFOLIOS

HEDGE FUNDS

COMBINATIONS

FUND NAME	1 MONTH	YTD	1 YEAR	3 YEARS	5 YEARS
<b>SNN Qualified Hedge Fund</b>					
Fairtree Assegai Equity Long Short	2.44	10.00	34.26	20.30	23.67
Fairtree Wild Fig Mul Strategy	2.41	16.67	30.08	23.56	23.37
Fairtree Woodland Mul Strategy	1.74	12.43	19.87	11.99	14.82
Fairtree WW Mutli-Strategy Flexible QIHF	1.04	11.35	19.40	10.39	10.71
<b>Retail Hedge Fund</b>					
Fairtree Fixed Income SNN	-0.18	3.31	7.31	5.65	5.73
Fairtree Proton RCIS	1.34	9.47	14.75	5.55	7.77
Fairtree WW Mutli-Strategy Flexible RIHF	-0.23	8.30	14.86	8.85	11.68
<b>Portfolios</b>					
Fairtree Growth Hedge Fund of Funds	2.18	14.02	27.94	19.25	20.59



# Fairtree Funds

2023/08/31

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
<b>Pre - Retirement Portfolios</b>					
Fairtree Stable Houseview (10% HF)	0.50	9.43	14.44	8.64	8.74
Fairtree Moderate Houseview (10% HF)	0.00	9.51	15.06	9.47	9.20
Fairtree Balanced Houseview (10% HF)	0.50	13.07	17.90	12.98	11.27
<b>Post - Retirement Portfolios</b>					
Fairtree Post-Retirement Illustration (15% HF)	0.76	9.77	15.91	9.28	9.45



# Market Commentary

2023/09/30

## SOUTH AFRICA

Asset classes in South Africa experienced negative returns during September. Global markets also expressed concerns with regards to the fiscal outlook of South Africa. A fiscal revenue shortfall of around R30 – 80 billion is expected. This shortfall will need to be addressed through government spending cuts, higher taxes or increased issuance. Another significant factor that contributes towards the shortfall is due to declining revenue collection. All eyes will be on the October mini budget on how this will be addressed. The risk of higher inflation has also increased due to the weaker rand (ZAR) and increasing oil prices.

## AMERICA

The US dollar continued to strengthen during September. This was largely due to slow improvement in China and weak economic data from Europe. The Federal Reserve (the Fed) remains focused on lowering inflation in the coming months, signalling that another interest rate hike may be on the cards in their meeting on 1 November. Current high and sticky inflation numbers may lower the chance of any interest rate hikes toward the end of the year. Despite US yields reaching around 5%, demand for Treasuries remains subdued, with investors concerned about increased Treasury issuance to fund the growing fiscal deficit.

## EUROPE

Economic data from Europe remained weak during the month of September. Eurozone inflation slowed down to a two year low during September. This may signal that the European Central Bank (ECB) may be at the end of their interest rate hiking cycle. United Kingdom equities rose during the past quarter, this was mainly due to the weakening of the sterling against the US dollar. The Bank of England (BoE) paused interest rates after a 14-month streak of hikes. On the positive side, signs have occurred that consumer confidence may start to increase, based on the hopes that interest rates may have peaked.

## ASIA

Economic data continues to disappoint from the Chinese economy. Chinese authorities have implemented several policy measures to aid the weakness in the property market. These measures include reducing current mortgage rates and easing buyer restrictions. Although these measures have been implemented earlier this year, their impact have been limited thus far. On the positive side, new energy vehicles, battery operations and grid and rail expansion are growing in the Chinese economy. These factors have all contributed towards a possible stabilisation in the Chinese economy, that may lead to emerging market stabilisation.