



FAIRTREE

Quarterly Report 2022 Q4



Index Activity

Quarter 4, 2022

PERFORMANCE

QUARTERLY

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>

15.16	3.58
12.22	4.41
19.31	0.49
5.68	4.26
1.58	5.21

GLOBAL

QUARTERLY

YTD

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

3.92	- 12.73
9.88	- 18.26
- 1.36	- 17.04
10.88	- 0.87
1.83	- 12.70
5.18	- 23.01

Asset Class Returns

Quarter 4, 2022

BEST



WORST



QUARTERLY

6 MONTHS

YTD

1 YEAR

3 YEARS

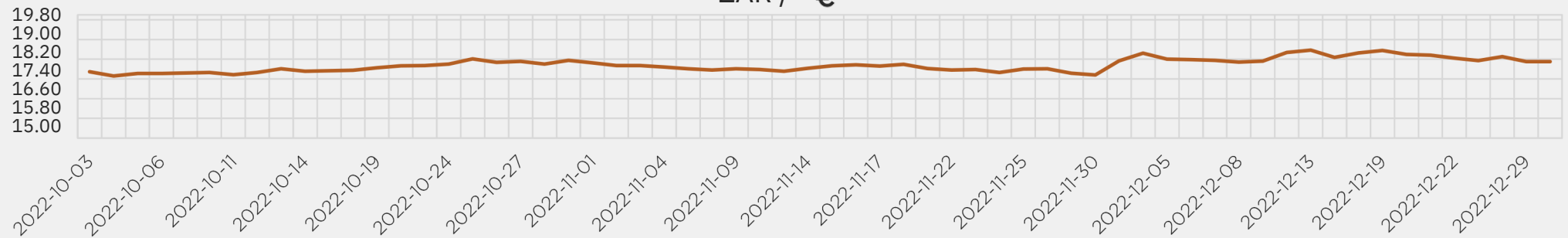
5 YEARS

Property	18.17	Resources	15.06	Financial	10.21	Financial	10.21	Resources	20.31	Resources	20.94
Resources	16.14	Industrial	14.21	Resources	8.61	Resources	8.61	Equities	12.72	Equities	7.98
Industrial	15.67	Property	13.36	Cash	5.21	Cash	5.21	Industrial	10.89	Bonds	7.85
Equities	15.16	Equities	12.95	Bonds	4.26	Bonds	4.26	Bonds	7.08	Cash	5.78
Financial	13.92	Financial	8.66	Equities	3.58	Equities	3.58	Cash	4.80	Industrial	4.14
Bonds	5.68	Bonds	6.31	Property	-1.90	Property	-1.90	Financial	4.11	Financial	1.78
Cash	1.58	Cash	2.95	Industrial	-3.71	Industrial	-3.71	Property	-4.29	Property	-8.11

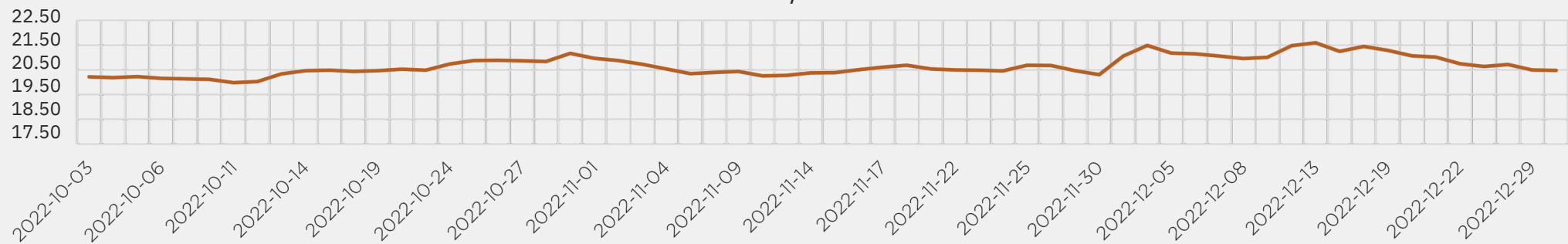
Currency Comparisons

Quarter 4, 2022

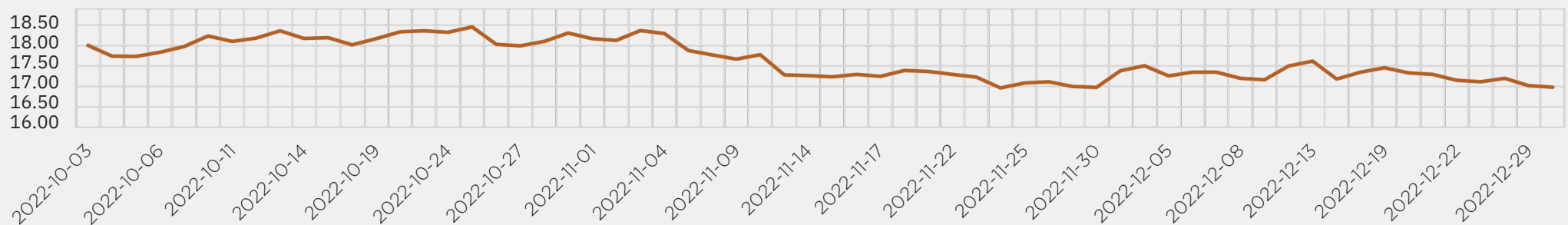
ZAR / €



ZAR / £

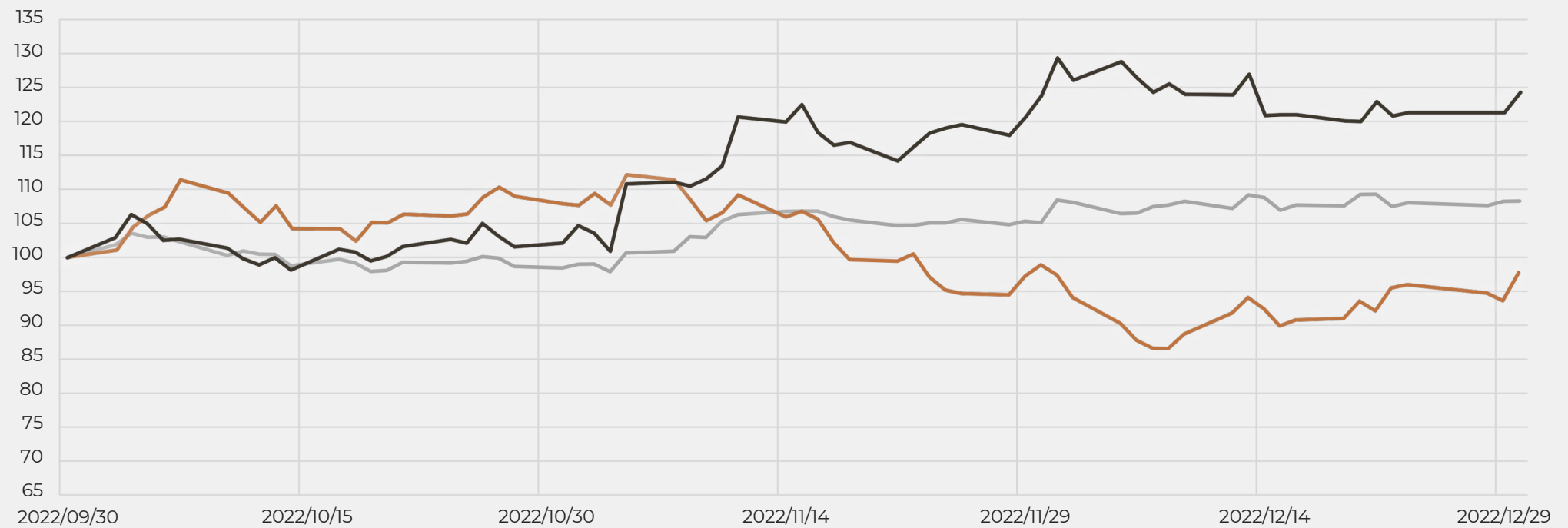


ZAR / \$



Commodity Tracker

Quarter 4, 2022



What is going on across the globe

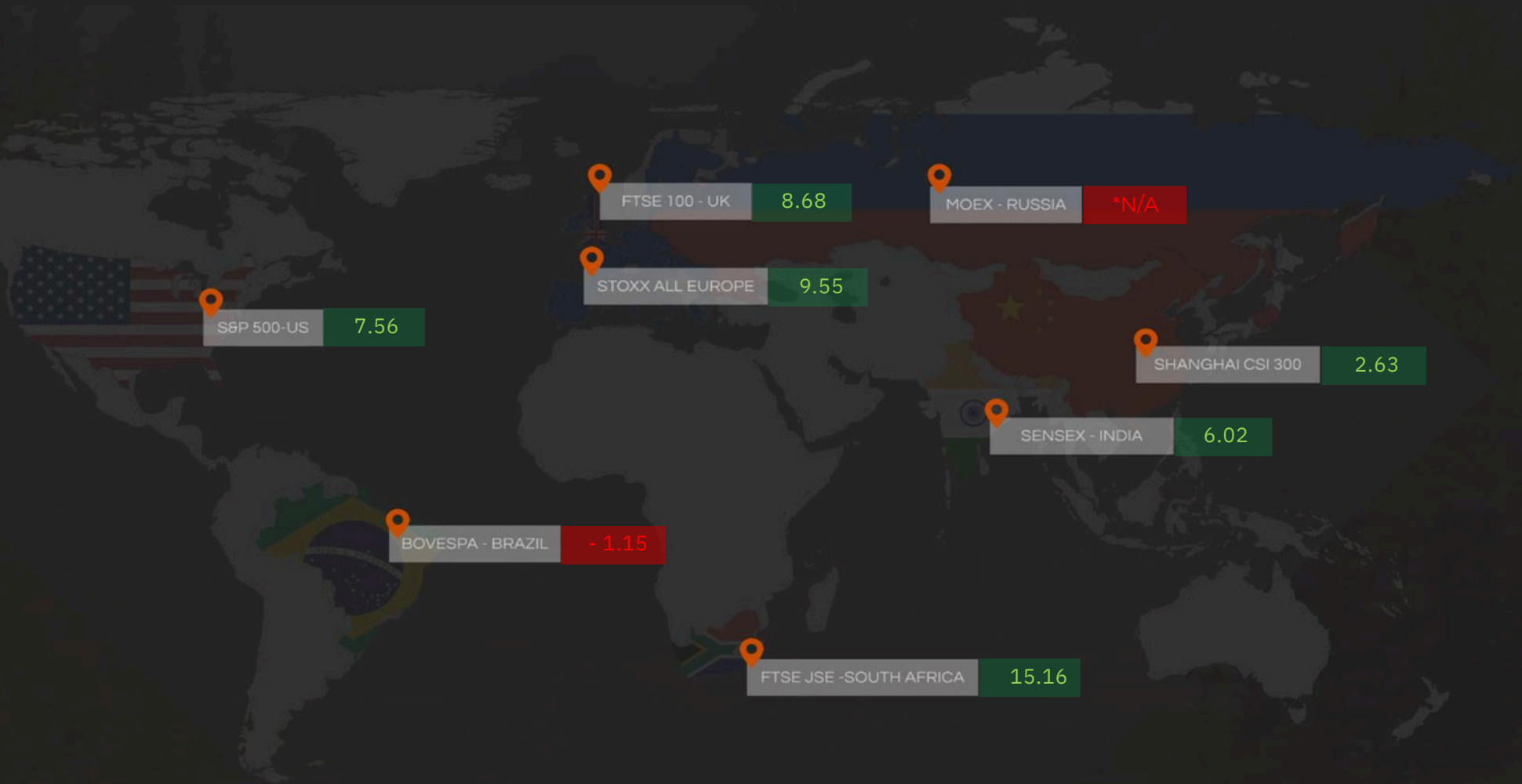
Quarter 4, 2022

SOUTHAFRICA

AMERICA

EUROPE

ASIA



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

What is going on across the globe

Quarter 4, 2022



SOUTH AFRICA

AMERICA

EUROPE

ASIA

GEO - ECONOMIC CLIMATE



CHANCE RAIN

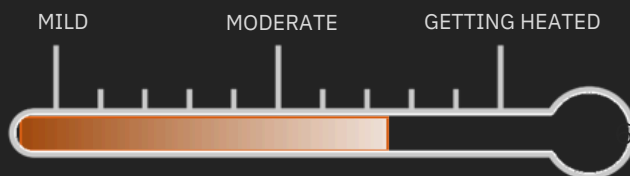


FOG/HAZEY

OUTLOOK

The South African medium-term budget during October received a positive reaction from markets. This was mainly due to expected strong revenue over runs along with fiscal discipline. The South African debt to GDP is expected to peak around 71%, instead of the 75% as previously announced. The South African Reserve Bank (SARB) stated that they will likely to remain hawkish, until inflation slows down and political risks fade towards the end of the fourth quarter. South Africa saw President Cyril Ramaphosa further 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 continued to grapple South Africa during the fourth quarter, as Eskom CEO Andre de Ruyter, announced his resignation in December.

GEO - POLITICAL TEMPERATURE



What is going on across the globe

Quarter 4, 2022



SOUTH AFRICA

AMERICA

EUROPE

ASIA

GEO - ECONOMIC CLIMATE



CHANCE RAIN

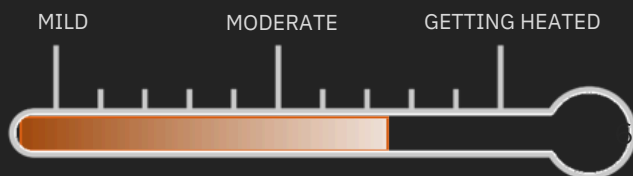


MOSTLY
CLOUDY/PART SUN

OUTLOOK

The US economy experienced significant interest rate hikes during the fourth quarter, in an attempt of the Federal Reserve (The Fed) to lower high inflation levels. The Fed chair Jerome Powell stated that economic pain will be necessary to get inflation levels down. Investors responded positively to data, showing that the peak of inflation may have been reached during November. Markets are also expecting that inflation may cool down from this point going forward. Strong employment growth in the US economy and decreasing energy prices during December 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.

GEO - POLITICAL TEMPERATURE



What is going on across the globe

Quarter 4, 2022



SOUTH AFRICA

AMERICA

EUROPE

ASIA

GEO - ECONOMIC CLIMATE

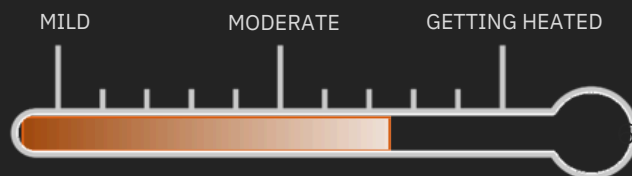


FOG/HAZEY



MOSTLY
CLOUDY/PART SUN

GEO - POLITICAL TEMPERATURE



OUTLOOK

The beginning of the fourth quarter was highlighted that the UK economy might be at the end of bad fiscal planning and political instability. Markets reacted positively to the newly appointed Prime Minister, Rishi Sunak and Chancellor, Jeremy Hunt. Energy prices came down during October, as gas reserves increased, and warm weather delayed higher usage levels. Inflation reached a new record high of 10.7% year-on-year in October. Although energy costs remain significantly high during the quarter, a warmer autumn decreased the demand for energy, reducing the risk of shortages. 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.

What is going on across the globe

Quarter 4, 2022

SOUTH AFRICA

AMERICA

EUROPE

ASIA



GEO - ECONOMIC CLIMATE



CHANCE RAIN

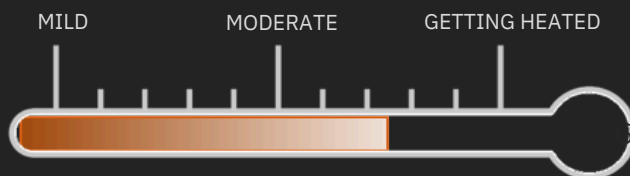


MOSTLY SUN/PART
CLOUDY

OUTLOOK

The 20th Party Congress in China had some negative surprises during November as new leadership mostly consists of Xi Jinping loyalists. During the month of November, Chinese authorities pivoted significantly towards the re-opening of the economy, as well as supplying fiscal support to consumers. Markets are expecting economic recovery in China towards the middle of 2023. 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.

GEO - POLITICAL TEMPERATURE



What is going on across the globe

Quarter 4, 2022



OVERALL GLOBAL OUTLOOK

GEO - ECONOMIC CLIMATE



CHANCE RAIN

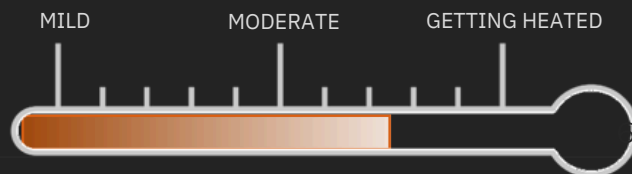


MOSTLY
CLOUDY/PART SUN

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



Industry Feedback

Quarter 4, 2022

ASISA CATEGORIES:

GENERAL EQUITY

HIGHEQUITY

MEDIUMEQUITY

LOWEQUITY

Top 15 Unit Trust Returns

	QUARTER	1 YEAR	5 YEAR
	(%)	(%)	(%)
Global & Local SNN Worldwide Flexible A	6.61	1.40	N/A
Perpetua SCI Equity A	3.10	8.37	3.79
ABSA Dividend Plus Index A	2.62	21.20	N/A
ClucasGray Equity Prescient A1	2.47	10.41	7.67
Fairtree Select Equity Prescient A1	2.31	20.29	N/A
Satrix Dividend Plus Index A1	2.11	20.81	12.52
Sasfin BCI Equity A	2.00	-2.40	2.02
27four Shari'ah Active Equity A1	1.96	0.26	5.74
Coronation Equity A	1.47	-8.01	4.80
Aylett Equity Prescient A1	1.46	8.71	9.78
STANLIB Enhanced Multi Style Eq A1	1.38	8.03	9.02
Sygnia Divi A	1.37	19.97	12.53
36ONE BCI Equity A	1.15	5.28	11.59
3B BCI Equity	1.07	7.95	6.03
Element Earth Equity SCI A	0.93	-2.06	3.03

Top 15 in Fund Size

	FUND SIZE
Allan Gray Equity A	R36 999 916 933
M&G SA Equity Fund F	R36 970 190 131
Fairtree Equity Prescient A1	R23 038 873 398
Coronation Top 20 A	R22 870 146 579
PSG Wealth Creator FoF D	R15 764 066 644
Old Mutual Investors R	R12 565 060 978
Ninety One Equity R	R11 474 033 806
Coronation Equity A	R7 679 925 865
Nedgroup Inv Rainmaker A	R6 391 008 779
PSG Equity A	R5 970 424 961
SIM General Equity B10	R5 888 479 868
STANLIB Equity R	R5 820 192 402
PortfolioMetrix BCI SA Equity Fund B2	R5 424 677 705
Oasis Crescent Equity D	R5 338 936 263
36ONE BCI Equity A	R5 173 240 147

Industry Feedback

Quarter 4, 2022

ASISA CATEGORIES:

GENERAL EQUITY

HIGH EQUITY

MEDIUM EQUITY

LOW EQUITY

Top 15 Unit Trust Returns

	QUARTER	1 YEAR	5 YEAR
	(%)	(%)	(%)
PSG Balanced A	12.97	9.36	6.90
Fairtree Balanced Prescient A1	10.88	6.49	11.26
Fairtree Invest Strategic Fac Prscent A1	10.85	2.74	N/A
Perpetua SCI Balanced A	10.65	1.07	5.14
Select BCI Balanced A	10.46	6.54	7.44
Prescient Balanced A1	9.52	-3.17	6.23
Aylett Balanced Prescient A1	9.45	6.75	11.78
RSA BCI Balanced A	9.37	-1.32	N/A
AF Investments Aggressive Passive A1	9.16	-1.14	7.76
Cinnabar SCI Balanced Plus FoF	8.97	0.23	5.58
Pinnacle Wealth Balanced Prscent FOF A1	8.95	0.53	7.87
FedGroup Aggressive FoF A	8.94	0.24	3.89
Sanlam Multi Mgd Aggressive FoF A1	8.90	0.18	7.22
Sanlam Private Wealth Balanced	8.80	1.34	6.01
Ampersand SCI CPI Plus 6 FoF A	8.79	-1.55	1.02

Top 15 in Fund Size

	FUND SIZE
Allan Gray Balanced A	R165 822 238 885
Coronation Balanced Plus A	R99 705 873 360
Ninety One Opportunity R	R64 625 255 761
Discovery Balanced	R37 134 587 901
PSG Wealth Moderate FoF D	R29 624 064 318
Ninety One Managed R	R29 148 682 403
Foord Balanced A	R24 230 377 786
M&G Balanced Fund A	R21 933 162 576
Old Mutual Balanced R	R20 801 438 283
Nedgroup Inv Core Diversified B	R18 616 753 238
10X High Equity Index A	R15 437 354 159
Old Mutual Multi-Managers Bal FoF A	R13 369 026 923
SIM Balanced A1	R11 736 796 298
PSG Balanced A	R10 958 126 041
Satrix Balanced Index A1	R8 352 485 625

Industry Feedback

Quarter 4, 2022

ASISA CATEGORIES:

GENERAL EQUITY

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MEDIUM EQUITY

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Top 15 Unit Trust Returns

	QUARTER	1 YEAR	5 YEAR
	(%)	(%)	(%)
Fairtree Flex Balanced Prescient A1	10.11	4.04	5.33
Prime Optimal Balanced FoF B1	8.72	0.08	6.51
Optimum BCI Balanced A	7.90	1.70	6.40
Discovery Mod Dynamic Asset Opt FoF A	7.88	-2.50	7.14
Amity BCI Prudent FoF	7.72	0.88	5.01
Synergy Ci Moderate FoF A	7.48	-1.07	N/A
PrivateClient BCI Medium Equity B	7.48	2.05	6.66
Assetbase CPI +4% Prescient FoF A1	7.38	1.98	6.64
Ampersand SCI CPI Plus 4 FoF A	7.36	-0.67	1.10
SIM Mgd Moderate FoF A2	7.35	0.24	7.54
Sygnia Skeleton Balanced 60 A	7.33	0.42	7.22
FedGroup Balanced FoF A	7.28	0.81	4.76
Celerity Ci Moderate B	7.20	1.82	N/A
Moore Ci Balanced FoF A	7.17	-0.57	5.83
Affinity Ci Moderate A	7.17	-2.09	4.04

Top 15 in Fund Size

	FUND SIZE
Coronation Capital Plus	R12 783 814 544
Nedgroup Inv Opportunity A	R7 353 692 755
STANLIB Absolute Plus B1	R6 874 831 001
Old Mutual Multi-Managers Def FoF A	R5 013 687 015
Old Mutual Albaraka Balanced A	R4 152 196 738
ABSA Multi Managed Core Accumulatio	R4 138 125 486
Discovery Mod Dynamic Asset Opt FoF	R3 746 451 535
ABSA Multi Managed Accumulation FoF	R3 390 343 579
Sygnia CPI + 4% D	R2 732 381 033
Amplify SCI Absolute A1	R2 616 792 795
Old Mutual Dynamic Floor A	R2 384 638 434
Discovery Moderate Balanced	R2 250 150 955
Momentum Focus 5 Fund of Funds A	R2 155 075 065
10X Medium Equity Index A	R2 097 821 956
FG SCI Saturn Moderate FoF A	R1 960 376 045

Industry Feedback

Quarter 4, 2022

ASISA CATEGORIES:

GENERAL EQUITY

HIGHEQUITY

MEDIUMEQUITY

LOW EQUITY

Top 15 Unit Trust Returns

	QUARTER	1 YEAR	5 YEAR
	(%)	(%)	(%)
Select BCI Cautious A	8.80	7.60	9.47
Plexus Wealth BCI Conservative A	8.03	2.04	1.57
Discovery Cons Dynamic Asset Opt FoF A	7.24	-0.67	7.33
PSG Stable A	7.19	7.07	6.02
M&G Inflation Plus Fund A	6.76	3.17	4.46
Corion Prime Stable A	6.66	6.24	7.57
Stelburg BCI Cautious Fund of Funds A	6.49	0.37	N/A
SIM Mgd Cautious FoF A2	6.41	0.78	6.81
Prescient Defensive A2	6.25	-1.80	5.83
3B BCI Stable FoF 3B1	6.23	4.20	7.52
Ampersand SCI CPI Plus 2 FoF A	6.18	-0.12	2.25
H4 Stable B1	6.15	1.51	7.69
Point3 BCI Conservative FoF A	6.14	1.73	6.01
AF Investments Conservative Passive A1	6.08	1.60	6.80
Affinity Ci Cautious A	6.07	-1.67	4.40

Top 15 in Fund Size

	FUND SIZE
Allan Gray Stable A	R49 159 011 477
Coronation Balanced Defensive A	R29 732 444 797
M&G Inflation Plus Fund A	R20 017 571 270
Ninety One Cautious Managed A	R19 130 267 537
Nedgroup Inv Stable A	R18 561 836 134
SIM Inflation Plus	R12 229 871 737
PSG Wealth Preserver FoF D	R12 223 032 218
STANLIB Balanced Cautious B1	R9 835 441 664
Nedgroup Inv Core Guarded B	R9 546 607 513
Old Mutual Stable Growth A	R7 496 859 688
Old Mutual Real Income A	R5 585 791 429
Discovery Cautious Balanced	R5 111 777 860
Amplify SCI Defensive Balanced A1	R4 384 829 119
ABSA Multi Managed Core Preserver C	R4 233 940 644
Personal Trust Conservative Mgd	R3 898 383 354

Fairtree Solution Feedback

Quarter 4, 2022

ASISA CATEGORIES:

GENERAL EQUITY

HIGH EQUITY

MEDIUM EQUITY

LOW EQUITY

	QUARTER (%)	YEAR 1 (%)	YEAR 3 (%)	YEAR 5 (%)
Fairtree Equity Prescient A1	16.17	13.64	17.55	12.83
Fairtree Select Equity Prescient A1	8.10	16.14	17.04	-N/A
Fairtree Personal Share Portfolio (RMB)	8.45	20.51	24.63	18.22
Fairtree Equally Weighted Top 20	17.59	8.99	11.10	9.79
Fairtree Worldwide Equity Portfolio	7.46	5.84	20.26	15.86
Fairtree Assegai Equity Long Short SNN QIHF	21.62	25.83	21.64	22.43
ASISA General Equity	10.60	3.13	10.03	5.53

Fairtree Solution Feedback

Quarter 4, 2022

ASISA CATEGORIES:

GENERAL EQUITY

HIGH EQUITY

MEDIUM EQUITY

LOW EQUITY

	QUARTER (%)	YEAR 1 (%)	YEAR 3 (%)	YEAR 5 (%)
Fairtree Worldwide Multi Strategy Flexible Presciently A1	8.16	-2.40	5.72	-N/A
Fairtree Worldwide Multi Strategy Flexible QIHF	9.50	4.52	10.10	10.04
Fairtree Worldwide Multi Strategy Flexible RIHF	9.59	-2.62	7.74	7.78
Fairtree Balanced Houseview (Wrap)	7.51	4.83	11.21	9.93
Fairtree Pre Retirement Solution	7.51	4.85	11.25	9.88
Fairtree Balanced Houseview (10% HF)	8.00	5.94	11.74	10.54
Fairtree Balanced Multi Manager Portfolio (RMB)	9.79	6.39	10.87	10.84
Fairtree High Net Worth Long Only Portfolio (RMB)	9.50	0.78	10.33	9.38
(ASISA) SA Multi Asset High Equity	6.91	-0.17	8.11	5.93

Fairtree Solution Feedback

Quarter 4, 2022

ASISA CATEGORIES:

GENERAL EQUITY

HIGHEQUITY

MEDIUM EQUITY

LOWEQUITY

	QUARTER (%)	YEAR 1 (%)	YEAR 3 (%)	YEAR 5 (%)
Fairtree Moderate Houseview (Wrap)	8.20	1.81	8.39	8.48
Fairtree Moderate Houseview (10% HF)	8.62	3.18	9.16	9.21
Fairtree Flexible Balanced Prescient A1	10.11	4.04	6.27	5.34
Fairtree Balanced Multi Manager Portfolio (RMB)	9.79	6.39	10.87	10.84
(ASISA) SA Multi Asset Medium Equity	6.04	0.29	7.43	5.92

Fairtree Solution Feedback

Quarter 4, 2022

ASISA CATEGORIES:

GENERAL EQUITY

HIGHEQUITY

MEDIUMEQUITY

LOW EQUITY

	QUARTER (%)	YEAR 1 (%)	YEAR 3 (%)	YEAR 5 (%)
Fairtree Stable Houseview (Wrap)	6.88	1.76	6.94	7.82
Fairtree Stable Houseview (10%)	7.43	3.14	7.83	8.61
Fairtree Cautious Multi Manager (RMB)	9.43	13.72	13.89	13.26
(ASISA) SA Multi Asset Low Equity	4.85	1.36	6.56	5.87

Solution Commentary

Quarter 4, 2022

The volatility since the beginning of the year continued into the fourth quarter of 2022. The fourth quarter continued to feel the significant impact of the ongoing war between Ukraine and Russia, together with increasing inflationary pressures and interest rate hikes by Central Banks from around the world. Towards the end of the quarter, economic growth started to increase slightly due to the re-opening of the Chinese economy as well as policy changes, the impact of sanctions on Russia with regards to global economies and increasing interest rates in several financial systems. The effect of the war is still felt by countries all around the world, mainly due to increasing gas prices and sanctions placed on Russian resources and cuts on Russian gas supplies to European. A new risk is that of sabotage on the gas pipelines, that places renewed tension on Economies for the upcoming winter months. The fourth quarter of 2022 saw several policy responses by Chinese authorities, following the Evergrande saga in 2021 as well credit and fiscal policy changes. Changes to policies included increased liquidity, lower mortgage rates, lower bank notes, increased infrastructure, subsidies to SME`s, support for airlines and lower taxes for households. Central banks came under significant pressure throughout the fourth quarter, attempting to curb increasing inflation and balancing increasing interest rates. Looking back at the past three months we have seen some significant volatility in the markets, locally as well as globally. During the fourth quarter, the rand strengthened a bit especially against the US dollar. This was mainly on the back of improving China. The MSCI World returned 3.92% during Q4 2022 and the S&P 500 ended the quarter 1.83%. In South Africa, markets gave little hiding place, as most asset classes had negative returns for the third quarter of 2022. The JSE All share ended the quarter up with 15.16%, while the JSE Capped Swix index also ended the quarter positive 12.22%. Resources has been a pillar during the past quarter. The volatility in the local, as well as global markets had a significant impact on the Fairtree portfolios and solutions. Diversity is one of the key points that benefitted Fairtree during the fourth quarter of 2022. The Fairtree equity team benefitted significantly during the fourth quarter of 2022. The Fairtree Equally Weighted Top 20 strategy also performed strongly, mainly due to strong performances by resources. Both the Fairtree Equity fund and the Fairtree Equally Weighted Top 20 ended the quarter up with 16.17% and 17.59% respectfully. On the multi asset side, we saw the Fairtree Worldwide Multi Strategy Flexible Prescient fund delivered 8.16% for the fourth quarter. Our hedge fund exposure aided some of our long only strategies towards the end of 2022. That left our Fairtree Balanced House View with 10% hedge fund exposure with a 8.00% return for the quarter. In the long run we believe that the hedge funds can generate some real alpha, benefitting our clients. This is proven over time, looking at the four main funds that make up our hedge fund exposure, the Fairtree Wild Fig Multi Strategy QIHF, Fairtree Assegai Equity Long Short QIHF, the Fairtree Proton RCIS RIHF and the Fairtree Woodland Multi Strategy SNN QI Hedge Fund. These hedge funds delivered 11.45%, 21.62%, 6.33% and 10.07% respectively for the fourth quarter of 2022. The last quarter of the year was volatile but surprised to the upside. One thing we have learned during the past few months, is that we can trust in our long-term strategies and by sticking to our strategies, we believe we can continue to deliver on our clients expected outcome for 2022 as well as going on into 2023.