MARKET OVERVIEW Q4 2017

The return of inflation

NOVARE®

EXECUTIVE SUMMARY

While 2018 has been crowned as the 'year of growth' markets are already looking ahead to 2019 and what the future may hold. There seems to be a consensus among market participants that 2019 could be in for a shaky setting as the impact of U.S. stimulus fades. Other threats that pose a downside risk to the growth outlook for 2019 include inward-looking policies, geopolitical tensions, and political uncertainty in some countries.

President Trump's protectionist policies could be interpreted by markets as the first of many such risks to come. Rich asset valuations and very compressed term premiums also raise the possibility of a financial market correction, while the faster-than-expected increase in advanced economy core inflation and interest rates (as demand accelerates), could increase the list of financial vulnerabilities. Furthermore, the anticipated response of U.S. investment to the recent tax policy changes could turn out to be less than expected which may affect the external demand of U.S. trading partners.

Dollar weakness has impacted a host of other currencies. The U.S. dollar index weakened last year as the market repriced the U.S. economic growth fundamentals relative to that of the euro area. Furthermore, stronger emerging market (EM) currencies echoed the improved global trade and growth trends as well as investor risk appetite. EM equities have been inversely correlated with the U.S. dollar and if the greenback remains weak, it will provide a good backdrop for the MSCI EM index. Without a decisively weaker dollar, some of the tailwinds that EM equities and currencies have enjoyed in the past year may fade in the coming months.

China's economy is destined to slow down as housing and heavy industry's decelerate, which could dampen both Chinese equities (financials rather than tech) and weigh on the yuan (versus the dollar). Monetary tightening, tougher local government budget constraints and an unstable housing market are some of the factors that may lead to the deceleration of China's economy in the first half of 2018.

Commodity prices have been responding to the same signals of synchronised global economic expansion and global investment spending (in particular infrastructure) are expected to be strong this year. This should provide a boost to industrial metals. Nonetheless, the positive outlook may be challenged by China's slower growth as the main effect of a weaker Chinese economy will be that of softer commodity prices. In addition, should the U.S. dollar firm in the next few months, it could cause headwinds for industrial metals and commodity prices in general.

South Africa's growth outlook is likely to be impacted positively should the recent Ramaphosa-win (which restored some political certainty), lead to a sustained boost in business and consumer confidence. The South African Reserve Bank (SARB) has moderately upgraded the country growth forecast for 2018 and 2019. With that said, the central bank acknowledges that the growth outlook remains challenging and fragile, with the potential growth rate of 1.2% (as forecast by the SARB) remaining too low and uncompetitive relative to its peers.

Should the disinflation trend of 2017 gather pace, it could lead to interest rate cuts, consequently strengthening the growth pattern. Nevertheless, the SARB has identified the increase in international oil prices as an upside risk to inflation as well as the impact of possible further sovereign credit rating downgrades.

On the rating front, should the February budget sustain the estimates sighted in the Medium Term Budget Policy Statement (MTBPS) it is possible that the continuity could be interpreted as somewhat positive (mainly due to no further deterioration being predicted in the near term). This could lead to Moody's differing a potential downgrade. Even so, the medium to longer term fiscal trajectory will remain dire if there are no meaningful structural reforms, state-owned enterprise reform, expenditure restraint and/or if growth remains below potential.

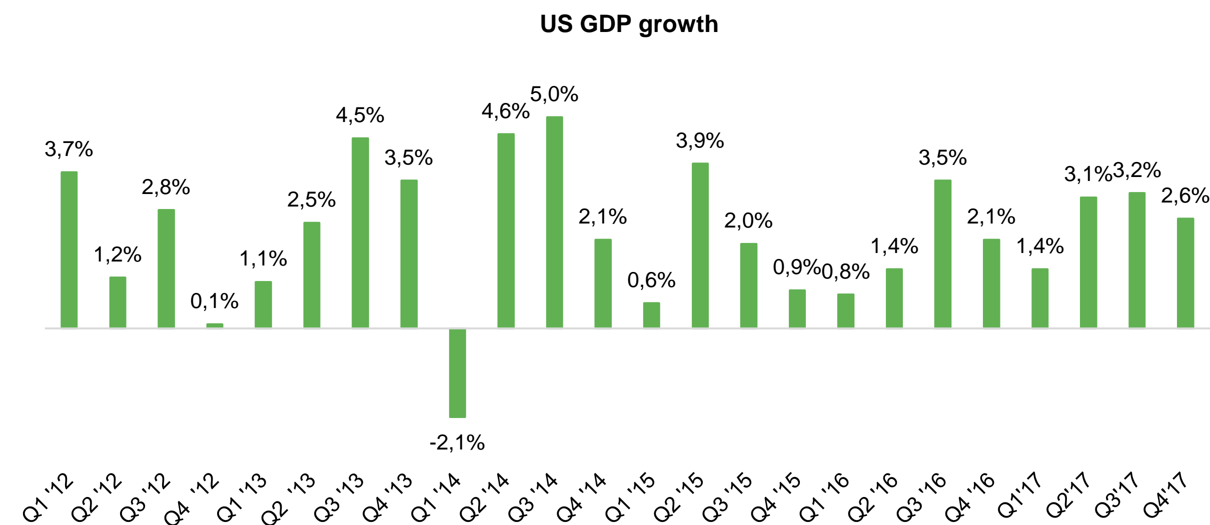
The rand should remain relatively upbeat in the near-term should the outcome of the February budget speech be positive, growth and confidence surprise on the upside and a further credit rating downgrade be averted. Local political developments will also impact the rand considerably over the medium term. Should conditions in the local setting remain dire (in other words, no policy reform, a difficult political climate ahead of the 2019 national elections and/or little to no fiscal consolidation) while foreign investor interest in EM assets persists, it could further fuel volatility. Should foreign investor sentiment swing away from EM risk assets, it could impact the rand as it is a high-beta currency in a highly liquid financial market.

FOURTH QUARTER IN REVIEW

Global

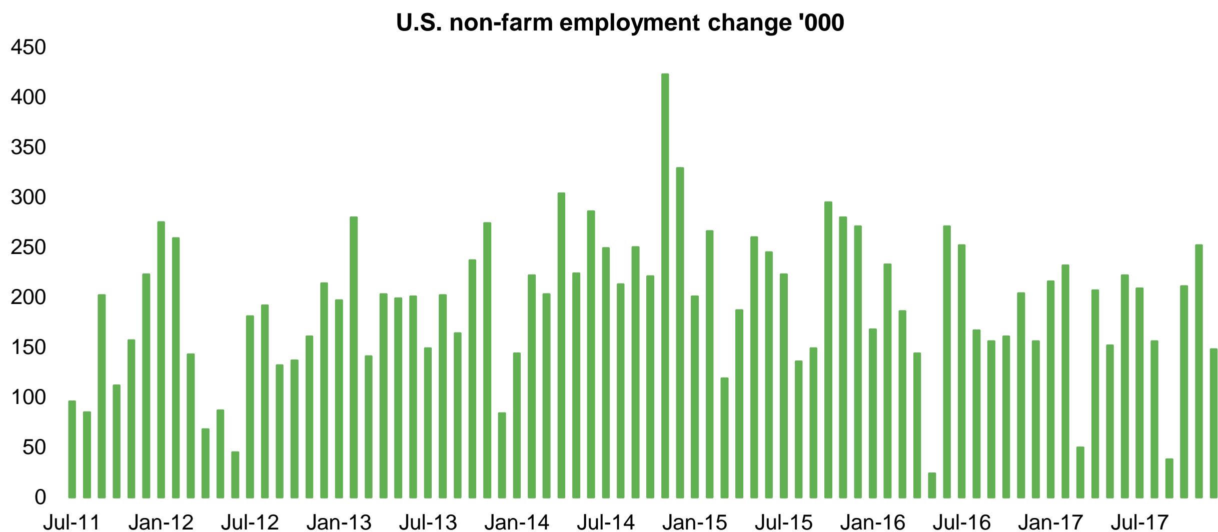
The final quarter of 2017 continued to see the recovery of growth in developed global economies. Global economic data, such as the manufacturing Purchasing Managers Index (PMI) lead indicators, were particularly strong. The Institute of Supply Management (ISM) indicator in the U.S. rose to its highest level since 2004. The Chinese official PMI sat at its highest level since 2012 while the European composite was at its highest since 2011. Data released in December showed that U.S. consumer inflation accelerated from 2% in October to 2.2% in November (year-on-year) as fuel prices increased at a faster pace. The U.S. economy grew at its fastest pace in more than two years in the third quarter, powered by robust business spending. Furthermore, market expectations were poised for a modest lift in 2018 following the sweeping tax cuts passed by Congress.

January 2018 growth figures from the U.S. showed that consumers and businesses powered the economy to a 2.6% rate of GDP growth in the final three months of 2017. Declining inventories and a wider trade deficit, however, kept the U.S. from hitting the 3% mark for the third quarter in a row for the first time in 13 years. Nonetheless, the U.S. economy finished one of its strongest stretches of growth since the beginning of the expansion in mid-2009. For the 2017-year, the economy expanded 2.3% compared to a 1.6% increase in 2016.



Source: Thompson Reuters

Consumer confidence remains high, the unemployment rate is low and businesses are investing more. Monthly job figures showed that the U.S. economy continued to perform well, adding more jobs than forecast in November (252 000 jobs, revised upwards from 228 000). The unemployment rate remained unchanged at 4.1% and wage inflation rose less than expected. The U.S. economy added fewer jobs (148 000) in December 2017, while the unemployment rate held at 4.1%. The annual rate of inflation (as measured by the PCE index), rose to 2.8% in the fourth quarter, marking its highest pace since 2011. Year-on-year inflation was under 2%. Even amid the positive economic indicators, inflationary pressures continued to lack as the unemployment rate fell. Headline inflation and, more especially, core inflation remained below target. This was evident in both the U.S. and the Eurozone.



Source: Thompson Reuters

Monetary policy response by global central banks remained divergent. In October, the European Central Bank (ECB) took steps towards policy normalisation by aiming to reduce its bond purchases to €30 billion per month. The move did not rattle markets meaningfully but the central bank's decision to keep the program open-ended struck a dovish note and pushed back expectations for a rate increase, sending the euro lower. The ECB kept rates unchanged for the remainder of the quarter while raising its growth forecasts for the region.

No major and/or unexpected changes were made to monetary policy during November. The U.S. Fed left rates unchanged and reduced its balance sheet further. Another expected development was the appointment of Jerome Powell as the new Fed Chair. It is anticipated that monetary policy is likely to stay on its current course and gradually normalising interest rates.

As anticipated, the Bank of England's (BoE) decided to raise its benchmark bank rate for the first time in a decade by 25 basis points to 0.5%. This was in response to the impact of rising inflation due to a weaker pound. Given the uncertainties surrounding Brexit, the central bank left its asset purchase programme unchanged to offer some support to the economy. In contrast, the Bank of Japan (BoJ) kept interest rates unchanged. The central bank signalled that it was likely to lag its overseas peers in ending crisis-mode easing (with inflation remaining below target). This was despite a strengthening in the Japanese economy.

As the fourth quarter commenced, global markets fluctuated in response to mixed expectations about President Donald Trump's ability to push through a signature tax overhaul. This saw the U.S. dollar weaken against major currencies on speculation that the tax overhaul plan would be stalled even further. Adding to the dollar weakness was the Fed's September policy meeting minutes, which were perceived as more dovish than the original Fed statement. November saw a turn in sentiment with business and investor confidence receiving a boost upon the news that the House of Representatives and the Senate Panel both passed versions related to U.S. President Trump's ambitious tax overhaul. As the year drew to a close, markets celebrated the signing of a tax bill that cuts the corporate tax rate from 35% to 21%.

Overall, the final quarter of 2017 proved to be another strong period for global stock markets. Global equities received continued support from macroeconomic conditions in what many market commentators called a "Goldilocks environment" – one that is not too cold nor too hot. Subdued inflation (which was supportive of accommodative monetary policies), bullish investor sentiment and of course the enactment of the major corporate tax cuts in the U.S. propelled equities to new record highs.

The MSCI World Index gained 1.3% in December, 5.6% during the quarter and 23% for the 12-month period. The S&P 500 and the tech-heavy Nasdaq returned 1.1% and 0.4% respectively for the month of December. On a 12-month basis, both indices gained a solid 21.2% and 29.6% respectively. In Europe, the FTSE 100 was up 5% for the month of December and 12.3% over the 12-month period. The risk-on appetite by investors was reflected in

the MSCI Emerging Market Index, which outperformed and returned 3.6% in the month of December, 7.5% for the quarter and an impressive 37.7% over the 12-month period.

Global bonds were slightly stronger during December, as reflected in the Barclays Global Bonds Index, which returned 0.3% in the month. Over the course of the year, global bonds returned 7.4% as inflationary pressures remained absent, while yields remained low. On the commodities front, Brent Crude was up 6.2% in December and a notable 17% for the year. Oil recoiled on the back of strong demand, concerns over shale and solid OPEC compliance. Gold gained 1.7% in the month of December and over a 12-month period returned 12.6%. Platinum gave back -1.1% and 2.9% over the same period.

Domestic

The final quarter of the year ushered in a unique series of risk events - the MTBPS, a crucial round of sovereign credit rating reviews and the ANC National Elective Conference Meeting where a leadership change within the ruling party would be determined and ultimately determine the future political and economic path for the country. The country was at a crossroads.

In October, the MTBPS revealed the significant erosion of the government's fiscal position. Growth forecasts were revised lower from 1.3% to 0.7%, with the weak outlook reflecting the continued decline in confidence indicators. Given the weak economic growth, gross revenues were expected to fall short substantially. As a consequence of the revenue shortfalls, the consolidated budget deficit for 2017/18 is expected to rise to 4.3% of GDP - compared with a 2017 estimate of 3.1%. Based on these evaluations, National Treasury expects gross national debt to continue rising, reaching over 60% of GDP by 2022. Following the announcement, the rand sold off and local bond yields climbed.

The rand was caught in a tug of war as a combination of local and global economic and political factors caused gyrations in the local currency. A dovish tone by the U.S. Fed and concerns regarding the delay of President Trumps' tax reform, boosted emerging market currencies such as the rand. Later in the month the possible revival of the "reflation trade", coupled with speculation that Deputy President, Cyril Ramaphosa may be fired, weighed on the local currency. Just days earlier, South Africa also saw its second surprise cabinet reshuffle.

The end of October saw the JSE All Share Index gaining over 6 %, with foreigners being net buyers of S.A. equities. Local bonds underperformed, as was reflected in the All Bond Index (ALBI). The ALBI's negative performance was primarily driven by local political uncertainty and the worse-than-expected MTBPS - which elevated the risk of a credit rating downgrade.

In November, mere weeks away from ANC NEC meeting, S&P Global downgraded S.A.'s local currency rating to BB+ (one notch below investment grade) and the foreign currency rating to BB (two notches below investment grade) and changed their rating's outlook to stable. While the downgrade came earlier than expected, the movement in bond yields ahead of the announcement suggested that the market had already factored in the negative rating. Moody's, on the other hand, placed S.A.'s foreign and local currency ratings on review for a downgrade, with the decision to follow the 2018 National Budget announcement in February. Fitch affirmed the country's BB+ rating with a stable outlook. All three rating agencies flagged the same concerns, including weaker-than-expected public finances, weak economic growth, ineffective government spending and ineffective government policies.

Market participants saw the silver lining in the rating action, with the rand as a proxy. The local unit ended the month 3.2% stronger against the U.S. dollar (at R13.70), 1.1% firmer against the pound and up 1.6% against the euro. The immediate negative reaction from the S&P downgrade - which translated into a 2% decline against the greenback as the rand weakened to R14.15 - was not sustained. The downgrade of the local currency rating to junk status by S&P, but not by Moody's implied that S.A.'s sovereign bonds would be removed from the Barclays Global Aggregate Bond Index (BGAI), but not from Citi's World Government Bond Index (WGBI), which was among one of the factors that helped support the rand. Local bonds sold off in November, largely due to the S&P downgrade, while foreigners continued to be net buyers of local equities.

In the final monetary policy meeting of the year, the SARB decided to leave the repo rate unchanged at 6.75%. The central bank acknowledged that the risk to the inflation outlook had increased but stuck to the projection that inflation would remain within the target range for the rest of the forecasted period. The central bank's inflation

forecast produced by the Quarterly Projection Model (QPM) has deteriorated since September this year. The QPM is based on a series of assumptions with the aim to map out what policy reaction would be, based on forecasts. The model forecasts one interest rate hike by the end of 2018 (of 25 basis points), and two interest rate hikes by the end of 2019 (to make a total of 50 basis points for the year). This is opposed to the single increase of 25 basis points by the end of 2019.

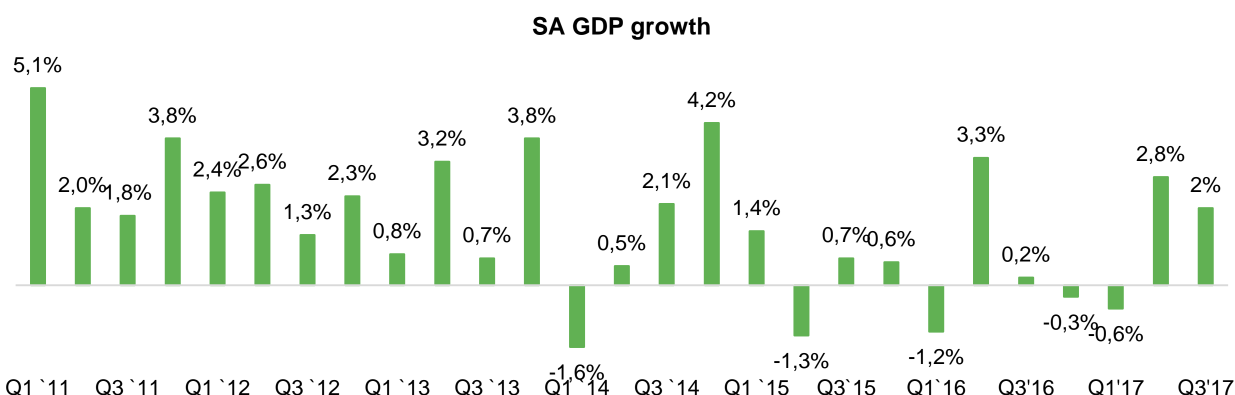
Cyril Ramaphosa emerged victoriously from a tightly contested race and was crowned the new President of the African National Congress (ANC). The rand started the month of December above the R13.60 level against the U.S. dollar and rallied aggressively, all the way to below R12.60 ahead of the announcement as investors grew confident of a Ramaphosa win. Under his leadership, it was widely expected that confidence may be restored in the investment community, hence the positive currency reaction. After the national elective conference, the rand held steady and remained below the R12.80 mark against the greenback, appreciating nearly 10% against the U.S. dollar for the month.

The confirmation of Ramaphosa being elected as the ANC president boosted the local market, with financials and retailers being the biggest beneficiaries. The strong currency weighed on rand hedges while Steinhoff continued to tumble following the disclosure of the company's questionable accounting practices. Steinhoff declined by more than 90% since the news broke in the public spectrum until the end of December. Overall, the JSE All Share Index lost 0.3% during the month of December. A compression in credit default swap spreads was observed ahead of the electoral vote, while bond yields traded lower. The yield on the S.A. 10-year touched 8.6% post the announcement (down from 9.3% at the beginning of December), while the ALBI gained 5.7% for the month of December as foreigners were net buyers of local bonds.

For the quarter, the ALBI gained 2.2% while returning 10.2% for the year. The local equity market outperformed with the JSE All Share Index returning 7.4% for the final three months of the year and a solid 20.9% for the 12-month period. On a sector basis, the Resources 20 and Industrial 25 Index returned 3.6% and 4.6% respectively in the fourth quarter. The Financial 15 Index lent the most support, gaining 19.2% for the quarter. The South African Listed Property Index gained 8.3% for the quarter and 17.1% for the year. Cash earned 1.8% for the quarter and underperformed on a 12-month basis, returning 7.5%.

While December was mostly about political developments, important local data was also released. The economic recovery (which started off a low base in the second quarter), continued in the third quarter. Third quarter GDP growth rose by 2% quarter-on-quarter which was slightly down from 2.8% during the previous quarter. Most sectors managed to grow over the quarter, with the largest contributions coming from agriculture, mining and manufacturing. Stronger global demand and firmer international commodity prices were the main drivers of the recovery in both the mining and manufacturing sectors. Final consumption expenditure by households increased by 2.6% in the third quarter, however, the growth rate slowed from the 4.7% recorded in the second quarter.

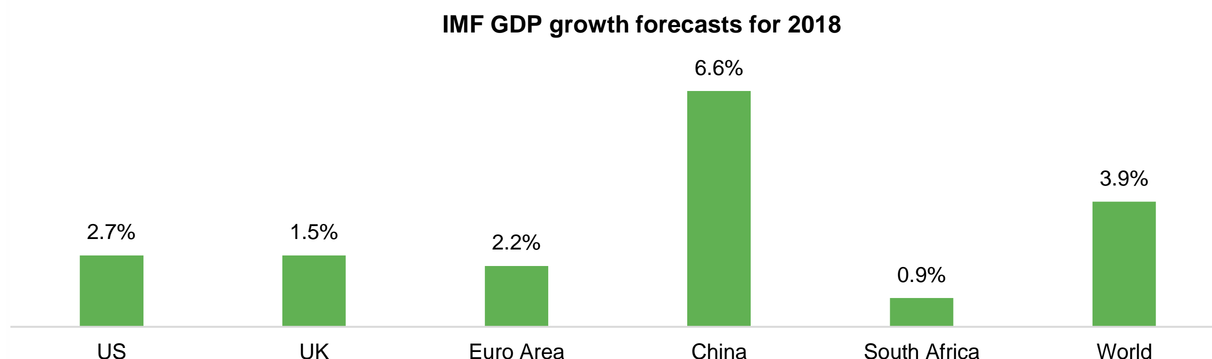
Gross fixed capital formation exceeded expectations in the third quarter, rising by a solid 4.3% following a contraction in the second quarter. The strong rise was surprising given the weak business confidence on the back of elevated political and policy uncertainty



Source: Reuters

GLOBAL OUTLOOK

Confidence in the global economy for 2018 has increased. According to the International Monetary Fund (IMF), economic activity across the globe is strengthening and the think tank anticipates that the global output will grow by 3.9% in 2018 and 2019 (in comparison to the 3.7% projected in October 2017). This increased growth is likely to come from improved global growth momentum and the expected impact of the recently approved U.S. tax policy changes.



Source: IMF World Economic Outlook January 2018

Inflation remains low globally, partially due to the impact of technology. The Organisation for Economic Cooperation and Development (OECD) countries continue to have very low rates of inflation. Inflation remains below 2% in the Group of Seven (G7) and has declined markedly in emerging markets. Nonetheless, the number of countries with inflation under 1% has declined from about 27 (two years ago) to fewer than 10 present day. As a result, deflation concerns have largely gone, with higher inflation likely to result in higher bond yields. The absence of deflation explains why QE is morphing into quantitative tightening (QT).

The growing impact of recurring factors such as tightening labour markets, stable and broader global growth, and higher commodity prices are likely to push global inflation higher from cyclical lows. The relationship between lower unemployment rates and higher wages (pronounced dead by some), should begin to reemerge in 2018 - starting in the U.S. Monetary conditions are largely accommodative, even amid quantitative tightening by the U.S. Fed. This is supportive of risk assets and has allowed financial flows to be channelled to high yielding emerging markets.

The question is whether investors are digesting a normal amount of concern or whether they are being lulled into a false sense of security. Volatility (as measured by the volatility index or 'VIX') is, after all, at a level that many consider to be unsustainably low. One of the goals of QE was to suppress market volatility. It is likely that volatility may increase moderately over the coming years.

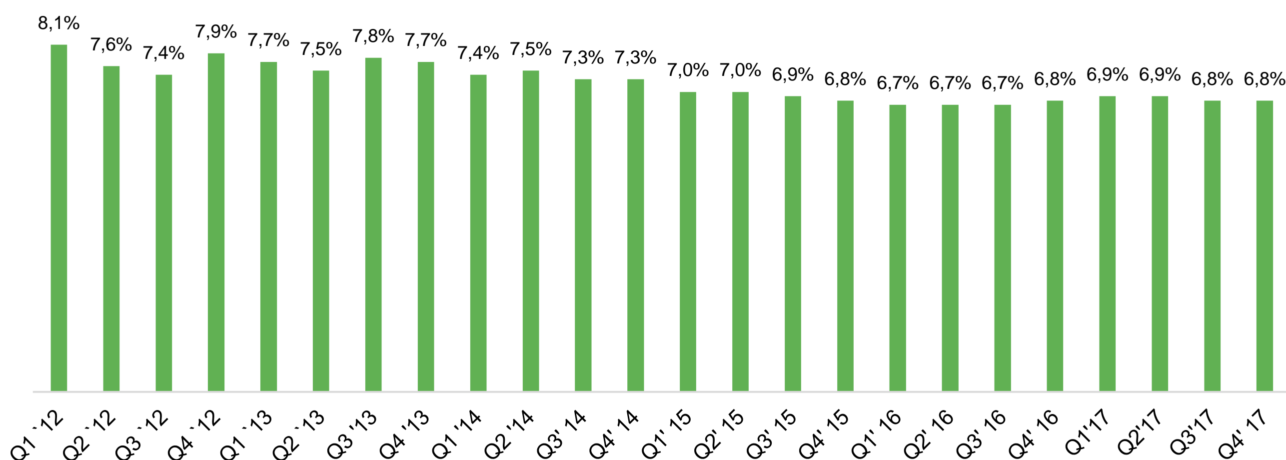
One of the main factors that many investors seem to be grappling with is the potential for a sharp incline in bond yields, which appear to be testing the top of its recent ranges. With current P/E multiples nearing 15-year highs, a rise in bond yields could start pressuring valuations and, therefore, hurt equity performance. While concerns remain for the traditional catalysts for a bear market (namely higher inflation and tighter monetary conditions), equities have been inclined to de-rate only when the Earnings Per Share (EPS) outlook worsened and not when yields move higher (as observed over the past two decades).

The global equities picture appears to be positive. The growth forecast for the U.S. is expected to pick up with tax reform (the reduction in corporate tax rates) possibly stimulating economic activity in the short term. Tax reform is expected to increase the S&P 500 EPS for 2018, even though the impact is likely to be unevenly distributed across firms. The effect of tax reform on individuals has received less attention and while wealthy individuals should benefit, the tax cut for the bottom half of the income scale is quite significant. The tax cuts are especially important given that U.S. consumer spending represents roughly 70% of the country's GDP.

Looking ahead, key macro factors are likely to favour euro area equities. Euro area earnings are comparatively low and should have a relative upside in response to ongoing economic improvement. Moreover, the monetary climate in the Eurozone will be more supportive for equities than in the U.S. over the next 6-12 months (as the Fed increases interest rates). Valuations are also markedly in favour of the Eurozone, and continued healthy regional economic growth should allow a relative re-rating.

Tighter monetary policy conditions and a shaky housing market are some of the factors that may lead to the deceleration of China's economy in the first half of 2018. Should this happen, it will likely reduce returns in Chinese equities and weigh on the yuan.

China GDP growth



Source: Thompson Reuters

Commodity prices have benefited from the positive global economic growth backdrop. Nonetheless, it would bode well to remain cautious considering the impact the weaker Chinese growth may have on commodity prices. Should the U.S. dollar firm in the next few months as well, this could be a headwind for industrial metals in addition to commodity prices in general. Investors may proceed with more caution where EM markets are concerned, particularly for non-Asian markets that have benefited from higher commodity prices and the weaker dollar.

The current price of is high enough to make U.S. shale very profitable, meaning that an acceleration in capex and output growth is probable. Even if OPEC and its allies maintain their cap on output, supply growth from the U.S. is likely to overwhelm global demand growth in the coming months. Nonetheless, there are still numerous risks to the upside, including stronger demand, weaker U.S. shale and geopolitical tensions.

DOMESTIC OUTLOOK

South Africa saw the biggest negative change to the IMF's 2018 and 2019 GDP forecasts. The institution is now projecting growth of 0.9% in both years (down from 1.1% and 1.6% respectively), citing increased political uncertainty and a commensurate decline in confidence and investment levels. The SARB anticipates more favourable growth prospects, which are consistent with the increase in the SARB's composite leading business cycle indicator of economic activity in October.

The growth outlook is also likely to be impacted positively should the recent political developments (which restored some political certainty), lead to a sustained boost in business and consumer confidence. With that said, the central bank acknowledges that the growth outlook remains challenging and fragile, with the potential growth rate of 1.2% (as forecast by the SARB) is still too low and uncompetitive relative to its peers that are growing more than 5% annually.

In terms of monetary policy, the SARB decided to err on the side of caution, leaving the repo rate unchanged at 6.75%. The tone of the SARB's speech was less dovish than expected. The central bank did adjust its inflation forecast downwards for 2017 (from 5.2% to 4.9%), with headline inflation expected to average 4.9% in 2018 and

5.3% in 2019. Should the lower inflation rate trajectory continue, it might strengthen the case for future interest rate cuts. According to the SARB, the higher international oil prices as well the negative impact that would be brought about by a possible further sovereign credit rating downgrade, remain risks to the inflation outlook.

The inflation forecast generated by the SARB's Quarterly Projection Model (QPM) has shown improvement since November last year. While three increases of 25 basis points each by the end of 2019 was signposted in the last MPC meeting, the central bank now views the third increase as a marginal call. In addition, the timing of the first increase has already been extended.

In terms of local bonds, the risk of further credit downgrades remains and would result in South Africa being excluded from the Citibank World Government Bond Index (WGBI). The exclusion could create outflows estimated in the region of up to $10 billion. The worst scenario would be the inflows from funds or investors targeting sub-investment grade sovereigns, being offset by outflows because of the index exit. The risks for bond investors are also external in nature. Commodity prices and U.S. Treasury yields are dominant drivers of South African bond yields, so increases in Treasury yields and/or weakness in commodity prices would weaken the rand and push local yields higher.

Continued positive EM sentiment by foreign investors and an improvement in the overall local economic growth outlook, coupled with expected increases in business and consumer confidence should be supportive of the local equity market. A further boost may be had if the SARB was to cut interest rates and this would bode well for consumer facing stocks. Against the backdrop of upside surprises to broad global growth, there is better value in other regions compared to S.A. (which is why we continue to be overweight global equities).

South African equity earnings have been low relative to its long-term trends (particularly in Resources and Financials), and it has the potential to improve if assisted by a favourable global tailwind. A fall in commodity prices may weigh on the rand and therefore common-currency relative earnings.

HEADLINE INDICES	1 MONTH	3 MONTH	12 MONTH
Africa All Share	-0,34%	7,44%	20,95%
Africa Top 40	-1,31%	6,71%	23,07%
Africa Mid Cap	4,74%	11,58%	7,36%
Africa Small Cap	3,86%	3,60%	2,95%
Africa Fledgling	0,09%	1,75%	-0,81%
Africa Resource 20	-1,06%	3,65%	16,77%
Africa Industrial 25	-4,69%	4,69%	25,42%
Africa Financial 15	9,77%	19,23%	24,38%
Africa Financial and Industrial 30	-1,73%	7,65%	25,69%
Africa Capped All Share	0,28%	6,48%	18,06%
Africa Shareholder Weighted	-0,16%	9,63%	21,21%

ALL SHARE ECONOMIC GROUP INDICES			
Africa Basic Materials Index	-0,45%	4,86%	17,90%
Africa Industrials Index	7,15%	15,63%	14,73%
Africa Consumer Goods Index	-13,22%	-14,60%	-1,12%
Africa Health Care Index	-0,39%	-2,28%	-8,98%
Africa Consumer Services Index	-2,62%	16,93%	52,66%
Africa Telecommunications Index	3,74%	3,24%	7,02%
Africa Financials Index	8,40%	15,98%	20,61%
Africa Technology Index	-8,26%	-13,45%	-33,55%

ALL SHARE SECTOR INDICES			
Africa Chemicals	0,03%	14,36%	9,70%
Africa Electronic & Electrical Equipment Index	2,04%	-5,49%	-14,19%
Africa Industrial Engineering Index	1,76%	3,59%	-23,26%
Africa Automobiles & Parts Index	10,54%	18,20%	0,69%
Africa Beverages Index	9,90%	10,00%	-1,30%
Africa Food Producers Index	9,67%	18,91%	13,62%
Africa Health Care Equipment & Services Index	7,67%	3,27%	-14,60%
Africa Pharmaceuticals & Biotechnology Index	-8,00%	-7,75%	-2,08%
Africa General Retailers Index	15,91%	22,65%	19,00%
Africa Travel & Leisure Index	10,22%	6,48%	-19,24%
Africa Media Index	-6,40%	18,13%	71,57%
Africa Support Services Index	-1,37%	7,81%	9,06%
Africa Industrial Transportation Index	8,93%	21,55%	34,49%
Africa Food & Drug Retailers Index	2,04%	8,62%	27,80%
Africa Fixed Line Telecommunications Index	-2,91%	-16,80%	-30,15%
Africa Banks Index	15,24%	28,33%	30,70%
Africa Non-life Insurance Index	3,18%	3,91%	18,20%
Africa Life Insurance Index	7,93%	18,91%	27,90%
Africa General Financial Index	0,38%	2,77%	0,37%
Africa Equity Investment Instruments Index	-5,77%	-5,00%	1,67%
Africa Technology Hardware & Equipment Index	0,00%	0,00%	0,00%
Africa Software & Computer Services Index	-8,26%	-13,45%	-33,55%
Africa Gold Mining	-10,21%	-1,40%	-2,67%
Africa Platinum & Precious Metals	-5,47%	5,59%	-1,03%
Africa SA Listed Property - (SAPY)	4,21%	8,32%	17,15%

BONDS, CASH & INFLATION			
All Bond Index	5,66%	2,22%	10,22%
Stefi Composite	0,60%	1,80%	7,54%
CPI (Pervious Month)	0,48%	0,87%	4,70%
CPIX (Previous Month)	0,38%	0,87%	4,70%

CURRENCIES			
Rand Dollar Exchange Rate	-9,38%	-8,64%	-9,59%
Rand Pound Exchange Rate	-9,80%	-7,12%	0,28%
Rand Euro Exchange Rate	-8,13%	-7,17%	2,91%
Dollar Euro Exchange Rate	1,34%	2,29%	14,16%
Dollar Yen Exchange Rate	-0,27%	-0,27%	3,21%
Naira Dollar Exchange Rate	0,84%	0,42%	14,54%

COMMODITY PRICES			
Brent Oil (USD/Barrel)	6,21%	17,13%	17,07%
Gold (USD/oz)	1,71%	1,42%	12,69%
Platinum (USD/oz)	-1,10%	1,93%	2,95%

Copper ($/Ton)	5,86%	10,36%	30,10%
CRB Index	2,59%	6,21%	1,66%
Global Bonds	0,35%	1,08%	7,40%
S&P 500	1,10%	6,12%	21,20%
Nasdaq	0,48%	6,55%	29,64%
MSCI Global Equity	1,38%	5,62%	23,07%
MSCI Emerging Mkt	3,64%	7,50%	37,75%

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