



APS  
ASSET MANAGEMENT

# December Report 2024

THE PINNACLE  
OF FINANCIAL  
SOLUTIONS

An Authorised Financial  
Services Provider  
FSP 1722



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# Summary Of Market Returns

## December 2024:

In December, the US Federal Reserve reduced interest rates by 25 basis points but paired this decision with a hawkish outlook, signalling fewer rate cuts in 2025 than previously expected. The market's reaction to the Fed's revised language reflects growing concerns over inflated valuations and uncertainty regarding the potential impact of the incoming US administration's economic policies on inflation and interest rates. The rise in US yields and the strengthening of the dollar have placed additional pressure on emerging market currencies, increasing borrowing costs, complicating the servicing of dollar-denominated debt, and reducing their international purchasing power.

Emerging Market equities performed strongly in December, surpassing the Developed Market composite. While South African equities and bonds lagged their respective EM composites, they still delivered solid year-on-year returns. The All Bond Index (ALBI) posted a rare negative return in December, but despite this, the ALBI finished 2024 with a 17.2% gain, marking its best calendar year since 2003. Inflation-linked bonds were the weakest domestic asset class for the year, as slowing inflation led to poor carry and real yields continued to rise.

- The JSE All Share declined by **0.3%** for the month.
- Industrials saw positive performance (up **2.7%**) for the month, while Resources (down **5.4%**) and Industrials (down **1.2%**) faced challenges.
- Small-caps (up **3.3%**) held up well for the month while Mid-caps (down **1.9%**) and Large-caps (down **0.7%**) ended the month in the negative.
- Both the S&P SA REIT sector (up **0.5%**) and the SA Listed Property sector (up **0.4%**) showed some growth over the month.
- SA Nominal Bonds (down **0.3%**) recorded a rare negative return in December, marking only the fourth instance of such a decline in the past 24 years. In contrast, Inflation-Linked Bonds saw a modest positive return, rising **0.8%**.
- Developed Market Equities underperformed their Emerging Market peers in US Dollar terms, with the MSCI World Index down **2.6%** and the MSCI Emerging Market Index down **0.1%**.
- Relative to the U.S. Dollar (Rand depreciated **4.5%**), the Euro (Rand depreciated **2.4%**) and the Pound Sterling (Rand depreciated **2.9%**).
- Commodity prices generally declined in December, except for oil. Gold dropped **1.0%**, Platinum fell **5.8%**, and Brent Crude rose **2.3%**.

# Asset Class Performance

## Performance of Asset Classes in ZAR Currency

2024/12/31	1 Month	3 Months	6 Months	YTD	1 Year	2 Years	3 Years	5 Years
ALSI	-0.29%	-2.13%	7.27%	13.44%	13.44%	11.33%	8.68%	12.16%
Property	0.68%	-0.37%	18.69%	29.81%	29.81%	19.88%	12.13%	4.73%
ALBI	-0.35%	0.43%	11.02%	17.18%	17.18%	13.38%	10.25%	9.56%
Cash (STeFI)	0.66%	2.01%	4.12%	8.46%	8.46%	8.26%	7.23%	6.17%
MSCI ACWI NR USD	1.99%	8.42%	9.09%	21.23%	21.23%	26.18%	11.49%	16.86%
FTSE EPRA NAREIT Global REITs TR USD	-3.09%	-0.28%	9.34%	6.05%	6.05%	12.42%	0.92%	6.87%
Bloomberg Global Aggregate TR USD	2.22%	3.91%	4.92%	1.44%	1.44%	7.36%	0.96%	4.10%
Secured Overnight Financing Rate(SOFR) USD	4.87%	10.82%	6.00%	8.72%	8.72%	10.88%	10.05%	8.84%

## Performance of Asset Classes in USD Currency

2024/12/31	1 Month	3 Months	6 Months	YTD	1 Year	2 Years	3 Years	5 Years
MSCI ACWI NR USD	-2.37%	-0.99%	5.56%	17.49%	17.49%	19.82%	5.44%	10.06%
FTSE EPRA/NAREIT Global REITs TR USD	-7.24%	-8.94%	5.81%	2.77%	2.77%	6.75%	-4.56%	0.65%
Bloomberg Global Aggregate TR USD	-2.15%	-5.10%	1.52%	-1.69%	-1.69%	1.95%	-4.52%	-1.96%
Secured Overnight Financing Rate(SOFR)	0.39%	1.20%	2.57%	5.37%	5.37%	5.29%	4.07%	2.51%

## Currencies

	Value at end 2024/12/31	3 Months	6 Months	1 Year	2 Years	3 Years	5 Years
RAND/DOLLAR	<b>18.88</b>	9.50%	3.34%	3.19%	5.31%	5.74%	6.18%
RAND/STERLING	<b>23.65</b>	2.24%	2.38%	1.37%	7.46%	3.02%	4.99%
RAND/EURO	<b>19.55</b>	1.60%	-0.15%	-3.27%	3.73%	2.49%	4.48%

## Offshore Market Indices in USD Currency

2024/12/31	1 Month	3 Months	6 Months	YTD	1 Year	2 Years	3 Years	5 Years
MSCI ACWI NR USD	-2.37%	-0.99%	5.56%	17.49%	17.49%	19.82%	5.44%	10.06%
MSCI ACWI GR USD	-2.33%	-0.89%	5.77%	18.02%	18.02%	20.39%	5.94%	10.58%
S&P 500 Composite TR USD	-2.38%	2.41%	8.44%	25.02%	25.02%	25.65%	8.94%	14.53%
FTSE 100 TR GBP	-2.73%	-6.80%	0.70%	7.73%	7.73%	11.01%	4.64%	4.18%
FTSE Germany TR GBP	-0.96%	-5.52%	4.55%	11.31%	11.31%	17.85%	2.81%	5.32%
MSCI Hong Kong Value PR USD	-0.21%	-8.13%	8.69%	-4.23%	-4.23%	-10.77%	-10.51%	-9.83%
MSCI World GR USD	-2.57%	-0.07%	6.39%	19.19%	19.19%	21.78%	6.85%	11.70%
MSCI EM GR USD	-0.09%	-7.84%	0.34%	8.05%	8.05%	9.15%	-1.48%	2.10%
SSE Composite PR CNY	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
Nikkei 225 Average TR JPY	-0.10%	-4.11%	4.06%	8.84%	8.84%	15.50%	2.56%	5.13%
FSE DAX TR EUR	-0.55%	-4.41%	5.48%	11.41%	11.41%	17.79%	4.50%	6.75%
Euronext Paris CAC 40 NR EUR	0.11%	-10.18%	-4.38%	-6.10%	-6.10%	7.66%	0.25%	4.79%
DJ Americas TR USD	-2.95%	2.31%	8.64%	23.04%	23.04%	24.54%	8.00%	13.49%

# Snapshot of APS Fund Performance



## Annualised APS Fund Returns

2024/12/31	1 Month	3 Months	6 Months	Ytd	1 Year	3 Years	5 Years	10 Years
<b>APS Ci Cautious A1</b>	<b>0.60</b>	<b>3.32</b>	<b>5.68</b>	<b>10.81</b>	<b>10.81</b>	<b>6.80</b>	<b>7.88</b>	<b>7.14</b>
(ASISA) South African MA Low Equity	0.53	1.68	7.23	12.25	12.25	8.11	8.57	7.20
<b>APS Ci Moderate A1</b>	<b>0.28</b>	<b>2.43</b>	<b>6.11</b>	<b>11.42</b>	<b>11.42</b>	<b>7.28</b>	<b>8.94</b>	<b>7.28</b>
(ASISA) South African MA Medium Equity	0.49	1.60	7.18	12.80	12.80	7.98	9.25	7.15
<b>APS Ci Managed Growth A1</b>	<b>0.28</b>	<b>2.05</b>	<b>6.57</b>	<b>12.22</b>	<b>12.22</b>	<b>7.17</b>	<b>9.36</b>	<b>7.07</b>
(ASISA) South African MA High Equity	0.51	1.46	7.54	13.45	13.45	8.33	9.98	7.38
<b>APS Ci Equity A1</b>	<b>0.24</b>	<b>1.62</b>	<b>7.06</b>	<b>12.01</b>	<b>12.01</b>	<b>7.46</b>	<b>11.29</b>	<b>7.41</b>
(ASISA) South African EQ General	-0.15	-1.06	7.60	13.50	13.50	7.88	10.15	6.47
<b>APS Ci Global Flexible FF B</b>	<b>1.23</b>	<b>7.69</b>	<b>6.58</b>	<b>13.26</b>	<b>13.26</b>	<b>7.54</b>	<b>9.79</b>	
(ASISA) Global MA Flexible	1.92	5.72	5.44	10.22	10.22	6.34	9.91	9.03
<b>APS Glb Flex Fd A USD Acc</b>	<b>-3.08</b>	<b>-1.53</b>	<b>3.27</b>	<b>10.02</b>	<b>10.02</b>	<b>1.67</b>	<b>3.63</b>	
EAA Fund USD Flexible Allocation	-1.85	-1.56	2.37	6.61	6.61	0.56	3.21	2.86

Source: Morningstar Direct. Returns are based on a lump sum investment with all distributions reinvested on a nav-nav basis. Returns longer than 1 year are annualized.

## Our Partners:

### STANLIB

#### Stanlib Corporate Money Market Fund:

The Fund has a AA+(Zaf) long-term rating from Fitch. The Fund invests predominantly in the major South African Registered Banking institutions and Foreign Banking institutions authorised to conduct business in South Africa, and which have appropriately sound credit ratings. South African registered institutions must have at least a national short-term credit rating that is defined as 'highest credit quality' (Fitch: F1). Maximum weighted average duration is 90 days.



#### Fixed Income:

**Ci Diversified Income Fund** is an active Fixed Income Fund managed by Analytics Consulting. The Fund aims to provide investors with a high level of income and capital preservation. The Fund has a low risk rating and is benchmarked against the SteFI Composite Index.



**Ninety One Diversified Income Fund** aims to provide a high level of income while seeking opportunities to maximise capital growth. The Fund invests in a broad range of fixed income instruments (contracts to repay borrowed money which typically pay interest at fixed times) including government and corporate bonds. Other investments may include company shares, the units of other funds (including foreign funds), cash, property related securities (financial contracts evidencing ownership or debt) and derivatives (financial contracts whose value is linked to the price of an underlying asset). Between 5% and 25% of the Fund's value will typically be invested in property. The Fund is managed by Malcolm Charles and Peter Kent.



**APS Global Flexible Fund** is an actively managed Global Fund managed by Ci Global Fund Managers with SIP Mauritius and APS International acting as Investment Advisors.

**APS Bespoke Global Equity** is a rules-based equity mandate of select Global stocks within the APS Global Flexible Fund.

#### Global Partners:

**Fundsmith Equity Fund** is an actively managed portfolio by Terry Smith. The Fund invests in high-quality businesses with superior investment characteristics in order to create above average returns at below average levels of risk.

**iShares World Equity Index** provides investors with low-cost exposure to global equities through passive investments tracking the MSCI World Equity Index.

**Ninety One Global Franchise** is an actively managed portfolio by Clyde Rossouw. By seeking an attractively valued portfolio of high quality businesses with superior investment characteristics they seek to create the conditions for attractive absolute returns at below average level of risk. Their research process is exclusively focused on seeking to identify companies that possess rare and exceptional characteristics with the best combination of quality, growth and yield.



#### Beta:

**Ci Equity Fund** provides investors with low-cost exposure to South African equities through passive investment strategies referencing the S&P South Africa Domestic Shareholder Weighted 100 Index.

#### Multi-Factor:

**Ci Engineered Equity Core Fund** is a multi-factor portfolio which seeks to provide investors with a premium over the market (beta) return over long periods of time. The Fund consists of Value, Momentum and Quality components, referencing the S&P QVM 40 Index.

#### Alpha:

**Ci Alpha Fund** utilises Fairtree Asset Management and aims to provide investors with alpha through active sector and stock selection. The portfolio has a long-term focus and invests in securities across all sectors of the JSE Securities Exchange which trade below intrinsic value or have capital appreciation potential.

**APS Bespoke Local Equity** is a rules-based equity mandate comprising select SA quality stocks within the APS Ci Funds. The Funds apply a buy and hold investment approach to this mandate, in order to reduce transaction costs.

#### Global Fixed Income:

**Rubrics Global Credit UCITS Fund** invests in a diversified, global portfolio of high-quality credits. The fund pursues a total return strategy with a strong capital preservation emphasis. The Fund maintains a low-duration portfolio bias, usually around three years, with a target return of cash+2.5%.



## Fund Performance:

- The APS Ci Cautious Fund underperformed the SA MA Low Equity Peergroup over the last year, underperformed over the last 3 years, and underperformed over the last 5 years.
- The APS Ci Moderate Fund underperformed the SA MA Medium Equity Peergroup over the last year, underperformed over the last 3 years, and underperformed over the last 5 years.
- The APS Ci Managed Growth Fund underperformed the SA MA High Equity Peergroup over the last year, underperformed over the last 3 years, and underperformed over the last 5 years.
- The APS Ci Equity Fund underperformed the SA Equity General Peergroup over the last year, underperformed over the last 3 years, and outperformed over the last 5 years.
- The APS Ci Worldwide Flexible FF outperformed the Global MA Flexible Peergroup over the last year, outperformed over the last 3 years, and underperformed over the last 5 years.
- The APS Global Flexible Fund USD outperformed the EAA Fund USD Flexible Allocation Peergroup over the last year, outperformed over the last 3 years, and outperformed over the last 5 years.



## Asset allocation added value in the last year:

- Overweight Offshore added value.



## Local Equity Performance added value in the last year:

- The equity components across the APS Ci Cautious, Moderate, Managed Growth and Equity Funds include the Ci Equity Fund, Ci Engineered Equity Core Fund, Ci Alpha Fund, and the APS Bespoke Equity mandate.
- The Ci Equity Fund is the beta component and provides passive access to South African equities. The Ci Alpha Fund uses active equity selection.
- Ci Engineered Equity Core Fund uses a multi-factor approach and aims to deliver returns above the market.



## Local Fixed Income Performance added value in the last year:

- The Ci Diversified Income Fund provides exposure to shorter-dated fixed income instruments.
- Ninety One Diversified Income aims to provide a high level of income while seeking opportunities to maximise capital growth.



## International Performance added value in the last year:

- The APS Global Flexible Fund currently includes a global equity securities mandates, three global equity instruments (Fundsmith Equity Fund, iShares World Equity Index, and iShares Global Multifactor ETF), a global credit fund managed by Rubrics, as well as two short-duration global Fixed Income funds

# APS Ci Cautious Fund



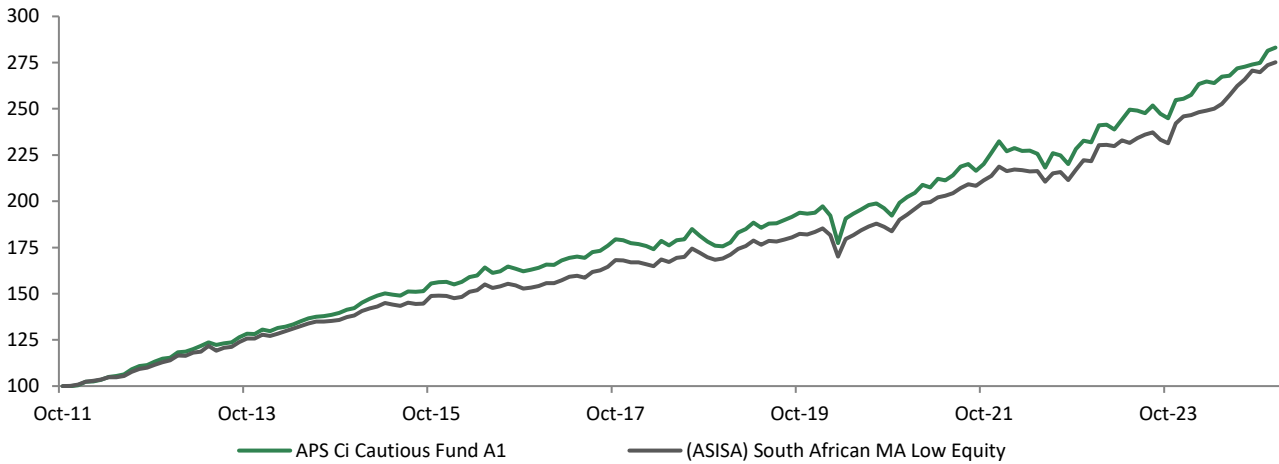
## Trailing Returns

As at 2024/12/31

	YTD	1 Year	3 Years	5 Years
<b>APS Ci Cautious A1</b>	<b>10.81</b>	<b>10.81</b>	<b>6.80</b>	<b>7.88</b>
(ASISA) South African MA Low Equity	12.25	12.25	8.11	8.57

## Cumulative Portfolio Performance

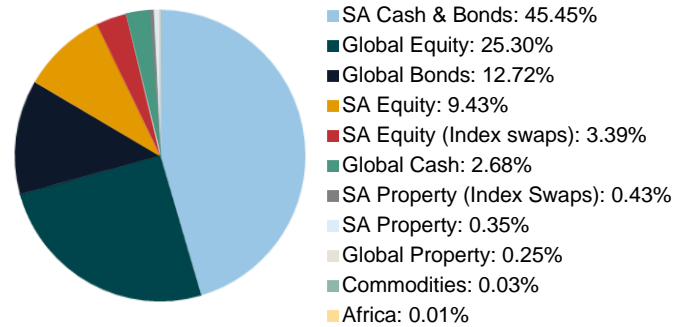
As at 2024/12/31



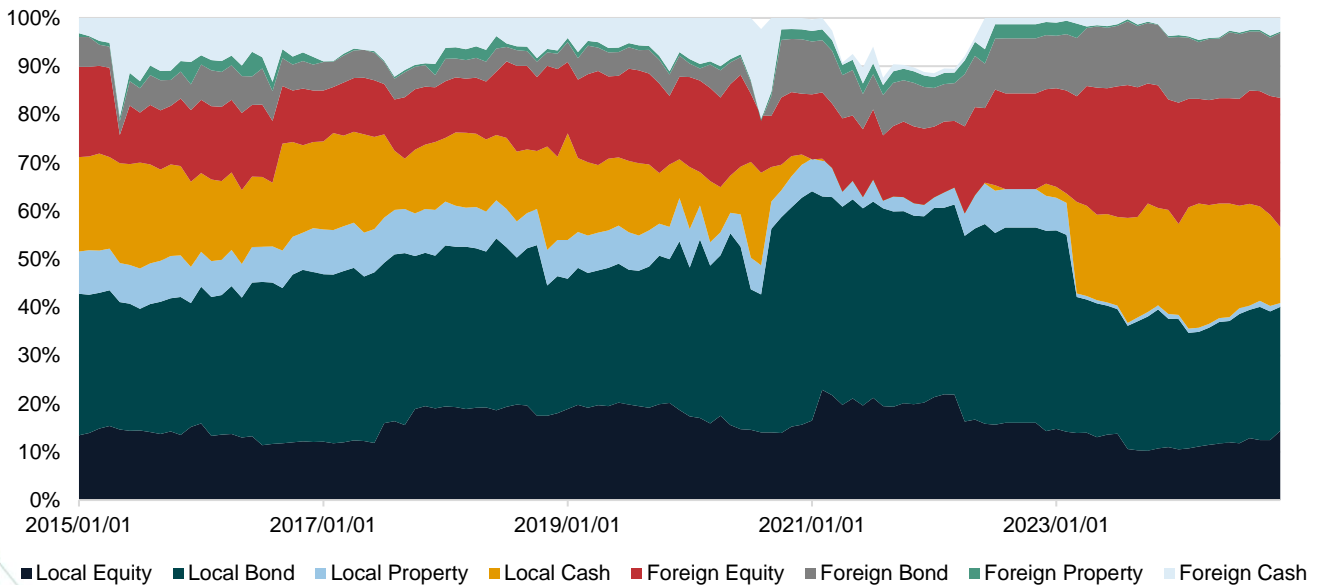
## Top 10 Exposure

Standard Bank	1.02%
Microsoft	0.85%
Capitec	0.82%
Sanlam Ltd	0.69%
Novo Nordisk B	0.66%
Naspers Ltd	0.62%
Harmony Gold	0.61%
Apple	0.60%
Prosus NV	0.57%
NVIDIA Corporation	0.51%

## Asset Allocation



## Asset Allocation Over Time



# APS Ci Moderate Fund

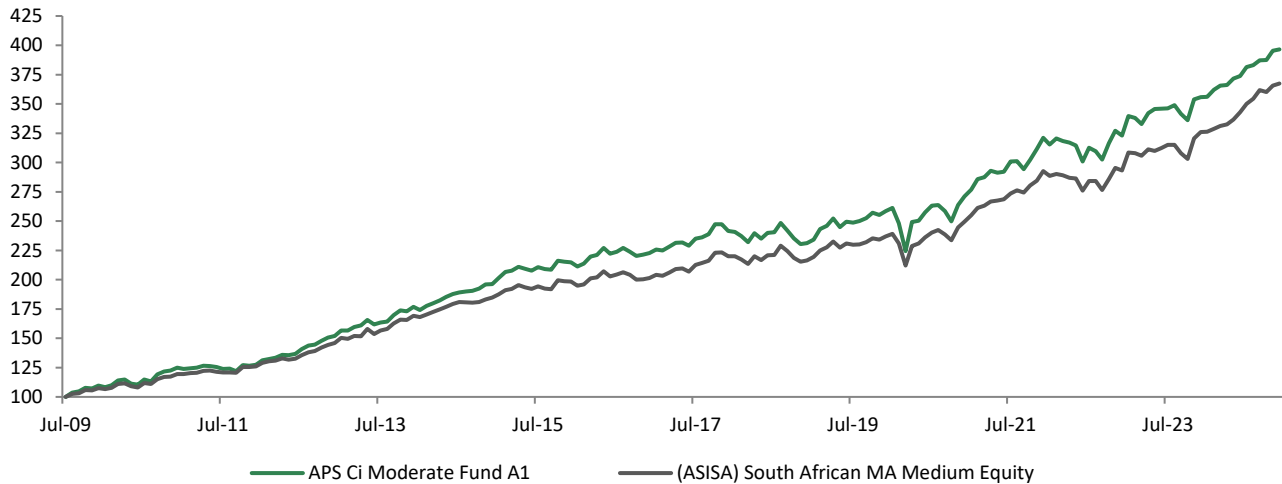
## Trailing Returns

As at 2024/12/31

	YTD	1 Year	3 Years	5 Years
<b>APS Ci Moderate A1</b>	<b>11.42</b>	<b>11.42</b>	<b>7.28</b>	<b>8.94</b>
(ASISA) South African MA Medium Equity	12.80	12.80	7.98	9.25

## Cumulative Portfolio Performance

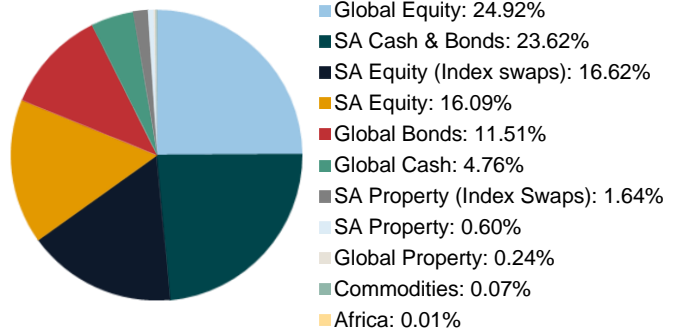
As at 2024/12/31



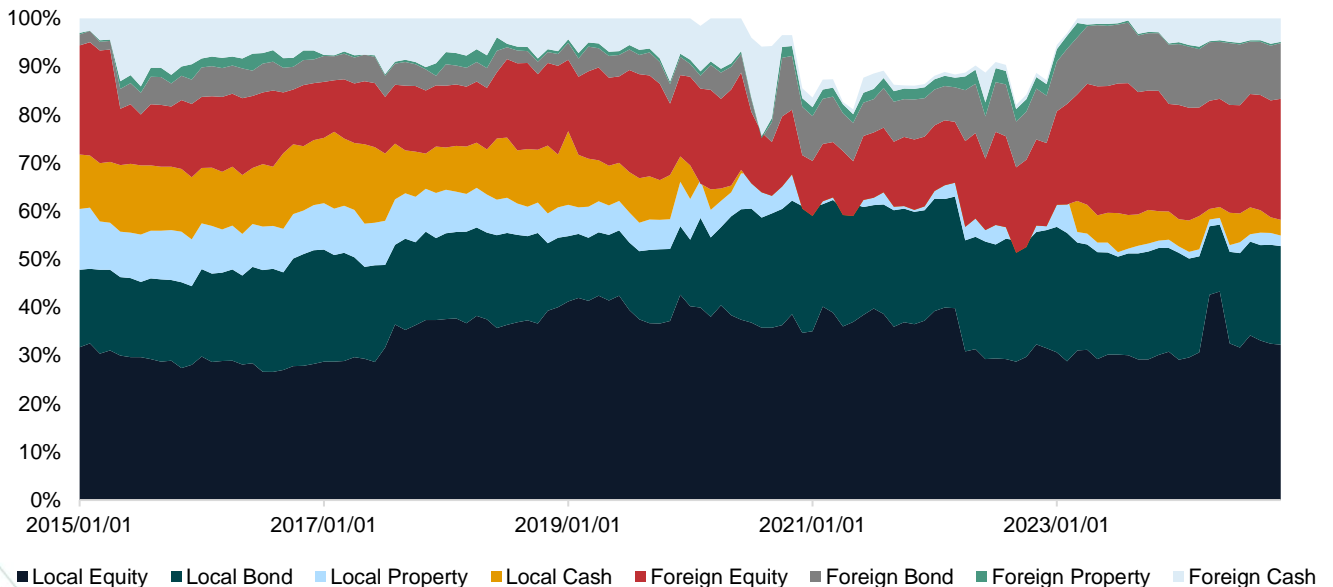
## Top 10 Exposure

Standard Bank	2.74%
Capitec	2.37%
Naspers Ltd	1.90%
Sanlam Ltd	1.85%
Harmony Gold	1.68%
Clicks	1.30%
Prosus NV	1.26%
FirstRand	1.18%
Nepi Rockcastle	1.00%
Gold Fields	0.87%

## Asset Allocation



## Asset Allocation Over Time





# APS Ci Managed Growth Fund



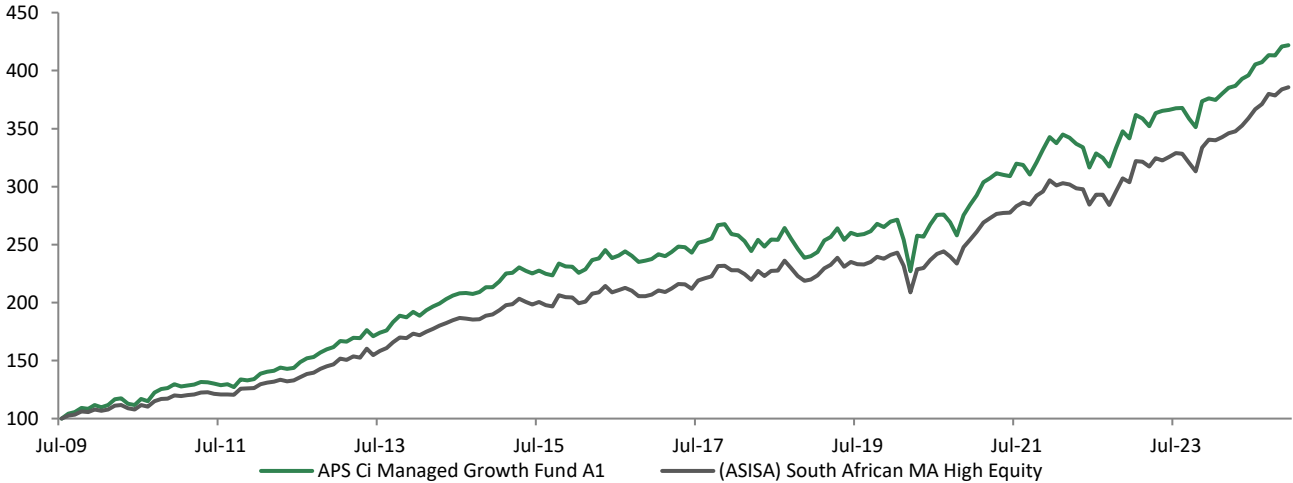
## Trailing Returns

As at 2024/12/31

	YTD	1 Year	3 Years	5 Years
<b>APS Ci Managed Growth A1</b>	<b>12.22</b>	<b>12.22</b>	<b>7.17</b>	<b>9.36</b>
(ASISA) South African MA High Equity	13.45	13.45	8.33	9.98

## Cumulative Portfolio Performance

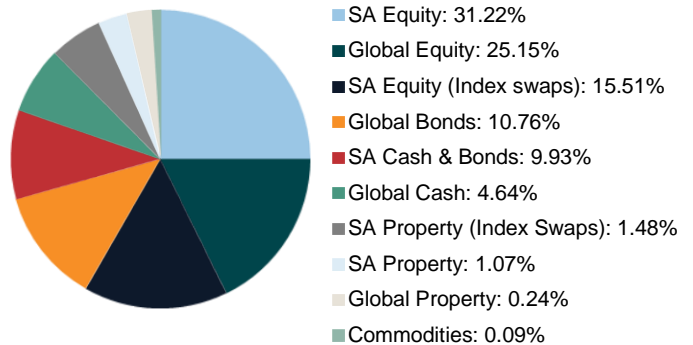
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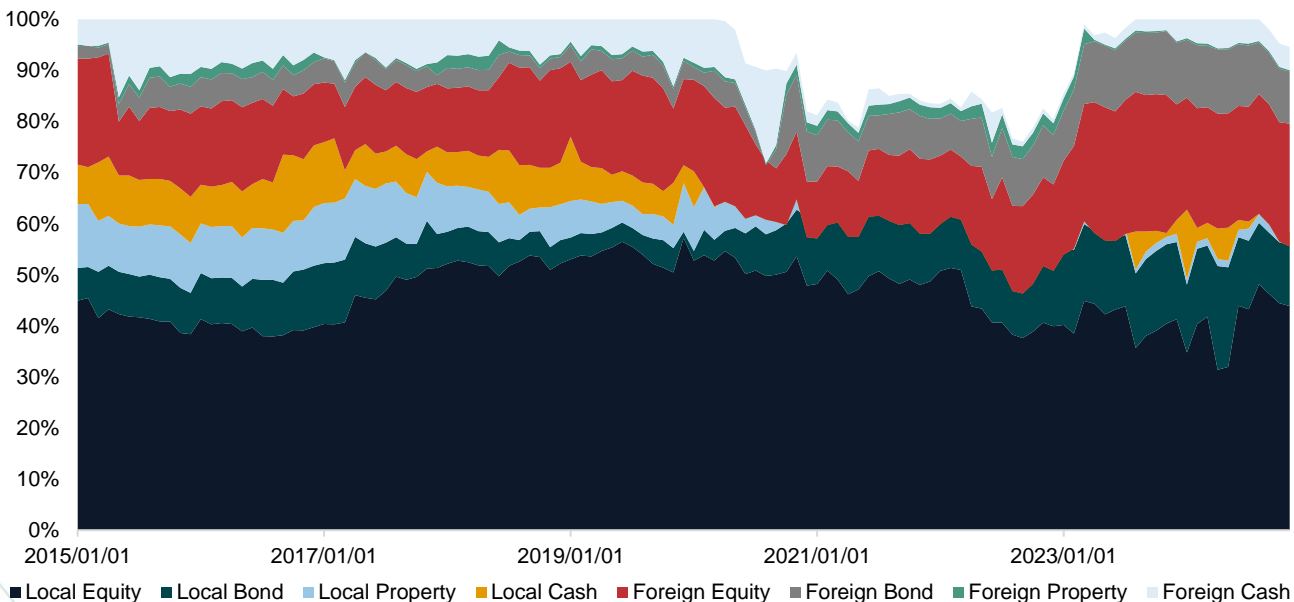
## Top 10 Exposure

Standard Bank	3.40%
Naspers Ltd	3.18%
Capitec	2.69%
Prosus NV	2.14%
Sanlam Ltd	2.09%
Harmony Gold	1.79%
FirstRand	1.77%
Clicks	1.68%
Gold Fields	1.45%
BHP Group Ltd	1.39%

## Asset Allocation



## Asset Allocation Over Time



# APS Ci Equity Fund



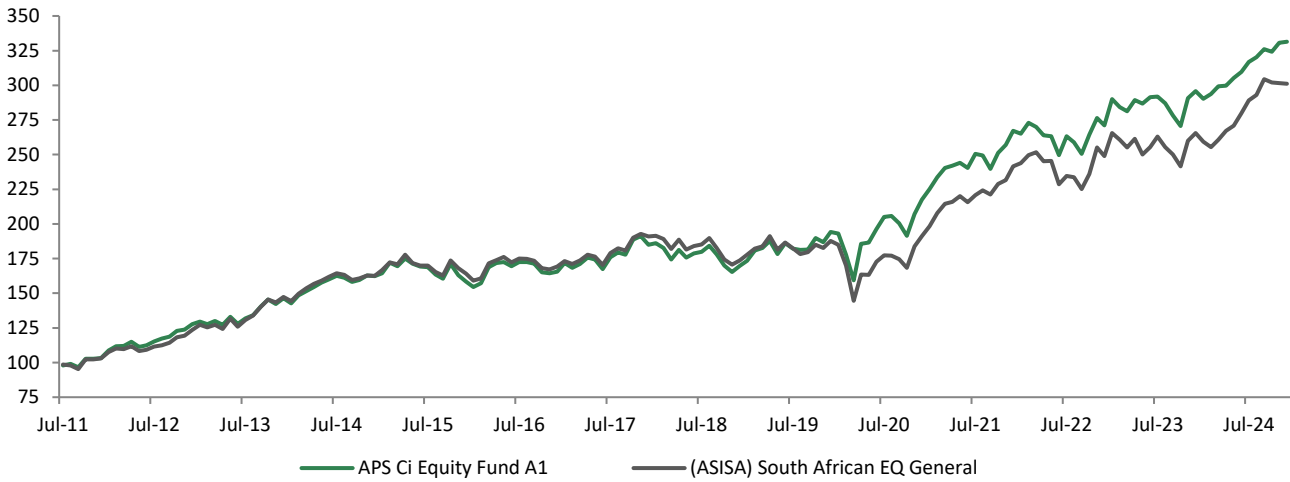
## Trailing Returns

As at 2024/12/31

	YTD	1 Year	3 Years	5 Years
<b>APS Ci Equity A1</b>	<b>12.01</b>	<b>12.01</b>	<b>7.46</b>	<b>11.29</b>
(ASISA) South African EQ General	13.50	13.50	7.88	10.15

## Cumulative Portfolio Performance

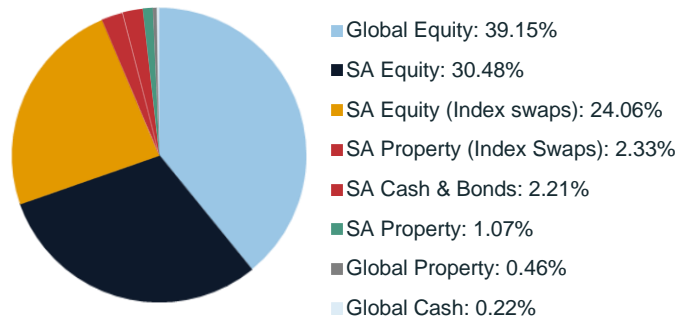
As at 2024/12/31



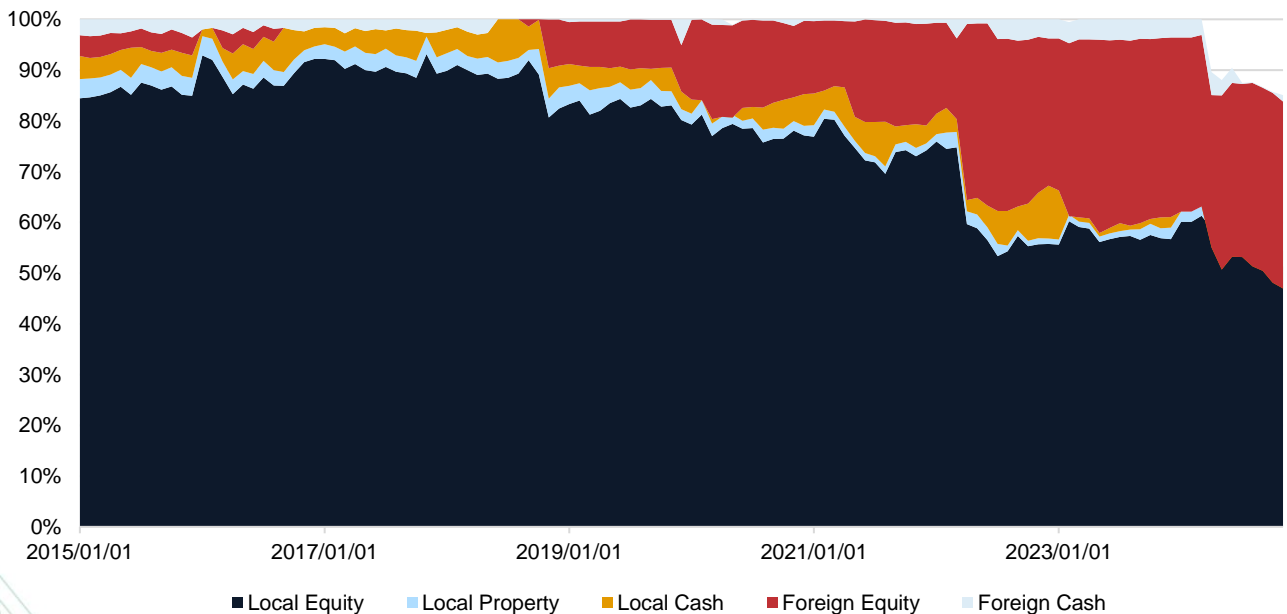
## Top 10 Exposure

Standard Bank	4.47%
Capitec	3.64%
Naspers Ltd	3.24%
Sanlam Ltd	2.85%
Harmony Gold	2.55%
Prosus NV	2.32%
Clicks	2.24%
FirstRand	1.92%
Alphabet Inc	1.85%
Mastercard	1.55%

## Asset Allocation



## Asset Allocation Over Time



# APS Ci Global Flexible Feeder Fund



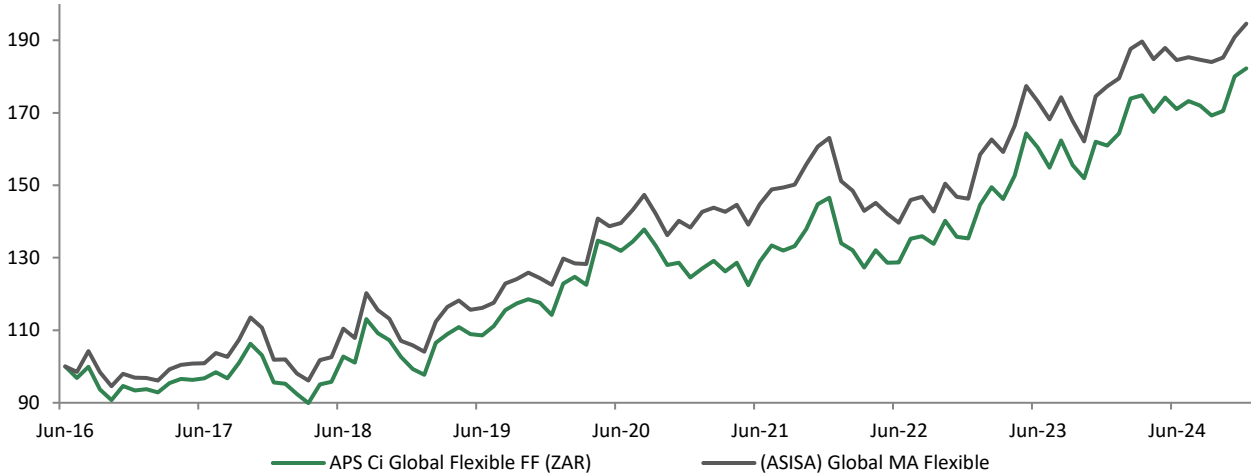
## Trailing Returns

As at 2024/12/31

	YTD	1 Year	3 Years	5 Years
<b>APS Ci Global Flexible FF B</b>	<b>13.26</b>	<b>13.26</b>	<b>7.54</b>	<b>9.79</b>
(ASISA) Global MA Flexible	10.22	10.22	6.34	9.91

## Cumulative Portfolio Performance

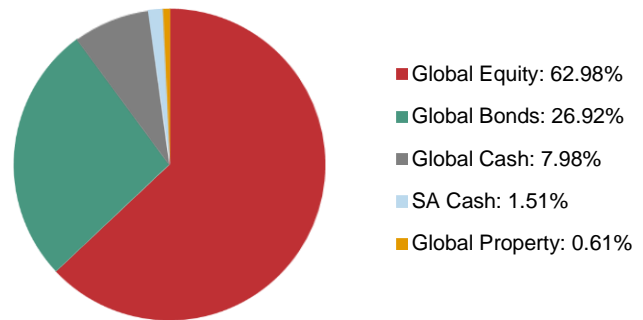
As at 2024/12/31



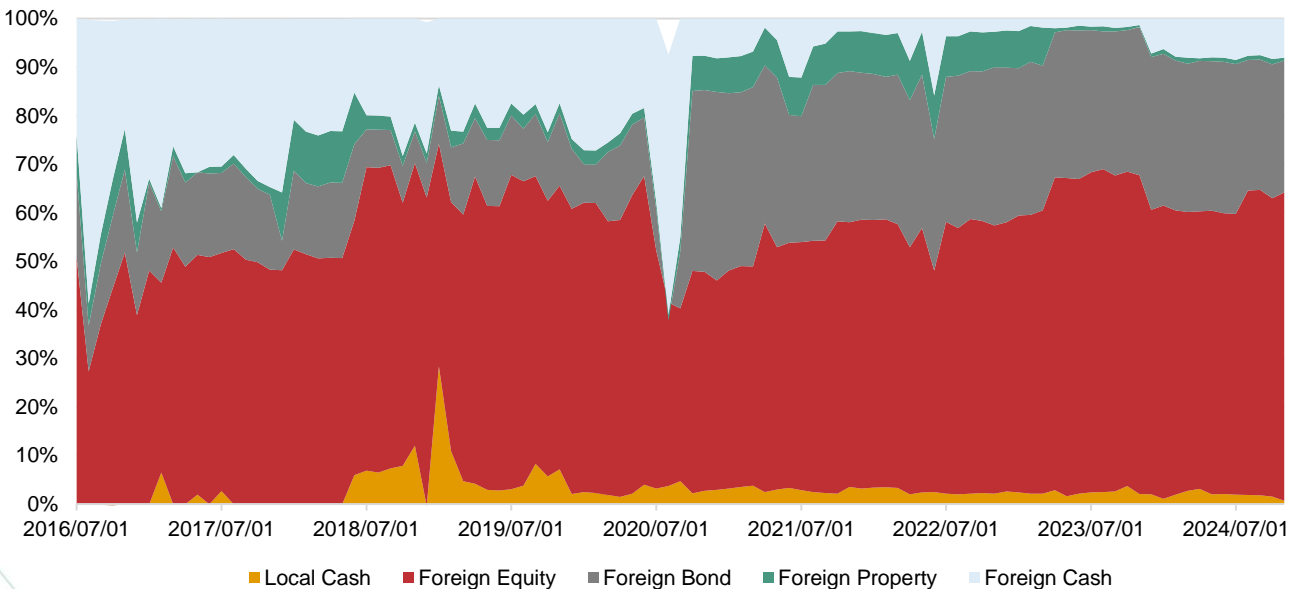
## Top 10 Exposure

Microsoft	2.24%
Novo Nordisk B	2.12%
Apple	1.59%
NVIDIA Corporation	1.34%
Stryker Corporation	1.21%
Church & Dwight Co., Inc.	1.17%
Visa	1.16%
Johnson & Johnson	1.14%
L'Oreal SA	1.03%
O'Reilly Automotive Inc	1.01%

## Asset Allocation



## Asset Allocation Over Time



# APS Global Flexible Fund (USD):



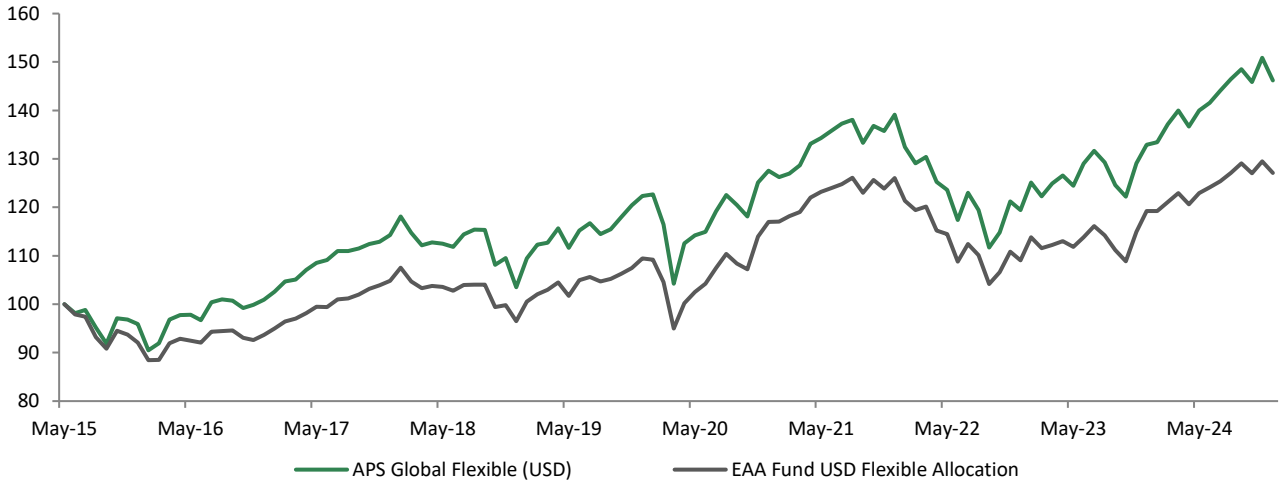
## Trailing Returns

As at 2024/12/31

	YTD	1 Year	3 Years	5 Years
<b>APS Glb Flex Fd A USD Acc</b>	<b>10.02</b>	<b>10.02</b>	<b>1.67</b>	<b>3.63</b>
EAA Fund USD Flexible Allocation	6.61	6.61	0.56	3.21

## Cumulative Portfolio Performance

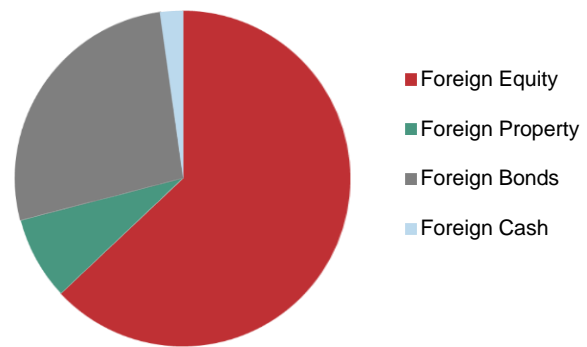
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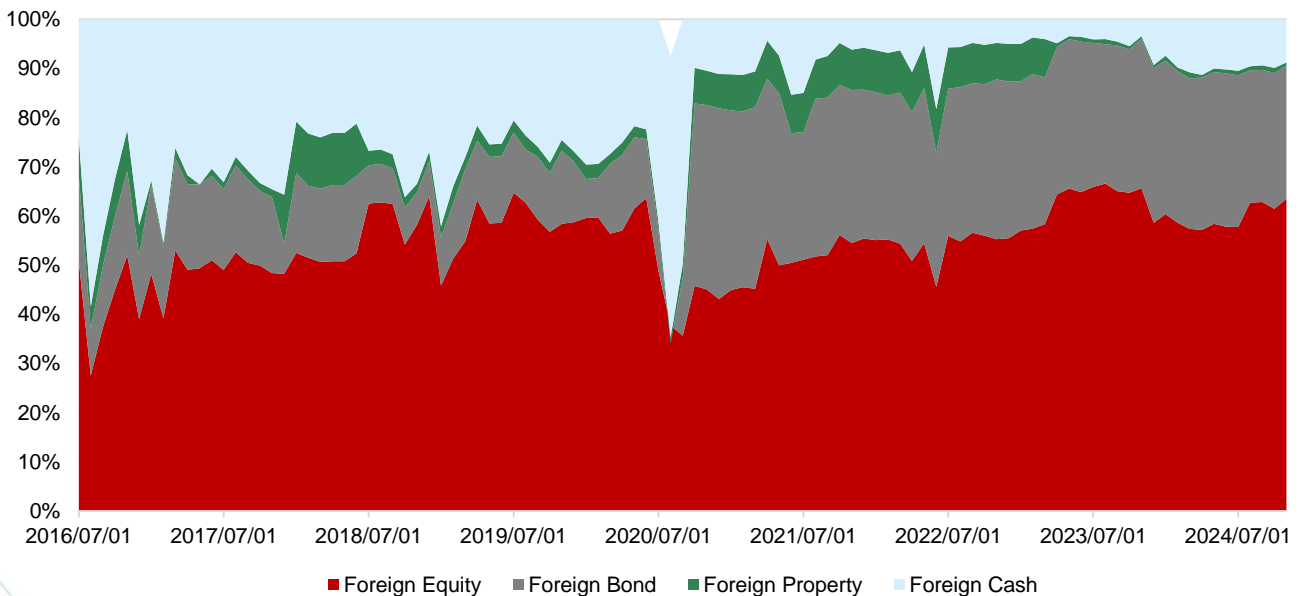
## Top 10 Exposure

Microsoft	2.24%
Novo Nordisk B	2.12%
Apple	1.59%
NVIDIA Corporation	1.34%
Stryker Corporation	1.21%
Church & Dwight Co., Inc.	1.17%
Visa	1.16%
Johnson & Johnson	1.14%
L'Oreal SA	1.03%
O'Reilly Automotive Inc	1.01%

## Asset Allocation



## Asset Allocation Over Time



## DECEMBER 2024 IN REVIEW

An eventful year draws to a close. Politically, there is plenty to reflect on that will have ramifications in 2025 and beyond. Collectively, voters in many parts of the world have changed the political map. In the US, this has delivered a swing from a divided Congress with a Democrat as President, to one with full Republican control, setting the stage for Donald Trump to implement his agenda much more readily, at least during this year and 2026. In the UK, the swing has been the other way, from Conservatives to Labour. But public support for Keir Starmer's government has ebbed rapidly, as indicated by the polls. Meanwhile, French policymaking may be hampered by a precariously divided parliament that could topple another Prime Minister. Additionally, what compromises will need to be made to establish a new German government after the 23 February early election is yet to be seen. The consequences of all of this for economies and markets are all but certain to make 2025 eventful too.



It wasn't only elections that caused political changes - Syrian rebels seized the capital Damascus unopposed on Sunday 8 December after a lightning advance that sent President Bashar al-Assad fleeing to Russia after a 13-year civil war and six decades of his family's autocratic rule. In one of the biggest turning points for the Middle East in generations, the fall of Assad's government wiped out a bastion from which Iran and Russia exercised influence across the Arab world. Moscow gave asylum to Assad and his family, said Mikhail Ulyanov, Russia's ambassador to international organizations in Vienna, on his Telegram channel.

A court in South Korea has issued an arrest warrant against suspended president Yoon Suk Yeol over his attempt to impose martial law on 3 December. The warrant came after Yoon, who is being investigated for abusing his power and inciting an insurrection, ignored three summonses to appear for questioning over the last two weeks of December. Yoon's legal team has called the warrant "illegal and invalid" and said they would challenge it in court. South Korea has been in a political crisis since the short-lived martial law declaration with Yoon and a successor both impeached by the opposition-dominated parliament.

At the December 2024 Federal Open Market Committee (FOMC) meeting, the US Federal Reserve (Fed) lowered interest rates by 25 basis points. This lowers the target interest the Fed's ongoing commitment to achieving its dual goals of maximum employment and price stability. US Equity markets sank nearly 3% immediately after the decision on the hawkish rate cut. Within a couple of days, equity markets have just about recovered, but the S&P500 still ended December in the red.

A few days later the US Senate approved legislation to avert a federal government shutdown just after a midnight deadline, capping a chaotic week in which President-elect Donald J. Trump blew up a bipartisan spending deal, only to see his own preferred plan collapse as Republicans defied him. President Biden signed the funding bill, which would extend funding into mid-March and approve disaster relief for parts of the nation still recovering from hurricane and other storm damage.

The European Central Bank (ECB) Governing Council (GC) announced on 12 December that it is cutting its policy rates by 25bps, bringing the key Deposit rate to 3.0%. President Lagarde disclosed that a 50bp cut had indeed been discussed, but that all GC members had in the end settled on 25bps as the preferred option. The tone of the official statement and press conference took a turn in a less hawkish direction. At the previous meeting in October, the ECB had noted its intention to 'keep policy rates sufficiently restrictive for as long as necessary to ensure that inflation returned sustainably to its 2% medium-term target.' Now that this point is almost within touching distance this sentence has been dropped. Instead, the GC's expectation is not only that inflation will be maintained at 2%, but a fresh emphasis that the risks around this forecast are two-sided.

The United Kingdom's prime minister Keir Starmer delivered a New Year's Day message in which he pledged 2025 to be the 'year of rebuilding'. He acknowledged the downbeat sentiment among British voters, which appears in part to be linked to a stagnating economy, but also came as voters' confidence in the Labour party has eroded. Indeed, Labour's standing in opinion polls has plummeted since July's landslide election win, with the party now neck-and-neck with the Tories, and the Reform party also making gains. In fact, since the election, one of the first mega polls predicted that were an election to be held now (remembering that they don't have to call one before August 2029), Labour would lose nearly 200 seats, which would completely erode its majority in Parliament.

Positioning in the options market suggests South Africa's rand is poised for a rebound that may be as steep as its rapid decline in December, when the US Dollar gained 4.5% against the local currency. It had its worst December performance since 2015, and its biggest quarterly decline in more than two years. But with the rand having wiped out all its 2024 gains and hovering around its weakest level since the May elections, traders are betting that the fundamentals that drove the pre-December rally will come back into play early in 2025.

## DECEMBER 2024 IN REVIEW



### Market performance

South African equities took a breather in December as the FTSE/JSE All Share Index retreated by -0.3%. The market still ended the year 13.4% higher, nearly 2% ahead of its emerging market peers. The bond market had an even better year than local equities, as the FTSE/JSE All Bond Index added 17.2% for 2024.

The US Federal Reserve cut their official interest rate by 0.25%, but the hawkish tone of the statement unnerved markets with US Treasury yields rising over 10 basis points and the S&P 500 selling off almost 3% on the day. The market's reaction to the change in the Federal Open Market Committee's (FOMC) statement language is a clear indication of the concern about stretched valuations and uncertainty surrounding implications of the incoming US administration's economic policies on inflation and interest rates.

Despite shedding 2.4% in December, the S&P500 in the United States ended the year 25% higher in 2024. This follows its 2023 performance of 26.3% which is the highest 2 consecutive calendar years performance since the late 1990s. Global equities (measured in US dollars) ended the year 18% higher, with global bonds giving up -1.7% as long-term interest rates in many developed markets remain persistently high.

Gold outperformed US stocks, with the gold price ending 2024 27.5% higher (in US dollars) than where it began the year. Oil gained 4% during the last quarter but ended the year 3.1% lower. Geopolitical events may cause increased volatility in oil prices, as U.S. President-elect Donald Trump has warned the EU that it will face trade tariffs on its exports to the U.S. unless its member states purchase more American oil and gas.

MARKET INDICES <sup>1</sup>	31 December 2024		
	3 months	12 months	5 years <sup>2</sup>
(All returns in Rand except where otherwise indicated)			
SA equities (JSE All Share Index)	-2.1%	13.4%	12.2%
SA property (S&P SA Reit Index)	-0.8%	29.0%	5.1%
SA bonds (SA All Bond Index)	0.4%	17.2%	9.6%
SA cash (STeFI)	2.0%	8.5%	6.2%
Global developed equities (MSCI World Index)	-0.1%	19.2%	11.7%
Emerging market equities (MSCI Emerging Markets Index)	-7.8%	8.1%	2.1%
Global bonds (Bloomberg Barclays Global Aggregate)	-5.1%	-1.7%	-2.0%
Rand/dollar <sup>3</sup>	9.5%	3.2%	6.2%
Rand/sterling	2.2%	1.4%	5.0%
Rand/euro	1.6%	-3.3%	4.5%
Gold Price (USD)	-0.3%	27.5%	11.6%
Oil Price (Brent Crude, USD)	4.0%	-3.1%	2.5%

1. Source: Factset

2. All performance numbers in excess of 12 months are annualized

3. A negative number means fewer rands are being paid per US dollar, so it implies a strengthening of the rand.

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