



FG INVESTMENT PARTNERS

GLOBAL BRIEF

Quarter 4 | 2024



EDITORIAL COMMENT

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By Sarah Crone

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Navigating the fourth quarter's investment landscape with actionable insights

Global markets in the fourth quarter of 2024 were shaped by key developments in the US, driven by the impact of domestic political and economic changes. Locally, South Africa faced challenges but retains promising opportunities for discerning investors.

US politics and economy set the global tone

The Donald Trump administration's return, coupled with Republican dominance in Congress, bolstered US equities (+2.4% in US dollar terms) through expectations of tax cuts and deregulation. However, the prospect of higher tariffs (inflationary) and rising fiscal deficits resulted in higher bond yields and a stronger US dollar. To this end, December's 0.25% Federal Reserve rate cut was accompanied by a hawkish tone, reducing expectations of further cuts.

Emerging markets saw equity declines of nearly 8% (in US dollar terms), driven by higher US interest rates and the prospect of punitive tariffs. Locally, the rand weakened by 9.00%. South African equities dropped by 2.13%, with resource sectors suffering the most (-10.10%).

South Africa's outlook: cautious optimism

The South African Reserve Bank delivered a 0.25% repo rate cut amid low inflation. However, a weaker rand and rising global rates may limit further cuts. Economic growth remained sluggish in the third quarter, primarily due to agricultural challenges, but improved electricity supplies boosted the fourth quarter's recovery prospects.

For local investors, real bond yields remain attractive, offering value in the fixed income market. Equity valuations remain reasonable, but reform progress is critical for improving ratings.

INDEPENDENT TRANSPARENT COMPETENT

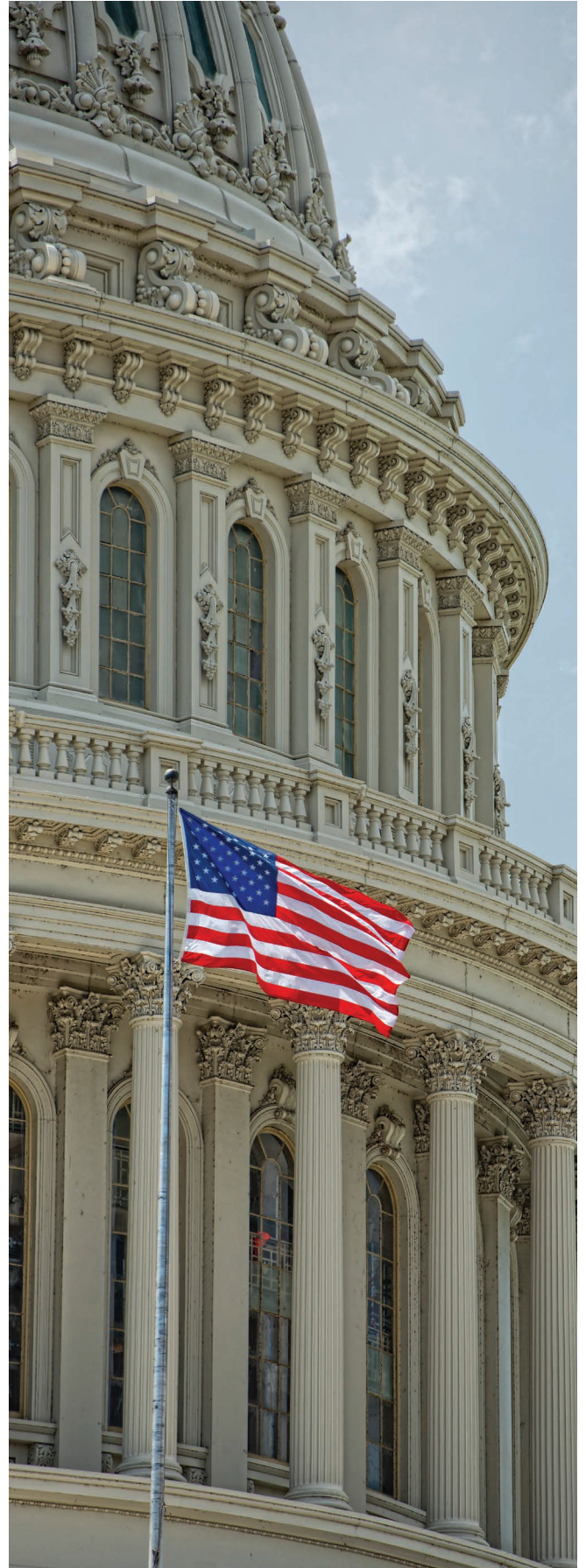
Empowering investment decisions

This edition provides insights on the global and local economic climate, equipping you to discuss possible strategies with your adviser. The articles blend global trends with local relevance, from ESG dynamics to tax-efficient investing.

In this edition:

1. **Investment strategies amid a global recovery: Ninety One** advocates selective investing in equities and fixed income.
2. **Divergent Environmental, Social and Governance (ESG) approaches: BlackRock's** withdrawal from the Net Zero Asset Managers initiative signals a pivotal shift, particularly relevant to South African investors evaluating ESG's future.
3. **Tax-efficient wealth creation: PSG** unpacks ways to achieve this by maximising contributions to tax-free savings accounts (TFSAs) and retirement annuities before the financial year-end.

Enjoy the read, and wishing you a happy, healthy and prosperous 2025!



INVESTMENT OUTLOOK | 2025

Adapted from Ninety One's '2025 Investment Views:
Global Outlook' and 'Market review: Q4 in review'



2025 Investment Views: Global Outlook:
Philip Saunders – (Director, Investment Institute)
and Sahil Mahtani (Strategist).
Market review: Q4 in review: Ninety One



Section	Key insights	Read more here
Macro outlook	Global growth is supported by above-trend US growth and China's recovery. However, Europe faces challenges with protectionism and industrial weaknesses.	2025 Investment Views: Global Outlook, p.2-3
Interest rates & bonds	Inflation is falling, and central banks are expected to synchronise rate cuts. The US yield curve may steepen due to policy uncertainty, while European bonds could outperform with aggressive rate cuts.	2025 Investment Views: Global Outlook, p.4-5
Credit markets	Tight spreads persist, but opportunities exist in structured credit (e.g., CLO mezzanine tranches) and agency mortgage-backed securities. European credit markets offer value in defensive sectors.	2025 Investment Views: Global Outlook, p.6
Emerging market fixed income	Emerging market fixed income is resilient despite headwinds like a stronger US dollar and trade risks. Countries like India and Turkey are expected to benefit from high services exports, while South African bonds could offer attractive returns of ~11% by end-2025.	2025 Investment Views: Global Outlook, p.7-8
Developed markets equities	US equities may face challenges due to high valuations and concentration risks. Opportunities lie in smaller-cap companies, European financials, and value stocks.	2025 Investment Views: Global Outlook, p.10
Emerging markets equities	Attractive valuations and bottom-up opportunities are abundant, particularly in Asian tech, AI supply chains, and India. South Africa may benefit from falling inflation and rates.	2025 Investment Views: Global Outlook, p.11-12
Commodities	Industrial metals and energy markets could gain from a cyclical upswing. Gold remains in a long-term bull cycle but may consolidate.	2025 Investment Views: Global Outlook, p.13-14
Currencies	US dollar strength could fade in the second half of 2025, with opportunities in non-dollar-denominated assets as global recovery builds.	2025 Investment Views: Global Outlook, p.14
Megatrends	US-China rivalry is reshaping geopolitics but spurring capital investment. Strategic competition drives reconfigured supply chains, raising costs but enhancing resilience.	2025 Investment Views: Global Outlook, p.15-16
Q4 2024 market review	Global equities delivered strong returns, driven by US and tech stocks. Fixed income struggled with volatile yields, while emerging markets equities benefited from China's policy shifts. Commodities performed well, led by gold and energy markets.	Market review: Q4 in review

THE GLOBAL ESG LANDSCAPE: BLACKROCK AND THE GREAT CLIMATE REASSESSMENT



Adapted from an article by
Sarah Crone

Director and Investment
Committee Member
FG Asset Management



In 2024, BlackRock, one of the largest asset managers globally, withdrew from a Net Zero Asset Managers initiative, citing regulatory and political challenges. This move marks a significant shift in the ESG landscape and prompted Wall Street to take another look at the long-term viability of strict climate-focused mandates.

For South Africa, where foreign investment is critical, BlackRock's retreat raises concerns about whether ESG-aligned capital flows will persist. Will international investors maintain their push for decarbonisation, or will they pivot towards traditional growth sectors as global priorities shift?

Opportunities and risks for investors

The dual narrative of climate urgency and economic pragmatism presents both risks and opportunities for investors:

1. Institutional investors

- **Opportunities:** Green finance instruments, such as green bonds, remain viable options for institutions looking to align with sustainability goals while earning competitive returns.
- **Risks:** Portfolios heavily exposed to fossil fuels and resource-heavy industries may face increasing regulatory and reputational risks unless carefully managed.

2. Retail investors

- **Opportunities:** ESG-themed funds offer diversification into sustainable assets.
- **Risks:** Traditional dividend-paying stocks in mining and energy may face volatility as markets react to climate policies.

What happens if the global climate narrative shifts?

A broader global retreat from the climate crisis narrative, as hinted by BlackRock's decision, could shift the focus back to traditional profit-driven investment strategies. For South Africa, this could mean:

- **Short-term relief:** Resource-heavy industries like coal and mining may regain favour, stabilising employment and GDP contributions.

- **Long-term risks:** South Africa risks falling behind in the green energy transition, making its economy vulnerable to future carbon taxes and trade barriers from ESG-compliant markets.

A path forward: where to from here?

South Africa's climate and economic policies must navigate a complex global landscape. Policymakers face a critical question:

Can South Africa harmonise its climate commitments with its dependence on resource industries, or will one be sacrificed for the other?

For investors, adaptability is paramount. Portfolios should balance exposure to emerging green sectors with the resilience of traditional industries. Strategies that integrate ESG principles without overcommitting to speculative narratives will likely succeed in this uncertain climate. As global priorities continue to evolve, South Africa's ability to balance its environmental and economic goals will serve as a litmus test for developing economies worldwide.

South Africa's growth journey balanced with sustainability will be fraught with challenges, but for investors willing to adapt, it offers a landscape ripe with opportunity.

Key takeaways

- **Diversify and get advice about your long-term investment strategy.**
- **Monitor shifts:** Keep an eye on global policy changes and their impact on sectors like mining, energy, and green tech.
- **Balance risks:** Hedge ESG investments with well-performing traditional sectors to manage volatility.

Sources:

1. <https://www.reuters.com/sustainability/blackrock-quits-climate-group-wall-streets-latest-environmental-step-back-2025-01-09/>
2. <https://www.ft.com/content/6c87b27c-4f20-47ad-8c05-da5fa78058b4>

HAVE YOU MAXIMISED YOUR TAX-FREE SAVINGS THIS FINANCIAL YEAR?



Adapted from an article by
Thomas Berry

Head of Sales
PSG Wealth



The tax year-end on 28 February is fast approaching, but there's still time to take action and get the most out of your contributions if you have not already. Whether you're looking to boost your retirement fund or grow your savings tax-free, Retirement annuities (RAs) and tax-free savings accounts (TFSAs) are two powerful tools for tax-efficient wealth creation.

Reduce tax and grow wealth with a retirement annuity

Every rand saved on tax is a rand that can be reinvested to grow your wealth. By contributing to an RA or TFSA, you not only reduce your tax burden but also unlock the potential for tax-free growth. Over time, this can make a significant difference to your financial position.

RAs are a tried-and-tested solution for retirement savings, offering immediate tax relief and tax-free investment growth. Contributions of up to 27.5% of your taxable income (capped at R350 000 annually) are tax-deductible. This effectively reduces your taxable income, which means you pay less tax now while growing your retirement nest egg.

For example, if your taxable income is R500 000 and you contribute the full 27.5% (R137 500), your taxable income drops to R362 500. Based on South Africa's progressive tax rates, this could save you money in taxes. That's money you can reinvest into your future instead of paying it to the taxman.

In addition, RAs offer tax-free growth on returns. Whether through interest, dividends, or capital gains, your investment compounds over the years without being eroded by tax.

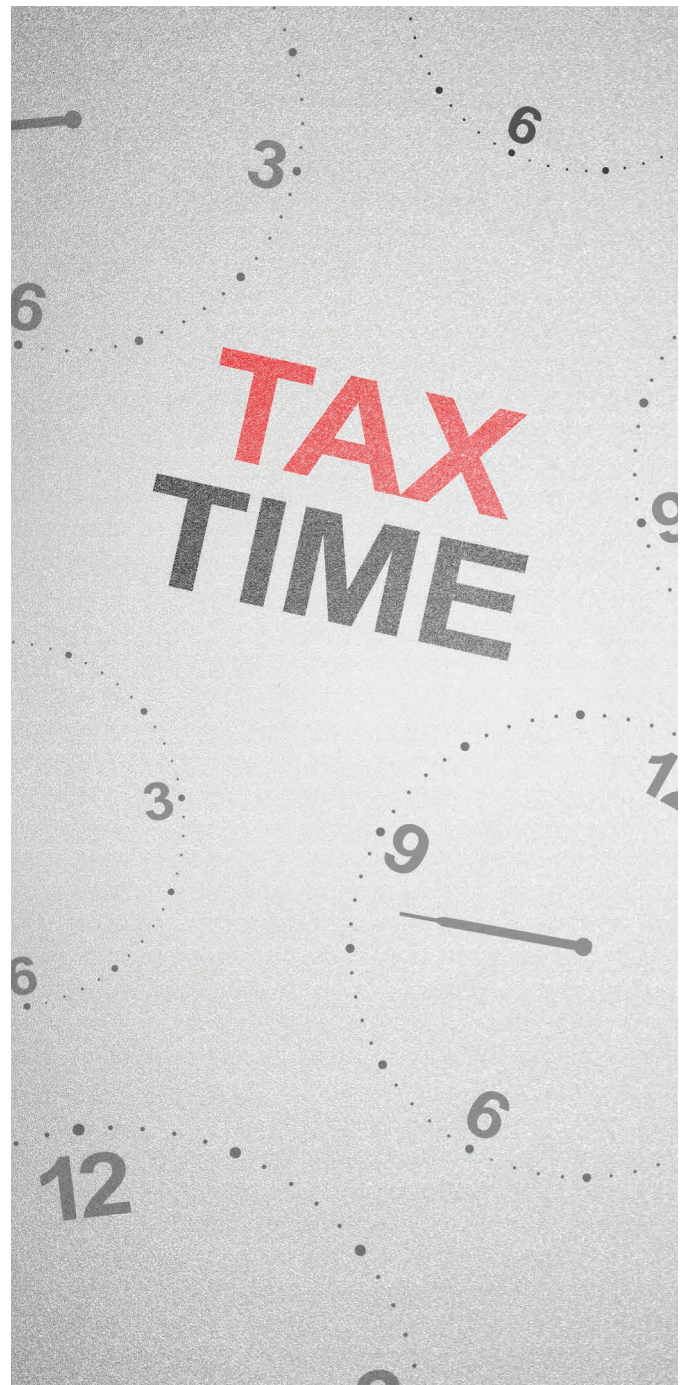
Don't let this year's tax-free savings limit go to waste

TFSAs are another exceptional tool for building wealth tax-efficiently. With an annual contribution limit of R36 000 and a lifetime cap of R500 000, it's a flexible option for medium- to long-term goals. Unlike RAs, TFSAs allow you to access all of your funds at any time without penalties.

However, timing is critical. If you don't use your full annual contribution before 28 February, that portion does not roll over to the next tax year. Missing this opportunity therefore means forfeiting a year of tax-free growth on your investment.

For example, by contributing the maximum annual limit of R36 000, you unlock the potential for all returns - interest, dividends, and capital gains - to be entirely tax-free. Over several years, this adds up significantly, particularly when compounded.

Making the most of these opportunities doesn't have to be complicated. Whether it's an RA, a TFSA, or a combination of both, a trusted financial adviser can help you determine how much to contribute and how to optimise your tax savings and grow your wealth.





FG ASSET MANAGEMENT

QUARTERLY REPORT

Quarter 4 | 2024

ARCHITECTS OF SENSIBLE INVESTMENT SOLUTIONS

MARKET COMMENTARY



Jacy Harington
Portfolio Manager
FG Asset Management

The US election and a resilient economy drove global market trends

Several developments over the last quarter have been driving global financial markets. However, the re-election of President Donald Trump has been key. Given the pivotal role that the US plays within global markets, any policy changes, be it monetary or fiscal, will have global repercussions. Many of Donald Trump's proposed policies look inflationary, but uncertainty remains about the implementation. In addition, the economic weakness the market was expecting due to the high interest rates never materialised, reducing the urgency to ease monetary policy. Both factors contributed to global yields rising as future rate cut expectations were pared back. Locally, the failed materialisation of significant fiscal stimulus from China and the uncertain implications of the proposed US policy weighed on South African growth assets.

China's stimulus measures supported markets but lacked detail

Chinese authorities surprised the market in late September with significant monetary stimulus measures. This was followed by several significantly weak economic data releases for August. The measures were broad-based, looking to support the property market, stimulate consumer spending, and support the slowing economic activity. The stimulus was very positive for investor sentiment and was well

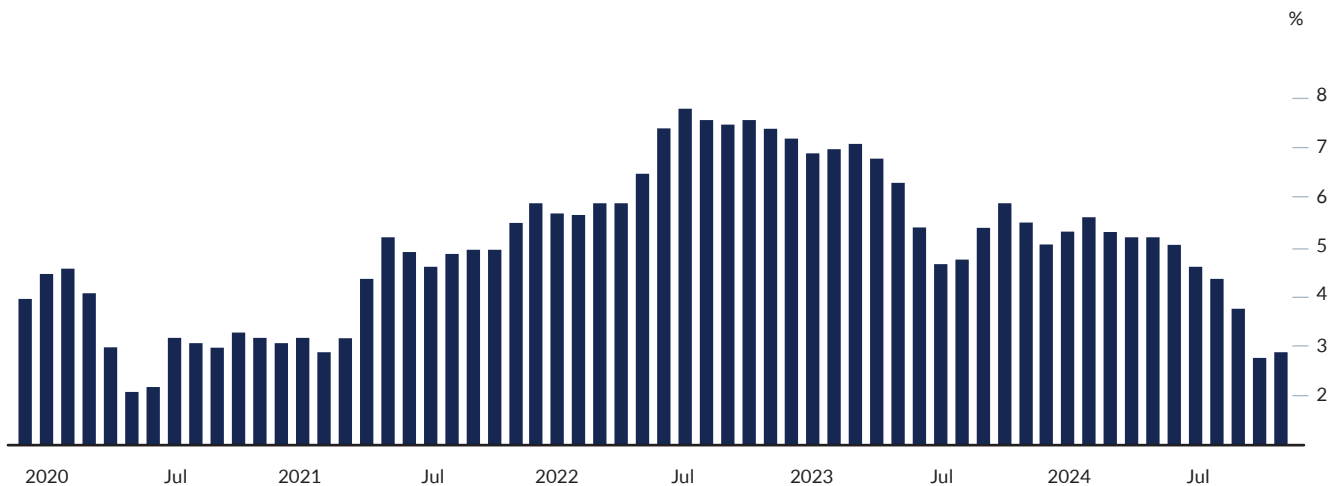
received by the market. Chinese equities rallied strongly, propping up emerging markets' performance too. Alongside the monetary stimulus, the market was waiting for the Chinese government's announcement of fiscal support. Fiscal spending is crucial to achieving the future annual Chinese economic growth target of 5%. Chinese demand for South African resources is material; therefore, stronger Chinese growth is also important for South Africa. The fiscal stimulus measures were announced in mid-October; however, the much-anticipated announcement provided little detail in terms of the size and timing of the stimulus, which left the market disappointed.

A stable US economy tempered rate cut expectations

In addition, the resilient US economy led to many market participants reducing their rate cut expectations to a much shallower path, which added to the financial market weakness over the quarter. US interest rates are seen as the global risk-free rate of the world, and if these interest rates rise, they feed through to the rest of the world's borrowing costs and equity valuations.

Overall, the US unemployment rate remained stable at the low level of 4.2%. This reduced concerns that the US economy was significantly deteriorating. Headline annual US inflation accelerated from a three-year low of 2.4% to 2.7%, in line with expectations.

Figure 1: US inflation rate



Source: US Bureau of Labor Statistics (2020-2024)

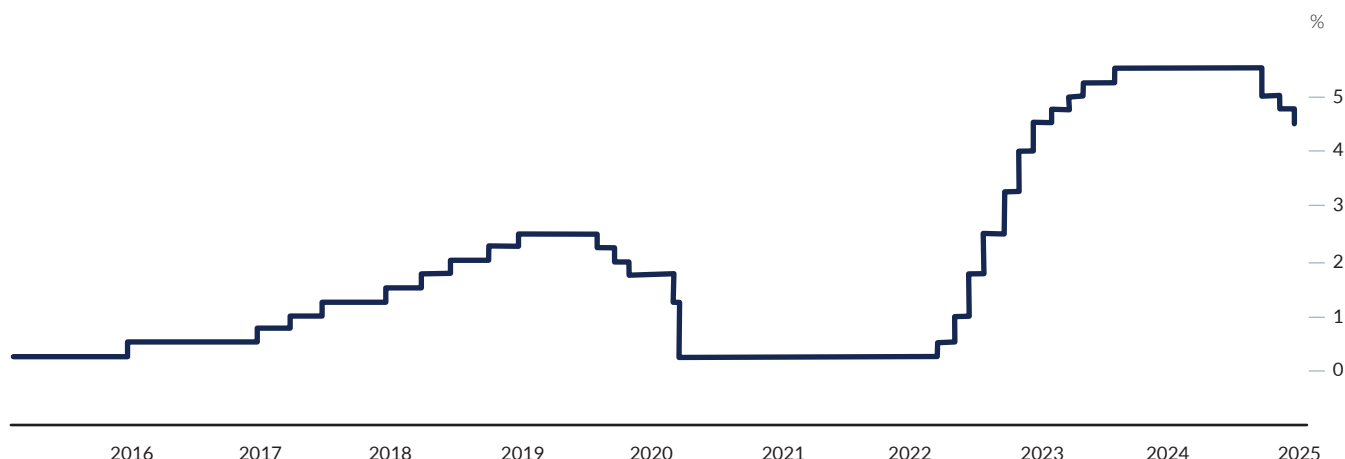


The majority of the pricing pressure remains within the services sector. US core inflation, excluding energy and food, increased to 3.3% from 3.2%, further reducing future rate cut expectations. US GDP growth for the third quarter was released over the quarter, which showed the economy expanding annually by 3.1% from the previous quarter – this is higher than the 2.8% expectation. The US consumer continues to drive strong growth in the US, with consumer spending, which makes up the largest share of economic activity, having increased by 3.7% – the most since 2023.

The Fed cut rates cautiously, with slower reductions ahead

In September, the US Federal Reserve (Fed) surprised the market when it started cutting interest rates more aggressively by 0.50% to a new range of 4.75% to 5.00%. The Fed Chairman, Jerome Powell, commented post-meeting that the larger-than-expected cut was to ensure that the labour market and economy remain stable, such as setting up support for a soft landing. He also commented that the 0.50% cut should be seen as a once-off and does not signal a new pace of easing. In November, the Fed cut the interest rates by another 0.25%, which was widely anticipated. Jerome Powell also commented that he would not step down if requested by the re-elected President Donald Trump and that it is 'not permitted under the law'. In December, the Fed cut rates for the third time by another 0.25% to the new range of 4.25-4.50%. This was in line with expectations, however the statement following the rate cut took the market by surprise. Jerome Powell commented that the pace of future rate reductions would slow down due to higher-than-expected inflation in 2025. They see the US economy as solid, and given that the labour market is stable, they can afford to be cautious with further rate cuts.

Figure 2: US federal funds interest rate



Source: US Federal Reserve, www.tradingeconomics.com (2016-2024)

As polls and expectations increasingly pointed towards a Donald Trump victory, inflation expectations grew alongside it. This drove expectations for future rate cuts to recede and bond yields higher. By the end of the quarter, there were only two more 0.25% rate cuts priced in from the Fed for 2025.

US 'red sweep' election boosted equities and bond yields

November was a risk-on month for global assets, specifically within US markets, as the re-election of President Donald Trump and his expected policies drove US equity valuations even higher and the US dollar stronger. The US election was held at the start of the month, where the Republican party won the majority votes for the presidency, the House, and the Senate – also known as a 'red sweep'. This gives the incoming President, Donald Trump, more power to approve his policies. His policies include lower corporate taxes, lower regulation, higher import tariffs, and a stricter stance on immigration. Lower corporate taxes and regulations drove the positive performance in US equities. Higher tariffs and tighter immigration are expected to be inflationary, which drove yields even higher from its September lows. The market took comfort in the announcement of Donald Trump's nomination for the Treasury secretary, Scott Bessent, which relieved bond yields. Scott Bessent, a hedge fund manager by trade, is seen as experienced, well qualified and more pragmatic.

South Africa began rate cuts amid declining inflation

Locally, South African inflation has declined well below the SARB's (South African Reserve Bank) targets, allowing the local interest rate-cutting cycle to begin. Consumer and business confidence have been improving. The direction of travel for many elements within the South African economy has been encouraging. It remains to be seen if this early progress will feed through into higher economic growth for South Africa.



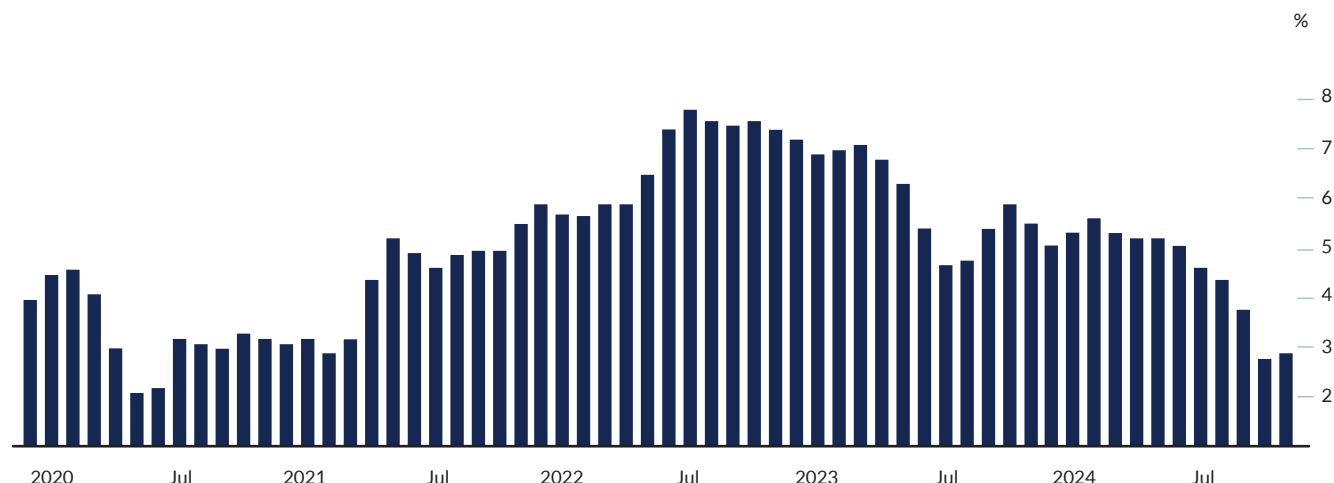
GDP contraction driven by agriculture masked broader stability

South African third quarter GDP was released in December, showing that the economy contracted 0.3% from the previous quarter. The contraction was a surprise, as forecasts expected a 0.4% expansion. The contraction was driven by a 28% quarterly decline in the agriculture sector due to the drop in the maize crop. One thing to note, however, is that the decline was exaggerated due to it being treated as a quarterly decline when it is an annual decline. Excluding this outsized agricultural number, the GDP expanded by 0.4% from the previous quarter. This number still reflects weak growth, especially given the increased electricity generation and more upbeat sentiment post the May elections.

Inflation fell to a four-year low, encouraging rate cuts

Local inflation releases declined significantly over the past three months. It fell from 4.4% to 2.9%, with all three releases under the 4.5% mid-point target of the SARB, bringing inflation to the lowest level in four years. Falling fuel prices continued to be the key driver behind the decline, with fuel prices now 13.6% lower than a year ago. Core inflation, which excludes fuel and food, also declined from 4.1% to 3.7% over the quarter.

Figure 3: South African inflation rate



Source: Statistics SA, www.tradingeconomic.com (2020-2024)

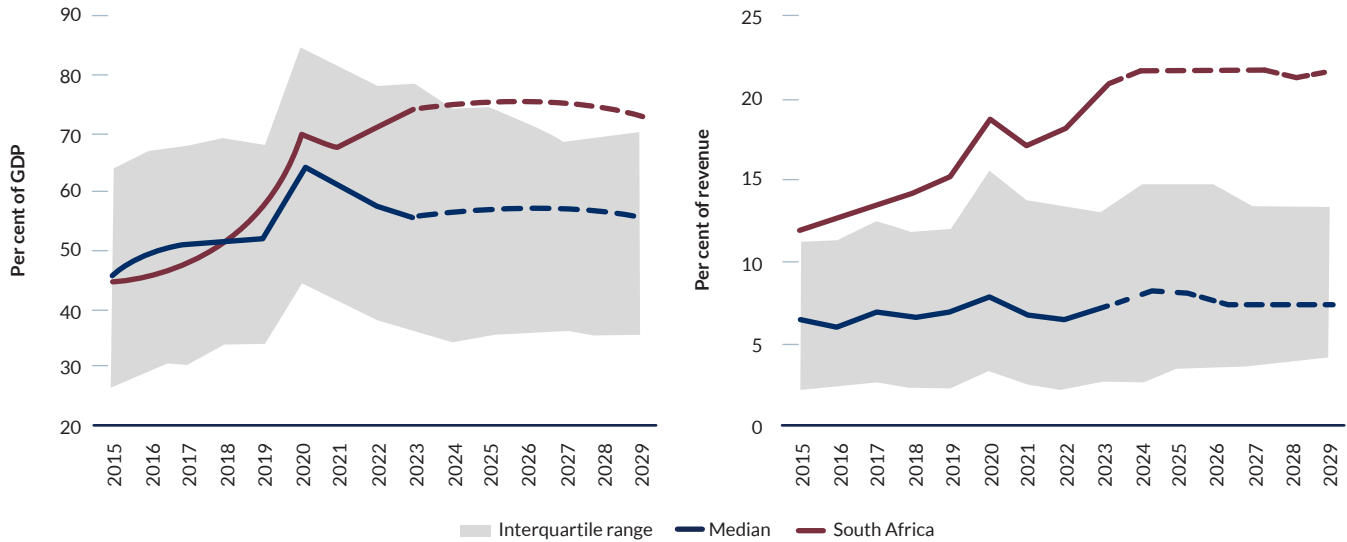
The slowing price pressures were encouraging the SARB to start cutting interest rates. The SARB only met once over the quarter. In November, the SARB's MPC (Monetary Policy Committee) lowered the repo rate by 0.25% to 7.75%; this was the second cut since interest rates were at their 15-year peak. Despite current low inflation levels, the MPC did not consider a larger 0.50% cut given the material upside risks they see for prices over the medium term. Nevertheless, the lower interest rates should also provide some support for growth.

National Treasury forecasts improved debt and deficit levels

The Medium-Term Budget Policy Statement was announced in October, where it forecasted the budget deficit to narrow from 5.0% of GDP to 3.2% in 2027/2028. This will allow debt to stabilise at 75.5% of GDP in 2025/2026. Debt servicing costs are forecast to peak in 2025/2026 at 21.7% of revenue.



Figure 4: South Africa's debt trajectory relative to peers (LHS) and South Africa's debt-service costs relative to peers (RHS)



*Consists of 94 emerging market economies

Source: National Treasury and IMF Economic Outlook, October 2024

Surprisingly, there were no upward adjustments to their growth expectations despite the positive sentiment after the formation of the Government of National Unity. National Treasury forecasts the economy to grow by 1.1% in 2024 and 1.8% annually for the next three years. These growth projections are conservative; however, if policy reforms can be successfully implemented, growth has the potential to increase towards 3%. A higher growth trajectory would support higher employment, higher tax revenues, and the National Treasury's goal of reducing the budget deficits and, therefore, the overall debt levels.

S&P revised South Africa's rating outlook to positive

In addition, the S&P ratings agency revised its outlook from stable to positive on South Africa's sovereign rating. It is currently rated BB for its local currency debt and BB- for its foreign currency debt. The revision was due to the improvement in political stability following the May elections which could help support reform, thereby boosting private investment and growth.



FG SCI* JUPITER INCOME FUND OF FUNDS

For periods until 31 December 2024

Performance and quartile ranking in sector | Inception date 15 August 2005

	6 Months	Year to Date	1 Year	3 Years ¹	5 Years ¹	10 Years ¹	Since Inception ¹
FG SCI Jupiter Income FoF	5.73%	10.35%	10.35%	8.48%	7.57%	7.72%	7.91%
STeFI Composite Index	4.12%	8.46%	8.46%	7.23%	6.17%	6.68%	7.02%
ASISA SA Multi Asset Income Category Average	5.78%	10.15%	10.15%	8.33%	7.53%	7.55%	7.77%
				1 st Quartile	2 nd Quartile	3 rd Quartile	4 th Quartile

¹Data for longer than 12 months are annualised

Source: Morningstar, performance for A class shares

Annualised returns are period returns re-scaled to a period of 1 year

Underlying funds

- Abax Flexible Income Fund (Nedgroup)
- Granate BCI Multi Income Fund
- Laurium BCI Strategic Income Fund
- Matrix SCI Stable Income Fund
- Terebinth SCI Strategic Income Fund (Amplify)

Performance statistics

	Fund ²	Benchmark ²
Highest 12-month performance	12.88%	11.77%
Lowest 12-month performance	3.25%	3.76%
% positive months	93.10%	100.00%

²Source until 31 December 2018: MoneyMate

Source from 31 December 2018: Morningstar

The FG SCI Jupiter Income Fund of Funds returned +1.69% in the fourth quarter of 2024 and +10.35% over the past 12 months, underperforming the benchmark Alexander Forbes Short Term Fixed Income Index quarterly return of +2.01%, while outperforming the 12-month return of +8.46%. The Granate BCI Multi Income Fund was the worst-performing underlying fund over the quarter, returning +1.52%. No changes were made to the fund over the quarter.

Asset allocation as at 30 November 2024

	Local Equity	Local Property	Local Bonds	Local Cash	Foreign
FG SCI Jupiter Income FoF	0%	2%	53%	43%	2%

*The full registered name of the fund is FG Sanlam Collective Investments Jupiter Income Fund of Funds.



FG SCI* VENUS CAUTIOUS FUND OF FUNDS

For periods until 31 December 2024

Performance and quartile ranking in sector | Inception date 2 July 2007

	6 Months	Year to Date	1 Year	3 Years ¹	5 Years ¹	10 Years ¹	Since Inception ¹
FG SCI Venus Cautious FoF	6.76%	11.95%	11.95%	8.70%	9.06%	7.97%	8.76%
ASISA SA Multi Asset Low Equity Category Average	7.23%	12.25%	12.25%	8.11%	8.57%	7.20%	7.78%
				1 st Quartile	2 nd Quartile	3 rd Quartile	4 th Quartile

¹Data for longer than 12 months are annualised

Source: Morningstar, performance for A class shares

Annualised returns are period returns re-scaled to a period of 1 year

Underlying funds

- 36ONE BCI Equity Fund
- Abax Opportunity Fund (Nedgroup)
- Fairtree Equity Prescient Fund
- Granate BCI Multi Income Fund
- Laurium BCI Strategic Income Fund
- Matrix SCI Defensive Balanced Fund (Amplify)
- Matrix SCI Stable Income Fund
- Ninety One Diversified Income Fund
- Ninety One Global Managed Income Feeder Fund
- Ninety One Global Franchise Feeder Fund
- Saffron BCI Opportunity Income Retention Fund
- Satrux Bond Index Fund
- Sarofim SCI Global Equity Feeder Fund (Amplify)
- Sanlam Multi Managed Inflation Linked Bond Fund
- Terebinth SCI Strategic Income Fund (Amplify)
- Veritas Global Equity Feeder Fund (Nedgroup)

Performance statistics

	Fund ²	Benchmark ²
Highest 12-month performance	16.83%	17.26%
Lowest 12-month performance	-1.41%	-3.15%
% positive months	72.86%	71.90%

²Source until 31 December 2018: MoneyMate

Source from 31 December 2018: Morningstar

The FG SCI Venus Cautious Fund of Funds returned +1.93% in the fourth quarter of 2024 and +11.95% over the past 12 months, outperforming the benchmark peer group average quarterly return of +1.68%, while underperforming the 12-month return of +12.25%. The Ninety One Global Franchise Feeder Fund was the best-performing underlying fund over the quarter, returning +8.63%. No changes were made to the fund over the quarter.

Asset allocation as at 30 November 2024

	Local Equity	Local Property	Local Bonds	Local Cash	Foreign
FG SCI Venus Cautious FoF	16%	2%	32%	29%	21%

*The full registered name of the fund is FG Sanlam Collective Investments Venus Cautious Fund of Funds.



FG SCI* SATURN MODERATE FUND OF FUNDS

For periods until 31 December 2024

Performance and quartile ranking in sector | Inception date 15 August 2005

	6 Months	Year to Date	1 Year	3 Years ¹	5 Years ¹	10 Years ¹	Since Inception ¹
FG SCI Saturn Moderate FoF	7.68%	13.42%	13.42%	9.44%	10.51%	8.17%	10.22%
ASISA SA Multi Asset Medium Equity Category Average	7.18%	12.80%	12.80%	7.98%	9.25%	7.15%	8.94%
				1 st Quartile	2 nd Quartile	3 rd Quartile	4 th Quartile

¹Data for longer than 12 months are annualised

Source: Morningstar, performance for A class shares

Annualised returns are period returns re-scaled to a period of 1 year

Underlying funds

- 36ONE BCI Flexible Opportunity Fund
- Abax Opportunity Fund (Nedgroup)
- Bateleur Flexible Prescient Fund
- Coronation Market Plus Fund
- Matrix SCI Defensive Balanced Fund (Amplify)
- Matrix SCI Stable Income Fund
- Ninety One Global Managed Income Feeder Fund
- Ninety One Opportunity Fund
- PSG Flexible Fund
- Satrix Bond Index Fund
- Sarofim SCI Global Equity Feeder Fund (Amplify)
- Terebinth SCI Strategic Income Fund (Amplify)
- Truffle SCI Wealth Protector Fund (Amplify)

Performance statistics

	Fund ²	Benchmark ²
Highest 12-month performance	31.40%	26.41%
Lowest 12-month performance	-18.22%	-15.68%
% positive months	70.69%	67.24%

²Source until 31 December 2018: MoneyMate

Source from 31 December 2018: Morningstar

The FG SCI Saturn Moderate Fund of Funds returned +1.71% over the fourth quarter of 2024 and +13.42% over the past 12 months, outperforming the benchmark peer group average quarterly return of +1.60%, and the 12-month return of +12.80%. The Ninety One Global Managed Income Feeder Fund was the best-performing underlying fund, returning +7.99% over the quarter. No changes were made to the fund over the quarter.

Asset allocation as at 30 November 2024

	Local Equity	Local Property	Local Bonds	Local Cash	Foreign
FG SCI Saturn Moderate FoF	31%	3%	26%	11%	29%

*The full registered name of the fund is FG Sanlam Collective Investments Saturn Moderate Fund of Funds.



FG SCI* NEPTUNE GROWTH FUND OF FUNDS

For periods until 31 December 2024

Performance and quartile ranking in sector | Inception date 1 September 2014

	6 Months	Year to Date	1 Year	3 Years ¹	5 Years ¹	10 Years ¹	Since Inception ¹
FG SCI Neptune Growth FoF	6.56%	12.02%	12.02%	8.35%	10.42%	8.25%	8.16%
ASISA SA Multi Asset High Equity Category Average	7.54%	13.45%	13.45%	8.33%	9.98%	7.38%	7.33%
				1 st Quartile	2 nd Quartile	3 rd Quartile	4 th Quartile

¹Data for longer than 12 months are annualised

Source: Morningstar, performance for A class shares

Annualised returns are period returns re-scaled to a period of 1 year

Underlying funds

- 36ONE BCI SA Equity Fund
- Abax Balanced Prescient Fund
- Bateleur Flexible Prescient Fund
- Fairtree Equity Prescient Fund
- Granate BCI Flexible Fund
- Laurium Flexible Prescient Fund
- Ninety One Global Franchise Feeder Fund
- Ninety One Global Managed Income Feeder Fund
- PSG Flexible Fund
- Saffron BCI Opportunity Income Retention Fund
- Sarofim SCI Global Equity Feeder Fund (Amplify)
- Satrrix Bond Index Fund
- Satrrix MSCI World ETF
- Terebinth SCI Strategic Income Fund (Amplify)
- Truffle SCI SA Flexible Fund
- Veritas Global Equity Feeder Fund (Nedgroup)

Performance statistics

	Fund ²	Benchmark ²
Highest 12-month performance	38.17%	30.65%
Lowest 12-month performance	-11.21%	-10.44%
% positive months	65.32%	63.71%

²Source until 31 December 2018: MoneyMate

Source from 31 December 2018: Morningstar

The FG SCI Neptune Growth Fund of Funds returned +1.06% over the fourth quarter of 2024 and +12.02% over the past 12 months, underperforming the benchmark peer group average quarterly return of +1.46% and the 12-month return of +13.45%. The Fairtree Equity Prescient Fund was the worst-performing underlying fund, returning -3.84% over the quarter. The decision was made over the quarter to fully redeem the Coronation Global Optimum Growth Feeder Fund allocation and allocate the proceeds to the Satrrix MSCI World ETF and the Ninety One Global Managed Income Feeder Fund. The decision was also made to fully redeem the Sanlam Multi Managed Inflation Linked Bond Fund as well the Matrix SCI Stable Income Fund allocations and switch the proceeds of these redemptions into the 36ONE BCI SA Equity Fund.

Asset allocation as at 30 November 2024

	Local Equity	Local Property	Local Bonds	Local Cash	Foreign
FG SCI Neptune Growth FoF	41%	2%	13%	7%	37%

*The full registered name of the fund is FG Sanlam Collective Investments Neptune Growth Fund of Funds.



FG SCI* MERCURY EQUITY FUND OF FUNDS

For periods until 31 December 2024

Performance and quartile ranking in sector | Inception date 15 August 2005

	6 Months	Year to Date	1 Year	3 Years ¹	5 Years ¹	10 Years ¹	Since Inception ¹
FG SCI Mercury Equity FoF	5.91%	12.73%	12.73%	8.69%	12.07%	7.61%	10.44%
FTSE/JSE Africa All Share (total return)	7.27%	13.44%	13.44%	8.68%	12.16%	9.03%	12.49%
ASISA SA Equity General Category Average	7.60%	13.50%	13.50%	7.88%	10.15%	6.47%	10.13%
				1 st Quartile	2 nd Quartile	3 rd Quartile	4 th Quartile

¹Data for longer than 12 months are annualised

Source: Morningstar, performance for A class shares

Annualised returns are period returns re-scaled to a period of 1 year

Underlying funds

- 36ONE BCI SA Equity Fund
- Fairtree Equity Prescient Fund
- Gryphon All Share Tracker Fund
- Laurium Equity Fund (Nedgroup)
- Ninety One Equity Fund
- Ninety One Global Franchise Feeder Fund
- M&G Equity Fund
- PSG Equity Fund
- Satrix MSCI World ETF
- Satrix SmartCore Index Fund
- Truffle SCI General Equity Fund

Performance statistics

	Fund ²	Benchmark ²
Highest 12-month performance	56.14%	53.98%
Lowest 12-month performance	-31.68%	-37.60%
% positive months	61.64%	60.78%

²Source until 31 December 2018: MoneyMate

Source from 31 December 2018: Morningstar

The FG SCI Mercury Equity Fund of Funds returned -1.43% in the fourth quarter of 2024 and +12.73% over the past 12 months, outperforming the -2.13% quarterly return of the benchmark FTSE/JSE All Share (total return) Index while underperforming the 12-month return of +13.44%. The Satrix MSCI World ETF was the best-performing underlying fund, returning +9.28% over the quarter. Over the quarter, the Coronation Global Optimum Growth Feeder Fund allocation was fully redeemed and the proceeds were allocated to the Gryphon All Share Tracker Fund. The decision was also made to switch the full 36ONE BCI Equity Fund allocation into the 36ONE BCI SA Equity Fund. The full M&G Equity Fund allocation was switched into the Satrix SmartCore Index Fund as well.

Asset allocation as at 30 November 2024

	Local Equity	Local Property	Local Bonds	Local Cash	Foreign
FG SCI Mercury Equity FoF	83%	2%	0%	4%	11%

*The full registered name of the fund is FG Sanlam Collective Investments Mercury Equity Fund of Funds.



FG SCI* INTERNATIONAL FLEXIBLE FUND OF FUNDS

For periods until 31 December 2024

Performance and quartile ranking in sector | Inception date 17 October 2007

	6 Months	Year to Date	1 Year	3 Years ¹	5 Years ¹	10 Years ¹	Since Inception ¹
FG SCI International Flexible FoF	6.57%	11.11%	11.11%	6.45%	9.31%	8.81%	8.88%
Benchmark ²	5.44%	10.22%	10.22%	6.34%	9.91%	8.94%	9.66%
ASISA Global Multi Asset Flexible Average ³	5.44%	10.22%	10.22%	6.34%	9.91%	9.03%	8.92%
				1 st Quartile	2 nd Quartile	3 rd Quartile	4 th Quartile

¹Data for longer than 12 months are annualised

Annualised returns are period returns re-scaled to a period of 1 year

²Benchmark before June 2013: 50% MSCI World Index, 50% JP Morgan Global Government Bond Index

Benchmark between July 2013 and July 2015: 55% MSCI AC World Index, 33% JP Morgan Global Government Bond Index, 7% FTSE EPRA Nareit Global Property, 5% Stefi Call

³Current benchmark

Underlying funds

- FGAM Global Cautious Fund
- FGAM Global Growth Fund
- FPA Global Flexible Fund (Nedgroup)
- Ninety One Global Franchise Fund
- Sarofim SCI Global Equity Feeder Fund (Amplify)
- Satrix World Equity Tracker Fund

Performance statistics

	Fund ⁴	Benchmark ⁴
Highest 12-month performance	40.26%	34.52%
Lowest 12-month performance	-16.99%	-15.05%
% positive months	57.28%	59.42%

⁴Source until 31 December 2018: Iress

Source from 31 December 2018: Morningstar

The FG SCI International Flexible Fund of Funds returned +7.19% in the fourth quarter of 2024 and +11.11% over the past 12 months, outperforming the benchmark peer group average quarterly return of +5.72%, and the 12-month return of +10.22%. The FPA Global Flexible Fund (Nedgroup) was the best-performing underlying fund over the quarter, returning +10.16% in rand terms. The decision was made over the quarter to fully redeem the remaining Ninety One Global Strategic Managed Fund allocation and switch it into a new underlying fund; the Sarofim SCI Global Equity Feeder Fund (Amplify).

Asset allocation as at 30 November 2024

	Global Equity	Global Fixed Income	Global Cash	Global Property	Local Cash
FG SCI International Flexible FoF	68%	20%	9%	1%	2%

	USD	GBP	Euro	JPY	Other	Rand
Currency breakdown	77%	2%	6%	2%	11%	2%

*The full registered name of the fund is FG Sanlam Collective Investments International Flexible Fund of Funds.



MARKET PERFORMANCE

Index	Asset Class	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Last 12 months	Year to Date 2024*
STEFI Composite Index	Local cash	2.00%	2.02%	2.07%	2.01%	8.46%	8.46%
FTSE/JSE All Bond (total return)	Local bonds	-1.80%	7.49%	10.54%	0.43%	17.18%	17.18%
FTSE/JSE SA Listed Property (total return)	Local property	3.85%	5.50%	18.70%	-0.83%	28.96%	28.96%
FTSE/JSE Africa All Share (total return)	Local shares	-2.25%	8.19%	9.61%	-2.13%	13.44%	13.44%
Bloomberg Global Aggregate TR USD	Global bonds	-2.08%	-1.10%	6.98%	-5.10%	-1.69%	-1.69%
FTSE EPRA Nareit Global REITs TR USD	Global property	-1.51%	-1.38%	16.19%	-8.94%	2.77%	2.77%
MSCI World GR USD	Global shares	9.01%	2.78%	6.46%	-0.07%	19.19%	19.19%
MSCI ACWI GR USD	Global shares	8.32%	3.01%	6.72%	-0.89%	18.02%	18.02%
US dollar/South African rand (+ weaker rand, - stronger rand)	Exchange rate	3.55%	-3.57%	-5.63%	9.50%	3.19%	3.19%

*Return until 31 December 2024
All performances until 31 December 2024
(Source: Morningstar)



ADDITIONAL FUND INFORMATION

Fund name	No. of participatory interests*	NAV (month-end)*	Total expense ratio (TER)**
FG SCI International Flexible FoF A	9,830,228.17	41.40	1.47
FG SCI International Flexible FoF B	50,419.95	32.40	3.14
FG SCI International Flexible FoF B1	1,248,903.25	33.66	2.90
FG SCI International Flexible FoF C	13,250,843.30	40.45	1.75
FG SCI Jupiter Income FoF A	27,541,210.60	13.11	1.04
FG SCI Jupiter Income FoF B1	904,710.59	13.00	2.47
FG SCI Jupiter Income FoF C	66,130,591.39	13.09	1.31
FG SCI Mercury Equity FoF A	4,323,616.88	48.58	1.59
FG SCI Mercury Equity FoF B	108.32	46.35	3.31
FG SCI Mercury Equity FoF B1	31,773.90	47.44	3.03
FG SCI Mercury Equity FoF C	739,554.79	48.51	1.85
FG SCI Neptune Growth FoF A	26,421,109.49	17.22	1.53
FG SCI Neptune Growth FoF B1	720,587.98	17.06	2.97
FG SCI Neptune Growth FoF C	3,188,610.45	17.19	1.73
FG SCI Saturn Moderate FoF A	38,592,614.34	38.86	1.47
FG SCI Saturn Moderate FoF B	114,731.83	38.38	3.20
FG SCI Saturn Moderate FoF B1	2,536,446.87	38.44	2.91
FG SCI Saturn Moderate FoF C	17,478,963.15	38.78	1.72
FG SCI Venus Cautious FoF A	55,067,519.11	20.36	1.24
FG SCI Venus Cautious FoF B	26,038.11	20.06	2.97
FG SCI Venus Cautious FoF B1	2,236,667.42	20.08	2.68
FG SCI Venus Cautious FoF C	30,288,467.59	20.33	1.51

*NAV (month-end) and no. of participatory interests as at 31 December 2024

**TER as at 30 September 2024



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SCI* - Sanlam Collective Investments (RF) (Pty) Ltd

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