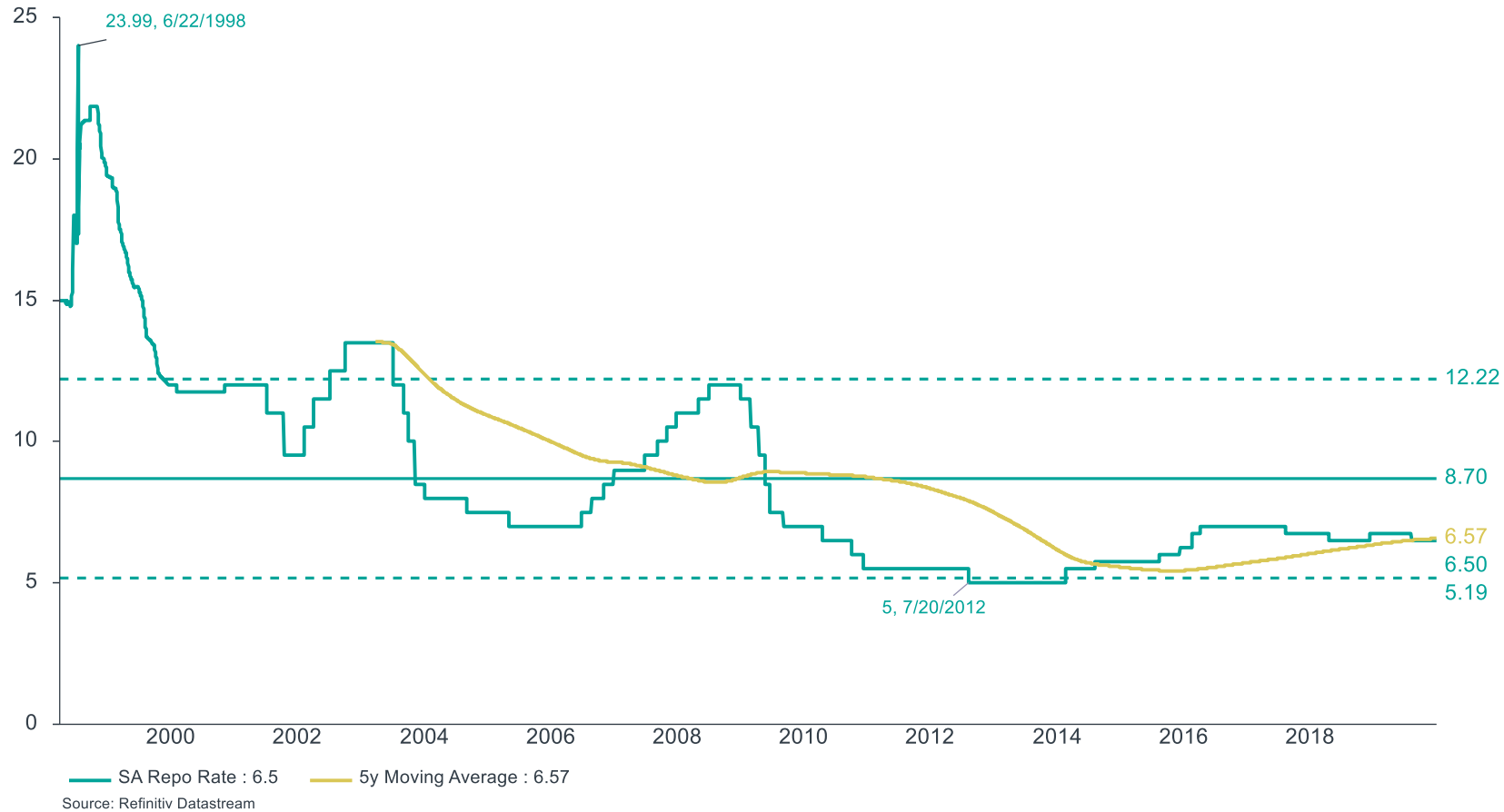




12 December 2019

CHART BOOK: MINI

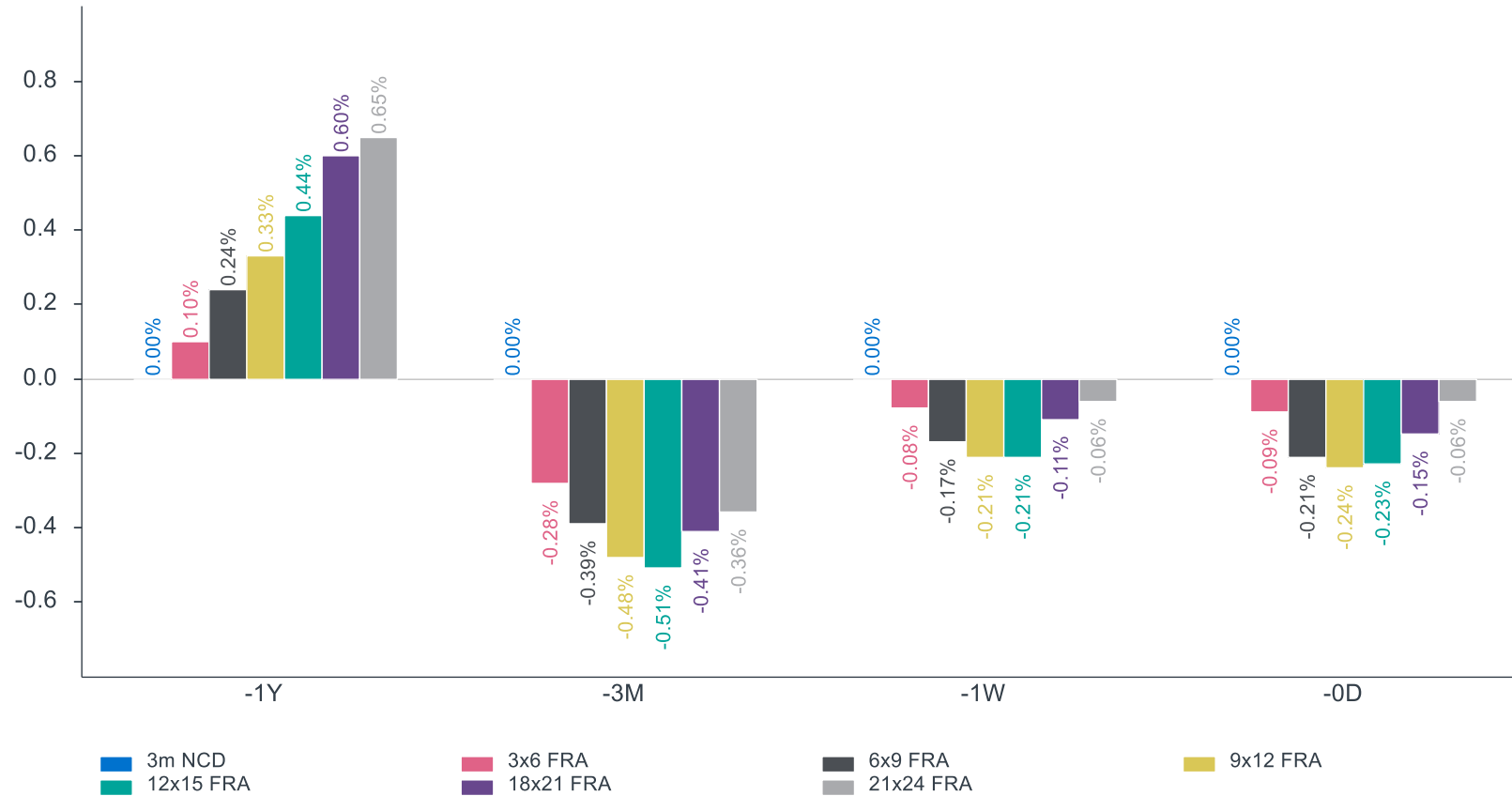
SA REPURCHASE RATE



SA FRA'S, IMPLIED INTEREST RATE CHANGES

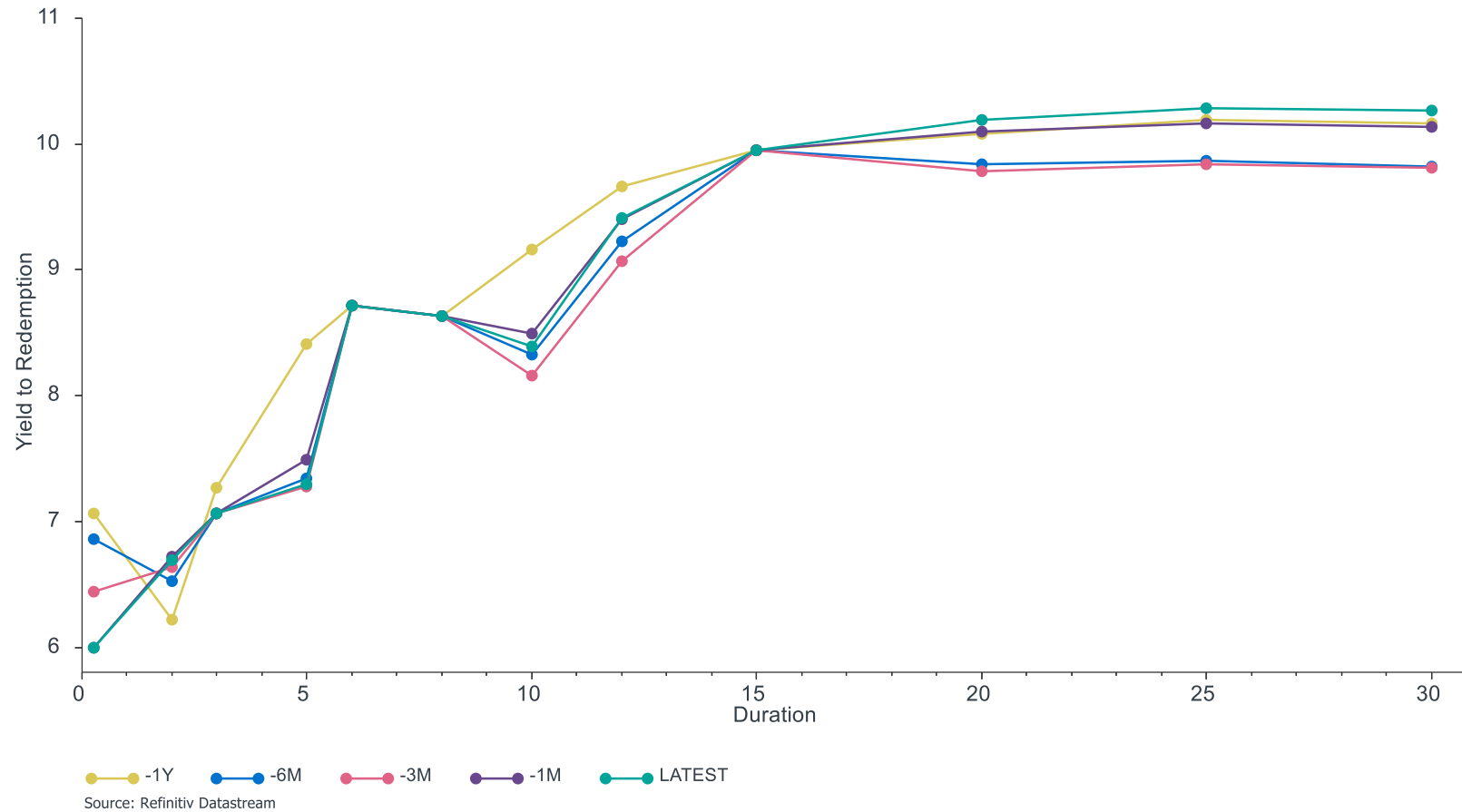


FRA = Forward Rate Agreement

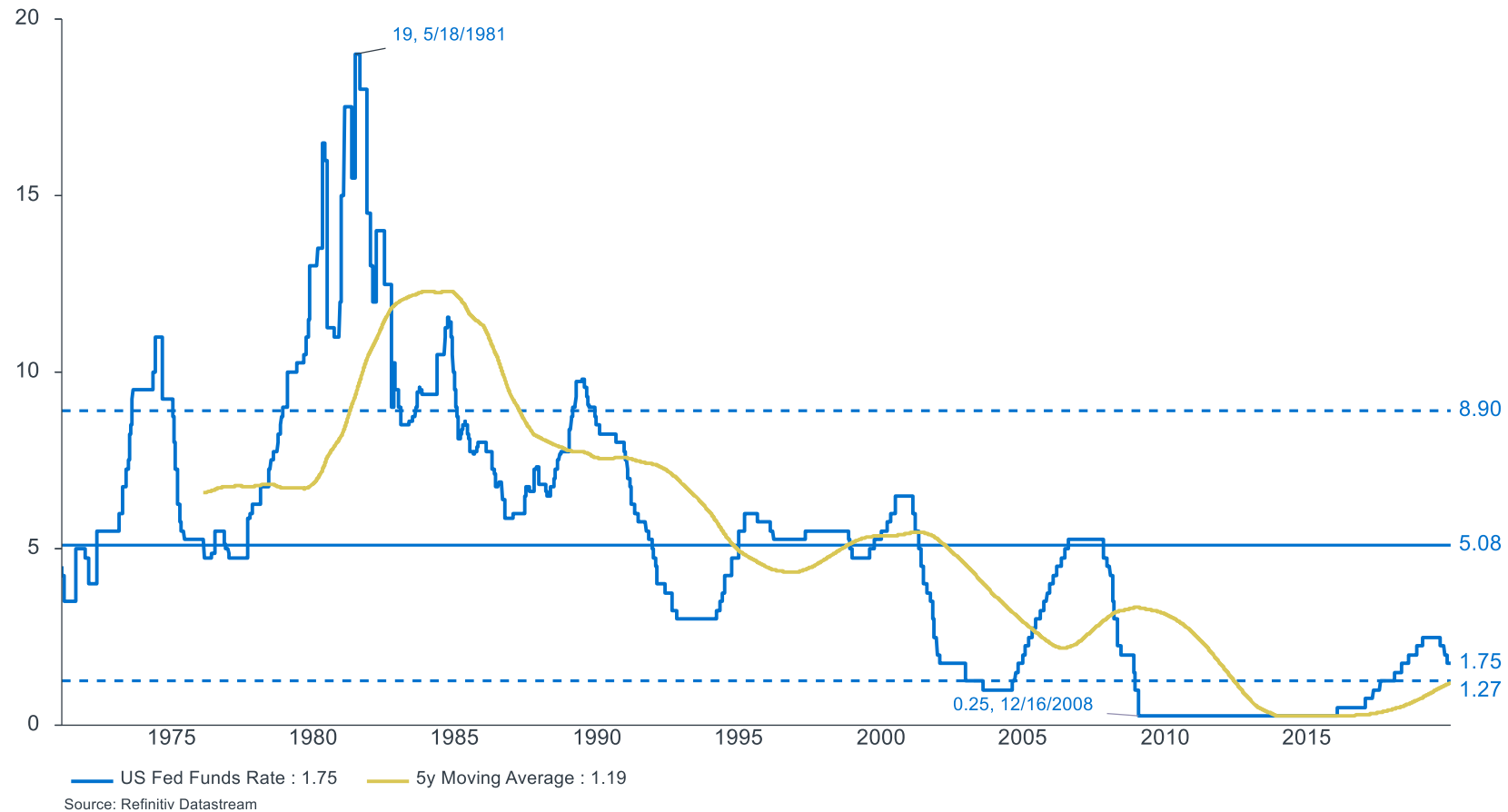


Source: Refinitiv Datastream

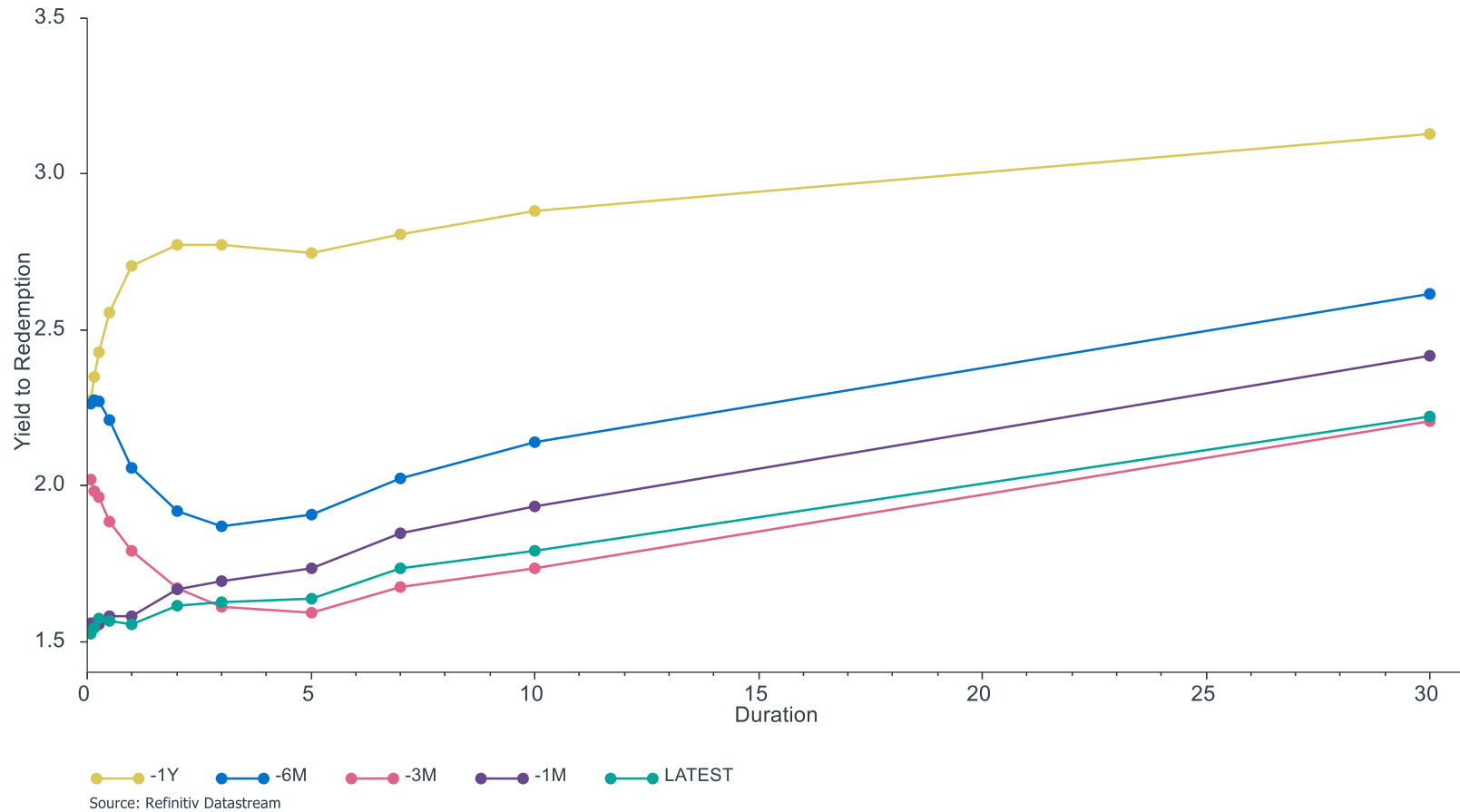
SA YIELD CURVE



US FED FUNDS RATE

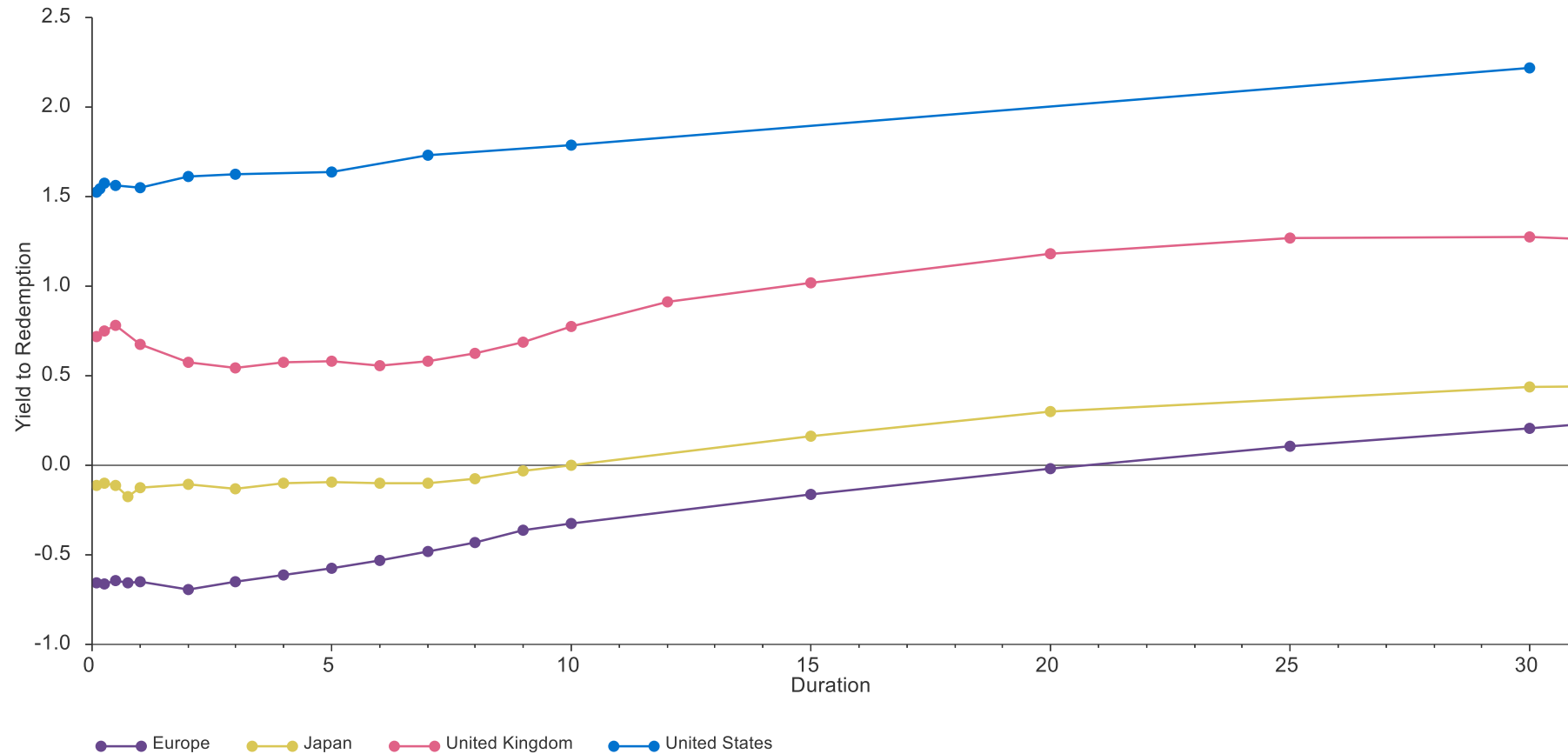


US YIELD CURVE





DEVELOPED MARKETS YIELD CURVES



Source: Refinitiv Datastream

EM CREDIT DEFAULT SWAPS



Source: Refinitiv Datastream

EM = Emerging Markets

This graph shows credit default swap spreads, as measured by 5 year spreads on USD denominated sovereign debt.

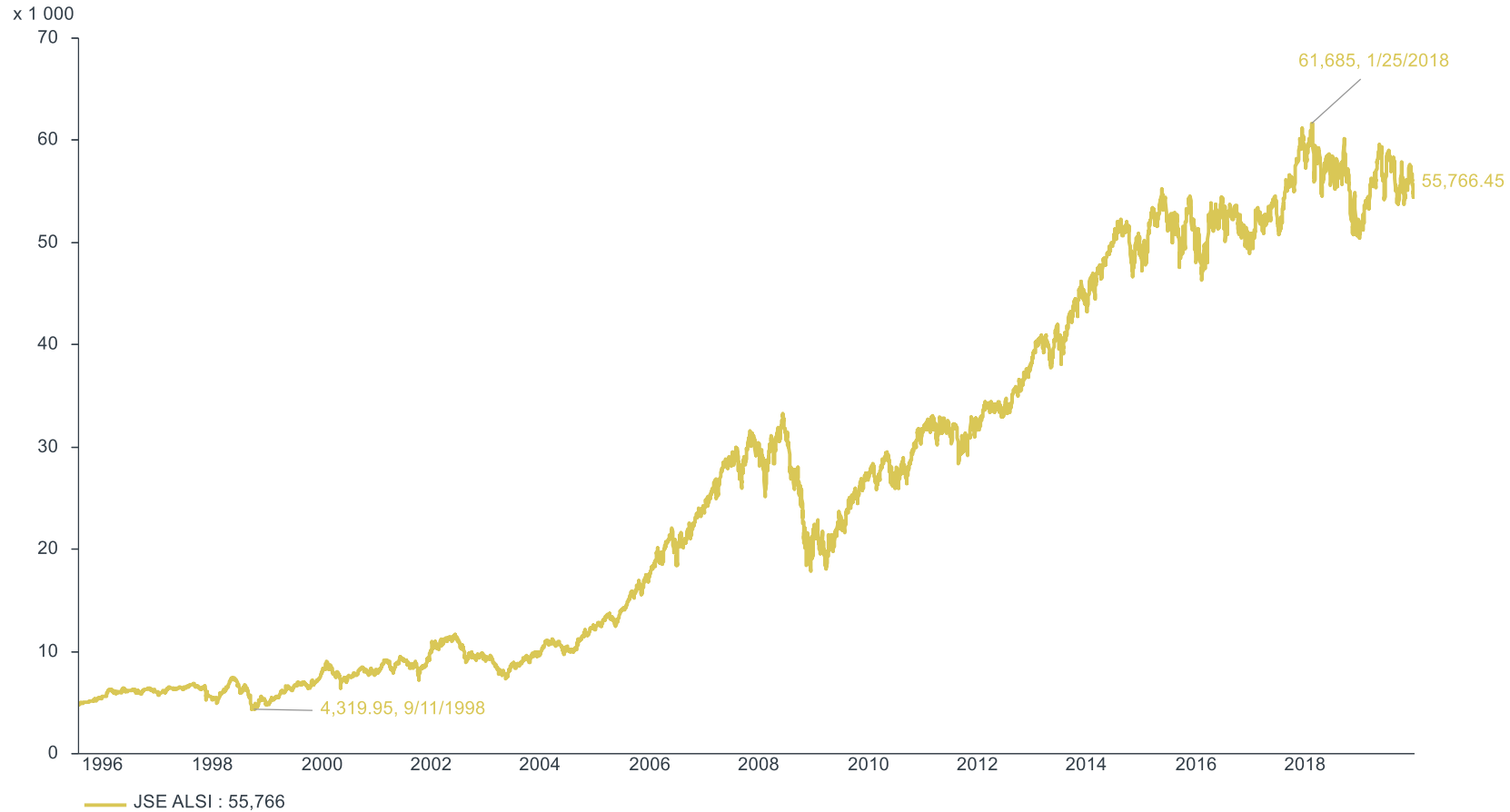
Listed CDS spread is the premium paid by the buyer to the seller of the CDS. This varies from conventional understanding of yield spreads i.e. over US treasury yield.

What's important to note in this graph is that the market has priced South African 5Y USD denominated debt at a level considered more risky than both Turkey and Russia (both junk at S&P; Russia junk at Moody's).

Note:

The default event typically used for EM debt is CR (Credit Restructuring) which triggers an event when a debt obligation is restructured – i.e. interest payments reduced; principal reduced; maturity extended; becoming subordinated to another obligation or having its currency changed.

JSE ALSI



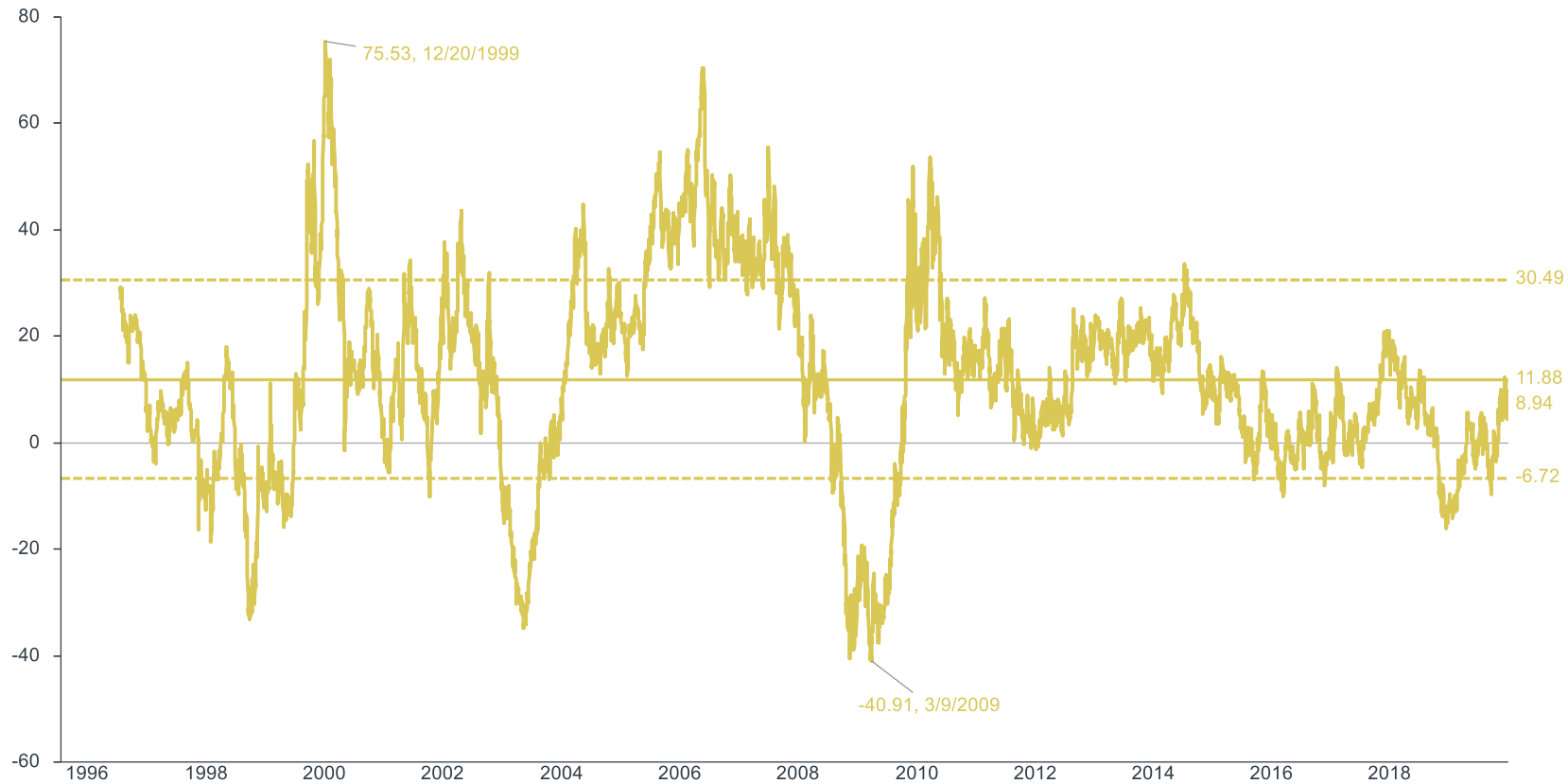
ALSI = All Share Index

Source: Refinitiv Datastream

JSE ALSI INDEX, 1Y RATE OF CHANGE



ALSI = All Share Index



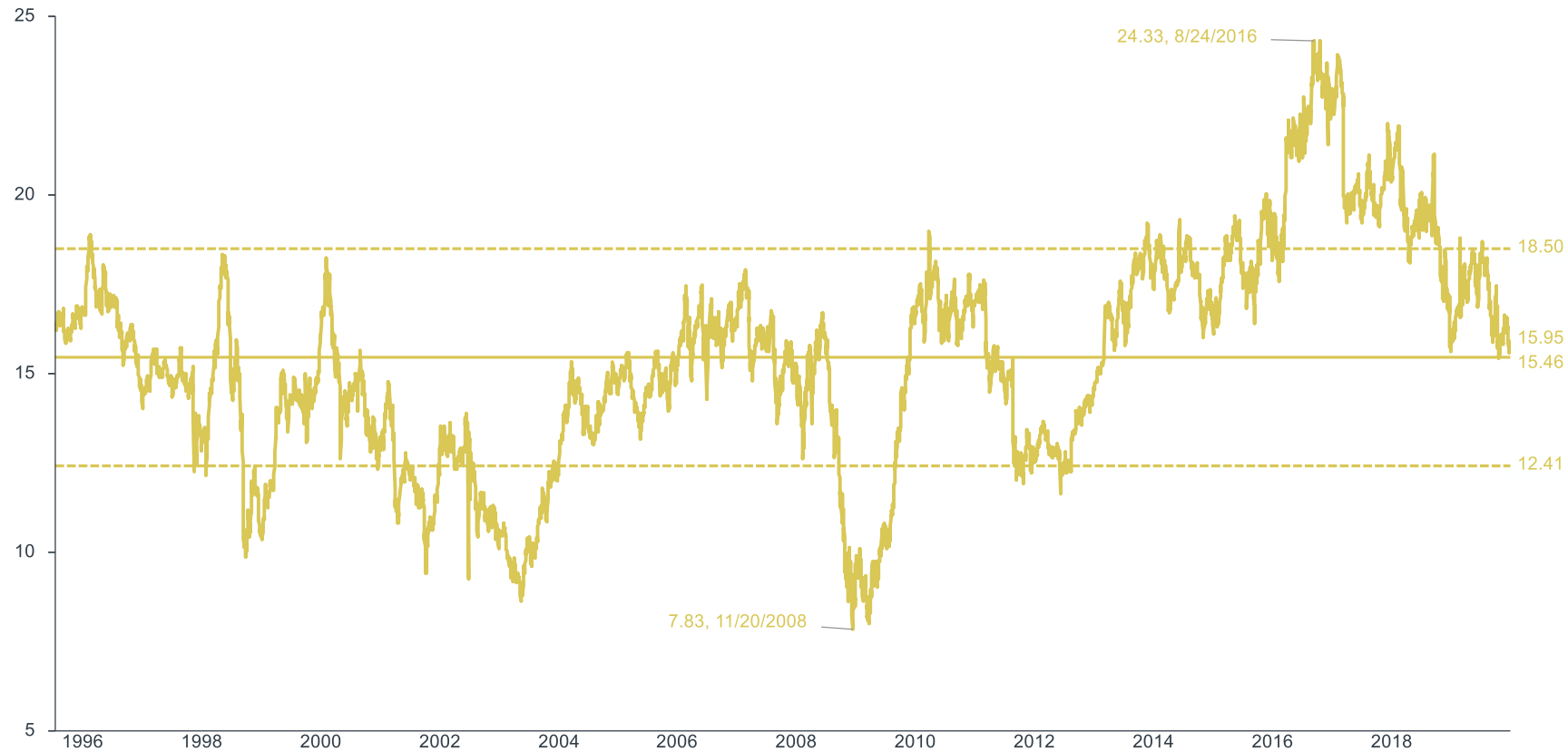
JSE ALSI Index : 8.94

Source: Refinitiv Datastream

JSE ALSI PE



ALSI = All Share Index
PE = Price Earnings



— JSE ALSI PE : 15.95

Source: Refinitiv Datastream

JSE ALSI DY



ALSI = All Share Index
DY = Dividend Yield

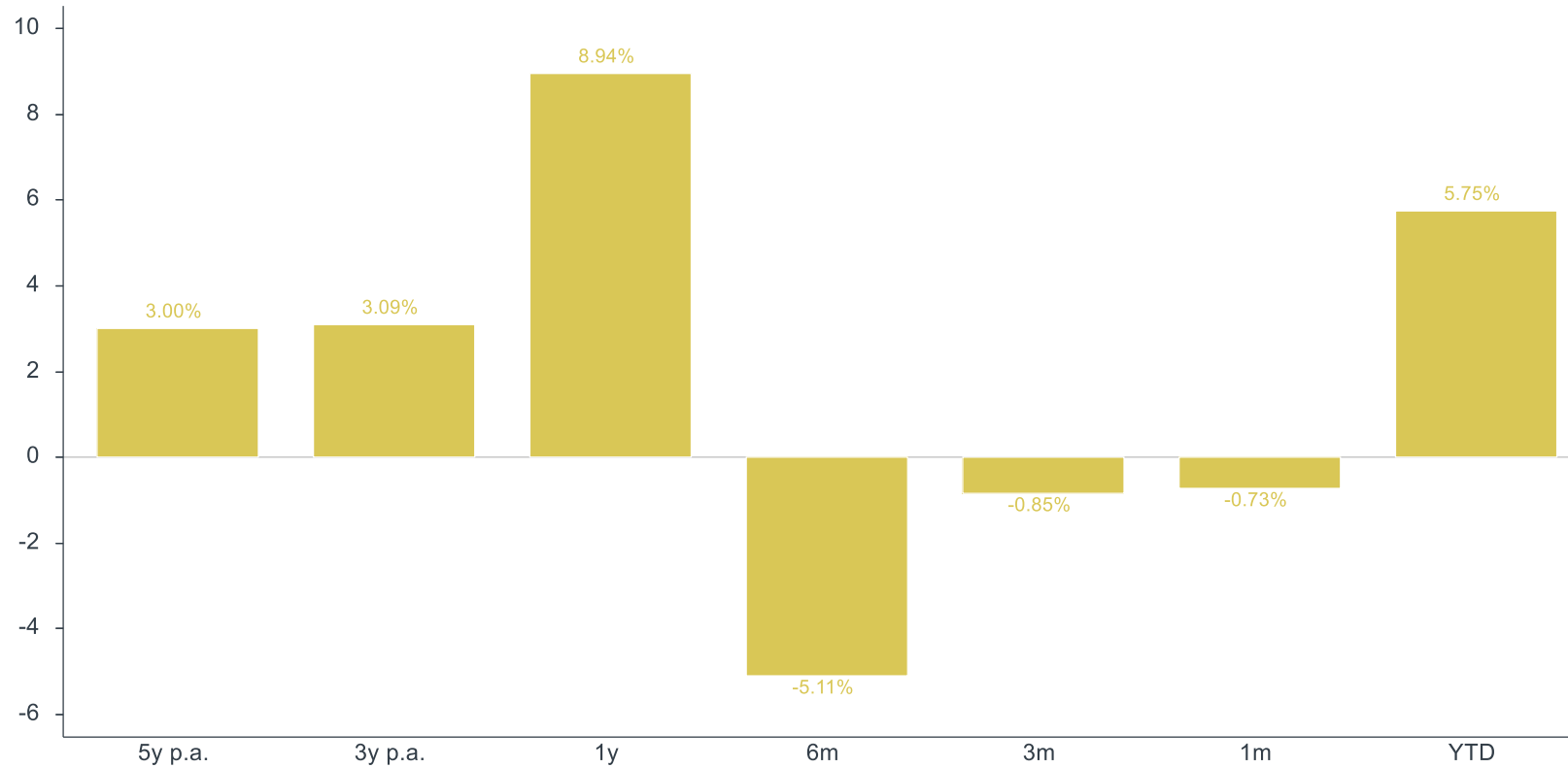


JSE ALSI DY : 3.71
Source: Refinitiv Datastream

JSE ALSI, PERCENTAGE CHANGES



ALSI = All Share Index



JSE ALSI

Source: Refinitiv Datastream

GLOBAL MARKETS RELATIVE, LAST YEAR (USD)

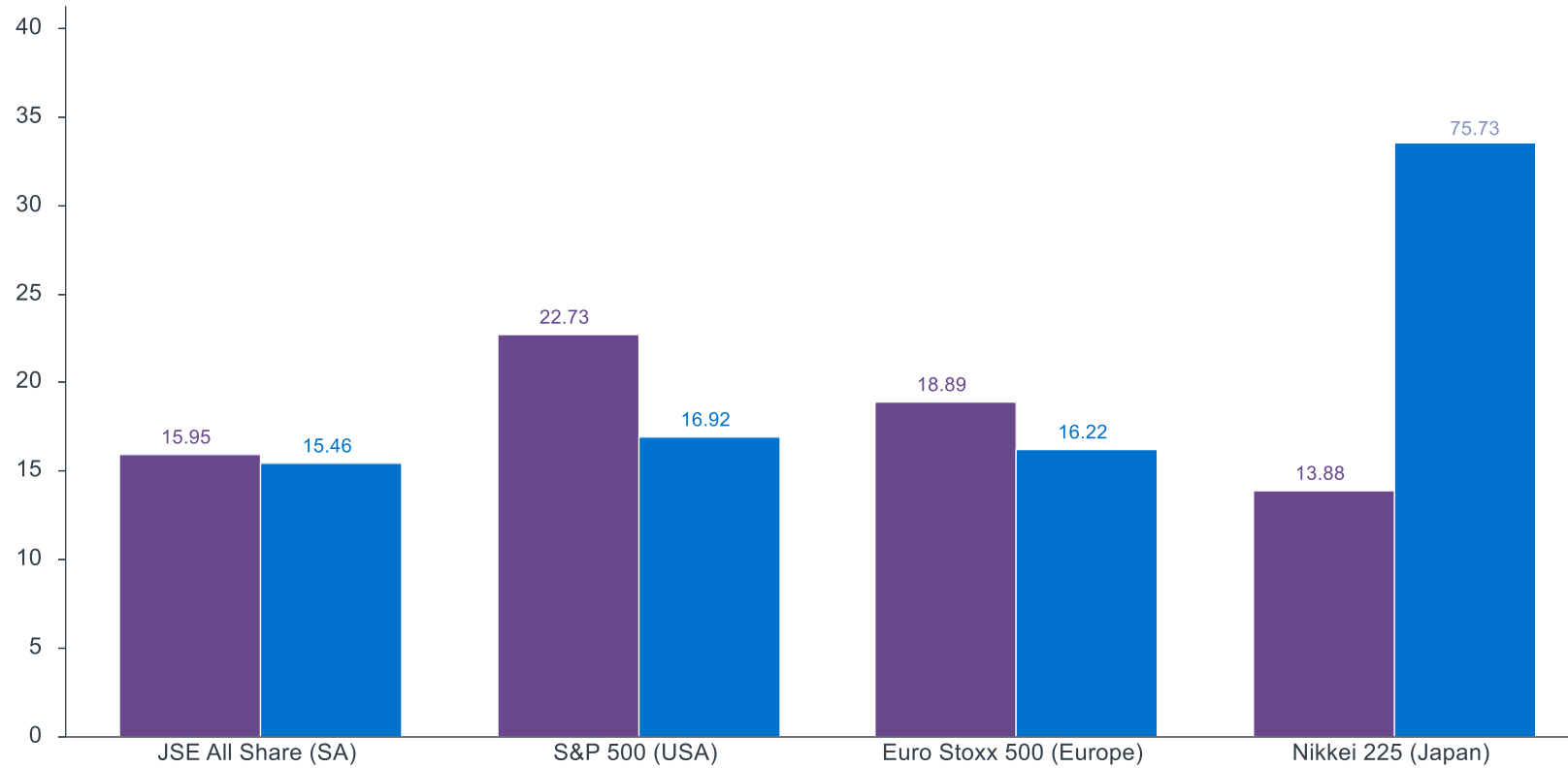


Source: Refinitiv Datastream

GLOBAL MARKETS PE'S



PE = Price Earnings

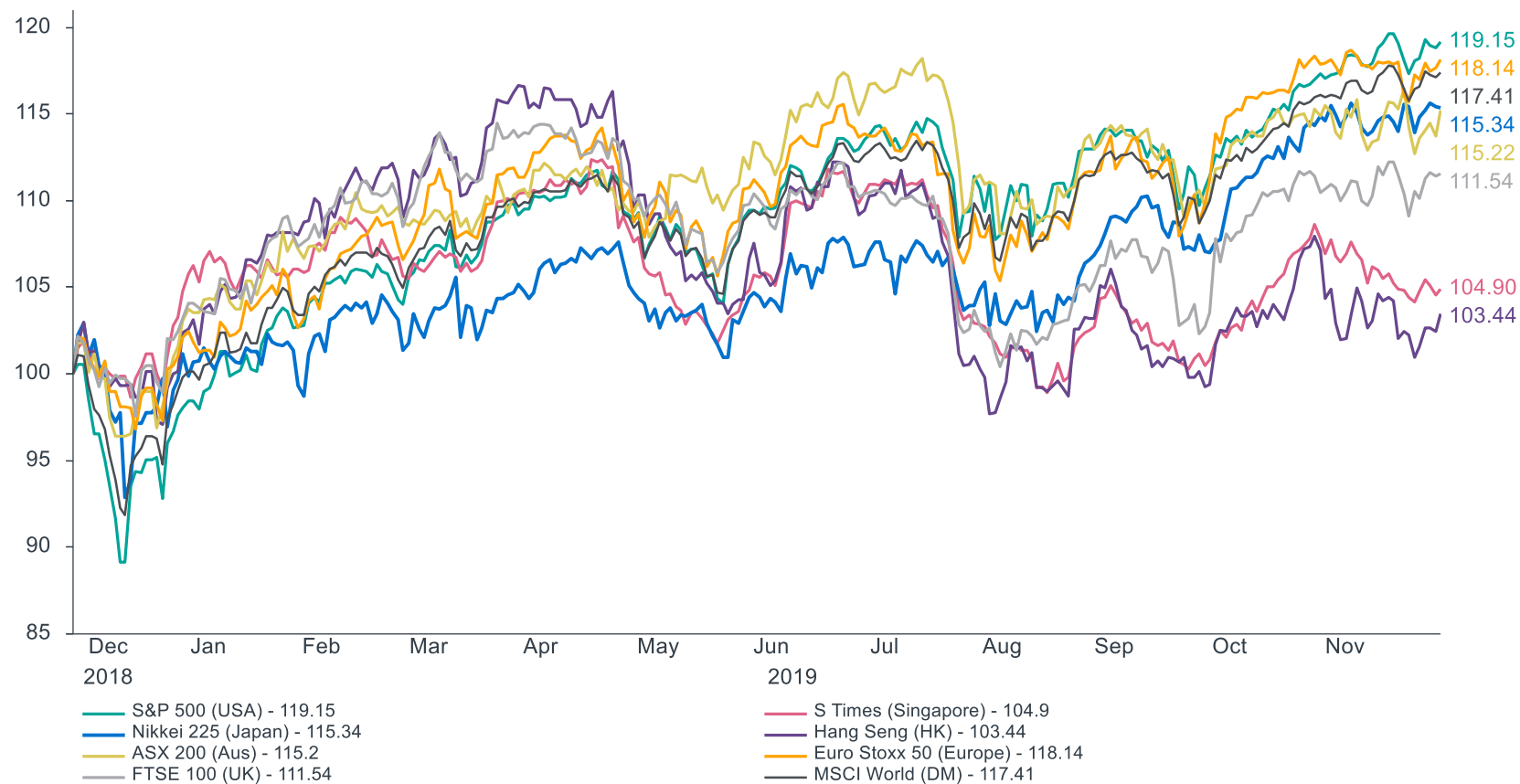


Current PE Historical Average PE

Source: Refinitiv Datastream



DEVELOPED MARKETS RELATIVE, LAST YEAR (USD)



Source: Refinitiv Datastream

SA LISTED PROPERTY INDEX DY

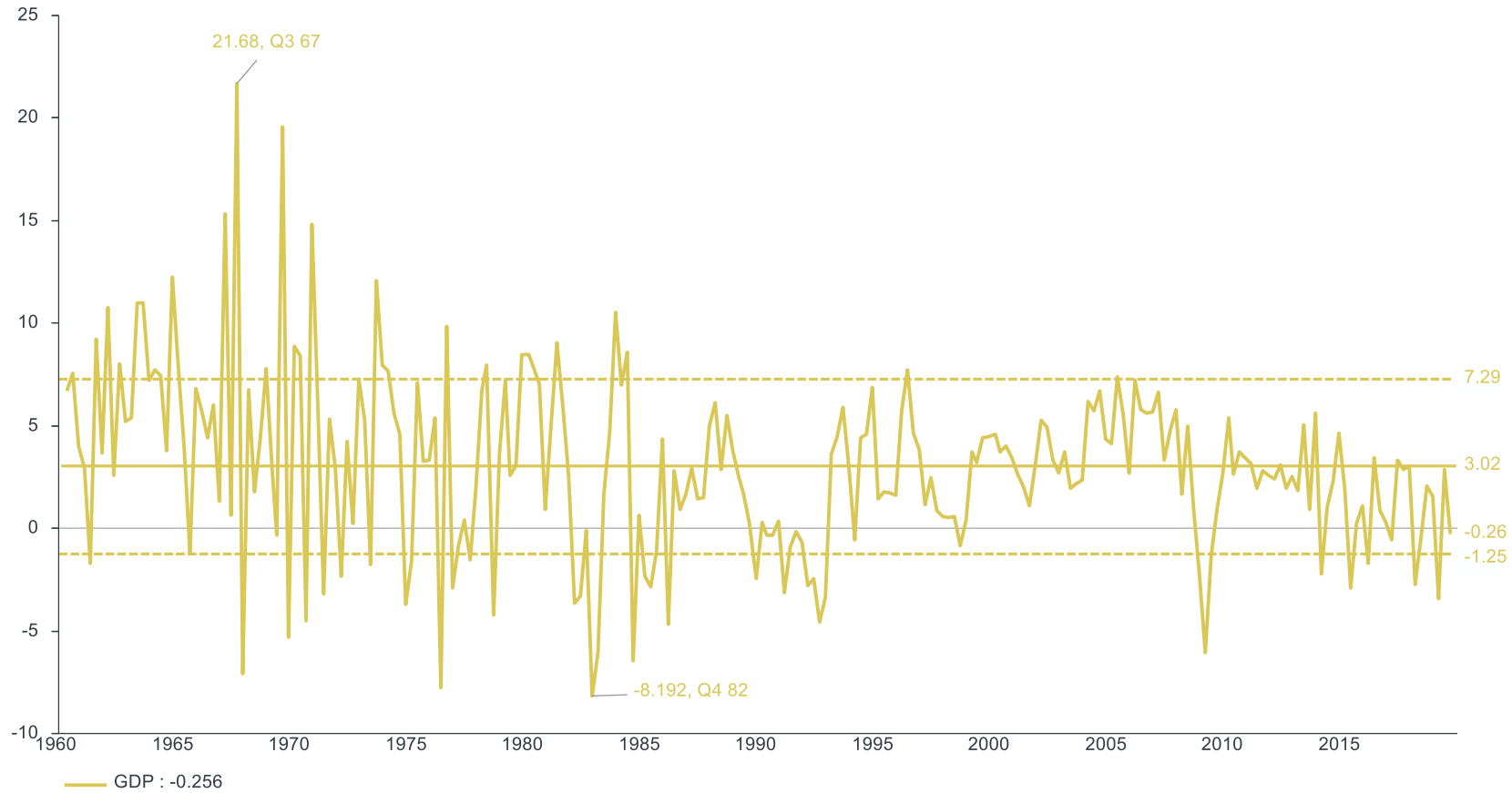


DY = Dividend Yield



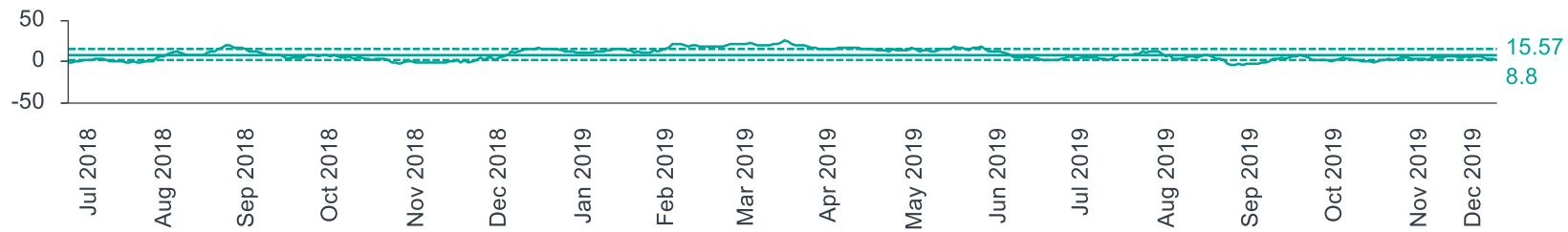
Source: Refinitiv Datastream

GDP



Source: Refinitiv Datastream

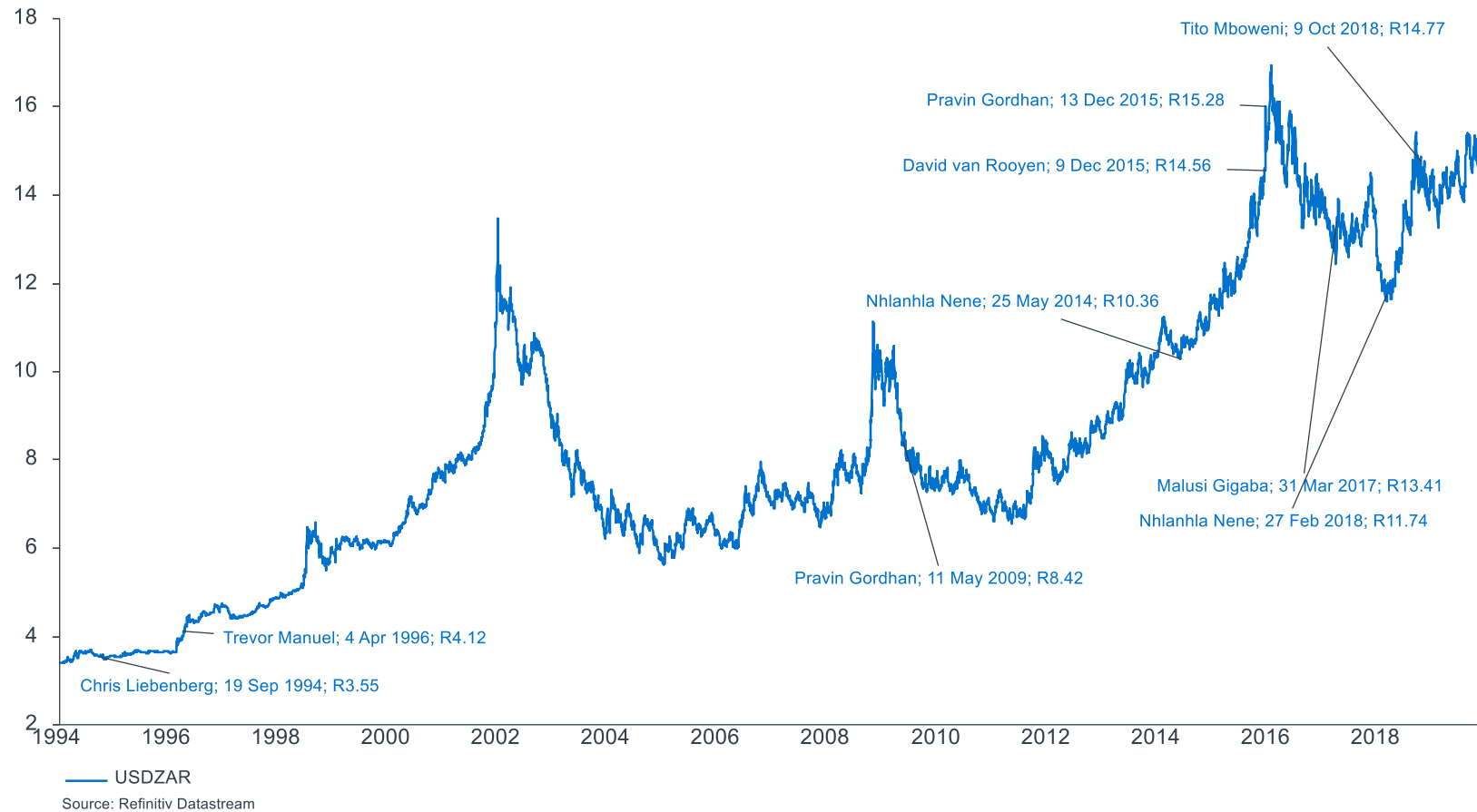
USDZAR



— USDZAR — 1Y Annualised Change : 2.65

Source: Refinitiv Datastream

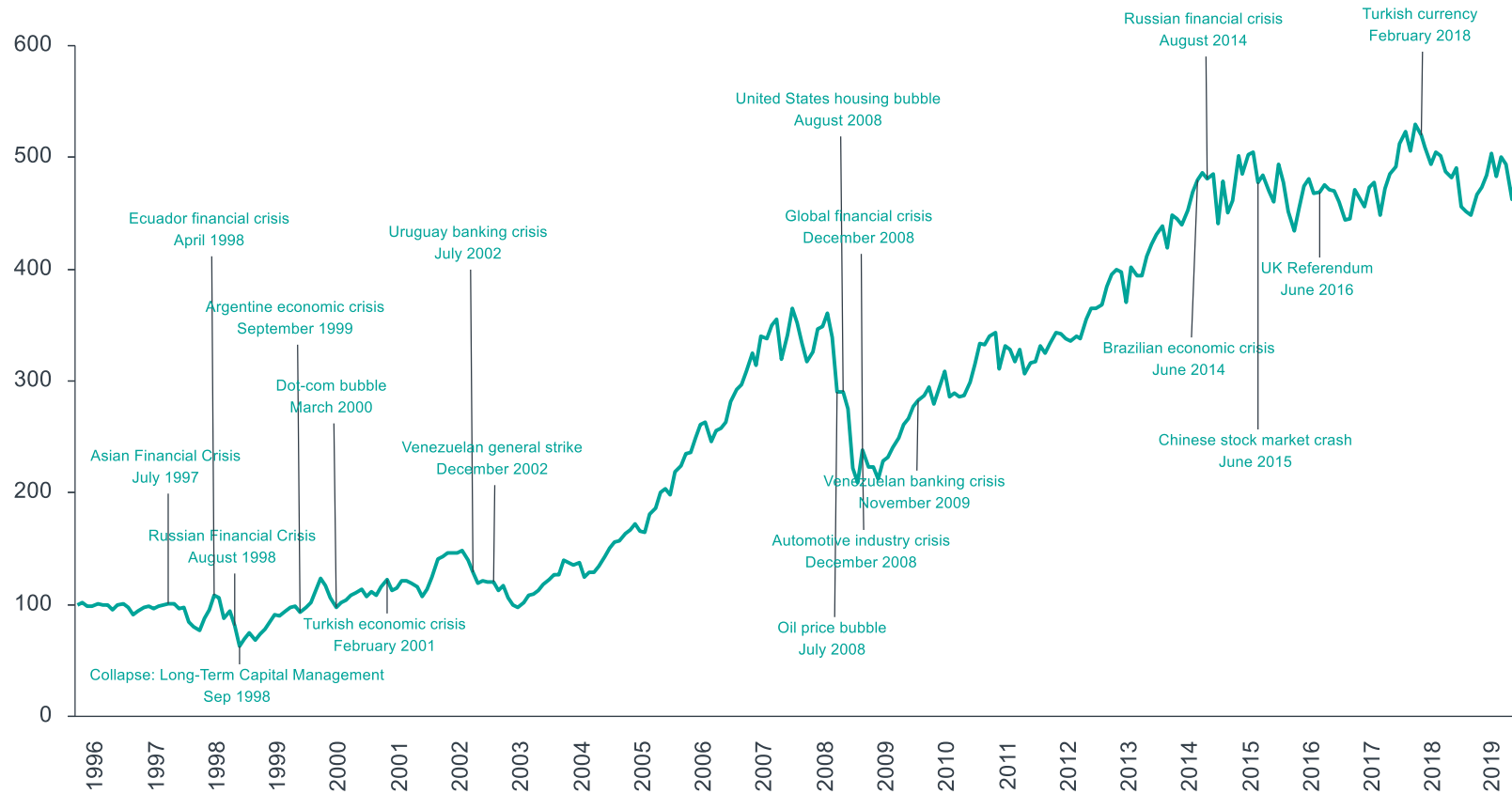
USDZAR



With Tito Mboweni's appointment as Finance Minister on the 9th of October, South Africa has the unenviable track record of having had 5 Finance Ministers in the last three years.

This chart picks out the date of appointment of each successive Finance Minister together with the rand-dollar exchange rate at the time of appointment going back to the appointment of Chris Liebenberg by Nelson Mandela's Government of National Unity.

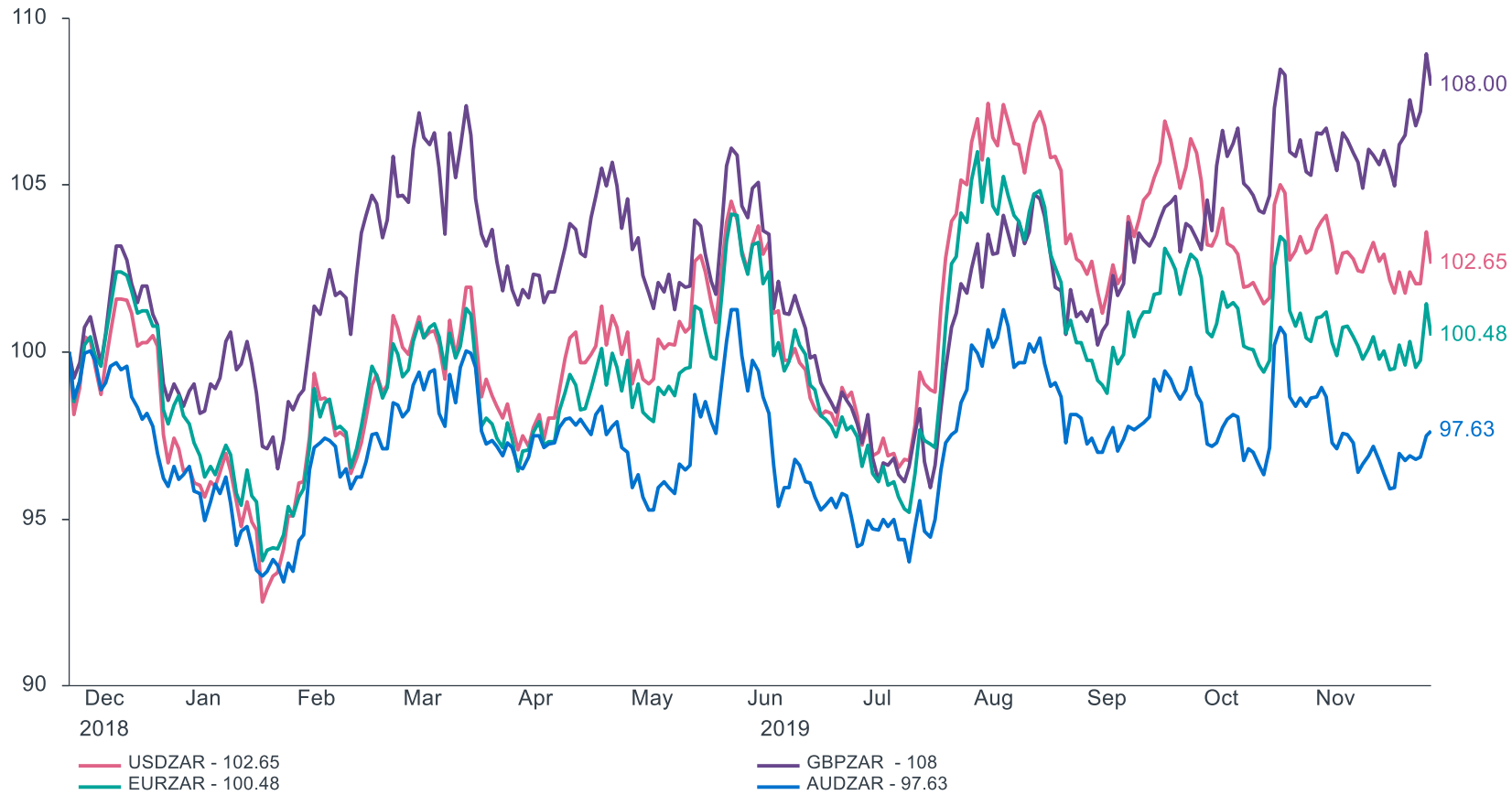
FINANCE CRISES



— FTSE JSE All Share Index Adjusted for SA Inflation

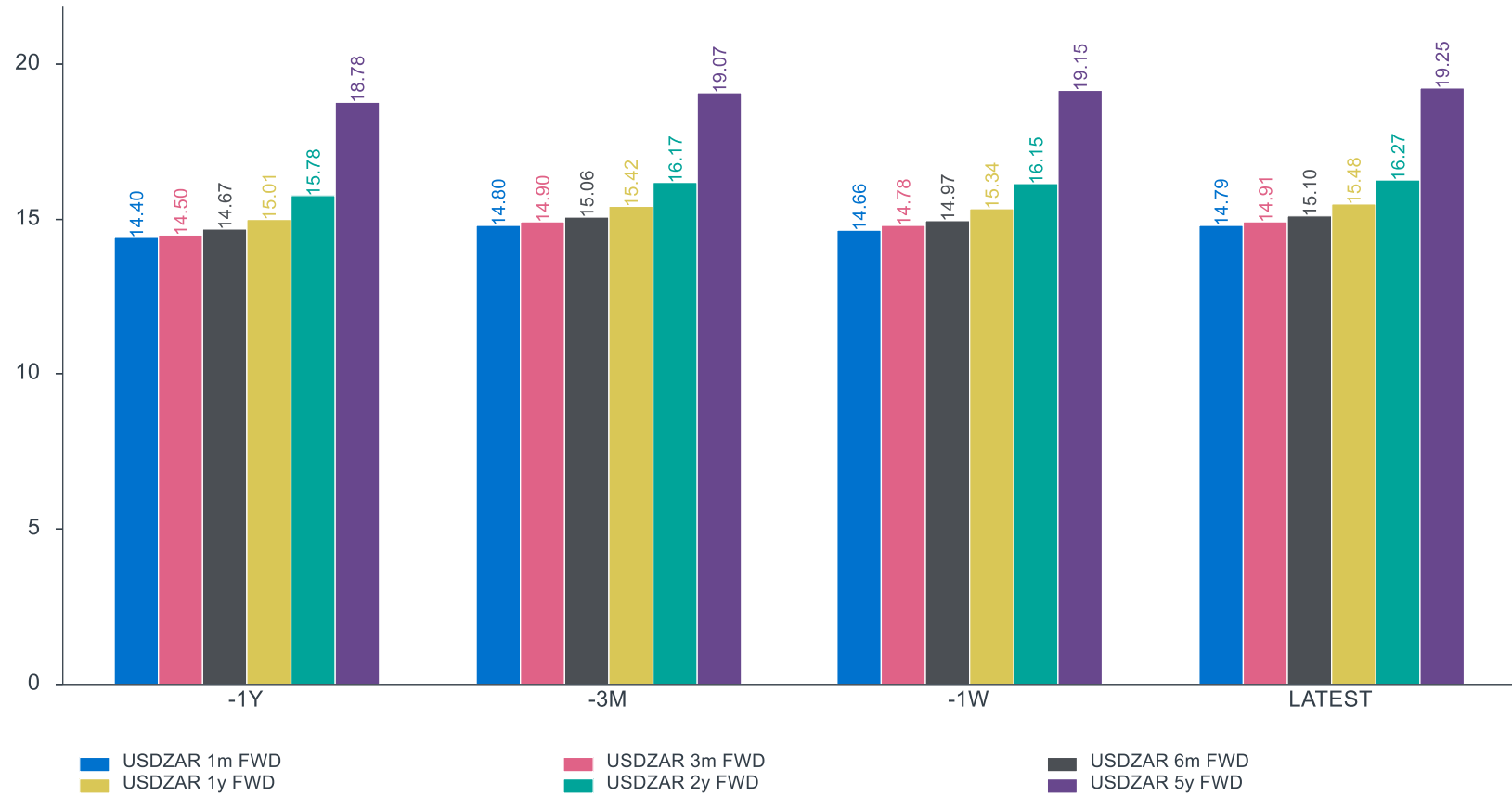
Source: Refinitiv Datastream

ZAR LAST YEAR, REBASED TO 100



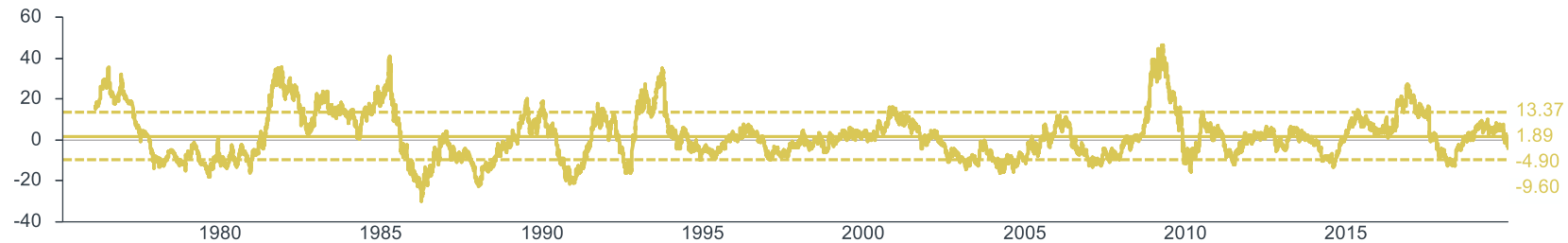
Source: Refinitiv Datastream

USDZAR FORWARD



Source: Refinitiv Datastream

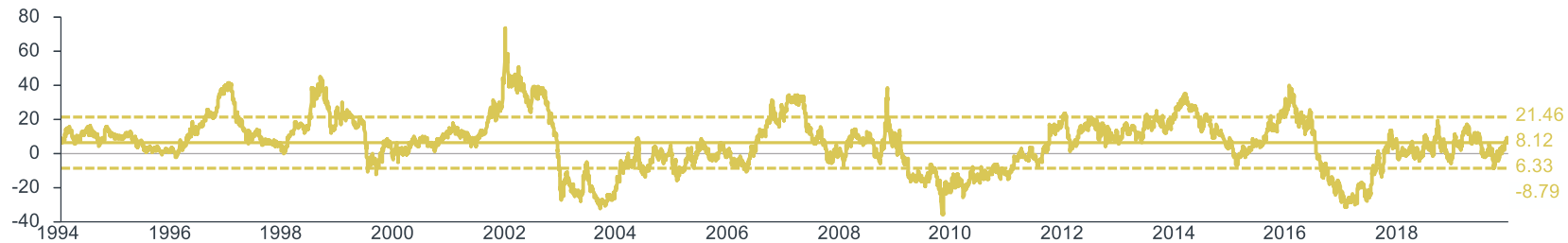
GBPUSD



— GBP USD — 1Y Annualised Change : -4.8979

Source: Refinitiv Datastream

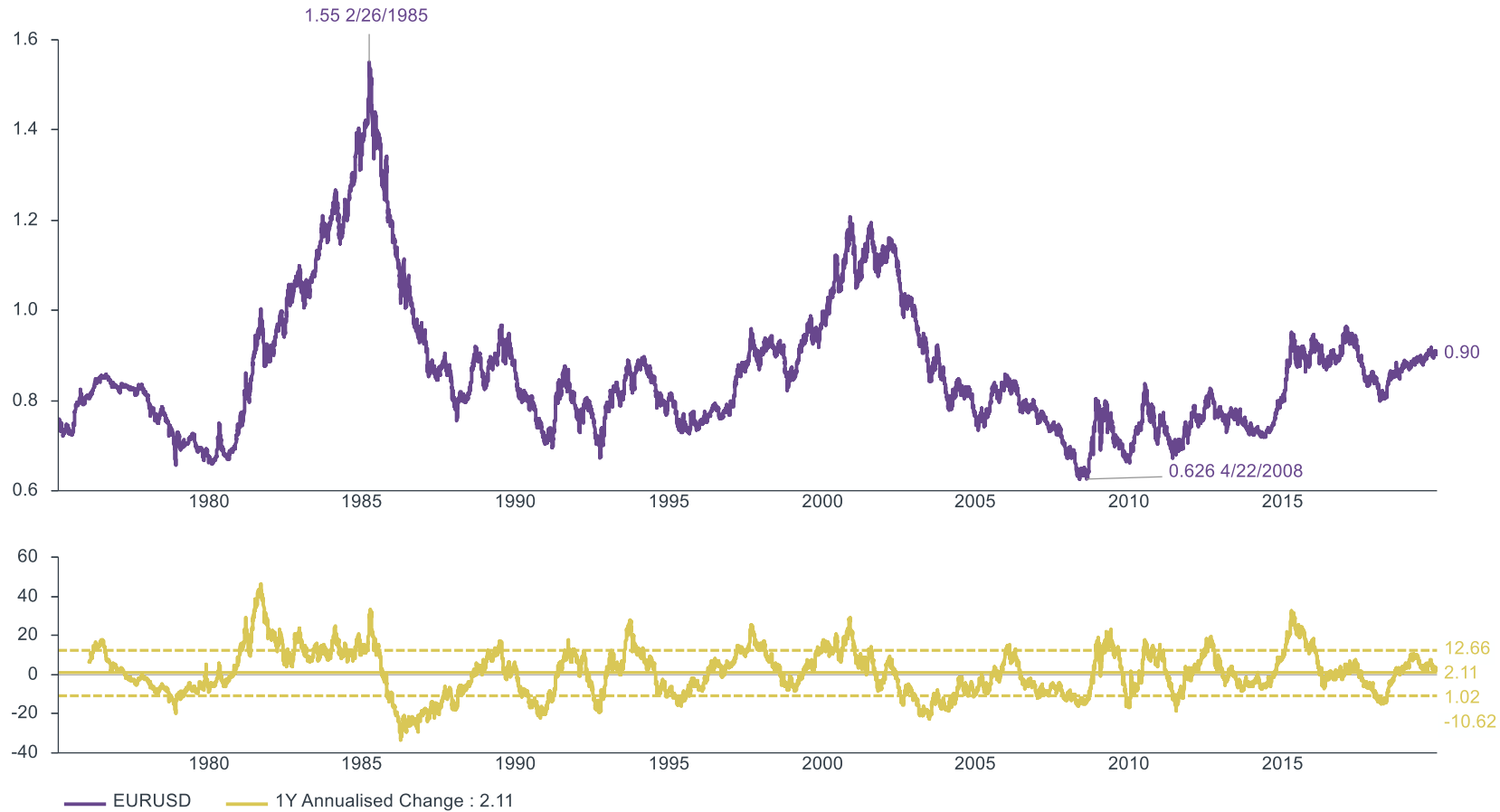
GBPZAR



— GBPZAR — 1Y Annualised Change : 8.12

Source: Refinitiv Datastream

EURUSD



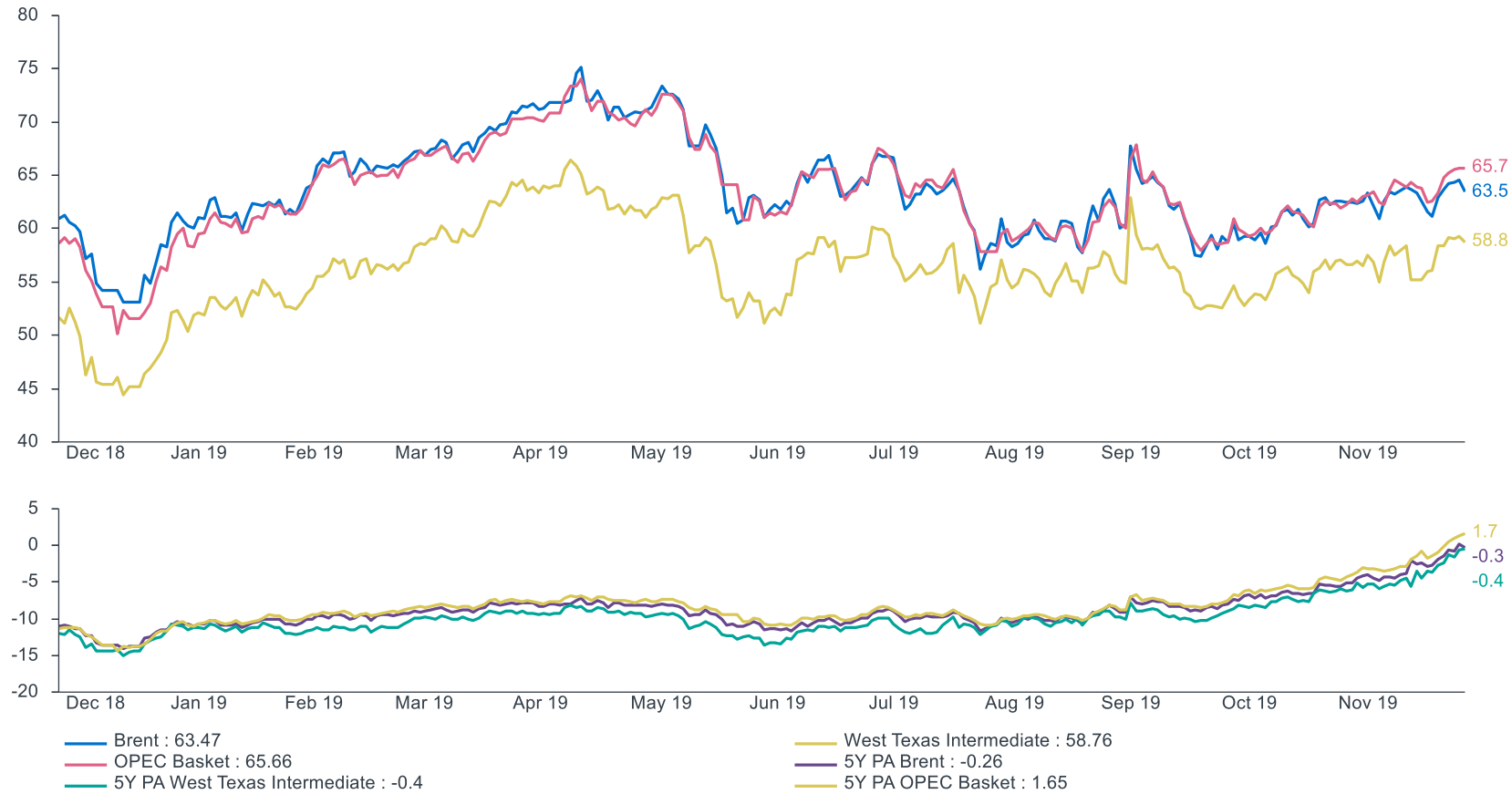
Source: Refinitiv Datastream

OIL PRICE IN ZAR



Source: Refinitiv Datastream

OIL PRICE, LAST YEAR



Source: Refinitiv Datastream



GOLD PRICE (USD)



Source: Refinitiv Datastream



GOLD PRICE (USD), LAST YEAR



Source: Refinitiv Datastream

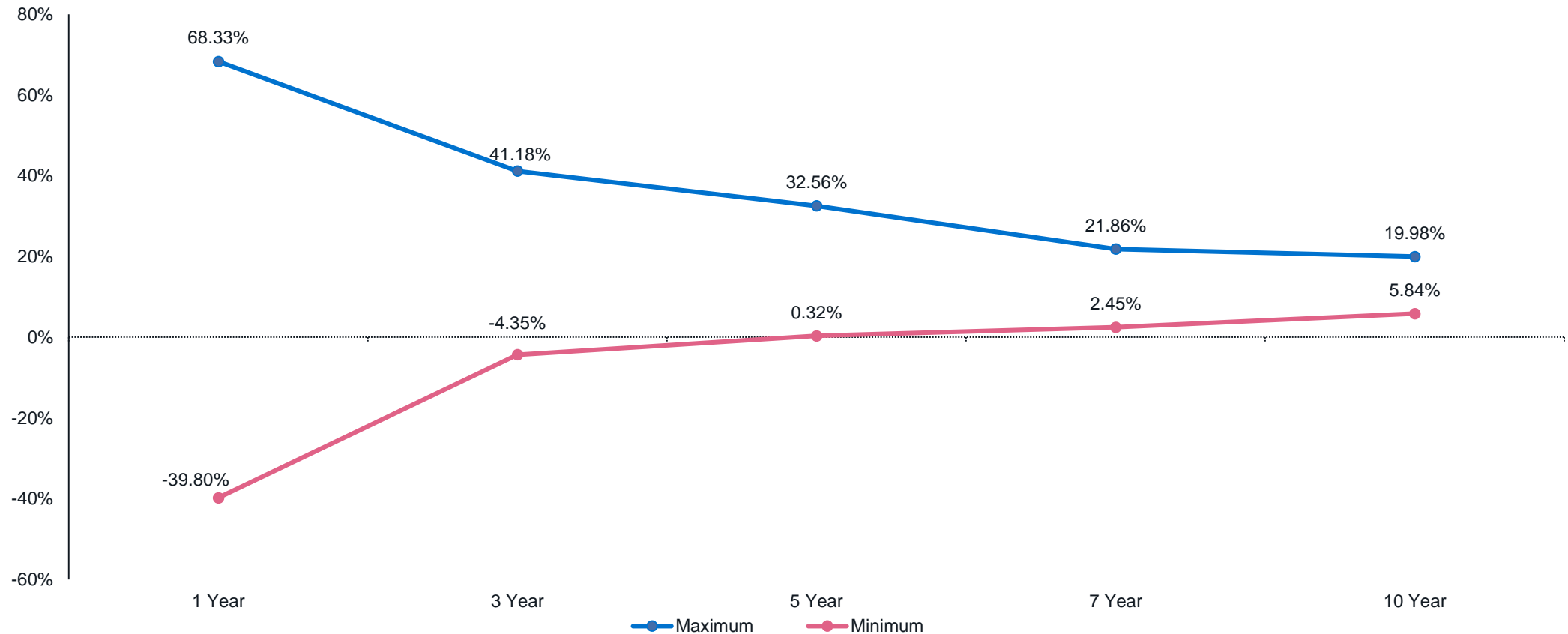
EQUITIES V INFLATION V CASH



Source: Refinitiv Datastream



FUNNEL OF UNCERTAINTY FOR THE ANNULISED RETURNS OF JSE ALL SHARE INDEX - NOVEMBER



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THANK YOU