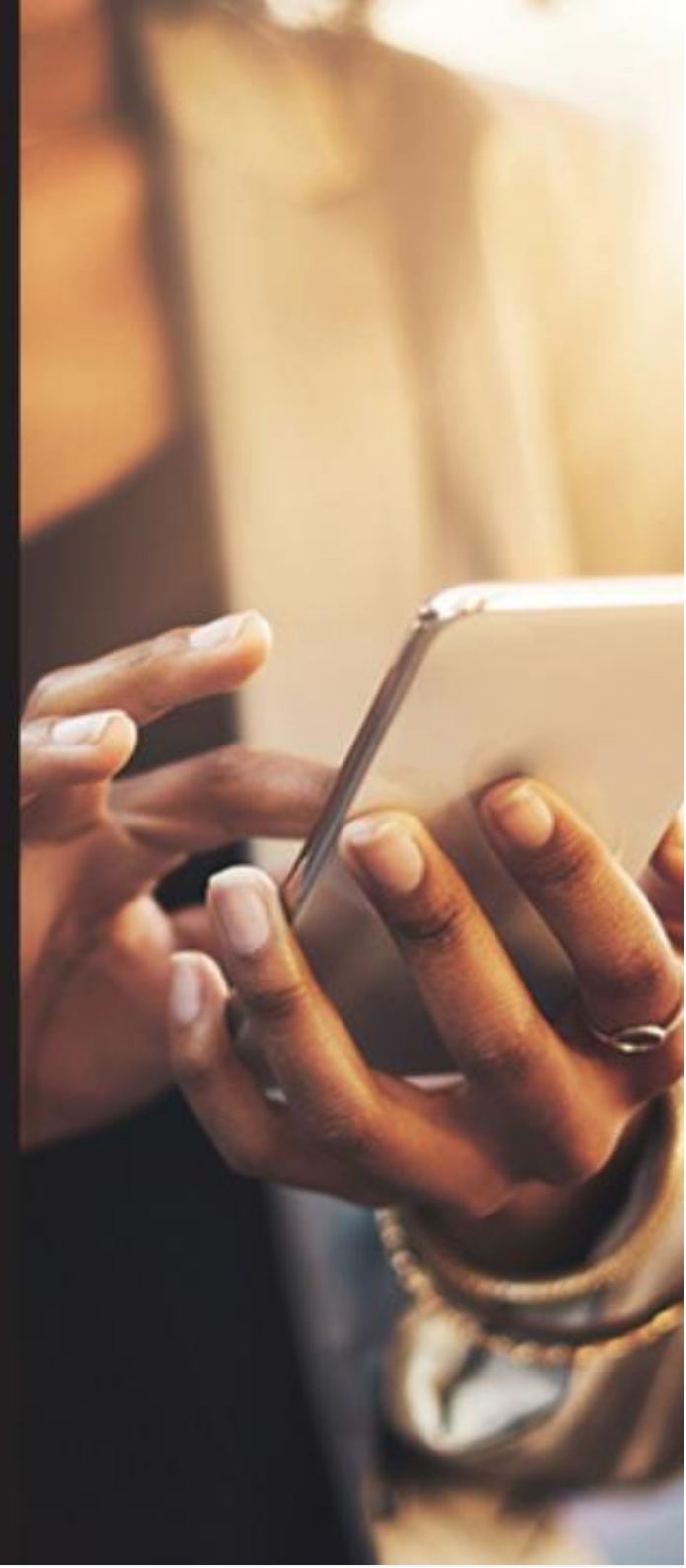




FAIRTREE

# Monthly Report

Above & Beyond Investing





# Index Activity

2022/01/31

## LOCAL

JSE All Share	<i>Local Equity Market</i>
SWIX	<i>Local Equity Market - Capped</i>
SAPY	<i>Property</i>
ALBI	<i>Bonds</i>
STEFI	<i>Cash</i>

## MONTHLY

0.86
2.39
- 2.85
0.85
0.34

## PERFORMANCE

## YTD

0.86
2.39
- 2.85
0.85
0.34

## GLOBAL

MSCI World (ZAR)	<i>Local Equity Market</i>
MSCI World (\$)	<i>Local Equity Market - Capped</i>
Shanghai (ZAR)	<i>China Index</i>
FTSE 100 (ZAR)	<i>Top 100 on London Stock Exchange</i>
SP 500 (ZAR)	<i>Top 500 US Companies</i>
MSCI (EM - ZAR)	<i>BRICS Countries</i>

## MONTHLY

- 8.20
- 5.58
- 10.37
- 2.91
- 8.09
- 4.18

## YTD

- 8.20
- 5.58
- 10.37
- 2.91
- 8.09
- 4.18



# Asset Class Returns

2022/01/31

	1 MONTH	3 MONTHS	YTD	1 YEAR	3 YEARS	5 YEARS
BEST	Resources 3.63	Resources 16.27	Resources 3.63	Property 38.82	Resources 27.41	Resources 21.32
	Financial 3.44	Equities 10.43	Financial 3.44	Financial 36.00	Equities 14.97	Equities 10.64
	Equities 0.86	Financial 9.89	Equities 0.86	Resources 30.43	Industrial 14.45	Bonds 8.95
	Bonds 0.85	Property 6.79	Bonds 0.85	Equities 23.89	Bonds 8.39	Industrial 8.00
	Cash 0.34	Industrial 6.71	Cash 0.34	Industrial 14.42	Cash 5.40	Cash 6.19
	Industrial -1.93	Bonds 4.24	Industrial -1.93	Bonds 8.49	Financial 0.03	Financial 5.18
WORST	Property -2.87	Cash 1.00	Property -2.87	Cash 3.85	Property -7.25	Property -5.90



# Currency Comparisons

2022/01/31

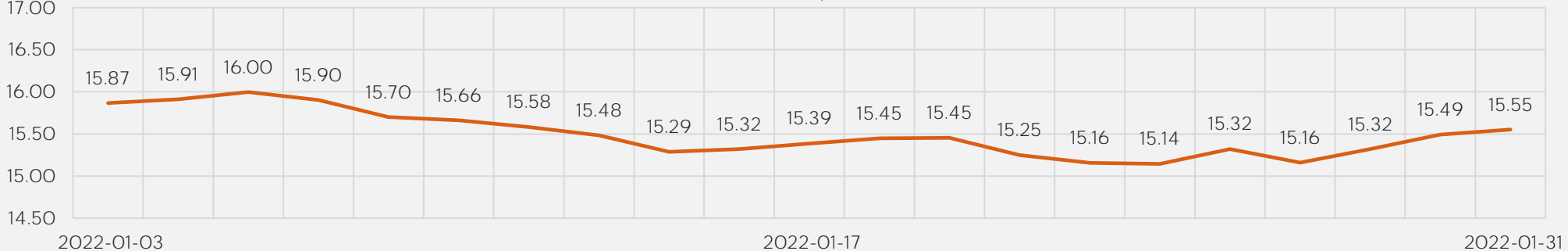
ZAR / €



ZAR / £



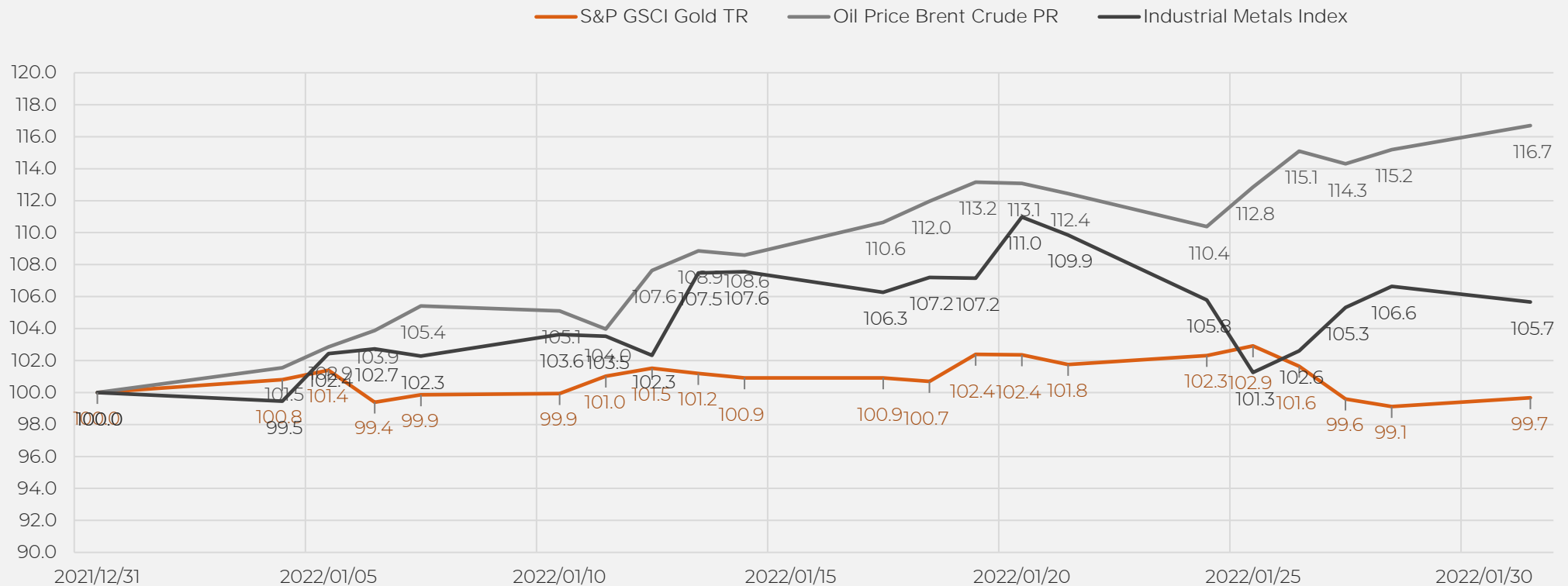
ZAR / \$





# Commodity Tracker

2022/01/31



Most commodities had a strong month during January with most commodities up during the month, oil +17.3%, base metals +3.5%, Iron Ore +16.1%, gold -1.8% and platinum +5.5%.



# What is going on across the globe

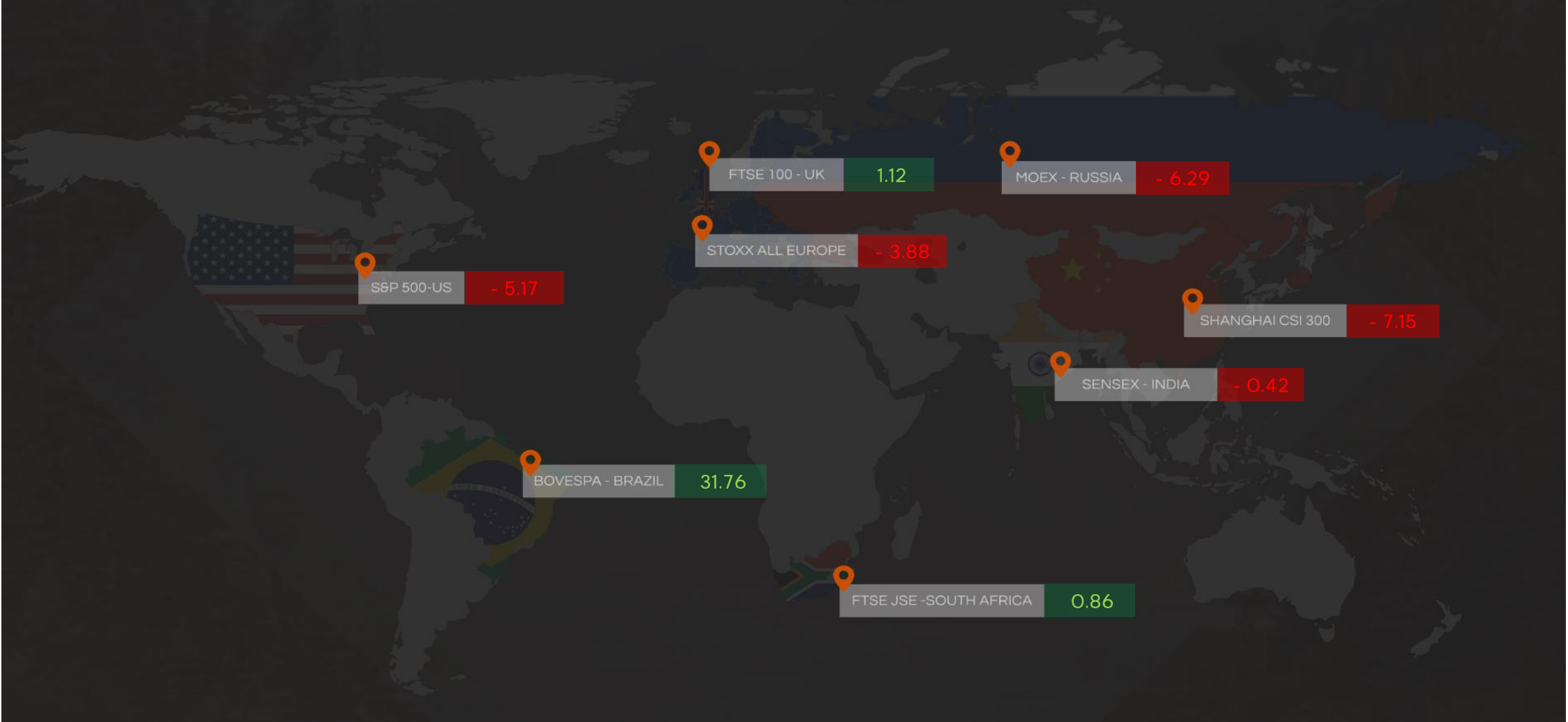
2022/01/31

SOUTH AFRICA

AMERICA

EUROPE

ASIA





# What is going on across the globe

2022/01/31



SOUTH AFRICA

AMERICA

EUROPE

ASIA

## Economic Climate

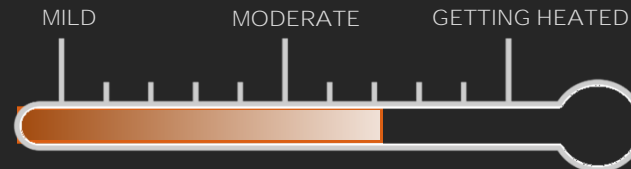


CHANCE RAIN



MOSTLY CLOUDY/PART SUN

## Political Temperature



## News Headlines

The South African growth outlook remains mixed for January. Inflation continues to increase, led by increasing fuel prices. The SARB has gradually started to increase interest rates.



# What is going on across the globe

2022/01/31

- SOUTH AFRICA
- AMERICA
- EUROPE
- ASIA

## Economic Climate

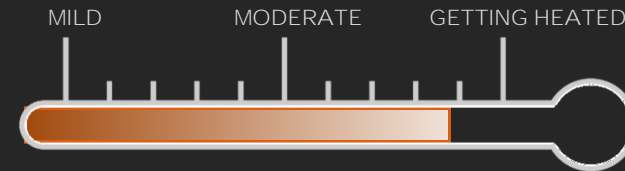


FOG/HAZEY



MOSTLY CLOUDY/PART SUN

## Political Temperature



## News Headlines

The Fed indicated an interest rate hike in March 2022.  
 The Fed will reduce their balance sheet after the interest rate hike.  
 Indicators are proving that US economic activity is expanding.







# What is going on across the globe

2022/01/31



- SOUTH AFRICA
- AMERICA
- EUROPE
- ASIA

## Economic Climate

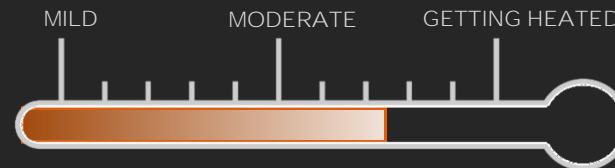


FOG/HAZEY



MOSTLY SUN/PART CLOUDY

## Political Temperature



## News Headlines

Annual inflation increased to 5.0% in December.  
 Energy prices and gas supplies remain significant risks.  
 The ECB rejected interest rate hikes in 2022.



# What is going on across the globe

2022/01/31



SOUTH AFRICA

AMERICA

EUROPE

ASIA

## Economic Climate

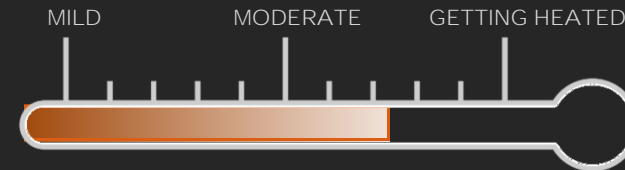


CHANCE RAIN



MOSTLY SUN/PART CLOUDY

## Political Temperature



## News Headlines

China is expected to announce further policy easing measures. Investors are concerned with regards to supply chain problems. Chinese consumption decreased during January.



# What is going on across the globe

2022/01/31

## Geo-Economic Climate



FOG/HAZEY

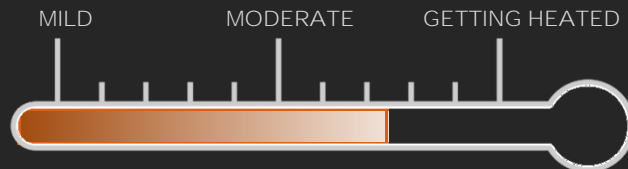


MOSTLY CLOUDY/PART SUN

## Outlook

Global macro and geo-political risks are high at a time when US equity valuations appear elevated. The earnings growth outlook has deteriorated but remain positive. Rising bond yields, higher corporate costs and a softer growth outlook combine geo-political tension will keep volatility elevated.

## Geo -Political Temperature





# Fairtree Funds

2022/01/31

LONG ONLY

PORTFOLIOS

HEDGE FUNDS

COMBINATIONS

FUND NAME	1 MONTH	YTD	1 YEAR	3 YEARS	5 YEARS
<b>Growth Funds</b>					
Fairtree Equity Prescient A1	1.48	1.48	17.49	18.79	13.11
Fairtree Select Equity Prescient A1	-1.51	-1.51	13.89	14.86	-N/A
Fairtree Balanced Prescient A1	-0.19	-0.19	13.19	16.77	11.59
<b>Multi - Managed Funds</b>					
Fairtree Invest Strategic Fac Prscnt A1	-0.89	10.75	16.72	-N/A	-N/A
Fairtree Flex Balanced Prescient A1	-1.03	-1.03	11.86	7.05	6.22
Fairtree WW MultiStrat Flex Prescient A1	-3.15	-3.15	7.61	9.41	-N/A
<b>Global Funds</b>					
Fairtree Glb RE Prescient Feeder Fd A1	-8.06	-8.06	23.81	12.22	-N/A
Fairtree Global Emerging Mkts Prscnt A1	-4.03	-4.03	-7.77	-N/A	-N/A
Fairtree Global Equity Prescient A1	-7.62	-7.62	17.34	21.86	15.63
<b>Income Funds</b>					
Fairtree Flex Income Plus Prescient A1	0.11	0.11	6.61	7.25	8.47
Fairtree ALBI Plus Prescient A1	0.08	0.08	8.04	7.91	-N/A
Fairtree Money Market Prescient A1	0.35	0.35	3.79	-N/A	-N/A



# Fairtree Funds

2022/01/31

LONG ONLY

PORTFOLIOS

HEDGE FUNDS

COMBINATIONS

FUND NAME	1 MONTH	YTD	1 YEAR	3 YEARS	5 YEARS
<b>Pre - Retirement Portfolios</b>					
Fairtree Stable House View	-1.61	-1.61	7.78	9.30	8.65
Fairtree Moderate House View	-1.87	-1.87	9.11	10.59	9.43
Fairtree Balanced House View	-2.38	-2.38	10.81	12.71	11.11
<b>Post - Retirement Illustration</b>					
Fairtree Post - Retirement Illustration	-2.28	-2.28	10.46	12.39	-N/A



# Fairtree Funds

2021/12/31

LONG ONLY

PORTFOLIOS

HEDGE FUNDS

COMBINATIONS

FUND NAME	1 MONTH	YTD	1 YEAR	3 YEARS	5 YEARS
<b>SNN Qualified Hedge Fund</b>					
Fairtree Assegai Equity Long Short	1.32	19.06	19.07	27.62	21.77
Fairtree Wild Fig Mul Strategy	3.79	24.68	24.70	24.06	16.61
Fairtree Woodland Mul Strategy	4.39	10.41	10.42	16.52	12.73
<b>Retail Hedge Fund</b>					
Fairtree Fixed Income SNN	5.23	15.08	15.09	8.01	8.37
Fairtree Proton RCIS	0.34	4.38	4.38	7.91	8.87
<b>Portfolios</b>					
Fairtree Growth Hedge Fund of Funds	2.58	19.26	19.28	21.98	16.46



# Fairtree Funds

2021/12/31

LONG ONLY

PORTFOLIOS

HEDGE FUNDS

COMBINATIONS

We are one of the first in South Africa to blend traditional asset classes together with alternative asset classes inside a single portfolio. These portfolios give our investors an additional level of diversification, as well as greater long-term investment growth.

FUND NAME	1 MONTH	YTD	1 YEAR	3 YEARS	5 YEARS
<b>Pre - Retirement Portfolios</b>					
Fairtree Stable Houseview (7.5% HF)	1.90	11.44	11.45	11.35	9.76
Fairtree Moderate Houseview (7.5% HF)	2.11	13.53	13.54	12.75	10.57
Fairtree Balanced Houseview (7.5% HF)	2.27	16.56	16.57	14.85	12.40
<b>Post - Retirement Portfolios</b>					
Fairtree Post-Retirement Illustration (15% HF)	1.50	12.14	12.15	11.84	10.56



# Market Commentary

2022/01/31

## SOUTH AFRICA

The economic growth outlook in South Africa remains mixed during January. Risks that include electricity loadshedding, the rising unemployment rate, high food and fuel prices and increasing interest rates are weighing negatively on the consumer confidence in South Africa. The South African Reserve Bank (SARB) has started to increase interest rates gradually with another 0.25% hike delivered in January. Inflation increases to 5.9% during December. Inflation risk remain to the upside but our base case is that it will fall towards 4.5% later this year. The South African Rand (ZAR) has strengthened year to date as strong commodity prices & further interest rates increases expected during 2022, make South African assets more attractive globally.

## AMERICA

US consumers are in a good position with excess savings, strong balance sheets and job prospects, however the tightening of financial conditions and higher consumer prices will have a negative impact on their confidence. Federal Reserve Chair, Jerome Powell, suggested that an interest rate hike is highly likely for March 2022. This hike is supported by high inflation and a strong labour market. Powell also indicated that the Fed will start to reduce their balance sheet. The Purchasing Managers Indices (PMIs) indicated that US economic activity is expanding, with consumer demand also picking up as Covid infection rates and hospitalisations are declining.

## EUROPE

Annual inflation increased to 5.0% in December 2021 in Europe, as increasing food and energy prices were the main drivers. High energy prices and gas supplies remain significant risks in parts of Europe. The European Central Bank (ECB) pivoted more hawkish during its latest meeting signalling that inflation concerns are rising. The impact of the Omicron variant was less than expected as restrictions remained limited. Low hospitalisation rates motivated several countries to remove restrictions in spite of high infection rates.

## ASIA

China, has and is expected to announce more easing measures, in response to weak economic activity. The Chinese central bank has cut rates in December and January and will continue with more targeted easing. Investors are concerned with regards to global supply chain problems, with tensions rising between Russia and Ukraine over the past few months. Another factor that may have an impact on global supply chains, is China's zero-Covid policy and their strict lockdown measurements. Chinese consumer consumption decreased during January, as Covid infections increased in certain regions, leading to further lockdowns, as well as supply holdups in the automotive industry.