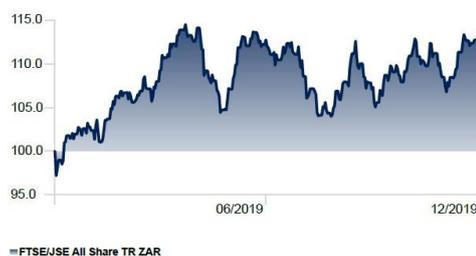




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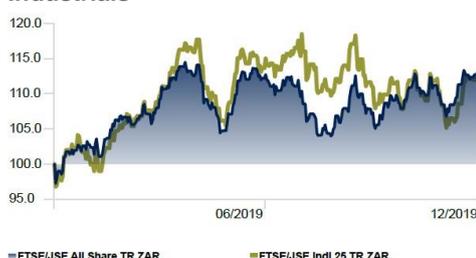
All Share



Resources



Industrials



Financials



Index	Value	Dec (%)	YTD (%)
All Share	57,084	▲ 3.3%	▲ 12.0%
S&P 500	3,231	▲ 3.0%	▲ 31.5%
FTSE	7,542	▲ 2.8%	▲ 17.3%
Rand/USD	13.98	▼ 4.6%	▼ 2.8%
Rand/GBP	18.52	▼ 2.3%	▲ 1.1%
Gold (\$)	1,520	▲ 3.7%	▲ 18.9%
Plat (\$)	971	▲ 8.2%	▲ 22.1%
Brent (\$)	66.00	▲ 5.7%	▲ 22.7%

Market Report

The best year in a decade for global equities

Following disappointing performance in 2018, investors were handsomely rewarded last year as global equities had its best year of the decade. Developed market equities as gauged by the MSCI World Index, gained more than 28%, outpacing the MSCI Emerging Market Index by nearly 10%. However, the latter outperformed in December, gaining a stellar 7.5% to end the year 18.9% higher.

In contrast with the macroeconomic environment a year ago, last year turned out much better than feared as major central banks decided to halt rate hikes - instead, cutting rates in support of the global economy. In the US, corporate earnings exceeded expectations, unemployment levels improved further, and consumer spending provided further support to the domestic and global economy.

In December, the US and China agreed to a phase 1 trade deal to avert tariffs scheduled to take effect in January, while UK voters provided PM Boris Johnson with a strong mandate to execute his Brexit plan. The labour party now controls 56% of parliament, providing him with the majority to make good on his promise to exit the EU by the end of January.

Double-digit returns across the board

Focussing on regional indices, the S&P 500 ended 2019 nearly 32% higher in 2019, led by Apple and other tech stocks, with the latter gaining 89% for the year, and the sector 50%. In Europe, the DAX, CAC 40 and FTSE 100 also delivered double-digit returns in 2019, ending 25.5%, 30.5% and 17.3% higher. In Asia, China's Shanghai Composite index rose 22.3% year-on-year, while Hong Kong's Hang Seng ended 9.1% higher despite higher volatility during the year.

The JSE All Share Index gained more than 3% in December, ending 12% higher year-on-year. However, much of the gains for 2019 can be attributed to strong performance from platinum, gold and rand hedge stocks.

Platinum and gold stocks accounted for 80% of the Capped SWIX's performance, while most SA Inc. names had a disappointing year.

Fitch keeps SA's credit rating unchanged

While we are used to hearing negative news on the local front, at least rating agency Fitch kept South Africa's credit rating unchanged in December. However, it maintained its negative outlook, citing continued deterioration in government finances, contingent liabilities, and uncertainty created by land expropriation and the nationalisation of the SARB.

Unfortunately, December also marked the return of load-shedding, with President Cyril Ramaphosa cutting his Egypt trip short to attend an urgent meeting at Eskom HQ. The Department of Mineral Resources and Energy (DMR) went on to announce four interventions to address the nation's energy shortage.

Government has also agreed to allow users to generate power for their own use and to accelerate the procurement of power from IPP's. This will be implemented with greater urgency and on a larger scale than previously anticipated.

Company Results

Sappi Ltd – Year-end results for the period ending September 2019

Earnings per share	6.02
Historical PE	7.3
EPS growth	-20.7%
Turnover growth	8.4%
ROE	10.6
Debt/Equity	97.2
NAV per share	54.42
Dividend yield	0.0%
Share price	43.67



Nature of Business

Sappi Ltd. operates as a holding company, which engages in the provision of wood-fiber based solutions. The firm operates through the following geographical segments: Europe, North America, and Southern Africa. Its products include dissolving wood pulp, printing papers, packaging and specialty papers, casting and release papers, biomaterials, and forestry. The company was founded on December 17, 1936 and is headquartered in Johannesburg, South Africa.

Latest Results

The group generated EBITDA excluding special items of US\$185 million, a decrease of 17.5% over the same quarter last year, led by a decline in profitability in the DWP and graphic paper business, offset somewhat by growth in the speciality and packaging paper segment volumes.

Continued demand growth for DWP and the lag effect of contracts on DWP pricing relative to current spot market prices helped support profitability in the quarter, however lower overall US\$ prices and cost pressures in South Africa from energy and externally purchased wood lowered margins for the segment.

The European business benefited from widening margins between selling prices and input costs, but this was not enough to offset the impact of the continued severe decline in graphic paper sales volumes.

Profitability in the North American business improved sequentially in this seasonally strong quarter however, weak domestic coated paper markets and lower DWP selling prices lowered profitability compared to last year.

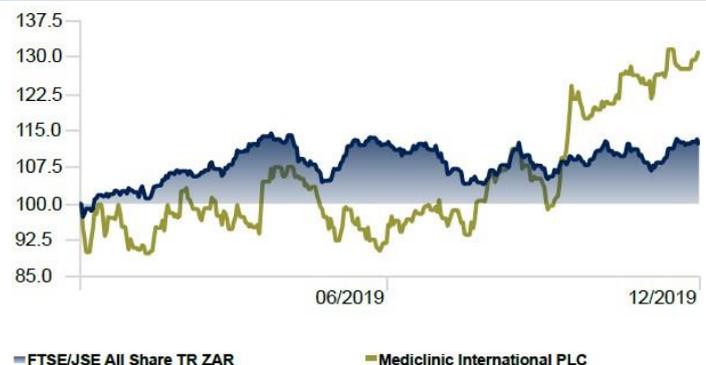
Earnings per share excluding special items for the quarter was 10 US cents.

Dividend

The company did not declare a dividend.

Mediclinic International Plc – Interim results for the period ending March 2020

Earnings per share	£0.103
Historical PE	24.7
EPS growth	0.0%
Turnover growth	9.0%
ROE	3.8%
Debt/Equity	81.4
NAV per share	R84.42
Dividend yield	1.9%
Share price	R77.17



Nature of Business

Mediclinic International Plc engages in the provision of hospital services. It operates hospitals, clinics, and private acute care facilities. It operates through the following segments: Switzerland, Southern Africa, Middle East, United Kingdom, and Corporate. The company was founded on December 20, 2012 and is headquartered in Stellenbosch, South Africa.

Latest Results

Group revenue was up 9% to £1 515m (up 6% in constant currency), reflecting growth across all three divisions. Adjusted EBITDA was up 4% at £222m and up 3% in constant currency terms, reflecting adjusted EBITDA margins in line with expectations for all three divisions.

Southern Africa revenue grew 7% to R8.6 billion and adjusted EBITDA increased 2% – with the margin down to 20.1% (1H19: 21.0%). Hirslanden revenue was up 5% to CHF871 million while adjusted EBITDA was up 3% (margin: -40bps to 13.9%), in line

with expectations and supported by contribution from Clinique des Grangettes. Middle East revenue was up 8% to AED1.6 billion, while adjusted EBITDA grew 10% to AED155 million. EBITDA margin expanded by 20bps to 9.6%. Spire Healthcare (29.9% interest) profit after tax was down 13.4% y/y at £7.1 million.

Adjusted operating profit for the Group was flat at £137m, reflecting increased depreciation charges associated with infrastructure and technology investments; reported operating profit was up 264% to £142m, reflecting prior year period non-cash Hirslanden impairment charges of £98m.

Mediclinic reported earnings of £112m (1H19: loss of £168m), reflecting prior year period non-cash impairment charges on the equity investment in Spire of £164m.

Ultimately adjusted earnings per share was flat at 10.3 pence while cash conversion improved to 98% of adjusted EBITDA (1H19: 69%).

Dividend

The company declared an interim dividend of 3.20 pence per share.

Snippets

If you die who will raise your children?

The financial year end is approaching fast. Now is the time to take advantage of the 2019 / 2020 tax exemptions. These transactions need to be made before the 28th of February 2020. These efficient tax planning and investment considerations include, but are not limited to:

1. Annual donation tax exemption

The annual donations tax exemption for individuals is currently R100 000 per annum. Any natural person can make the donation, so if both you and your spouse make a donation the annual amount would be increased to R200 000. If you wish to reduce your loan account to a trust using your annual donations tax exemption, please be sure to inform your accountant, to enable them to account for the necessary paperwork.

2. Retirement Annuity (RA) contributions

Retirement annuity contributions made before the tax year-end may be tax-deductible within the legislative limit. Contributions to all retirement funds (Pension, Provident and Retirement Annuities) are deductible up to 27.5% of the greater of remuneration or taxable income, capped at an annual limit of R350 000. RA's are only accessible at retirement (under normal circumstances), and you need to buy an annuity with at least a part (currently two-thirds) of the accumulated value. Contribution amounts must reflect in the product bank account on or before 28 February 2020.

3. Tax-Free Saving Account (TFSA) contributions

TFSAs provide South African investors with a flexible way to save towards a specific goal or supplement their retirement savings. As TFSAs are not subject to income or capital gains tax, they can be a useful instrument to grow savings over the long-term. The current annual contribution limit is R33 000 (if by debit order, then a maximum of R2750 per month) and the lifetime contribution limit is R500 000. You can withdraw from a TFSA at any time, and there is no tax on withdrawals. Remember while an RA will not form part of your estate, a TFSA will.

It is generally considered good practice to use the TFSA to supplement retirement savings, even if you have not reached your maximum allowable contribution to an RA.

Should you be interested in taking advantage of any of the above exemptions please urgently contact a Private Client Holdings Wealth Manager Tel: 021 671 1220. To learn more about the Private Client Holdings Wealth Managers log onto www.privateclient.co.za

Corporate Cash Manager Rates

FUND	BALANCE	RATE
CALL ACCOUNT	0.00 – 9 999.99	4.55
	10 000 – 24 999.99	5.05
	25 000 – 49 999.99	5.30
	50 000 – 99 999.99	5.55
	100 000 – 249 999.99	5.70
CALL MONEY FUND: <i>Individuals</i>	250 000 – 999 999.99	6.83
	1 000 000 – 9 999 999.99	6.93
	10 000 000 upwards	7.03
CALL MONEY FUND: <i>Non-Individuals</i>	250 000 – 999 999.99	6.63
	1 000 000 – 9 999 999.99	6.73
	10 000 000 upwards	6.83

Dividends Payable

Dividends in LDT order

<u>Company</u>	<u>Decl</u>	<u>LDT</u>	<u>Pay</u>	<u>Amt</u>	<u>Curr</u>
Astral Foods Ltd. (ASTRAL)	18-Nov	14-Jan	20-Jan	425	ZARc
AYO Technology Solutions Ltd. (AYO)	20-Dec	14-Jan	20-Jan	16	ZARc
Primeserv Group Ltd. (PRIMESERV)	21-Nov	14-Jan	20-Jan	1.5	ZARc
Exchange Traded Funds (PREFTRAX)	09-Jan	14-Jan	20-Jan	9.06	ZARc
Quantum Foods Holdings Ltd. (QUANTUM)	28-Nov	14-Jan	20-Jan	25	ZARc
Rhodes Food Group Holdings Ltd. (RFG)	19-Nov	14-Jan	20-Jan	27.9	ZARc
Reunert Ltd. (REUNERT)	19-Nov	14-Jan	20-Jan	383	ZARc
Value Group Ltd. (VALUE)	17-Oct	14-Jan	20-Jan	16	ZARc
Clicks Group Ltd. (CLICKS)	24-Oct	21-Jan	27-Jan	327	ZARc
Investec Bank Ltd. (IBRPREF1)	31-Dec	21-Jan	27-Jan	1406.99	ZARc
Lewis Group Ltd. (LEWIS)	20-Nov	21-Jan	27-Jan	120	ZARc
Netcare Ltd. (NETCARE)	18-Nov	21-Jan	27-Jan	64	ZARc
Pepkor Holdings Ltd. (PEPKORH)	25-Nov	21-Jan	27-Jan	20.9	ZARc

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