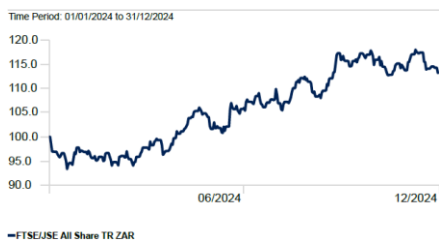
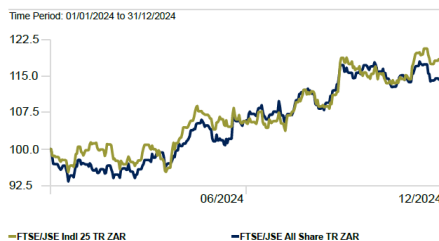

CONTENTS: Market Report | Company Results | Snippets | CCM Rates | Dividends Payable

All Share

Resources

Industrials

Financials


Index	Value	Dec (%)	YTD (%)
All Share	84,095	▼ 0.3%	▲ 13.4%
S&P 500	5,882	▼ 2.4%	▲ 25.0%
FTSE 100	8,173	▼ 1.3%	▲ 9.7%
Rand/USD	18.87	▲ 4.5%	▲ 3.2%
Rand/GBP	23.63	▲ 2.9%	▲ 1.4%
Gold (\$)	2,629	▼ 1.0%	▲ 27.5%
Plat (\$)	894	▼ 5.8%	▼ 10.2%
Brent (\$)	74.64	▲ 2.3%	▼ 3.1%

The JSE ends a strong year with a poor final quarter

The South African equity market ended the year on a weak note, with the Capped SWIX Index declining by 2.2% in the final quarter, mirroring the 2.3% drop seen in the first quarter. These two challenging periods overshadowed what was otherwise a robust year for local equities, which delivered a 13.5% annual gain. The market's strength was largely concentrated in the middle two quarters, during which the Capped SWIX generated an impressive 18.6% return.

A significant portion of the JSE's performance was driven by "SA Inc" stocks—companies with earnings tied primarily to the local economy—which gained 21% for the year. Within this group, retailers stood out, posting a remarkable 42% return in 2024. Retail sales rose by 2.7% year-on-year in December with Pepkor and Mr Price, in particular, reporting strong double-digit revenue growth for October and November. This was likely fuelled by consumer spending of savings from the newly implemented Two-Pot retirement system. Supporting this trend, SA banks reported improving credit loss ratios, suggesting that many individuals used retirement withdrawals to pay off high-interest debt. SARS estimates that withdrawals through the Two-Pot system totalled R35 billion in 2024.

Adding to the optimism, Transnet introduced lower than expected rail tariffs. A long-awaited reform expected to enhance private-sector rail volumes and support GDP growth. However, this was not without a fight with the Ports Regulator of South Africa (PRSA). Transnet had asked for an average tariff increase of 7.9% for 2025-26, with a preliminary proposal for 18.61% in 2026-27 and 2.52% for 2027-28. In response, PRSA decided on an average increase of 4.4% for 2025-26 and did not comment on subsequent years.

Looking ahead, we remain optimistic about a continued recovery in South Africa's GDP in 2025, driven by cyclical factors, political improvements, and ongoing economic reforms. While retailer valuations are now above their 10-year medians, most financial stocks continue to trade below their long-term averages, presenting potential opportunities if GDP growth remains on track.

Investment companies Naspers and Prosus also delivered strong results, up 3% in December and 34% in 2024. Their performance was bolstered by Tencent, their largest underlying investment, which gained 49% in rand terms, over the course of the year, despite a sluggish Chinese economy. Meanwhile, rand-hedge companies—JSE-listed firms with mostly foreign earnings—achieved modest gains in December (+1%), benefiting from a weaker rand, which depreciated 4.2% against the US dollar during the month and 3.1% since the start of the year.

In the bond market, the South African government's 10-year borrowing rate closed the year at 10.3% per annum, down from 11.4% at the beginning of 2024, despite a 0.7% increase in US 10-year borrowing rates over the same period. This reflects growing investor confidence in South Africa's turnaround narrative. The reduction in domestic borrowing costs contributed to the strong performance of the JSE All Bond Index, which delivered a 17% return in 2024, outperforming the Capped SWIX for the second year in a row.

EMs play catch-up to DMs in December

The year 2024 concluded on a subdued note, with most large indices recording negative returns in December. The MSCI World Index declined by 2.6% during the month. US equity markets delivered mixed performances: the Nasdaq 100 rose by 0.4%, while the S&P 500 and Dow Jones Industrial Average fell by 2.5% and 5.3%, respectively.

In Europe, returns were more favourable. The UK's FTSE 100 declined by 1.4%, but other major indices posted gains. France's CAC 40 rose by 2%, followed by the Euro Stoxx 50 (+1.9%) and Germany's DAX 30 (+1.4%). Meanwhile, equity markets in the Asia-Pacific region experienced strong rallies, led by Japan's Nikkei 225, which posted an impressive 4.4% return.

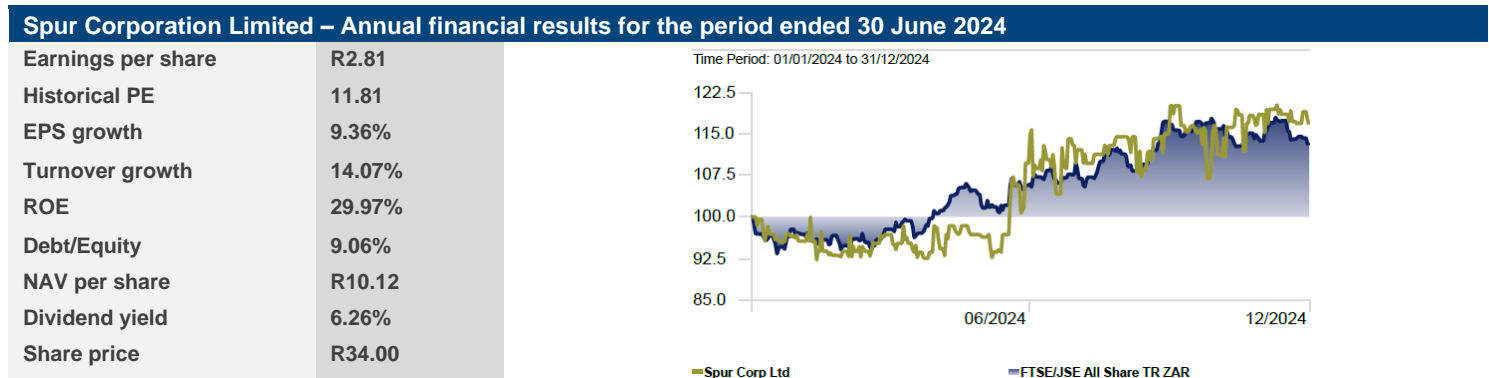
Despite its December decline, the S&P 500 ended 2024 with a remarkable annual return of 25%, building on its 26.3% gain in 2023. This marked the index's best two-year performance streak since the late 1990s. Emerging Market equities outperformed Developed Market equities in December but lagged on a year-over-year basis. Overall, 2024 delivered robust returns across asset classes, albeit with more variability compared to 2023.

A significant portion of the S&P's 2024 return was driven by just five companies — Nvidia, Apple, Meta, Microsoft, and Amazon — collectively contributing 45% of the index's gains. This mirrors the dominance of the “Magnificent Seven” in 2023. Notably, Nvidia alone accounted for over 20% of the S&P return, underscoring its outsized influence.

This trend was not confined to the US. In Germany, 41% of the DAX Index's return came from a single stock, SAP. The software giant saw its share price climb by 69%, leaving it trading at a lofty 97x price-to-earnings ratio.

Examining monetary policy and bond market trends, the US Federal Reserve lowered its policy rate by 25 basis points in December, completing its fourth consecutive cut since initiating the easing cycle in September, for a total reduction of 100 basis points. While the December cut was widely expected, minutes from the meeting revealed the Fed's intention to slow the pace of rate reductions due to lingering inflationary risks.

This cautious stance triggered a sell-off in government bonds, driving global yields higher and signalling a resurgence of “bond market activism.” Investors remain concerned about persistent inflation, rising government debt, and the economic implications of policies under the Trump administration. Higher yields further complicate efforts to manage debt burdens, adding to fiscal challenges.



Nature of business

Spur Corp. Ltd. is an investment holding company, which engages in the ownership and management of restaurant chains. It operates through the following segments: Franchise, Manufacturing and Distribution, Retail Company Stores, and Marketing. The Franchise segment includes Spur, Panarottis Pizza Pasta, John Dory's, RocoMamas, Casa Bella, The Hussar Grill, Doppio Zero and Piza e Vino. The Manufacturing and Distribution segment engages in sauce manufacturing, warehousing and product distribution business. The Retail Company segment focuses on The Hussar Grill restaurants, operating in Camps Bay, Rondebosch, and Mouille Point. The Marketing segment consists of the surplus or deficit of marketing fund contributions from franchisees relative to marketing fund expenses for the period. The International segment represents the franchise business in Australia, New Zealand, Middle East India and the rest of Africa. The company was founded by Allen J. Ambor in 1967 and is headquartered in Cape Town, South Africa.

Latest results

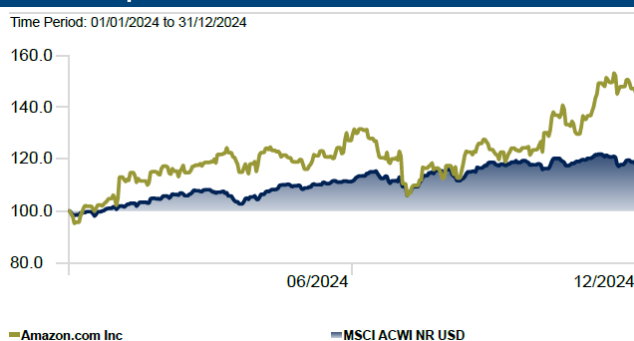
Spur has a long history in South Africa and is a deeply entrenched brand in the Quick Service Restaurant (QSR) market. Under new management, Spur is performing well. In recent years, Spur has expanded its brand portfolio and is growing its international footprint. The group's franchise model means it's capital light and cash generative. As interest rates decline into 2025 and loadshedding improves, the SA consumer will recover and QSR's will benefit from consumers increased disposable income and propensity to eat out. As a result, we expect to see some meaningful topline growth as well as a reduction in expenses as fuel, food, and transportation costs have reduced. This bodes well for improving margins and hopefully a valuation re-rate in 2025.

Dividend

Shareholders are advised that the board of directors of the company has, on 20 August 2024, resolved to declare a final gross cash dividend for the year ended 30 June 2024 of R107.4 million, which equates to a per share dividend of R2.13. This represents an increase of 10.9% from the prior year.

Amazon.com Inc – Financial results for the third quarter ended 30 September 2024

Earnings per share	\$4.67
Historical PE	39.93
EPS growth	143.64%
Turnover growth	11.93%
ROE	22.56%
Debt/Equity	58.13%
NAV per share	\$22.46
Dividend yield	0%
Share price	\$186.33



Nature of business

Amazon.com, Inc. is a multinational technology company, which engages in providing online retail shopping services. It operates through the following segments: North America, International, and Amazon Web Services (AWS). The North America segment is involved in the retail sales of consumer products including from sellers and subscriptions through North America-focused online and physical stores. The International segment focuses on the amounts earned from retail sales of consumer products including from sellers and subscriptions through internationally focused online stores. The AWS segment includes global sales of computer, storage, database, and other services for start-ups, enterprises, government agencies, and academic institutions. The company was founded by Jeffrey P. Bezos in July 1994 and is headquartered in Seattle, WA.

Latest results

Amazon reported a decent third quarter in 2024. Net sales increased 11% to \$158.9 billion, compared with \$143.1 billion in the third quarter of 2023. North America segment sales increased 9% year-over-year to \$95.5 billion. International segment sales increased 12% year-over-year to \$35.9 billion. AWS segment sales increased 19% year-over-year to \$27.5 billion. Even though the AWS segment is by far the smallest, it is the fastest growing and most profitable. This segment is what makes Amazon such a compelling investment for our portfolio.

Amazon Web Services provides on-demand cloud computing platforms and APIs to individuals, companies, and governments, on a metered, pay-as-you-go basis. These cloud computing web services provide various services related to networking, compute, storage, middleware, Internet of Things and other processing capacity, as well as software tools via AWS server farms. We expect this segment to overtake the slower albeit larger consumer retail segments in the years to come.

Dividend

Amazon have never declared or paid cash dividends on their common stock. They intend to retain all future earnings to finance future growth and, therefore, do not pay a cash dividend.

Snippets

Urgent: Take action this financial year end

The financial year end is fast approaching and now is the time to take advantage of the 2024/2025 tax savings opportunities set out below. These transactions need to be made before the 26th of February 2025, please contact your Private Client Holdings Wealth Manager as soon as possible to action. [READ MORE](#)

The benefits of the Global Income Provider Feeder Fund of Prescient Investment Management

Grant Alexander was recently interviewed by Joanne Baynham in a Fund Fit Summit session on Asset TV. Grant joined Henk Kotze and Wynand Victor to discuss the benefits of the Global Income Provider Feeder Fund of Prescient Investment Management. Watch this short and informative interview here: [WATCH HERE](#)

Corporate Cash Manager Rates

FUND	BALANCE	RATE
CALL ACCOUNT	0.00 – 9 999.99	7.40
	10 000 – 24 999.99	7.40
	25 000 – 49 999.99	7.40
	50 000 – 99 999.99	7.40
	100 000 – 249 999.99	7.40
CALL MONEY FUND: <i>Individuals</i>	250 000 – 999 999.99	7.62
	1 000 000 – 9 999 999.99	7.62
	10 000 000 upwards	7.62
CALL MONEY FUND: <i>Non-Individuals</i>	250 000 – 999 999.99	7.32
	1 000 000 – 9 999 999.99	7.32
	10 000 000 upwards	7.32

Dividends Payable

Dividends in LDT order					
Company	Decl	LDT	Pay	Amt	Curr
Adcorp Holdings Ltd. (ADCORP)	31-Oct	14-Jan	20-Jan	13.4	ZARc
Astral Foods Ltd. (ASTRAL)	18-Nov	14-Jan	20-Jan	520	ZARc
Pepkor Holdings Ltd. (PEPKORH)	26-Nov	14-Jan	20-Jan	48.51	ZARc
Exchange Traded Funds (SATRIX40)	09-Jan	14-Jan	20-Jan	42.53	ZARc
Exchange Traded Funds (SATRIXCAP)	09-Jan	14-Jan	20-Jan	8.61	ZARc
Exchange Traded Funds (SATRIXGOV)	09-Jan	14-Jan	20-Jan	13.14	ZARc
Exchange Traded Funds (SYGSP500)	09-Jan	14-Jan	20-Jan	49.72	ZARc
Exchange Traded Funds (SYGNEWCN)	09-Jan	14-Jan	20-Jan	31.73	ZARc
Exchange Traded Funds (SYGTOP40)	09-Jan	14-Jan	20-Jan	111.18	ZARc
Exchange Traded Funds (SYGFTSE100)	09-Jan	14-Jan	20-Jan	195.25	ZARc
Exchange Traded Funds (SYGMSCIUS)	09-Jan	14-Jan	20-Jan	11.73	ZARc
Exchange Traded Funds (SYGMSCIWD)	09-Jan	14-Jan	20-Jan	23.21	ZARc
Tiger Brands Ltd. (TIGBRANDS)	04-Dec	14-Jan	20-Jan	684	ZARc
Mobile Telecommunications Ltd. (MTC LTD)	05-Dec	17-Jan	07-Feb	49.27	NADc
Argent Industrial Ltd. (ARGENT)	27-Nov	21-Jan	27-Jan	60	ZARc
CAFCA Ltd. (CAFCA)	19-Nov	21-Jan	27-Jan	4.9	USDc
Clicks Group Ltd. (CLICKS)	24-Oct	21-Jan	27-Jan	566	ZARc
Lewis Group Ltd. (LEWIS)	21-Nov	21-Jan	27-Jan	300	ZARc
Netcare Ltd. (NETCARE)	25-Nov	21-Jan	27-Jan	40	ZARc
Primeserv Group Ltd. (PRIMESERV)	20-Nov	21-Jan	27-Jan	3	ZARc
RFG Holdings Ltd. (RFG)	20-Nov	21-Jan	27-Jan	111.1	ZARc
Reunert Ltd. (REUNERT)	21-Nov	21-Jan	27-Jan	276	ZARc
Supermarket Income REIT plc (SUPR)	09-Jan	28-Jan	28-Feb	1.53	GBPp

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