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All Share

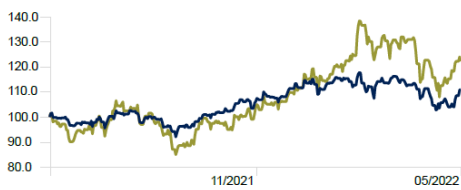
Time Period: 01/06/2021 to 31/05/2022



FTSE/JSE All Share TR ZAR

Resources

Time Period: 01/06/2021 to 31/05/2022

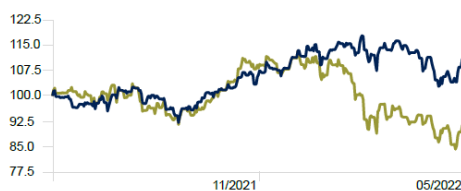


FTSE/JSE Resources 10 TR ZAR

FTSE/JSE All Share TR ZAR

Industrials

Time Period: 01/06/2021 to 31/05/2022

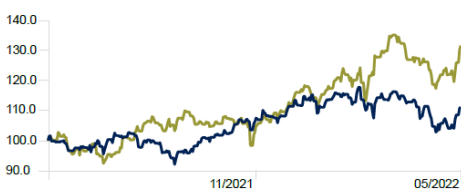


FTSE/JSE Indl 25 TR ZAR

FTSE/JSE All Share TR ZAR

Financials

Time Period: 01/06/2021 to 31/05/2022



FTSE/JSE Financial 15 TR ZAR

FTSE/JSE All Share TR ZAR

Market Report

Banks and Tech Keep JSE in The Green

The South African stock market bounced back from its April wobble, recording a gain in May (FTSE/JSE Capped SWIX +0.5%) as it rallied alongside global markets in the last few days of the month, clawing its way back into positive territory from a 6% drawdown mid-month. The MSCI South Africa Index rose by 1.1%, which largely reflects the appreciation in the rand. The All-Share Index fell by 0.4%, while the rand appreciated 1.5% to the dollar. Bonds fared well with a gain of 1% while property was flat. S&P Global Ratings affirmed SA's sub-investment grade rating in May, but unexpectedly upgraded the outlook from stable to positive as structural reforms, contained fiscal expenditure and favourable terms of trade may ease the country's fiscal and external pressures.

The underlying sector performance was skewed to the downside, as only the tech sector (5.5%) and financials (3.5%) printed in the green. The tech sector, mostly Naspers and Prosus, benefited from China's reopening of major tech hubs after Covid lockdowns plagued the region for weeks. The financial sector found their footing after showing good earnings resilience, improving economic activity and the SARB announcing quicker than anticipated rate hikes which support bank net interest margins. Basic materials (-6.8%), consumer discretionary (-6.7%) and health care (-4.6%) were the clear laggards amid the trade-off between reopening and a muted Covid wave and growing consumer strain amid high fuel and food prices. SA resources were dragged down by gold mining companies and in particular Gold Fields. The company announced a c. R100bn all-share purchase of Canadian gold miner, Yamana Gold, to create the world's 4th largest gold mining company. The market believes there is very little strategic sense for the merger and as a result Gold Fields saw its share price plunge nearly 30% during the month. Sasol (+6%) rallied alongside surging oil prices (Brent crude +12% in May).

While banks benefited from improving activity and positive earnings revisions, retail came under pressure (-5%) as a result of higher interest rates and intensifying inflation fears. Massmart recorded -12% in May as the worst-performing among the retailers as management highlighted weak Year-To-Date sales in its trading update and suggested that it is still battling the fallout of last year's civil unrest along with higher import costs related to global supply chain disruptions.

Despite negative earnings revisions, Naspers and Prosus (+6% for the month in aggregate) delivered their first positive monthly return of the year on the back of China's steady reopening, renewed focus on growth supporting measures, and ongoing comments from officials suggesting that the regulatory focus on tech may be nearing its end. With fuel and food prices skyrocketing globally, South Africa's inflation rate remained above the SARB's targeted midpoint (4.5%) for the 12th consecutive month, coming in at 5.9% in April 2022 but in a sign that the volatile food and energy components were the biggest inflationary culprits, core inflation (+3.9%) remained well below the midpoint of the SARB's target range. The Reserve Bank took a page out of the US Fed's most recent playbook by doubling the pace of rate hikes with a 50bps rate increase announced at its May meeting.

A Month of Two Halves for Global Equities

May was a month of two halves, where the initial Fear of Everything eventually gave way to a relief rally. Markets continue to focus on whether inflation can be brought under control, and if so, at what cost. Central banks, led by the Fed, are on the march to return ultra-loose monetary policy and accommodative financial conditions to more normal levels. But the runway to normalisation is short and the market fears that the Fed will make a policy mistake, either by raising rates too quickly and too high, thus pushing the U.S. into recession or by not increasing them enough and allowing elevated inflation to become entrenched. Neither of these scenarios is good for equity markets.

Index	Value	May (%)	YTD (%)
All Share	72,095	▼ 0.4%	▼ 0.3%
S&P 500	4,132	▲ 0.2%	▼ 12.8%
FTSE 100	7,608	▲ 1.1%	▲ 4.8%
Rand/USD	15.58	▼ 1.5%	▼ 2.4%
Rand/GBP	19.64	▼ 1.1%	▼ 9.1%
Gold (\$)	1,843	▼ 3.5%	▲ 0.8%
Plat (\$)	969	▲ 3.4%	▲ 0.5%
Brent (\$)	122.84	▲ 12.3%	▲ 57.9%

The S&P was flat in May, while the Eurostoxx declined by a modest 0.8%. Emerging markets fared slightly better than their DM peers for the second consecutive month (MSCI EM +0.5%) with China and Brazil leading the way (Shanghai Composite +4.6%, Brazilian Bovespa +3.2%). The Chinese government announced an easing of lockdown restrictions after months of its zero-Covid strategy weighing negatively on both the real economy and financial markets. Chinese equities experienced a month-end rally, with both the Hang Seng and Shanghai Composite moving positive after an especially difficult start to the year. The Brazilian stock market benefitted from large exposure to energy counters, which rallied along with Brent crude oil (+12% in May). Elevated commodity prices and stabilising risk appetite boosted commodity exporters, with Chile (18.4%) and Colombia (13.4%) outperforming. Receding political risks may have contributed to stronger markets in this region with Chile negotiating a series of constitutional changes which aims to eliminate some of the more unorthodox policies which hindered growth and stability. Politics also played a role in Colombia's rally, as a successful first round of elections boosted sentiment. Hungary (-13.7%), Turkey (-6.6%), and India (-5.8%) underperformed on the back of worsening terms of trade amid the ongoing war in Ukraine.

In the United States, the Federal Reserve Bank has become increasingly hawkish. Fed Chairman, Jerome Powell, has indicated that the Bank will move aggressively to keep inflation in check. Although it was no surprise that the Fed announced a rate hike after its Federal Open Market Committee meeting, the 50 basis points is the largest in two decades. However, investors were somewhat relieved when Fed Chair Jerome Powell indicated that the Fed members were not actively considering hikes of 0.75% per meeting. The US 10-year government bond yield drifted above 3% for the few days following the Fed meeting before retreating into month-end as risk aversion and the prospect of the Fed hikes driving the US economy into a recession weighed on the benchmark yield, which ended the month slightly lower at 2.8%. The Fed also outlined its plan to start unwinding its USD 9 trillion balance sheet as of June, in a bid to dampen excess liquidity.

In Europe, Russia's invasion of Ukraine has clearly had a huge impact on consumer and business confidence. Higher energy prices are further impacting consumer demand and the economy. While currently there is a lot of focus on the European Central Bank increasing interest rates and more restrictive fiscal policy, there are long-term commitments to a massive investment in their energy independence, decarbonisation, and defence, so there will be a lot of government spending across Europe in the years to come. It is on quite a different path to the US and China, but the longer-term picture for Europe should slowly start to look better.

Growthpoint Properties Ltd. – Interim results for period end 31st December 2021

Earnings per share	R1.31
Historical PE	11.7
EPS growth	138.3%
Turnover growth	-4.8%
ROE	6.5%
Debt/Equity	93.1%
NAV per share	R21.48
Dividend yield	7.9%
Share price	R15.37



Nature of Business

Growthpoint engages as a real estate investment trust. It operates through the following segments: Retail, Office, Industrial, Healthcare, Trading and Development, Growthpoint Australia, V&A Waterfront, Central and Eastern Europe, and United Kingdom. The Retail segment comprises shopping centres. The Office segment includes high-rise and low-rise offices, office parks, office warehouses, hospitals as well as mixed-use properties comprising both office and retail. The Industrial segment focuses on warehousing, industrial parks, retail warehousing, motor-related outlets, low and high-grade industrial, high-tech industrial as well as mini, midi and maxi units. The Healthcare segment involves four hospitals and one medical chamber building. The V&A Waterfront segment deals with retail, office, fishing and industrial, hotel and residential. The Eastern Europe segment comprises of modern A-grade office properties, industrial properties as well as a residential property complex. The company was founded on October 12, 1987 and is headquartered in Johannesburg, South Africa.

Latest Results

Total revenue decreased by 4.8% to R6.38bn (1H21 R6.70bn) and operating profit decreased by 4.3% to R4.24bn (1H21 R4.43bn). The business has faced a prolonged impact of Covid-19. For the financial period Growthpoint provided rental relief of R17.3m (HY21: R116.0m) to tenants with R5.2m (HY21: R25.0m) in deferred rent and R12.1m (HY21: R91.0m) of rental discounts. The Group has subsequently recovered R8.4m (HY21: R107.5m) of deferred rent in the period and incurred R1.2m (HY21: R3.0m) of Covid-19-related expenses. 92.4% of the Rand amount of total deferrals granted since the onset of Covid-19 have been recovered.

Historically the V&A has been a standout performer for Growthpoint. However, given its strong reliance on international and local tourism and heavy weighting to the hotel, retail, and restaurant trade, it suffered disproportionately to the rest of the South African portfolio with its contribution to distributable income dropping to R172.8m in HY21. It has since improved by 54.8% to R267.5m for HY22 as lockdown restrictions were lifted and tourism resumed.

Dividend

Growthpoint paid a dividend of 61.5 ZAC for the 6 months end 31 December 2021. This represents a pay-out ratio of 80%.

Exxon Mobil Corp. – First quarter results for period end 31st March 2022

Earnings per share	\$1.28
Historical PE	13.7
EPS growth	101%
Turnover growth	71.5%
ROE	15.8%
Debt/Equity	28.1%
NAV per share	\$40.16
Dividend yield	4.2%
Share price	\$82.59



Nature of Business

Exxon Mobil Corp. engages in the exploration, development, and distribution of oil, gas, and petroleum products. It operates through the following segments: Upstream, Downstream and Chemical. The Upstream segment produces crude oil and natural gas. The Downstream segment manufactures and trades petroleum products. The Chemical segment offers petrochemicals. The company was founded by John D. Rockefeller in 1882 and is headquartered in Irving, TX.

Latest Results

In the first quarter, a tight supply/demand environment, primarily due to low investment levels during the pandemic, contributed to rapid increases in prices for crude, natural gas, and refined products. The events in Ukraine have added uncertainty to what was already a tight supply outlook. Brent Crude rose by about \$22 dollars per barrel, or 27% versus the fourth quarter of 2021. Today, natural gas prices remain well above the 10-year historical ranges, driven by tight global market conditions and ongoing European supply concerns.

Exxon earned \$5.5 billion in first quarter 2022 and generated \$14.8 billion of cash flow from operating activities, more than covering capital investment and shareholder distributions. Earnings excluding identified items were \$8.8 billion, an increase of more than \$6 billion versus the first quarter of 2021, after adjusting for a \$3.4 billion after-tax charge related to the company's Russia Sakhalin-1 operation.

In an effort to increase distributions to shareholders the company announced an increase in their share repurchase program up to a total of \$30 billion through 2023.

Dividend

Exxon distributed \$5.8 billion to shareholders in the first quarter, including dividends of \$3.8 billion and share repurchases of \$2.1 billion. Shareholders received \$0.88 per share on 10 June 2022.

Snippets

The Role of Family Offices in South Africa and in Uncertain Times

Wealth creators and inheritors face numerous complex decisions when managing the multifaceted environment of ultra-high net worth (UHNW) wealth for future generations and providing for the present day needs of extended family members, making the Family Office service a fast-growing wealth management segment in Africa and throughout the world. Family Offices are used by families who want to protect and manage their wealth in a structured manner. "Our UHNW clients are choosing the Family Office model as it meets their needs for a more hands-on, personalised approach when dealing with the growth and preservation of their wealth," says Andrew Ratcliffe, director at Private Client Holdings, a multi-Family Office based in Cape Town, who has been managing HNWI's wealth for the last 30 years.

[Please click here to read more](#)

Corporate Cash Manager Rates

FUND	BALANCE	RATE
CALL ACCOUNT	0.00 – 9 999.99	4.40
	10 000 – 24 999.99	4.40
	25 000 – 49 999.99	4.40
	50 000 – 99 999.99	4.40
	100 000 – 249 999.99	4.40
CALL MONEY FUND: <i>Individuals</i>	250 000 – 999 999.99	4.75
	1 000 000 – 9 999 999.99	4.75
	10 000 000 upwards	4.75
CALL MONEY FUND: <i>Non-Individuals</i>	250 000 – 999 999.99	4.55
	1 000 000 – 9 999 999.99	4.55
	10 000 000 upwards	4.55

Dividends Payable

Dividends in LDT order					
Company	Decl	LDT	Pay	Amt	Curr
<u>iHealthcare Group Holdings Ltd. (IHEALTH HOLD)</u>	<u>27-May</u>	<u>10-Jun</u>	<u>13-Jun</u>	<u>121.39</u>	<u>ZARc</u>
<u>Balwin Properties Ltd. (BALWIN)</u>	<u>16-May</u>	<u>13-Jun</u>	<u>20-Jun</u>	<u>13.5</u>	<u>ZARc</u>
<u>Deneb Investments Ltd. (DENEb)</u>	<u>26-May</u>	<u>13-Jun</u>	<u>20-Jun</u>	<u>9</u>	<u>ZARc</u>
<u>eMedia Holdings Ltd. (E MEDIA)</u>	<u>26-May</u>	<u>13-Jun</u>	<u>20-Jun</u>	<u>25</u>	<u>ZARc</u>
<u>eMedia Holdings Ltd. (E MEDIA-N)</u>	<u>26-May</u>	<u>13-Jun</u>	<u>20-Jun</u>	<u>25</u>	<u>ZARc</u>
<u>enX Group Ltd. (ENXGROUP)</u>	<u>04-Apr</u>	<u>13-Jun</u>	<u>20-Jun</u>	<u>200</u>	<u>ZARc</u>
<u>Frontier Transport Holdings Ltd. (FRONTIERT)</u>	<u>26-May</u>	<u>13-Jun</u>	<u>20-Jun</u>	<u>32</u>	<u>ZARc</u>
<u>Indluplace Properties Ltd. (INDLU)</u>	<u>18-May</u>	<u>13-Jun</u>	<u>20-Jun</u>	<u>13.16</u>	<u>ZARc</u>
<u>Life Healthcare Group Holdings Ltd. (LIFEHC)</u>	<u>26-May</u>	<u>13-Jun</u>	<u>20-Jun</u>	<u>15</u>	<u>ZARc</u>
<u>MiX Telematics Ltd. (MIXTEL)</u>	<u>26-May</u>	<u>13-Jun</u>	<u>20-Jun</u>	<u>4</u>	<u>ZARc</u>
<u>PBT Group Ltd. (PBT GROUP)</u>	<u>27-May</u>	<u>13-Jun</u>	<u>20-Jun</u>	<u>30</u>	<u>ZARc</u>
<u>PBT Group Ltd. (PBT GROUP-A2X)</u>	<u>27-May</u>	<u>13-Jun</u>	<u>20-Jun</u>	<u>30</u>	<u>ZARc</u>
<u>Spear REIT Ltd. (SPEARREIT)</u>	<u>26-May</u>	<u>13-Jun</u>	<u>20-Jun</u>	<u>35.19</u>	<u>ZARc</u>
<u>SAB Zenzele Kabili Holdings (RF) Ltd. (SABKABILI)</u>	<u>30-May</u>	<u>13-Jun</u>	<u>20-Jun</u>	<u>14</u>	<u>ZARc</u>
<u>Tharisa plc (THARISA)</u>	<u>26-May</u>	<u>13-Jun</u>	<u>29-Jun</u>	<u>3</u>	<u>USDc</u>
<u>Tharisa plc (THARISA-A2X)</u>	<u>26-May</u>	<u>13-Jun</u>	<u>29-Jun</u>	<u>3</u>	<u>USDc</u>
<u>Mobile Telecommunications Ltd. (MTC LTD)</u>	<u>01-Jun</u>	<u>17-Jun</u>	<u>08-Jul</u>	<u>37</u>	<u>NADc</u>
<u>Stimulus Investments Ltd. (STIMULUS)</u>	<u>31-May</u>	<u>17-Jun</u>	<u>08-Jul</u>	<u>200</u>	<u>NADc</u>
<u>Afine Investments Ltd. (AFINE)</u>	<u>31-May</u>	<u>21-Jun</u>	<u>27-Jun</u>	<u>27.8</u>	<u>ZARc</u>
<u>Barloworld Ltd. (BARWORLD)</u>	<u>23-May</u>	<u>21-Jun</u>	<u>27-Jun</u>	<u>165</u>	<u>ZARc</u>
<u>Capital Appreciation Ltd. (CAPPREC)</u>	<u>02-Jun</u>	<u>21-Jun</u>	<u>27-Jun</u>	<u>3.75</u>	<u>ZARc</u>
<u>Capital Appreciation Ltd. (CAPPREC-A2X)</u>	<u>02-Jun</u>	<u>21-Jun</u>	<u>27-Jun</u>	<u>3.75</u>	<u>ZARc</u>
<u>Exchange Traded Funds (DCCUS2)</u>	<u>03-Jun</u>	<u>21-Jun</u>	<u>27-Jun</u>	<u>271.25</u>	<u>ZARc</u>
<u>Fairvest Ltd. (FTAPROPA)</u>	<u>01-Jun</u>	<u>21-Jun</u>	<u>27-Jun</u>	<u>61.52</u>	<u>ZARc</u>
<u>Fairvest Ltd. (FTAPROPA-A2X)</u>	<u>01-Jun</u>	<u>21-Jun</u>	<u>27-Jun</u>	<u>61.52</u>	<u>ZARc</u>
<u>Fairvest Ltd. (FTBPROPB)</u>	<u>01-Jun</u>	<u>21-Jun</u>	<u>27-Jun</u>	<u>21.33</u>	<u>ZARc</u>
<u>Fairvest Ltd. (FTBPROPB-A2X)</u>	<u>01-Jun</u>	<u>21-Jun</u>	<u>27-Jun</u>	<u>61.52</u>	<u>ZARc</u>
<u>Invicta Holdings Ltd. (IVT PREF)</u>	<u>07-Jun</u>	<u>21-Jun</u>	<u>27-Jun</u>	<u>470.1</u>	<u>ZARc</u>
<u>Invicta Holdings Ltd. (IVT PREF-A2X)</u>	<u>06-Jun</u>	<u>21-Jun</u>	<u>27-Jun</u>	<u>322.16</u>	<u>ZARc</u>
<u>Oceana Group Ltd. (OCEANA)</u>	<u>02-Jun</u>	<u>21-Jun</u>	<u>27-Jun</u>	<u>55</u>	<u>ZARc</u>
<u>Oceana Group Ltd. (OCEANA-NSX)</u>	<u>02-Jun</u>	<u>21-Jun</u>	<u>27-Jun</u>	<u>55</u>	<u>ZARc</u>
<u>Quantum Foods Holdings Ltd. (QUANTUM)</u>	<u>27-May</u>	<u>21-Jun</u>	<u>27-Jun</u>	<u>8</u>	<u>ZARc</u>
<u>Reunert Ltd. (REUNERT)</u>	<u>25-May</u>	<u>21-Jun</u>	<u>27-Jun</u>	<u>75</u>	<u>ZARc</u>
<u>Vodacom Group Ltd. (VODACOM)</u>	<u>16-May</u>	<u>21-Jun</u>	<u>27-Jun</u>	<u>430</u>	<u>ZARc</u>
<u>Vunani Ltd. (VUNANI)</u>	<u>25-May</u>	<u>21-Jun</u>	<u>27-Jun</u>	<u>14</u>	<u>ZARc</u>
<u>Vunani Ltd. (VUNANI-A2X)</u>	<u>25-May</u>	<u>21-Jun</u>	<u>27-Jun</u>	<u>14</u>	<u>ZARc</u>
<u>Clicks Group Ltd. (CLICKS)</u>	<u>28-Apr</u>	<u>28-Jun</u>	<u>04-Jul</u>	<u>180</u>	<u>ZARc</u>
<u>Sygnia Ltd. (SYGNIA)</u>	<u>07-Jun</u>	<u>28-Jun</u>	<u>04-Jul</u>	<u>80</u>	<u>ZARc</u>
<u>Sygnia Ltd. (SYGNIA-A2X)</u>	<u>07-Jun</u>	<u>28-Jun</u>	<u>04-Jul</u>	<u>80</u>	<u>ZARc</u>
<u>Tiger Brands Ltd. (TIGBRANDS)</u>	<u>25-May</u>	<u>28-Jun</u>	<u>04-Jul</u>	<u>320</u>	<u>ZARc</u>
<u>Tiger Brands Ltd. (TIGBRANDS-A2X)</u>	<u>25-May</u>	<u>28-Jun</u>	<u>04-Jul</u>	<u>320</u>	<u>ZARc</u>

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