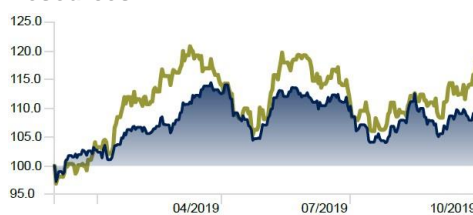

CONTENTS: Market Report | Company Results | Snippets | CCM Rates | Dividends Payable

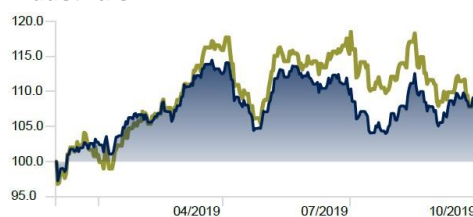
All Share


FTSE/JSE All Share TR ZAR

Resources


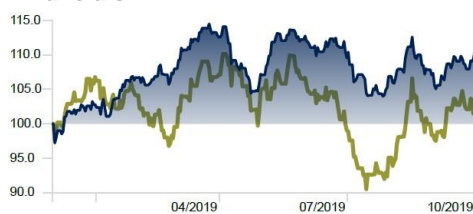
FTSE/JSE All Share TR ZAR

FTSE/JSE Resources 10 TR ZAR

Industrials


FTSE/JSE All Share TR ZAR

FTSE/JSE Indl 25 TR ZAR

Financials


FTSE/JSE All Share TR ZAR

FTSE/JSE Financial 15 TR ZAR

Index	Value	Oct (%)	YTD (%)
All Share	56,425	▲ 3.1%	▲ 10.4%
S&P 500	3,038	▲ 2.2%	▲ 23.2%
FTSE	7,248	▼ 1.9%	▲ 12.1%
Rand/USD	15.06	▼ 0.7%	▲ 4.7%
Rand/GBP	19.49	▲ 4.3%	▲ 6.4%
Gold (\$)	1,511	▲ 3.1%	▲ 18.2%
Plat (\$)	930	▲ 5.3%	▲ 16.8%
Brent (\$)	60.23	▼ 0.9%	▲ 12.0%

Market Report

Markets lifted by progress on trade talks, earnings and policy easing

Moods were lifted as progress was made in US-China trade negotiations during October, but better than expected US earnings and the continuation of monetary policy easing provided further support to equities.

Strong performance was seen both locally and abroad, with the JSE ending the month 3.1% higher, led by resources (+7.3%) and financials (+3.3%), while industrials (+0.3%) remained under pressure as index-heavyweights Naspers (-6.5%), BATS (-5.7%) and Prosus (-5.1%) ended the month in the red.

While US markets generally outperformed international counterparts this year, the S&P 500 (+2.2%) lagged emerging (MSCI EM: 4.2%) and international developed markets (MSCI EAFE: 3.6%) during October. Outperformers in these markets were the Nikkei and Germany's DAX which showed stellar performance, gaining 5.4% and 3.5% respectively. Within EMs, the Hang Seng gained 3.1% while the Shanghai Composite ended the month 0.8% higher.

Tito Mboweni highlights status quo is unsustainable in MTBPS

South Africa's 23rd Medium Term Budget Policy Statement (MTBPS) did not inspire any confidence. Finance Minister Tito Mboweni did not mince his words when he delivered his speech, highlighting that the status quo is unsustainable. Chronically poor economic growth and ailing SOE's are putting excessive demands on the fiscus, with the nation's debt standing at R3 trillion. He noted that if no policy changes were made, it is expected to grow by 50% to R4.5 trillion over the next three years.

The budget deficit is expected to deteriorate materially over the medium-term, reaching an average of -6.2% over the next three years, with the debt-to-GDP ratio surging to 71.3% in 2022/23.

As expected, Moody's moved their outlook on SA's credit rating to negative from stable soon after the MTBPS but kept its rating unchanged at one notch above junk status.

Business confidence improve slightly while CPI eases

On a more positive note, the South African Chamber of Commerce and Industry (SACCI) Business Confidence Index jumped to a level of 92.4 in September from 89.1 previously, its highest since June. The main drivers were higher export volumes, a stronger rand against major trading currencies, high new vehicle sales and an increase in the real value of building plans passed.

Amid slowing growth and a stable currency, consumer price inflation (CPI) slowed to 4.1% in September, which is well within the SARB's 3%-6% target range.

The slowdown in CPI came amid lower food and transport inflation, which settled at 2.4%. While the petrol price came in higher year-on-year, other major transport CPI sub-components dropped significantly, most notably the CPI for public transport.

Company Results

Microsoft Corp – First quarter results for the year ending June 2020

Earnings per share	1.38
Historical PE	27.0
EPS growth	21.1%
Turnover growth	14.0%
ROE	42.8%
Debt/Equity	81.1%
NAV per share	13.89
Dividend yield	1.3%
Share price	143.37



Nature of Business

Microsoft develops and licenses consumer and enterprise software. It is known for its Windows operating systems and Office productivity suite. The company is organized into three overarching segments: productivity and business processes (legacy Microsoft Office, cloud-based Office 365, Exchange, SharePoint, Skype, LinkedIn, Dynamics), intelligence cloud (infrastructure- and platform-as-a-service offerings Azure, Windows Server OS, SQL Server), and more personal computing (Windows Client, Xbox, Bing search, display advertising, and Surface laptops, tablets, and desktops). Through acquisitions, Microsoft owns Xamarin, LinkedIn, and GitHub. It reports revenue in product and service and other revenue on its income statement.

Latest Results

Microsoft reported strong results that were once again well ahead of expectations with upside to revenue, operating margin, and EPS. The scale at which the company has demonstrated its ability to continue to drive revenue and margins is impressive, and we think there is more to come.

Microsoft continues to use its dominant position of on premises architecture to allow customers to move to the cloud easily and at their own pace, which is poised to continue over a multiyear period.

Adoption of cloud services in the form of SaaS, PaaS, and IaaS remains robust for Microsoft, and the company has passed inflection points where cloud revenue is strong, and margins continue to improve.

Intelligent cloud continues to drive the narrative, with Azure growing 59% year over year, which was generally in line with expectations.

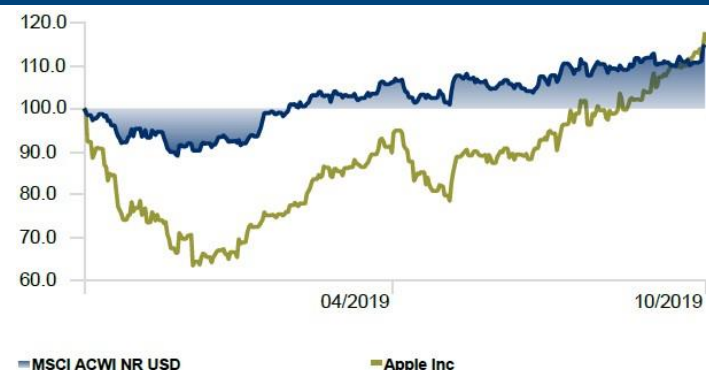
Management continues to highlight bigger deals as contributing meaningfully to revenue strength, as Microsoft enjoyed a material uptick in the number of Azure deals for \$10 million or more in the quarter.

Dividend

The company declared a quarterly dividend of \$0.51 per ordinary share representing a 10.9% year-on-year increase.

Apple Inc. – Fourth quarter results for the year ending September 2019

Earnings per share	3.03
Historical PE	21.0
EPS growth	4.0%
Turnover growth	2.0%
ROE	55.9%
Debt/Equity	119.4%
NAV per share	20.37
Dividend yield	1.2%
Share price	248.76



Nature of Business

Apple, Inc. engages in the design, manufacture, and sale of smartphones, personal computers, tablets, wearables and accessories, and other variety of related services. Its products and services include iPhone, Mac, iPad, AirPods, Apple TV, Apple Watch, Beats products, Apple Care, iCloud, digital content stores, streaming, and licensing services. The company was founded by Steven Paul Jobs, Ronald Gerald Wayne, and Stephen G. Wozniak on April 1, 1976 and is headquartered in Cupertino, CA.

Latest Results

Apple reported fiscal fourth-quarter results that continued the recent trend of strong services and wearables sales overshadowing continued weakness in iPhone sales. While iPhone revenue fell 15% across the first three quarters of fiscal 2019, fourth-quarter iPhone sales fell only 9% year-on-year, thanks to early traction of the iPhone 11 and stabilization in key geographies such as

Greater China. Outside of iPhone, fourth-quarter sales grew 17% year-on-year. Based on forward guidance, it appears the iPhone 11 launch has been stronger than widely expected.

Fourth-quarter revenue rose 2% year-on-year to \$64 billion. Revenue from the iPhone for the quarter was \$33.4 billion, while services revenue for the quarter were \$12.5 billion, up 18% year-on-year thanks to all-time records for the App Store, Apple Care, Music, cloud services, payment services, and App Store search ad business. Wearables grew well over 50% year over year, as the latest Apple Watch and AirPods continue to have success.

Gross margins were 38%, up 40 basis points sequentially due to leverage from higher sales. For fiscal 2019, revenue fell 2% to \$260.1 billion, as weak iPhone sales offset growth in every other category.

Dividend

The company declared a quarterly dividend of \$0.77 per ordinary share representing a 5.5% year-on-year increase.

Snippets

Don't leave the contents of your will to chance

WHEN YOU HAD your Will drafted, or last had it updated, did you check to make sure that its contents accurately conveyed your last wishes? Did it accurately communicate how you wanted your estate administered?

This is a question asked by David Knott of Private Client Trust, the fiduciary pillar of Private Client Holdings, who says that often a Will is created by a client filling out a form on the back of an application for a funeral policy, loan or some other service. "This form is handed to the service provider clerk, who may be skilled in funeral policies, loan applications or suchlike, but who rarely understands the impact of those instructions. This form is delivered to a 'Wills drafting factory', where the final Will is churned out hopefully, correctly interpreted. The formally drafted document is returned to the client, who signs without question, believing the document to be sound.

"Such an approach to a Will may lead to a spate of unintended and often unpleasant consequences upon the death of the testator," says Knott. "A Will should only be drafted by a skilled fiduciary specialist after a face to face interrogation of the potential testator. Their wishes may be impractical or costly to implement, and, depending on how the testator is married, may be impossible to fulfil. The fiduciary specialist will also no doubt bring up other matters not considered by the testator." Knott advises that the person who drafts a Will must be fully informed on a range of laws pertaining to everything from income tax to estate duty, capital gains tax, property law, marriage regimes and foreign jurisdictions among other things. "The specialist who drafts a Will must ask the correct probing questions to ascertain the nature of the estate, the financial maturity of beneficiaries, what the liquidity would be, and to provide for whatever estate duty or capital gains taxes savings could be taken advantage of. The drafts person must provide a clear, concise document which states without ambiguity exactly what the intentions are.

The testator must also know and fully understand exactly what the Will delivers. "Ideally, the fiduciary specialist should also have experience in the administration of deceased estates, as it is only at this stage that the unintended consequences emerge. To have experience in what instructions cannot work is crucial." Your Will is the most important document you will sign, after your antenuptial contract. Knott says it is therefore vital that you seek professional advice with the drafting. "Once signed, whenever there is a change of circumstances, the Will needs to be reviewed to recognise those changes. A 'paint by numbers' will just does not suffice." | Private Client Holdings

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	6.84
	1 000 000 – 9 999 999.99	6.94
	10 000 000 upwards	7.04
CALL MONEY FUND: <i>Non-Individuals</i>	250 000 – 999 999.99	6.64
	1 000 000 – 9 999 999.99	6.74
	10 000 000 upwards	6.84

Dividends Payable

Dividends in LDT order

<u>Company</u>	<u>Decl</u>	<u>LDT</u>	<u>Pay</u>	<u>Amt</u>	<u>Curr</u>
Atlantic Leaf Properties Ltd. (ATLEAF)	15-Oct	05-Nov	11-Nov	4.5	GBPp
PSG Group Ltd. (PSG)	15-Oct	05-Nov	11-Nov	164	ZARc
Spear REIT Ltd. (SPEARREIT)	17-Oct	05-Nov	11-Nov	44.64	ZARc
Allied Electronics Corporation Ltd. (ALTRON)	24-Oct	12-Nov	18-Nov	29	ZARc
Alviva Holdings Ltd. (ALVIVA)	16-Sep	12-Nov	18-Nov	30	ZARc
Remgro Ltd. (REMGRO)	19-Sep	12-Nov	18-Nov	349	ZARc
Anheuser-Busch InBev SA/NV (AB INBEV)	25-Oct	19-Nov	25-Nov	80	EURc
Investec Australia Property Fund (IAPF)	30-Oct	19-Nov	06-Dec	3.2	AUDc
MiX Telematics Ltd. (MIXTEL)	31-Oct	19-Nov	25-Nov	4	ZARc
Octodec Investments Ltd. (OCTODEC)	29-Oct	19-Nov	25-Nov	99.2	ZARc
Premier Fishing and Brands Ltd. (PFB)	30-Oct	19-Nov	25-Nov	10	ZARc
RDI REIT P.L.C. (RDI)	24-Oct	20-Nov	10-Dec	6	GBPp
Afrimat Ltd. (AFRIMAT)	31-Oct	26-Nov	02-Dec	36	ZARc

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