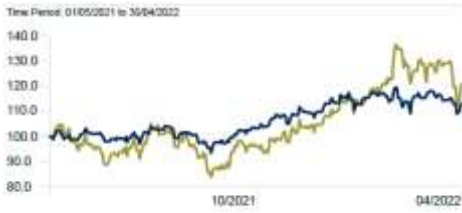
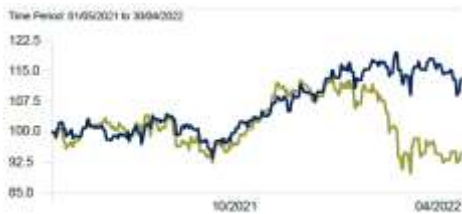
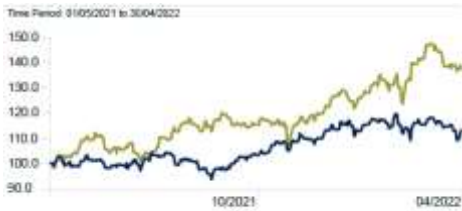



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Market Report

JSE Under Pressure with Global Market Jitters

After an impressive first quarter performance, SA assets gave back much of their gains in April. The South African stock market fell for only the third time in the past 18 months in April, as risk appetite soured globally. Equity market returns in April were negative in the US and Europe and volatility rose further as risk-off sentiment and multiple concerns kept markets jittery. As Putin's war on Ukraine continues, high energy and food prices keep elevated inflation a persistent menace. And that is before the impact of further supply disruptions resulting from lockdowns in China is fully felt. In the US, the expectation of an aggressive front-loaded Fed hiking cycle is dampening investors' enthusiasm for buying in the dips despite positive earnings surprises. In Europe, the energy crisis is weighing heavily on markets.

The US dollar benefited from this unusually correlated risk-off backdrop and led to the ZAR weakening sharply, from R14.61/\$ to R15.78/\$, along with most other currencies. SA equities were not spared the sell-off, the FTSE/JSE Capped Swix benchmark losing -3.95%. The index was weighed down by the Financial sector losing -5.5% and the Resources sector losing -4.8% despite the weaker ZAR. Local bonds remained under pressure during the month, selling off alongside global bonds, as the global risk off environment and renewed concerns around lacklustre SA GDP growth led to higher yields (and lower prices). SA 10-year government bond yields jumped 0.4% to end the month at 10.4%.

The latest data for local inflation showed prices still rising within the SA Reserve Bank's target range (3%-6%), with core inflation (+3.8%) remaining muted, but headline inflation, which includes the volatile food and energy categories, more elevated (+5.9%). SA's move towards fiscal consolidation received positive news during the month, as data for the full 2021/22 fiscal year indicated that revenue was R33 billion above the original budget estimate and expenditure was R9 billion lower. This translates to an improved deficit to GDP ratio of 4.9%, compared to the original estimate of 5.5%.

The rand reversed course during April, giving back a significant portion of its Year-to-Date gains against the major developed market currencies. The rand, which has held up remarkably well in the face of souring risk appetite, could not hold up against a surging US dollar in April and was the worst-performing major currency for the month (-7.6% vs the US dollar). While most currencies fared poorly against the US dollar in April, the rand's woes were exacerbated by domestic issues, with Eskom implementing rolling blackouts during the month and extensive flooding in KwaZulu-Natal and the Eastern Cape. The severity of the flooding forced the country to declare a state of disaster after more than 400 lives were lost, roughly 5,000 homes were destroyed, and significant damage to infrastructure was caused.

Miners have been a key driver of the strong local market performance but were generally weaker in April as production reports disappointed, hampered by unusually high rainfall, COVID-related labour problems, and equipment issues. Weak iron ore prices (-8.5% in April) also provided a headwind. Weaker gold and platinum group metal (PGM) prices also dragged the miners of those resources lower for the month. Banks and insurers (-7% for the month) were amongst the weakest performers, while local listed property also ended the month lower, as poor performance from large index constituents including Redefine (-5.2%), Resilient (4.9%) and Growthpoint (-4.1%) acted as a headwind to the performance of the asset class. JSE-listed companies with foreign earnings benefitted from a weaker currency (AB Inbev +4.1%, British American Tobacco +7.7%). Domestically listed investment companies, Naspers and Prosus (-3% in April) also benefitted from a weaker currency and an 11% rally on the last day of the month from their largest underlying investment, Chinese tech conglomerate, Tencent, that somewhat salvaged April for them. The late-month rally was driven by reports that the Chinese government would support the healthy growth of platform companies, an apparent U-turn from the past couple of years of increasing regulatory headwinds.

Index	Value	Apr (%)	YTD (%)
All Share	72,438	▼ 3.7%	▲ 0.0%
S&P 500	4,132	▼ 8.7%	▼ 12.9%
FTSE 100	7,545	▲ 0.8%	▲ 3.7%
Rand/USD	15.82	▲ 8.2%	▼ 0.9%
Rand/GBP	19.86	▲ 3.2%	▼ 8.1%
Gold (\$)	1,909	▼ 2.0%	▲ 4.5%
Plat (\$)	938	▼ 5.5%	▼ 2.8%
Brent (\$)	109.34	▲ 1.3%	▲ 40.6%

High Inflation and Low Growth Leads Markets Lower

The first quarter had been a difficult one for balanced portfolio investors, and unfortunately, the first month of the second quarter provided no respite, with losses experienced in both equity and bond markets once again. What started as an adverse reaction to the threat of higher interest rates required to tame persistently high inflation, turned into a collapse in response to Russia's invasion of Ukraine. Events such as wars tend to be outside the usual risk parameters set by markets, extending more into the realm of uncertainty, which, by its nature, is harder to price. A myriad of factors dragged down major indexes as April proved to be a devastating month for global equities. Expectations of a 50-basis-point hike by the Federal Reserve are lifting yields to new highs; whilst the war in Ukraine and the Covid-19 outbreak in China are threatening to further exacerbate supply chain issues and boost prices. As a result, the MSCI All Country World Index lost 8.1% in April leaving it 12.8% lower since the start of the year. Developed markets were the biggest drag with the MSCI World Index losing 8.4% as compared with -5.8% for the MSCI Emerging Markets Index.

Up to the previous quarter, leading US technology shares had been fairly well-insulated from the market rout, but even this changed in April as bellwether shares Amazon, Netflix, Google and even Apple sagged under the burden of slowing growth and elevated costs. Investors saw a 24% share price drop in Amazon over the month, as its 1Q22 e-commerce sales fell and costs increased sharply, and a 50% plunge in the Netflix share price, as it saw subscriber numbers fall for the first time in a decade. These big tech, growth juggernauts pulled the Nasdaq down more than 13% experiencing its worst monthly drawdown since 2008. Amongst the sectors, only S&P 500 consumer staples were able to eke out a positive return (+2.4% for the month) as investors sought out the relative safety of non-discretionary spending categories. S&P 500 companies began reporting earnings, with the 55% of companies reporting during April delivering earnings that grew slightly ahead of expectations. Although, this did little to cheer investors, with management of companies continuing to highlight inflationary pressures and China's lockdowns, including factory shutdowns, and resulting supply chain bottlenecks posing a risk to their outlook.

There was no safe-haven in bonds, nor in commodities. The US 10-year yield rose another 0.5%, reaching 2.935% at month end. Crude oil traded in a \$10 range, caught between upward pressure from Russian sanctions and downward pressure from Western strategic stock releases but ended April at \$109 per barrel and gold closed April at \$1,897 per ounce, down 2.1% over the month. Copper lost 5.7%, Iron Ore 4.4%, gold and platinum were down 2% and 5% respectively. Only palladium bucked this weaker trend, staging a late rally to close up 2%. Natural gas prices, however, could only go one way – up. Western Europe's Faustian contractual dependence on Russian gas supply meant that there could be no clarity on the ultimate impact of the Ukrainian conflict on European economic growth and inflation, and clouded debate on the likely peak of global inflation pressures.

Looking ahead, the macroeconomic picture remains uncertain. Economic growth is slowing more rapidly than envisaged at the start of the year, and inflation pressures are stickier. The International Monetary Fund cut its global growth forecast again for 2022, to 3.2%. In the case of an embargo on Russian oil and gas, growth could deteriorate even further. Nevertheless, market prices have adjusted very rapidly to unfolding events, and bearish positioning is now extreme. It is a testing time for both policymakers as well as investors.

Investing can be emotional, but do not be tempted to deviate from your plan. By focusing on long-term fundamentals and taking emotions out of the investment decision-making process, investors can better navigate through market volatility or unpredictable market conditions with confidence that their long-term financial plans are secure.

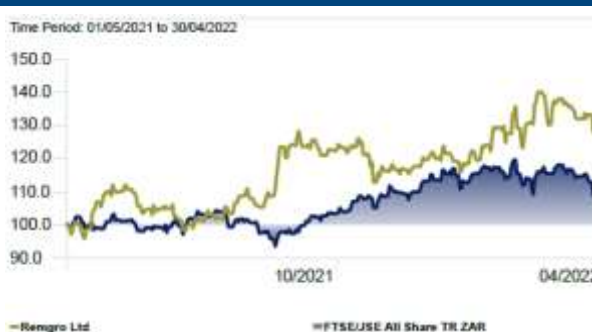
With this in mind, Private Client Holdings was privileged to host an Epic Investments Webinar with Allan Bothma, Portfolio Manager and Senior Equity Analyst at Private Clients, and Tavonga Chivizhe, Chief Investment Officer at Boutique Investment Partners. Tavonga and BIP act as independent consultants to our Private Client Investment Committee and provide extremely valuable input which assists us in our portfolio construction process.

During the webinar Allan and Tavonga focused on the impact of the war in Ukraine and associated geopolitical risks, COVID lockdowns and inflation, and the impact these factors have on growth assets and how we have positioned our clients' portfolios. Tavonga lent his considerable expertise to the topic and also answered a series of question regarding where the opportunities may lie. To watch the webinar recording please follow this [link](#).

Company Results

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

Earnings per share	R12.75
Historical PE	10.2
EPS growth	139.4%
Turnover growth	12.6%
ROE	7.8%
Debt/Equity	18.1%
NAV per share	R202.47
Dividend yield	0.8%
Share price	R131.15



Nature of Business

Remgro Ltd. is an investment holding company, which engages in the investment business. It operates through the following segments: Financial Service, Healthcare, Consumer Products, Industrial, Infrastructure, Media and Sport, Other Investments, Central Treasury, and Other Net Corporate Costs/Assets. The company was founded by Anthony Edward Rupert in 1940 and is headquartered in Stellenbosch, South Africa.

Latest Results

The first half of Remgro's financial year continued to be a rollercoaster, with the fallout of the July violent unrest and the threat of the fourth wave of the Covid-19 pandemic, amidst a slow vaccination progress, which saw the global community impose further travel bans on South Africa.

Remgro's commitment to its investment philosophy and underlying investments has seen a robust recovery in financial performance compared to the previous period with the majority of financial metrics ahead of pre-pandemic levels. The positive operational momentum, as well as the expected benefits from the recent transformative corporate actions sees Remgro encouraged by its future prospects as it remains committed to shape the future and partner for South Africa's prosperity for the benefit of all her people.

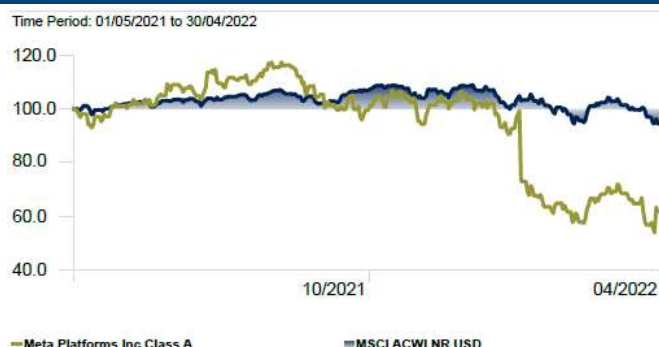
Remgro's intrinsic net asset value per share increased by 14.2% from R177.33 at 30 June 2021 to R202.47 at 31 December 2021. The closing share price at 31 December 2021 was R131.15 (30 June 2021: R114.60) representing a discount of 35.2% (30 June 2021: 35.4%) to the intrinsic net asset value.

Dividend

The company has given notice that an interim gross dividend of 50 cents (2020: 30 cents) per share has been declared out of income reserves, for the six months ended 31 December 2021.

Meta Platforms Inc. – First quarter results for period end 31st March 2022

Earnings per share	\$13.23
Historical PE	16.8
EPS growth	-17.4%
Turnover growth	12.1%
ROE	29.1%
Debt/Equity	11.9%
NAV per share	\$45.40
Dividend yield	0%
Share price	\$222.36



Nature of Business

Meta Platforms, Inc., engages in the development of social media applications. It builds technology that helps people connect, find communities, and grow businesses. It operates through the Family of Apps (FoA) and Reality Labs (RL) segments. The FoA segment consists of Facebook, Instagram, Messenger, WhatsApp, and other services. The RL segment includes augmented and virtual reality related consumer hardware, software, and content. The company was founded by Mark Elliot Zuckerberg, Dustin Moskovitz, Chris R. Hughes, Andrew McCollum, and Eduardo P. Saverin on February 4, 2004, and is headquartered in Menlo Park, CA.

Latest Results

Meta's first quarter results & second quarter outlook were essentially in-line with recently reduced expectations, and a sigh of relief that they were no worse than feared. Revenue of \$27.9B grew 7% since the same period of last year and came in at the mid-point of the \$27B-\$29B guide. Tough competition, slowing ecommerce, & iOS headwinds weighed on growth during the quarter, & as seen with other ad names, growth decelerated further post the Russia invasion.

Management expect second quarter 2022 total revenue to be in the range of \$28-30 billion. This outlook reflects a continuation of the trends impacting revenue growth in the first quarter, including softness in the back half of the first quarter that coincided with the war in Ukraine. Facebook daily active users (DAU's) were 1.96 billion, up 4% or 82 million compared to last year. DAUs represented approximately 67% of the 2.94 billion monthly active users (MAU's) in March. MAUs grew by 83 million or 3% compared to last year.

Dividend

Meta Platforms, Inc.'s does not pay a dividend, which is in-line with the Internet - Software industry. The market for online advertising is still evolving and growing, making revenue estimates on companies operating within the space difficult to gauge. This is part of the reason social media companies tend not to pay dividends.

Snippets

Private Client Holdings Sponsor Mari Rabie and Hayley Preen Powerhouse Cape Epic Team – With Great Results!

PCH were pleased to sponsor a dynamic powerhouse ladies' duo in the recent Absa Cape Epic cycle event. This gruelling eight-day mountain-bike stage race is known for having a different route each year, but usually involves a distance of about 700km and 17 250m vertical ascent. The race must be completed by both members of a two-person team with only 680 teams allowed to compete each year. Mari Rabie and Hayley Preen placed 3rd on three days and finished 4th overall. A phenomenal achievement!

[Click here to read more](#)

Corporate Cash Manager Rates

FUND	BALANCE	RATE
CALL ACCOUNT	0.00 – 9 999.99	3.90
	10 000 – 24 999.99	3.90
	25 000 – 49 999.99	3.90
	50 000 – 99 999.99	3.90
	100 000 – 249 999.99	3.90
CALL MONEY FUND: <i>Individuals</i>	250 000 – 999 999.99	4.67
	1 000 000 – 9 999 999.99	4.67
	10 000 000 upwards	4.67
CALL MONEY FUND: <i>Non-Individuals</i>	250 000 – 999 999.99	4.47
	1 000 000 – 9 999 999.99	4.47
	10 000 000 upwards	4.47

Dividends Payable

Dividends in LDT order					
Company	Decl	LDT	Pay	Amt	Curr
Anheuser-Busch InBev SA/NV (AB INBEV)	24-Feb	03-May	09-May	50	EURc
Capitec Bank Holdings Ltd. (CAPITEC)	11-Apr	03-May	09-May	2440	ZARc
Capitec Bank Holdings Ltd. (CAPITEC)	11-Apr	03-May	09-May	1500	ZARc
Exxaro Resources Ltd. (EXXARO)	03-Mar	03-May	09-May	1175	ZARc
Exxaro Resources Ltd. (EXXARO-A2X)	03-Mar	03-May	09-May	1175	ZARc
PSG Konsult Ltd. (PSG KST-NSX)	13-Apr	03-May	09-May	22	ZARc
PSG Konsult Ltd. (PSG KST)	13-Apr	03-May	09-May	22	ZARc
Lighthouse Properties plc (LIGHTPROP)	11-Apr	03-May	10-May	1.61	EURc
Netcare Ltd. (NTC PREF)	08-Apr	03-May	09-May	299.43	ZARc
Thungela Resources Ltd. (THUNGELA)	22-Mar	03-May	09-May	1800	ZARc
Zeder Investments Ltd. (ZEDER)	13-Apr	03-May	09-May	92.5	ZARc
SBN Holdings Ltd. (SBN HOLDINGS)	24-Mar	06-May	27-May	15	NADc
AfroCentric Investment Corporation Ltd. (AFRO-C)	15-Mar	10-May	16-May	17	ZARc
Stadio Holdings Ltd. (STADIO)	14-Mar	10-May	16-May	4.7	ZARc
Gaia Fibonacci Fibre REIT 1 Ltd. (GFFR1 A PREFS)	26-Apr	13-May	16-May	103.53	ZARc
Gaia Fibonacci Fibre REIT 1 Ltd. (GFFR1 ORDS)	26-Apr	13-May	16-May	0	ZARc
Letshego Holdings (Namibia) Ltd. (LHN)	03-Mar	13-May	03-Jun	29.52	NADc
Vivo Energy plc (VIVO)	02-Mar	24-May	24-Jun	4	USDc
Paratus Namibia Holdings Ltd. (PARATUS NM)	25-Mar	27-May	17-Jun	10	NADc

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