

Navigating the "Death Zone" Moments of Markets

Why predetermined plans, quality assets and cool-headed discipline trump panic every time.

By Mark MacSymon CFP®, Wealth Manager at Private Client Holdings

On 2 April 2025, President Trump's surprise "Liberation Day" tariffs triggered a sharp global market sell-off. The S&P 500 dropped over 10%, emerging-market currencies tumbled, and social media buzzed with panic.



Yet, in our PCH office, the phones stayed mostly quiet. One of my clients, initially ready to liquidate, ended up buying equities at a discount after revisiting her plan. Another added to his quality holdings. The rest stayed the course.

Why so little drama? Because the real work had already been done. This is the strength of Goals-Based Wealth Management (GBWM) – a disciplined approach that prepares investors before crises hit. Like mountaineers planning their summit strategy at Base Camp, investors must make decisions when their thinking is clear, not in the "Death Zone" of market panic.

In mountaineering, the Death Zone – above 8,000m – is where oxygen is scarce and judgment falters. Climbers pre-commit to logistics, acclimatise gradually, and set a strict turnaround time. Once in the zone, they follow the plan without debate. Investors face similar moments during market crashes, when fear overwhelms logic. The solution is the same: decide before you arrive.

GBWM differs from traditional risk-based models by aligning portfolios with real-life goals – like school fees, retirement, or legacy planning. Each goal has its own timeline, cash flow needs, and risk tolerance. This creates a stack of "money pools": short-term needs are protected in low-volatility assets, while long-term goals are invested in quality growth assets. When crises hit, essential capital remains untouched, and growth assets can be bought at a discount.

A key pillar of GBWM is a bias toward quality equities – companies with strong cash flow, durable competitive advantages, and low debt. These businesses tend to weather downturns better, maintain dividends, and recover faster. While they don't eliminate drawdowns, they reduce the recovery time and support long-term value creation.

TO HELP CLIENTS STAY GROUNDED DURING TURMOIL, WE USE A FIVE-STEP CRISIS PROTOCOL:

1. Check the map – Revisit your GBWM plan. Have your goals changed? If not, stay the course.
2. Measure the weather, not the fear – Focus on data, not headlines. Assess drawdowns against your goals.
3. Radio base camp – Talk to your wealth manager before acting. Test your instincts against the plan.
4. Rebalance, don't retreat – If equities are underweight, top them up. Crises offer buying opportunities.

5. Keep climbing at your pace – Don't act just to feel in control. Trust the plan and conserve energy.



That's the quiet power of planning and discipline - how you summit your financial Everest without gasping for air.



These steps are like a climber's fixed ropes – tools that turn chaos into clarity.

Ultimately, planning beats prediction. We can't forecast market shocks, but we can control how we prepare. A robust GBWM plan, quality portfolios and a rehearsed crisis response turn market turmoil into a manageable event - not an existential threat.

One month after Liberation Day, the panic looks minor on a long-term chart. But it served as a powerful audit. Our clients' essential needs were protected, growth assets were bought at discounts, and anxiety remained low.



Mark MacSymon CFP®





The Director's Desk



2025 has certainly had its share of market turmoil, with a lot of noise coming from the West and President Donald Trump. As Mark MacSymon so eloquently outlines in the cover article, the quiet power of planning and discipline and a robust GBWM plan, quality portfolios and a rehearsed crisis response can turn market turmoil into a manageable event - not an existential threat. While we're not yet out of the woods when it comes to Trump's tariff frenzy, I hope you are reassured that your wealth management plan has been built to weather these storms.

Understanding and improving our client experience is ongoing as you will read, and we are excited to blend both our client and colleague experiences into our PCH CX³ theme for 2025 and embrace our company values of professionalism, trust and client centricity.

At PCH, we have been incorporating philanthropy into our clients' wealth management plans for many years.

It is encouraging to see that philanthropy is no longer just about tax efficiency or legacy planning but about aligning wealth with personal values and societal impact. HNW individuals and families continue to work with our wealth advisors to develop philanthropic strategies that reflect their passions and long-term goals. When integrated thoughtfully into a wealth management plan, philanthropy becomes a powerful expression of purpose, values and vision.

Kind Regards,
Grant Alexander



HAVE YOU HEARD?

Wealth Management for Women

Nicola Langridge hosted an event at the picturesque Plaisir Wine Estate, bringing together women from diverse backgrounds to explore the path to financial empowerment. As a Certified Financial Planner® with a passion for guiding women through their unique financial journeys, Nicola shared insights on investment strategies, long-term planning and building financial confidence. Private Client Trust fiduciary specialist, Elmien Pols CFP® FPSA® TEP, highlighted the importance of bespoke financial advice in achieving lasting security and independence. Winemaker, Bea Kluyts, presented a guided tasting of delicious Plaisir wines.

Wynberg Boys High Golf Day

Wynberg Boys High School hosted a fundraising Golf Day at Westlake Golf Course, uniting alumni, parents and sponsors in support of school development initiatives. The event was proudly supported by Chris Fraenkel CFP® (PCH Corporate Stewardship and Employee Benefits Services), and wealth managers, Christian Helmbold CFP® and Andrew Cillie, who are both Wynberg old boys. The day combined spirited competition with a shared commitment to empowering future generations through quality education.



SACS 200 Ithuba Trust Golf Day

The SACS 200 Ithuba Trust initiative hosted a successful Golf Day at Westlake Golf Course. This Ryders Cup format event brought healthy competition between alumni and parents to raise funds for the Trust, which empowers talented boys from disadvantaged backgrounds to access quality education at SACS. The day combined friendly competition with a shared commitment to opportunity, unity and the transformative power of education through giving. PCH wealth manager, Luke Hirst CFP®, a proud SACS parent, is a great supporter of this important initiative.



UCT Cycling Club - powered by PCH

The UCT Cycling Club's Orientation Day welcomed new and returning members and introduced students to the club's culture, training schedules and upcoming races. The day fostered camaraderie, encouraged active lifestyles and showcased the club's commitment to both competitive and recreational cycling within the UCT student community.

Vineyard luncheon with Warren Buys

Wealth manager, Warren Buys CFP®, hosted a luncheon at The Vineyard Hotel with Malcolm Charles of Ninety One as the guest speaker. The event brought together clients and financial

professionals for insightful discussions on market trends and the evolving investment landscape in South Africa and internationally. Malcolm shared expert perspectives on navigating volatility and identifying value in assets while Warren emphasised the importance of the PCH Family Office approach to wealth management. Please contact Warren if you are interested in attending one of these luncheons (warren@privateclient.co.za).



Springfield Carnival

Springfield Convent's fundraising carnival is an annual celebration of community and creativity that brings together families, friends and alumni for a fun-filled day. With stalls, games and performances, the carnival raises vital funds to support school initiatives to enhance the student experience. PCH Springfield parents, Andrew Ratcliffe CFP® and Marsan Cooper, are proud to be part of this tradition that reflects the spirit of Springfield in fostering unity and giving back.

Philanthropy in South Africa: Evolving trends and its role in your Wealth Management plan

Philanthropy is undergoing a significant transformation in South Africa. Once viewed primarily as a charitable obligation or a legacy-building tool for the ultra-wealthy, philanthropy is now being redefined by a new generation of donors, shifting societal needs and a growing emphasis on impact and inclusivity. As these changes unfold, philanthropy is becoming an increasingly strategic building block of comprehensive wealth management plans.

Emerging Trends in South Africa

African philanthropy as a distinct and culturally rooted practice is another key trend. This includes financial donations but also the giving of time, skills and social capital. Family and community-based giving, collective solidarity mechanisms and social investments are gaining traction, reflecting a broader understanding of philanthropy as a tool for social justice and empowerment [1].

Technology is also playing a transformative role. Digital platforms, crowdfunding and AI-driven donor engagement tools make philanthropy more accessible and efficient, particularly for younger generations who value transparency and measurable impact and are more likely to support causes through online campaigns and direct participation [2].

From charity to strategic impact

There is a growing focus in South Africa on long-term impact, sustainability and systemic change. This shift is driven by a deeper understanding of the root causes of inequality, poverty and environmental degradation, and a desire to address these issues holistically. Corporate philanthropy is moving beyond traditional CSR models to embrace employee-driven giving and shared value initiatives. Employees are being empowered to direct charitable funds while businesses are aligning their philanthropic efforts with their core values and operations [2].

Philanthropy as part of a Family Office approach to wealth management

Incorporating philanthropy into a wealth management plan is no longer just about tax efficiency or legacy planning, it's about aligning wealth with personal values and societal impact. HNW individuals and families are increasingly working with wealth advisors to develop philanthropic strategies that reflect their passions and long-term goals. It is where a Family Office approach to wealth management is most valuable.

Some ideas to consider of how philanthropy fits into a modern wealth management plan include the following (please note the PCH service pillars that focus on this area are highlighted in bold):

1. **Legacy and estate planning:** Philanthropy allows individuals to leave a lasting legacy. Trusts, donor-advised funds and charitable foundations can be structured to support causes across generations. **(Private Client Trust - Fiduciary Services)**
2. **Tax optimisation:** Strategic giving can reduce estate and income taxes. In South Africa, donations to registered Public Benefit Organisations (PBOs) are tax-deductible, making philanthropy a smart financial move. **(Private Client Financial - Tax Services)**

3. **Family engagement:** Philanthropy can be a powerful tool for engaging the next generation in family values and financial literacy. Many families use giving to teach responsibility, empathy and stewardship. **(Private Client Wealth Management)**
4. **Impact investing:** Philanthropists are increasingly blending traditional giving with impact investing, allocating capital to ventures that generate both financial returns and positive social outcomes. **(Private Client Asset Management)**
5. **Reputation and influence:** For business leaders and public figures, philanthropy can enhance reputation and open doors to influential networks and partnerships.

Looking ahead

As South Africa continues to grapple with inequality, politics, lack of education and rising unemployment, philanthropy will play a critical role in shaping a more inclusive and resilient society. The evolving landscape, marked by innovation, localisation and strategic intent, offers exciting opportunities for individuals and families to make a meaningful difference.

In 2025, philanthropy is no longer just about giving, it's about investing in the future. And when integrated thoughtfully into a wealth management plan, it becomes a powerful expression of purpose, values and vision.

Please contact one of our PCH wealth managers
<https://www.privateclient.co.za/who-we-are> if you would like to discuss your philanthropic options.



REFERENCES

- [1] PHILANTHROPY ECOSYSTEM IN AFRICA: PROPOSALS TO STRENGTHEN LOCALISATION ...
- [2] PHILANTHROPY IN 2025: TRANSFORMATIONS, CHALLENGES AND OPPORTUNITIES

Each year, we embrace a theme to encourage increased internal proficiency and growth - always with the focus on Nurturing Wealth for our clients. Winning the Krutham Top Boutique Wealth Management Company Award in 2024 bolstered our confidence that our strategy remains sound.

The theme for 2025 is CX³, which builds on our 2023 (client experience CX) and 2024 (colleague experience CX²) themes and embraces our company values of professionalism, trust and client centricity.

CX³ highlights recent innovations to our value proposition to make it more compelling and competitive and supports our focus on five main areas, demonstrating our agility and adaptability to changing market conditions.

1. PCH management development programme

From June, 30 PCH leaders from across the business will create bespoke development plans to enhance their skills and aid in their own personal and professional development.

2. Increased fintech and paraplanning capability

The complexity of the technology we require to provide the level of service we demand for our clients was a big part of our PCH CX² client journey mapping process in 2024. This process highlighted pain points, which are being resolved, and best practice, which is being recognised and duplicated.

Our new PCH Fintech team engage with the wealth management, asset management, fiduciary and tax teams to ensure that technology maximises client service and wealth growth for our clients. Clients can access accurate and up-to-date information on their investments via our PCH client portal, an important part of the trust we build with clients.

3. Compliance independence

The restructuring of our PCH Compliance team into an independent service within the group has seen an important change to our value proposition and ensures that all processes are compliant and that team members are supported.

4. Building additional cross-border Fiduciary and Tax capability

Our highly qualified Fiduciary and Tax teams enable us to cover a broad range of our clients' wealth management needs. We also partner with tax advisors, custodians, trustees, bankers, probate officers, etc. both offshore and domestically to ensure that our clients' and their family's global footprint wealth management needs are met.



5. Tailored solutions to address the unique needs of multi-generational families

Our STEP-accredited fiduciary specialists focus on estate and succession planning, while our wealth managers apply a goals-based approach to wealth management to ensure clients meet their long-term investment goals, aligned with the family's wealth management philosophy.



THE PCH TEAM ARE EMBRACING THE CX³ THEME BY ATTENDING A VARIETY OF IMPACTFUL WELLNESS INITIATIVES:

- A self-defence workshop with Sanette Smit, the author of The South African Woman's Guide to Self-Defence and a prominent figure in female empowerment together with Margaret Neethling.
- An energy healing session with Lauren Rohloff who unpacked the body's chakras and thoughtfully gave each delegate a rose quartz to encourage compassion and self love in the workplace.
- Kelly Jacobs presented a lecture on Health & Wellness focusing on self-care and mental health and offering practical exercises to create a safe space for overall well being.
- Nadia Mulder from the Green Dietitian shared insights on healthy eating, emphasising variety, prevention, a positive relationship with food and consistency.
- Matt Stow's practical breathing workshop was a powerful opportunity to reconnect with the body, calm the mind and release emotional tension through techniques, such as box breathing, which helps regulate breathing, reduce stress and improve focus.
- Olivia Bloomer led a Pilates and stretch session, demonstrating practical stretches that can be done at your desk, making it easy to do every day.

Securing a legacy

By Gareth Lange CFP®, Wealth Manager at Private Client Holdings



The need for a comprehensive and up-to-date estate plan cannot be overstated. The true architect of enduring wealth is investing in high-quality companies whose value grows and compounds over time.

A well-thought-out estate plan helps prevent disputes among family members by clearly outlining your intentions regarding the distribution of your assets.

Estate planning documents, such as wills, codicils, trust deeds and living wills are used to carefully express your wishes and to map the process to be followed when you die, ensuring the smooth transfer of wealth. They are also particularly useful for complex family structures.

WHY IS ESTATE PLANNING IMPORTANT?

1. **Provides for dependants:** Dependants include minor children, elderly parents or disabled family members.
2. **Minimises taxes:** Strategic estate planning can minimise the tax liabilities associated with transferring assets to your heirs, potentially saving your beneficiaries significant sums of money.
3. **Protects assets:** Estate planning protects your assets from creditors, lawsuits and other legal claims.
4. **Estate liquidity:** Estate liquidity is critical to cover estate costs and liabilities without affecting the financial inheritance intended for your beneficiaries. "It's important to note that SARS and your creditors are paid first during estate administration. If there is insufficient liquidity, your beneficiaries may be forced to sell some of your assets to pay off debts," cautions Lange.
5. **Beneficiary nomination:** It's important to understand how beneficiary nomination works for each type of policy and investment. Nominations should be regularly updated as your personal and financial circumstances evolve.
6. **Appropriate structuring of growth assets:** Long-term growth assets are placed in the proper investment vehicles.
7. **Efficient estate administration.** Avoids unnecessary delays.

However, there are a few considerations that must not be overlooked. Individuals with foreign assets should consider a foreign Will as well as a local Will. Most countries have their own laws regarding succession and the drafting of Wills. In terms of the Estate Duty Act, if the deceased was a South African resident at the time of death, their worldwide assets are included for the purpose of calculating estate duty. Similarly, marital regimes or life partnerships have consequences when it comes to estate planning.

WHAT ESTATE PLANNING TOOLS ARE AVAILABLE?

- **Testamentary trust:** These are employed where children under the age of 18 lack contractual capacity (and) or are not capable of inheriting directly, for example, someone with special needs.
- **Inter vivos trust (living trust):** This tool reduces your estate duty liabilities by pegging the value of assets in your personal estate and allowing the growth of the assets to take place in the trust. This trust is established during your lifetime to manage and protect assets for your beneficiaries.
- **Donations:** Donations are used to reduce the value of your estate (R100 000 annual exemption). Donations between spouses are exempt from donations tax, while donations to certain Public Benefit Organisations are also exempt, subject to certain thresholds.
- **Section 4q deductions:** No estate duty is payable on bequests to your spouse, including proceeds from a domestic life policy.
- **Bequests:** A cash legacy may be bequeathed to a beneficiary in your Will, but you must ensure that there is sufficient liquidity in the estate to honour the bequest.
- **Insurance policies.** Proceeds of domestic life policies can be excluded for estate duty purposes or may be deductible in examples such as life policies or key-person and buy-and-sell assurances in favour of a spouse.
- **Living annuities.** These excellent succession planning tools don't attract estate duty or executor fees. Beneficiaries have the option of transferring the living annuity into their own name, taking it as a lump sum or a combination of the two with almost immediate access.

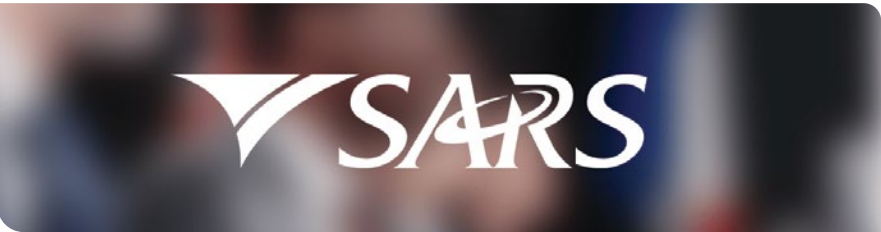
Your estate plan should be reviewed at least once every three to five years or whenever significant life events occur, such as marriage, divorce, births and deaths of family members as well as at times of changes in your financial circumstances or relocation to another country or jurisdiction with different estate planning laws.

Given the complexity of robust estate planning, and as estate planning laws evolve, it's critical for your estate plan to remain compliant with current legal requirements to maximise benefits for your beneficiaries. Professional advice plays an important role in developing and maintaining a robust estate plan that secures your legacy.



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Disagree with SARS? Here's how the PCF Tax Team can help you



South African taxpayers have a right to dispute a SARS (South African Revenue Service) tax assessment if they believe there has been a misinterpretation of facts or tax law.

However, the dispute resolution process is complex, time-sensitive and requires meticulous documentation. Private Client Financial (PCF) offers expert support to guide clients through this process, ensuring compliance and improving the chances of a successful outcome.

The first step in disputing an assessment is to submit a "Request for Reasons", which clarifies SARS' rationale and forms the basis for a strong objection. This must be followed by a "Notice of Objection" (NOO) within 80 business days of the assessment or from the date SARS provides its reasons.

All supporting documents must be submitted within this period. "We can't emphasise enough the importance of maintaining overall tax compliance and up-to-date contact details with SARS, as these factors can influence the outcome," says Sue Blake CFP®, head of the PCF Tax team.

A major challenge for taxpayers is SARS' "pay now, argue later" principle, which requires payment of the disputed amount upfront. To avoid this, a "Request for Suspension of Payment" must be submitted separately and on time.

If granted, it halts collection efforts until the dispute is resolved.

PCF stresses the importance of evaluating the strength of the objection, clearly stating the grounds for dispute and submitting all relevant evidence. "Missing deadlines can jeopardise a taxpayer's rights, but extensions may be requested under valid circumstances," adds Blake.

SARS is bound by specific timelines, such as responding to a "Request for Reasons" within 45 business days and issuing "Outcomes for Objections" within 60 business days.

PCF monitors these deadlines to ensure SARS adheres to them. If an objection is denied, a "Notice of Appeal" can be filed within 30 business days. Taxpayers may also request "Alternative Dispute Resolution" (ADR), which is a faster and more cost-effective option. If unresolved, the matter can be escalated to the tax board, tax court, or even the High Court or Supreme Court of Appeal.

In conclusion, tax disputes require careful planning, timely action and expert guidance. PCF's tax team, led by Sue Blake and Jeremy Burman, offers comprehensive support to navigate the process and protect clients' rights.

For assistance, taxpayers are encouraged to contact PCF directly.



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WHO TO TALK TO

Our Private Client Holdings experts are available to field your questions. Don't hesitate to contact us for wealth management advice.

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SCAN HERE
TO ACCESS
THE PCH TAX
GUIDE



Complete your annual PCF Tax Questionnaire

All PCF tax clients will have received our annual PCF Tax Questionnaire via email. Please complete this detailed online form as soon as possible to ensure that your taxes are paid correctly and timeously. Please don't hesitate to contact the tax team if you have any questions
tax@privateclient.co.za.

CLICK HERE

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