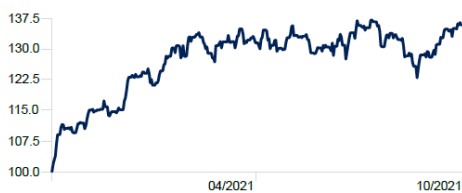



CONTENTS: Market Report | Company Results | Snippets | CCM Rates | Dividends Payable

All Share

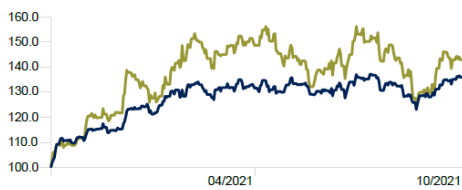
Time Period: 01/11/2020 to 31/10/2021



FTSE/JSE All Share TR ZAR

Resources

Time Period: 01/11/2020 to 31/10/2021

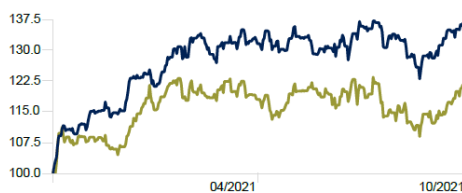


FTSE/JSE Resources 10 TR ZAR

FTSE/JSE All Share TR ZAR

Industrials

Time Period: 01/11/2020 to 31/10/2021

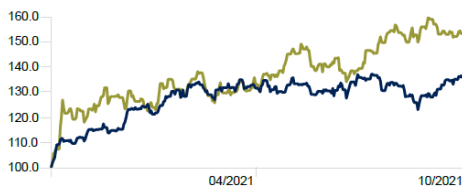


FTSE/JSE Indl 25 TR ZAR

FTSE/JSE All Share TR ZAR

Financials

Time Period: 01/11/2020 to 31/10/2021



FTSE/JSE Financial 15 TR ZAR

FTSE/JSE All Share TR ZAR

Index	Value	Oct (%)	YTD (%)
All Share	67,465	▲ 5.2%	▲ 18.0%
S&P 500	4,605	▲ 7.0%	▲ 24.0%
FTSE 100	7,238	▲ 2.2%	▲ 15.6%
Rand/USD	15.20	▲ 1.0%	▲ 3.5%
Rand/GBP	20.84	▲ 2.7%	▲ 3.8%
Gold (\$)	1,783	▲ 1.6%	▼ 5.8%
Plat (\$)	1,020	▲ 6.1%	▼ 5.2%
Brent (\$)	84.38	▲ 7.5%	▲ 62.9%

Market Report

The JSE starts the 4th quarter very strong

October saw another very strong month for the local bourse as the FTSE/JSE All Share index ended the month up 5.2%, while the Capped SWIX (the Shareholder Weighted Index in which the holdings of Naspers/Prosus is capped) was 2.8% higher. Leading the way was the resources sector as the sub index rose 8.4% with Anglo Gold (+20%), Anglo Platinum (+18.3%) and Implats (+15.3%) delivering much of that outperformance. Industrials were not far behind, gaining 6.7%. Financials, however, detracted from performance, losing 3.2% for the month. Market heavy weight Naspers provided a solid return, reversing some of the prior month losses and gaining just short of 4% for the month but still lagging behind Prosus (+11.2%). Anheuser Busch InBev (the JSE's third-biggest company) soared 8.1% during October, while the share prices of British American Tobacco and Richemont rose 0.7% and 20.9%, respectively. November is likely to be an interesting month in South African stock markets, as several companies deliver their third-quarter earnings reports. Many companies were badly affected by the looting in July, and this is likely to have had an impact on earnings per share.

A combination of factors weighed on the local currency, ranging from purely domestic issues to global market sentiment. On the domestic front, stage four load-shedding, implemented at short notice by Eskom, is likely to have weighed on investor sentiment, as did uncertainty ahead of the 1 November election. On the international front, the Fed's warning regarding the normalisation of interest rates sent global bond yields higher, dimming the lustre of riskier assets such as the Rand. Over the course of the month, the rand depreciated by 1.4% and on a Year-To-Date basis, the local unit has declined by 3.7% against the US dollar.

This has not boded well for motorists, who were already facing rapidly climbing petrol costs. Over the course of the year, the petrol price has increased by a whopping R4.68 (inland for unleaded 95) – an increase of more than 33%. To date, this increase has not been fully passed on to consumers, but inflation is hotting up. It accelerated in September 2021 to 5% vs August's 4.9% print, above the 4.5% mid-point target of the South African Reserve Bank. The increase was mostly driven by the food and non-alcoholic beverages; housing and utilities; and transport categories. With inflationary pressure beginning to build, the SARB may well feel the need to tweak interest rates. Whilst the Bank has thus far held back, it may be forced to reconsider at the next meeting of the Monetary Policy Committee (18 November). The Quarterly Projection Model indicates that a 25bps hike in the repo rate is on the cards in the fourth quarter of 2021. South Africans headed to the polls to cast their ballots in the local government elections on 1 November. Analysts predicted that voter turnout would be poor, as the general populace became more disillusioned with the political process. It was also predicted that there would be more hung councils, where no outright winner could be declared and where coalitions would need to be formed. Both the predictions were borne out.

As inflation ticks higher, inflation-hedging assets have become more attractive. Inflation-Linked bonds (ILBs) provided a return of 0.5% for the month, bringing the year-to-date gains to 10.5%. Local listed bonds had a lacklustre month, and the All-Bond Index (ALBI) closed 0.5% lower. The local listed property had a dismal end to the month, losing more than 1% on the last trading day. This, perhaps, is partly a reflection of the political uncertainty ahead of the local government elections. The All-Property Index (ALPI) closed 1.39% lower.

After a horrid September developed markers rebound in October

It has been an exceptionally strong year-to-date in equity market returns. With many warning that the absolute level of growth will have peaked on the anniversary of the widespread Covid lockdown of Q2 2020, one could have been forgiven for being cautious entering the final quarter of the year. Any such caution would have been misplaced. Developed Market equities again rallied hard in October, posting strong gains across the board, the MSCI World Index posted a return of 5.7% and most notably in the US where the S&P 500 gained 7%, an exceptional monthly return. This can mostly be attributable to earnings expectations for the third quarter

being largely ahead of consensus, lifting major indices. Around 50% of S&P 500 companies reported quarterly results by the end of October, with over 80% of them beating consensus analysts' earnings estimates, according to Refinitiv. The factors behind this risk-on sentiment returning to equities were subtle. There was no significant improvement in the precarious Evergrande debt position, nor reason to worry less about global inflation triggers, rising Covid cases in many Northern Hemisphere countries, and supply chain disruption. However, there was no real "new bad news" in any of these areas. As a result, investors focused once again on pent-up demand from the past eighteen months of suppressed economic activity, and corporate profit growth exceeding high expectations. Reopening of transatlantic air travel by the US gave new impetus to the expectations of a return to "normality". Chinese technology shares also regained some lustre in the absence of any new regulations. Overall, Emerging Markets gave a lacklustre performance, with fears of a slowdown in Chinese industrial growth spilling over elsewhere. The MSCI EM closed just under 1% higher. Within Emerging Market, however, widely disparate performance numbers were evident, with Russian equities the only real star performer.

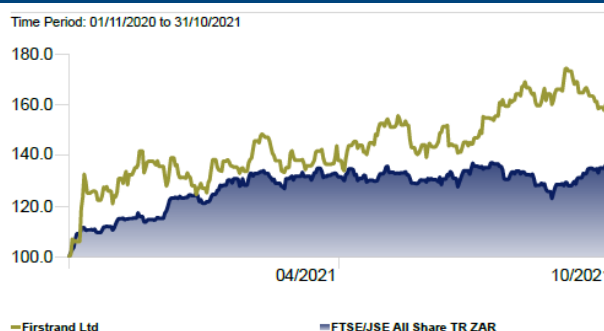
Bond markets continued to wrestle with when central bankers (notably the Fed) would become more concerned with inflationary pressures in the global economy and end the very easy monetary conditions in place. Shorter ends of yield curves shifted significantly higher with interest rate tightening expectations being pulled forward across the globe. Tapering of asset purchases by the Fed is almost certain to begin at the upcoming November FOMC meeting, but the US rates market has been quick to price in interest rate hikes as early as July next year in response to an intensification in inflation pressures. Further interest rate hikes were also delivered by central banks of emerging market peer countries such as Brazil (who are responding to inflation pressures significantly above their targets).

On the commodity front, benchmark Brent crude oil prices rallied 7.5% in October (+62.9% since the start of the year). After reaching a monthly average low of below US\$30 a barrel in April 2020, the price of black gold has since risen to over US\$84 per barrel, ending October at US\$84.38 per barrel. This comes on the back of higher demand from China as the country, in the midst of a power crisis, is switching back to older power stations that require oil and coal, while relying less on its more modern natural gas power stations. However, with a critical supply shortage of natural gas and a spike in prices, it has become expensive to use, especially with winter starting in the Northern Hemisphere. After retreating by 3.1% in September, the gold price recorded a turnaround in October – rising 1.5%, although it is still 6.1% down since the start of the year. Iron ore fell by roughly 8.4% in the month (-27.9% for the year), while the price of platinum and palladium soared, gaining 5.7% and 4.8% in October, respectively. Since the start of the year the price of platinum is down 4.7%, while palladium is 18.2% lower.

Company Results

FirstRand Ltd. – Audited results for the year end 30 June 2021

Earnings per share	R4.77
Historical PE	11.2
EPS growth	56.9%
Turnover growth	38%
ROE	18.5%
Debt/Equity	35.69%
NAV per share	R27.04
Dividend yield	4.9%
Share price	R53.59



Nature of Business

FirstRand Ltd. operates as a holding company. The firm engages in the provision of banking, insurance and investment products and services to retail, commercial, corporate and public sector customers. It operates through the following segments: FNB, RMB, WesBank, Aldermore and FCC and Other. The FNB segment represents the company's activities in the retail and commercial segments. The RMB segment covers the group's activities in the corporate and investment banking segments. The WesBank segment composes of the group's activities in the instalment credit, fleet management and related services in the retail, commercial and corporate segments. The Aldermore segment focuses on specialist lending across the following areas: asset finance, invoice finance, small-medium sized enterprises, commercial mortgages, residential mortgages and buy-to-let. The FCC and Other segment deals with group-wide functions, including group treasury, finance, tax, enterprise risk management, regulatory and conduct risk management and internal audit. The company was founded in 1966 and is headquartered in Johannesburg, South Africa.

Latest Results

Pre-provision operating profit increased 5%, demonstrating the resilient underlying performances from FNB, RMB and Group Treasury. FNB's pre-provision profit performance demonstrates its operational adaptability and strong franchise. As South Africa's leading digital bank, FNB continues to fulfil origination, account service and liability gathering digitally. Deposit growth remained strong with retail and commercial segments benefiting from active customer base growth. Overall net interest income (NII) increased 3% despite the negative endowment impact resulting from the 300 bps cuts in interest rates since December 2019. This impact was partially offset by higher capital levels and deposit volumes, and the benefit of Group Treasury's asset and liability management (ALM) mitigation strategies to protect earnings. Lending NII decreased due to the decline in advances and increased competition, which was to some extent offset by mix change.

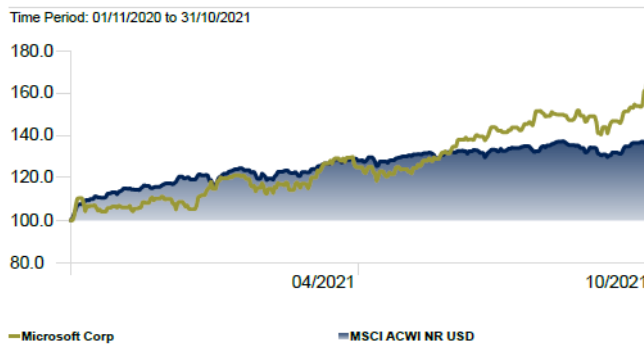
The group's CET1 ratio strengthened further to 13.5% (2020: 11.5%), which is well above its internal target range of 11.0% to 12.0%. In line with FRM principles, both NAV and CET1 have been accretive over the year as the group increased its focus on risk-weighted assets optimisation and efficient use of financial resources.

Dividend

For the six months to 31 December 2020, the FirstRand board repositioned the dividend cover into the bottom end of the group's target range of 1.8 to 2.2 times, in anticipation of the expected medium-term growth in the economies in which the group operates. The group continues to accrete capital, resulting in a healthy CET1 level, which provides sufficient capacity for growth. The board is therefore comfortable to maintain a dividend cover of 1.8 times for the year and considers this level of distribution to be appropriate and sustainable over the medium term.

Microsoft Corporation – Results for the 1st quarter ending 30 September 2021

Earnings per share	\$2.71
Historical PE	31.5
EPS growth	23.1%
Turnover growth	22%
ROE	49.3%
Debt/Equity	51.9%
NAV per share	\$20.24
Dividend yield	0.2%
Share price	\$281.92



Nature of Business

Microsoft Corp. engages in the development and support of software, services, devices, and solutions. It operates through the following business segments: Productivity and Business Processes; Intelligent Cloud; and More Personal Computing. The Productivity and Business Processes segment comprises products and services in the portfolio of productivity, communication, and information services of the company spanning a variety of devices and platform. The Intelligent Cloud segment refers to the public, private, and hybrid serve products and cloud services of the company which can power modern business. The More Personal Computing segment encompasses products and services geared towards the interests of end users, developers, and IT professionals across all devices. The firm also offers operating systems; cross-device productivity applications; server applications; business solution applications; desktop and server management tools; software development tools; video games; personal computers, tablets; gaming and entertainment consoles; other intelligent devices; and related accessories. The company was founded by Paul Gardner Allen and William Henry Gates III in 1975 and is headquartered in Redmond, WA.

Latest Results

Microsoft delivered a strong start to the fiscal year with Microsoft Cloud generating \$20.7 billion in revenue for the quarter, up 36% year over year. Office 365 Commercial revenue grew 23% driven by seat growth, up 17% with continued momentum in small and medium business and frontline worker offerings, and higher revenue per user. Office Commercial products revenue declined 13% driven by continued customer shift to cloud offerings, on a low prior year comparable, impacted by a slowdown in transactional licensing. Office Consumer products and cloud services revenue increased by \$135 million or 10% driven by Microsoft 365 Consumer subscription revenue, on a strong prior year comparable. Microsoft 365 Consumer subscribers increased 19% to 54.1 million. Microsoft returned \$10.9 billion to shareholders in the form of share repurchases and dividends in the first quarter of fiscal year 2022, an increase of 14% compared to the first quarter of fiscal year 2021. Cost of revenue increased \$2.6 billion or 24% driven by growth in Microsoft Cloud and Gaming. Gross margin increased \$5.5 billion or 21% driven by growth across each of the business segments.

Dividend

Microsoft Corp. announced that its board of directors declared a quarterly dividend of \$0.62 per share, reflecting a 6 cent or 11% increase over the previous quarter's dividend. The dividend is payable Dec. 9, 2021, to shareholders of record on Nov. 18, 2021. The ex-dividend date will be Nov. 17, 2021.

Snippets

PCH Insight newsletter (Vol. 28)

With the year coming to an end now is a good time to take stock of your affairs and address areas that may need attention. Click here to read the latest edition of our PCH Insight newsletter (Vol. 28) to find out more about employing the services of our PCH Family Office in order to streamline your intergenerational wealth. Perhaps your Will requires updating after changes to your circumstances this year, read the article on Pg. 4 where Sarah Love of Private Client Trust provides insights into Wills and the global investor. The tax implications of crypto currency are featured on Pg. 6. Whatever it is that this rollercoaster year presented you with, our team at PCH is on hand to assist you so that as the last days of 2021 slide away and the new year sets in you can relax knowing that our team are nurturing your wealth now and for generations to come.

Corporate Cash Manager Rates

FUND	BALANCE	RATE
CALL ACCOUNT	0.00 – 9 999.99	3.15
	10 000 – 24 999.99	3.15
	25 000 – 49 999.99	3.15
	50 000 – 99 999.99	3.15
	100 000 – 249 999.99	3.15
CALL MONEY FUND: <i>Individuals</i>	250 000 – 999 999.99	4.07
	1 000 000 – 9 999 999.99	4.07
	10 000 000 upwards	4.07
CALL MONEY FUND: <i>Non-Individuals</i>	250 000 – 999 999.99	3.87
	1 000 000 – 9 999 999.99	3.87
	10 000 000 upwards	3.87

Dividends Payable

Dividends in LDT order					
Company	Decl	LDT	Pay	Amt	Curr
<u>Exchange Traded Funds (ASHGEQFOF)</u>	<u>10-Nov</u>	<u>16-Nov</u>	<u>22-Nov</u>	<u>22.08</u>	<u>ZARc</u>
<u>Exchange Traded Funds (ASHGLOBND)</u>	<u>10-Nov</u>	<u>16-Nov</u>	<u>22-Nov</u>	<u>3.02</u>	<u>ZARc</u>
<u>Bytes Technology Group plc (BYTES)</u>	<u>28-Oct</u>	<u>16-Nov</u>	<u>03-Dec</u>	<u>2</u>	<u>GBPp</u>
<u>Irongate Group (IRONGATE)</u>	<u>27-Oct</u>	<u>16-Nov</u>	<u>03-Dec</u>	<u>4.53</u>	<u>AUDc</u>
<u>MiX Telematics Ltd. (MIXTEL)</u>	<u>28-Oct</u>	<u>16-Nov</u>	<u>22-Nov</u>	<u>4</u>	<u>ZARc</u>
<u>NVest Financial Holdings Ltd. (NVEST)</u>	<u>02-Nov</u>	<u>16-Nov</u>	<u>22-Nov</u>	<u>5.75</u>	<u>ZARc</u>
<u>Octodec Investments Ltd. (OCTODEC)</u>	<u>02-Nov</u>	<u>16-Nov</u>	<u>22-Nov</u>	<u>50</u>	<u>ZARc</u>
<u>Remgro Ltd. (REMGRO)</u>	<u>22-Sep</u>	<u>16-Nov</u>	<u>22-Nov</u>	<u>60</u>	<u>ZARc</u>
<u>Sappi Ltd. (SAPPISACB)</u>	<u>05-Nov</u>	<u>16-Nov</u>	<u>26-Nov</u>	<u>26466</u>	<u>ZARc</u>
<u>Spear REIT Ltd. (SPEARREIT)</u>	<u>26-Oct</u>	<u>16-Nov</u>	<u>22-Nov</u>	<u>33.06</u>	<u>ZARc</u>
<u>Dis-Chem Pharmacies Ltd. (DIS-CHEM)</u>	<u>03-Nov</u>	<u>23-Nov</u>	<u>29-Nov</u>	<u>19.49</u>	<u>ZARc</u>
<u>Datatec Ltd. (DATATEC)</u>	<u>28-Oct</u>	<u>23-Nov</u>	<u>29-Nov</u>	<u>512</u>	<u>ZARc</u>
<u>Exemplar REITail Ltd. (EXEMPLAR)</u>	<u>05-Nov</u>	<u>23-Nov</u>	<u>29-Nov</u>	<u>45.34</u>	<u>ZARc</u>
<u>Invicta Holdings Ltd. (IVT PREF)</u>	<u>09-Nov</u>	<u>23-Nov</u>	<u>29-Nov</u>	<u>322.16</u>	<u>ZARc</u>
<u>Invicta Holdings Ltd. (IVT PREF-A2X)</u>	<u>09-Nov</u>	<u>23-Nov</u>	<u>29-Nov</u>	<u>322.16</u>	<u>ZARc</u>
<u>Universal Partners Ltd. (UPARTNERS)</u>	<u>14-Sep</u>	<u>23-Nov</u>	<u>29-Nov</u>	<u>20.7</u>	<u>GBPp</u>
<u>Afrimat Ltd. (AFRIMAT)</u>	<u>04-Nov</u>	<u>30-Nov</u>	<u>06-Dec</u>	<u>40</u>	<u>ZARc</u>
<u>Afrimat Ltd. (AFRIMAT-A2X)</u>	<u>04-Nov</u>	<u>30-Nov</u>	<u>06-Dec</u>	<u>40</u>	<u>ZARc</u>
<u>Grand Parade Investments Ltd. (GRANPRADE)</u>	<u>11-Nov</u>	<u>30-Nov</u>	<u>06-Dec</u>	<u>88</u>	<u>ZARc</u>
<u>Oasis Crescent Property Fund (OASIS)</u>	<u>26-Oct</u>	<u>30-Nov</u>	<u>06-Dec</u>	<u>41.44</u>	<u>ZARc</u>
<u>Pan African Resources PLC (PAN-AF)</u>	<u>15-Sep</u>	<u>30-Nov</u>	<u>14-Dec</u>	<u>0.92</u>	<u>GBPp</u>
<u>Pick n Pay Stores Ltd. (PICKNPAY)</u>	<u>20-Oct</u>	<u>30-Nov</u>	<u>06-Dec</u>	<u>35.8</u>	<u>ZARc</u>
<u>Raubex Group Ltd. (RAUBEX)</u>	<u>08-Nov</u>	<u>30-Nov</u>	<u>06-Dec</u>	<u>47</u>	<u>ZARc</u>
<u>Redefine Properties Ltd. (REDEFINE)</u>	<u>08-Nov</u>	<u>30-Nov</u>	<u>06-Dec</u>	<u>60.12</u>	<u>ZARc</u>
<u>Textainer Group Holdings Ltd. (TEXTAINER)</u>	<u>05-Nov</u>	<u>30-Nov</u>	<u>15-Dec</u>	<u>25</u>	<u>USDc</u>

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