



THE INVESTMENT ENVIRONMENT

The October 2024 IMF World Economic Outlook suggests that global growth is expected to remain stable at 3.2% in 2024 and 2025. However, notable revisions have taken place beneath the surface since April 2024, with upgrades to the forecast for the United States offsetting downgrades to those for other advanced economies, in particular, the largest European countries. Likewise, in emerging market and developing economies, disruptions to production and shipping of commodities - especially oil - conflicts, civil unrest, and extreme weather events have led to downward revisions to the outlook for the Middle East and Central Asia and that for sub-Saharan Africa. These have been compensated for by upgrades to the forecast for emerging Asia, where surging demand for semiconductors and electronics, driven by significant investments in artificial intelligence, has bolstered growth, a trend supported by substantial public investment in China and India. Five years from now, global growth should reach 3.1% - a mediocre performance compared with the pre-pandemic average. As global disinflation continues, services price inflation remains elevated in many regions. Global headline inflation is expected to fall to an annual average of 5.8% in 2024 and 4.3% in 2025. Risks to the global outlook are tilted to the downside amid elevated policy uncertainty.

Global Equity Markets

During October, global equity markets fell moderately. The FTSE All-World Index (USD) decreased by -1.6% during the month, ending the month 1.6% below its 12-month high, while growing by 31.4% over the past 12 months.

South African Financial Markets

In South Africa, the JSE All Share Index decreased by -0.9% during the month, ending 2.8% below its 12-month high while seeing strong growth of 27.2% over the past 12 months. During the month, the JSE Industrial-25 Index fell -3.0%, the JSE Resources-10 Index increased by 2.5%, and the JSE Financial-15 Index decreased by -0.7%. The ZAR weakened by -1.9% against the USD, the SA Government Bond Index decreased by -2.2% and the JSE SA Property Index fell -2.8%.

Investment Portfolios

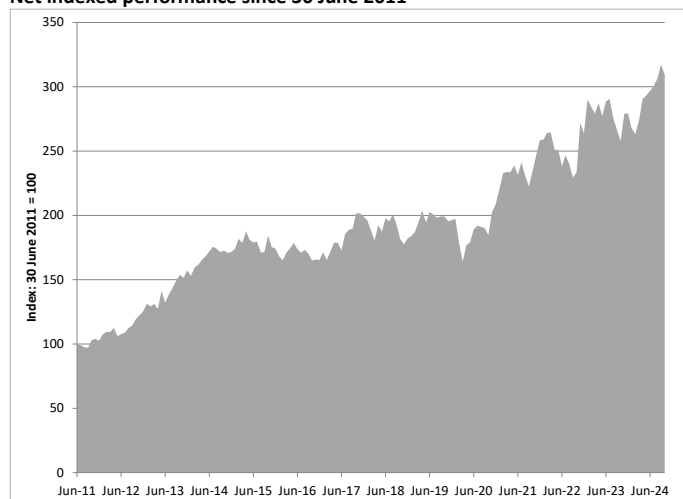
Portfolios continue to see the advantage of broad diversification across multiple risk factor exposures and diverse sources of portfolio return. Market risk exposures remain balanced to reduce the risk of capital loss. Portfolios will continue to be cautiously re-positioned into attractively priced high-quality assets to achieve strong long-term returns.

PORTFOLIO PERFORMANCE

During October, TSB Active Growth Portfolios decreased moderately by -2.41% with 95% of portfolios performing within a range between -2.52% and -2.30%.

Noting that portfolio performance is very cyclical in the short term, over the past 12 months, portfolios performed much in line with expectations, increasing moderately by 20.08%, having achieved a net annualized average growth rate of 13.78% over the past four years, and 8.85% per year, since inception on 30 June 2011*. This can be compared with the annualized average inflation rate of 5.14% over the same period.

Net indexed performance since 30 June 2011



Source: TSB Securities

Strategically, TSB Active Growth Portfolios are well positioned, and the objective remains to add incremental value over time. However, uncertainty in the investment environment and the high level of financial market volatility can be expected to persist therefore, it is necessary for investors to remain disciplined and not overreact to short-term market movements.

Ian Katz

Chief Investment Officer

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2011	-	-	-	-	-	-	-1.04	-1.50	-0.34	6.17	0.86	-1.32	2.65
2012	4.81	1.76	-0.24	2.97	-5.64	1.52	1.05	3.25	1.70	4.26	2.66	2.37	22.02
2013	4.88	-1.62	1.52	-2.97	10.96	-6.43	4.79	3.58	4.08	2.97	-1.45	3.75	25.51
2014	-2.72	4.33	1.31	2.35	1.69	2.21	2.10	-0.80	-1.54	0.68	-1.06	0.39	9.08
2015	1.47	4.49	-1.78	5.03	-3.57	-0.99	0.26	-4.63	0.11	7.56	-4.89	-0.58	1.67
2016	-3.47	-1.93	3.70	1.83	2.51	-2.76	-1.58	1.31	-1.69	-3.17	0.55	-0.33	-5.21
2017	3.75	-3.59	4.03	3.96	-0.01	-3.37	7.46	1.63	0.60	6.15	0.09	-1.22	20.52
2018	-1.47	-3.89	-4.30	6.57	-2.56	5.61	-1.33	2.81	-4.07	-5.80	-2.15	2.47	-8.65
2019	1.18	1.61	4.20	4.53	-4.51	4.20	-1.01	-1.24	0.54	-0.01	-1.89	0.42	7.89
2020	0.55	-9.37	-8.28	7.71	1.33	5.59	1.50	-0.41	-0.52	-2.82	9.69	2.95	6.30
2021	5.58	5.69	0.39	-0.08	2.28	-3.09	4.17	-4.24	-3.63	5.36	5.16	4.82	23.88
2022	0.20	2.12	-0.10	-5.00	-0.02	-5.01	3.51	-2.71	-4.41	1.69	16.61	-3.05	2.07
2023	9.95	-1.98	-1.79	2.89	-3.49	4.05	0.75	-5.24	-3.20	-3.29	8.17	0.18	5.90
2024	-4.16	-1.67	3.91	6.18	0.89	1.24	1.30	1.82	3.64	-2.41			10.82

* 95% Confidence Interval range of portfolio Returns for portfolios that exceed a value of R100 000

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