

WELCOME TO YOUR WEEKLY UPDATE!

This week, we weigh up passive pessimism against active optimism.

ECONOMIC COMMENTARY - DR. FRANCOIS STOFBERG**What to do when things get a lot worse in South Africa**

In the immediate term (three to five years), things can get much worse in South Africa (SA). Each South African must, therefore, decide if they will sit back and blame others or if they will act and make the most of it. In the end, there is one of two decisions: Blaming or changing, which stems from being passive or active, which, ultimately, stems from your worldview (whether you are, generally, pessimistic or optimistic).

The reason it is so simple is because in the (very) long term, let us say 20+ years (although in certain instances cycles can be longer), most things can only either shrink (through passive pessimism or contractionary action) or grow (through hopeful action). Most things cannot stand still/remain unchanged in the (very) long term.

If someone's worldview is, therefore, pessimistic (SA will deteriorate in the long term), then the natural conclusion would be to leave SA because staying would only serve to make someone more pessimistic, which is harmful to the individual and to others. If someone's worldview is hopeful, then the natural conclusion would be to change, grow, learn, and make the most of the currently deteriorating environment. It is worthwhile noting that Warren Buffett and Bill Gates, among others, created their fortunes in similarly dismal macro-environments: Buffett made his first million dollars during the stock market crash of 1962, and Gates founded Microsoft in 1975 during the depths of the 1973-1975 recession.

Hope forces individuals to take responsibility and ownership, to change themselves, to act, and to keep on improving until the environment itself changes. Pessimism, conversely, is mostly passive: It does not take responsibility or ownership, it does not change internally but rather looks outward and blames others. This is because the natural state of many things is deterioration (contraction) but a harvest (abundance or productiveness) is produced through deliberate (hopeful) and often painful action. In some cases, however, pessimism is not only passive (passive pessimism) but actions that are contractionary (contractionary action). Collectively, hopeful individuals who act produce a productive (growing) macro-environment whereas pessimists who remain mostly passive (act contractionary) produce a shrinking economy. Unfortunately, we have seen more of the latter in SA over the last decade or so but it is not something we believe will persist in the long term. We believe that hopeful South Africans will, once again, take responsibility and ownership, grow personally, and force the collective action needed to produce productive change.

Some guidance for those individuals who have decided to stay, which are, by implication, those who have decided to remain hopeful: As the government sector continues to deteriorate, it will, most likely, have to increase taxes and partake in other actions that will lead to further deterioration, perhaps even going into nasty coalitions. Hopeful individuals will, therefore, have to do a lot more and create a lot more wealth. However, something that pessimists do not understand is that, as things get much worse in SA, the government's role and influence will continue to deteriorate, which creates a lot more room in a free democracy for doing things right and for creating wealth. The boom in privatisation, as we have seen in security, electricity generation, and travel, will continue. These are only a few areas where tremendous amounts of wealth have been created by hopeful (action-orientated) South Africans. You might, however, want to consider protecting that wealth by externalising ownership and making hard currency investments.

IN CLOSING

Together with our asset management team at Efficient Private Clients, we will continue to track these macro-economic developments, always considering how this could affect your portfolio, and plan accordingly. Attached, please find our latest update on global indices, currencies, and commodities, as provided by Efficient Private Clients.

Kind regards

Marius du Toit

Managing Director | B.Com; Post Graduate Diploma - Fin. Planning; CFP®

**YOUR WEEKLY
ECONOMIC UPDATE****11 OCTOBER 2023**

t: 021 007 1550
e: info@efbc.co.za

Catnia Building, Bella Rosa Village, Cnr
of Durban Road and Bella Rosa Street,
Bellville, 7530

Efficient Benefit Consulting (Pty) Ltd, is an
authorised financial services provider,
FSP 48026



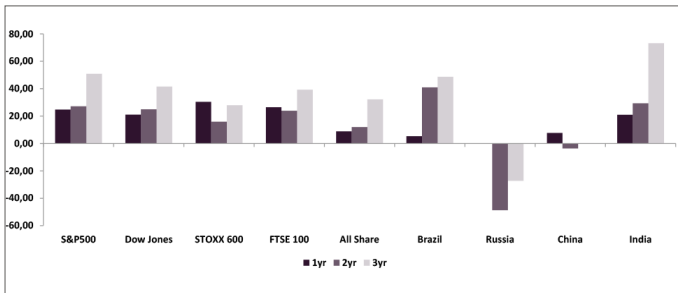
UPDATE

Global Indices, Currencies and Commodities, 11 October 2023

GLOBAL INDICES

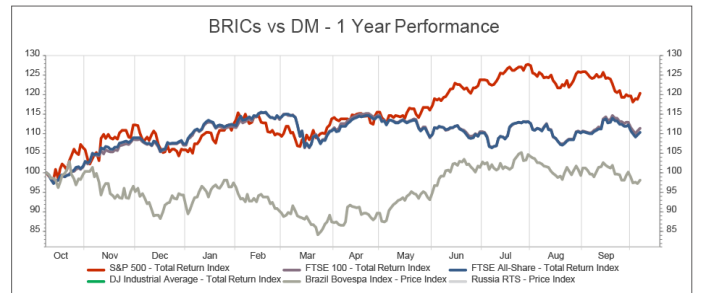
South Africa	Close	1M %	1 Year %	2Y Ann %	5Y Ann %
All Share	71657,25	-3,7%	9%	6%	6%
Top 40	65926,41	-4,1%	11%	7%	6%
Mid Cap	71482,2	-3,3%	-3%	-4%	1%
Small Cap	67320,37	-3,0%	-2%	3%	5%
Resource 20	55512,02	-1,8%	-12%	-2%	5%
Industrial 25	98452,86	-4,7%	23%	10%	8%
Financial 15	16091,14	-4,4%	15%	6%	0%

Asia	Close	1M %	1 Year %	2Y Ann %	5Y Ann %
Nikkei 225	30994,67	-6,8%	13%	6%	5%
Hang Seng	17485,98	-5,2%	-3%	-15%	-8%
Shanghai	3110,4753	0,4%	2%	-7%	2%
India SENSEX	65995,63	0,2%	13%	6%	14%

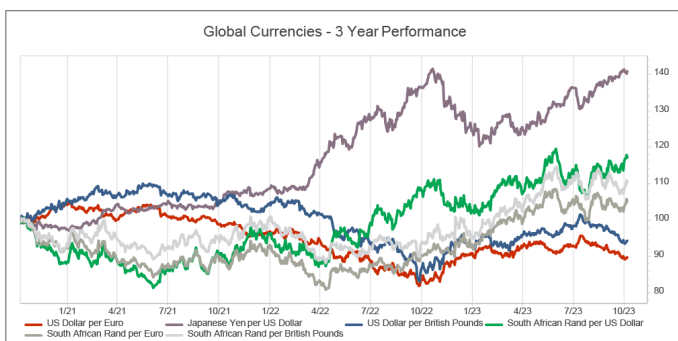


Europe	Close	1M %	1 Year %	2Y Ann %	5Y Ann %
FTSE 100	7494,58	0,9%	7%	4%	0%
DAX 30	15229,77	-3,3%	22%	1%	5%
CAC 40	7060,15	-1,9%	19%	4%	6%
STOXX 600	444,93	-2,1%	12%	-1%	3%
Russia RTS	955,46	0,0%	0%	-27%	-4%

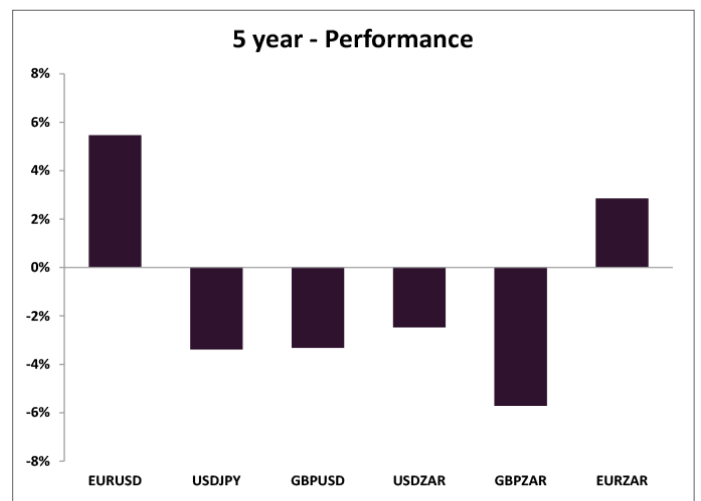
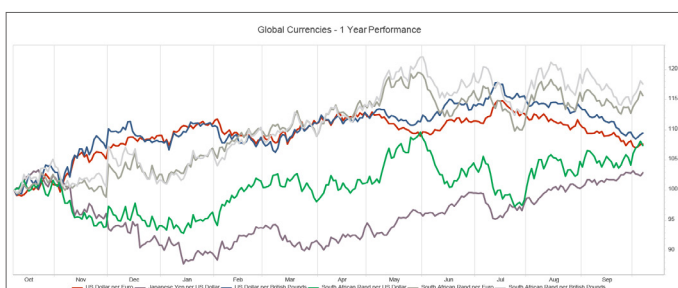
Americas	Close	1M %	1 Year %	2Y Ann %	5Y Ann %
Dow Jones	33407,58	-3,0%	12%	-1%	5%
S&P 500	4308,5	-3,5%	15%	-1%	8%
Nasdaq	13431,341	-3,2%	21%	-4%	12%
Russel 1000	33407,58	-3,0%	12%	-1%	5%
Brazil Bovespa	114169,63	-1,6%	-3%	2%	7%



CURRENCIES



Currencies	Close	1M %	1 Year %	2Y Ann %	5Y Ann %
USD/ZAR	19,42	0,9%	8%	13%	6%
GBP/ZAR	23,66	-1,6%	18%	8%	4%
EUR/ZAR	20,46	-0,7%	16%	8%	4%
AUD/ZAR	12,33	0,4%	7%	6%	3%
EUR/USD	1,05	-1,6%	7%	-4%	-2%
USD/JPY	149,37	1,2%	3%	16%	6%

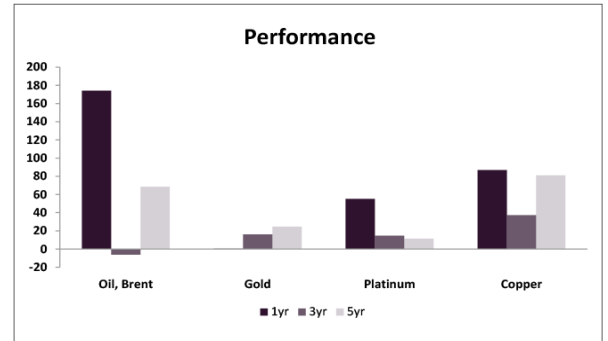
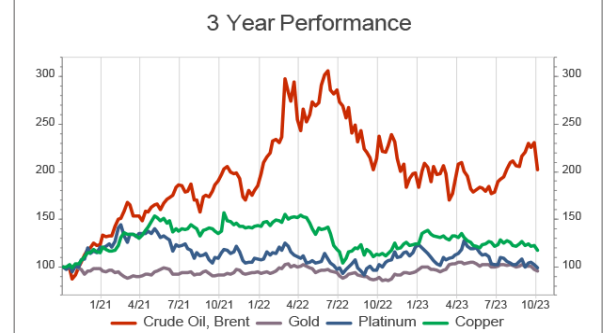
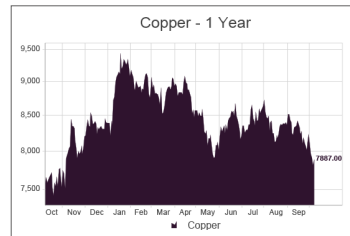
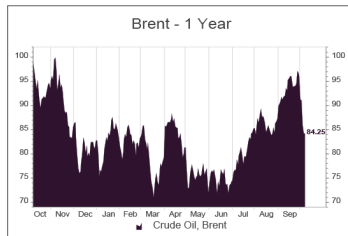
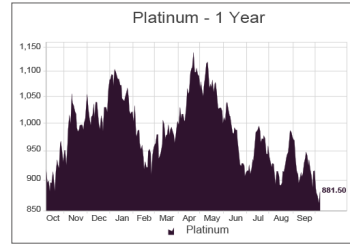
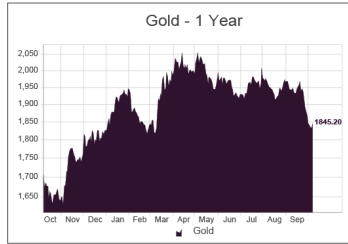




Global Indices, Currencies and Commodities, 11 October 2023

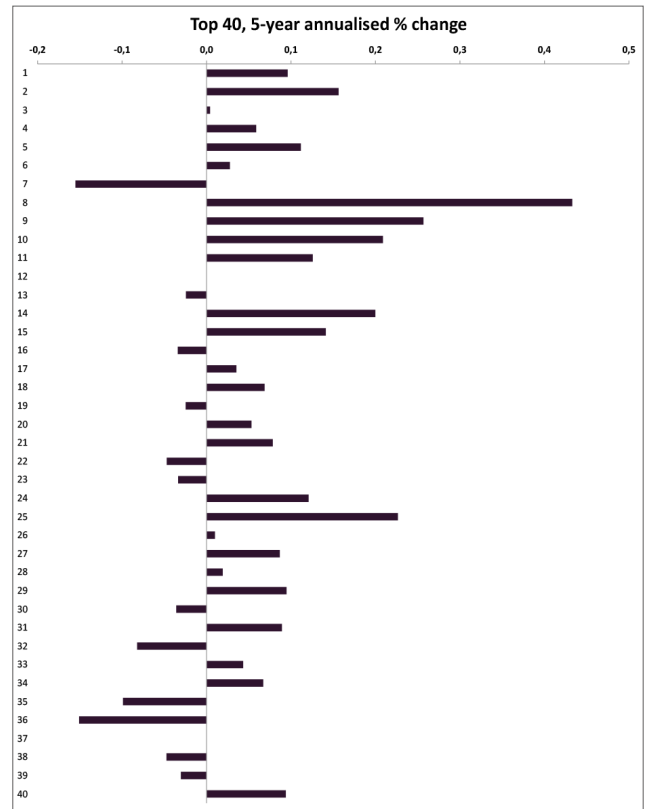
COMMODITIES

Commodities	Close	1M %	1 Year %	2Y Ann %	5Y Ann %
Gold	1845,20	-5,1%	1%	-1%	6%
Platinum	881,50	-4,7%	-7%	-6%	4%
Silver	21,72	-7,6%	0%	-5%	8%
Brent Crude	84,25	-8,2%	-12%	2%	-1%
Copper	7887,00	-6,1%	2%	-7%	6%



TOP 40

Top 40		Close	1M %	1 Year %	2Y Ann %	5Y Ann %
1	ANGLO AMERICAN	509,59	2,0%	-9%	-1%	10%
2	COMPAGNIE FINANCIERE	2384,15	-6,2%	32%	23%	16%
3	FIRSTRAND	63,03	-12,5%	4%	0%	0%
4	MTN GROUP	111,50	-8,4%	-6%	-12%	6%
5	NASPERS -N	3094,69	-7,8%	29%	12%	11%
6	STANBANK	187,13	-2,7%	29%	15%	3%
7	SASOL	238,08	-6,9%	-23%	-10%	-16%
8	GOLDFIELDS LTD	215,75	-8,2%	38%	32%	43%
9	IMPLATS	83,12	-3,3%	-56%	-30%	26%
10	Sibanye Stillwater Ltd	25,45	-5,9%	-43%	-25%	21%
11	CAPITEC	1775,95	11,5%	1%	1%	13%
12	PROSUS NV	566,13	-8,5%	22%	2%	
13	BRITISH AMERICAN TOBACCO PLC	586,61	-5,9%	-10%	6%	-2%
14	ANGLO GOLD ASHANTI	308,93	-4,4%	17%	10%	20%
15	BHP Group Limited	547,39	0,5%	18%	28%	14%
16	MONDI PLC	324,07	3,6%	17%	-6%	-3%
17	ABSA GROUP LTD	173,31	-3,0%	0%	8%	4%
18	ANGLOPLAT	634,61	2,7%	-56%	-31%	7%
19	SANLAM	65,72	-3,9%	31%	2%	-2%
20	SHOPRITE	237,60	-2,8%	10%	13%	5%
21	BID CORP LTD	424,25	-3,8%	48%	13%	8%
22	NEDBANK	198,04	-4,5%	1%	7%	-5%
23	VODACOM GROUP (PTY) LTD	104,51	-4,7%	-14%	-14%	-3%
24	GLENCORE PLC	105,07	2,1%	13%	23%	12%
25	Northam Platinum Holdings	102,69	-7,5%	-41%	-25%	23%
26	ASPEN	172,00	5,0%	23%	-18%	1%
27	BIDVEST GROUP LIMITED	272,86	3,1%	37%	19%	9%
28	REMGRO	150,69	-4,0%	14%	4%	2%
29	CLICKS GROUP	256,24	-4,2%	-10%	-4%	9%
30	DISCOVERY	135,92	-7,1%	32%	-1%	-4%
31	INVESTEC	108,42	-2,8%	39%	34%	9%
32	OLD MUTUAL LTD	11,93	-7,1%	24%	-8%	-8%
33	EXXARO RESOURCES LTD	170,37	1,8%	-18%	-4%	4%
34	WOOLIES	65,82	-7,6%	6%	7%	7%
35	MR PRICE GROUP LTD	130,09	1,6%	-26%	-20%	-10%
36	GROWTHPOINT	10,07	-13,2%	-16%	-15%	-15%
37	MULTICHOICE GROUP LTD	72,81	-3,5%	-38%	-21%	
38	ANHEUSER-BUSCH INBEV	1011,65	-6,8%	22%	10%	-5%
39	NEPI ROCKCASTLE PLC	103,95	-7,8%	27%	0%	-3%
40	REINET INVESTMENTS SCA	406,73	-0,3%	42%	19%	9%



Efficient Benefit Consulting (Pty) Ltd is an authorised financial services provider, FSP 48026.

Disclaimer: This material is not suitable for retail clients. It is for professional investors and advisors only. Efficient Benefit Consulting (Pty) Ltd defines "professional investors" as those (e.g. investment managers, distributors, trustees and financial intermediaries) who have the appropriate expertise and knowledge with regards to investment markets and current strategies. Although every effort has been made to ensure the accuracy of the content of this report, Efficient Benefit Consulting (Pty) Ltd accepts no liability in respect of any errors or omissions contained herein. The forecasts stated in this report are the result of statistical modelling, based on a number of assumptions. Forecasts are subject to a high level of uncertainty regarding future economic and market factors that may affect actual future performance. The forecasts are provided for information purposes as at today's date. Efficient Benefit Consulting (Pty) Ltd assumes no obligation to provide updates or changes to this data as assumptions, economic and market conditions, models or other matters change. The data contained in this report has been sourced by several investment managers and research professionals trusted by Efficient Benefit Consulting (Pty) Ltd, and should be independently verified before further publication or use. The contents of this report cannot be construed as financial advice and does not confer any rights whatsoever, enforceable against any party and does not replace any legal contract or policy which may be subject to terms and conditions. Past performance is no guarantee of future performance. Efficient Benefit Consulting (Pty) Ltd retains the right to amend any information contained in this report at any time and without prior notice. Efficient Benefit Consulting (Pty) Ltd, its affiliates and individuals associated with it may (in various capacities) have positions or deal in securities (or related derivative securities), financial products or investments, identical or similar to the products and securities stated, but do not hold material positions, nor seek to profit from the report. Should a conflict of interest between your interests and those of Efficient Benefit Consulting (Pty) Ltd be identified, Efficient Benefit Consulting (Pty) Ltd will use reasonable endeavours to disclose such conflict, together with details of any measures taken to avoid or mitigate the conflict situation. Such disclosure will include, but not be limited to, details of any ownership or financial interest (apart from those considered immaterial) that Efficient Benefit Consulting (Pty) Ltd may be or become eligible for. Such disclosure will be made in sufficient detail for there to be a reasonable understanding of the nature of the relationship or interest and the resulting conflict of interest.