

Foord: Time in the markets

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DO NOT LEAVE THE PATH!

Hunt on for man lost in Hout Bay mountains

MISSING

STAFF REPORTER AND SAPA

A Port Elizabeth man, holidaying in Hout Bay with his wife, is missing on the mountains above the harbour town.

David Alexander Pledger, 50, and his wife are holidaying in the Cape Town and are staying at the Panache Lodge in Valley Road, Hout

lodge," Sergeant Darlow said.

Police, assisted by members of the Cape Town metropolitan rescue service, searched the mountain until well after dark but found no trace of Mr Pledger.

Sergeant Darlow said the search had been resumed at first light but the party had still failed to locate Mr Pledger.



Tourist found after two lost days in Hout Bay

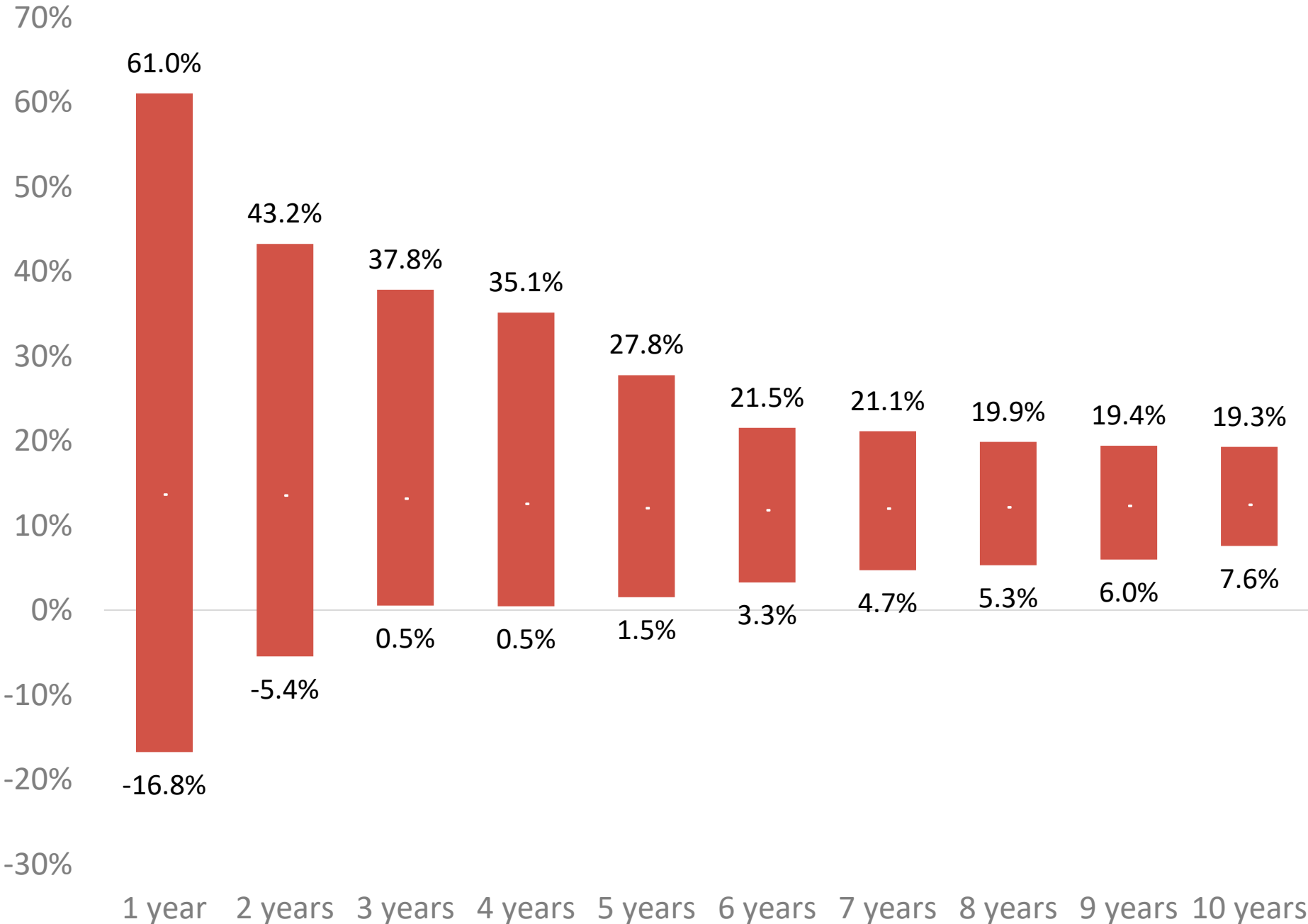
A holidaymaker has been found exhausted but alive, after losing his way and wandering in the mountains of Hout Bay for two days

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Time is on your side – but only if you stay invested

Foord Balanced Fund Range of total returns since 1 September 2002



Returns Class A, net of fees



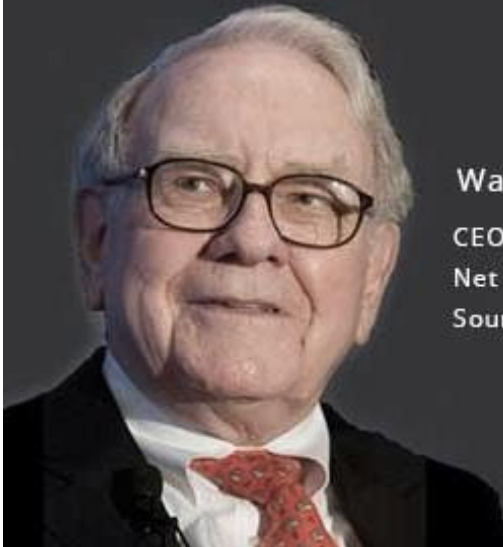
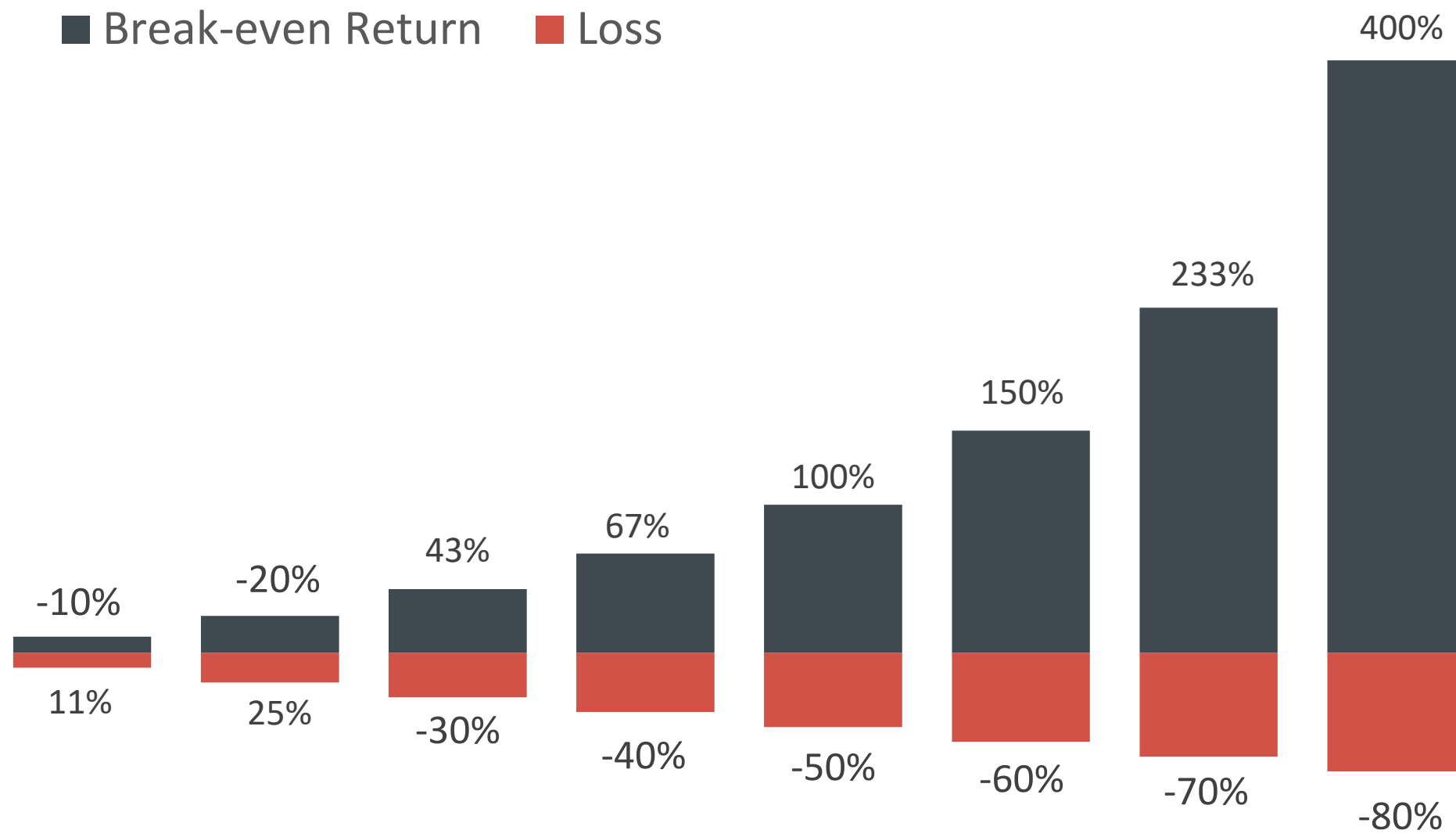
Volatility may not be risk, but it feel like risk to investors

Two different journeys, two different investor experiences



The gain needed to make up for a loss

Gain required to breakeven after a loss (realised or unrealised)



Rule No.1:
Never lose money.
Rule No.2:
Never forget **RULE NO.1**

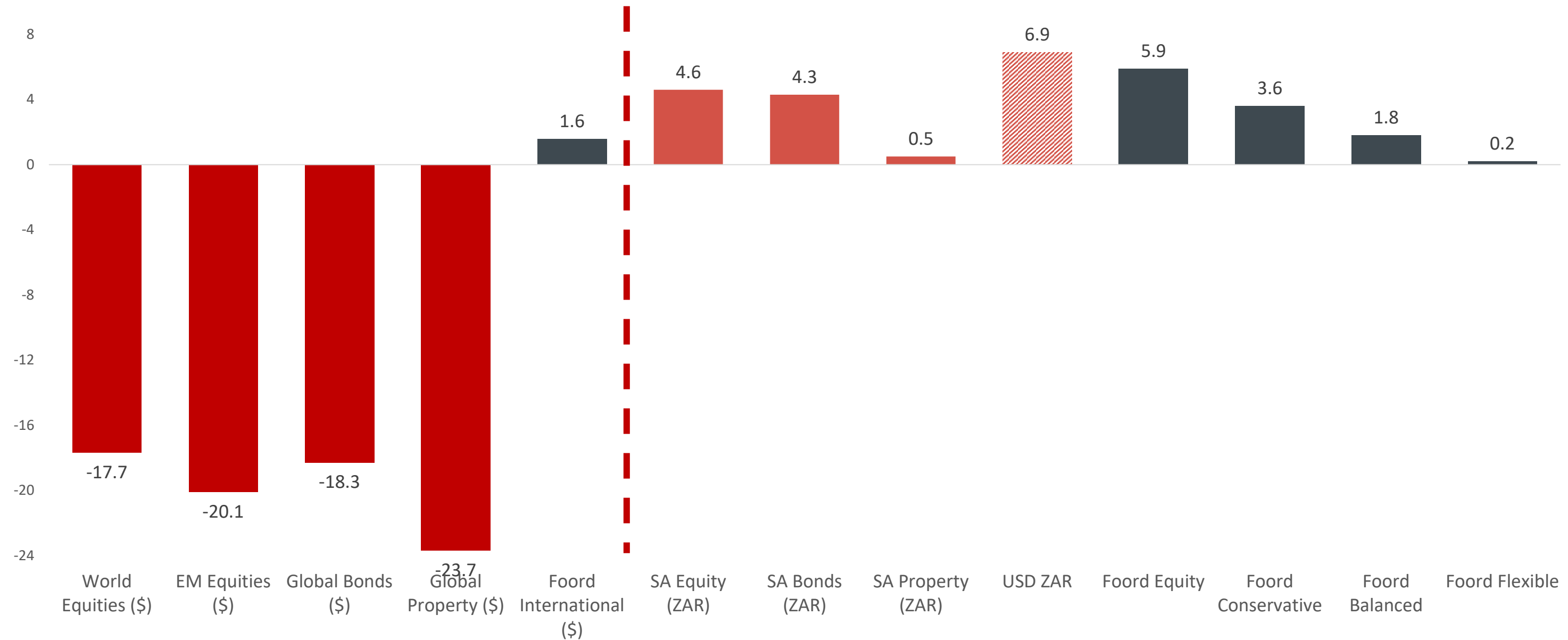
Warren Buffett
CEO of Berkshire Hathaway
Net Worth: \$58.2 billion (2014)
Source of wealth: Berkshire Hathaway.



Foord protected capital during 2022

Foord Funds protected capital well during a difficult year

Returns** (%) 12 months to 31 December 2022



Why does macro-economics matter?

Earnings are tethered to GDP Growth



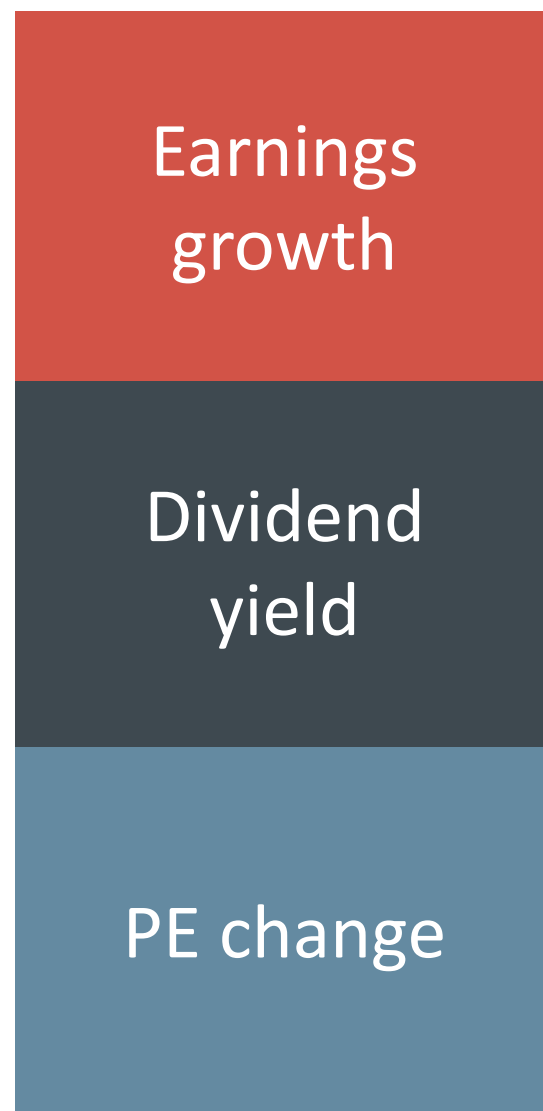
Source: Factset



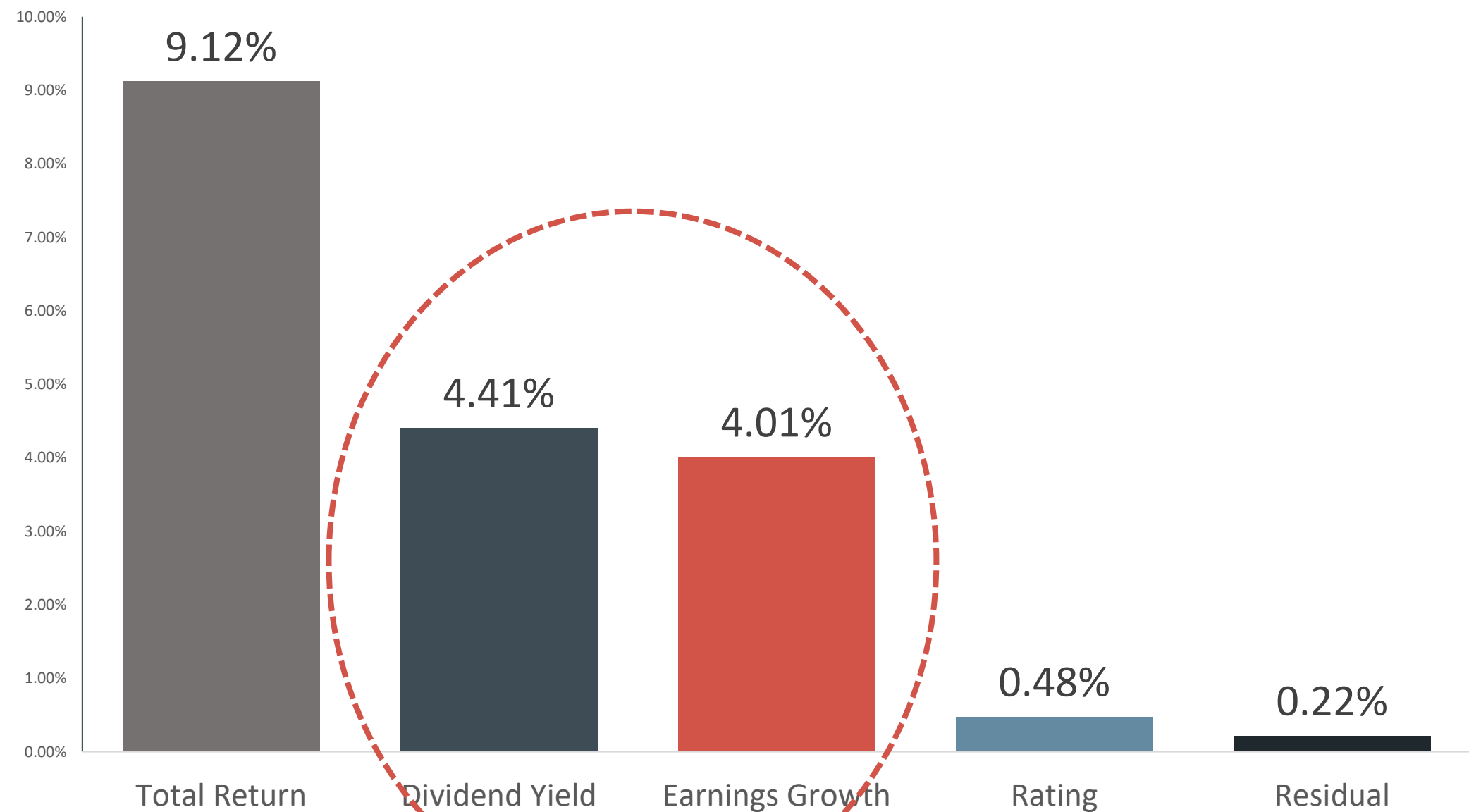
Earnings and dividends matter more than ratings in long term

Earnings, dividends and ratings

Total Return

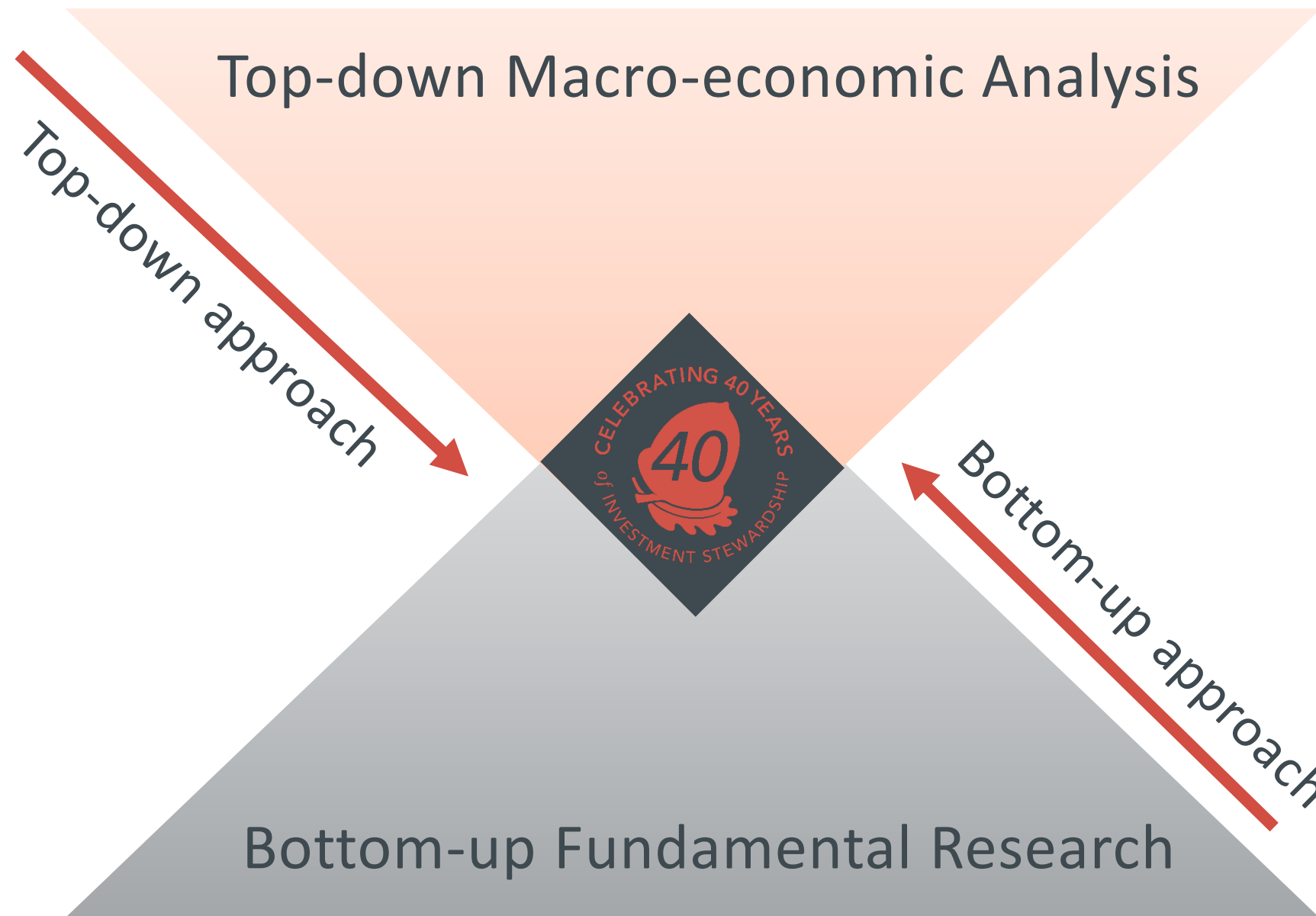


US Stock Market Total Return Decomposition: 1871-2019



Foord's Investment Approach

- Economic Cycles
- Interest Rates
- Forward-thinkers
- Get the big calls right

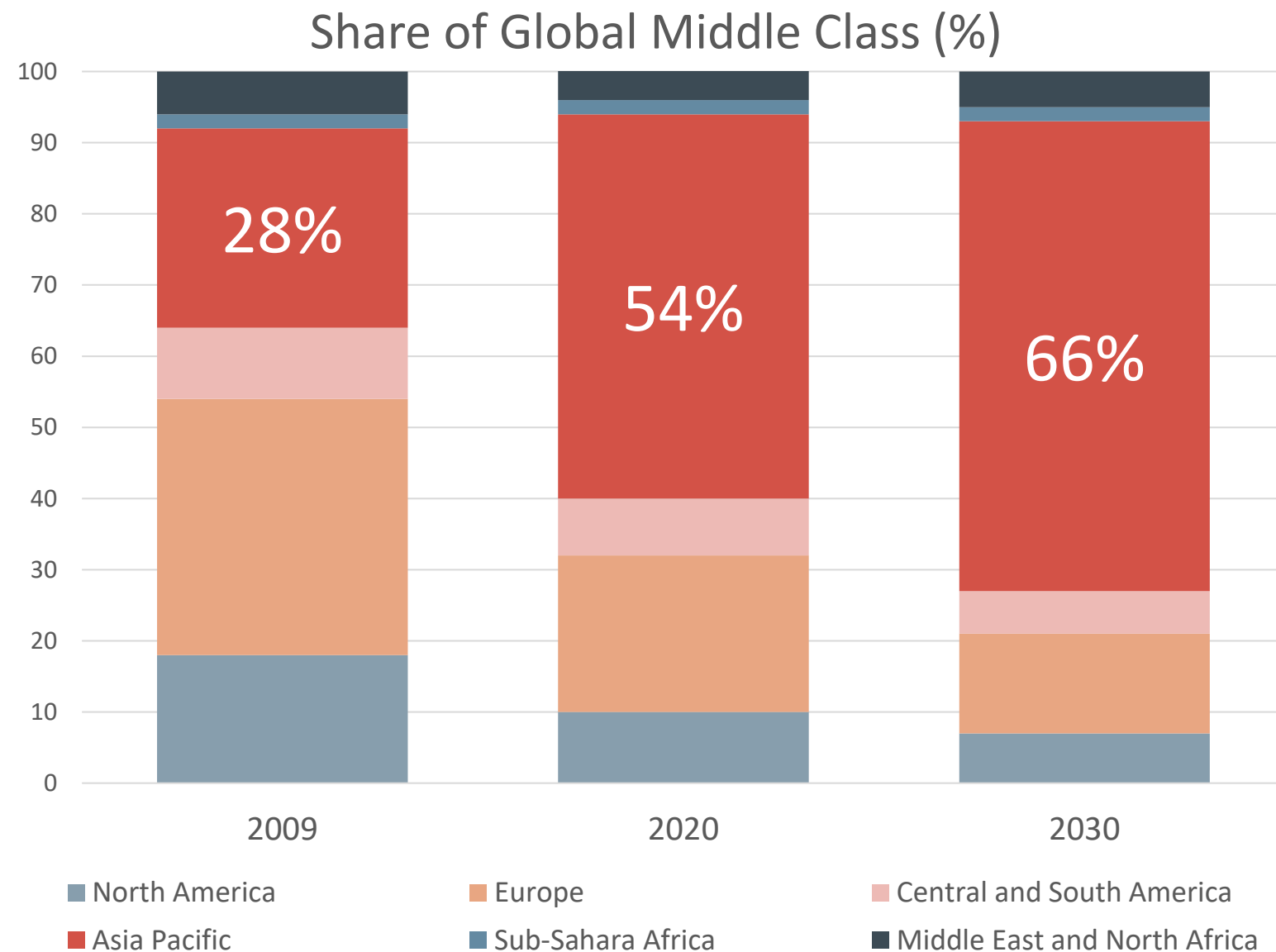


- Understand the drivers of company earnings
- Buy future earnings stream at a sensible price
- Value-driven (pragmatic) stock selection
- Avoid the losers



Portfolio theme: Rising Asian middle class

Strong sector conviction: attractive valuations + structural convictions



What you spend more on when you have more money

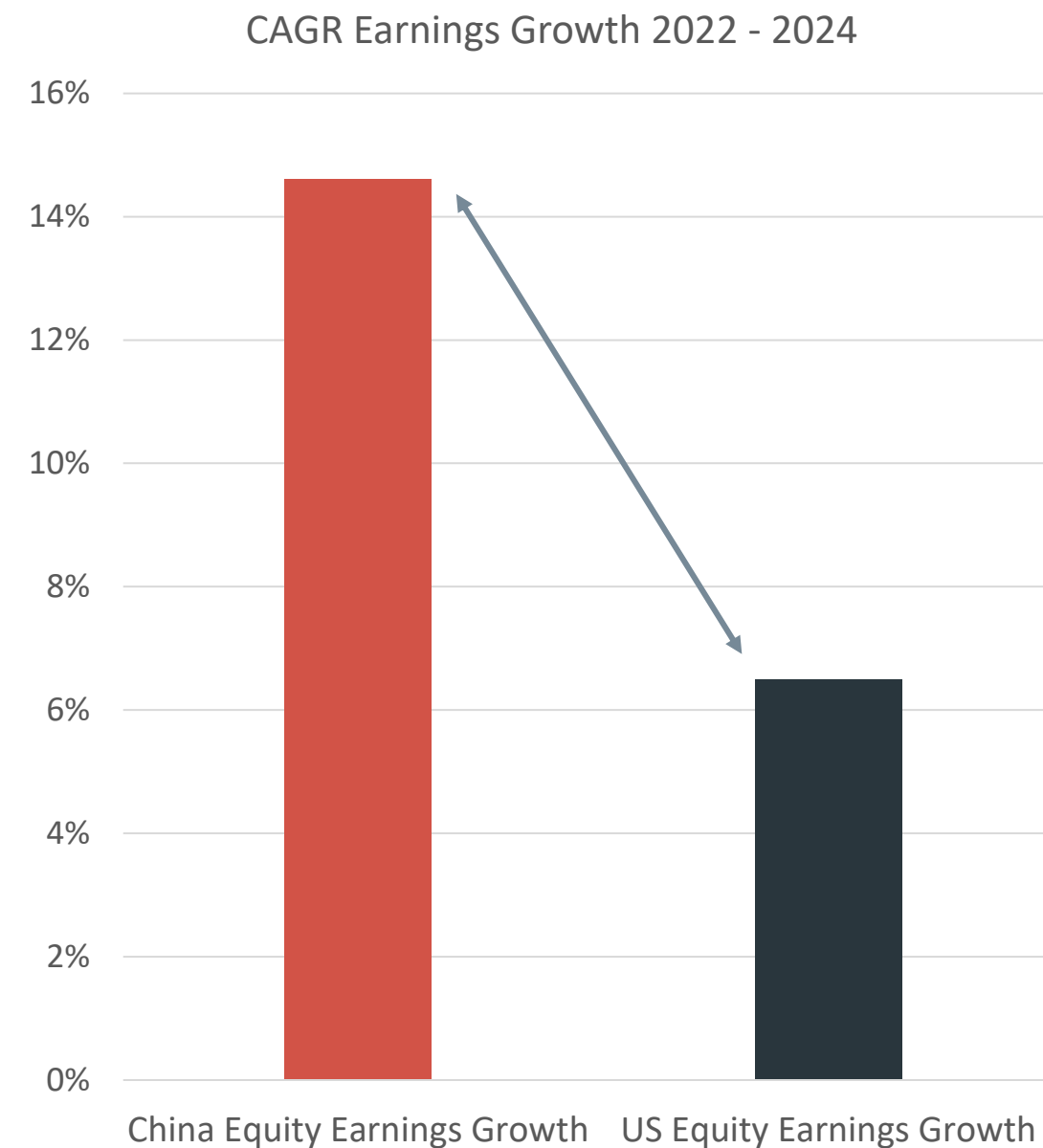
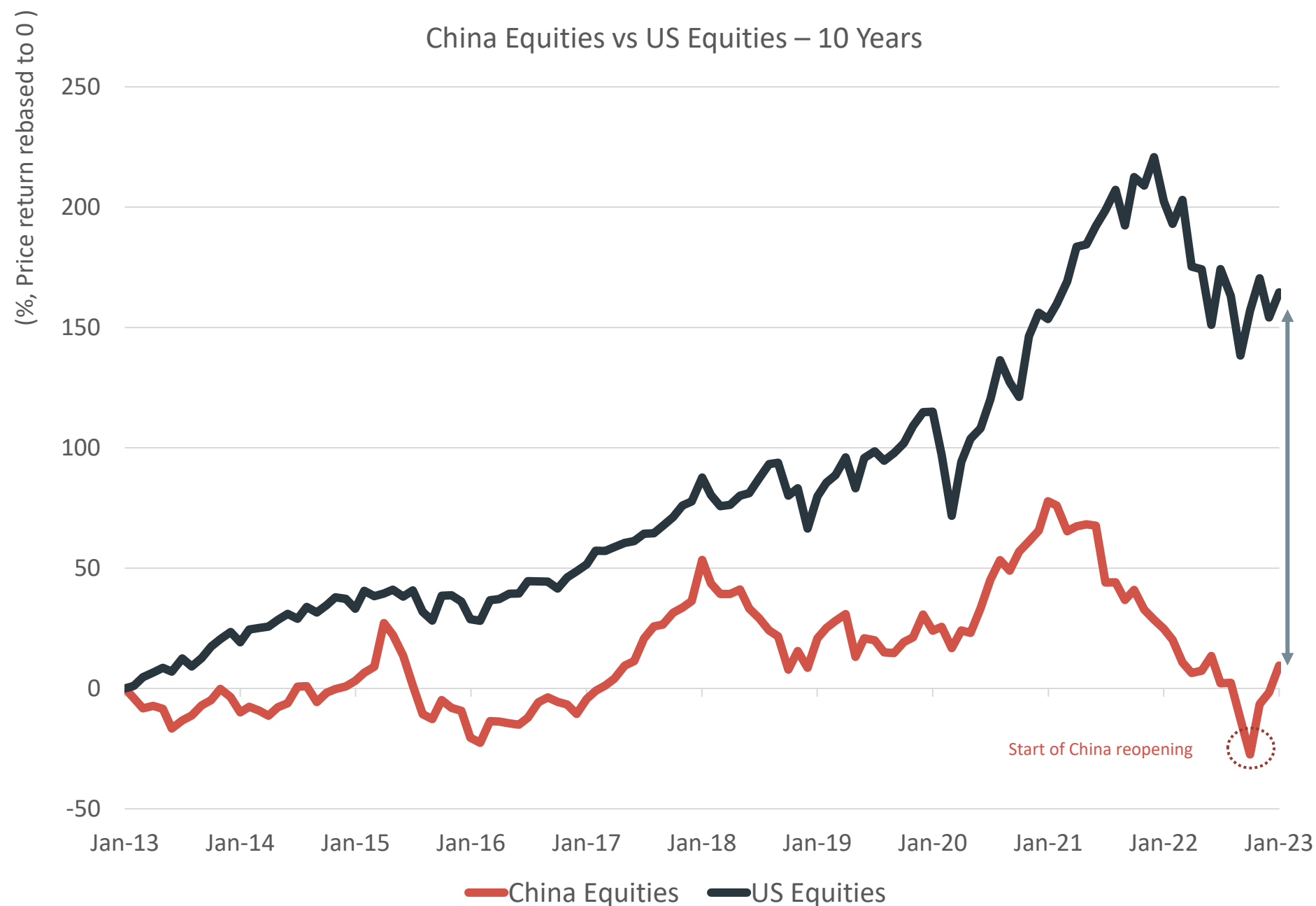
- Insurance 
- Shopping 
- Eating out 
- Wellness 
- Travel 
- Meat 

Source: OECD Development Centre: The Emerging Middle Class in Developing Countries by Homi Kharas, January 2010. Working Paper No. 285.



Earnings at a price that makes sense

China Equities versus US Equities

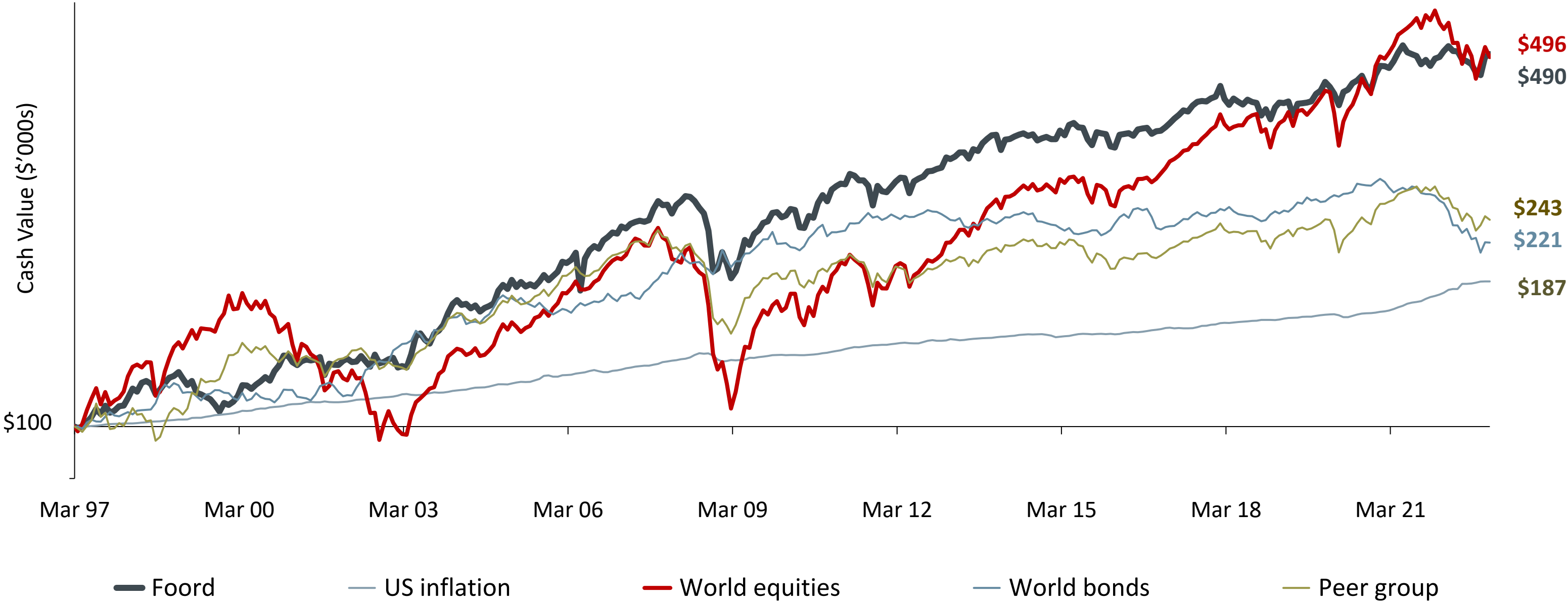


Source: Bloomberg, MSCI. LHS: Data from 31 Jan 2013 to 17 Jan 2023. RHS: Data from 2021 to 2024, data for 2023 to 2024 are Bloomberg estimates. China equities refer to the MSCI China Index. US Equities refer to MSCI US Index.



Foord International Fund – 25 years through multiple cycles

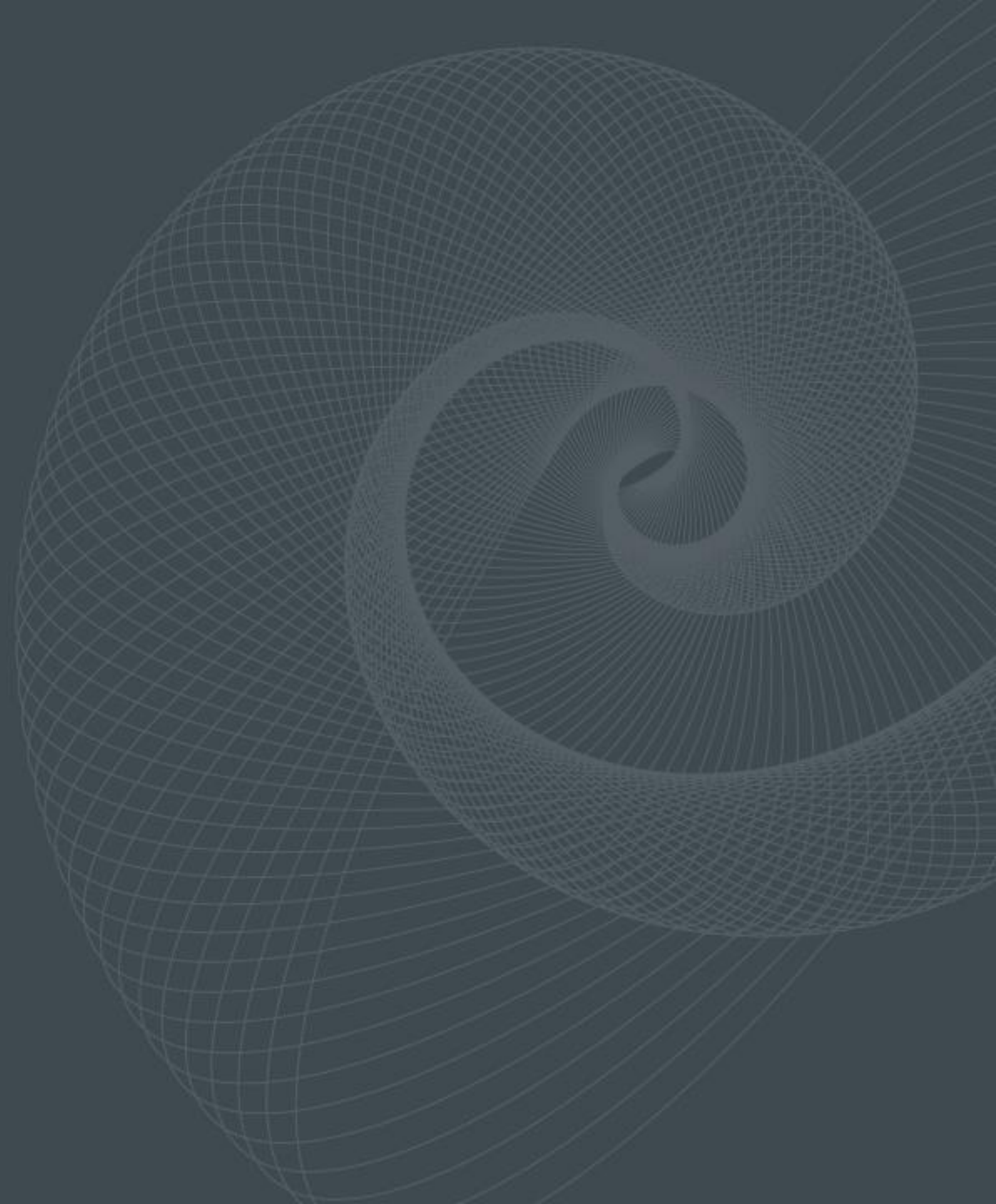
Master fund: cumulative returns to 31 December 2022 in US\$



Current value of 100 000 currency units invested at inception (graphically represented in \$'000s above)
 Foord: Foord International Fund (Class R Shares), net of fees and expenses. US Inflation: US headline consumer price index (Source: Bloomberg L.P). World Equities: MSCI Daily Total Return Net World USD Index (Source: Bloomberg L.P).
 World Bonds: FTSE World Government Bond Index (Source: Bloomberg L.P). Peer Group: USD Flexible Allocation Morningstar category (provisional) (Source: Morningstar)

THANK YOU

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