

A magnifying glass is positioned over a stack of financial documents. The lens is focused on a line chart showing market fluctuations. In the background, another chart is visible with the label 'STOXX 50' and a value of '2950,38 +0,62%'. The overall scene is in a blue-tinted, professional aesthetic.

Glacier Investment Summit

Where will we find opportunities in Global Markets in the future for my clients who want offshore exposure

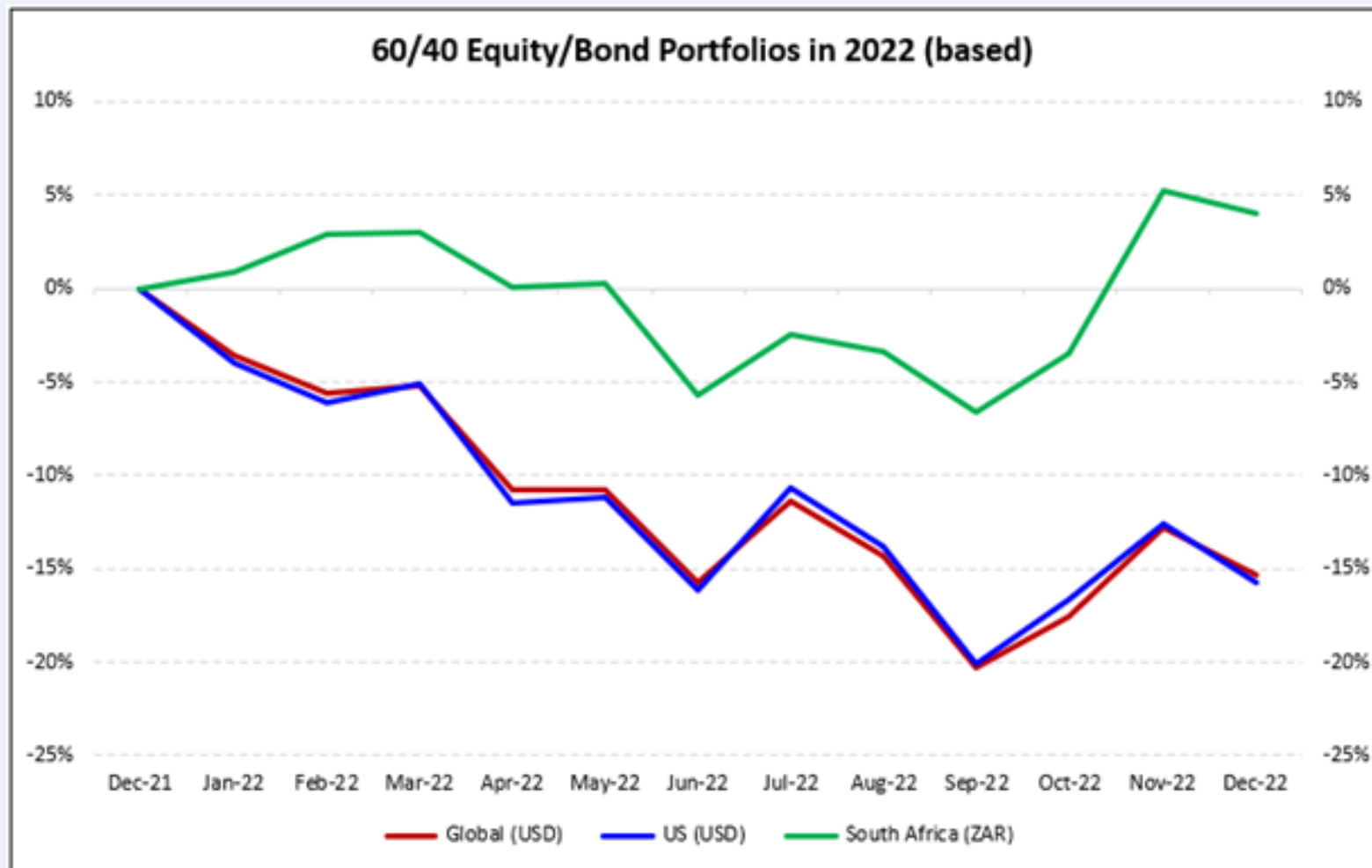
Mark Lovett : STANLIB Head of Investments

Importance of Diversification to drive Superior Returns

- 1** Challenge ahead of a lower growth/ lower return environment.
- 2** Potentially higher levels of volatility – particularly in SA
- 3** Need to pull more investment levers to deliver historical returns and control risk
- 4** Need to access higher growth markets & asset classes
- 5** Traditional Balanced Funds are too dependent on equities as an asset class to anchor returns
- 6** Asset allocation opportunities arise with the greater diversification of asset classes
- 7** Regulation 28 changes have created an enhanced opportunity set for global investment

A bullet dodged in 2022?

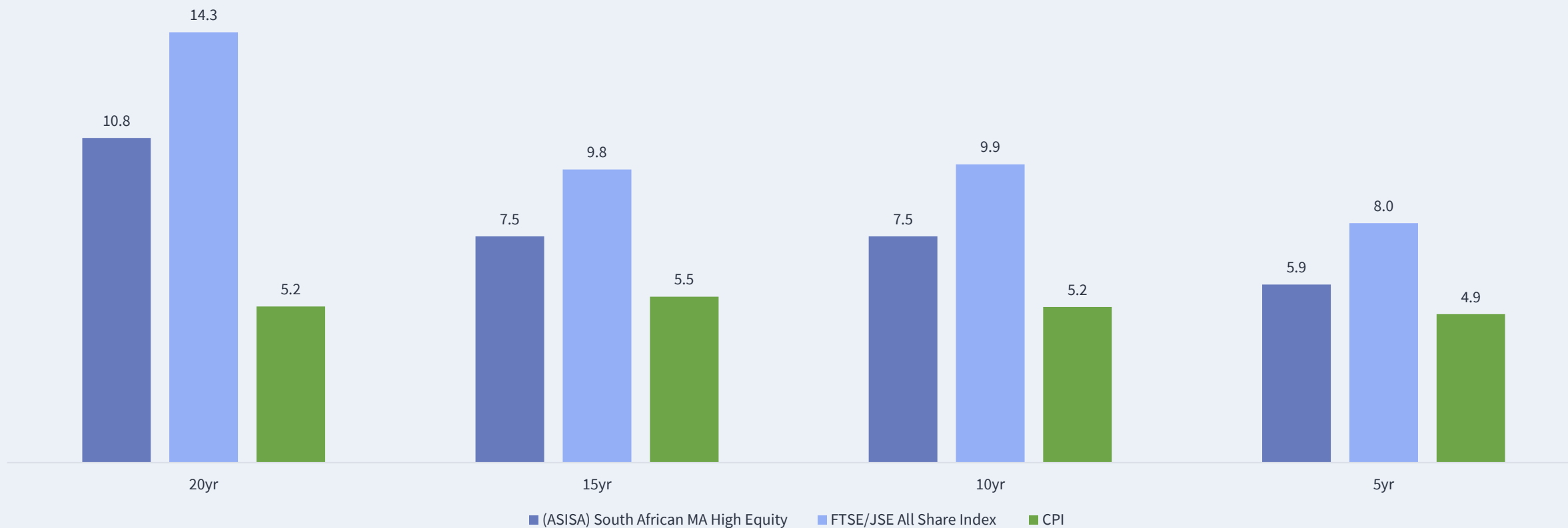
- Traditional 60/40 equity/bond portfolios have suffered globally
- US 60/40 portfolios have worst year since 2008
- Comparable SA portfolios protected by Ukraine invasion and commodity boom



Has the industry delivered for clients ? – yes but

Declining returns to clients – returns too aligned and dependent on South African equities

Median High Equity Balanced Fund, SA Equity and CPI returns (ann.) to December 2022

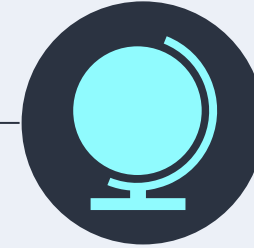


Declining returns to clients – returns too aligned and dependent on South African equities



South Africa : Broader Opportunity Set

- Infrastructure
- Private Credit
- Strategic/ Flexible Fixed Income
- Index Linked Bonds



Global : Broader Opportunity Set

- High growth individual equity markets (e.g. India)
- Listed Credit
- Private Credit
- Unlisted Private Markets
- Infrastructure

STANLIB – Responding to the opportunities available



Multi-Strat :
Capability launched into captive channels over last 4 years

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Managing over R65bn in Multi-Strat portfolios for Group – strong perf. track record

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Flexible Income Retail Fund :
Strategic fund accessing income opportunities



JP Morgan Asset Management :
Strategic Partnership allowing access to a depth and breadth of global funds + global investment insights

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Reg 28 Changes :
Creating significant opportunity to enhance returns and increase diversification



Thank you

STANLIB

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Performance returns indicated are historical returns of the underlying strategy and are for illustrative purposes only.

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