

# The case for offshore investing from a South African perspective

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It is well-known that South Africa makes up less than one percent of global gross domestic product (GDP). Investors with only SA exposure in their portfolios would therefore be missing out on many potential growth opportunities.

## The importance of diversification

There are a number of ways to diversify a portfolio, including geographically (from a direct offshore investment perspective) as well as including different sectors in the portfolio that may not be available locally. This, in turn, naturally exposes investors to different asset managers with different investment styles, further increasing their diversification.

## How to externalise funds

Glacier International understands that externalising funds can be a daunting exercise and we've therefore partnered with selected service providers that can assist our clients in getting their funds abroad. In most instances our service providers are able to offer better rates than clients would obtain in their personal capacity. This assistance is available irrespective of whether the investor wishes to use their single discretionary allowance of R1m or their foreign allowance of R10m. These amounts are available to SA residents per calendar year.

## The importance of offshore structures

Glacier International has structures in place to enable clients to optimise their portfolios with both risk-adjusted returns and tax-efficiency in mind. When investors invest directly offshore in their personal capacity, they expose themselves to many different costs and taxes in the different offshore jurisdictions. This may become problematic on the death of the investor if the correct measures have not been put in place through proper and diligent estate planning.

For example, situs tax could be applicable in the US. An investor who has built up an estate in the US may have to appoint a US executor to wind up that estate. Assets that are frozen will need to be wound up by an offshore solicitor – again, a lengthy and costly process. These are just some of the typical risks that clients may face if they don't have proper investment structures in place.

Glacier International's Global Life Plan offers an efficient way to access international markets. Being an endowment structure, it also offers estate planning benefits as well as tax efficiency.

Investors in the Global Life Plan can select from a diverse range of investment options, including unit trust funds, exchange traded funds / ETFs or even a share portfolio, as their underlying investments.

## Additional information

Click on the links below for more detail on Glacier International's Global Life Plan.

[Glacier International Global Life Plan Benefits](#)

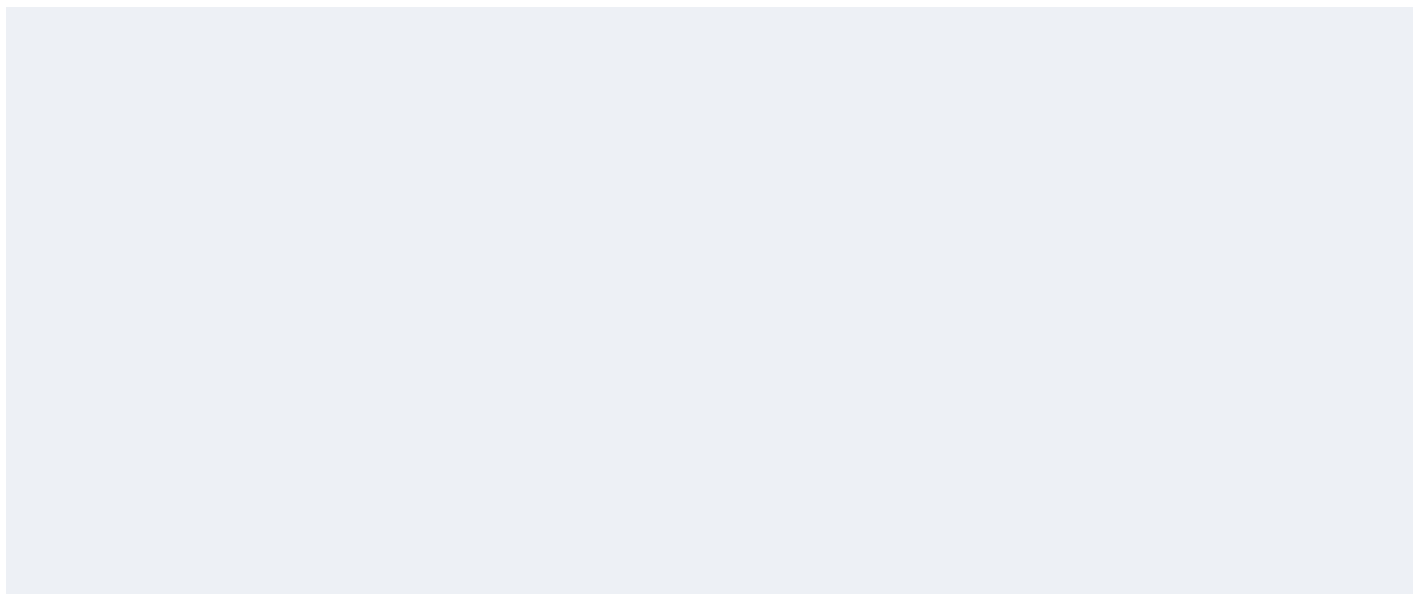
[Glacier International Global Life Plan brochure](#) (Intermediary)

[How offshore life wrappers can reduce foreign inheritance](#)

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The Global Life Plan is an offshore endowment policy issued by the Sanlam Life Insurance Bermuda branch.

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