

**JULY 2025**

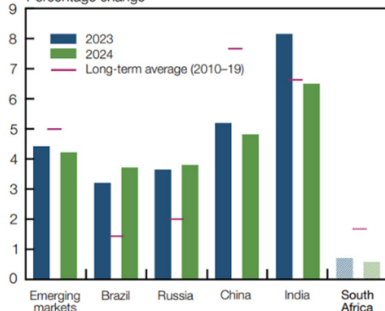
1. Capital is moving more evenly across global markets (from DM to EM). Good for our EM holdings.
2. Taking advantage of a strong USD, which has now back-pedaled, and we're replicating this in reverse.
3. Holding our position in gold into strength, and we feel this will continue given market volatility.
4. The Orbis Optimal Fund is performing well, even in rising markets, showcasing Orbis' stockpicking ability.
5. Maintaining SA Equity exposure, despite the dire outlook for the South African economy (see later).
6. Our offshore equity holdings have done excellently, and we're going to hold into this strength.
7. We still hold a decent portion in interest-earning money market instruments, which we can utilize later.

So, our 6-month outlook focuses on the following:

(1) Reducing risk and profit taking for clients (2) Increased caution into seasonally the worst time of the year for markets (3) Buying an undervalued USD (4) Using Offshore Coronation Fund (5) Leaning into the Offshore investment universe

- (1) GDP Growth versus EM peers is extremely low (see the chart to the below).
- (2) Deeply rooted corruption that requires extreme correction, but this is unlikely.
- (3) Political infighting between the Government of National Unity and NEC.
- (4) Foreign policy, specifically with the West and the potential for tariffs.
- (5) South Africa's reliance on the USD (imports, interest rates and debt).

Percentage change



Sources: IMF and Stats SA

- (6) High debt levels, especially in foreign reserves (USD).
- (7) High levels of unemployment, crime, and hurtful legislation.



Consult the table in the bottom left, comparing South Africa and Turkey. As you can see, there are some stark differences, most of

which paint South Africa in a worse position than Turkey. Two similarities, however, are that both Turkey and South Africa have large current account deficits (they spend more than they earn) and large foreign-currency-denominated debt. In 2018, Turkey's foreign relations, especially with the West, deteriorated rapidly, leading to an unprecedented economic crisis. Their currency depreciated 483.83% over five years against the USD, inflation soared to 35.05% and interest rates are currently 46% per annum. We're concerned that a similar situation may play out in South Africa, and thus it's wise to keep a large portion of your portfolio invested overseas. Naturally, as South Africans, we hope this does not occur. But,

it is our duty to protect your hard earned money against the probability that it might. Thus, we have positioned the portfolios in preparation for the worst. If you have any queries, please don't hesitate to get in touch.

	Turkey	South Africa
Population	85 million	63 million
Average Age	34 years	30.4 years
Per Capita Income	\$11 730	\$6 480
Unemployment Rate	8.40%	33.20%
Corruption Index	34/100 (107 <sup>th</sup> place)	41/100 (82 <sup>nd</sup> place)
Absolute GDP (2023)	\$1 118 billion	\$380 billion

Thank you for your ongoing support.



MIKE



MARYKA

  
MATT



501 VALDERRAMA, SOMERSET LINKS OFFICE PARK | INFO@SECUREWEALTH.CO.ZA  
DIRECTORS: MIKE CARRUTHERS | MARYKA SMIT | MATT CARRUTHERS | BRAD CARRUTHERS  
FSP NUMBER: 6148 | REGISTRATION NUMBER: 2001/022689/07  
WWW.SECUREWEALTH.CO.ZA