

The ups and downs of investment markets – Why this is and what you can do

Overview

Factors that have been affecting investment in SA markets



- Weak GDP growth
- A high unemployment rate
- Political uncertainty

- 2018**
- All Share Index ▼ 8.5%
 - Listed property shares ▼ 25%
 - Most long-term investments have experienced negative returns



The bigger picture

When there is weak equity market performance and investment markets are highly volatile, your fund savings may be lower than before.



Do

- **Take a long-term view** » Saving for retirement is a long-term matter
- **Know there will be good times and bad** » Over 40 years there will be ups and downs
- **Tighten your belt** » Sit tight and ride the tough times out.
- **Speak to a financial adviser** » On how best to stick to your long-term goals

Don't

- Be **tempted** to make hasty changes to your investment portfolios
- The **risk** is that you will miss out on any market recovery, which will have a devastating effect on your savings

The good news

So far, 2019 has seen investment markets recovering.

- All Share Index ▲ 12.2% Jan - June
- Global shares delivering 14.7% in Rand terms



How a lifestage investment strategy works



Younger members

- Savings are invested in a portfolio that aims to achieve long-term capital growth.
- Short-term losses during this period aren't too worrying as savings have time to recover from any dips in the market.



Older members

As you get closer to retirement, your savings are automatically switched to more conservative portfolios to provide a degree of protection against the volatility of investment markets.