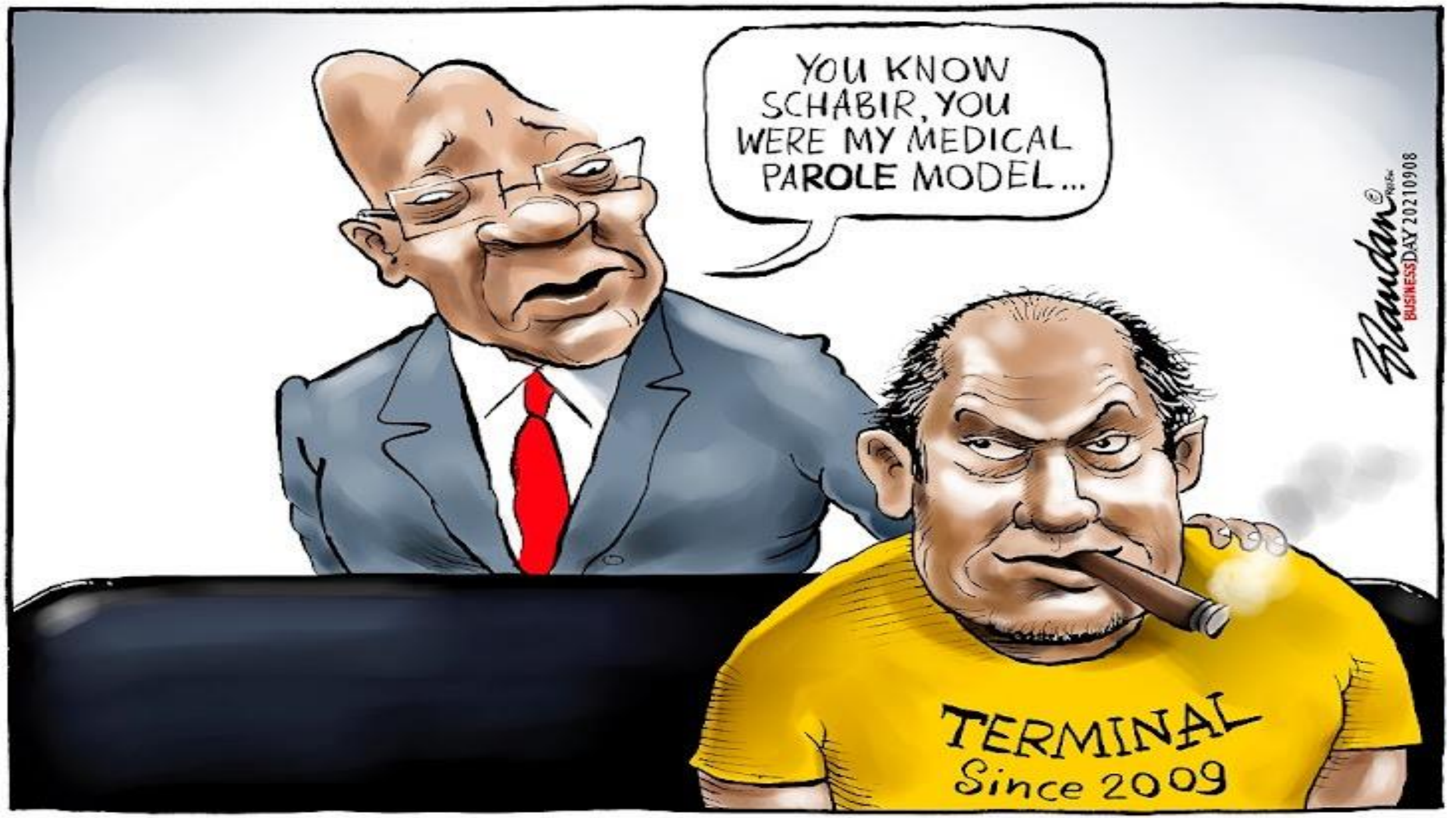
Sanlam

The Sanlam Umbrella Fund Symposium 2021

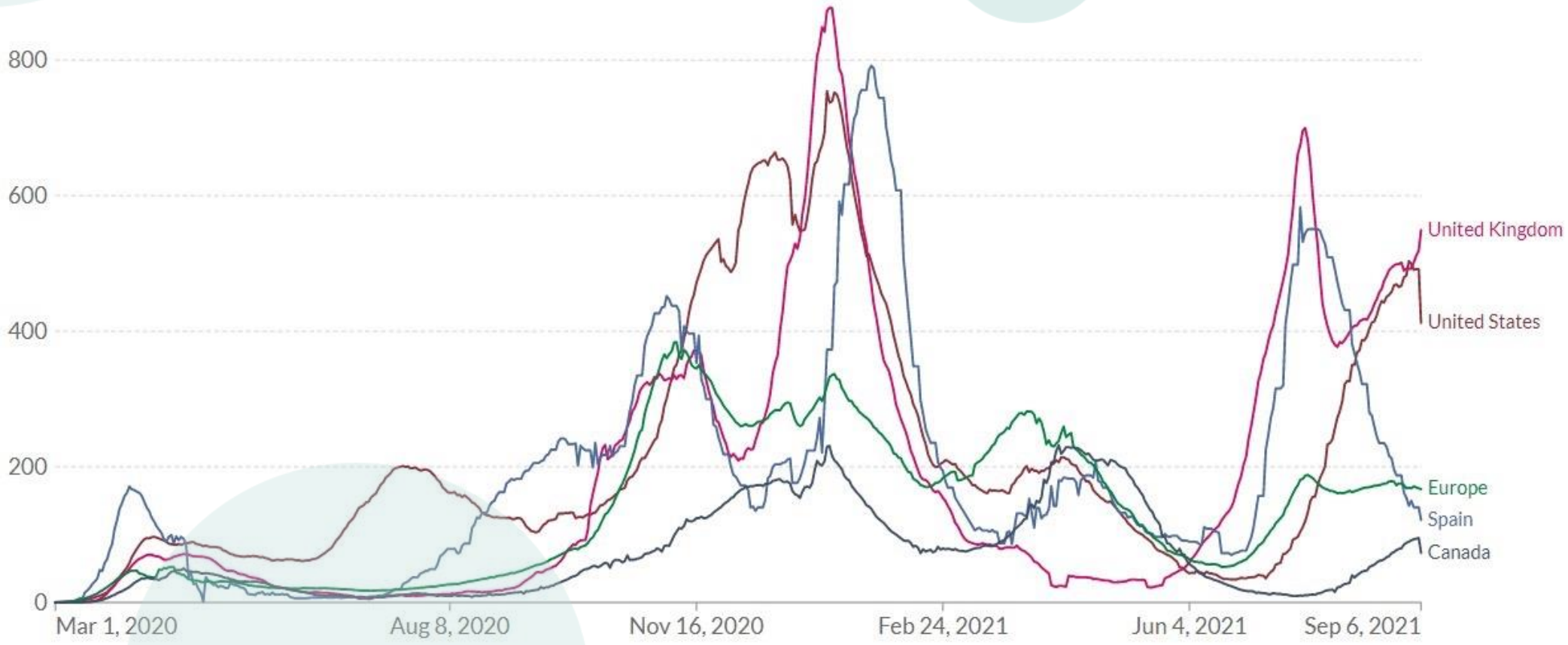
Retire with confidence

Darryl Moodley


YOU KNOW SCHABIR, YOU WERE MY MEDICAL PAROLE MODEL...
TERMINAL
Since 2009
Brandan
BUSINESSDAY 20210908

FREE AS A BIRDIE

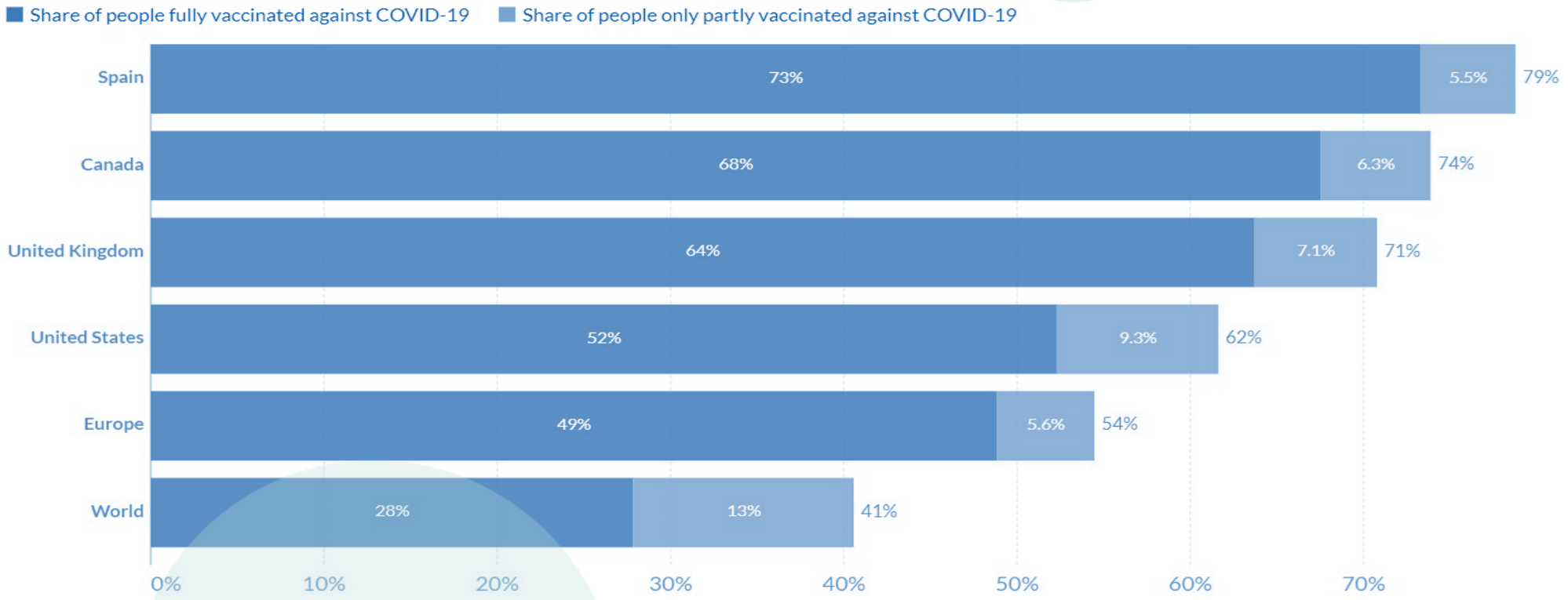
New Cases In Developed Markets



SOURCE: ROLLING 7-DAY AVERAGE - OUR WORLD IN DATA

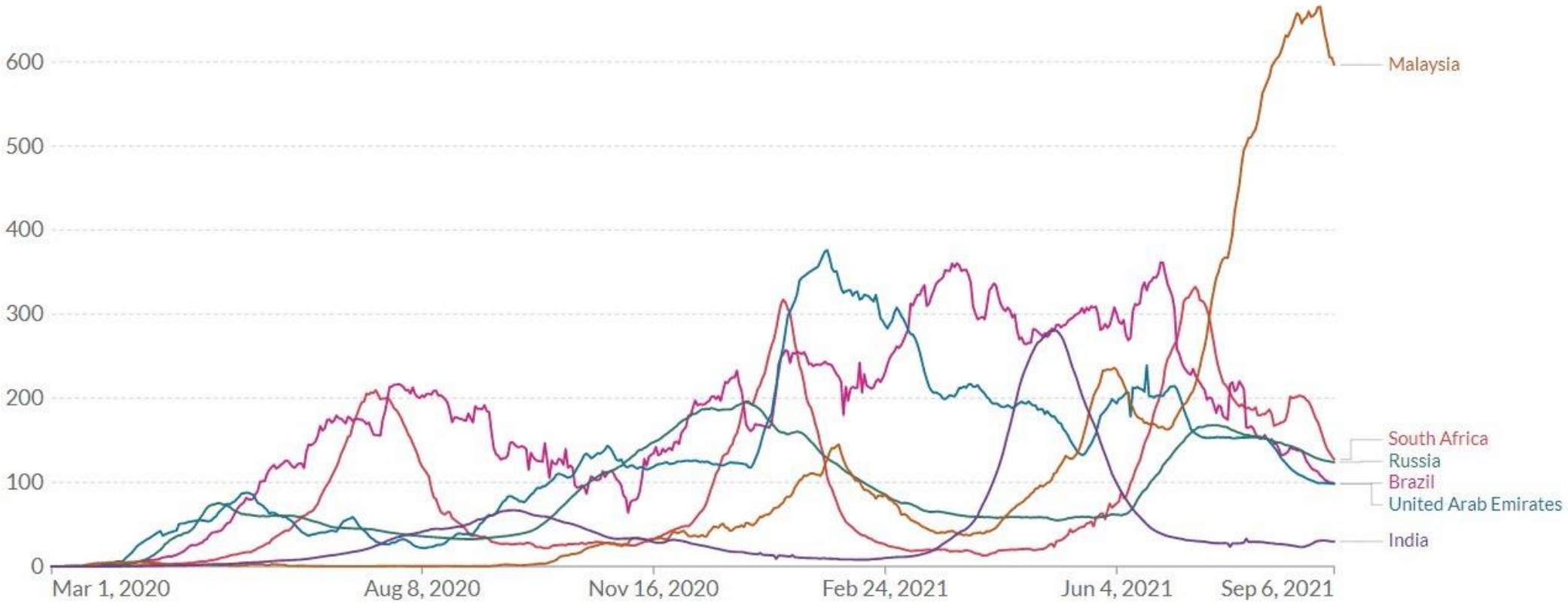
COVID-19 Vaccinations

Developed Markets



SOURCE: OUR WORLD IN DATA (2021/09/06)

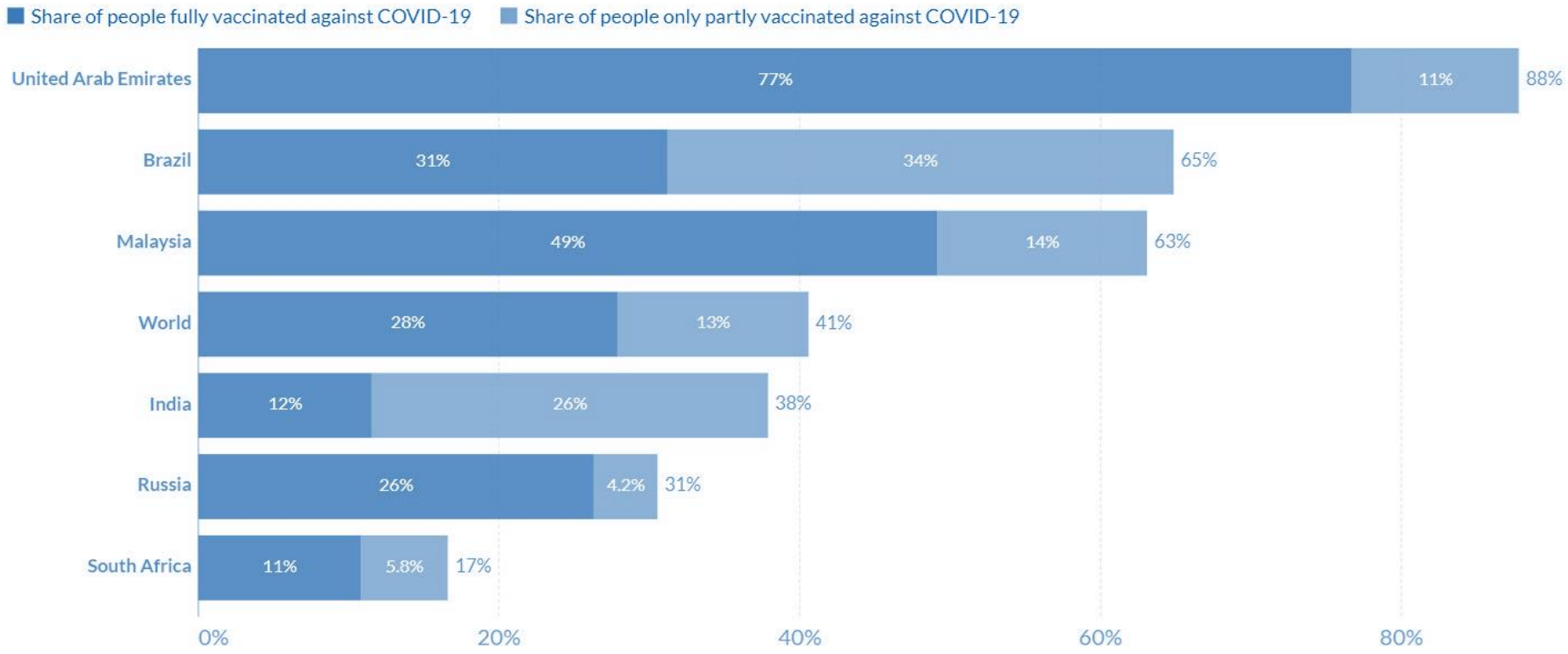
New Cases In Emerging Markets



SOURCE: ROLLING 7-DAY AVERAGE - OUR WORLD IN DATA

COVID-19 Vaccinations

Emerging Markets



SOURCE: OUR WORLD IN DATA (AS AT 6 SEPTEMBER 2021)

COVID-19: WHICH HAS PROVED TO BE MOST RESISTANT TO MEDICAL SCIENCE?

ALPHA VARIANT

BETA VARIANT

DELTA VARIANT

ANTI-VAXXERS

DAILY MAVERICK 3-8-21

ZAPIRO ©

The pandemic has made us more divided

Net balance of people (%) who say their country is united (+) or divided (-)

CITYWIRE PRIME NUMBERS

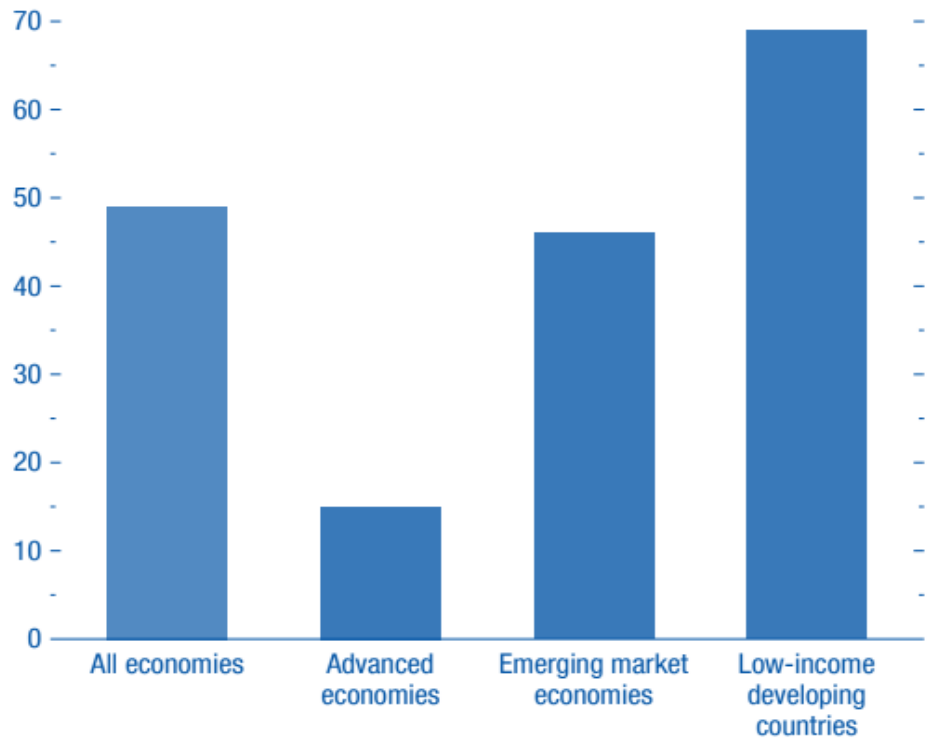
- It would be easy to say 'we've all been in this together' – but it's not true
- Since the pandemic struck, property prices and stock markets have soared, making the wealthy even richer
- At the same time, infections and deaths have been concentrated among the less well-off
- Small wonder that in every major economy, people believe the pandemic has made their country more divided
- This applies even in Japan and Canada where, pre-pandemic, a large proportion of people thought their country was united

Source: Pew Research Center

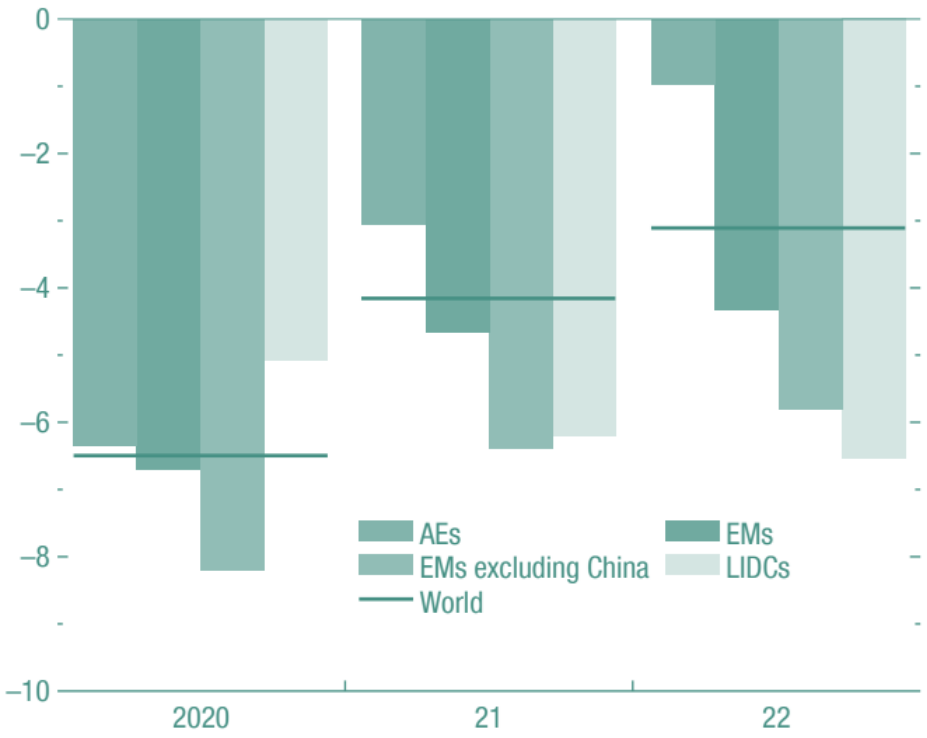
CITYWIRE

COVID Impact

Global Education Losses Due to the COVID-19
(Average missed days of instruction in 2020)

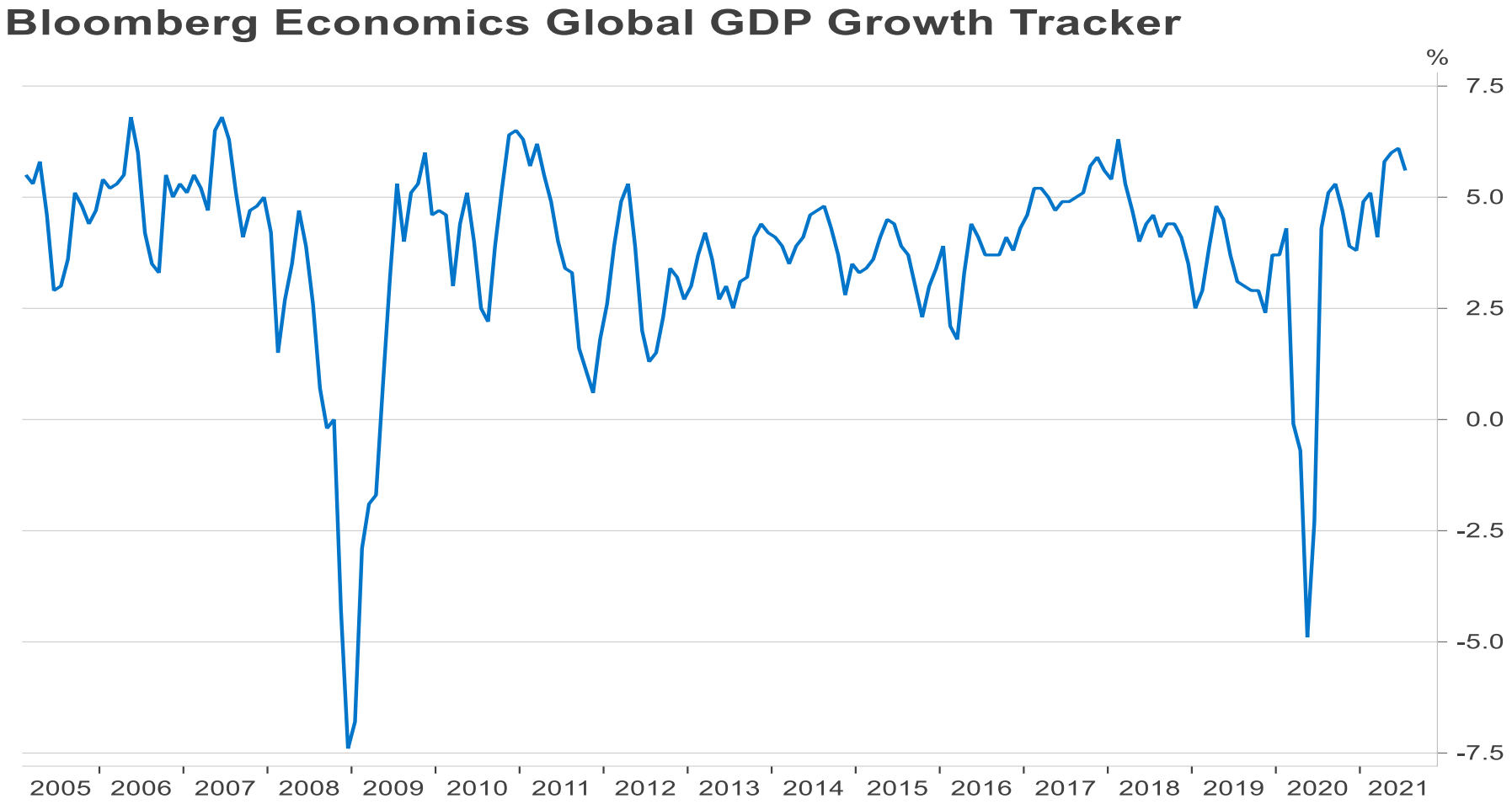


Hardest-Hit Groups



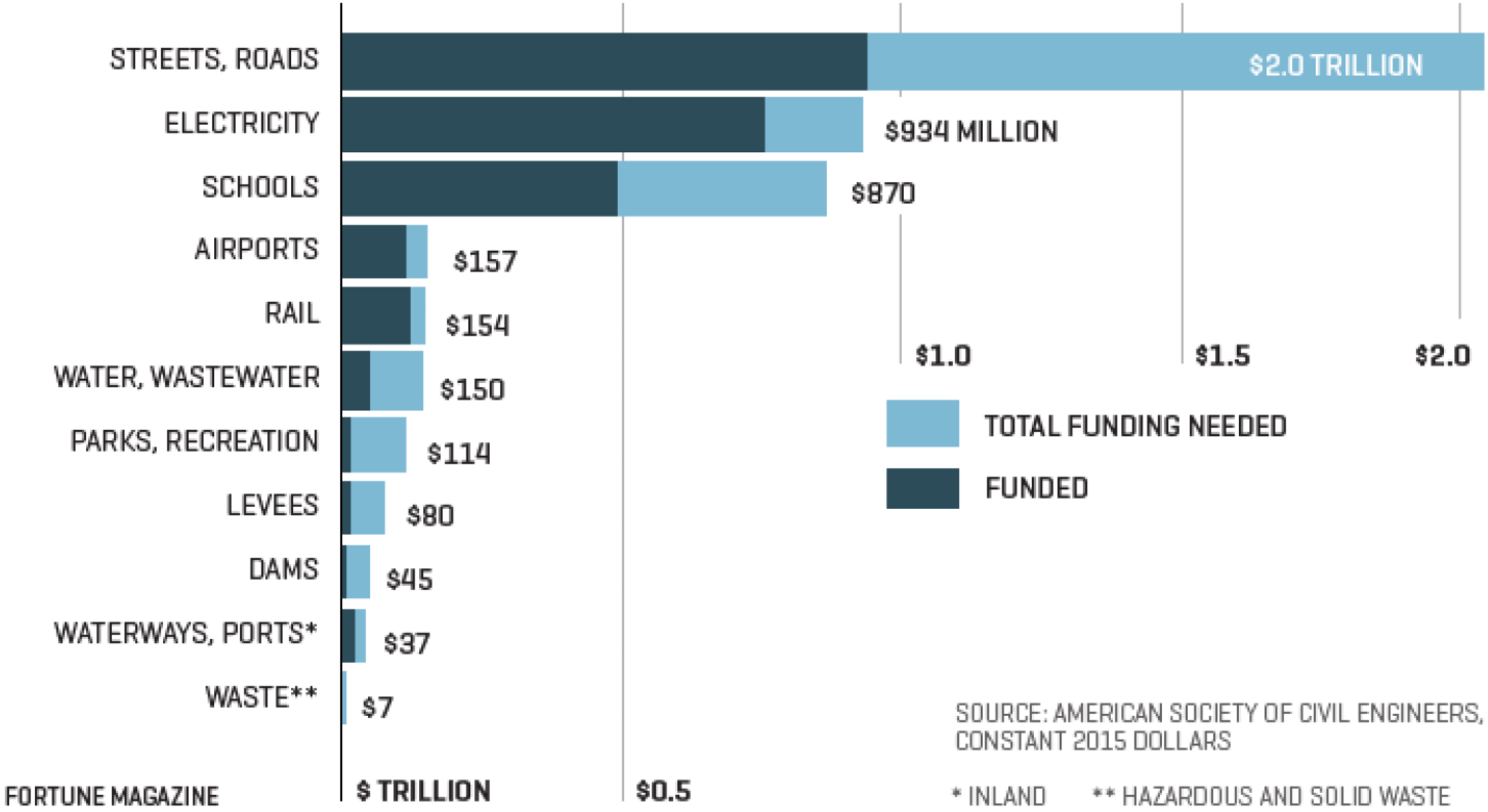
SOURCE: IMF

Growth Has Recovered



SOURCE: MACROBOND, BLOOMBERG, IRESS, SANLAM INVESTMENTS MULTI MANAGER (2021)

U.S. INFRASTRUCTURE NEEDS OVER THE NEXT 10 YEARS

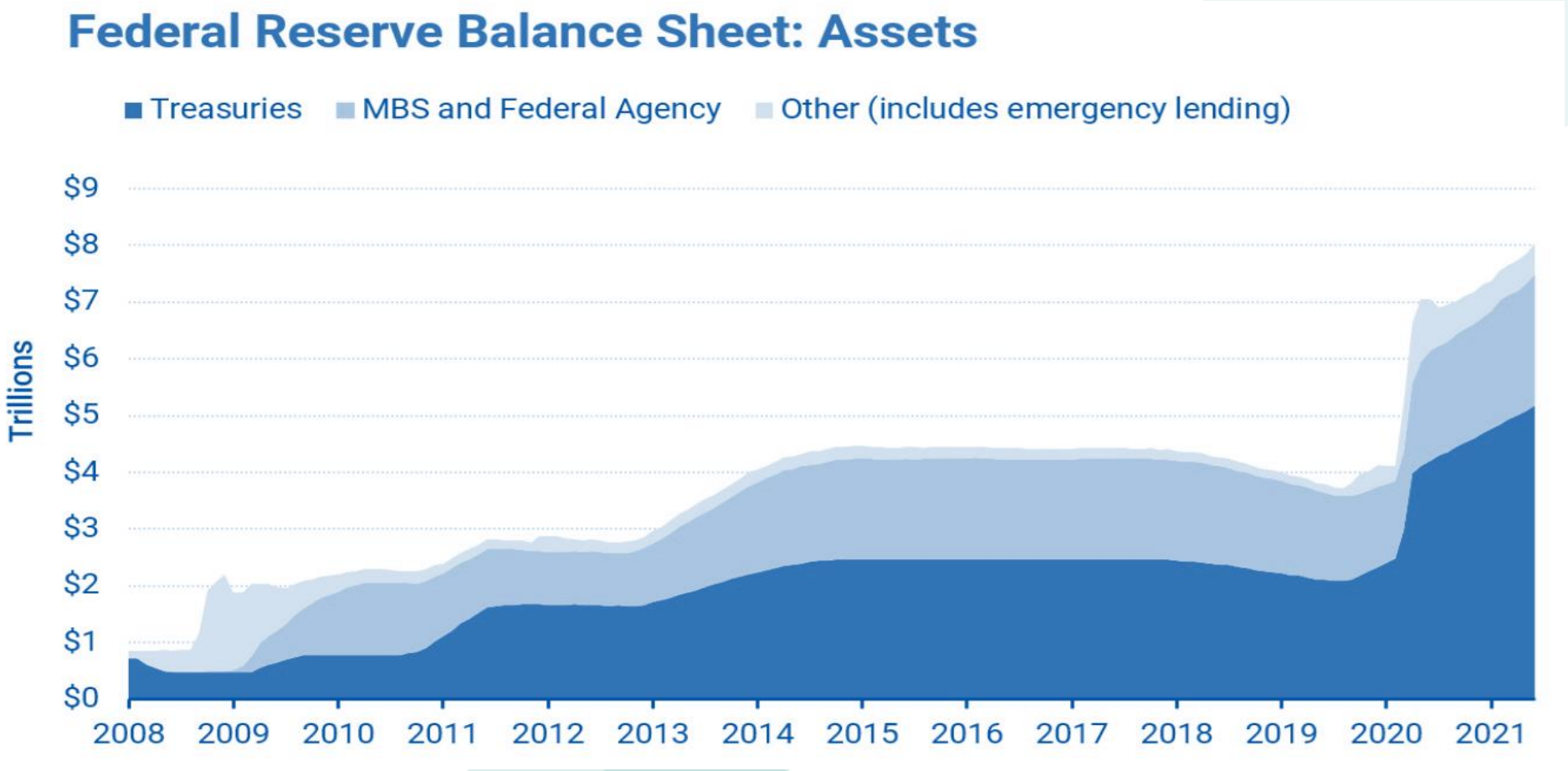


SOURCE: AMERICAN SOCIETY OF CIVIL ENGINEERS, CONSTANT 2015 DOLLARS

* INLAND ** HAZARDOUS AND SOLID WASTE

FORTUNE MAGAZINE

Tapering Could Start Soon



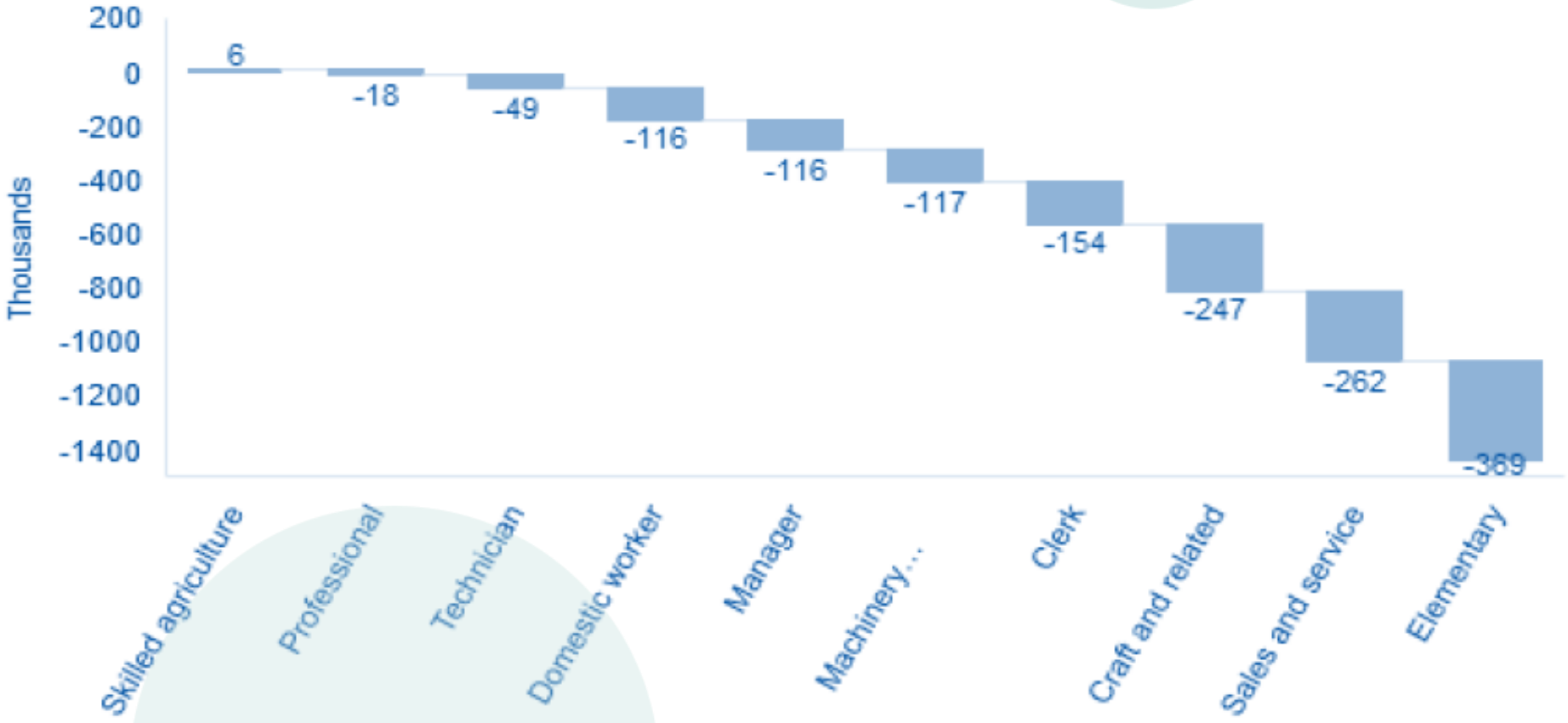
SOURCE: FEDERAL RESERVE H.4.1 VIA HAVER ANALYTICS

SA Unrest

- Household consumption and production
- Long-term damage
- Jobs
- Supply chains
- Shortages
- Covid-19 and medicine
- Consumer and business confidence
- Brand South Africa

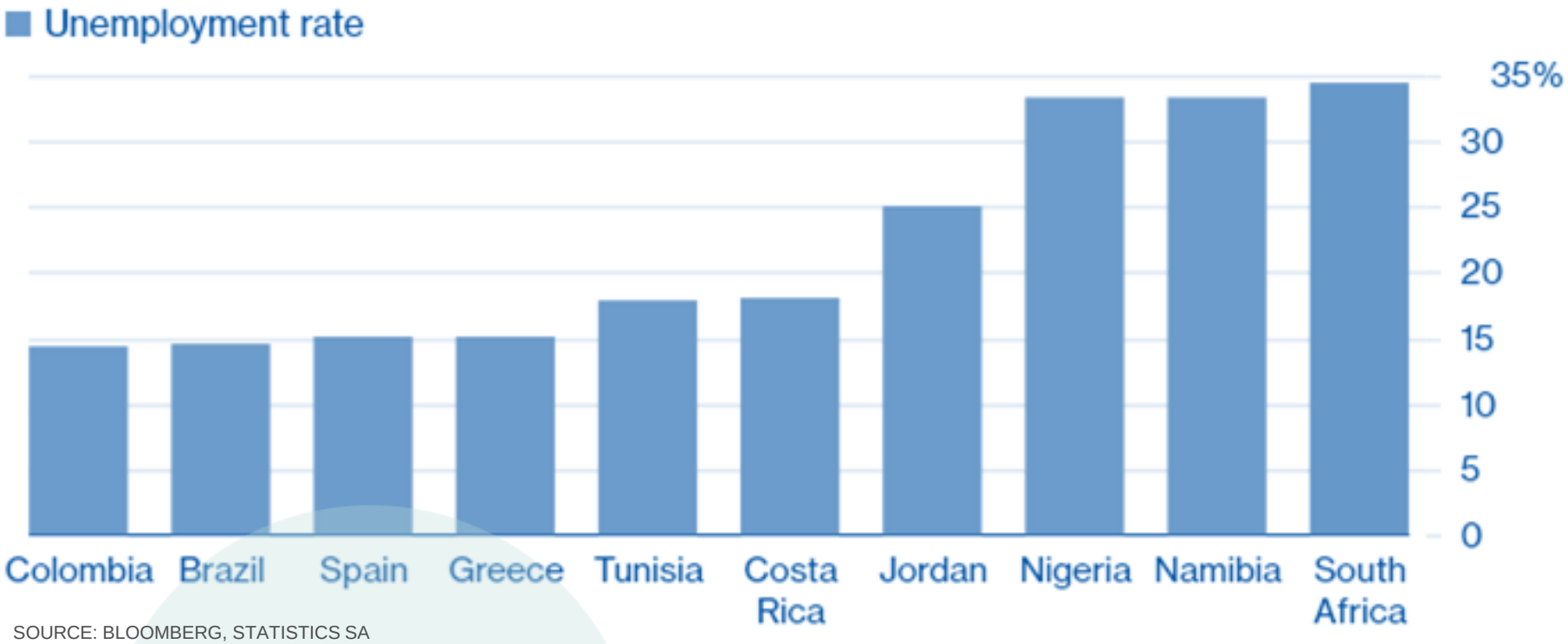
SOURCE: BUSINESS TECH, SANLAM

Many Jobs Have Been Lost



SOURCE: OUR WORLD IN DATA (2021)

SA - A World Leader



SOURCE: BLOOMBERG, STATISTICS SA

Will A Basic Income Grant Bust The Budget?

THE COST OF UNIVERSAL BASIC INCOME GRANT (Rbn)

Groups (18-59)	Number of people	FPL (R585 pm)	LBPL (R840 pm)	UBPL (R1,268 pm)	R2,500 pm	R3,500 pm
All	34.1m	239	343	519	1,023	1,432
All (80%)	27.3m	192	275	415	818	1,146
All (60%)	20.5m	144	206	311	614	859
Informal workers	2.5m	18	25	38	76	106
Unemployed	11m	76	111	168	332	464
NEA	13.4m	94	135	203	401	561
NFE	22.4m	157	226	341	672	940

Note:
Informal workers excluded domestic workers and the precariously employed
Unemployed (broad definition)
NEA - Not economically active NFE - Not formally employed
FPL - Food poverty line LBPL - Lower bound poverty line UBPL - Upper bound poverty line
The FPL, LBPL and UBPL listed are from 2020. Updated poverty lines should be used when determining cost in the short to medium term

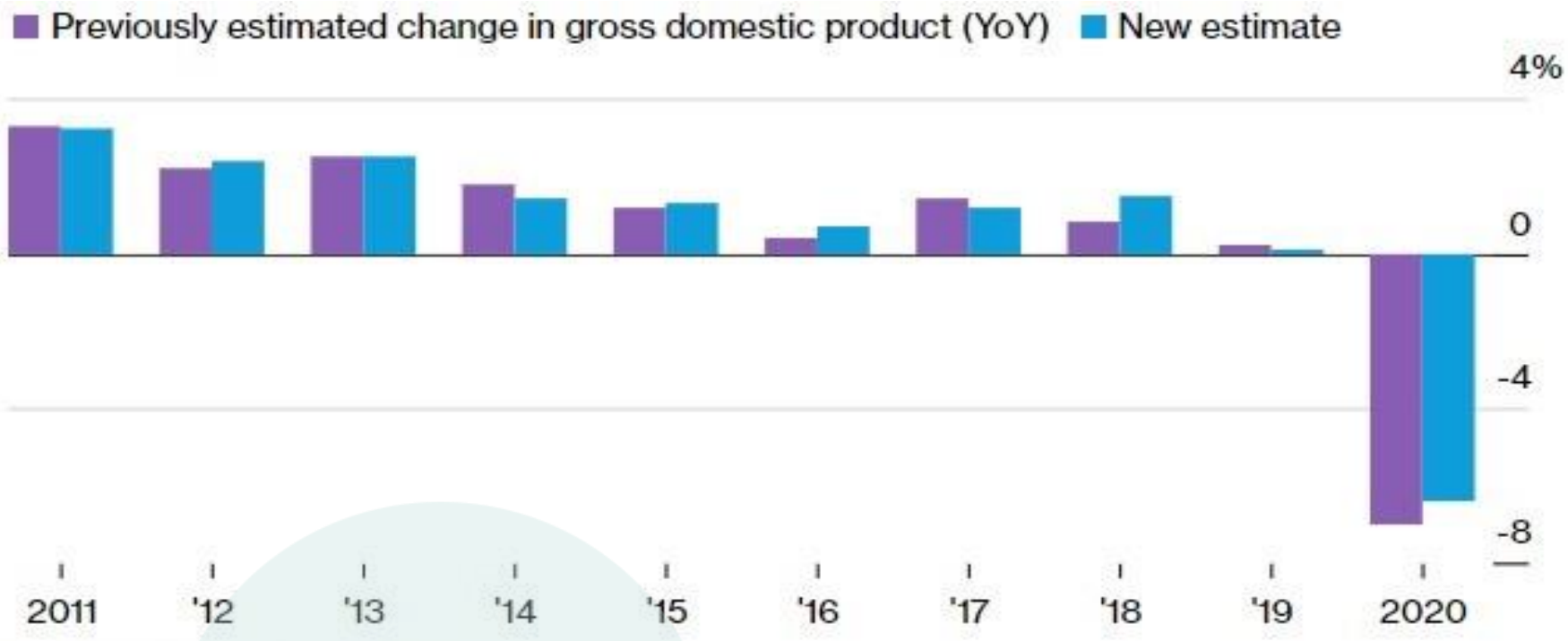
Source: Institute for Economic Justice

SOURCE: FINANCIAL MAIL

Ramaphosa’s Cabinet Reshuffle

“As an administration, as this collective, we are unwavering in our determination to build a capable state, one which is ably led and which effectively serves the needs of the people”

South Africa’s Economy Is $37 Billion Bigger After Revision



Source: Statistics South Africa

NASPERS And The “Chinese Virus”

SA Structural Economic Reform

Goldman Sachs

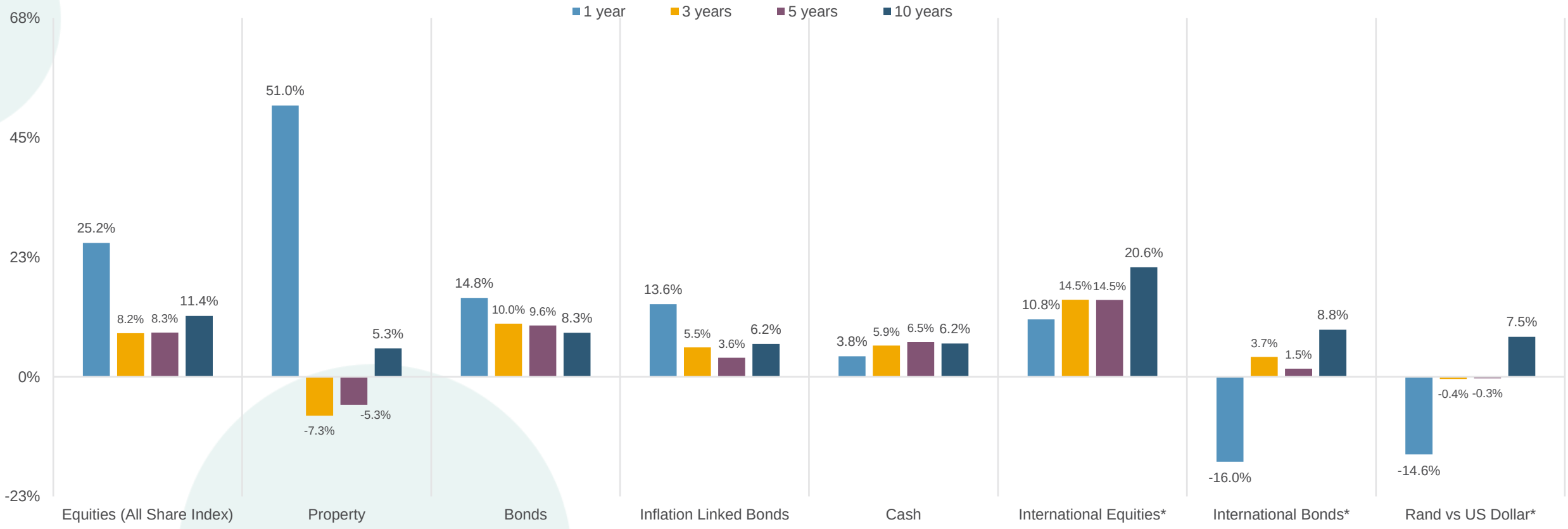
BSA
BUSINESS FOR SA | COVID-19

SARS
South African Revenue Service

DISTELL

INVESTMENT PERFORMANCE

Looking Back



AS AT 31 AUGUST 2021

Looking Forward

	Asset Allocation Positioning					10 Year Forecast			1Y
	-2	-1	0	1	2	2018	2019	2020	082021
SA Equities			Δ			11.5%	12.5%	12.5%	17.0%
SA Bonds				Δ		8.5%	9.0%	10.0%	12.8%
SA ILB			Δ			8.0%	8.5%	9.0%	9.7%
SA Property			Δ			10.5%	12.0%	13.0%	10.7%
SA Cash	Δ					7.0%	7.0%	6.0%	4.1%
DM Equity					Δ	11.0%	11.0%	10.5%	16.2%
EM Equity					Δ	12.0%	12.5%	12.5%	18.7%
Global Bonds		Δ				6.5%	6.5%	6.5%	-0.6%
Global ILB		Δ				6.8%	6.5%	6.0%	-1.2%
Global Property		Δ				10.0%	9.0%	10.0%	3.8%
Global Cash			Δ			6.8%	6.0%	5.3%	0.9%
International				Δ					
Inflation Assumption						5.50%	5.50%	5.00%	4.40%

Legend

Current Positioning

0-3 Month View

Δ 6-12 Month View

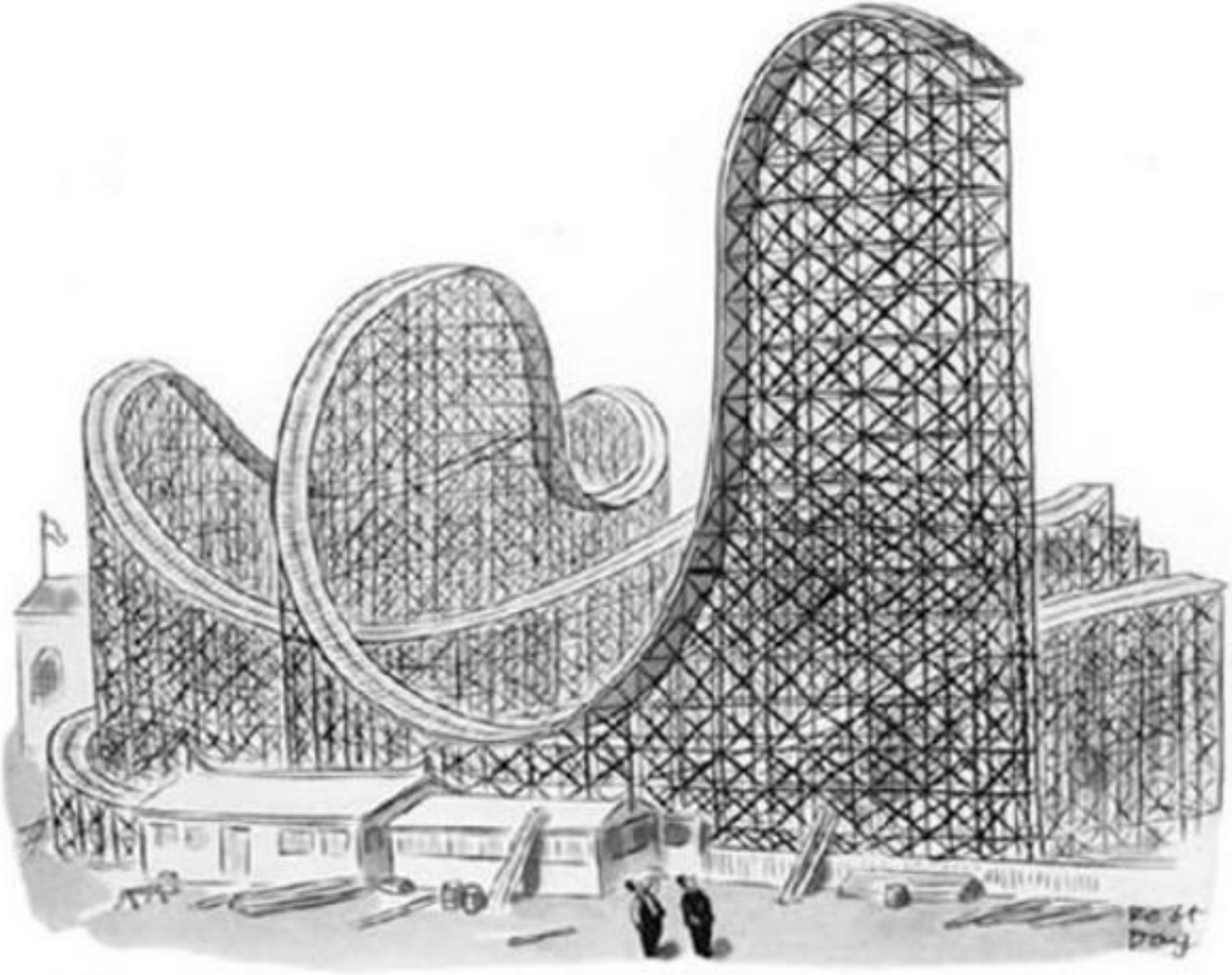
0 = Neutral

+/-1 = 1% to 2% over/underweight

+/-2 = 2% to 4% over/underweight

AS AT AUGUST 2021

WRAP UP



It’s been a rollercoaster ride

Performance has recovered remarkably

Portfolios are generally positioned for their risk horizons

Stay calm, remain invested

Sanlam

Live with confidence