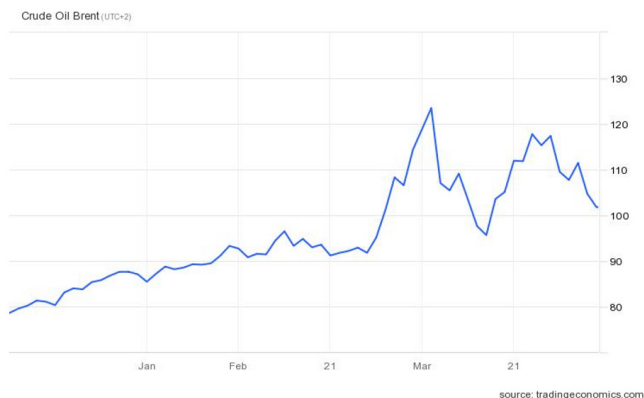


### MARKETS AND ECONOMICS

It was a tough month for investors, with little place to hide, as most asset classes delivered either negative or very muted returns amid continued uncertainty driven by the conflict in Ukraine, rising inflation, and the potential for more aggressive monetary responses. Despite headlines focussing primarily on the war in Ukraine, we continue to see a normalisation of monetary policy around the world, with 23 central banks raising interest rates during March, including South Africa (SA) and the United States (US). Furthermore, China continues to struggle under lockdowns aimed at controlling a surge in COVID infections, while also battling negative sentiment around potential sanctions as a result of their apparent support of Russia.

Local assets were, once again, slightly protected from global sell offs, with local property posting strong returns, and local equities delivering a small positive thanks to contributions by diversified miners and financials. Chinese exposures were some of the poor performers, owing to the factors described, with Prosus and Naspers losing 15% and 14%, respectively.

It was a rollercoaster month for the oil price, on the back of an already rising trend for the year thus far, as talks around sanctions imposed on Russia after its invasion of Ukraine started to fuel fears about a shortage of oil supply, and caused a significant spike at the start of the month to levels last seen in 2014. Starting the month just under \$100 a barrel, the oil price quickly moved past \$120 a barrel. Brief periods of progress in talks between Ukraine and Russia, as well as the release of strategic oil reserves, led to intra-month periods of the price falling significantly. However, towards the end of the month, the price spiked again amid a breakdown in resolution talks, among other things. Russian President Vladimir Putin also threatened to shut down the gas supply to Europe if payments are not made in Russian rouble.



### The following are some other local economic highlights:

- + Despite the volatile and increasing oil price, government has stepped in to alleviate some of the pressure on consumers from increasing fuel prices. Among other plans, the fuel levy will be cut by R1.50, with strategic oil reserves being sold to fund the tax cut.
- + The inflation rate remained unchanged at 5.7% for the year in February, slightly below market expectations, but still ahead of the South African Reserve Bank's (SARB's) mid-point target of the 3% to 6% range.
- + The SARB increased interest rates by another 0.25%, the third increase since December 2021, pushing the repo rate up to 4.25%.
- + The South African trade surplus increased to R10.6 billion in February, up from R4 billion in January.

### The following are some more global economic highlights:

- + The US Federal Reserve (Fed) increased rates, as expected, by 0.25% during March. This is the first hike since 2018, as inflation accelerated again in March to 7.9% (from 7.5% in February).
- + The European Central Bank (ECB), once again, kept rates unchanged at their meeting in March, despite inflation surging to an all-time high of 7.5% in March.
- + The Bank of England (BoE) increased their Bank Rate by another 0.25% for the third consecutive time, as their inflation rates also moved higher to 6.2%.

<b>JSE All Share</b> 0,01%   75 497,15 ▲	<b>MSCI World (USD)</b> 2,74%   3 053,07 ▲	<b>MSCI EM (USD)</b> -2,26%   1 141,79 ▼
<b>SA Bonds</b> 0,45%   837,98 ▲	<b>SA Property</b> 5,05%   336,22 ▲	<b>CPI (y/y)</b> 5,70%   100,80 ▲
<b>Gold</b> 1,90%   1 931,73 ▲	<b>Platinum</b> -6,10%   992,51 ▼	<b>Oil</b> 6,88%   104,71 ▲
<b>\$/R</b> -4,94%   14,61 ▼	<b>€/R</b> -6,24%   16,16 ▼	<b>£/R</b> -6,90%   19,20 ▼