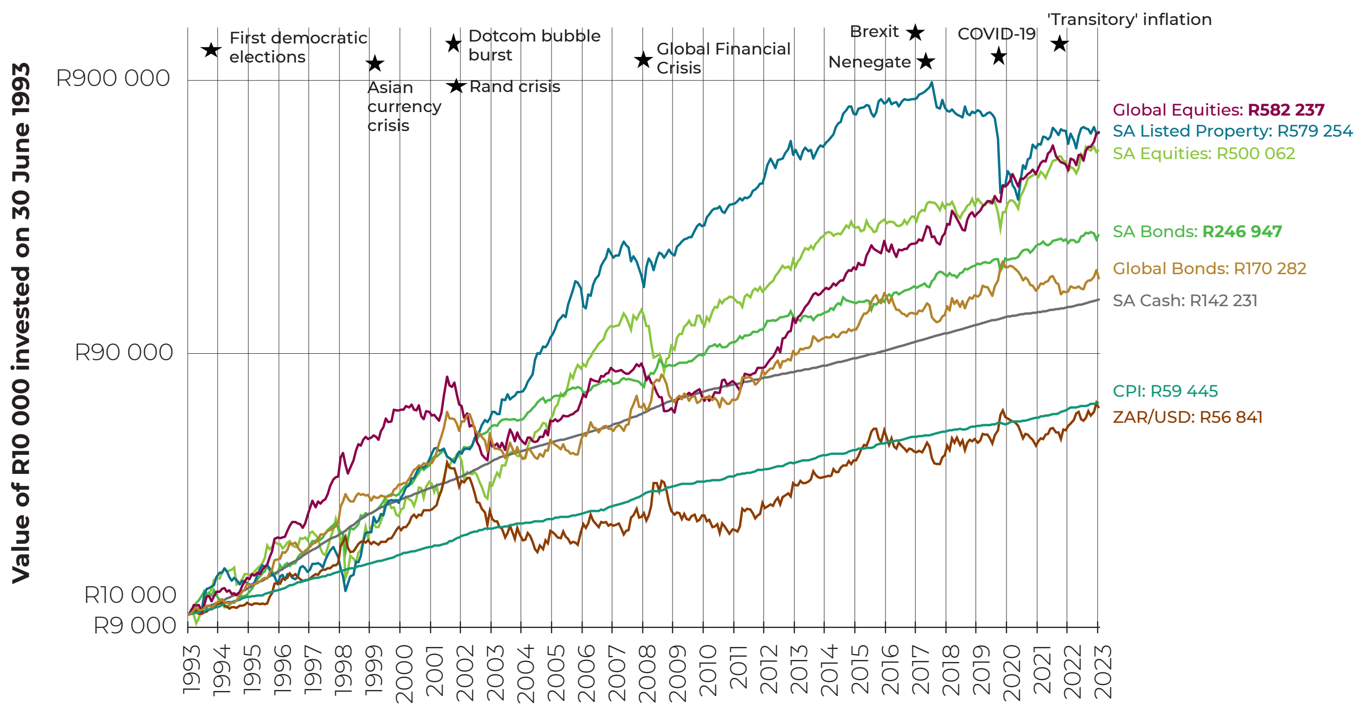
INVESTING FOR THE LONG TERM

JULY 2023

Saving for retirement means staying the course over the long term, yet this is not easy. There is always something happening in the world that is cause for concern. What we know with certainty is that businesses and equity markets have proven resilient through turbulent times, crises and adverse events. Focusing too intently on the current cause for concern can detract from the long-term goal of retirement capital accumulation. The rebound in markets during the first half of 2023, following significant declines in 2022, highlights that markets can fall suddenly but can also recover just as rapidly. Investors who choose to react will be hard-pressed to outperform investors that sit tight and do nothing. According to Vanguard, *"Because markets are unpredictable, trying to time them means you must get two important decisions right: when to get out and when to get back in. Get either wrong, and you risk having to pay a higher price to re-enter the market as well as miss out on the growth from any market recovery"*.

Having access to long-term market return information can provide the relevant perspective and comfort to survive the inevitable jittery markets. Furthermore, historical annual returns show how diversification across asset classes and asset managers can provide a more stable return pattern, with the important caveat that negative returns are part of the journey. The Old Mutual Multi-Managers Index Chart and Periodic Table of Asset Class Returns are reference tools to provide an understanding of the long-term trends in asset classes and help you to stay focused on the long term.

OLD MUTUAL MULTI-MANAGERS INDEX CHART
Market returns over 30 years – 1 July 1993 to 30 June 2023



OLD MUTUAL MULTI-MANAGERS PERIODIC TABLE OF ASSET CLASS RETURNS

Annual calendar year returns for the main asset classes

Calendar year	SA Equities	SA Bonds	SA Cash	SA Listed property	ZAR/USD	CPI	Global Equities (ZAR)	Global Bonds (ZAR)
1993	54.7%	31.9%	12.5%	14.4%	11.3%	9.5%	37.1%	23.7%
1994	22.6%	-8.9%	11.4%	14.9%	4.3%	8.8%	10.2%	4.6%
1995	8.4%	30.1%	14.6%	10.1%	2.9%	6.2%	24.8%	23.1%
1996	9.5%	6.6%	16.3%	-10.1%	28.3%	9.0%	46.3%	34.6%
1997	-6.9%	29.1%	17.2%	17.0%	4.0%	7.0%	20.9%	7.9%
1998	-5.9%	5.1%	17.8%	-0.9%	20.4%	7.3%	50.3%	36.9%
1999	70.8%	28.7%	15.7%	60.0%	4.7%	6.8%	31.3%	-0.7%
2000	0.4%	19.4%	10.5%	31.8%	23.2%	7.7%	7.3%	27.1%
2001	32.6%	17.8%	10.0%	14.5%	58.7%	6.5%	32.4%	61.1%
2002	-8.3%	16.0%	11.8%	20.1%	-28.4%	10.8%	-42.4%	-16.6%
2003	16.1%	18.1%	12.3%	41.0%	-22.9%	4.0%	3.1%	-13.3%
2004	25.4%	15.2%	7.8%	41.3%	-14.9%	4.3%	-1.9%	-7.0%
2005	47.3%	10.8%	7.1%	50.0%	12.1%	4.0%	23.4%	7.1%
2006	41.2%	5.4%	7.4%	28.4%	10.4%	5.0%	33.2%	16.8%
2007	19.2%	4.3%	9.3%	26.5%	-2.5%	8.6%	6.9%	6.8%
2008	-23.2%	17.0%	11.7%	-4.5%	38.2%	9.0%	-17.5%	44.8%
2009	32.1%	-1.0%	9.1%	14.1%	-21.0%	6.3%	3.3%	-15.5%
2010	19.0%	15.0%	6.9%	29.6%	-10.6%	3.5%	0.5%	-5.6%
2011	2.6%	8.8%	5.7%	8.9%	21.9%	6.1%	15.8%	28.8%
2012	26.7%	16.0%	5.5%	35.9%	4.1%	5.7%	21.3%	8.6%
2013	21.4%	0.6%	5.2%	8.4%	23.2%	5.4%	57.0%	20.0%
2014	10.9%	10.1%	5.9%	26.6%	10.6%	5.3%	16.7%	11.3%
2015	5.1%	-3.9%	6.5%	8.0%	35.0%	5.2%	34.6%	30.8%
2016	2.6%	15.5%	7.4%	10.2%	-11.5%	6.8%	-4.2%	-9.6%
2017	21.0%	10.2%	7.5%	17.2%	-9.6%	4.7%	11.3%	-2.9%
2018	-8.5%	7.7%	7.2%	-25.3%	16.0%	4.6%	6.5%	14.6%
2019	12.0%	10.3%	7.3%	1.9%	-2.5%	4.0%	25.2%	4.2%
2020	7.0%	8.7%	5.4%	-34.5%	5.0%	3.1%	22.3%	14.1%
2021	29.2%	8.4%	3.8%	36.9%	8.5%	5.9%	32.7%	3.4%
2022	3.6%	4.3%	5.2%	0.5%	6.8%	7.2%	-12.1%	-10.6%
2023	5.9%	1.8%	3.7%	-4.4%	10.7%	2.4%	27.8%	10.1%
Average	**14.6%**	**11.4%**	**9.3%**	**14.1%**	**6.2%**	**6.2%**	**15.1%**	**10.3%**
Best	**70.8%**	**31.9%**	**17.8%**	**60.0%**	**58.7%**	**10.8%**	**57.0%**	**61.1%**
Worst	**-23.2%**	**-8.9%**	**3.7%**	**-34.5%**	**-28.4%**	**3.1%**	**-42.4%**	**-16.6%**
# Negative	**5**	**3**	**0**	**6**	**9**	**0**	**5**	**9**
# >20%	**12**	**4**	**0**	**12**	**8**	**0**	**16**	**10**

Notes:

1. Current calendar year is a year to date (30-Jun-2023) figure.
2. Green shaded years are those when the return exceeded 20%.
3. Red shaded years are those when the return was negative.
4. Sources of data: Refinitiv Datastream and Old Mutual Multi-Managers