



Beste kliënte,

Ek deel graag met julle 'n baie insiggewende artikel van Old Mutual Super Fund oor huidige ekonomiese gebeure, wat ek hoop julle sal geniet.

Dan maak ek graag van die geleentheid gebruik om vir die van julle wat nog nie daarvan bewus is nie, te vertel hoe My Makelaars aanmekaar gesit is en wat ons alles vir ons kliënte kan doen.

Hier onder is My Makelaars se huidige organogram. Daar was oor

die aflope 30 jaar baie verandering en groei hier by ons gewees tot waar die span nou staan. (so ek hoop volgende keer as jy bel weet jy darem met wie jy praat).

Deesdae is versekering en beleggings so ingewikkeld dat ons elkeen buite die algemene advies en dienste wat ons aanbied, ook in 'n spesifieke terrein spesialiseer, ten einde advies en diens aan ons kliënte te lewer.

Verder wil ek graag ook meer duidelikheid gee oor ons oorhoofse

beskouing van finansiële beplanning.

Die grafiek en tabel toon aan watter tipe produkte 'n mens gedurende jou leeftyd benodig en hoe die algemene mens se prioriteite sal verander.

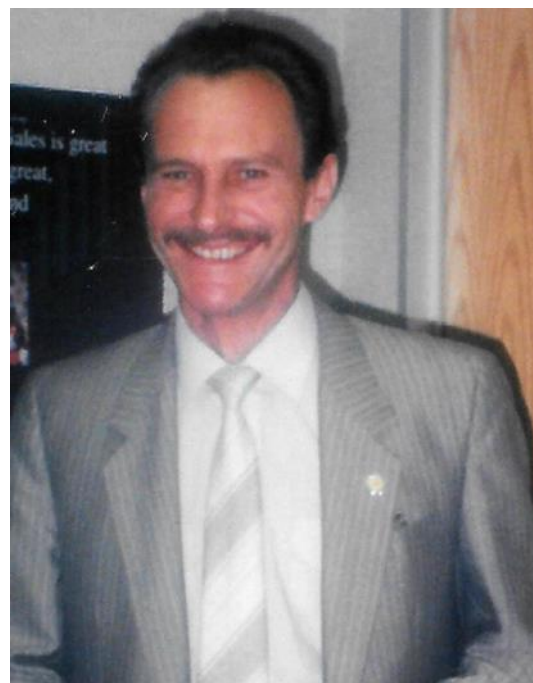
Vriendelike groete,

Dolf du Plessis

Dolf du Plessis

082 925 0333

dolf@mybrokers.co.za



Belê in jou toekoms, besoek ons webtuiste:
www.mybrokers.co.za

Vind ons op Facebook: www.facebook.com/mymakelaars

Ons spesialiseer in:

- Testamente en boedelbeplanning
- Aftredebeplanning (aftreeannuïteite en pensioenfondse)
- Na-aftrede beplanning (lyfrente en lewende-annuïteite)
- Beleggingbeplanning
- Langtermyn versekeringsdekking (lewendesdekking, ongeskiktheidsdekking, traumadekking)
- Inkomstebeskerming
- Mediese fondse

Old Mutual Super Fund

What on earth is happening?

Every South African may have heard or read media reports about the negative effects on our economy lately, such as:

The President's replacement of Mr. Nhlanhla Nene as Minister of Finance by Mr. David van Rooyen initially and then a few days later by Mr. Pravin Gordhan. The prices of shares on the Johannesburg Stock Exchange fell sharply and yields on Government debt rose, with investors anticipating that our Government debt would be downgraded to "junk" status.

Reduced international demand for commodities such as gold, platinum, iron ore and coal, from which we earn much of our foreign exchange, causing our Rand to weaken, (as has happened to other commodity exporting countries such as Brazil and Russia), and the severe drought with the consequence of needing to import maize!

On the positive side, the price of oil remains low. Some oil producing countries are having to sell some of their accumulated wealth in so-called sovereign funds in order to balance their budgets. This is negatively affecting stock markets worldwide. You may be wondering how all these events impact you as an investor.

Your investment portfolios consist of many different types of asset classes. This spread across equities, bonds, property, cash and alternative assets and is known as diversification. Not all asset classes

react the same way to market events. By spreading assets amongst classes that react differently, the impact on your portfolio, as a whole, can be lessened. It's a fancy way of saying that you shouldn't have all your eggs in one basket.

Our bonds are junk?

Our Government needs money to spend on a number of things, social welfare, building roads, public facilities, funding State owned health care facilities and education to name a few. In order to do this they need to rely on the tax you pay on every item you buy at your local corner store (called VAT) and also taxing your monthly salary (called PAYE).

The problem is that most governments spend more than what they take from you and me and they only have three options available to them, increase taxes (not very popular for anyone of us), decrease expenditure or borrow money from investors.

The last option, borrowing money, is done in the form of issuing what's called "bonds". If our Government bonds are then "downgraded" to junk status it will mean that investors feel that there is a greater risk that the Government won't be able to pay back the money they have lent them. Investors will then demand a higher return to compensate for the higher risk i.e. the riskier the investment the higher the return must be to compensate them for taking the risk. Government, companies and us, as individuals,



Ons spesialiseer in:

- Testamente en boedelbeplanning
- Aftredebeplanning (aftreeannuïteite en pensioenfondse)
- Na-aftrede beplanning (lyfrente en lewende-annuïteite)
- Beleggingbeplanning
- Langtermyn versekeringsdekking (lebensdekking, ongeskiktheidsdekking, traumadekking)
- Inkomstebeskerming
- Mediese fondse



OLD MUTUAL
INVESTMENT GROUP

will have to pay much more for the money we borrow, meaning that less will be available to fund the services the Government provides, putting pressure on taxes and reducing investment in infrastructure, companies will have less to spend on development and we will have less to spend on the goods and services that we buy. This will hurt the economy and could lead to an even weaker Rand and in turn higher inflation.

Rand weakening

When investments or money leaves the country it results in a much lower demand for our currency, the Rand. When there is a lower demand for the Rand, they call it depreciation (everything is less valuable). Because our country imports more than it exports, everything we buy from overseas becomes so much more expensive, we pay more for food, pay more for petrol and because we need to pay more for almost everything this leads to higher inflation.

When will it rain?

The other reality is our drought and the continued decline in the water levels of our dams. We are already seeing for example that South Africa needs to import more maize and combined with a weaker Rand, it will cost more and this in turn will result in higher food prices and inflation.

Reserve Bank steps in

The Reserve Bank of South Africa has now stepped in to reduce increasing inflation or at least control upward inflationary pressures. One way to do this is to increase interest rates which will hopefully attract foreign investors back and try and reverse the cycle that was just explained but not without consequences!

If the Reserve Bank increases the interest rates (which they did!) it impacts everyone that has debt, be it a credit card, your monthly car instalments or the bond repayments on your house. Everything becomes so much more expensive, more of your money is going towards paying a higher interest rate on these debts or commitments. These events may also drive Government to increase taxes so be prepared.

All of these unrelated events are causing instability (I.e. volatility) in our South African Investment market and you as a member may already be seeing this in your investment returns earned.

What should you do

As you can see, there are a wide range of factors which influence your investment returns! The Old Mutual Superfund is very cautious and makes sure that the Investment Managers offering investment portfolios to our members have excellent people and processes in



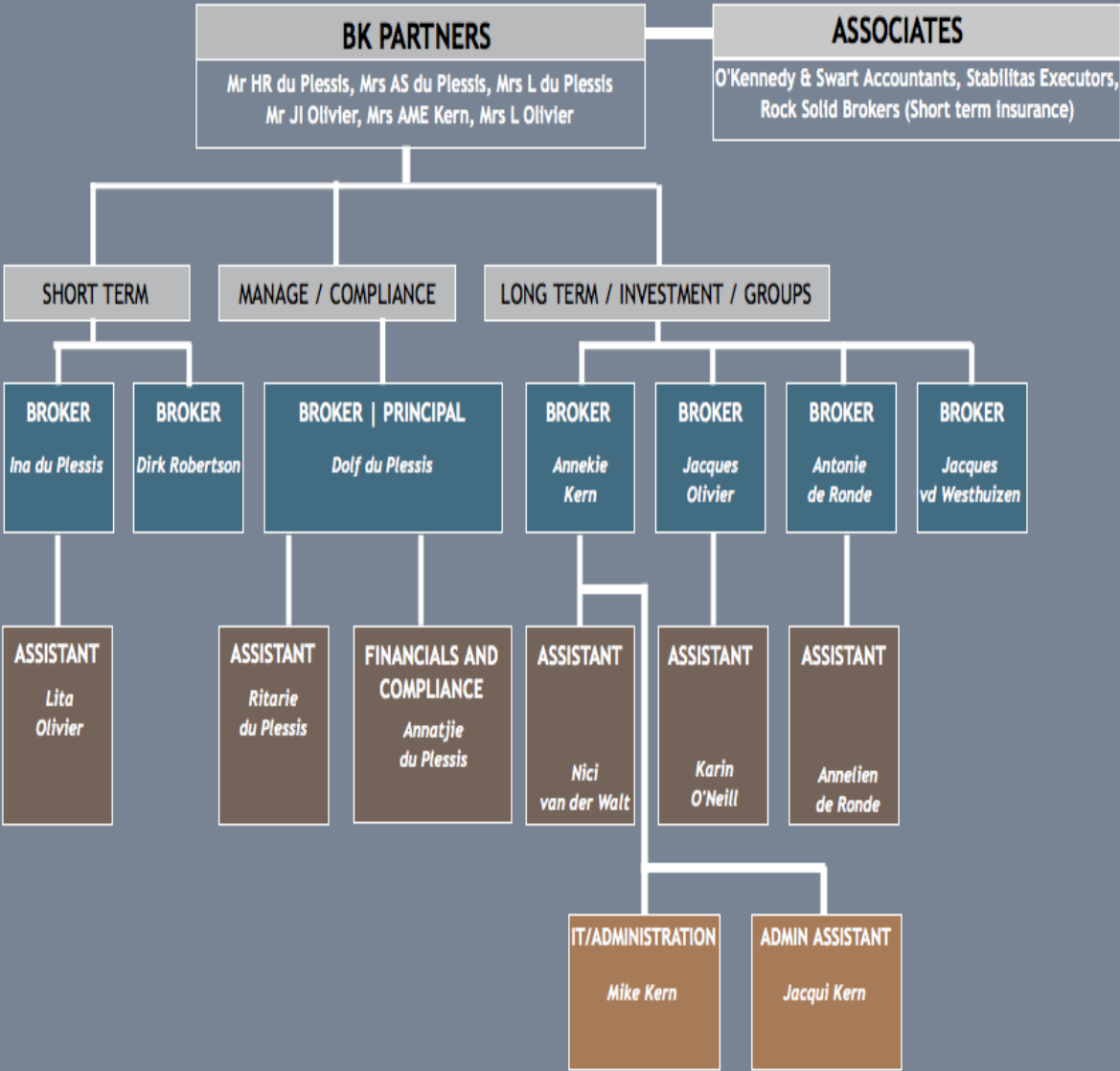
place and that each investment portfolio is well diversified across asset classes. These features should work together to protect you against inflation and achieve the investment returns required over the long term. There is nothing that you need to do.

It's important that you don't get frightened by market events into disinvesting from the market and putting your investments or retirement savings into portfolios that aim to preserve capital value at the expense of long-term returns, thereby locking in any losses. You need to stay invested in growth assets such as company shares and property, as these stand the best chance in the long term to

deliver the investments returns that you require.

Wrapping up

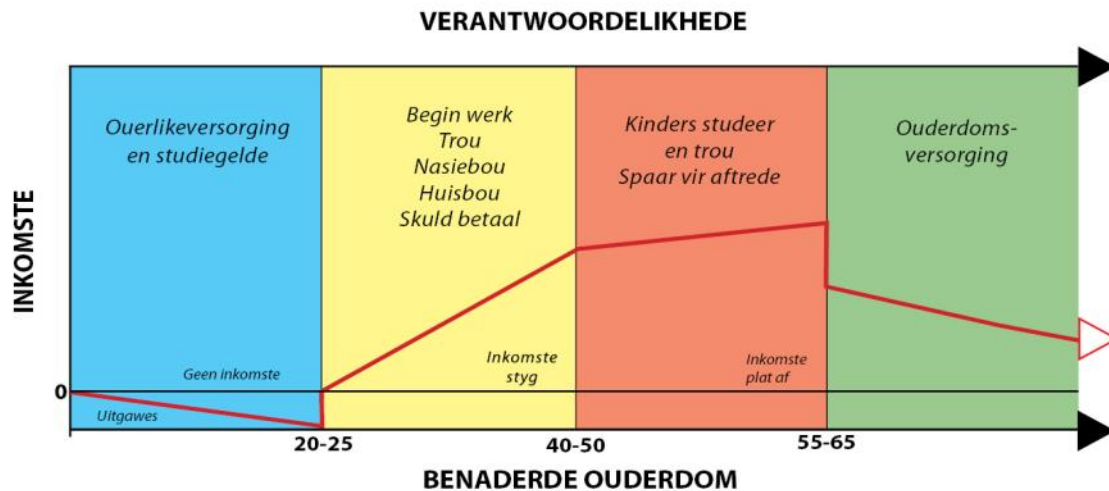
The investment world can be complicated and confusing, and there are lots of different views and events that affect this. We hope this investment update has helped explain some of the complexity and put you at ease.



MY MAKELAARS BK

SE OORHOOFSE BESKOUING T.O.V. FINANSIËLE BEPLANNING

Die doel van hierdie dokument is om op 'n eenvoudige manier die gemiddelde persoon se totale finansiële situasie voor te stel. Dit sluit sy inkomste (salaris), asook behoeftes en verantwoordelikhede in. Elke mens se situasie is anders, maar hierdie kan as riglyn dien om te verduidelik hoe 'n mens se behoeftes mettertyd verander en hoe jou finansiële produkte aangepas moet word om by jou behoeftes en prioriteite tref te hou.



Soos mens kan sien uit die grafiek hierbo verander jou inkomste en behoeftes in elke lewensfase. Dit maak dan ook sin dat jou finansiële prioriteite ook in elke lewensfase sal verskil. Die tabel hieronder verskaf meer inligting hieroor. Dit is egter van so 'n aard dat almal se prioriteite nie dieselfde sal wees nie.

BEHOEFTE			
Kinder stadium	Jongmens stadium	Volwasse stadium	Bejaarde Stadium
Versorging	Testament	Testament	Testament
	Mediese fonds	Mediese fonds	Inkomste in aftrede
	Inkomste beskerming	Beskerm gesin teen dood en skuld	Mediese fonds
	Voorsiening vir aftrede	Voorsiening vir aftrede	Belegging
	Beskerm gesin teen dood en skuld	Spaar en Belegging	Gevreesde siekte dekking
	Spaar	Gevreesde siekte dekking	Beskerm gesin teen dood en skuld
	Gevreesde siekte dekking	Ongeskiktheidsdekking	
	Ongeskiktheidsdekking	Inkomste beskerming	