

REZCO



## REZCO WEBINAR AUGUST 2022

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| CIO

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# THE ROAD MAP

COVID  
PANDEMIC

OVERCOOKED  
FISCAL &  
MONETARY  
STIMULUS

INFLATION  
PROBLEM

YES

BIG INTEREST  
RATE HIKES &  
QT

YES

RECESSION

YES



NO



NO

S&P - BEAR MARKETS WITH RECESSIONS

S&P THROUGH RECESSIONS (REBASED)



Source: Refinitiv Datastream / Reeco

An aerial photograph of a dense forest with a winding road. The road is dark and curves through the green trees. In the bottom right, a small car is visible on the road.

REZCO

A stylized logo consisting of a large white 'R' with a red diagonal bar across it.

**HEADLINES ARE FEARFUL  
THEREFORE EQUITIES  
MUST BE CHEAP**

WSJ NEWS EXCLUSIVE

## Recession Fears Surge Among CEOs, Survey Suggests

More than 60% of executives see a recessionary period in next 12 to 18 months, according to the Conference Board survey

Concerns including energy costs, supply-chain snarls and China's pandemic lockdowns are contributing to CEOs' sense that a recession is likely. BING GUAN/BLOOMBERG NEWS

### Bloomberg

Africa Edition

• Live Now Markets Technology Politics **Wealth** Pursuits Opinion Businessweek Equality Green CityLab

**Wealth**  
Investing

## Inflation or Recession: Which Should You Fear More?

## Wall Street recession fears stoked by patchy US economic data

Markets expect the Fed to continue raising rates this year before changing course in 2023

### Bloomberg

Africa Edition

• Live Now Markets Technology Politics **Wealth** Pursuits Opinion Businessweek Equality Green

**Business**  
Economics

## Germany 'on Brink of Recession' as Business Confidence Falls

- Ifo expectations index declined to 80.3 in July; est. 83.0
- Fuest says firms expect significantly worse conditions ahead

## Oil prices turn sharply lower on fears recession will undercut demand

US crude futures settle below \$100 a barrel in broad commodities sell-off

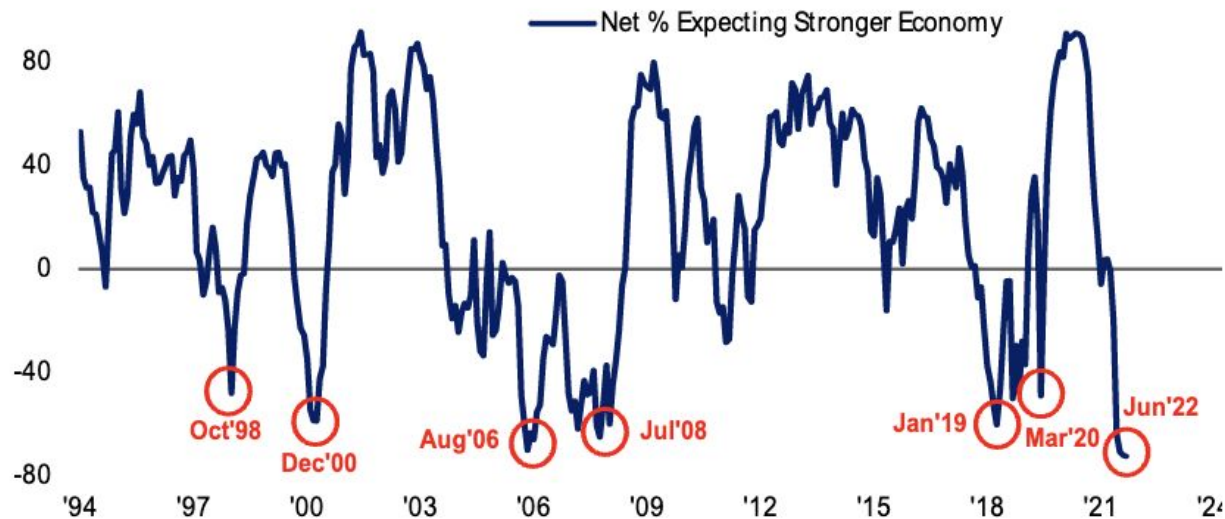


Oil and gas stocks accounted for nine of the 10 biggest decliners in the S&P 500 index on Tuesday © Reuters

# BUY WHEN EVERYONE IS FEARFUL?

**Chart 2: Optimism on global growth falls to a new low**

FMS net % expecting stronger economy



Source: BofA Global Fund Manager Survey

BofA GLOBAL RESEARCH

# FEAR IS A DANGEROUS MEASURE OF VALUE OR TIMING



Source: Refinitiv Datastream / Rezco

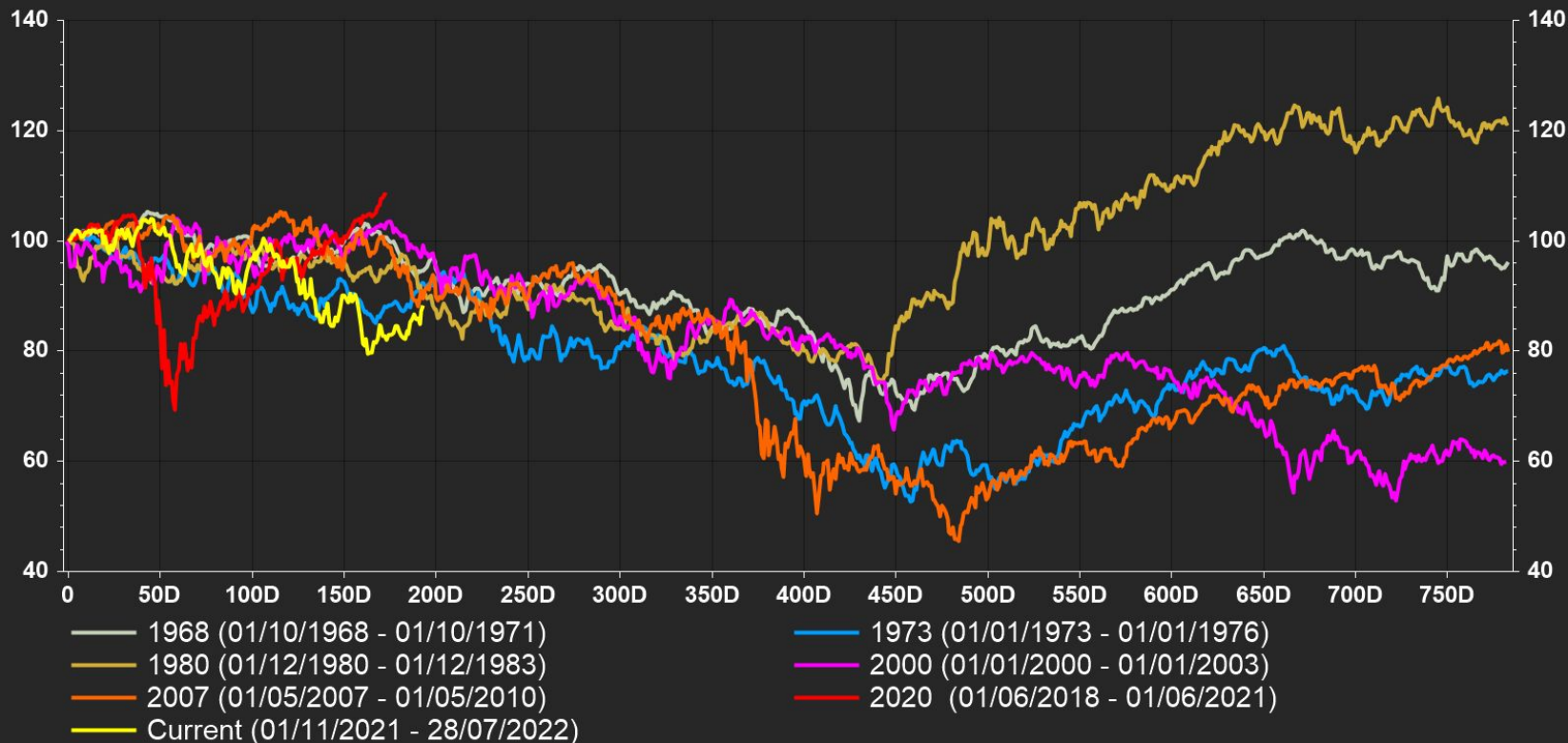
# IS THAT ENOUGH PAIN FOR NOW?



Source: Refinitiv Datastream / Rezco

# S&P - BEAR MARKETS WITH RECESSIONS

S&P THROUGH RECESSIONS (REBASED)



Source: Refinitiv Datastream / Rezco

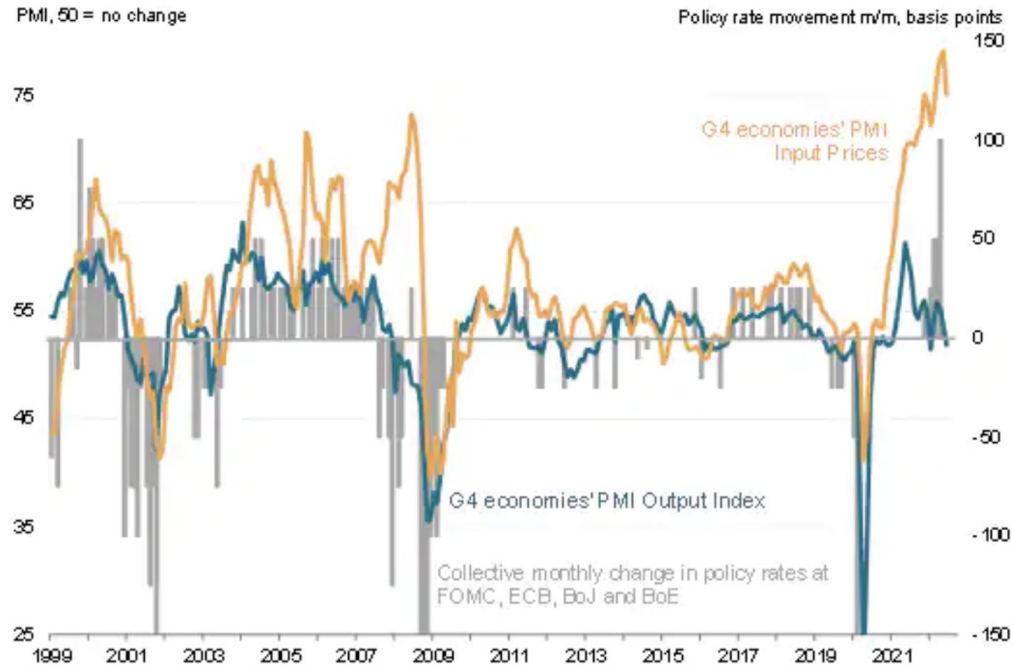
An aerial photograph of a winding asphalt road that curves through a dense, dark forest. The road is light gray and contrasts with the dark green foliage. A small car is visible on the road in the lower right. A semi-transparent dark gray rectangle is centered over the middle of the image, containing the text 'ARE WE THERE YET?'. On the left side, there is a large white stylized 'R' with a red diagonal bar across its lower portion.

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**ARE WE THERE YET?**

# BIG 4 ECONOMIES: HIKING RATES INTO WEAK PMI'S

## Flash PMI output and prices indices charted against G4 central bank monetary policy changes



Source: G&P Global

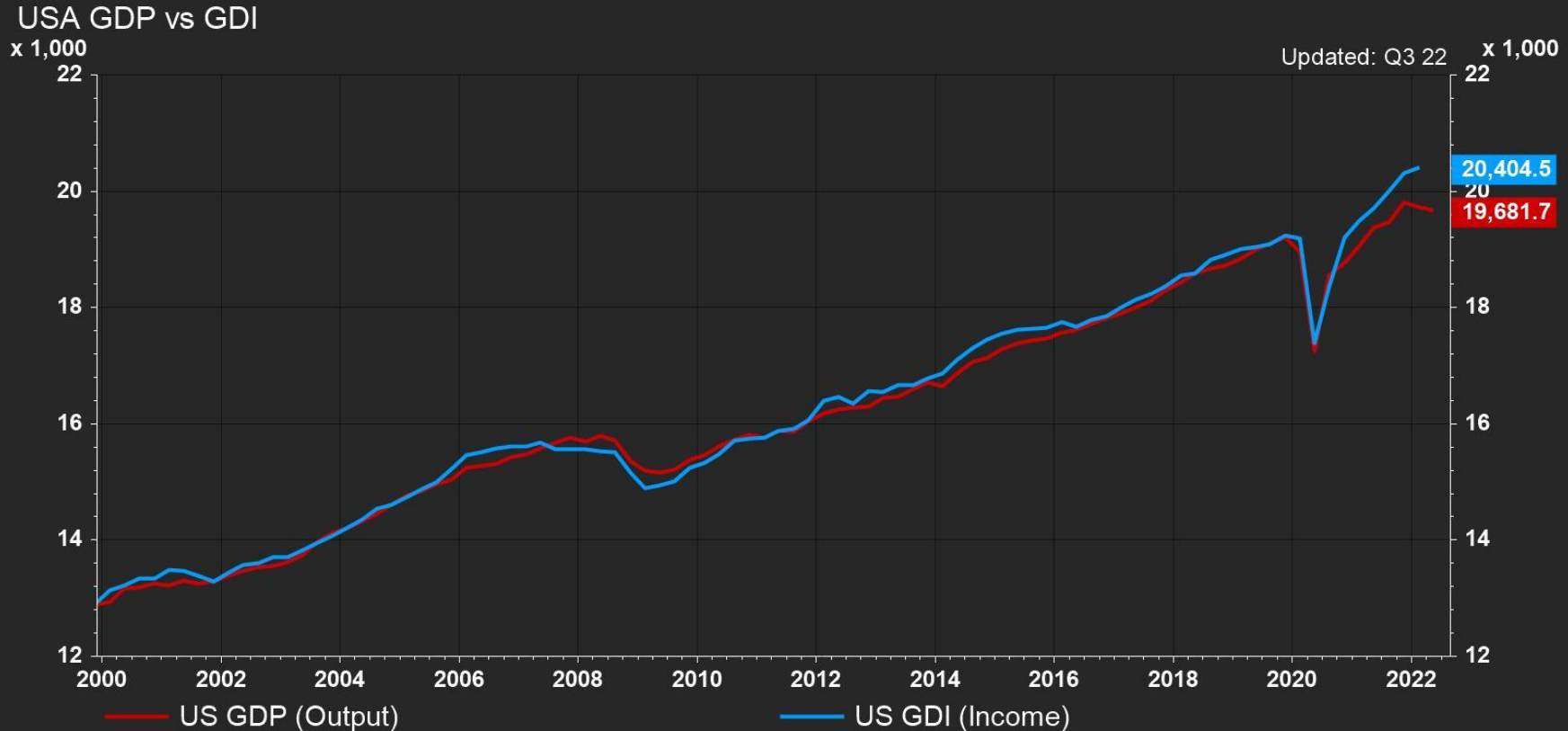
# USA GDP: TECHNICALLY IN A RECESSION

US GDP



Source: Refinitiv Datastream / Rezco

# US INCOMES STILL STRONG (TO Q1 2022)



Source: Refinitiv Datastream / Rezco

# HOUSING BOOMING (BUT SENTIMENT HAS COOLED)

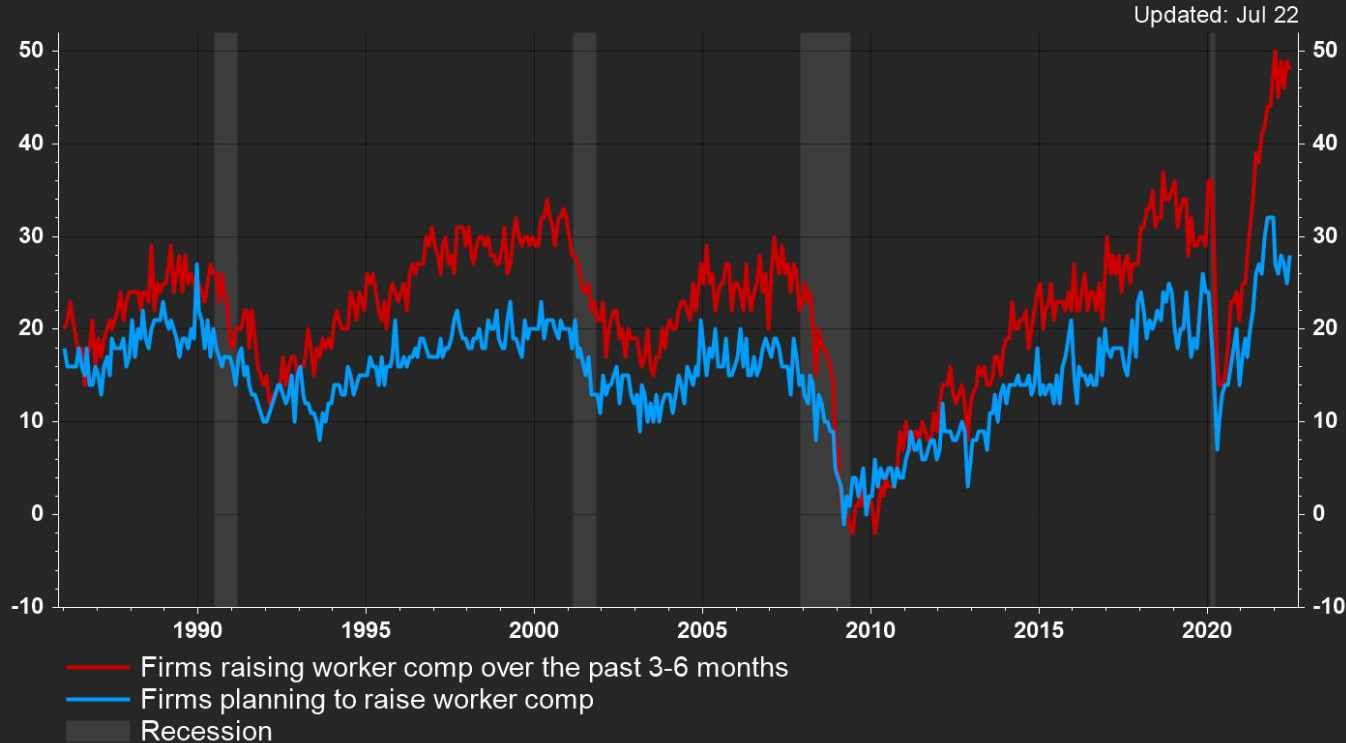
S&P/CASE-SHILLER NATIONAL HOME PRICE INDEX



Source: Refinitiv Datastream / Rezco

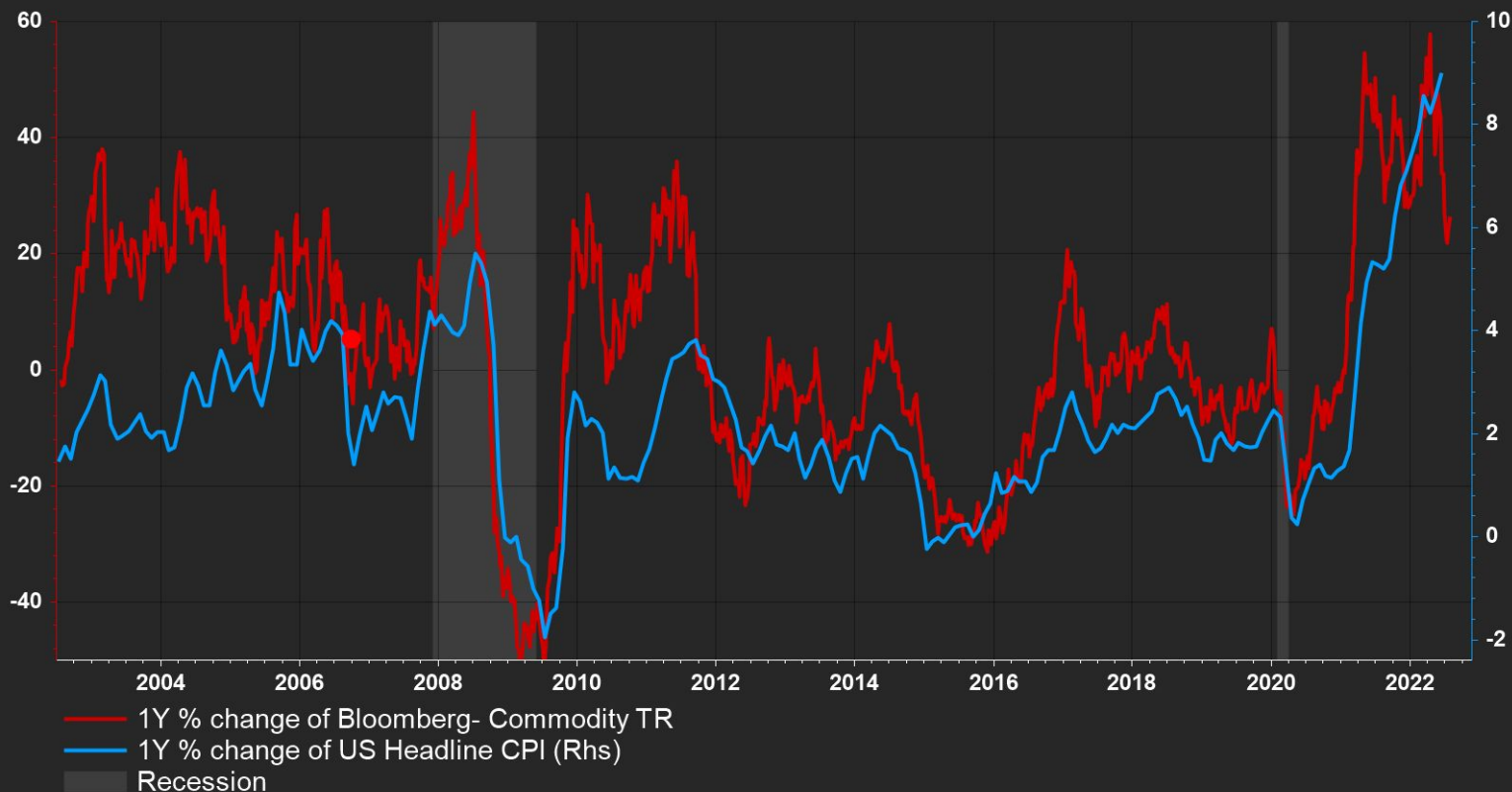
# WAGE INCREASES KEEP THE FED UNDER PRESSURE

## UNITED STATES WORKER COMPENSATION



Source: Refinitiv Datastream / Rezco

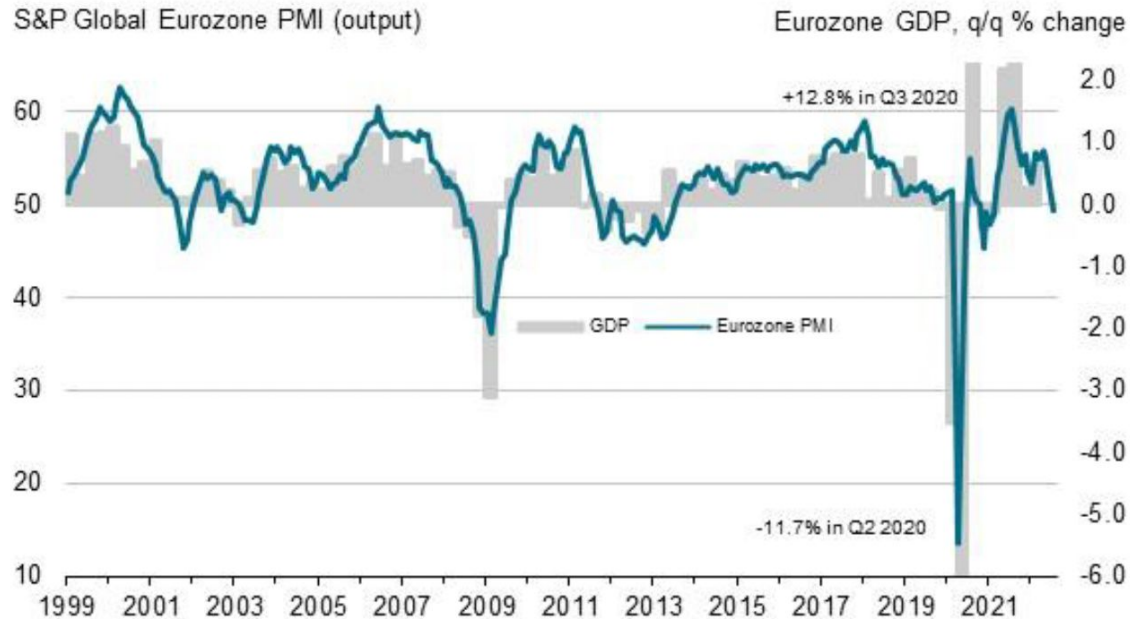
# COMMODITY PRICES ARE CORRECTING



Source: Refinitiv Datastream / Rezco

# EUROPE'S ECONOMY IS ALSO COOLING - BUT NOT INFLATION

## S&P Global Flash Eurozone PMI Composite Output Index



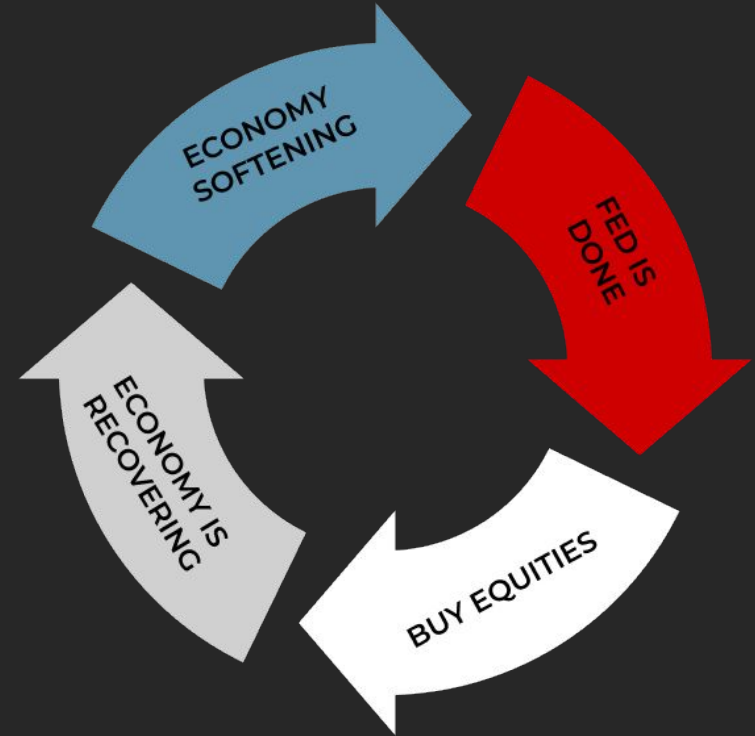
Sources: S&P Global, Eurostat.

# THE FED IS NOT DONE

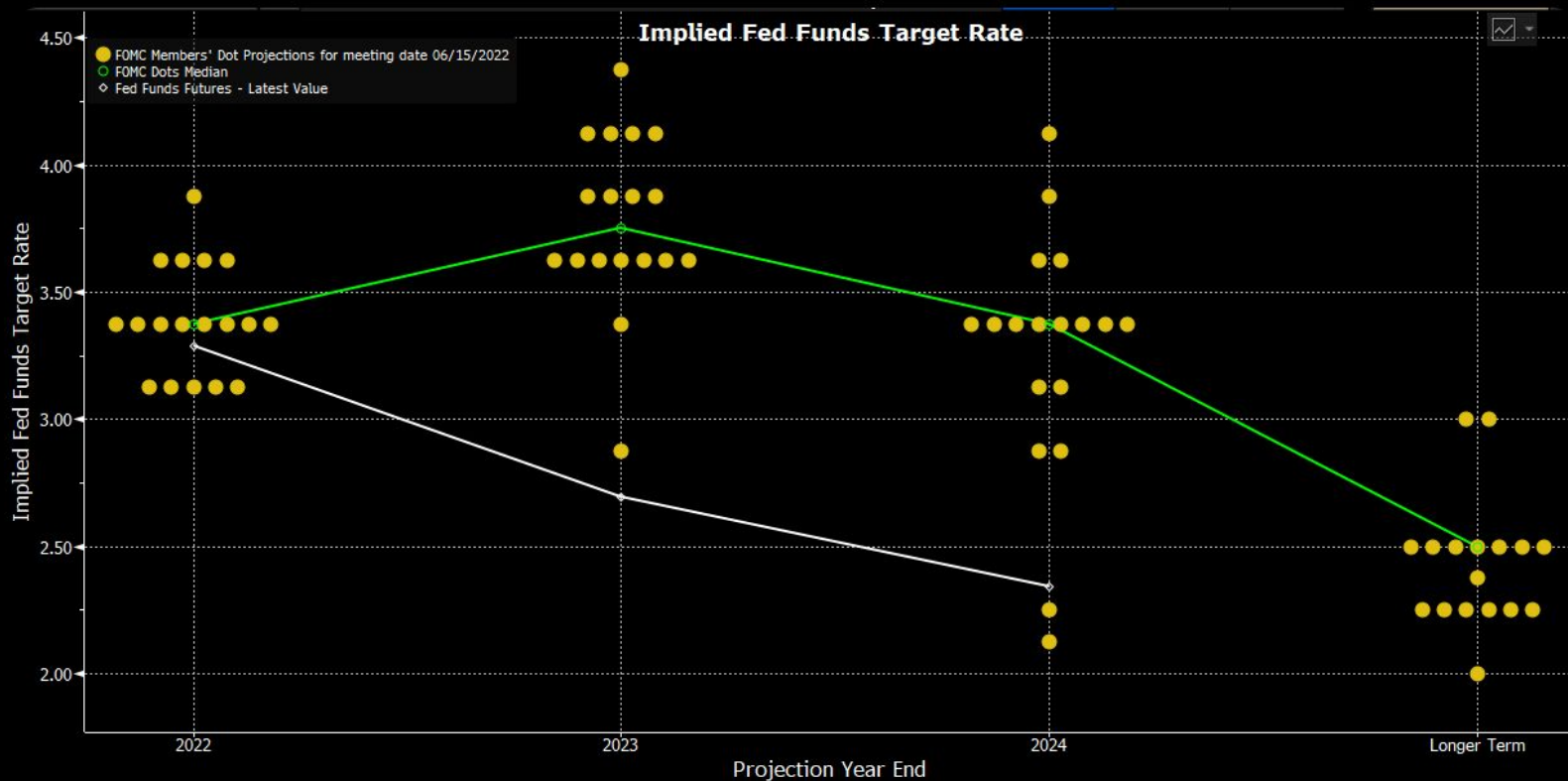
Warning: Circular Logic

## FED LESSONS:

- 70's - risk of taking foot off brakes too early
- 80's - getting inflation under control is expensive
- 2020 - printing money has a cost, proceed with caution



# THE MARKET IS BETTING AGAINST THE FED



# THE TARGET IS 2% (NOT 4%)

## US HEADLINE CONSUMER PRICE INFLATION



Source: Refinitiv Datastream / Rezco

An aerial photograph of a dense forest with a winding road. A semi-transparent dark rectangle is centered over the image, containing the main text. The word 'REZCO' is in the top right corner. A large stylized 'R' logo is on the left side.

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**WHERE / WHEN  
WILL WE BUY?**

# MARKETS VALUATIONS HAVE NORMALISED

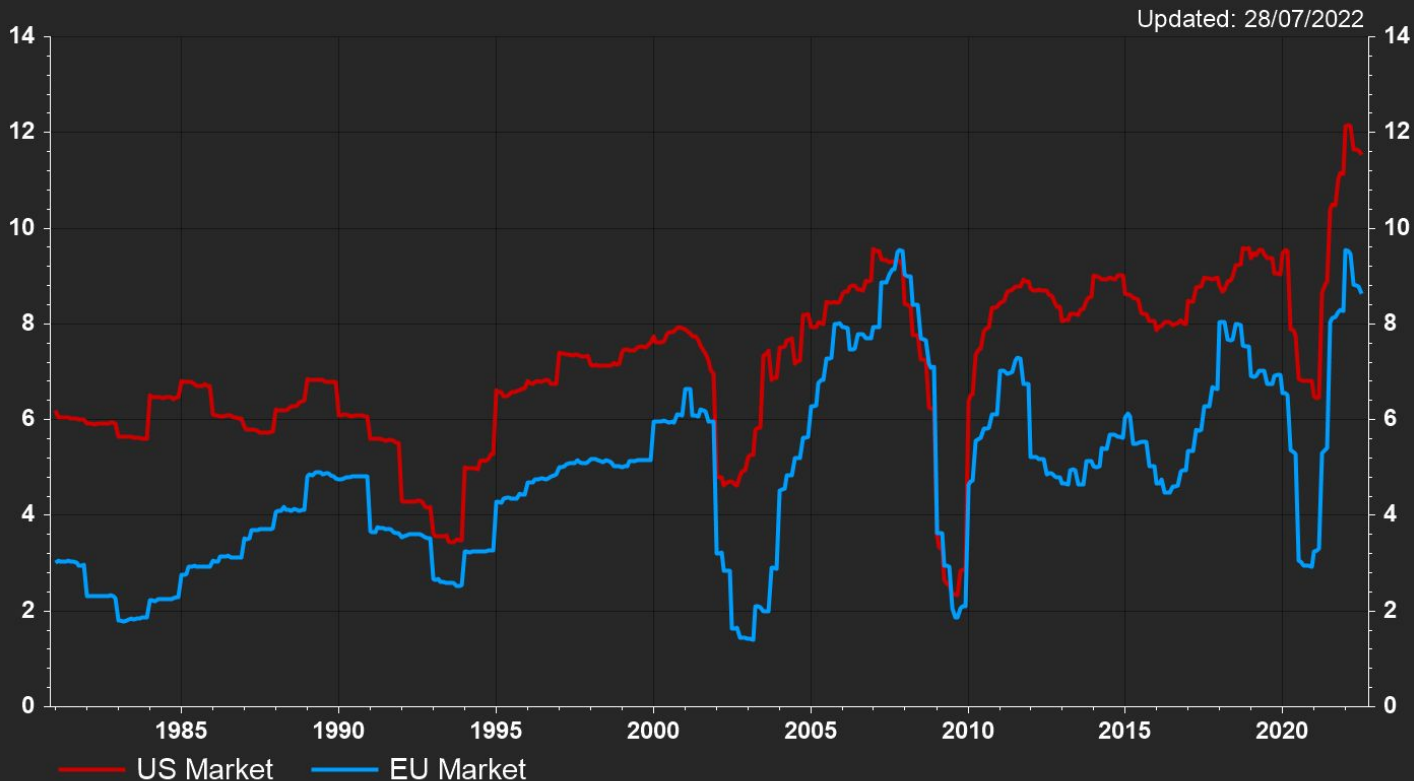
F-PE vs FWD EV/EBITDA



Source: Refinitiv Datastream / Rezco

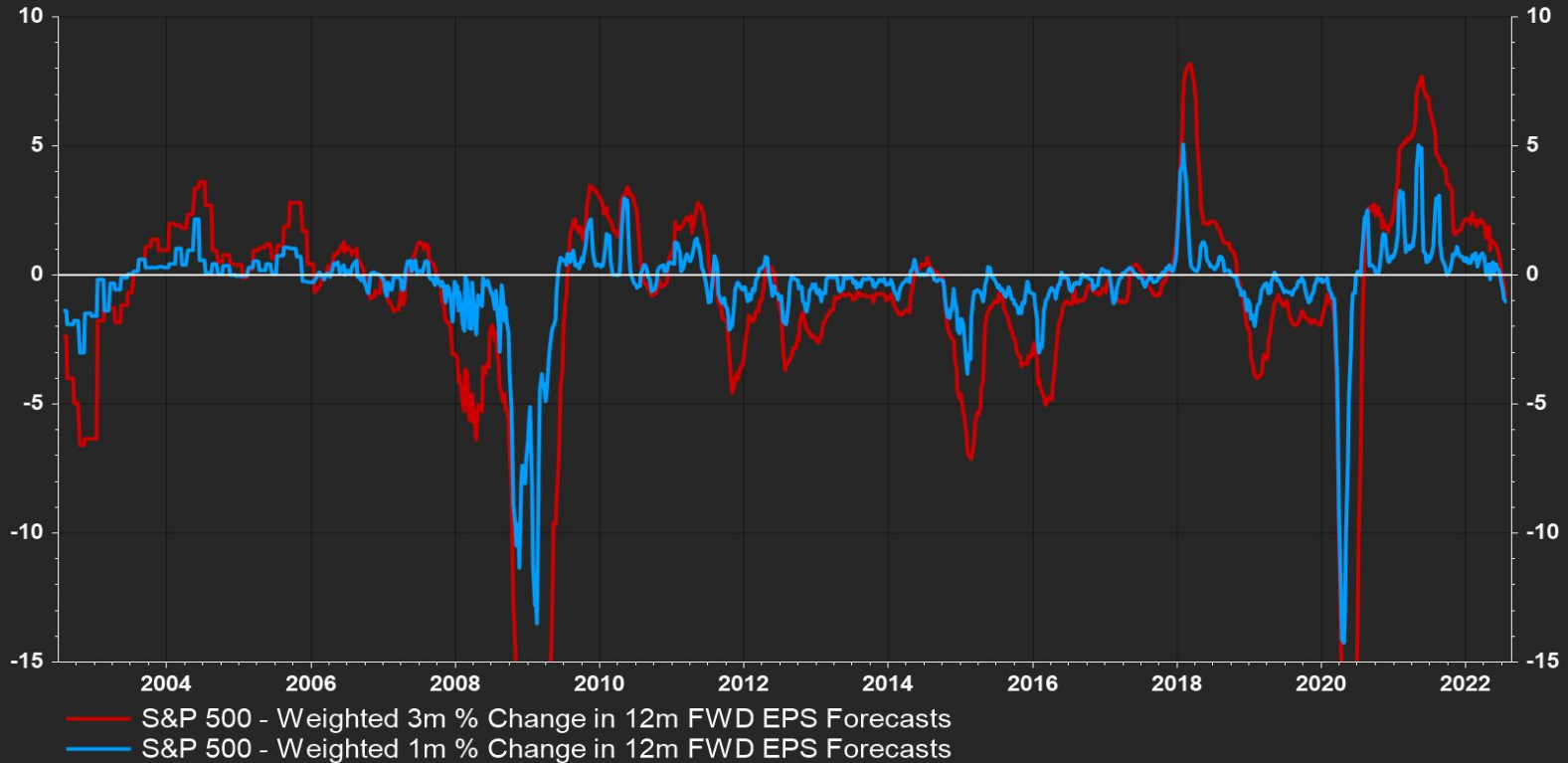
# FORECASTS ARE ALWAYS SLOW TO ADJUST

US & EU Market Net Profit Margin (Long Term)



Source: Refinitiv Datastream / Rezco

# NEGATIVE EARNINGS REVISIONS JUST GETTING STARTED



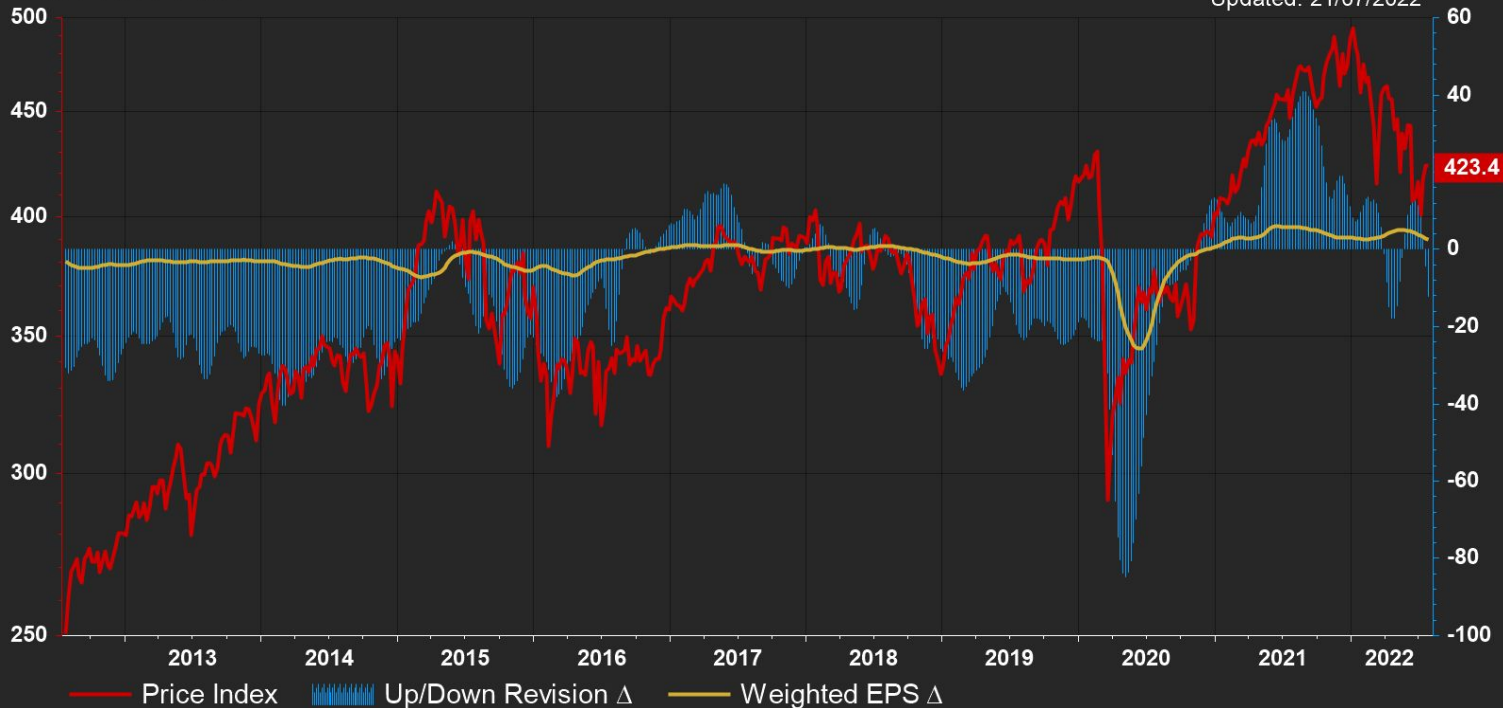
Source: Refinitiv Datastream / Rezco

# ANALYSTS DON'T INCLUDE TAIL RISKS IN THEIR FORECASTS

## IBES STOXX EUROPE 600

12m FWD EPS  $\Delta$

Currency: EUR  
Updated: 21/07/2022



Source: Refinitiv Datastream / Rezco

# MARKETS ARE UNFORGIVING: FALLING EARNINGS COME WITH DECREASING VALUATIONS

	Soft Landing	Recession
MARKET PE	-5%	-12%
PROFIT MARGIN (EARNINGS)	-10%	-20%
POTENTIAL MARKET MOVE	-15%	-32%

# WHEN TO BUY?

***“ WE OVERESTIMATE THE LIKELIHOOD OF EVENTS THAT ARE EASIER TO RECALL.***

NOT A REPEAT OF THE COVID V-SHAPED


THE ECONOMIC ADJUSTMENTS WILL TAKE  
TIME TO PLAY OUT

PATIENCE & OPPORTUNITIES THROUGH  
VOLATILITY & DRAWDOWNS

Decision School

## Decision Making Bias: Availability

Learn about the Availability bias with exercises.

 The Competitive Introvert  
May 29, 2021

 2  



### What is the Availability bias?

#### The concept in one sentence:

We overestimate the likelihood of events that are easier to recall.

#### The concept in one quote:

People tend to assess the relative importance of issues by the ease with which they are retrieved from memory—and this is largely determined by the extent of coverage in the media.

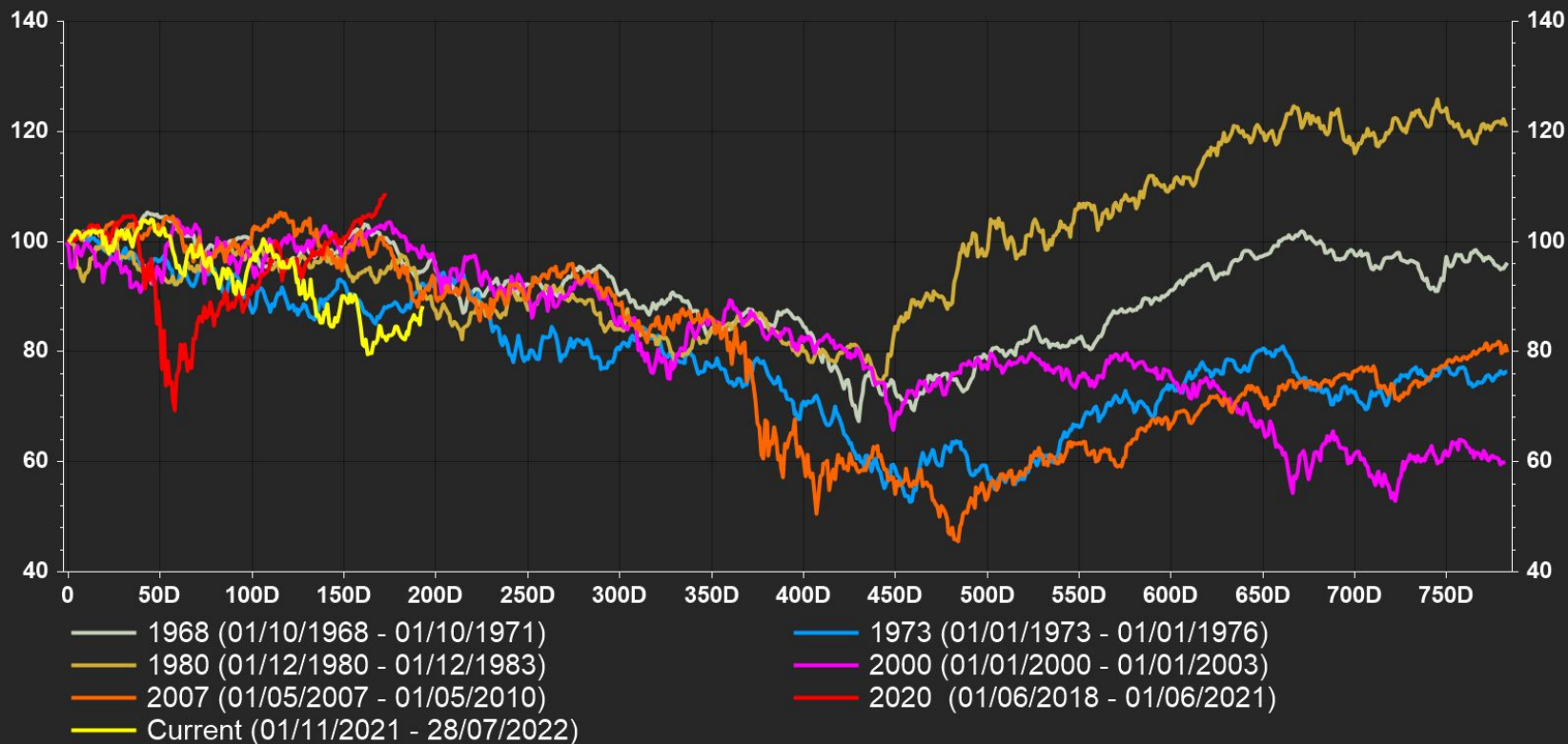
*Daniel Kahneman*

#### The benefit of being aware of the bias:

Be mindful that factors such as media coverage, vivid images, and ease of recall can cloud your judgment.

# S&P - BEAR MARKETS WITH RECESSIONS

S&P THROUGH RECESSIONS (REBASED)



Source: Refinitiv Datastream / Rezco

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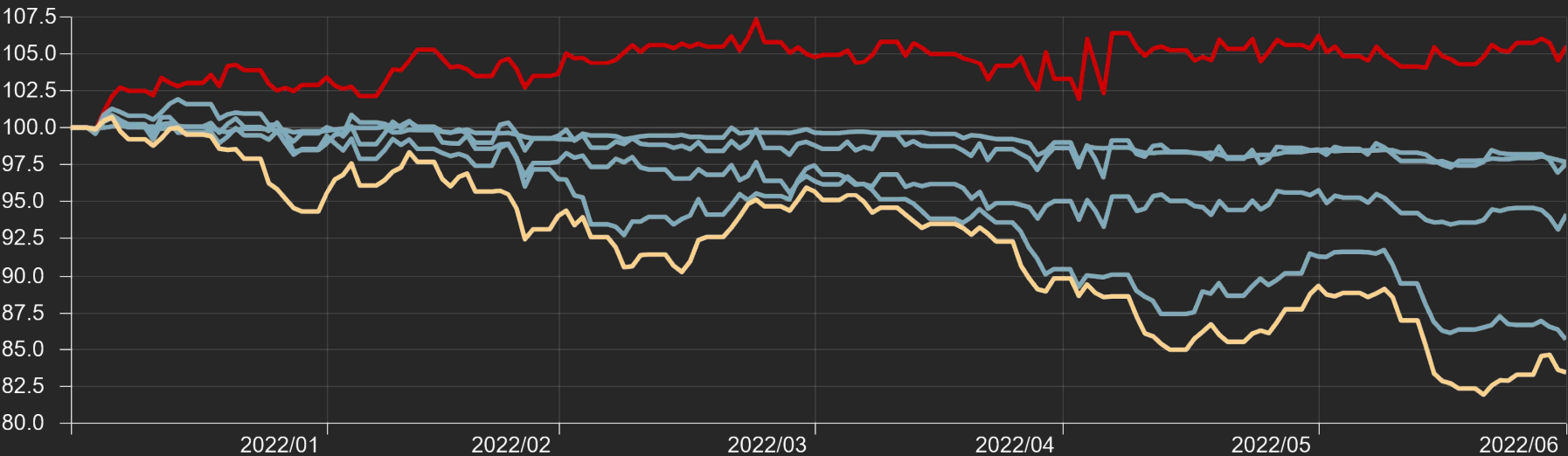
&  
OPPORTUNITY

# REZCO GLOBAL FLEXIBLE - UP IN A TOUGH MARKET

## Investment Growth (All in US\$)

Time Period: 2022/01/01 to 2022/06/30

Currency: US Dollar    Source Data: Total Return



— (ASISA) Global MA Flexible  
— ASISA Global Income 3

83.4 — ASISA Global Income 1  
97.5 — ASISA Global Income 4

94.1 — ASISA Global Income 2  
97.7 — Rezco Global Flexible FF A

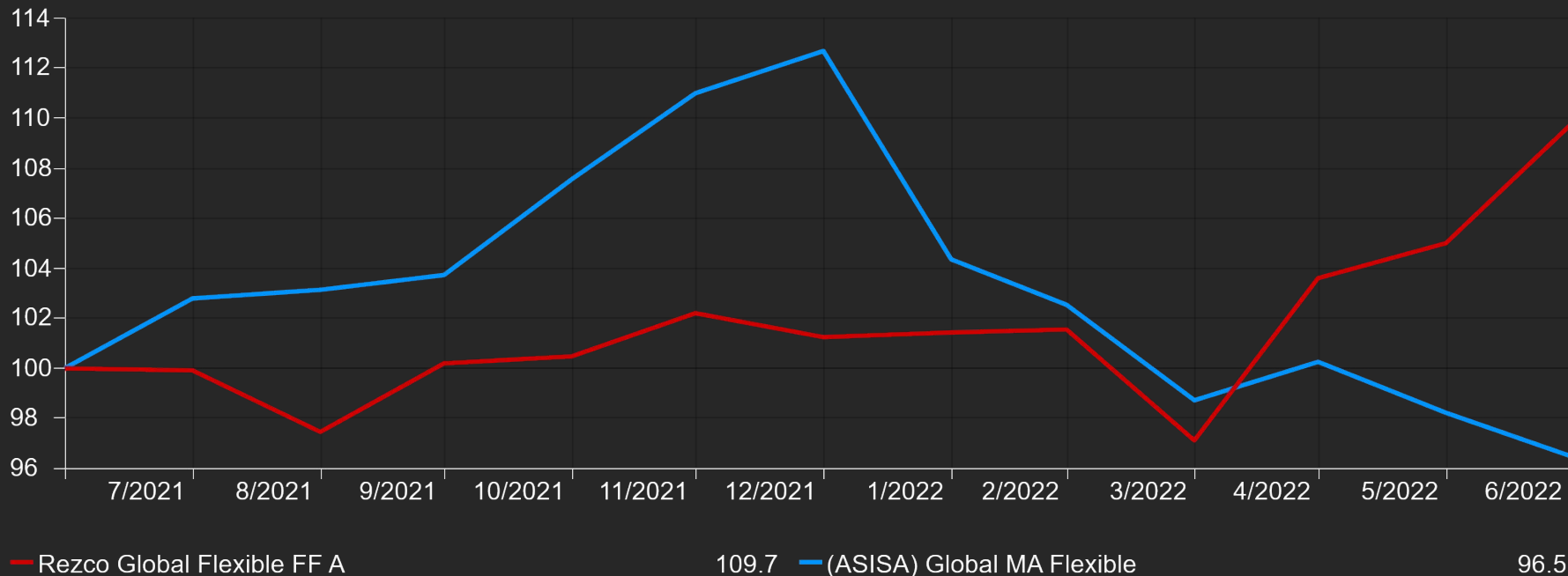
85.7  
105.5

Source: Morningstar Direct

# REZCO GLOBAL FEEDER FUND - 1 YEAR

Time Period: 7/1/2021 to 6/30/2022

Currency: South African Rand Source Data: Total Return



Source: Morningstar Direct

# OPPORTUNITY: MAN & MACHINE SEGREGATED EQUITY PORTFOLIO



STOCK PICKING ALPHA

# OPPORTUNITY: REZCO COMMODITY SEGREGATED PORTFOLIO



An aerial photograph of a winding asphalt road cutting through a dense, dark forest. The road curves from the top right towards the bottom center. A small car is visible on the road in the lower right. The overall tone is dark and moody.

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# MACRO & DETAIL CASE STUDY: RESOURCES

# BIG MODELS ARE ESSENTIAL BUT ALSO NEED MARKET SAVVY

SD Ex-ante (mb/d)



SD Russia-Ukraine Invasion (mb/d)



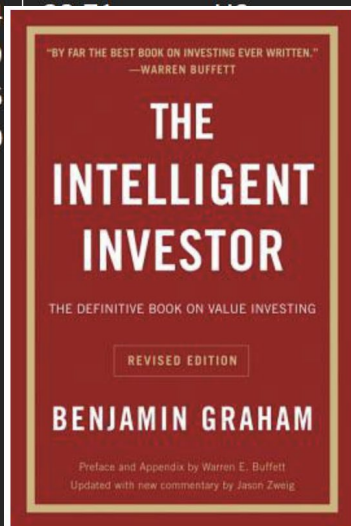
SD Recession (mb/d)

	2021	2022	2023
Supply / (Deficit)	-1.45	-0.24	-0.04
Demand	97.41	101.82	103.04
Supply	95.96	101.58	103.00
US	18.62	19.74	20.43
OPEC	30.69	33.29	35.84
Russia	10.81	11.56	9.77
RoW	35.84	37.00	34.99

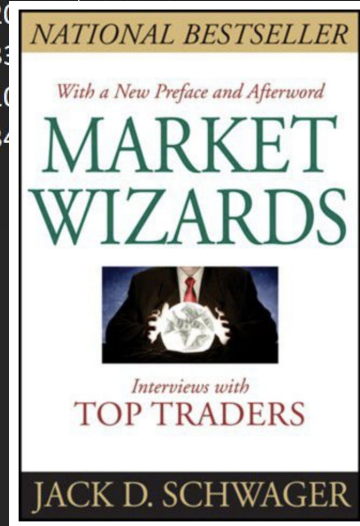
	2021	2022	2023
Supply / (Deficit)	-1.75	-1.62	-1.00
Demand	97.33	100.62	102.45
Supply	95.58	99.00	101.45
US	18.88	20.43	21.11
OPEC	31.66	33.46	35.84
Russia	10.75	10.44	9.77
RoW	34.29	35.43	34.99

	2021	2022	2023
Supply / (Deficit)	-1.75	-0.18	1.84
Demand	97.33	99.94	99.87
Supply	95.58	99.76	101.71
US	18.88	20.43	21.11
OPEC	31.66	33.46	35.84
Russia	10.75	10.44	9.77
RoW	34.29	35.43	34.99

Source: EIA, Rezco



VS



# OPPORTUNITY:

The market thought copper an inflation hedge but actually supported by a smelter outage

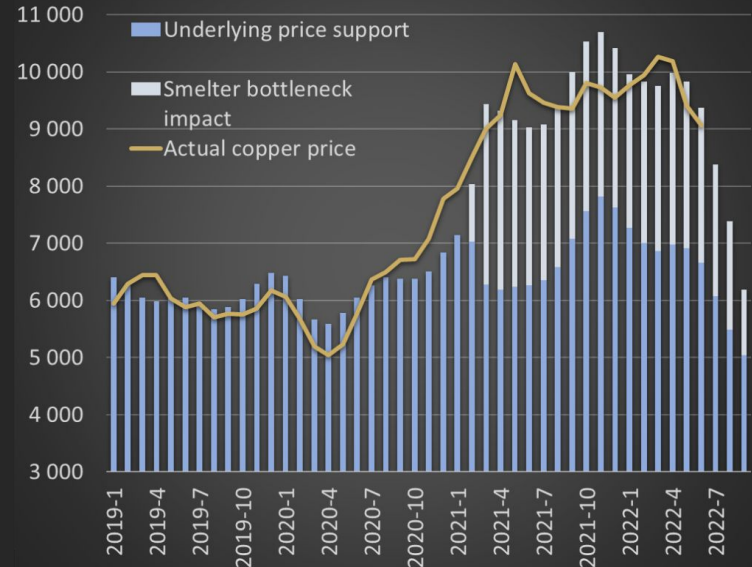
COPPER OUTPERFORMED UNTIL APRIL

Updated: 26/07/2022



Source: Refinitiv Datastream / Rezco

Copper price: impact of smelter bottleneck



# HEAT SIGNATURES OF SMELTERS CAN BE TRACKED THROUGH SATELLITE DATA



Source: Savant Marex Satellite Data

# MODELLED EACH SMELTER TO GET A GLOBAL VIEW

	A	B	C	D	E	F	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z	AA						
1									Monthly annualised production																		
2								% Reduction at	0%	0%	0%	0%	30%	8%	6%	0%	0%	0%	0%	0%	0%						
3								Year	2021	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022						
4		Smelter(s)	Operator	Start date	End date	Conc Capacity (k		Month	12	1	2	3	4	5	6	7	8	9	10	11	12						
5		Zijin, Serbian smelter in	Zijin Copper	20/04/2022	20/07/2022	113			113	113	113	113	75	0	0	0	0	113	113	113	113						
6		Dongying Fangyuan Phase 2	Shandong Dongying Fangyuan Nonferrous Metals		01/11/2021	300			120	300	300	300	300	300	300	300	300	300	300	300							
7		Dongying Fangyuan Phase 1	Shandong Dongying Fangyuan	Dec 2019?		400			300	300	300	300	300	300	300	400	400	400	400	400							
8		Xiangguang smelter in Shandong	Xiangguang	18/03/2022		500	http	11 May - now under repair	450	450	450	200	0	0	0	0	500	500	500	500							
9		Olympic Dam Smelter	BHP	?	Mid Jan 2022	200			56	200	200	200	200	200	200	200	200	200	200	200							
10		Aurubis Hamburg	Aurubis	04/05/2022	28-Jun-22	330			330	330	330	330	330	330	330	330	330	330	330	330							
11		Old smelter	Daye Non-ferrous	May 2022		600			600	600	600	600	600	552	564	600	600	600	600	600							
12		New smelter	Daye Non-ferrous			400		August at the earliest	0	0	0	0	0	0	0	0	340	400	400	400							
13		Zijin Copper Smelter	Zijin Copper	May 2022		300			300	300	300	300	300	276	282	300	300	300	300	300							
14		Heilongjiang Zijin Copper Smelter	Zijin Copper	May 2022		150			150	150	150	150	150	158	141	150	150	150	150	150							
15		Jilin Zijin	Zijin Copper	May 2022		130			130	130	130	130	130	120	122	130	130	130	130	130							
16		Total Zijin	Zijin Copper	May 2022		580			580	580	580	580	580	534	545	580	580	580	580	580							
17		Total Fuyue Group	Fuyue Group	April 2022		420			420	420	420	420	399	396	420	400	520	520	520	520							
18		CICC	CICC	April 2022		200			200	200	200	200	140	120	200	200	200	200	200	200							
19		Total Chifeng Yuntong	Chifeng Yuntong	May 2022		200			200	200	200	200	200	184	188	200	200	200	200	200							
20		Total Tongling Non-ferrous	Tongling Non-ferrous	May 2022		1000		be put into operation	1000	1000	1000	1000	1000	940	940	1150	1150	1150	1150	1150							
21		Southeast Copper	Chinalco	May 2022		400			400	400	400	400	400	368	376	400	400	400	400	400							
22		Mount Isa	Glencore	14-May-22	20 June rebric	300			300	300	300	300	300	105	0	180	300	300	300	300							
23		Huelva	Atlantic Copper	Somewhere	10-Jun-22	284			284	284	284	284	284	142	142	284	284	284	284	284							
24		Ventanas	Codeico	18-Jun-22	Was going to	90		and then close over	90	90	90	90	90	90	90	90	90	90	90	90							
25		Unknown large smelter in Asia		Early June 2022 (assume 7		500			500	500	500	500	500	500	425	475	500	500	500	500							
26		Refined production:																									
27		Sub total for known smelter ktpa							5943	6017	6107	5957	5636	4912	4879	6164	6677	6917	6977	6977							
28		Other	ktpa						19401	19771	17077	20515	20224	20528	20117	20318	20522	20727	21141	21141							
29		Growth in other	%						1.9%	-13.6%	20.1%	-1.4%		1.5%	-2.0%	1.0%	1.0%	2.0%	0.0%	0.0%							
30		Total	ktpa						25344	25788	23184	26472	25860	25440	24996	26482	27199	27644	28118	28118							
31		Index							48.2	49.0	44.1	50.3	49.2	49.4	48.5	51.4	52.8	53.7	54.6	54.6							
32		Refined monthly (de-annual	kt						2112	2149	1932	2206	2155	2120	2083	2207	2267	2304	2343	2343							
33																											
34																											
35																											
36																											
37		Judging from the production schedules in July, most smelters are still under maintenance.																									
38		Jinchuan and Nanguo have started their maintenance, which has a greater impact on production. Chifeng is also considering advance the maintenance plans, lowering market expect																									
39		for July output. The other maintenance plans will have little impact on the overall production.																									

Historical precedents:

<https://www.gs.com/newsroom/press-releases/2021/05/2021-05-20-01> In May 2020 many Chinese smelters closed for maintenance, due to low TCs.

Affected smelters included: Chinalco's 400ktpa plant in Fujian, Yunnan Copp

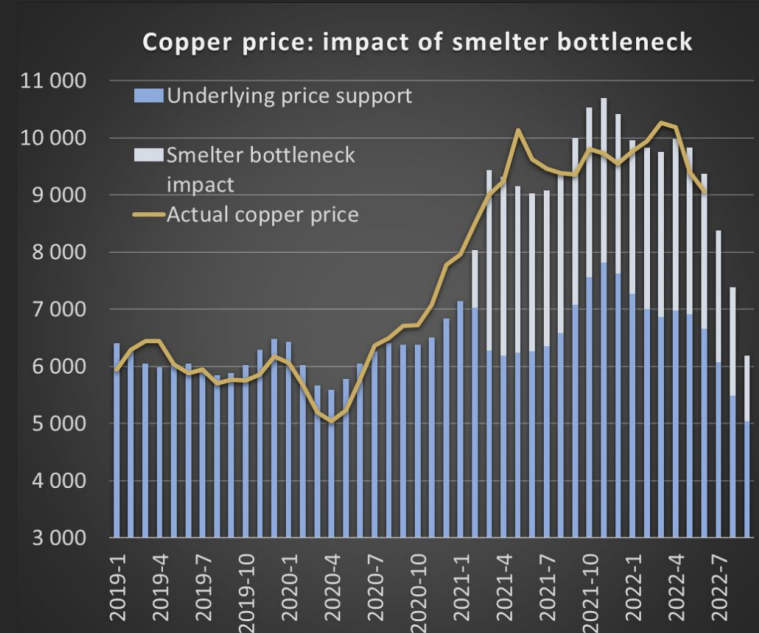
<https://www.gs.com/newsroom/press-releases/2021/04/2021-04-20-01> GS predicted large maintenance closures due to low Tcs Apr-June 2021: 700P

# OPPORTUNITY:

The market thought copper an inflation hedge but actually supported by a smelter outage



Source: Refinitiv Datastream / Rezco



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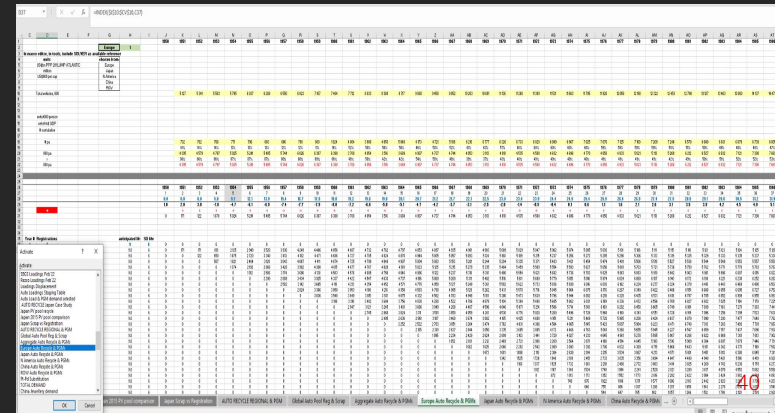
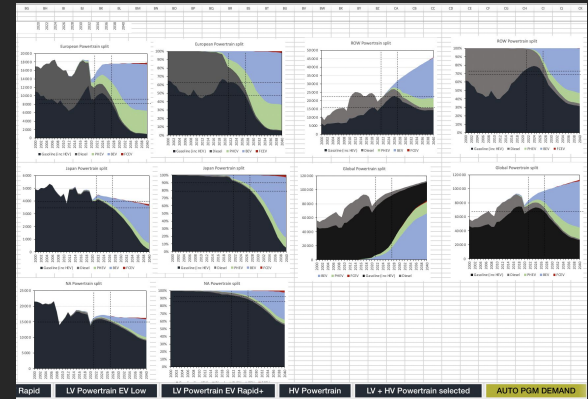


# PGM: SUPPLY AND DEMAND BALANCE

# PGM S&D:

# STEP ONE: BUILD A MONSTER MODEL

- 1000's of ROWS OVER 40 YEARS
- MADE UP OF 100 WORKSHEETS, 40 MB
- EVERY TYPE OF AUTO TYPE, COUNTRY
- LOADING OF PLAT, PALLADIUM AND RHODIUM IN THE AUTO CAT FOR EACH TYPE
- VARIOUS SCENARIOS FOR ELECTRIC VEHICLE PENETRATION



# HEADWINDS FOR PGMs

PGM Demand is a function of auto production accounting for:

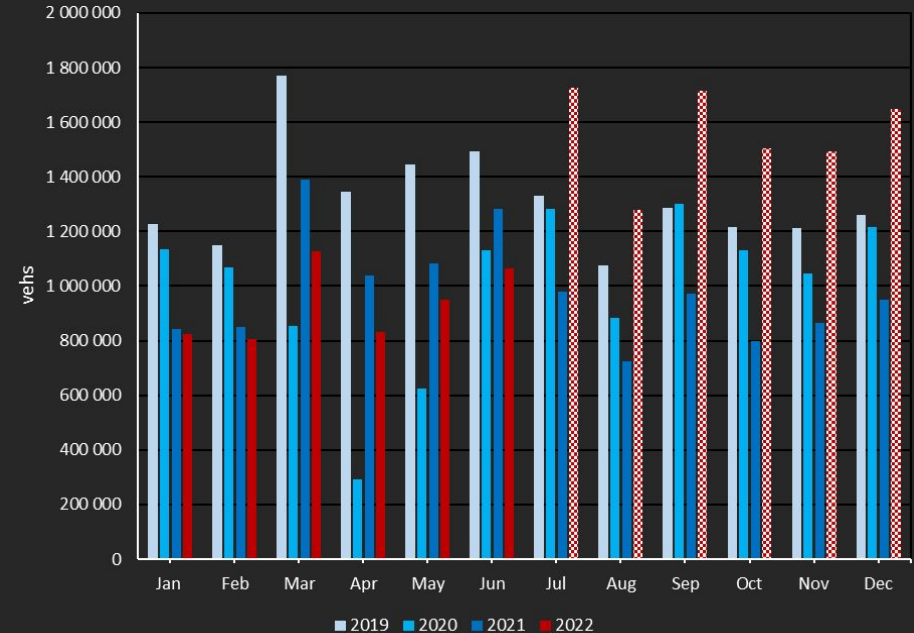
- Powertrain Split
- Engine Displacement
- Loading factors (Regional Regulations)
- Pt to Pd substitution
- Global GDP Growth

PGM Supply:

- Per mine production forecast
- New sales impacting recycling volumes

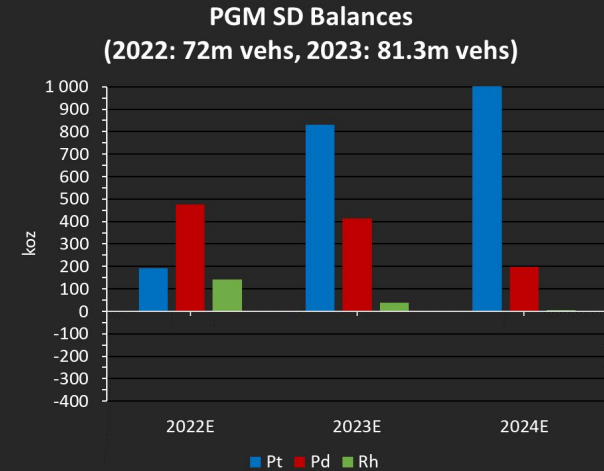
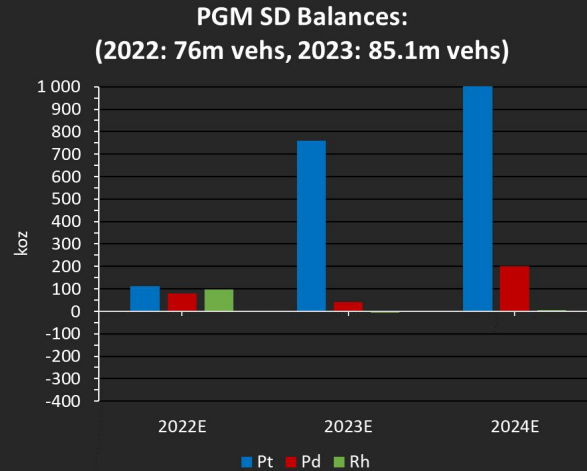
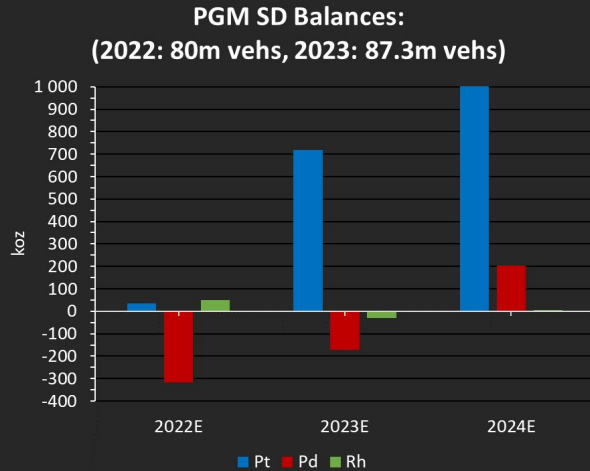
MARKET CONSENSUS IS CALLING AUTO PRODUCTION WRONG

Monthly Passenger Car Registrations: EU  
Source: ACEA



# STEP 2: PUT IN THE MACRO ASSUMPTIONS

## GLOBAL PGM S&D



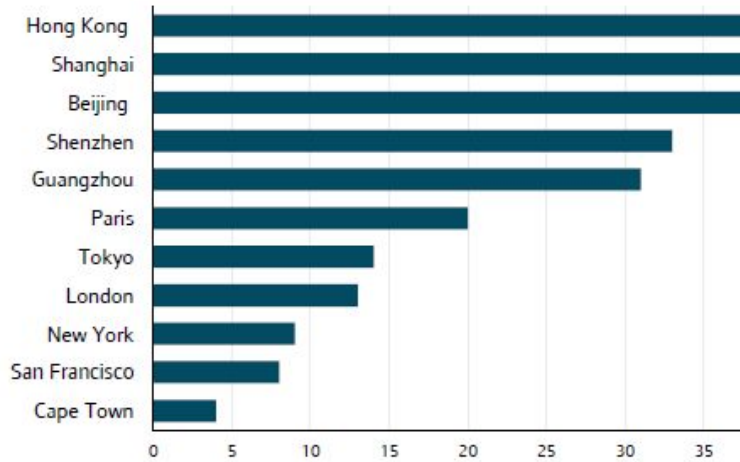
RECESSION RISK



**OTHER RISKS NOT FULLY  
PRICED - FAT TAILS**

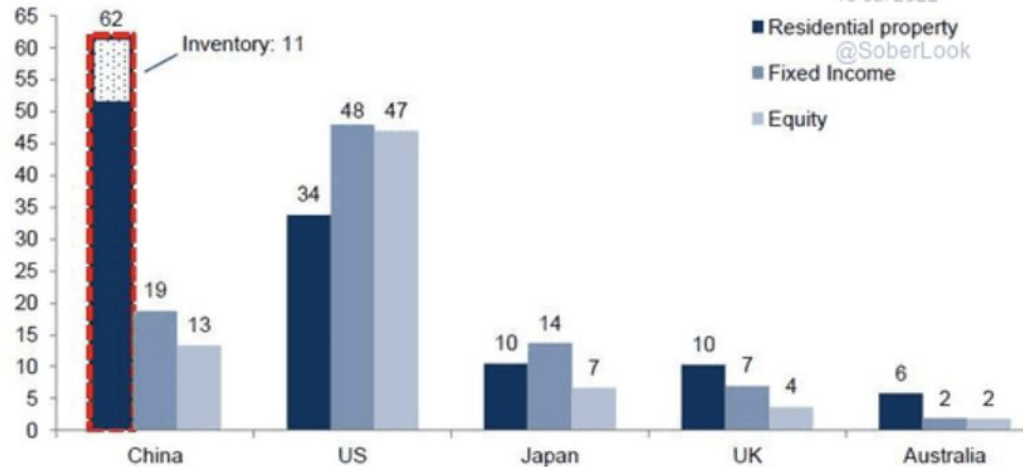
# CHINA'S HOUSE OF CARDS

## PRICES RELATIVE TO INCOME ARE UNSUSTAINABLE



## The Chinese property market is likely the largest asset class in the world Total value, US \$tn

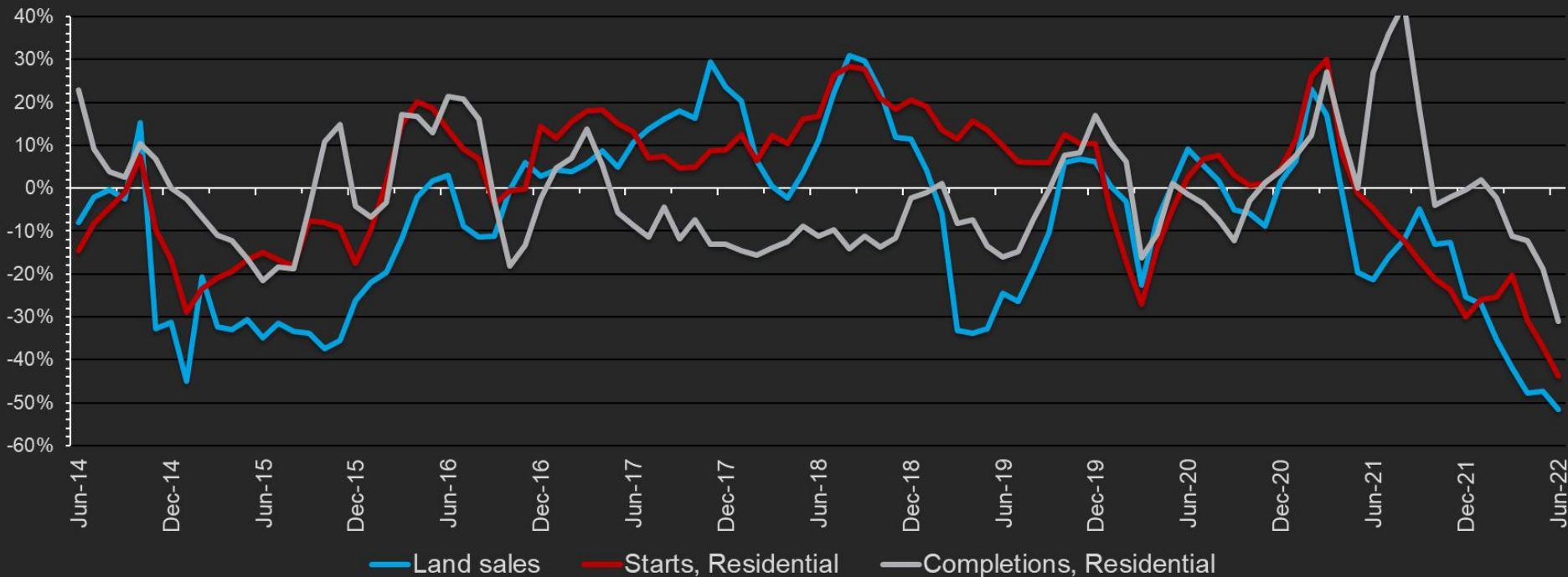
Posted on  
The Daily Shot  
19-Jul-2022  
@SoberLook



Source: WFE, CEIC, Japan Cabinet Office, Halifax, Goldman Sachs Global Investment Research.

# CHINA HAS SERIOUS PROBLEMS RESEMBLING JAPAN & GFC

Floor Space YoY% 3MMA



US foreign policy

+ Add to myFT

## Nancy Pelosi's plan to visit Taiwan prompts outrage from China

Trip will be first in 25 years by a Speaker of the US House of Representatives



Nancy Pelosi would be the most senior US lawmaker to visit Taiwan since one of her predecessors as Speaker, Republican Newt Gingrich, did so in 1997 © Ethan Swope/San Francisco Chronicle/AP

Demetri Sevastopulo in Washington and Kathrin Hille in Lisbon JULY 19 2022

384



# EUROPEAN INFLATION, INTEREST RATES & ENERGY CRISIS

Eurozone inflation has soared to a record high

Harmonised index of consumer prices (annual % change)

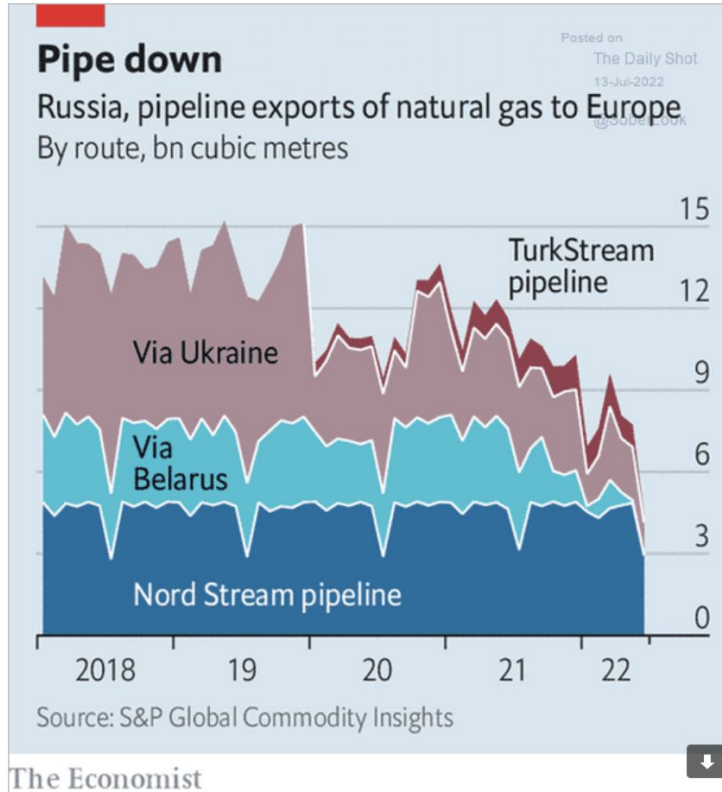


Core inflation excludes energy, food, alcohol and tobacco prices

Sources: European Central Bank, Eurostat

© FT

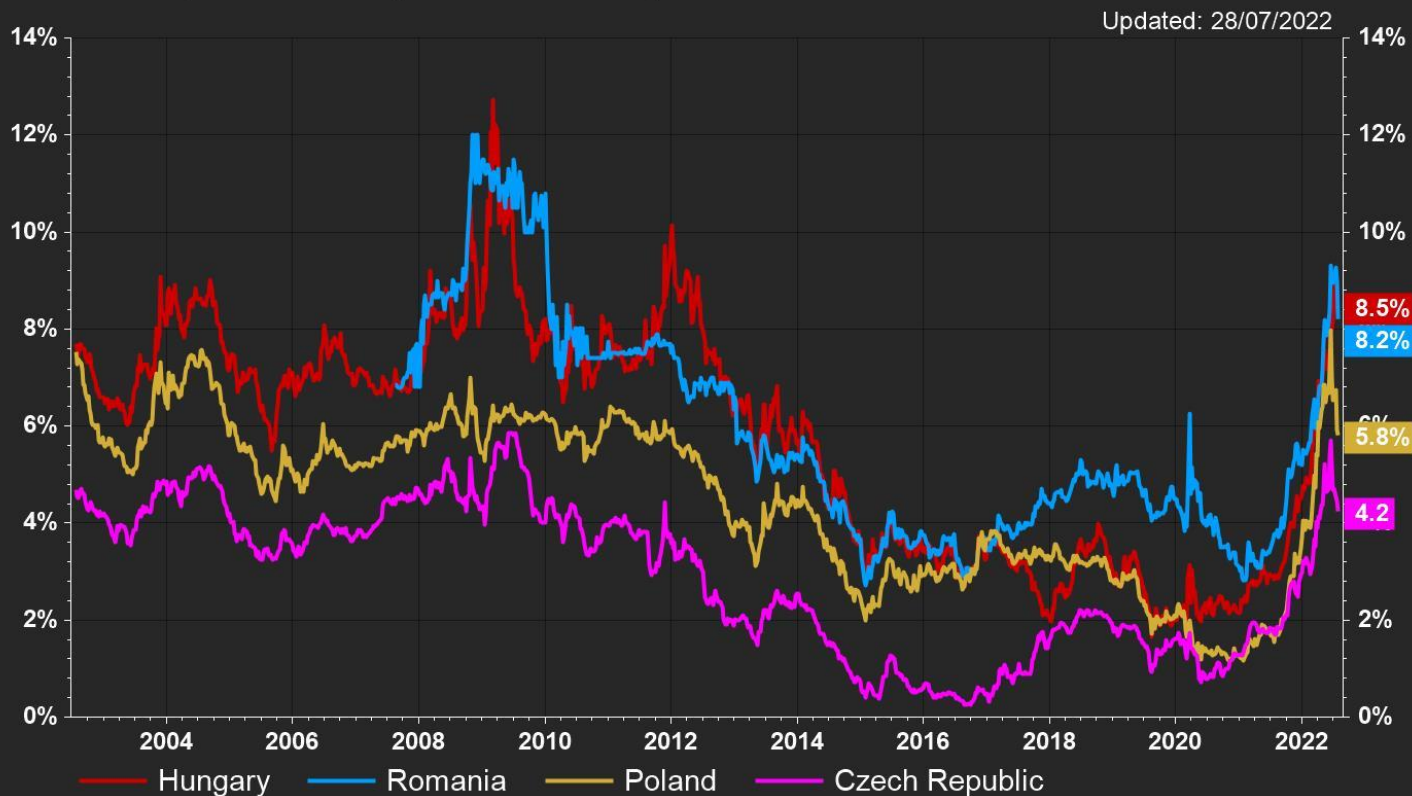
# EUROPE'S ENERGY CRISIS



Source: @rdomenechv, @TheEconomist [Read full article](#)

# EASTERN EUROPE IS NOT THE EUROZONE

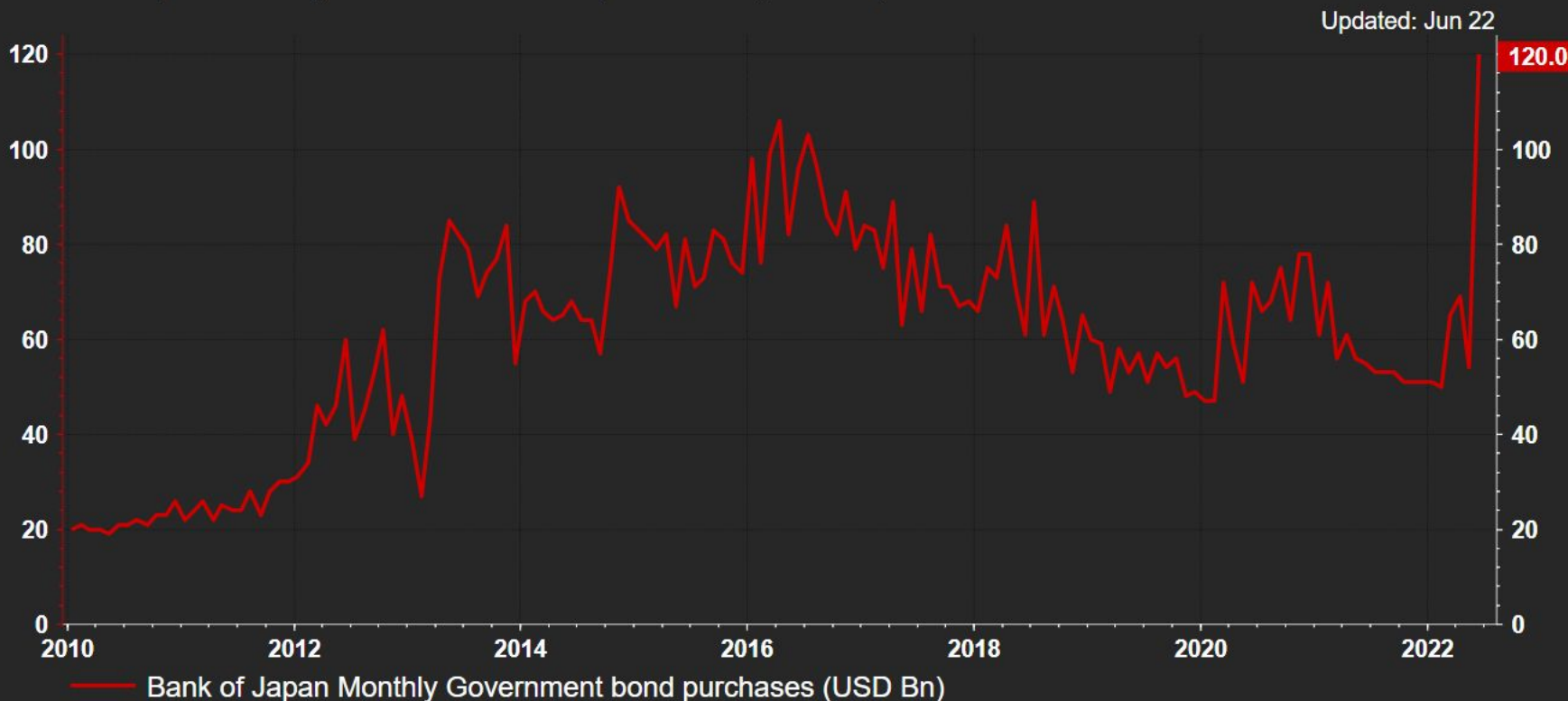
Eastern European 10 Year government bond yields



Source: Refinitiv Datastream / Rezco

# JAPAN IS NOT NEW NEWS, IS IT?

Bank of Japan Monthly Government bond purchases (USD Bn)



Source: Refinitiv Datastream / Rezco

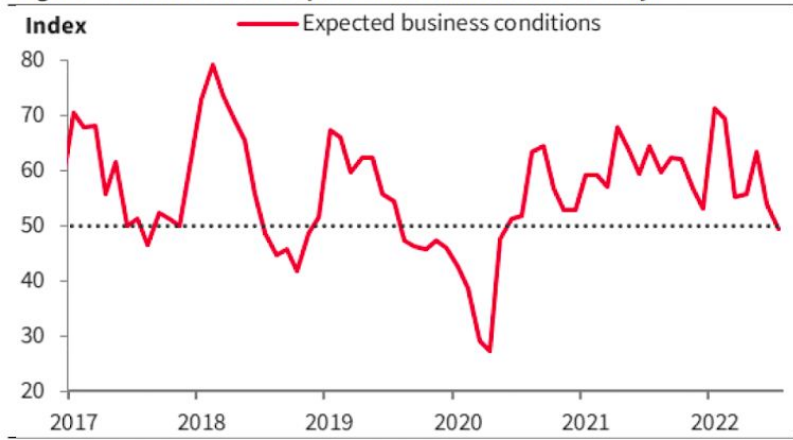
# SA LOOKING WORSE UNDER THE HOOD

**Figure 1: Load shedding weighed on activity in the manufacturing sector**

	Wgt.	Mar-22	Apr-22	May-22	Jun-22	Jul-22
Manufacturing PMI*		60.00	50.70	54.80	52.2	47.6
Business activity*	0.2	60.50	39.60	49.30	46.0	39.8
New sales orders*	0.2	61.70	43.60	58.50	46.3	35.4
Employment*	0.2	48.50	51.50	49.90	51.7	47.0
Suppliers' performance*	0.2	67.30	63.50	55.80	65.8	55.1
Inventories*	0.2	62.10	55.30	60.60	51.2	60.8
Purchasing commitments	-	58.20	50.00	53.10	45.7	45.4
Expected business conditions	-	55.10	55.70	63.30	53.8	49.4
Backlog of sales orders	-	41.80	40.60	41.90	39.9	37.0
Prices	-	95.90	89.60	88.10	89.8	87.5

\*seasonally adjusted; Source: BER, Absa Research

**Figure 2: Manufactures are pessimistic about future activity**

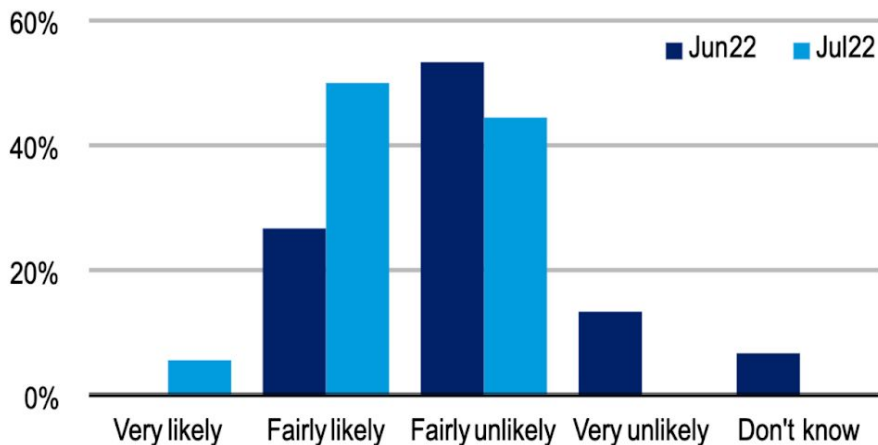


Source: BER, Absa Research

# SA MANAGERS EXPECTATIONS OF RECESSION MOVING FAST

## Exhibit 2: S. Africa recession +12M? | Looking to increase offshore exposure +12M?

A net 11% say 'fairly likely' (net 40% 'fairly unlikely' in June). | Net 72% want to invest abroad (20%



**Source:** BofA Global Research, S. Africa Fund Manager Survey, July 2022

(FROM 25% TO 55%)

An aerial photograph of a winding asphalt road that curves through a dense, dark forest. The road is light gray, contrasting with the dark green and black tones of the trees. A small white car is visible on the road in the lower right quadrant. The overall mood is serene and natural.

REZCO

A large, stylized letter 'R' logo. The top half of the 'R' is white, and the bottom half is red. It is positioned on the left side of the image, partially overlapping the forest background.

# WHY REZCO CAN COMPETE GLOBALLY

# WHY REZCO CAN COMPETE GLOBALLY

SIZE IS NO ADVANTAGE IN ASSET MANAGEMENT

REZCO'S COMPETITIVE ADVANTAGE:

MANAGERS WITH A HIGH ACTIVE SHARE OUTPERFORM

- Prominent managers often closet index

WORLD-CLASS TECH

- Man & Machine
- Risk Management

MACRO

- Take a view on global risk to protect capital

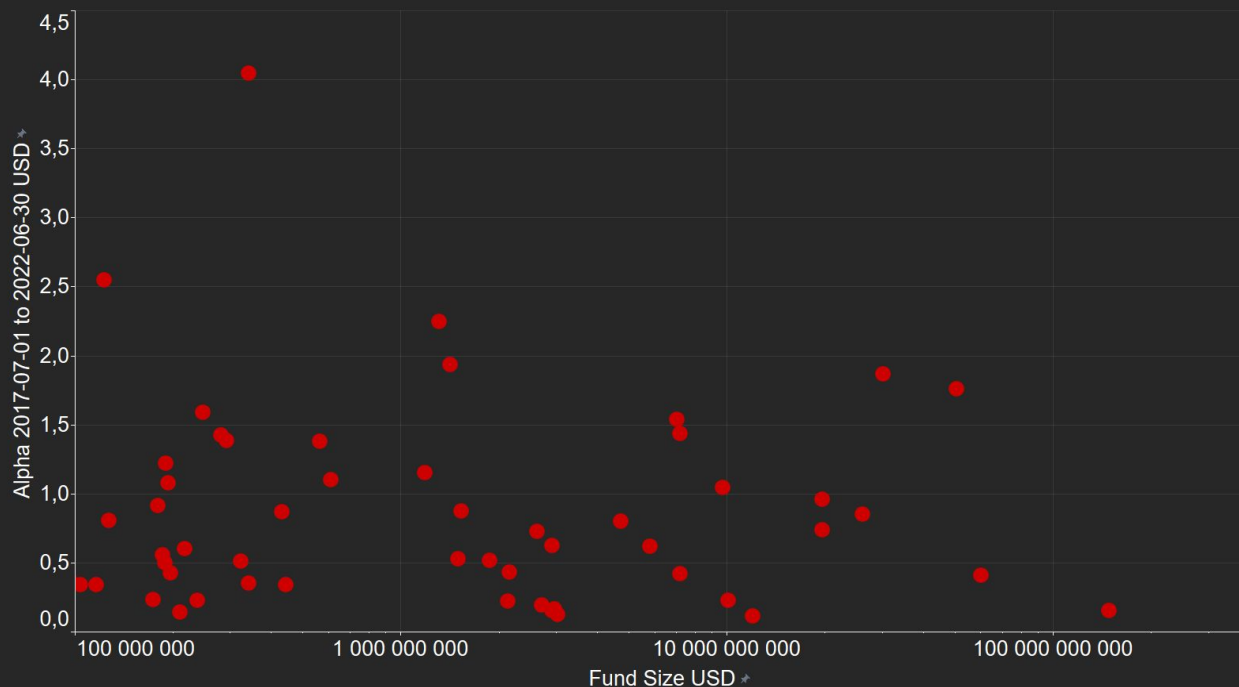
# CAN SMALL SA MANAGERS COMPETE GLOBALLY

THE RESEARCH IS CLEAR:

1. “As fund size grows, performance suffers.”
2. “[Bureaucratic] organizational features affect performance adversely.”

SOURCE: Chen, Joseph, Harrison Hong, Ming Huang and Jeffrey D. Kubik. 2004. "Does Fund Size Erode Mutual Fund Performance? The Role of Liquidity and Organization." American Economic Review, 94(5):1276-1302.

# MORE SMALL FUNDS THAN BIGGER FUNDS OUTPERFORM

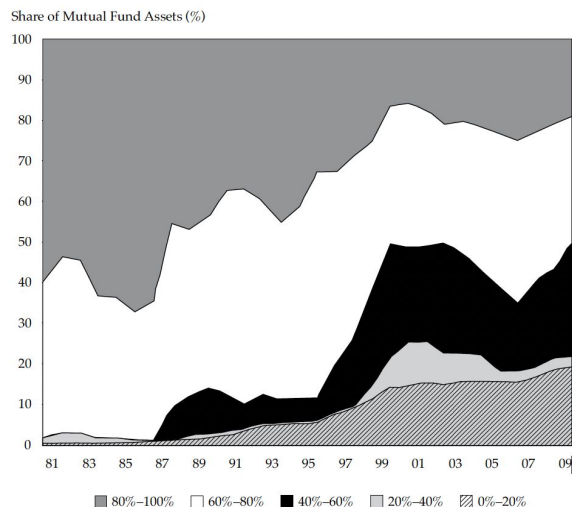


Source: Morningstar | Category: US Large Fund Blend | Alpha > 0.1

# TRUE ACTIVE MANAGERS ARE SCARCE BUT ADD VALUE

Active Share and Mutual Fund Performance

Figure 5. Evolution of Active Share, 1980–2009



Notes: This figure shows the fraction of assets in U.S. all-equity mutual funds in each Active Share category. The bottom category, with Active Share below 20%, contains pure index funds; the next two categories contain the closet indexers.

## FUND PERFORMANCE JANUARY 1990 - DECEMBER 2009

GROUP	LABEL	GROSS RETURN: BENCHMARK ADJUSTED
5	Stock Pickers	2.61
1	Closet Indexers	0.44
5 - 1	Difference	2.17

An aerial photograph of a winding asphalt road that curves through a dense, dark forest. The road is light gray, contrasting with the dark green and black tones of the trees. A small white car is visible on the road in the lower right quadrant. The overall mood is serene and natural.

REZCO

A large, stylized white letter 'R' is positioned on the left side of the image. A thick red diagonal bar cuts across the lower portion of the 'R', extending from the left edge towards the center.

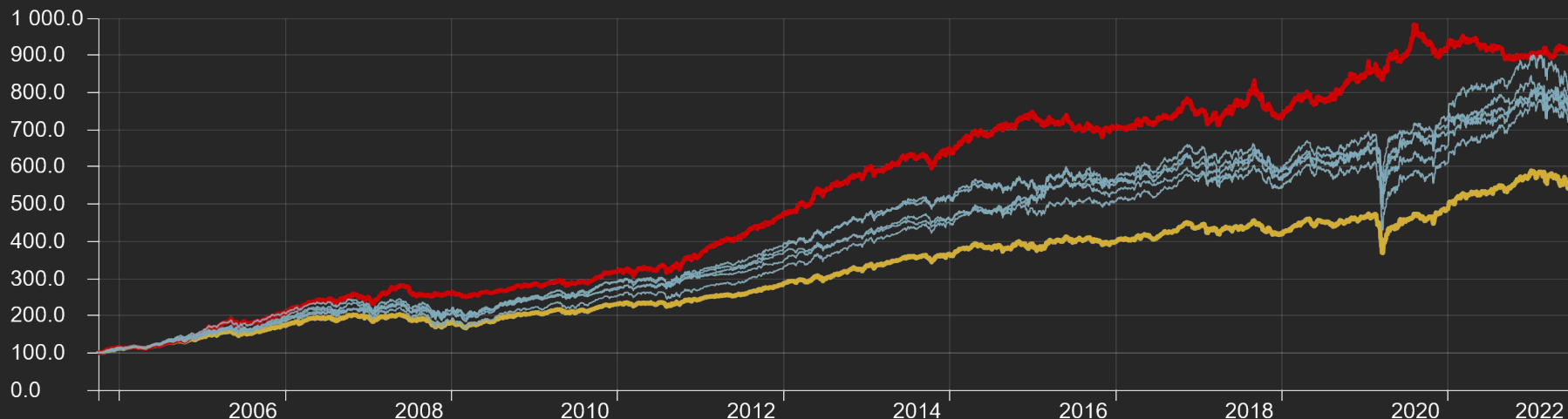
# THE ROLE REZCO PLAYS IN A CLIENT'S PORTFOLIO

# THE ROLE REZCO PLAYS IN YOUR PORTFOLIO

## Investment Growth

Time Period: Since Common Inception (2004/10/01) to 2022/06/30

Currency: South African Rand Source Data: Total Return



Peer 1  
Peer 4  
(ASISA) South African MA High Equity

782.6  
732.1  
548.0

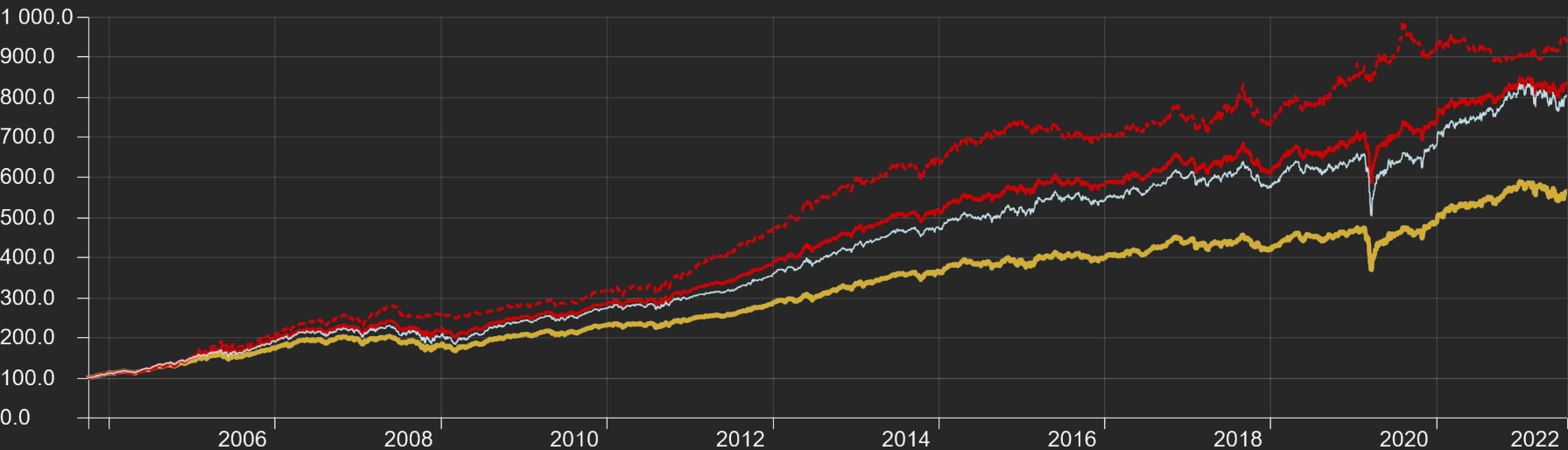
811.7  
777.6  
Rezco Value Trend A

770.8  
933.1

# Investment Growth

Time Period: Since Common Inception (2004/10/01) to 2022/07/31

Currency: South African Rand    Source Data: Total Return



— Balanced Model Portfolio without Rezco

805.0

— Balanced Model Portfolio with Rezco

836.0

- - Rezco Value Trend A

939.5

— (ASISA) South African MA High Equity

564.1

Source: Morningstar Direct

Time Period: Since Common Inception (2004/10/01) to 2022/07/31    Currency: South African Rand    Source Data: Total, Monthly Return    Calculation Benchmark: FTSE/JSE All Share TR ZAR    Risk-free Rate: STeFI Composite ZAR

	Std Dev	Down Capture Ratio	Up Capture Ratio	Sharpe Ratio	Sortino Ratio
Balanced Model Portfolio with Rezco	8.2	32.6	59.8	0.7	1.1
Balanced Model Portfolio without Rezco	8.9	37.6	61.7	0.6	1.0

# HELPS YOU THROUGH THE STORM: 2008 GFC CRISIS

## Investment Growth

Time Period: 2007/07/01 to 2009/03/31

Currency: South African Rand Source Data: Total Return



— Peer 1  
— Peer 4  
— FTSE/JSE All Share TR ZAR

97.6 — Peer 2  
85.8 — Peer 5  
76.2

91.4 — Peer 3  
95.9 — Rezco Value Trend A  
88.8  
106.7

Source: Morningstar Direct

# HELPS YOU THROUGH THE STORM: CORONA CRASH

## Investment Growth

Time Period: 2019/08/01 to 2020/09/30

Currency: South African Rand Source Data: Total Return



Peer 1  
Peer 4  
FTSE/JSE All Share TR ZAR

101.8  
97.9  
99.7

Peer 2  
Peer 5

104.7  
111.5  
Rezco Value Trend A

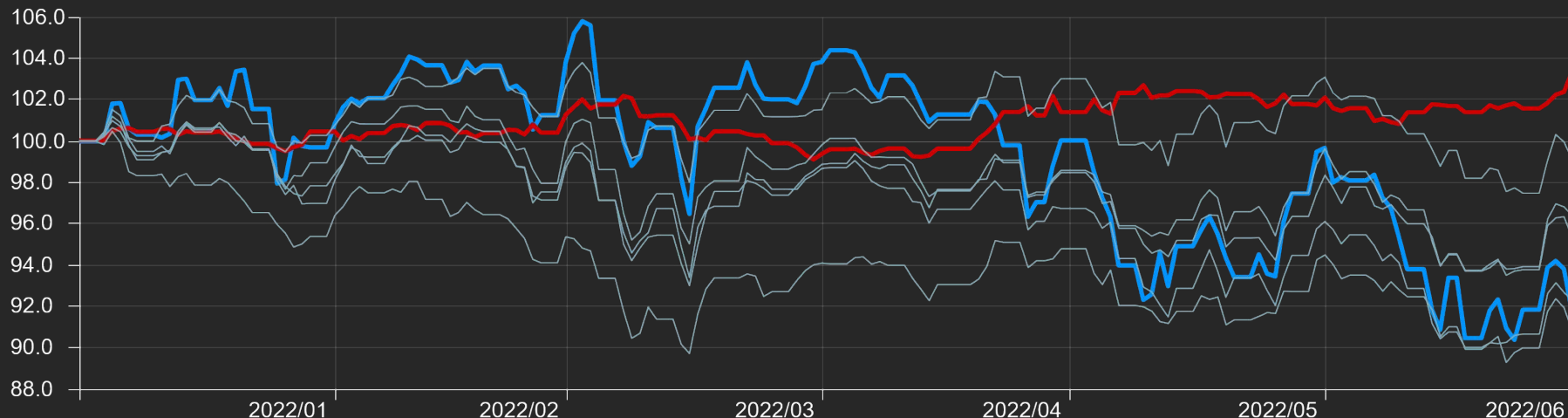
109.5  
119.6

# HELPS YOU THROUGH THE STORM: 2022 YTD

## Investment Growth

Time Period: 2022/01/01 to 2022/06/30

Currency: South African Rand Source Data: Total Return



— Peer 1  
— Peer 4  
— FTSE/JSE All Share TR ZAR

99.1 — Peer 2  
95.3 — Peer 5  
91.7

90.8 — Peer 3  
92.3 — Rezco Value Trend A

96.4  
103.4

# TRACK RECORD OF MANAGING THROUGH CRISES

REZCO VALUE TREND

Updated: 28/07/2022

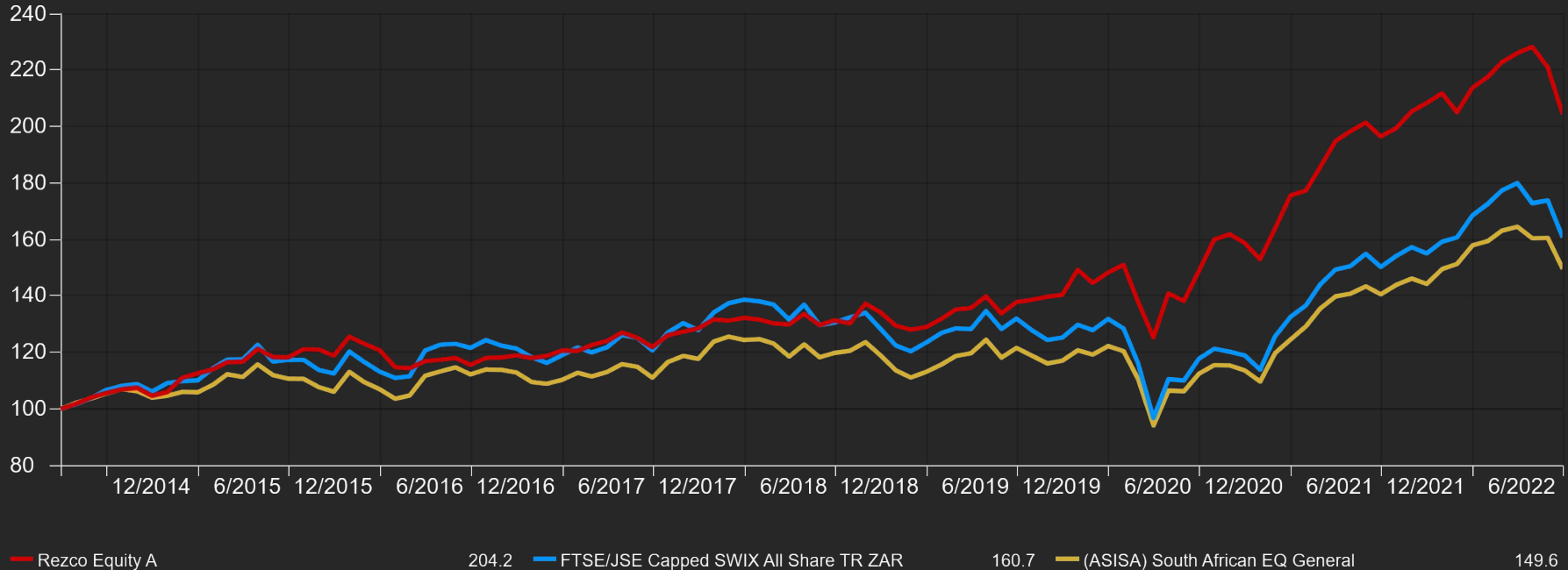


Source: Refinitiv Datastream / Rezco

# REZCO EQUITY FUND SINCE INCEPTION

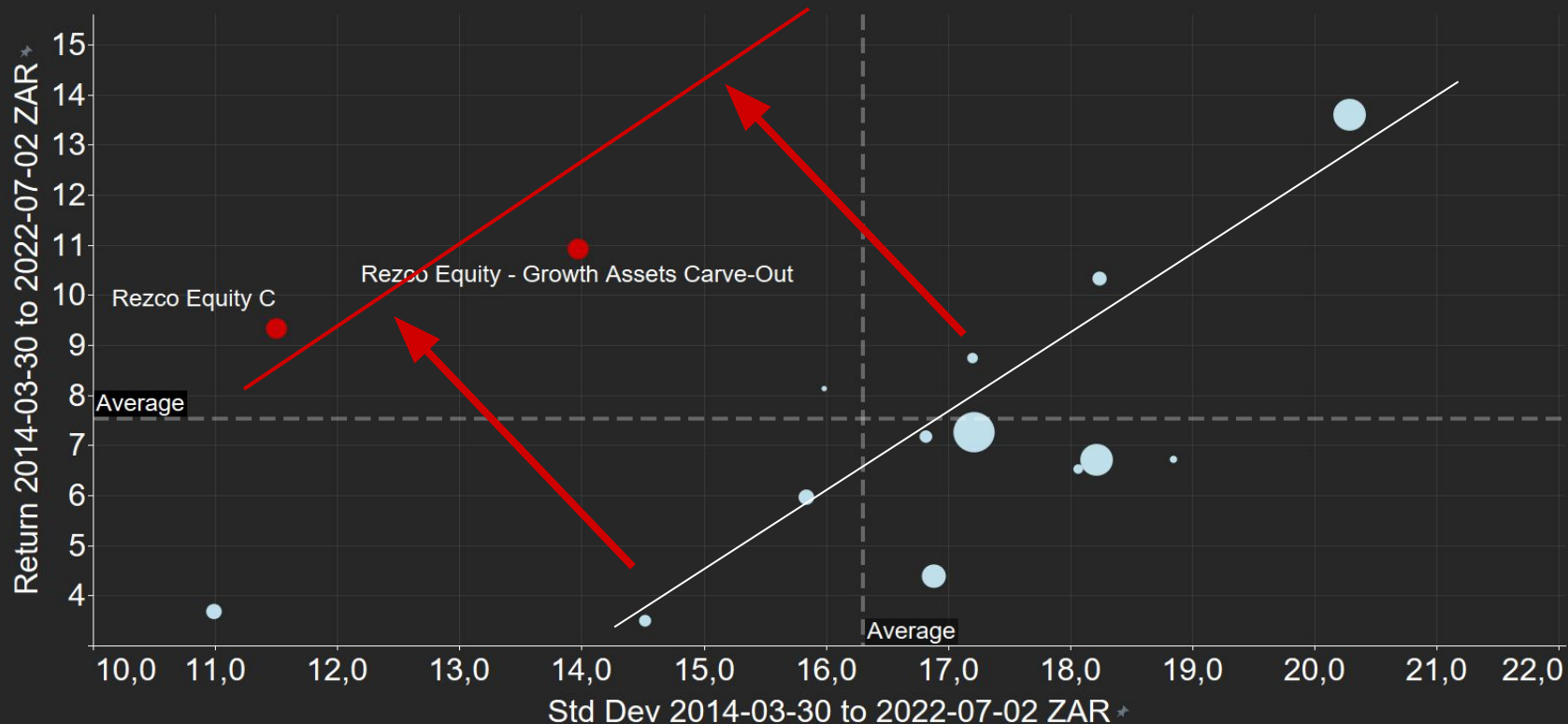
Time Period: Since Common Inception (4/1/2014) to 6/30/2022

Currency: South African Rand Source Data: Total Return



Source: Morningstar Direct

# REZCO EQUITY FUND: RISK MANAGED STOCK PICKING



# REZCO SOLUTIONS

	FUND USAGE	THE SOLUTION
REZCO EQUITY	Investors who need to be in SA Equity but are worried about the macro risks.	Risk managed high conviction stock picking.  YTD: Down less than peers.
REZCO VALUE TREND	Investors are concerned about the risk of capital loss in the Reg 28 space but want the Fund Manager to make the asset allocation call. Equity ranges from 0% to 75%.	Long-term track record of managing through crises.  YTD: Fund up through the crisis.
REZCO GLOBAL FLEXIBLE & REZCO GLOBAL FEEDER	Investors looking for global flexible asset allocation where the Fund Manager makes the asset allocation between equities, bonds and cash.	Fund performing well through a falling market - hedged equity has been a good strategy.  YTD: Fund positive in USD.

REZCO



STAY UPDATED

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**Brian du Plessis** • 1st  
Director Client Relations and Distribution at Rezco Asset Management  
1mo •

A quick video clip from [Robert Spanjaard](#) discussing the current market sentiment among fund managers internationally and locally.

...see more

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We're trying a new short video format to bring light to the topics we are currently thinking about at Rezco. Hear from CEO [Robert Spanjaard](#) on Rezco's thinking regarding the international consensus on inflation.

...see more

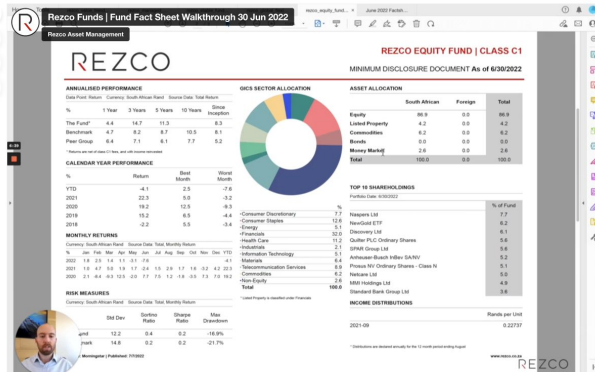


Rezco Insights: Recession Risk & Global vs Local Market Sentiment



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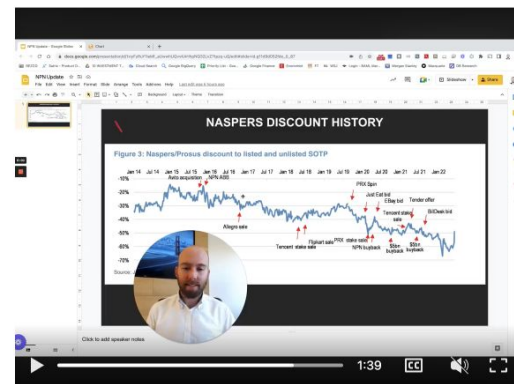
Rezco Funds | Fund Fact Sheet Walkthrough 30 Jun 2022



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...see more



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**THANK YOU**

Feel free to stay on for our  
extended casual 'coffee chat'