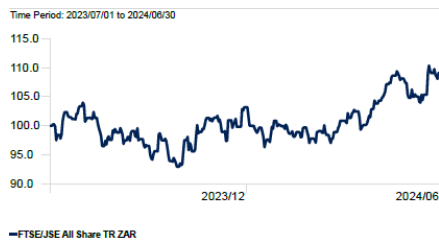
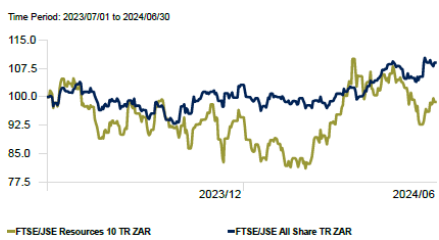
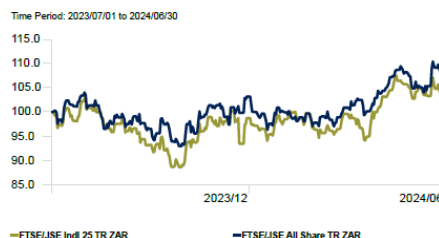

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All Share

Resources

Industrials

Financials


Index	Value	Jun (%)	YTD (%)
All Share	79,707	▲ 4.1%	▲ 5.8%
S&P 500	5,460	▲ 3.6%	▲ 15.3%
FTSE 100	8,164	▼ 1.1%	▲ 7.9%
Rand/USD	18.26	▼ 3.0%	▼ 0.2%
Rand/GBP	23.08	▼ 3.7%	▼ 1.0%
Gold (\$)	2,328	▲ 0.2%	▲ 12.9%
Plat (\$)	1,002	▼ 3.4%	▲ 0.7%
Brent (\$)	86.41	▲ 5.9%	▲ 12.2%

Local markets buoyed by positive GNU talks

The local bourse showed signs of exuberance as both the All-Share Index (+4.1%) and Capped SWIX (+4.1%) rose impressively, driven by positive progress in the formation of the new Government of National Unity (GNU). In June, the bourse reached all-time highs, with the All-Share breaking through the key psychological 81,000-point mark on inauguration day. The news surrounding the formation of the GNU also favoured the local currency as the Rand strengthened against the greenback (+3%) and sterling (+3.7%). Bond markets viewed the formation of the GNU positively, with SA 10-year bond yields dropping 83 basis points, pushing bond prices higher. From a sector perspective on the JSE, Retailers (+17.1%), Banks (+16.2%), and Insurers (+16%) emerged as the strongest performers. Miners were the biggest detractors on the bourse as the recent upswing in commodity prices began to show signs of tapering off. Losses for the miners were spread across the board, with Sibanye Stillwater (-16.5%) suffering the heaviest losses, while only AngloGold Ashanti (+2.8%) and African Rainbow Minerals (+0.5%) emerged unscathed.

In contrast, gains were widespread across the banking sector. Capitec (+23.4%), Standard Bank (17.7%), FirstRand (+18.3%), and Nedbank (+12.2%) all reached 52-week highs while Absa (+6.2%) also posted robust returns. The rally observed after the GNU announcement proved a boon for retailers, propelling them to the top spot as the best-performing sector on the JSE. The Foschini Group (+34.2%) and Truworths (+22.3%) closed out the month as the 1st and 4th best-performing counters on the bourse in June. Local property (+6%) enjoyed a phenomenal month, with Hyprop (+14.8%), Redefine (12%), and Growthpoint (10.8%) all delivering solid double-digit returns.

The local economy contracted in Q1 of 2024 as GDP decreased by 0.1% after a 0.3% expansion in Q4 2023. Despite this quarterly contraction, GDP was 0.5% higher on a year-on-year basis. In the primary sector, growth was driven by increased agricultural output, particularly horticultural products. In the secondary sector, the manufacturing, construction, and electricity sectors contracted having largely been influenced by low business confidence, insufficient demand, and operational disruptions. In the tertiary sector, activity remained stagnant, with varying performances across subsectors. Finance and real estate showed slight growth, while transport and communication contracted. Gross domestic expenditure declined by 0.9% in Q1 of 2024 following an increase of 1.4% in Q4 of 2023. Household consumption decreased by 0.3%, reflecting weak demand amidst elevated inflation and interest rates.

South Africa's trade surplus with the rest of the world more than doubled to R183 billion as the value of merchandise imports decreased while that of merchandise and net gold exports increased marginally. Consumer inflation held steady as year-on-year headline inflation remained at 5.2%. Core inflation, which strips out sticky food and fuel prices, also held steady at 4.6%. Annual rates for 4 out of the 12 product groups remained steady for the month. After 5 consecutive months of decline, food and non-alcoholic beverages remained steady at 4%.

As winter has set in, the price of cold and flu medication has risen by an annual rate of 11.1%. The price for transport increased by 6.3% year-on-year from a 5.7% increase in the prior period. This marked the highest annual increase for the category since October 2023. Fuel contributed to the increase greatly, as petrol and diesel prices increased by 9.3% over the last 12 months and 0.6% since April 2024.

Global markets end the first half of the year on a solid note while Europe falters

Global markets maintained their momentum as the MSCI ACWI (+2.3%) and MSCI World (+2.1%) rose to close out the first half of the year in impressive fashion. US equities continued their positive streak into June, as the Dow Jones Industrial index (+1.2%) and the S&P500 (+3.6%) made notable gains whilst the tech-heavy Nasdaq Composite surged 6% on strong performance from US tech stocks. US large-caps enjoyed a great month, as the Russel 1000 index returned 3.3%, while US small-caps lost ground as the Russel 2000 index ended the month 90 basis points lower.

Despite the broad index gains only 5 of the 11 sectors on the S&P500 contributed positively to gains seen on the index. The most notable contributors were Technology (+7.8%), Consumer Discretionary (+3.9%), and Communication Services (+3.2%) while the biggest detractors were Energy (-1.4%), Materials (-3.1%) and Utilities (-5.6%). The labour market remained robust, as year-on-year average hourly earnings crept up 10 basis points and came in above estimates. People filing for unemployment for the first time decreased to 233K from 239K whilst individuals continuously filing for unemployment increased to 1839K from 1821K. The biggest surprise from the labour market data for May was Non-Farm Payrolls smashing expectations as they came in at 272K, well above the 165K from the month prior and substantially higher than the estimates of 182K. US unemployment crept up by 10 basis points to 4%, whereas labour force participation for May decreased by 20 basis points to 65.2%. While there were some surprises in the latest labour market data, Fed Chair, Jerome Powell, expressed satisfaction with the progress made on inflation over the last year.

Speaking at the central bank forum in Sintra, Portugal, Powell stated, "We've made quite a bit of progress in bringing inflation down to our target". He went on to add "The last inflation reading and the one before it to a lesser extent, suggests we are getting back on the disinflationary path." Powell's comments suggest the Fed isn't overly concerned by recent upward surprises seen in some of the data coming out of the labour market as well as the inflation print released in May. Instead, Powell's comments seem to align with the Fed's strong commitment to sustainably bring inflation down towards 2%, while maintaining price stability and maximum employment. US year-on-year headline inflation decreased by 10 basis points to 3.3%, while year-on-year core inflation edged lower by 20 basis points to 3.4%. Even though headline and core inflation cooled, much attention would be placed on the Fed's preferred gauge of inflation, the US Core PCE Price Index, which decreased 20 basis points year-on-year.

European markets largely disappointed as many of the region's major bourses saw sharp declines. The DAX (-1.4%), FTSE 100 (-1.1%), and Euro Stoxx 50 (-1.7%) all slumped, while the CAC40 (-6.2%) plunged amid investor concerns over potential gains by populist far-right parties in the upcoming second round of French elections. This downturn marked the worst one-month return in two years for Paris's blue-chip index. Equity markets in Asia were mildly buoyant. The MSCI AC Asia Pacific (+2.7%) and MSCI Asia Pacific ex-Japan (+3.4%) climbed impressively. However, the bourses in Japan and Hong Kong experienced mixed fortunes. The Nikkei rose 3%, while the Hang Seng disappointed, sinking 2%.

Foschini Group Limited – Annual financial results for the period ended 31 March 2024

Earnings per share	R9.29
Historical PE	10.72
EPS growth	-0.14%
Turnover growth	8.74%
ROE	14.01%
Debt/Equity	86.20%
NAV per share	R74.30
Dividend yield	3.52%
Share price	R99.55



Nature of business

The Foschini Group Ltd. is an investment holding company, which engages in managing retail brands that trade in clothing, jewellery, accessories, sporting and outdoor apparel and equipment, cellular goods and services, and home ware. It operates through the following segments: TFG Africa, TFG London, and TFG Australia. The TFG Africa segment consists of brands such as @home, Foschini, The FIX, Coricraft, Sterns, Markham and Total Sport, among others. The TFG London segment is involved in the Phase Eight, Whistles and Hobbs divisions, which operate in the retail sector across Europe, Asia, Australasia, and North America. The TFG Australia segment covers yd., Connor, Rockwear, and Johnny Bigg among others, and operates throughout Australia and New Zealand, as well as online. The company was founded by George Rosenthal in 1924 and is headquartered in Cape Town, South Africa.

Latest results

The Foschini Group (TFG) delivered solid results for the fiscal year ending March 31, 2024, with retail turnover increasing by 8.6% and operating profit before finance costs rising by 9.9%, despite challenging trading conditions and macroeconomic headwinds. HEPS saw a slight increase of 0.2%, while Basic EPS decreased by 0.4%. TFG Africa led the growth with a 10.4% increase in retail turnover, bolstered by strong performances in Clothing and Homeware, alongside a 44.4% growth in online sales. In contrast, TFG London and TFG Australia faced declines in retail turnover by 4.2% and 5.6% respectively, due to high inflation and interest rates. The Group's cash generation from operations soared to R12.5 billion, and pre-IFRS 16 net debt dropped by 31.3% to R4.9 billion. Strategic initiatives included the acquisition and integration of Street Fever and the completion of the Riverfields Distribution Centre, enhancing logistical efficiency. Despite the cautious outlook due to ongoing economic challenges, TFG's strong balance sheet and diversified business model position it well for future growth.

Dividend

On 7 June 2024, the board of directors declared a final gross dividend of 200 cents per share to ordinary shareholders, which is payable on 22 July 2024.

Microsoft Corporation. – Financial results for the first quarter ended 31 March 2024

Earnings per share	\$11.54
Historical PE	36.46
EPS growth	24.62%
Turnover growth	13.97%
ROE	38.48%
Debt/Equity	41.95%
NAV per share	\$34.06
Dividend yield	0.70%
Share price	\$420.72



Nature of business

Microsoft Corp. develops and supports software, services, devices, and solutions, operating through three segments: Productivity and Business Processes, Intelligent Cloud, and More Personal Computing. The Productivity and Business Processes segment includes Office, LinkedIn, and Dynamics business solutions. The Intelligent Cloud segment encompasses Azure, SQL Server, Windows Server, and other cloud services, as well as GitHub and Enterprise Services. The More Personal Computing segment covers Windows, Surface devices, Xbox gaming, and search and news advertising. Founded by Paul Allen and Bill Gates in 1975, Microsoft is headquartered in Redmond, WA.

Latest results

Microsoft Corp. delivered a strong quarterly performance, with revenue climbing 17% to \$61.9 billion and operating income surging 23% to \$27.6 billion. Net income rose 20% to \$21.9 billion, translating to diluted earnings per share of \$2.94. Notably, Microsoft Cloud was a key growth driver, posting a 23% increase year-over-year to \$35.1 billion. In terms of segment performance, Productivity and Business Processes revenue grew 12% to \$19.6 billion, fuelled by a 15% rise in Office 365 Commercial revenue and a 4% increase in Office Consumer products. LinkedIn revenue saw a 10% uplift, while Dynamics products and cloud services revenue advanced 19%, with Dynamics 365 up 23%. The Intelligent Cloud segment experienced a robust 21% increase to \$26.7 billion, driven by a 31% jump in Azure revenue. The More Personal Computing segment reported \$15.6 billion in revenue, up 17%, bolstered by an 11% increase in Windows revenue and a remarkable 62% surge in Xbox content and services revenue, largely due to the Activision acquisition. Conversely, devices revenue declined by 17%. Microsoft also demonstrated its commitment to shareholders, returning \$8.4 billion through share repurchases and dividends. Overall, Microsoft's diversified business model and strategic investments in cloud and AI continue to drive impressive financial results and shareholder value.

Dividend

On 12 June 2024, the board of directors declared a quarterly dividend of \$0.75 per share to ordinary shareholders, which was payable on 12 September 2024.

Snippets

What is a family office approach to wealth management?

According to data from the London Business School, family offices worldwide control some \$10tn in assets and are becoming an increasingly important investment force. *With Intelligence* predicts that family offices globally will reach \$11.41tn in assets under management by 2026. In South Africa, the family office service has become a fast-growing wealth management segment with an AfrAsia Bank Africa Wealth Report predicting that total private wealth in Africa will reach \$2.6tn by 2030.

[Read more.](#)

Corporate Cash Manager Rates

FUND	BALANCE	RATE
CALL ACCOUNT	0.00 – 9 999.99	7.90
	10 000 – 24 999.99	7.90
	25 000 – 49 999.99	7.90
	50 000 – 99 999.99	7.90
	100 000 – 249 999.99	7.90
CALL MONEY FUND: <i>Individuals</i>	250 000 – 999 999.99	8.12
	1 000 000 – 9 999 999.99	8.12
	10 000 000 upwards	8.12
CALL MONEY FUND: <i>Non-Individuals</i>	250 000 – 999 999.99	7.82
	1 000 000 – 9 999 999.99	7.82
	10 000 000 upwards	7.82

Dividends Payable

Dividends in LDT order					
Company	Decl	LDT	Pay	Amt	Curr
Mr Price Group Ltd. (MRPRICE)	13-Jun	02-Jul	08-Jul	526.8	ZARc
Novus Holdings Ltd. (NOVUS)	14-Jun	02-Jul	08-Jul	50	ZARc
Primary Health Properties plc (PHP)	27-Jun	02-Jul	16-Aug	1.73	GBPp
Stor-Age Property REIT Ltd. (STOR-AGE)	18-Jun	02-Jul	08-Jul	56.81	ZARc
Tiger Brands Ltd. (TIGBRANDS)	27-May	02-Jul	08-Jul	350	ZARc
YeboYethu Ltd. (YEBOYETHU)	18-Jun	02-Jul	08-Jul	96	ZARc
African Media Entertainment Ltd. (AME)	31-May	09-Jul	15-Jul	350	ZARc
enX Group Ltd. (ENXGROUP)	13-Jun	09-Jul	15-Jul	500	ZARc
Netcare Ltd. (NETCARE)	20-May	09-Jul	15-Jul	30	ZARc
PPC Ltd. (PPC)	24-Jun	09-Jul	15-Jul	13.7	ZARc
Safari Investments RSA Ltd. (SAFARI)	19-Jun	09-Jul	15-Jul	31	ZARc
Schroder European Real Estate Investment Trust (SERE)	19-Jun	09-Jul	12-Aug	1.48	EURc
Vunani Ltd. (VUNANI)	21-Jun	09-Jul	15-Jul	9	ZARc
Zeda Ltd. (ZEDA)	30-May	09-Jul	15-Jul	50	ZARc
Alexander Forbes Group Holdings Ltd. (AFORBES)	10-Jun	16-Jul	22-Jul	30	ZARc
Argent Industrial Ltd. (ARGENT)	27-Jun	16-Jul	22-Jul	60	ZARc
Bytes Technology Group plc (BYTES)	23-May	16-Jul	02-Aug	6	GBPp
Castleview Property Fund Ltd. (CASTLEVIEW)	28-Jun	16-Jul	22-Jul	42.15	ZARc
Datatec Ltd. (DATATEC)	27-May	16-Jul	22-Jul	130	ZARc
Famous Brands Ltd. (FAMBRANDS)	20-May	16-Jul	22-Jul	164	ZARc
Marshall Monteagle plc (MARSHALL)	28-Jun	16-Jul	02-Aug	1.9	USDc
Nictus Ltd. (NICTUS)	28-Jun	16-Jul	22-Jul	6	ZARc
Ninety One Ltd. (NINETY 1L)	05-Jun	16-Jul	08-Aug	153	ZARc
Ninety One plc (NINETY 1P)	05-Jun	16-Jul	08-Aug	6.4	GBPp
PBT Group Ltd. (PBT GROUP)	28-Jun	16-Jul	22-Jul	17	ZARc
The Foschini Group Ltd. (TFG)	07-Jun	16-Jul	22-Jul	200	ZARc
Hosken Consolidated Investments Ltd. (HCI)	23-May	23-Jul	29-Jul	100	ZARc
Lewis Group Ltd. (LEWIS)	31-May	23-Jul	29-Jul	300	ZARc
Mahube Infrastructure Ltd. (MAHUBE)	03-Jun	23-Jul	29-Jul	20	ZARc
TeleMasters Holdings Ltd. (TELEMASTR)	03-Jul	23-Jul	29-Jul	0.1	ZARc
Tsogo Sun Ltd. (TSOGO SUN)	23-May	23-Jul	29-Jul	40	ZARc
Invicta Holdings Ltd. (INVICTA)	24-Jun	30-Jul	05-Aug	105	ZARc

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