

The SA stock market

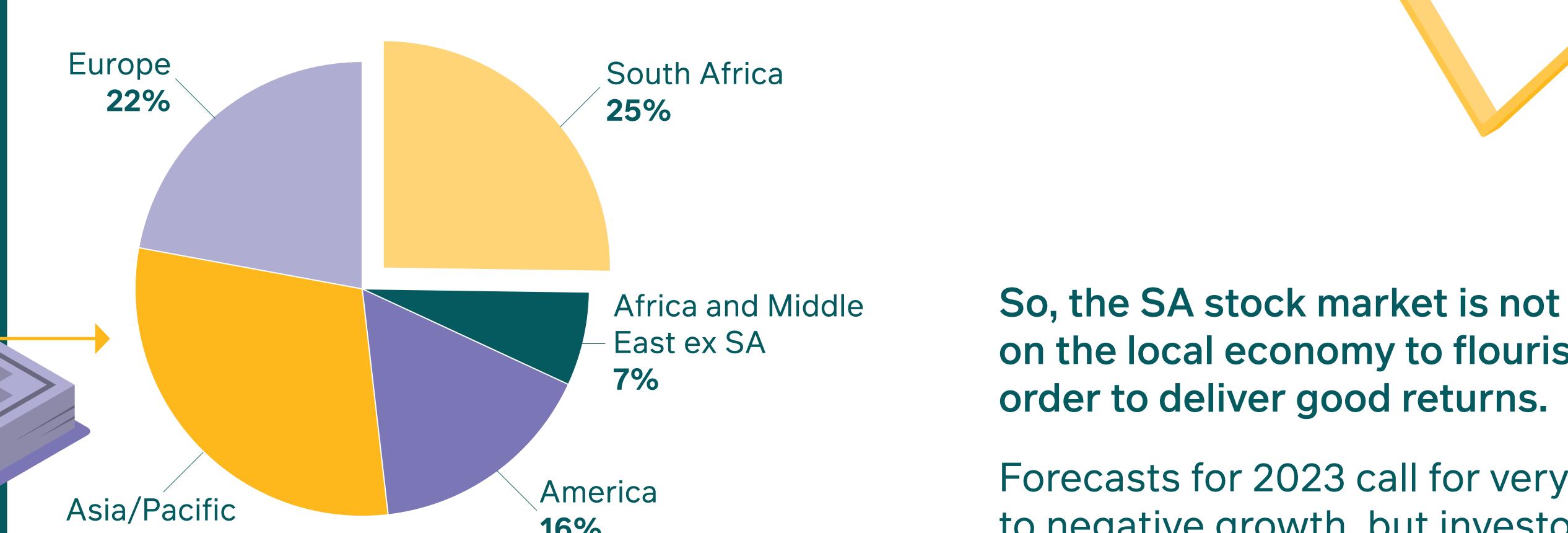


Our analysis shows that SA equity returns are driven surprisingly little by the SA economy.

Just over one quarter of the total revenue generated by JSE-listed companies comes from South Africa.

Revenue stems mostly from Asia Pacific (30%, think China), Europe (22%) and America (16%). -

SA equity market composition by revenue



So, the SA stock market is not reliant on the local economy to flourish in

Forecasts for 2023 call for very low to negative growth, but investors should not be overly pessimistic.

Rather, a valuation-based approach like that used by M&G Investments has been shown to deliver inflationbeating returns over time. JSE valuations are currently cheap, indicating higher-than-average prospective real returns over the next We are overweight SA equities in our flagship multi-asset funds like the M&G Balanced and Inflation Plus Funds.





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link here. One can also obtain additional information on MandG products on the MandG website. This information is not intended to constitute the basis for any specific investment decision. Investors are advised to familiarise themselves with the unique risks pertaining to their investment choices and should seek the advice of a properly qualified financial consultant or adviser before investing.