



# Why you should diversify across asset classes



## You can invest in any one of these asset classes:

- SA equity (shares on the JSE)
- SA bonds (government or company loans)
- SA property (companies listed on the JSE)
- SA cash (money market funds)
- Gold (ZAR)
- Global equity (shares on worldwide stock exchange)
- Global bonds (ZAR)

Your returns should beat inflation:

SA CPI

## It is good to diversify across asset classes:



- No single asset class returns the highest returns - or close to it - each year. The returns reflected are those of indices for each asset class.
- Investing across asset classes produces returns in the top five in most years. The returns you could earn from investing across asset classes are shown here by way of a multi-asset index made up of the indices for the other asset classes.

### Multi-asset index details

The multi-asset index is allocated across the asset classes as follows:

SA equity 47.5% | Global equity 22.5% | SA bonds 15% | Global bonds 7.5% | SA cash 5% | Gold 2.5%

## Annual nominal returns over the past 10 years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
HIGHER RETURN ↑	SA property 26.6%	Global equity 33.5%	SA bonds 15.4%	SA equity 21.0%	Global bonds 15.4%	Global equity 24.8%	Gold 30.9%	SA property 36.9%	SA CPI 7.2%	Global equity 33.7%
	Global equity 16.5%	Global bonds 30.4%	SA property 10.2%	SA property 17.2%	Gold 15.1%	Gold 15.1%	Global equity 22.4%	Global equity 32.9%	Gold 7.1%	Gold 23.2%
	Multi-asset index 11.5%	Gold 17.7%	SA cash 7.4%	Multi-asset index 14.7%	SA bonds 7.7%	Multi-asset index 11.3%	Global bonds 15.2%	SA equity 27.1%	SA cash 5.2%	Multi-asset index 14.6%
	Global bonds 11.2%	Multi-asset index 11.1%	SA CPI 6.7%	Global equity 11.4%	SA cash 7.3%	SA bonds 10.3%	Multi-asset index 8.8%	Multi-asset index 21.9%	SA equity 4.4%	Global bonds 11.9%
	SA equity 10.9%	SA property 8.0%	Multi-asset index 2.6%	SA bonds 10.2%	Global equity 6.7%	SA cash 7.3%	SA bonds 8.7%	SA bonds 8.4%	SA bonds 4.2%	SA property 10.1%
	Gold 10.6%	SA cash 6.5%	SA equity 2.6%	SA cash 7.5%	SA CPI 4.5%	SA equity 6.8%	SA cash 5.4%	SA CPI 5.9%	SA property 0.5%	SA bonds 9.7%
	SA bonds 10.1%	SA CPI 5.3%	Global equity -4.6%	SA CPI 4.7%	Multi-asset index -0.1%	SA CPI 4.0%	SA CPI 3.1%	Gold 3.9%	Multi-asset index -0.5%	SA cash 8.0%
	SA cash 5.9%	SA equity 5.1%	Gold -4.6%	Gold 2.0%	SA equity -8.5%	Global bonds 3.1%	SA equity 0.6%	SA cash 3.8%	Global bonds -11.8%	SA equity 7.9%
LOWEST RETURN ↓	SA CPI 5.3%	SA bonds -3.9%	Global bonds -10.4%	Global bonds -3.3%	SA property -25.3%	SA property 1.9%	SA property -34.5%	Global bonds 1.6%	Global equity -12.3%	SA CPI 5.5%
RANGE BETWEEN ASSET CLASS HIGH/LOW (excl. CPI)	20.7%	37.4%	25.8%	24.3%	40.7%	22.9%	65.4%	35.3%	19.4%	25.8%