



Markets rise and fall - But staying invested pays off

“ Markets swing both high and low, with short-term dips that come and go. But if you wait and stay the course, long-term gains will be your force. Waiting pays, so don't despair, for steady growth is always there. ”

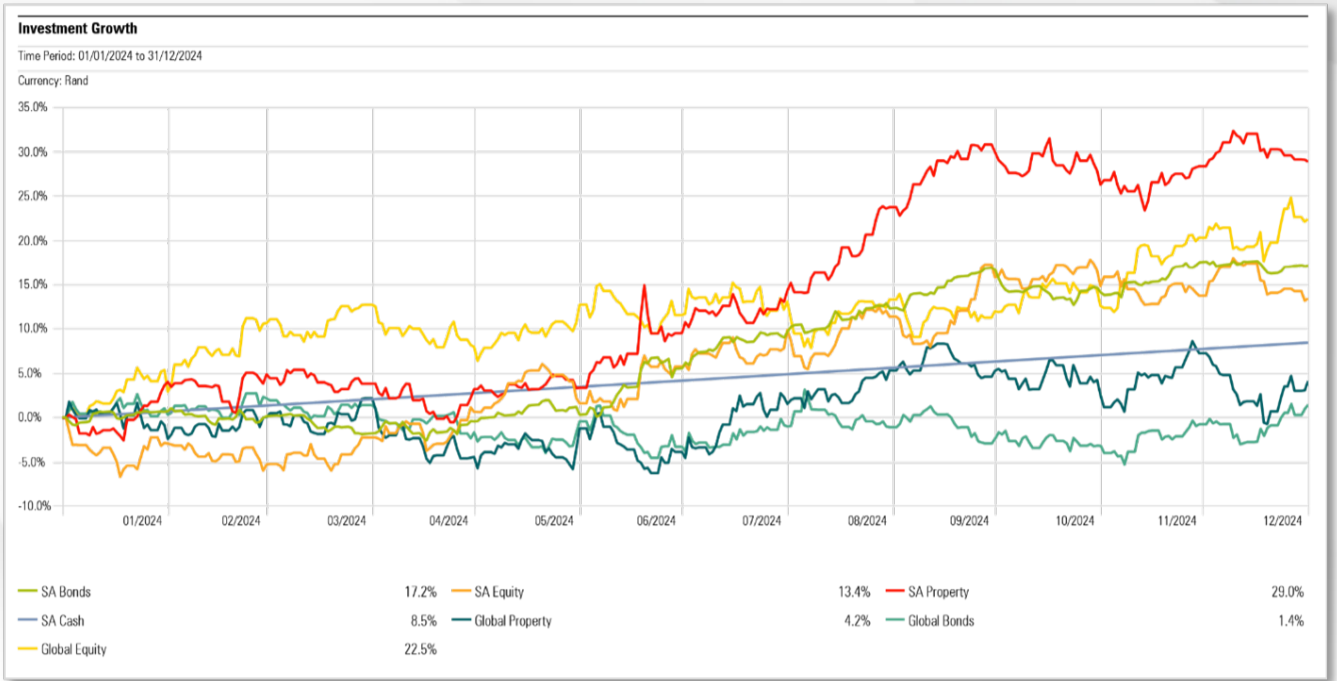
Did Markets like 2024?

For long-term savings, the risk is that your money might not grow enough to keep up with rising prices by the time you retire.

In 2024, there were challenges, such as wars in the Middle East and Ukraine, and over 70 countries held national elections. **Despite this, markets stayed strong, favouring South African pension funds.**

Local equities returned 13.4%, bonds 17.2%, and property 29% for the year ending 31 December 2024. Global equities also did well, returning 22.5% in rand terms. The average South African Regulation 28 institutional balanced fund had a solid performance of 13.9%, 10.6% above inflation, according to MorningStar data.

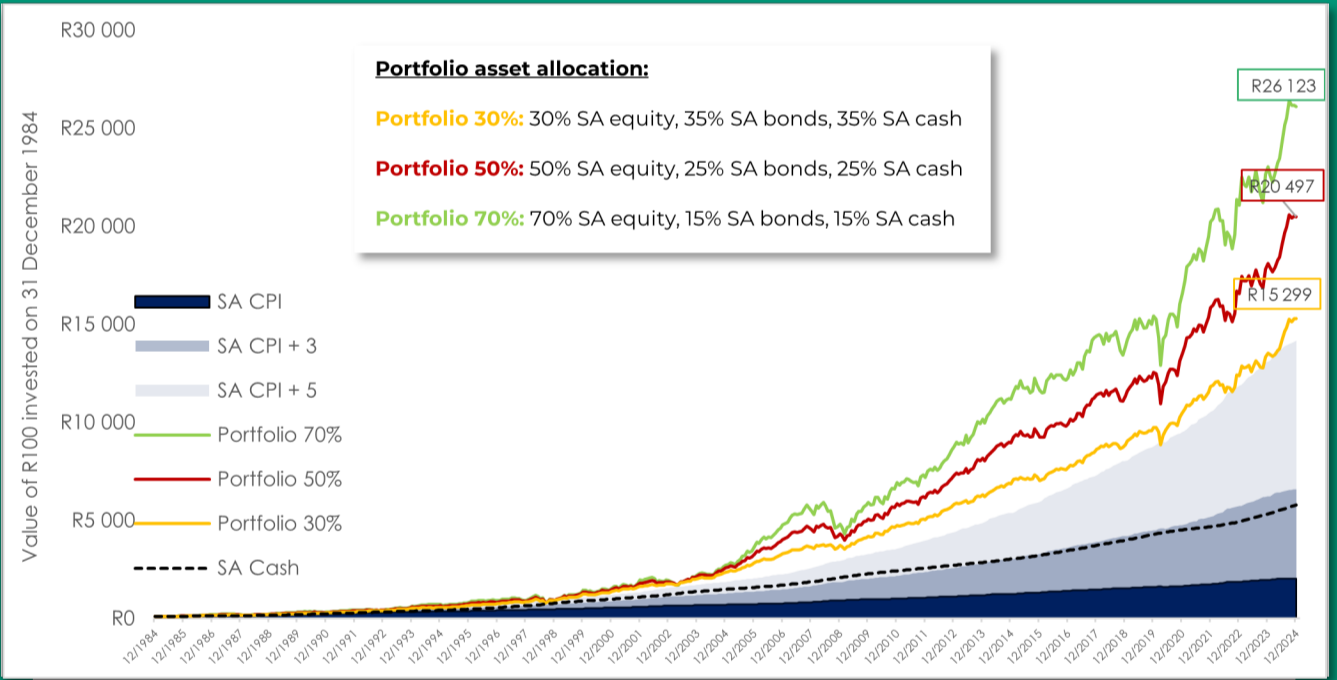
The graph below shows the performance of different asset classes in which your savings were likely invested from 01 January 2024 to 31 December 2024.



Can we expect Markets to be good to us in 2025, too?

We don't know. Markets are random and follow up and down swings over short periods. Experts analyse global, national, and other data to make investment choices, trying to gain from the "ups" and limit "downs" for good long-term returns.

Long-term returns matter since retirement may be many years away. The chart shows the value of R100 invested 40 years ago in South African asset classes over time.



From the chart we see that **patience** is needed to get good results. We also note that the "big ups" did **not happen all at once** and there were times where there were "downs". While we cannot predict when it goes up and down, it is clear that the "ups" were more than "downs".

What we can expect

We tested different combinations of these assets over 50 years and found that over any five-year period:

- Only having money in **money market (cash)** has a one in five chance of underperforming inflation.
- Only investing in **global equity** has the **highest chance of underperforming inflation.**
- A combination of these asset classes, however – both local and global – has the **best chance of beating inflation +5% and one of the lowest chances of underperforming inflation.**

Good markets and low South African Inflation helped the average South African pension funds during 2024. While we cannot predict what will happen next, experts study different data to take advantage of different situations on our behalf.

[Click here](#) for more information on the SuperFund Choice portfolios.