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The Association for Monitoring and Advocacy of Government Pensions: A volunteer independent group of pensioners and civil servants concerned about the long term viability of the GEPF and sustainability of its return on investments.

www.AMAGP.co.za

GEPF Watchdog - Waghond

GEPF Forum

NEWSLETTER NO 16 of 2024

AMAGP – Association for Monitoring and Advocacy of Government Pensions
AR – annual report
BOT – Board of Trustees [of the GEPF]
FSCA – Financial Sector Conduct Authority [previously the FSB]
GEPF - Government Employees' Pension Fund
PIC – Public Investment Corporation
ROI – return on investment
SCOF – Standing Committee on Finance
SCOPA - Standing Committee on Public Accounts
SLAPP - Strategic litigation against public participation
SOE – state owned entity

The Government Employees Pension Fund (GEPF) is Africa's largest pension fund. We have more than 1.267 million active members, in excess of 524 030 pensioners and beneficiaries, and assets worth more than R1.61 trillion. GEPF is a defined benefit pension fund that was established in May 1996 when various public sector funds were consolidated. Our core business, which is governed by the Government Employees Pension Law (or GEP Law), as amended, is to manage and administer pensions and other benefits for government employees in South Africa. https://www.GEPF.gov.za/ dd 16 November 2024.

WE ARE THE OWNERS OF THE GEPF and we have the right to expect the GEPF BOT and the PIC to manage and invest OUR money in a responsible and profitable way, to the advantages of members and pensioners. Note the misbalance: the single pensioner on the BOT representing all 450 000 pensioners and the 15 representatives from the multitude of trade unions and government departments representing the 1,2 million contributing members.

The AMAGP does not want any GEPF member to leave the Fund, because it still is the best pension fund in the RSA. BUT, we as members and owners of the Fund have the duty to protect and safeguard it against abuse.

The Editor's Word

Many different articles to provide an idea of GEPF investment progress.
Keep the incremental progress of NHI funding in your attention span. Note the continuous small steps being taken, as for the 'government' infrastructure investment attempt, to condition our thinking for the use of 'public funds' for the NHI, meaning the PIC but, actually, the GEPF and other pension funds.

Now for news from the media

News about the NHI intended to being funded by pension funds. Subtle.

Vodacom wants to acquire Maziv, a fibre company, from Remgro. The Competition Tribunal vetoed it and Vodacom and the Minister of Trade, Industry and Competition is going to appeal. Interesting.

The 'government' is discussing a wealth tax, as the SA personal income tax base is minute. Such a tax is going to have an influence on pensioners.

MTN is teaming up with Chinese companies to expand its business. A sign of the times.

The FSCA has released a preliminary report on the two pot withdrawals. Income tax takes a good share of each withdrawal.

Eskom intends selling its financing company as part of the 'government' debt relief deal.

A Saudi Arabia Company is buying Barloworld.

Capitec Bank is growing exponentially. Good news for ROI.

NEWSNUUSNEWS

Synopsis

Government plans to tap public pensions for NHI – yours may be next

Daily Investor
Shaun Jacobs
8 November 2024

The Department of Health has made a proposal to the National Treasury to use savings managed by the PIC to build and upgrade public infrastructure in anticipation of the NHI scheme. A major sticking point in the plan is that the vast majority of the PIC's funds are made up of the pensions of government employees, meaning that it is mandated to ensure it generates a reasonable return on its investment.

It is unclear how the funds used to build public healthcare infrastructure would generate a return for pensioners. Health Minister Dr Aaron Motsoaledi explained to Newzroom Afrika that the Department needs significantly more funding for infrastructure than it is allocated.

Due to the government's poor financial health, it has been forced to devise alternatives to requesting additional funds from the National Treasury. Motsoaledi said the Department has taken cues from private hospitals, which have used investments from the PIC to build their infrastructure and acquire equipment.

"Why can't the same be done for public hospitals? We argued that the PIC money would be used to build the infrastructure we need now, and funding from the National Treasury as part of our budget would be used to pay back the PIC over a period of 20 to 30 years," he said.

When pressed about how a return would be generated on these investments for the PIC and the pensioners' money investment, Motsoaledi said those are technical details that would be ironed out later. "We know the money is not free and that it belongs to pensioners. When they retire, they must get that money. We will be able to pay it back," he said.

His team met with the National Treasury a month ago to present proposals and expects the Treasury to revert back in the near future. There are fears that the government may look beyond the PIC for funding to gear up for the NHI's implementation.

Motsoaledi himself seemed to stoke these fears by saying that plans are being made to examine "the whole spectrum of lenders, including commercial banks and international institutions". "As long as we get money to invest in health infrastructure, we are happy. It is just our proposal that it must be the PIC. If you find any other source as the Treasury, it is fine."

Institute of Race Relations analyst Marius Roodt said that the department is considering using these funds for the NHI, and the government has no idea how the scheme will be funded. "The fact that the Health Department is now looking to the assets of the PIC to potentially fund the NHI shows that the government still has no idea how it's going to fund it," Roodt said in a statement.

"It is only through raids like these or through large, unsustainable tax increases that NHI can be funded, and neither is a good solution." Roodt explained that if the PIC's assets are being considered, it would not be surprising if the government started considering other pension funds to help pay for the NHI.

"The issue of prescribed assets is something that the ANC perennially raises," he said. "Do not be surprised if the ANC starts looking to private pensions as a possible funding source for NHI. Senior Health Department officials have made it clear that they view the savings that South Africans have in private medical aids as something the government should have access to in order to fund the NHI."

Comment

"savings managed by the PIC"

The common misconception that the funds belong to the PIC when they, actually, do not. Interesting the PIC is invested in private hospitals. The GEPF has loans to Botshilu and Kiaat Private Hospital. I wonder if that is what the Minister means, delicately not mentioning the GEPF.

While acknowledging the funds belong to pensioners it also seems to be 'public funds' at the same time. Curiouser and curiouser, NHI keeps hovering around the PIC [read GEPF] to fund the NHI, while the PIC doesn't, actually, own our Fund's funds.

Synopsis

Godongwana draws the line on funding the NHI – including taxes

BusinessTech
Staff writer
10 December 2024

National Treasury says that it will still take years for the NHI to be established and even longer for the scheme to roll out services, meaning tax measures to fund it are not yet on the cards. Responding to a recent written parliamentary Q&A, the Finance Ministry said that funding related to the NHI has already been budgeted for in direct and indirect grants over the medium term and there is no immediate financial pressure to find more funding.

This is because the baseline allocations to the NHI in the Department of Health are coming from funds that have historically tended to be underspent. "The baselines for the grants, which primarily fund NHI preparatory activities, have been maintained without any reductions or additions. The preliminary allocations for the health systems and health facility revitalisation components, within the indirect NHI grant, are estimated at R7,3bn over the 2025 MTEF," Treasury said.

In addition, it noted that the NHI Act and regulations have not yet been promulgated or released "and it will take around two years to list the NHI Fund as a schedule 3A public entity."

NHI cost estimates

"As reflected in the 2024 Medium Term Budget Policy Statement (MTBPS), government is already spending R893bn on health over the next three years. Against this backdrop, there have been various cost estimates for NHI," it said. Adjusted for inflation, this is around R200 billion, the oft-cited amount required to fund the NHI.

However, "practically and more realistically", Treasury said, "it may take some years before we reach full implementation because progress will strictly be contingent on the fiscal situation, and a lot of progress is still required in developing strategic purchasing mechanisms". This means that the exact funding mechanisms and funding needed may not be known for a long time yet.

"Complex systems and mechanisms would first need to be developed within the Fund to ensure smooth transition, which will likely take several years," Treasury said. "Essentially, there are no immediate or short-term fiscal implications for the 2025 budget cycle, which is why no significant increases are shown in the 2024 MTBPS."

Tax question

Regarding the need to raise taxes to fund the NHI, Treasury reiterated that, given the potential timelines for additional expenditure and uncertainties, there have been no announcements of increases in taxes or levies to fund NHI financial requirements.

However, it specifically highlighted that legislation gives the Minister of Finance the exclusive mandate to pronounce on tax matters. This is a notable distinction as the NHI Act is not a piece of financial legislation, the Health Department and Health Minister have no power to announce or enforce any tax measures. This means the stated 2% payroll tax and income tax surcharges that have been bandied about by politicians have no bearing until such time as the Finance Minister and Treasury make pronouncements in this regard.

Concerning the use of public funds through PIC to fund the NHI, Treasury was equally as conservative. While the option wasn't nixed in the minister's response, it was made clear that there are processes that need to be followed and alternatives assessed first.

Comment

The NHI is far from working yet. However, we can clearly see incremental 'government' declarations about using our Fund's funds, small steps at a time. The 'government' has already variously indicated its willingness to misuse our Fund and other pensioni funds to fund its political ambitions.
Note the powers of the Health Minister to raise taxes for NHI.
Interesting the mention that the PIC is public funds again. And its purchase of government bonds, which actually is for the GEPF, UIF, RAF, etc

Synopsis

Prepare for a Maziv fight

Daily Investor
Bianke Neethling
26 November 2024

Remgro and Vodacom have decided to lodge a notice of appeal with the Competition Appeal Court following recent news that the Tribunal blocked their proposed deal. In a notice to shareholders on Tuesday, Remgro and Vodacom announced their plan to appeal the blocking when they receive the Competition Tribunal's reasons for the prohibition.

This deal centres around Community Investment Ventures Holdings (CIVH), one of Remgro's key investments. The company is active in the telecommunications and information technology sectors. Its operating companies are Dark Fibre Africa (DFA) and Vumatel, which construct and own fibre-optic networks. Following an internal restructuring in 2023, DFA and Vumatel are held under Maziv, a newly formed wholly-owned subsidiary of CIVH, majority-owned by Remgro.

Vodacom planned to acquire up to 40% of Maziv through assets of R4,2bn and cash of at least R6bn. However, this plan was stopped in its tracks when the Competition Tribunal blocked the deal.

At the end of October 2024 the Competition Tribunal issued an order prohibiting Vodacom's investment in Vumatel and DFA-owner Maziv. Following this decision, Vodacom CEO Shameel Joosub said he was "deeply surprised and disappointed". "South Africa desperately needs additional significant investment, especially in digital infrastructure in lower-income areas," he said. "Our investment of up to R14bn would have changed millions of lives and created thousands of jobs."

Maziv said that it was disappointed by the outcome but that it respects the Tribunal's process. "We will await the reasons for the prohibition to consider our options and remain committed to driving innovation and economic growth through the power of connectivity," it said.

The Competition Tribunal has yet to provide detailed reasons for prohibiting the transaction. However, today the companies announced that they plan to file an appeal when these reasons are received. "Shareholders are advised that the transaction parties have decided to lodge a notice of appeal with the Competition Appeal Court," the companies said.

In addition, Vodacom announced that the transaction parties remain in discussions concerning the transaction terms. "Should agreement not be reached, the transaction may be terminated," the company said.

Comment

We have about R11,4bn in Remgro and R31,3bn in Vodacom. We'll have to wait to see what this is all about.

Synopsis

SA Minister appeals Vodacom fibre deal block

BizNews
By Loni Prinsloo
28 November 2024

South Africa's Minister of Trade, Industry and Competition is appealing an order by the Competition Tribunal that blocked Vodacom's R13,2bn ideal to buy a stake in Remgro Ltd.'s fibre businesses.

Parks Tau, whose Ministry also oversees the competition regulators in the country, is seeking to overturn the decision and allow the merger to proceed. "The South African government backing for Vodacom's acquisition of a stake in fibre operator Maziv, could add to pressure on the Competition Appeals Court to approve the deal," Bloomberg Intelligence analyst John Davies said.

A large number of parties have been called to respond to the appeal, including Vodacom's rival MTN. The industry is largely supportive of the deal, as there is an agreement that consolidation is needed for future growth prospects. As part of Vodacom's deal, the plan is to invest in fibre rollout in low-income areas, spending R10bn and providing 10 000 jobs, the company said previously.

"We support the appeal as consolidation is needed in South Africa to support accelerated investment in digital infrastructure and services," MTN CEO Ralph Mupita said in response to questions.

Comment

We have about R11,4bn in Remgro and R31,3bn in Vodacom. The article speaks for itself.

Synopsis

The looming reality of a wealth tax in South Africa

9 December 2024
by Editor BizNews
By Renee Eagar [Brenthurst Wealth]

It looks like a wealth tax in South Africa is all but unavoidable. While no one knows exactly when it will become a reality, it is probably a good idea to start paying attention now. The writing is on the wall, and if you are not prepared, this could have a big impact on your financial future, especially if your assets exceed certain thresholds.

The proposed wealth tax aims to target only the wealthiest individuals, with discussions suggesting the tax would apply if you have taxable assets worth more than R3,6mn. Rates proposed by academics from Wits University, include a 3% tax on wealth above R3,6mn, with higher rates for higher amounts, such as 5% for wealth over R27mn and 7% for amounts exceeding R119mn.

Here is the problem: South Africa's tax base is already tiny. Just 1,6 million people pay most of the country's taxes, and a quarter of those contribute about 80% of all personal income tax. Adding a wealth tax to the mix will place even more pressure on a group that is already carrying a heavy load, and for those who have not planned, it could mean losing a significant chunk of wealth.

What is the deal with the wealth tax?
The government is pushing for this tax as a way to address inequality and generate more revenue. SARS has even set up a High Wealth Individual Unit to look at people with assets worth more than R50mn. While the exact timeline for implementation of the proposed wealth tax is unclear, the chances of this tax becoming reality is high. If you have not

planned for it, this could become a significant financial challenge when it is rolled out.

There is also talk of taxes incurred within Collective Schemes when buying and selling takes place and profits are realised, this will be detrimental to our South African Unit trust industry and remains to be seen if and how it will be implemented.

If your wealth exceeds the proposed R3,6mn threshold, then you could be subject to this new tax. Beyond the immediate implications and it will bite, you will need to consider the broader implication on your ability to grow and protect your wealth and pass it on to the next generation.

Offshore trusts: a smart move

One effective way to safeguard your wealth is an offshore trust. By transferring your assets offshore, you remove them from the reach of South African tax authorities while still maintaining full control over how they are managed and distributed.

They can also help you diversify your assets, spreading your investments across various classes and regions to reduce exposure to South African tax liabilities.

How does it work?

Offshore trusts can play a crucial role in protecting generational wealth by ensuring assets are passed on with minimal tax impact. Here is what offshore trusts can do for you:

- Shelter excess wealth above the R3,6mn threshold.
- Consolidate global assets for easier management.
- Offer tools for tax-efficient estate planning, ensuring minimal disruption to generational wealth.
- Provide an avenue to diversify wealth holdings and reduce reliance on cash-heavy assets that could face steep taxation.

Getting started

If your wealth places you above the proposed threshold, it is worth taking proactive steps now. Setting up an offshore trust takes time and expertise, so it is best to get started sooner rather than later. The wealth tax may be inevitable, but with the right strategy in place, you can minimise its impact and secure your financial legacy.

Comment

The wealthy will find other ways not to pay the tax. Also, it removes the willingness of the wealthy to create wealth in SA, thereby defeating the aim of the tax.

If you own property, you might already be past the minimum tax level, add your pension lump sum and you are squarely in the wealth tax bracket.

Review your financial planning with wealth tax in mind. Above is only one way of planning your tax liabilities. Consult several financial advisors for the best financial plan of action.

Synopsis

MTN signs MOU with China Telecom and Huawei – What it means for South Africa

BusinessTech
Presented by MTN Business
10 December 2024

MTN recently signed an MOU with China Telecom and Huawei. The focus of the MOU was on unlocking new business opportunities for MTN and bringing enhanced technologies to the South African market.

This is powered by the size and scale of resources of China Telecom and Huawei, which they will be bringing to MTN clients. China Telecom is a global giant in the integrated telecommunication services industry, while Huawei is a leader in networks, telecommunications, and smartphones.

Combining these organisations' scale with MTN's industry-leading understanding of the local market means that South African businesses can expect enhanced offerings in the future across areas like ICT, B2B solutions, Cloud, IoT, and AI.

Taking a step forward

MTN SA Chief Enterprise Business Officer, Tumi Sekhukhune-Chamayou, said the collaboration is an important step forward for South Africa's ICT sector. "For MTN's business customers, network service improvements could offer new possibilities in smart mining and industrial applications," said Sekhukhune-Chamayou.

Sekhukhune-Chamayou added that the MOU will help MTN continue its aggressive growth strategy in key verticals, industry-specific markets, and innovative industries. As a cornerstone of the South African economy thanks to its wide range of connectivity and ICT solutions, MTN's growth will benefit almost every other industry in South Africa.

Comment

We have about R49,6bn in MTN. Looks like a good investment.

Synopsis

Warning for South Africans earning under R20 000 a month

Daily Investor
Kirsten Minnaar
5 December 2024

South Africans earning up to R20 000 a month are making up the majority of two-pot savings withdrawals, putting them at risk of being unable to retire comfortably. Zareena Camroodien, the Departmental Head of Fund Governance and Trustee Conduct at the FSCA, explained this on the Kaya Biz podcast.

Recently, the FSCA released a report outlining the trends in two-pot withdrawals from retirement funds. The report revealed that nearly 2 million withdrawals were made, with three-quarters of these made by members between 31 and 51. Notably, over 40% of the withdrawals came from members in their 30s. In contrast, less than 15% of withdrawals were made by members over 50, indicating that this age group is more focused on preserving their retirement savings.

Additionally, over 65% of withdrawals originated from members with annual pensionable salaries ranging between R60 000 and R240 000. One in four individuals who made withdrawals had a monthly income between R15 000 and R20 000, while a similar proportion fell into the R5 000 - R10 000 monthly income bracket.

According to feedback from fund administrators, these withdrawals are mostly used to service household expenses. This includes housing and car expenses, short-term debt, and school fees. With this data in mind, Camroodien said that most people appear to be using their two-pot withdrawals responsibly.

While some people use their savings to pay for things like holiday expenses or entertainment, they are in the minority, making up only 1%. Predominantly, she said, "it's for your real pressing needs that I think many of us as South Africans face."

The age group that made the most withdrawals often has significant responsibilities such as servicing their bonds, managing card repayments, caring for dependents, and covering school fees. "I think those are all the things that really push you to withdraw," Camroodien added.

This additional liquidity, especially for those in difficult financial positions, is precisely the problem that the two-pot savings system and its withdrawal component aimed to address. However, Camroodien cautioned that any withdrawal made would impact your income replacement ratio when you retire.

Financial experts, including those at the FSCA, recommend not withdrawing from your two-pot savings account unless it is an absolute emergency. Not only do you lose out on the compound interest you would have earned on your retirement savings, but you also have to pay tax at your marginal tax rate whenever you make an early withdrawal. In some cases people end up paying most or all of the withdrawal in tax.

It is advised that you ensure all of your tax obligations have been settled before attempting to make any withdrawals. On top of this, some providers are charging members quite a hefty amount for any withdrawals made.

The FSCA's recent survey revealed that the average fee for withdrawing R30 000 is over

R350, although there is a significant variation among providers. While most funds applied a flat fee of R200 - R350, one administrator charged as much as R600. Currently, the FSCA is still looking into these fees to determine their reasonableness.

Regardless of if these charges are fair, though, they are still an extra, avoidable cost for these fund members. "So, unless you absolutely need it in the case of an emergency, you ought not to touch that because we're all aiming to retire comfortably," Camroodien said.

Comment

The FSCA report indicates two pot withdrawals are used for survival, at the cost of retirement peace of mind.

Synopsis

Eskom seeking Competition Commission nod to sell R9bn ball and chain

My Broadband
By Myles Illidge
8 December 2024

Eskom has found a buyer for the R9bn Eskom Finance Company, and it must now secure approval from the Competition Commission for the sale to proceed. Eskom has been trying to offload the company for nearly 20 years. Eskom board chair Mteto Nyati told Business Times that, after screening four bidders, it ultimately chose a deal with an unnamed listed company.

He added that he couldn't disclose the deal's value. However, he noted that the company was able to get a value that was in line with, or slightly better, than its expectations. "The board, about a month ago, approved that deal, but it has to go through the Competition Commission to make sure the company gets the necessary approval," added Nyati.

The finance company primarily provides home and other loans to Eskom employees and those who work for its pension and provident fund. Its sale is a key condition of the R254bn debt-relief package Eskom received from the National Treasury.

In February 2023, Finance Minister Enoch Godongwana proposed the R254-billion debt-relief arrangement while presenting the year's Budget Speech. "This consists of two components.

- One is R184bn. This represents Eskom's full debt settlement requirement in three tranches over the medium term.
- "Second is a direct takeover of up to R70bn of Eskom's loan portfolio in 2025/26," he added.

"Government will finance the arrangement through the R66bn baseline provision announced in the 2019 Budget and R118bn in additional borrowings over the next three years," said Godongwana. He outlined several conditions that Eskom must meet to retain the debt-relief deal.

The package will make a big dent in Eskom's debt obligations, which, at the time of Godongwana's speech, amounted to R423bn. "The goal is to strengthen the utility's balance sheet, enabling it to restructure and undertake the investment and maintenance needed to support the security of electricity supply," the National Treasury wrote in a document about the package.

It also provided a breakdown of how the funds will be allocated. Eskom will receive advances of R78 billion during the 2023/24 financial year, R66 billion in 2024/25, and R40 billion in 2025/26. "These amounts represent Eskom's full debt settlement requirement over the next three years," the National Treasury added.

Comment

We have about R81,9bn in Eskom bonds. These bonds have to be redeemed at some future date, hopefully with good interest. It seems as if Eskom is slowly improving.

Synopsis

Saudi giant to buy major South African company

BusinessTech
Bloomberg
11 December 2024

A unit of Saudi Arabia's Zahid Group and its local partners offered to buy all the shares in South Africa's Barloworld Ltd. A Saudi group that includes Gulf Falcon Holding Ltd, a wholly owned unit of Zahid, and Entsha Ltd, an entity linked to Barloworld CEO Dominic Sewela, has made an offer of R120 per share, Barloworld said in a statement Wednesday. The stock surged as much as 19% in Johannesburg.

The offer won't be reduced by the R3,10 dividend the firm declared on 22 November, which takes the total so-called "value unlock" to R123,10 per share. This translates into an 87% premium to Barloworld's 30-day volume-weighted average price before it told shareholders to exercise caution in trading in April.

"Zahid Group is a long-term shareholder of Barloworld and believes in the fundamental strengths of Barloworld," the company said. Barloworld will be taken private if the deal goes ahead, it said.

Middle Eastern firms have increasingly sought investments in Africa, jockeying for influence with established players like China and France. ACWA Power, a Riyadh-based company, has signed a memorandum of understanding to invest $10bn in South Africa's renewable-energy industry over the next decade, while Dubai-based logistics company DP World operates nine ports on the continent.

The Saudi group, a distributor of heavy equipment machinery, started buying Barloworld shares four years ago. Zahid Tractor and Heavy Machinery Co., owns 18,9% of Barloworld. Barloworld is the official Caterpillar dealer in several African nations including Zambia, the Democratic Republic of Congo, Malawi, Angola and South Africa. It also has a business in Russia that's been subject to an internal investigation into possible export violations.

Comment

We have about R 2,9bn in Barloworld. Looks like we are getting a good ROI.

Synopsis

Capitec is eating Absa, Nedbank, and Standard Bank's lunch

BusinessTech
Luke Fraser
9 December 2024

Capitec has grown from a relatively small Tier 2 bank to a major challenger to South Africa's "Big Four" banks. Capitec was established in 2001 and has now become South Africa's largest bank by customer numbers at 23 million. The group's share price has grown by roughly 35 000% since 2004, with over 60% growth seen year-to-date in 2024.

Chris Steward from Ninety One said that Capitec's evolution was due to its ability to identify lucrative and ripe market areas for disruption. "These are some of the key characteristics that we look for within our investment framework." said Steward.

The group has diversified from its early mono-line unsecured personal lending to include transaction banking, credit cards, insurance and business banking. In insurance, Capitec will take over its funeral insurance business, as its prior arrangement with Sanlam is ending. The group also acquired Mercantile Bank in 2019. Through its award-winning app, Capitec also holds a large market share of prepaid sales of electricity, airtime, data, vouchers, online bills and Lotto sales.

Despite increasing its market share from 3% to roughly 15%, Capitec remains the smallest bank in the country by market share of retail and business banking revenue.

"From having around 250 branches and very few ATMs in 2005, Capitec has grown to nearly 900 branches, with the highest number of ATMs across South Africa, at almost 9 000." "This expanded presence comes at a time when most other banks are desperately trying to reduce costs, opting instead to lower the number of physical branches and ATM that they have around the country."

However, the consensus among most investors is that Capitec's share price is too expensive. South African banks usually have a price-to-earnings (P/E) ratio of between 6-10x and a dividend yield of between 5-7%. Capitec, on the other hand, trades at over 20x P/E and a dividend yield of 2%.

"The reality, however, is that the bank has always traded at a high valuation. "We believe Capitec has a compelling growth story and has consistently delivered exceptional value for shareholders despite always screening as relatively expensive."

"Given the company's proven track record and long-term ambitions, we believe its growth story will continue to play out and that its earnings growth will more than compensate investors for higher valuations."

Steward added that Capitec has done well to differentiate itself from what has often been an oligopolistic industry. "It continues to capture market share by redefining the way consumers experience banking and ancillary services through its built-for-purpose platform, value-added services, and low transactional fees."

Comment

We have about R31bn in Capitec. Good to hear that our investment is doing well.

THE GEPF WATCHDOG / WAGHOND FACEBOOK PAGE

Welcome to our page!!

The GEPF Watchdog/Waghond Facebook page is the social media platform of the non-profit organisation "The Association for the Monitoring and Advocacy of Government Pensions" (AMAGP). The AMAGP has only one agenda point – safeguarding the GEPF against looting and mismanagement.

We are the owners of the GEPF, and we have the right to expect the GEPF Board of Trustees, and the PIC, to manage and invest OUR money in a responsible and profitable way. To the advantages of members and pensioners!

Most of our GEPF members are content with the fact that pensioners still get their monthly pension and perhaps a non-inflation related increase sometimes. They are convinced by GEPF newsletters and ambitious GEPF AR that our Fund is in a superb condition. The AMAGP newsletters, annual reports and press releases tell a different story.

Member totals: Government Employees Pension Info (Fb) has 78 000 members, GEPF WATCHDOG (Fb) 52 000 members and AMAGP 8 000 members. The total is about 138 000. This isn't even close to being enough to convince the 'government' to pay attention when AMAGP releases media statements. The continued growth in AMAGP numbers confirms the ever increasing concern pension fund members and pensioners have about the future of their pensions.

As a member of the GEPF (working or retired), this Facebook page will keep you updated about any developments affecting the health of YOUR Pension Fund. It also provides you with the opportunity to participate in the debate and raise issues of concern.

Please read the articles that are posted on the wall, BUT also under "files and FEATURED". You can get further information on our website – there is no reason to be in the dark regarding our/your Pension Fund, and what you must do as a member.

This page will only have any value for you if you join the AMAGP. Note there are no membership fees, but we urgently need your financial support for legal actions and other projects. You don't have to do any work for the AMAGP if you do not wish to do so – BUT your membership will add one more voice to AMAGP convince the government our pensions remain ours, not theirs to misuse.

VRYWARING

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