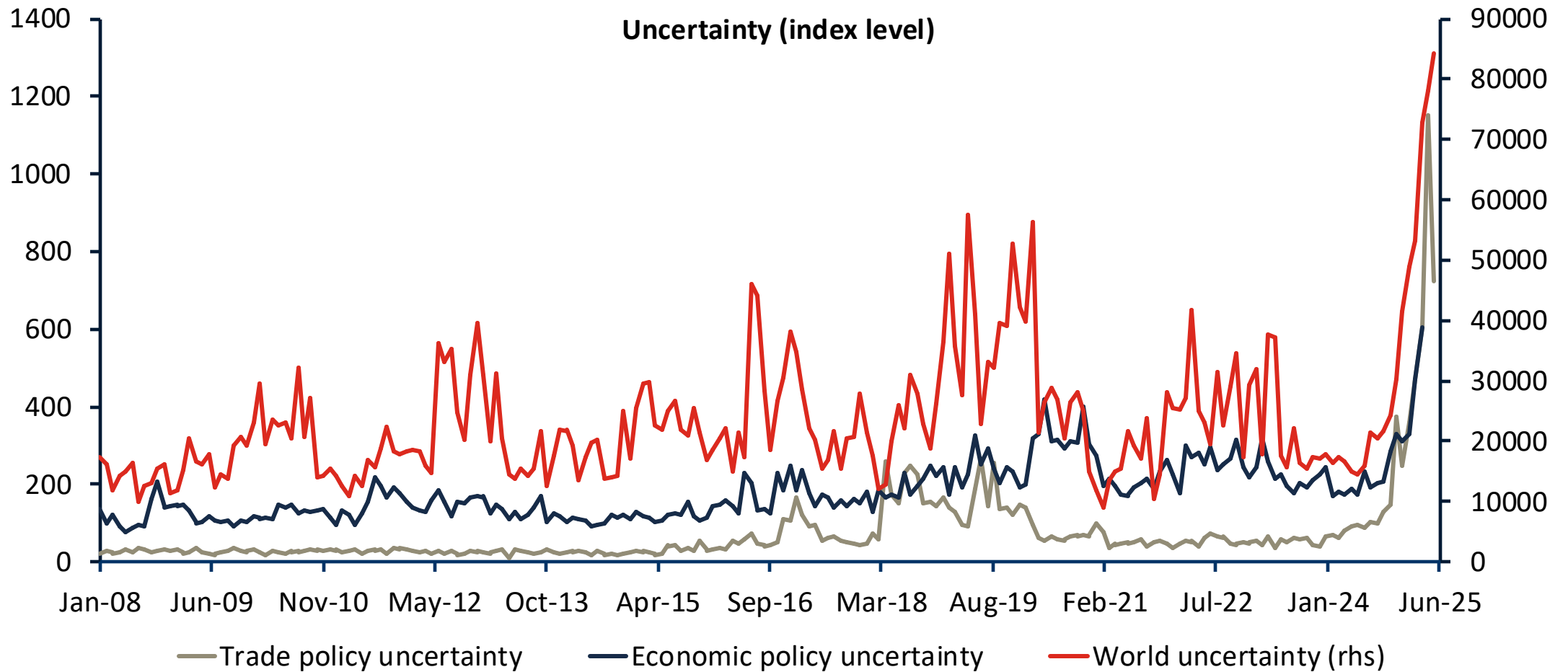


# Anchoring growth in a geopolitical tempest

Sanisha Packirisamy and Tshiamo Masike

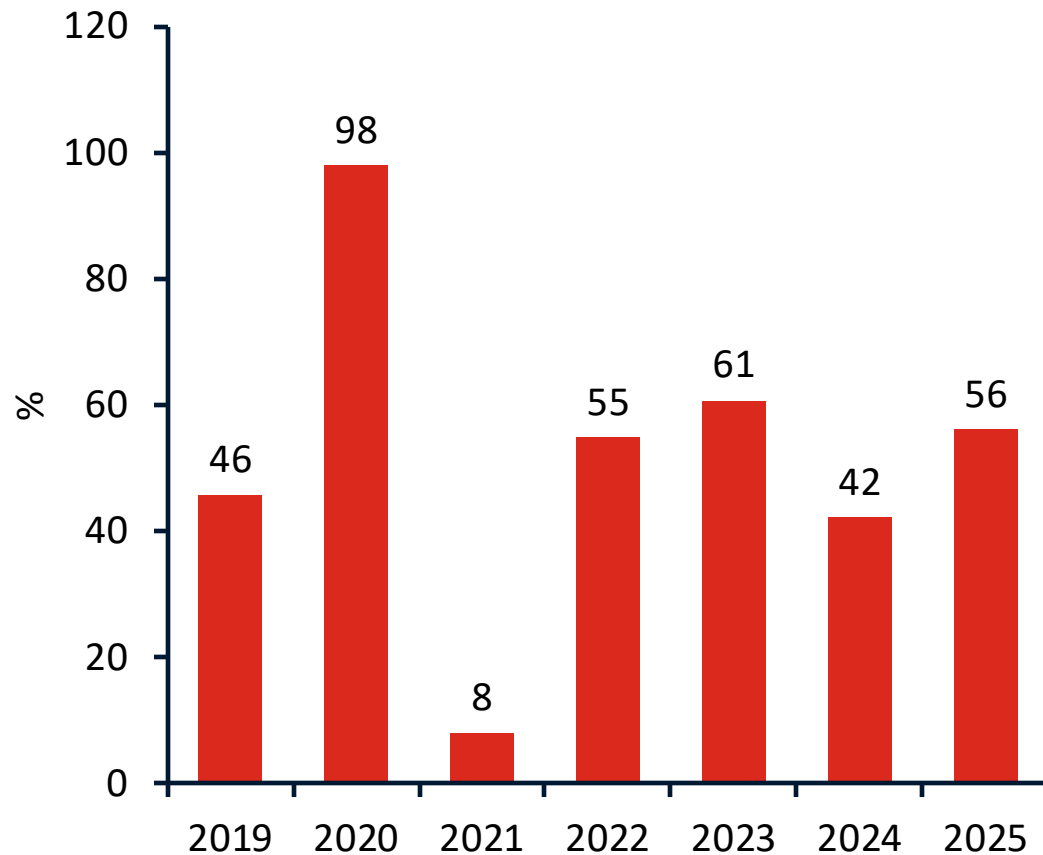


# Uncertainty hit record highs



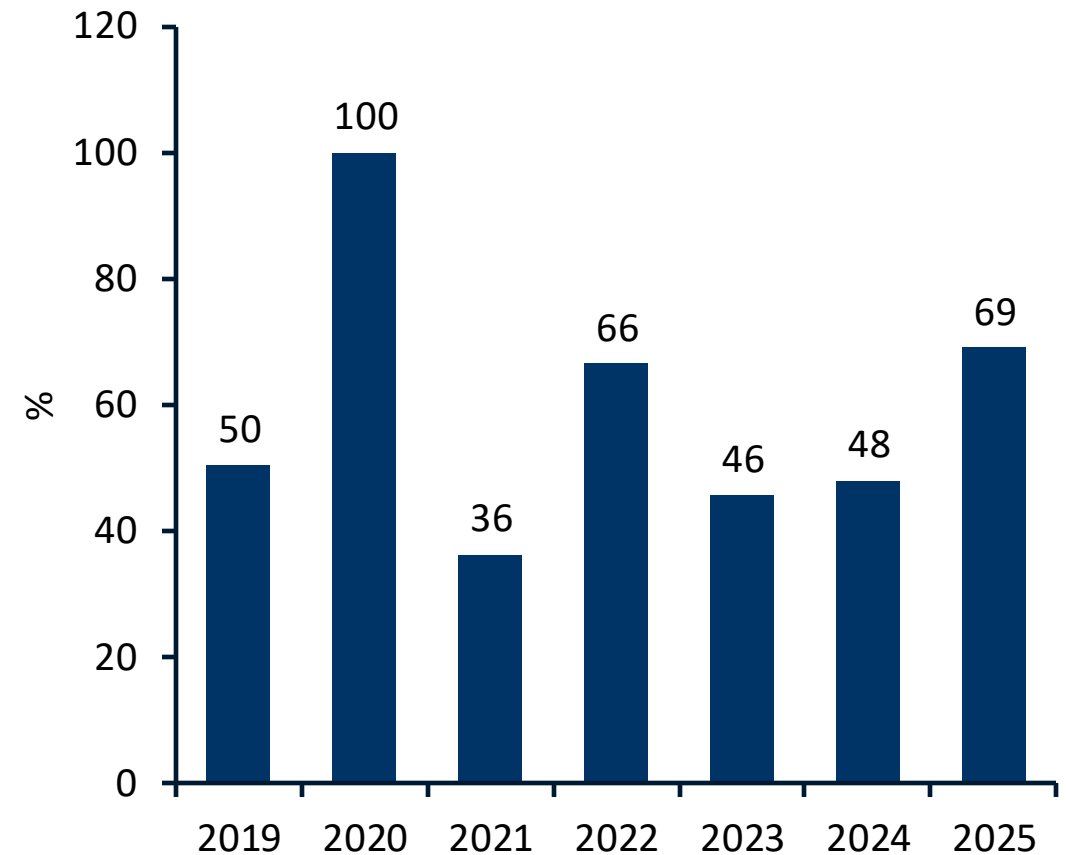
# Dimmer growth prospects

Share of economies with slowing growth in respective years



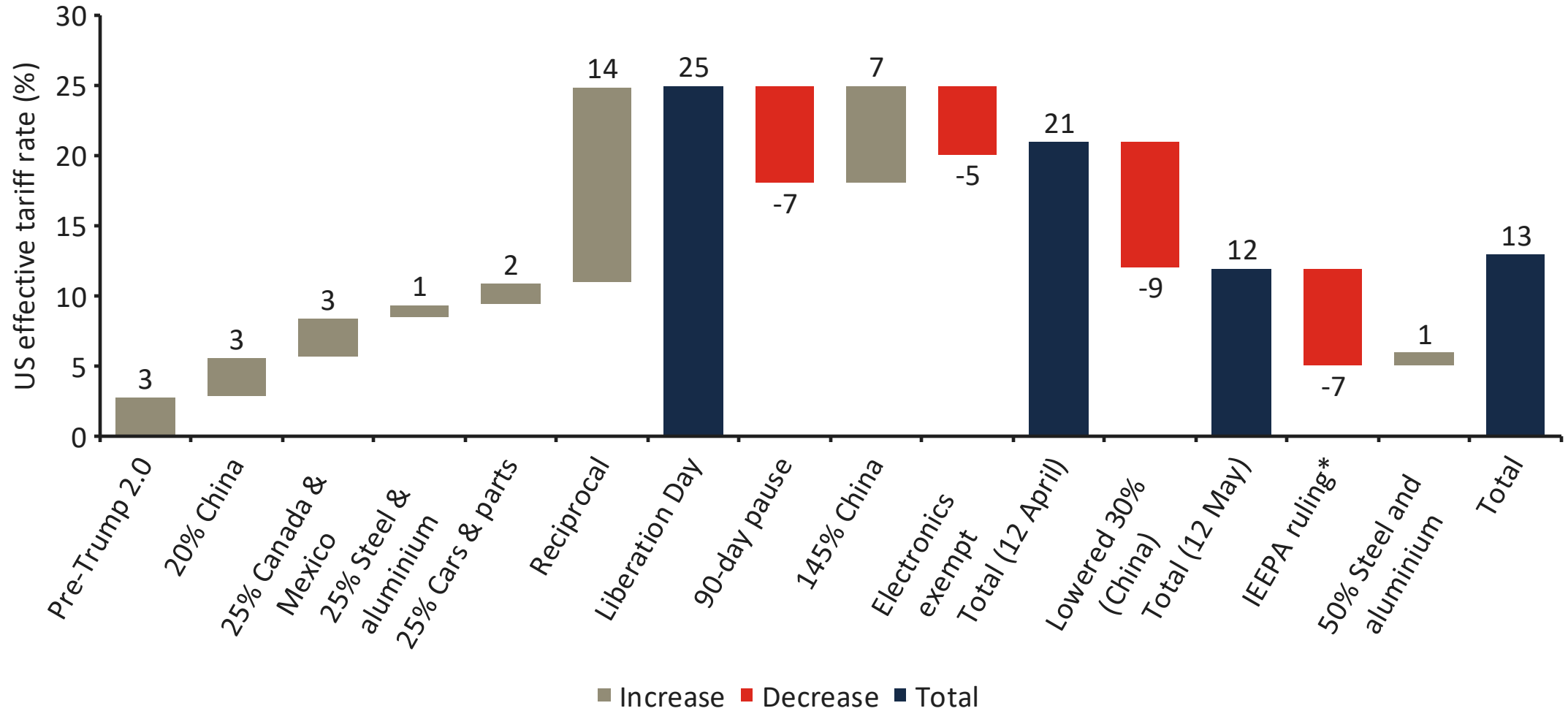
Source: World Bank, Momentum Investments  
June forecast for the respective year, relative to last year's estimated outcome

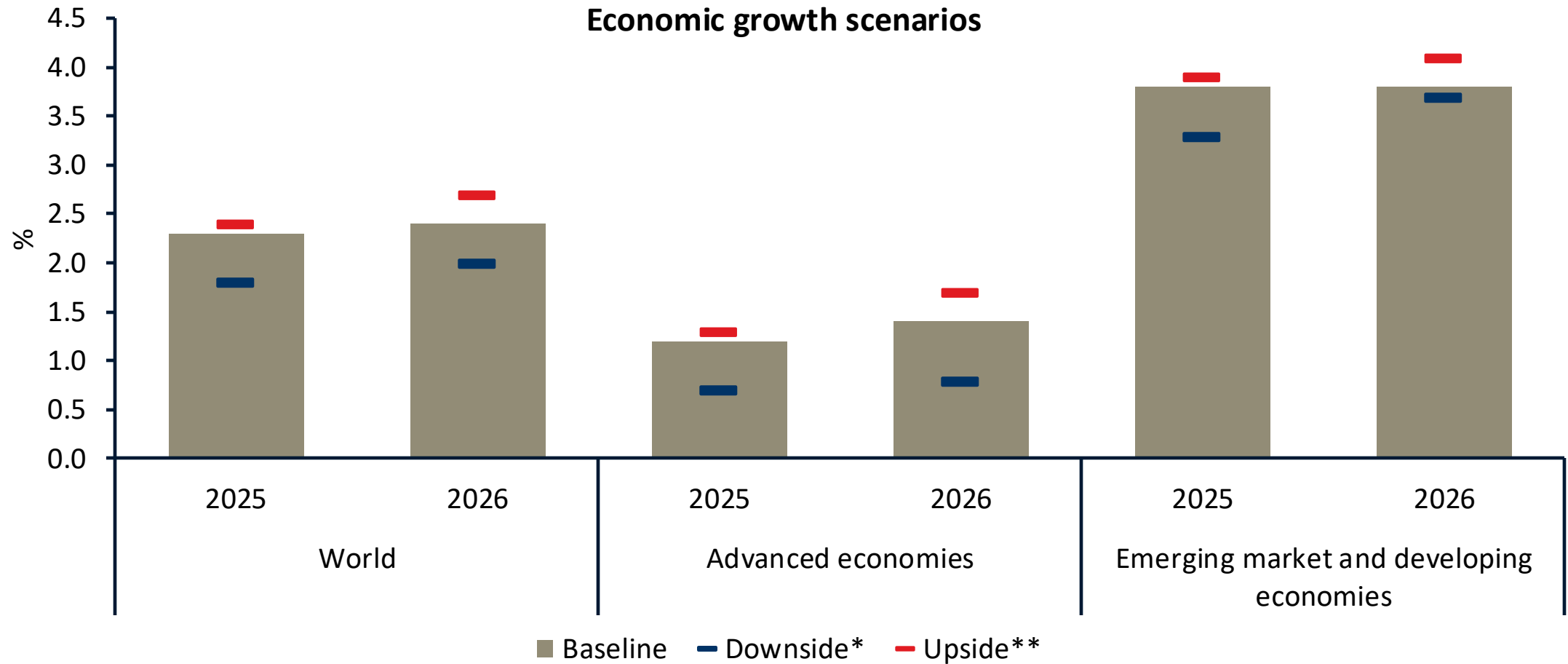
Share of economies with downgraded growth in respective years



Source: World Bank, Momentum Investments  
Revision to the respective year's forecast between January and June

# Tariffs off Liberation Day highs, yet historically steep





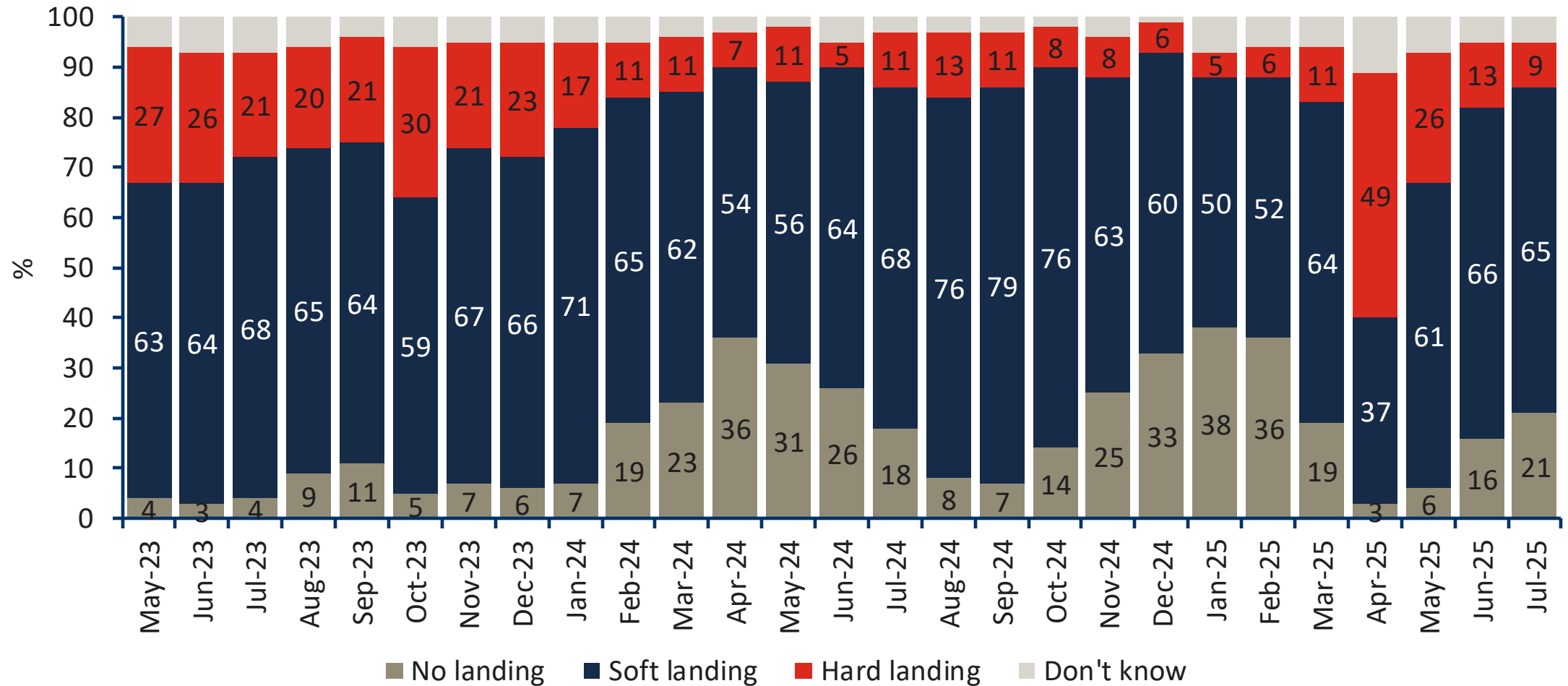
Source: World Bank, Momentum Investments

\* Downside – United States (US) weighted average tariffs increase by about 10 percentage points relative to the baseline, with proportional retaliation from trading partners

\*\* Upside – Further trade agreements that halve tariffs relative to the baseline and reduce trade-related uncertainty

# Recession risks have subsided

What is the most likely outcome for the global economy in the next year?



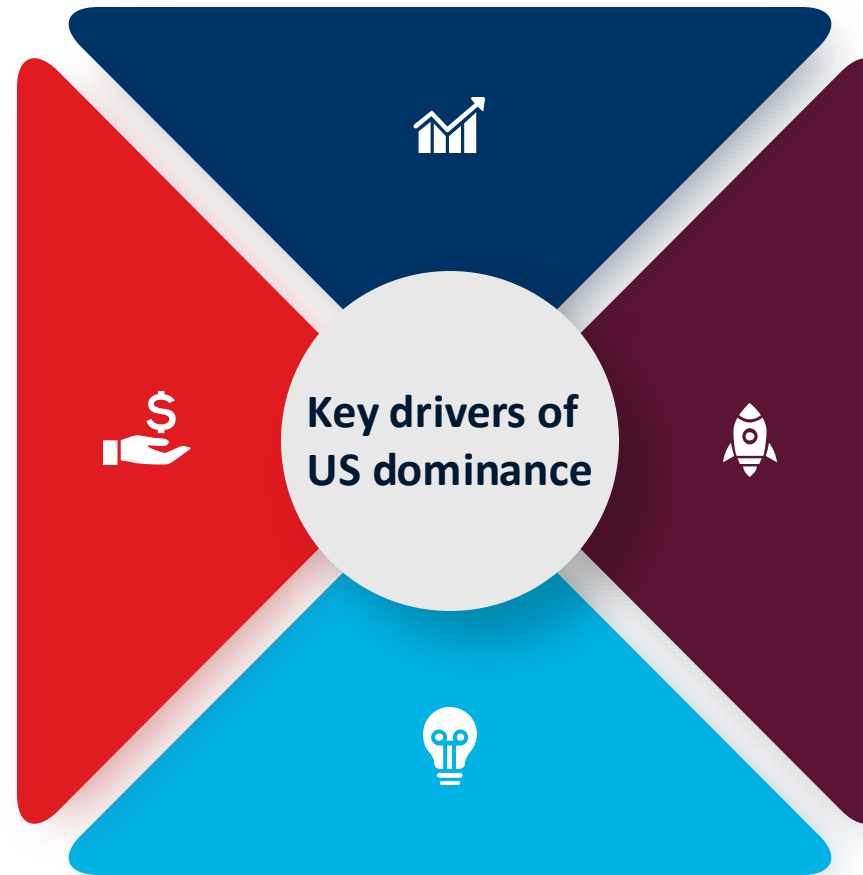
# Waning US influence amid rising risks

## Economic

Accounts for a  
quarter of global  
GDP

## Financial

US dollar is the  
world's reserve  
currency



## Geopolitical

Military  
dominance  
  
Leadership in  
international  
institutions

## Technological

Corporate  
influence  
  
Innovation/R&D

# Currency rivals miss the mark

## Criteria for global reserve currency

	USD	EUR	GBP	JPY	RMB	INR	RUB
Sizeable domestic economy (Share of global GDP)	25.2	16.9	3.1	3.8	16.1	3.2	1.8
Importance of the economy in international trade (Share of global trade)	11.5	13.1	3.6	3.3	10.9	2.7	1.4
Size, depth and openness of the financial markets (Financial markets index)	0.9	0.7	0.9	0.9	0.6	0.6	0.4
Convertibility of the currency (Chinn-Ito Financial Openness Index)	2.3	2.3	2.3	2.3	1.2	1.2	1.2
Use of the currency as a currency peg or anchor (Share of global GDP anchored to currency)	45.6	19.8	3.3	3.7	0.0	3.5	0.0
Stable domestic macroeconomic conditions and policies (Sovereign rating)	AA+	AAA	AA	A+	A+	BBB-	NR*

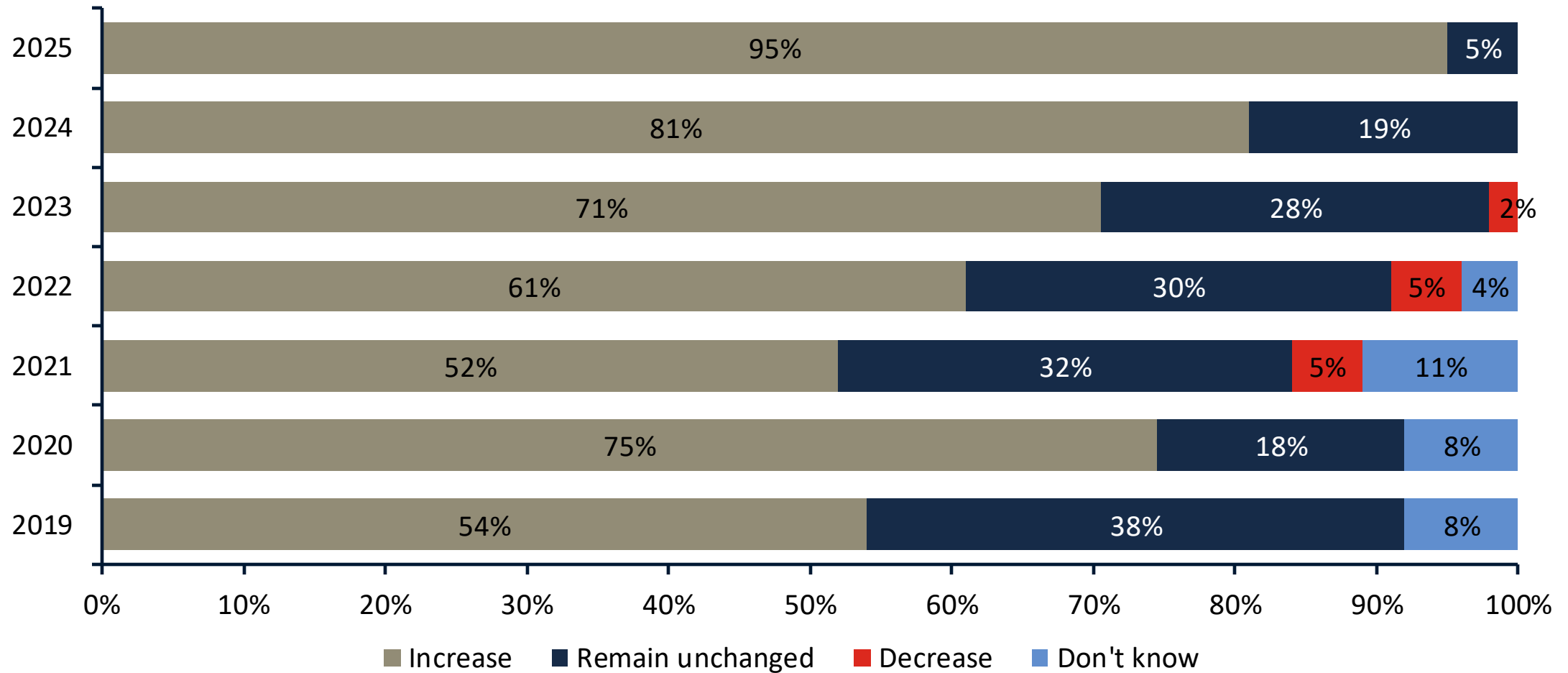
Source: Atlantic Council, Bloomberg, Momentum Investments

\*NR = not rated



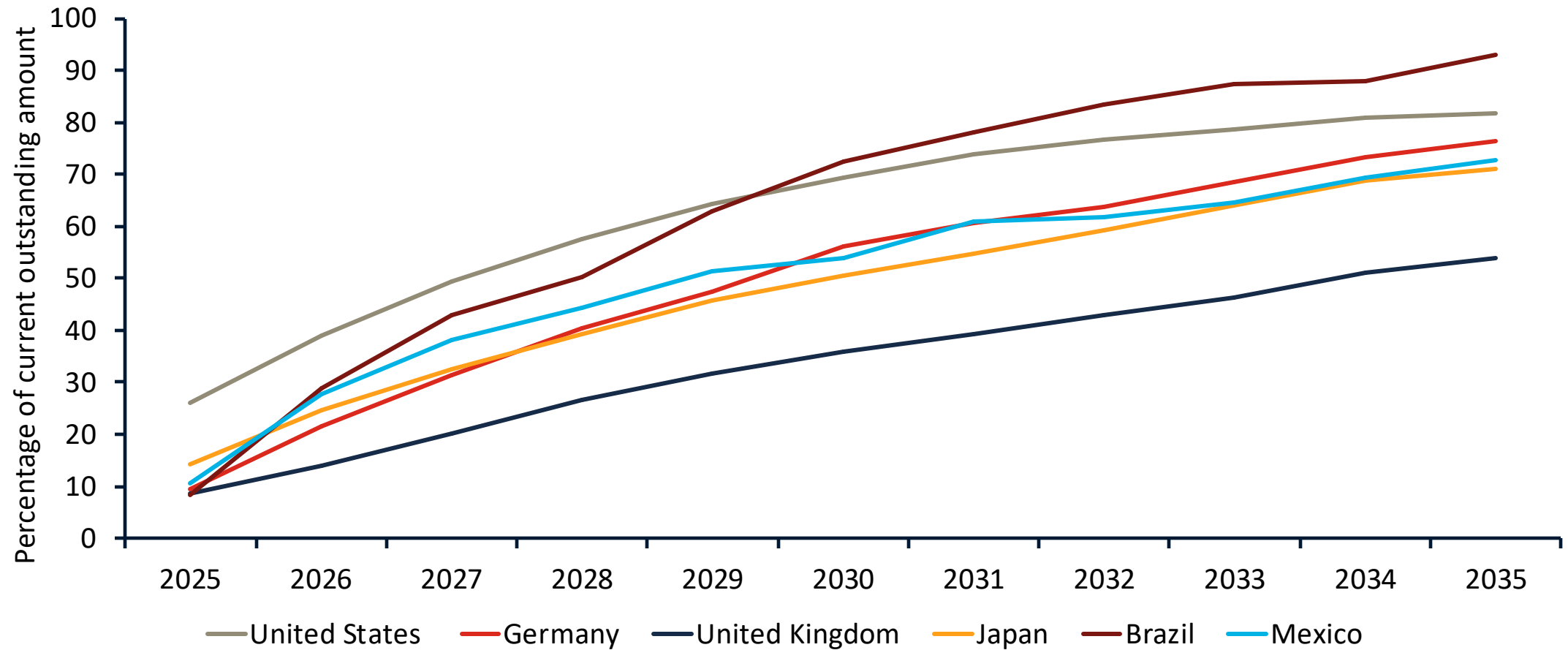
# Central banks hedge against chaos

How do you expect global central bank gold reserves to change over the next year?

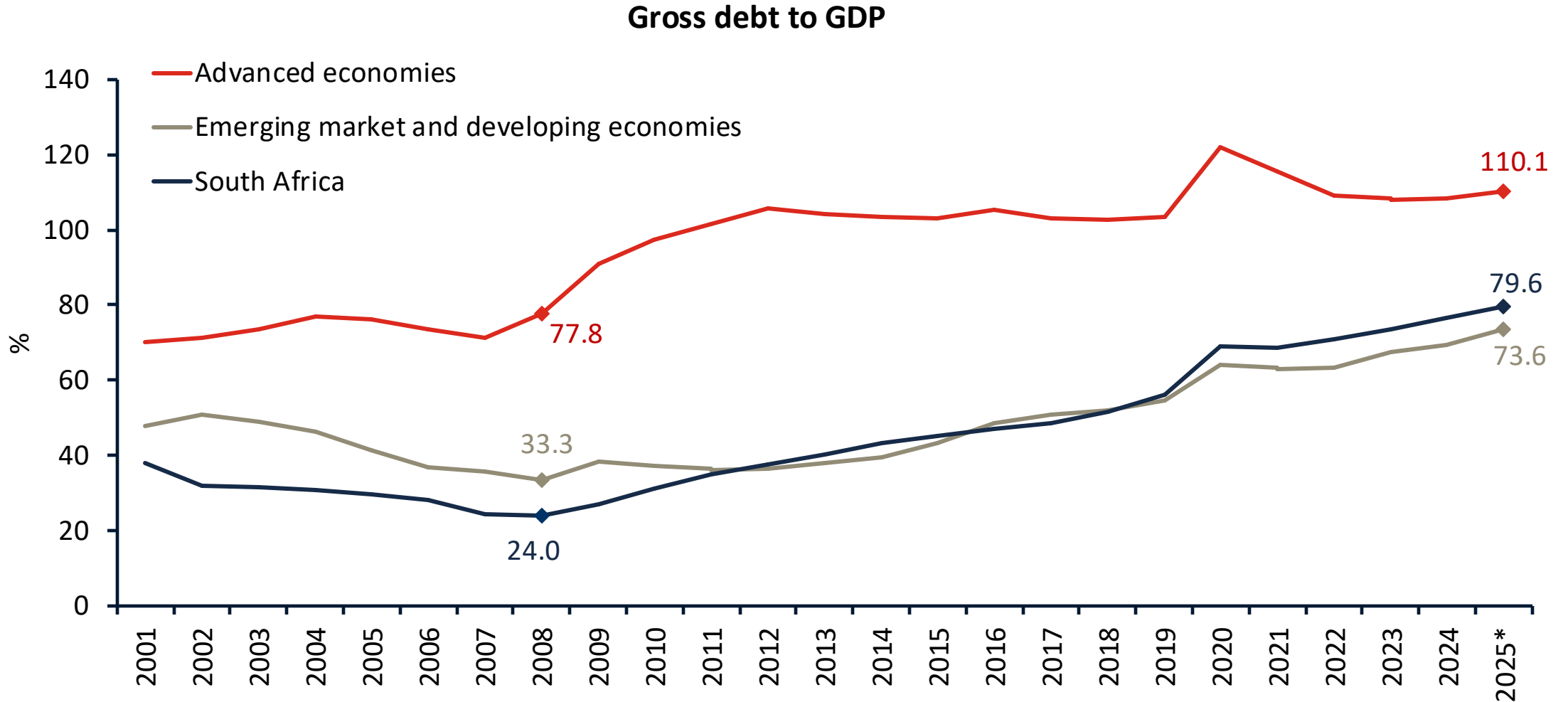


# Fiscal woes not unique to the US

Share of government debt maturing over time



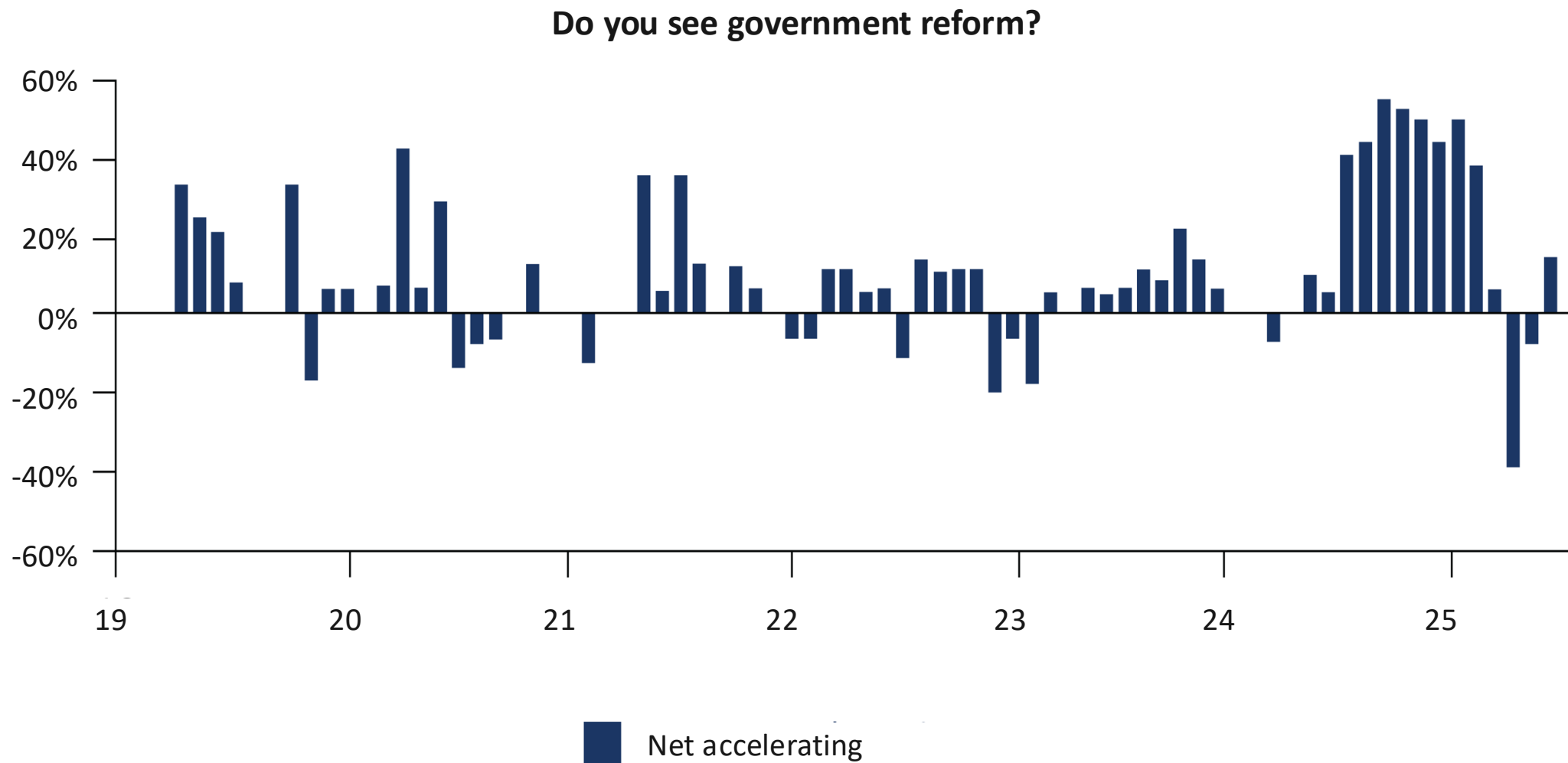
# SA's debt ratio rose threefold since 2008



Source: International Monetary Fund, Momentum Investments

\*Forecast

# Partial comeback in SA's reform hopes



## Operation Vulindlela reform priorities

Energy



Water



Freight  
logistics



Visa



Local  
government



Spatial  
integration  
and housing

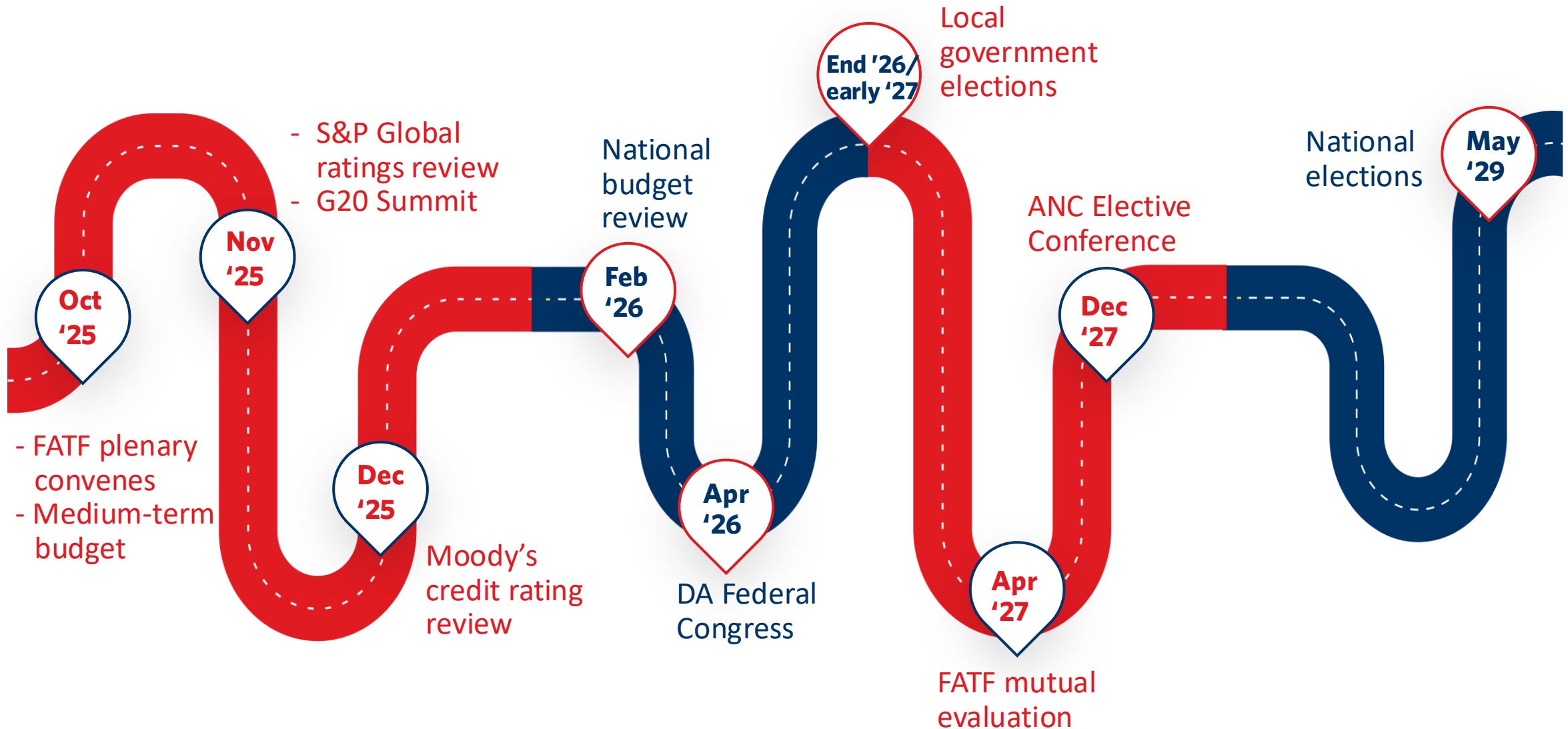


Digital public  
infrastructure

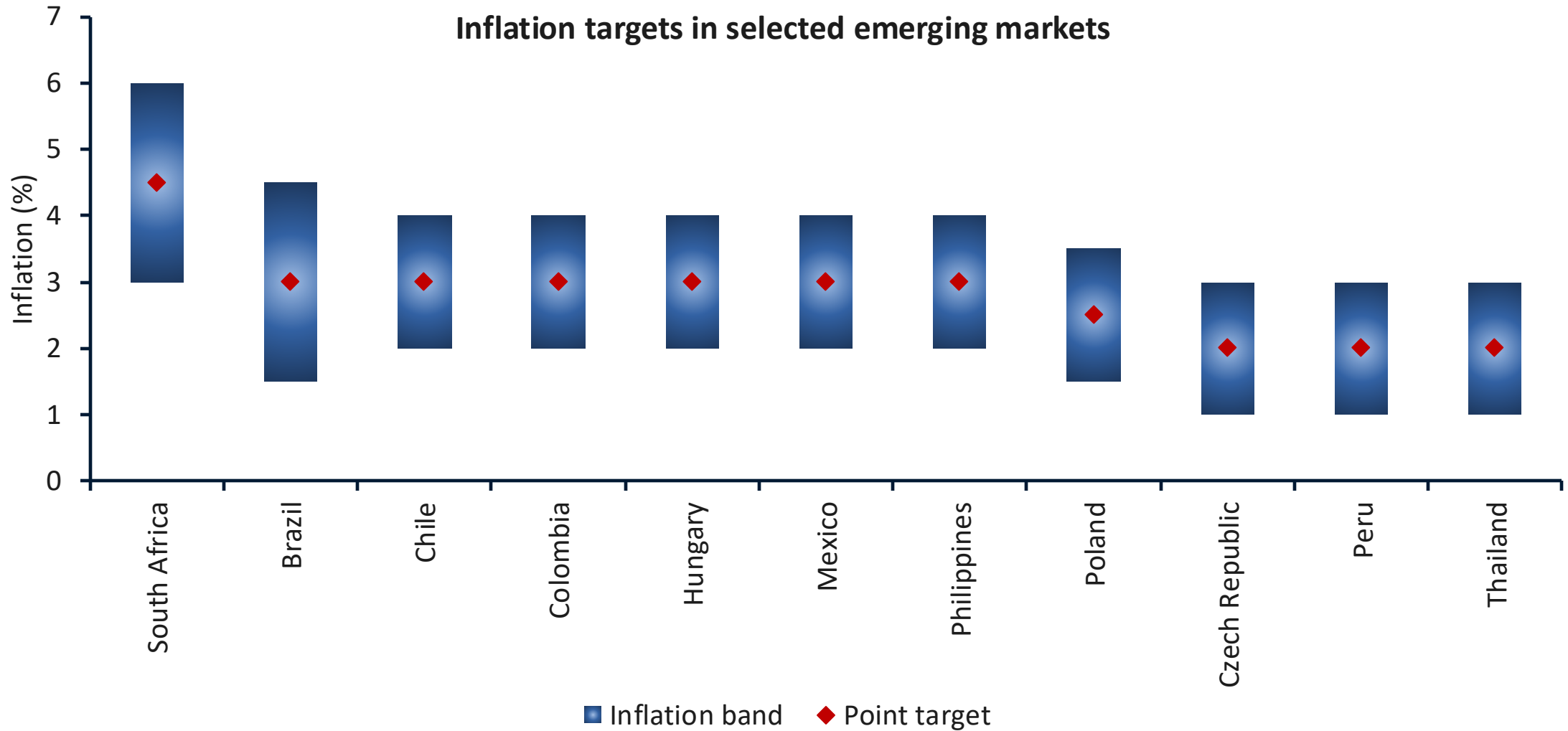




# Key SA events to watch



# SA has the highest inflation target among its peers







**momentum**  
financial planning

**Thank you**

**Wealth Management**  
Timeless advice on your journey to wealth