

Pensions World

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Pensions
World

SOUTH AFRICA

- Our current concepts of retirement and employee benefits are under fire
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- What difference does a quarter of a percent interest rate change make?
- Information analysis and the future of investing
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RETIREMENT FUNDS



Our current concepts of retirement and employee benefits are under fire 6

Anne Cabot-Alletzhauser, Head of Alexander Forbes' Research Institute believes that in this dramatically changing world of work, there is so much more that can be done under the ambit of "employee benefits" which actually speaks to what matters most to both employees and employers.



Beware! The FSB can replace the board of your pension fund! 10

The Financial Services Appeal Board recently made a far-reaching ruling on the powers of the Registrar of Pension Funds to appoint 'interim boards' in terms of Section 26(2) of the Pension Funds Act 24 of 1956 ('PFA'). *Rebecca Jansch, Partner in the Pensions and Employee Benefits team at Shepstone and Wylie, sets out the scenarios where this may occur and makes suggestions on how to avoid it.*

INVESTMENTS



What difference does a quarter of a percent interest rate change make? 12

In this article, *Guy Fletcher, Head of Research and Client Solutions at Sanlam Investments*, investigates the marked difference in the real performance of assets between the two interest rate regimes – when rates are going up and when they are going down – showing the critical nature of the MPC's policy on interest rates.



Information analysis and the future of investing 16

John Gilchrist and Grant Watson, Joint Heads of Old Mutual Investment Group's Customised Solutions boutique take us through the hottest investment trend globally right now which is quantitative (quant) investing.



What do foreigners see that local investors don't?

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The type of yields on fixed interest and credit assets that we currently see in South Africa are actually quite rare in the global context. *Melville du Plessis*, Portfolio Manager at Sanlam Investments, elaborates on why SA long bonds are still offering among the highest local currency real yields in emerging markets.



Satrix quarterly style tracker: Q2 snapshot

22

The quarterly Satrix style tracker chronicles the success of a range of factors over the medium to long-term for South African institutional investors. In this article, *Jason Swartz*, Head of Portfolio Solutions at SATRIX Managers, shares his most recent analysis for the second quarter.

LEGAL UPDATE

Legal
Update

The impact of final 'default' regulations to the Pension Funds Act and the draft Taxation Laws Amendment Bill, 2017 on retirement funds

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Nancy Andrews, Senior Legal Advisor at Alexander Forbes gives Trustees an overview of the important implications of the recently issued default regulations and outlining the dates by which these defaults need to be incorporated into retirement funds. Also in this article, Nancy goes further into the provisions of the draft Taxation Laws Amendment Bill and how these will affect retirement funds.

SERVICES DIRECTORY

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PERSONAL FINANCIAL PLANNING



The 5 questions you should be asking your financial advisor

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Gavin Smith, Head of Africa at deVere Acuma, gives us the five questions to ask when meeting with your financial planner. These questions will help you ascertain whether these experts are as invested in your financial success as you are.



Don't be left underinsured on your group risk benefits

30

Samantha Jagdessi, the Head of Benefits Consulting, Old Mutual Corporate Consultants, cautions members to ensure that they have adequate insurance cover in place for their needs and not to rely solely on their employer's group risk benefits. She delves into the questions members should ask to ensure they understand exactly what insured benefits they have in place, particularly on disability.



How to choose the right funeral plan

32

For many South Africans, a funeral plan is the first insurance product they purchase. *Sorja Visser*, CEO of African Unity Life gives practical guidance on what to look out for and what questions to ask when buying funeral cover for yourself and members of your family.



Scrapping SA expats' tax exemption is unjust, discriminatory and regressive

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Nigel Green, founder and CEO of deVere Group speaks out as plans are put forward by the country's Revenue Services (SARS) to domestically tax those who earn overseas – even though they would still be taxed on their income abroad too.

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