



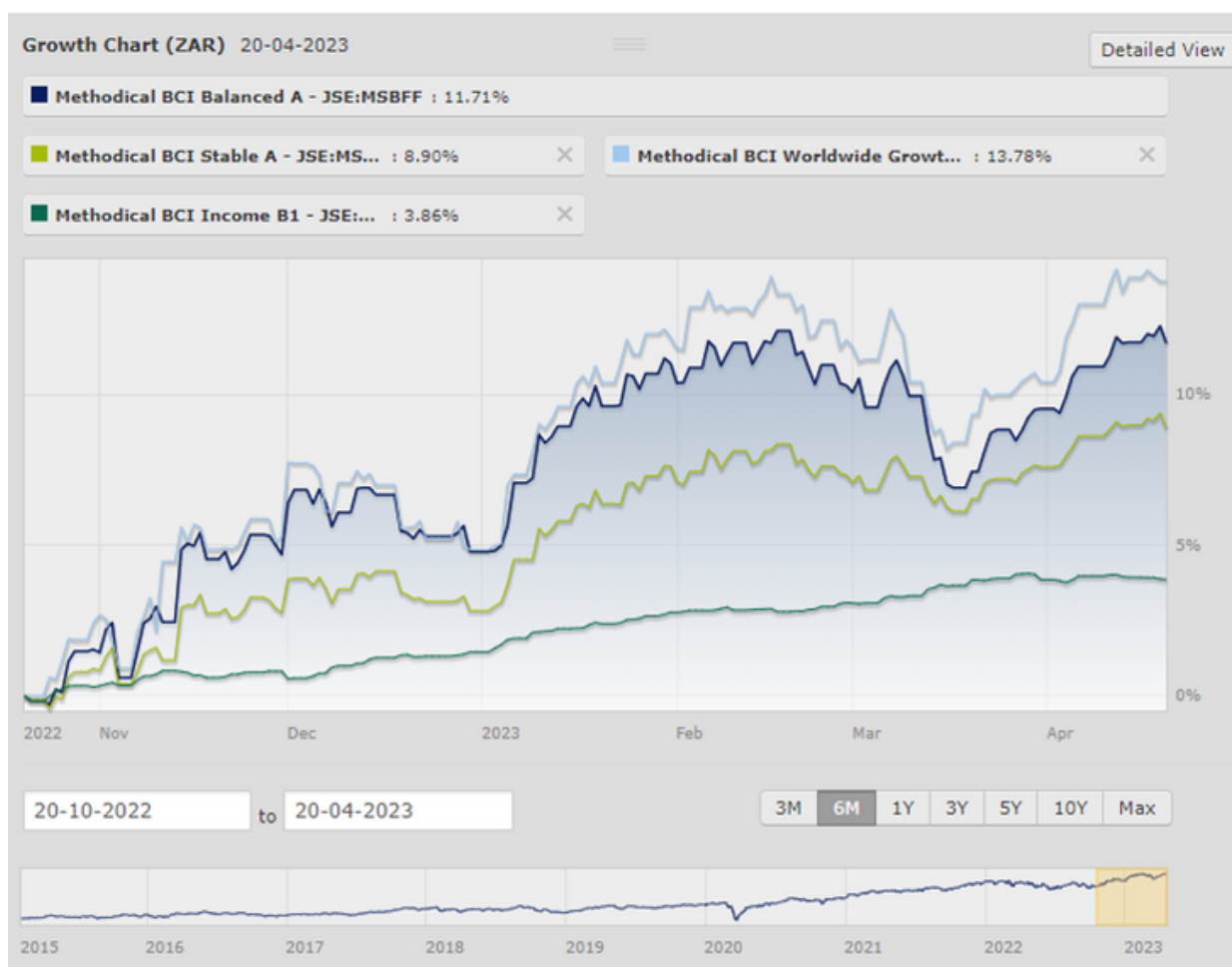
## **March Economic Update**

Over the last week, the markets were marked by a mix of optimism and uncertainty. On the one hand there were positive signs of economic recovery, with the US and European economies showing signs of growth and major companies reporting strong earnings. However, concerns about inflation and continued rising interest rates also caused some volatility in markets. Additionally, geopolitical tensions continue to add to the complex landscape of the financial world. Investors will be closely watching economic indicators and corporate earnings reports for clues about the direction of the markets in the weeks and months ahead.

At home, the Rand saw strong gains last week (ending the week around R18.03/USD), supported by expectations that the US Federal Reserve may soon pause its rate-hiking cycle. Data releases pointing to cooling US inflation have pushed the dollar to an almost one-year low against major peers.



## Our Houseview Funds



6 Nokwe Avenue, Umhlanga Ridge  
087 9400 735  
info@pfl.co.za



## **Tax Free Saving Account Benefits**

Both the growth and income you receive on your investment are tax free – no capital gains tax (CGT) or tax is levied on the dividends and interest received.

It is a convenient and flexible way to accumulate savings over time – as you won't incur tax, more of your money is available to benefit from the power of compounding growth.

Parents can invest on behalf of minors (withdrawals must be paid into a bank account in the minor's name).

You can stay invested as long as you want to. The longer you remain invested, the bigger your potential growth and tax saving.

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## **Sinking Fund**

### **Why invest in a sinking fund?**

1. There are extensive tax benefits for investors with a marginal tax rate above 30%.
2. All tax is deducted within the policy (income at 30% and capital gains at 12%).
3. 3 Once the policy has matured, investors can enjoy a regular income stream. No income tax is payable on withdrawals (only CGT will apply).
4. There are attractive estate planning benefits.
5. No CGT is payable on death if your nominated beneficiary opts to take the benefit as a policy.
6. No executor fees apply, if you have a nominated beneficiary.



## **What amounts can be invested?**

1. Recurring investments – a minimum of R1 000 per month
2. Lump sum – a minimum of R100 000
3. There is no maximum investment limit during the first 12 months of the policy; thereafter, certain restrictions apply.

### **Can I access my money?**

1. One interest-free loan and one surrender is permitted during the first five years (subject to limits – premium/contributions made plus 5% compound interest per year).
2. After five years, you can choose to receive the capital as a lump sum, or you can make ad hoc/ regular withdrawals.

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