



glacier  
invest



# Glacier Invest | Market snapshots

Monthly edition | 2023 recap



glacier  
invest

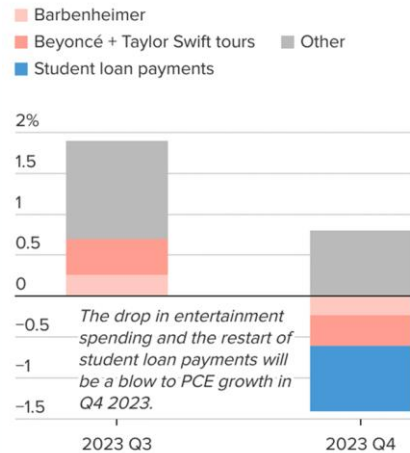


# 2023 | The year women unleashed their economic power

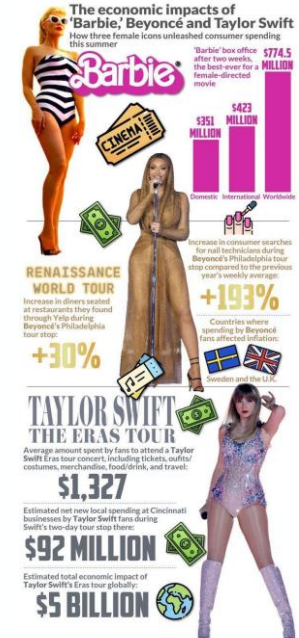
- Female spending emerged as a powerful economic force this year, impacting cities and entire countries.
- In May, Beyoncé's Renaissance World Tour kick-off in Sweden single-handedly inflated prices of hotel rooms and restaurant meals, as fans from around the world came together, resulting in a significant economic impact.
- Girl spending made box office history with the Barbie movie, as hordes of young women dressed in pink propelled it to become the highest-grossing film of the year in both the US and worldwide.
- In a year dominated by female spending, the Taylor Swift phenomenon stood out. Her Eras tour made history by surpassing US\$1 billion in revenue before reaching the halfway mark of 151 global shows.

## Barbenheimer, Beyoncé and Taylor

The very real impact of the summer's pop culture phenomenons to real PCE growth in Q3 and Q4 in 2023



Source: Morgan Stanley



Source: CNBC, MTV, Morgan Stanley, January 2024

Glacier Financial Solutions (Pty) Ltd is a licensed discretionary financial services provider, trading as Glacier Invest FSP 770.



# 2023 | The biggest year ever for bank failures

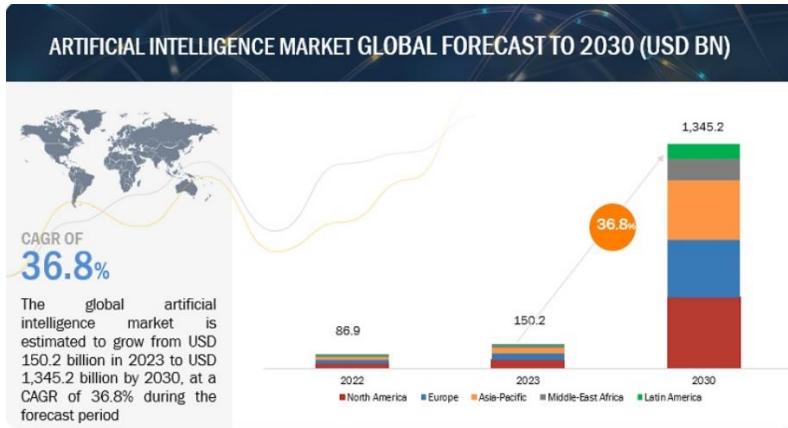
- Silicon Valley Bank (SVB)'s collapse in March ended a 28-month period without any US bank failures, the longest in over 15 years.
- SVB's demise marked the start of a historic year for bank failures, totaling US\$548.7 billion in combined assets, a record for a single year, surpassing 1984 and 2008.
- First Republic Bank in San Francisco became the second-largest US bank failure, followed by Silicon Valley Bank at number three, and Signature Bank in New York City as the fourth-largest.
- Silvergate Bank, known for its crypto-friendliness, underwent voluntary self-liquidation. Heartland Tri-State Bank failed due to its CEO falling victim to a crypto scam.
- In total, five banks failed in 2023, the highest number since 2017.



Source: Visual Capitalist, January 2024



# Unleashing the AI revolution



- In 2023, AI went through significant changes, with progress in open-source AI, debates over licenses, and the rise of powerful generative AI models.
- The use of AI in automating routine tasks across industries led to increased efficiency, but raised concerns about job displacement, particularly in roles involving repetitive tasks.
- During the year, AI policy, rules, and global politics played a massive role in shaping how AI is used worldwide. There was progress in creating rules for AI, but there was also strong competition and strategic moves between major countries, especially the US and China.



Source: Techopedia, Daily Maverick; ZedNet, Mckinsey & Company, X.com January 2024

Glacier Financial Solutions (Pty) Ltd is a licensed discretionary financial services provider, trading as Glacier Invest FSP 770.

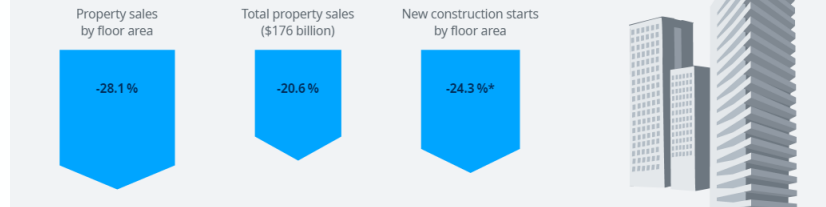


# China's economic slowdown

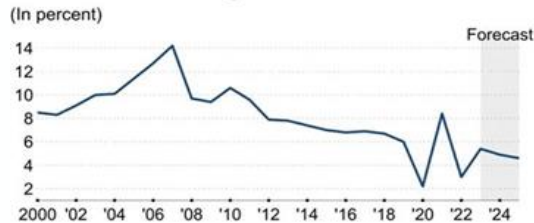
- China, the world's second-largest economy, faces challenges as it enters 2024, marked by deep-seated structural issues.
- Even after the lifting of strict "zero-COVID" measures in January 2023, China still faced economic difficulties, including soaring inflation that reduced international demand for Chinese goods.
- Despite the reopening, domestic consumers were hesitant to spend after two years of lockdown. The real estate crisis persisted, with more developers nearing default and home sales at half the levels of December 2020, posing a threat to an economy heavily reliant on property.
- Moody's shift of China's credit outlook to negative, driven by rising debt risks and economic slowdown concerns, signifies a notable change in the perception of China's fiscal health, with potential implications for global investors.



China's real estate troubles 2023 vs 2022



China's annual GDP growth



Source: China National Bureau of Statistics, Nikkei, Nikkei Quick News

Source: CNN Business, Reuters, FinanceNews24, Nikkei Asia, January 2024



# Geopolitical conflicts continue

- A series of events, including the US trade wars, increasing impact of climate risk, the COVID-19 pandemic, Russia's invasion of Ukraine, and the Middle East conflict, have compounded one another, amplifying market volatility.
- During 2023, these factors now loom over the global economy, adding to the prevailing uncertainties in financial markets.



Source: Cagle Cartoons, Bloomberg, Fair Observer, Tucson.com, January 2024



# US avoids a recession in 2023

- The US economy outperformed economic expectations, showing stronger-than-expected growth in 2023. In Q3 the economy grew at its fastest pace since Q4 2021.
- Consumer spending helped to drive continued growth despite higher interest rates that were expected to slow the economy.
- The US Fed has hiked its key interest rate 11 times over the past 20 months. The Fed had not raised rates so much and that fast since America's last inflation crisis 40 years ago.
- Two years into the US Fed's campaign to slow America's economy, it may have done the impossible: rein in on inflation without plunging the US into a recession.



*"God damn you all to Hel— Oh, wait, we avoided the recession."*





# 2023 | A “dark” period in SA

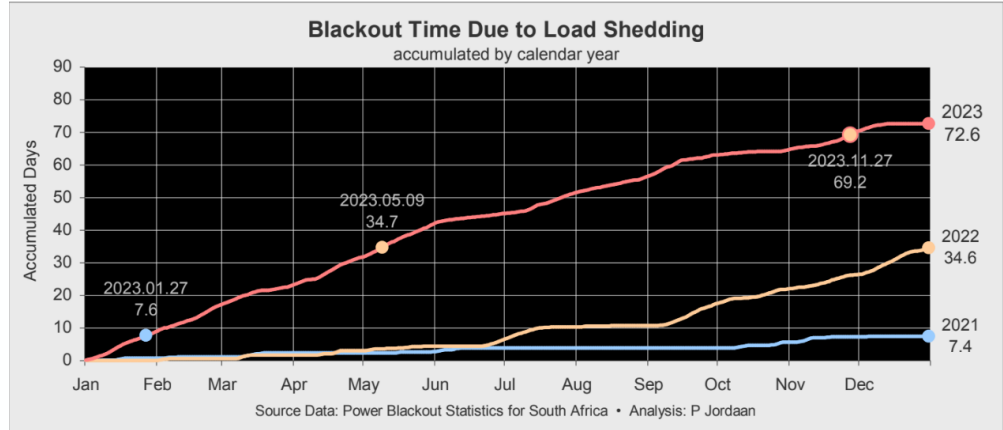
- 2023 has proven to be an extremely damaging year for South Africa’s power situation.
- Cumulatively, South Africans spent 72.6 days or 1,742 hours with no power in 2023, more than double the amount experienced in 2022 and almost 10 times as much as 2021.



Source: IOL, Times Live, Business Tech, January 2024

CHART 2: Blackout time due to load shedding, accumulated by calendar year

2021 – 2023.12.31



- Not only was 2023 the worst year for load shedding – with outages being in effect for 79% of the year – it was also by far the year of the most intense blackouts, with significant portions of the year being at stages 5 and 6.



# Major central banks hold interest rates steady

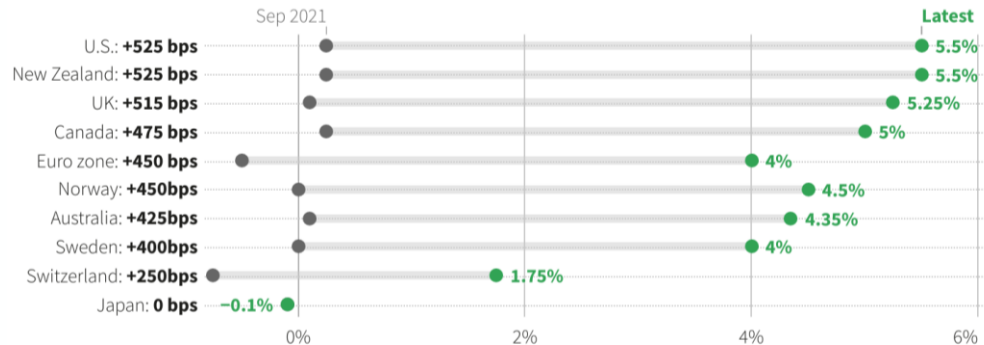
Following an extensive and historic monetary tightening effort to combat high inflation, major central banks are keeping high interest rates steady as at the end of December 2023.



Source: Reuters, Business Day January 2024

## The race to raise rates slows down

Change in policy rates by central banks overseeing the 10 most traded currencies.



Note: As of December 14, 2023.

Source: LSEG Datastream | Reuters, Dec. 14, 2023 | By Kripa Jayaram





# Of interest | Performance of major asset classes in 2023



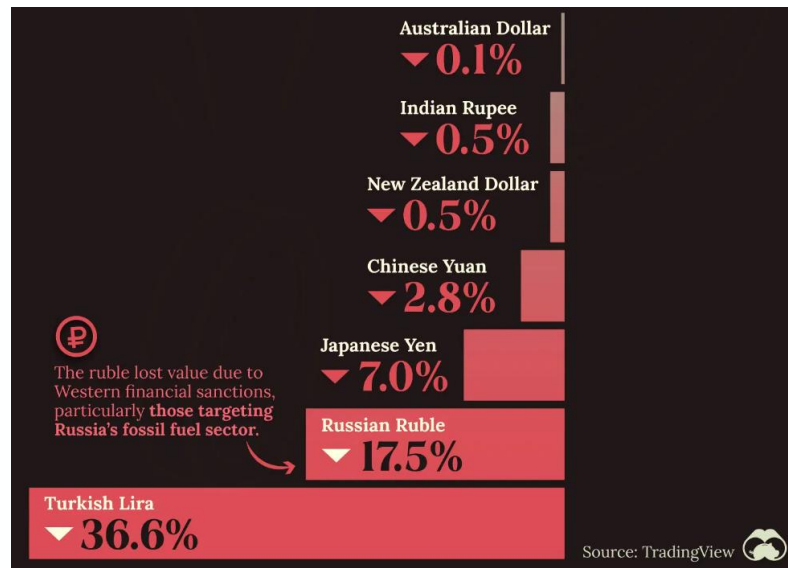
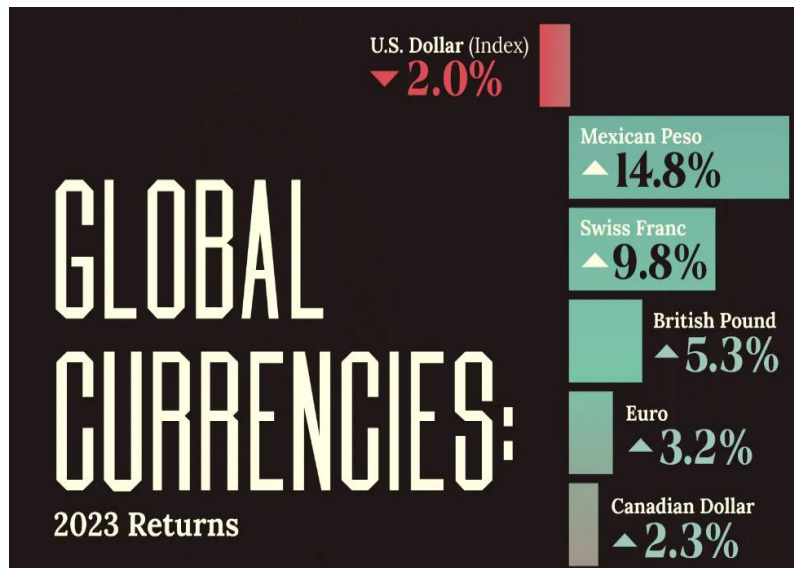
- Japanese equities, represented in this graphic by the Nikkei 225, were one of the strongest performers, up 30% by the end of 2023.
- Gold stayed high, a popular inflation-hedge, also spurred on by rising geopolitical concerns.

- Oil, commodities, and Chinese equities all registered negative returns for the year.

Source: Visual Capitalist, January 2024



# Of interest | Performance of major currencies against the USD in 2023

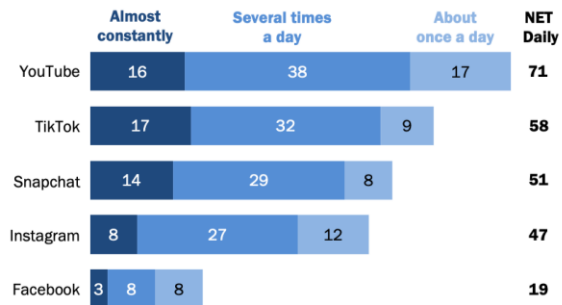


# Of interest | The rise of social and digital media amongst teens

Despite the negative headlines and increasing concerns regarding the influence of social media on the youth, teenagers persist in using these platforms extensively, with some describing their engagement as "almost constant."

## A majority of teens visit YouTube, TikTok daily

% of U.S. teens ages 13 to 17 who say they visit or use the following apps or sites ...



Note: Those who did not give an answer or gave other responses are not shown.  
 Source: Survey conducted Sept. 26-Oct. 23, 2023.  
 "Teens, Social Media and Technology 2023"

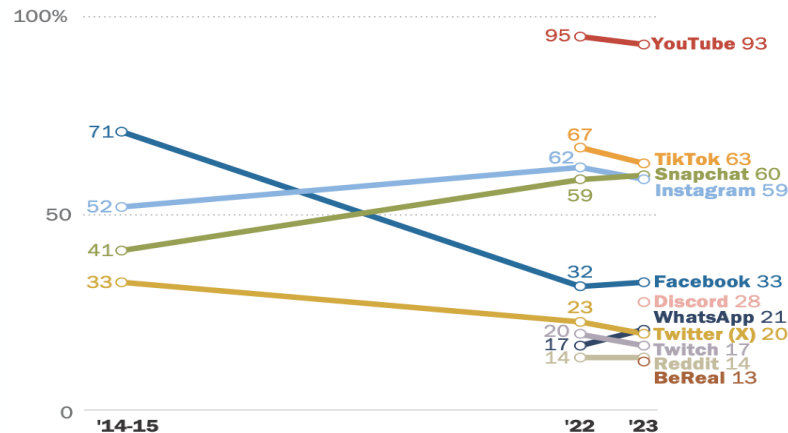
PEW RESEARCH CENTER

Source: Pewresearch, January 2024

Glacier Financial Solutions (Pty) Ltd is a licensed discretionary financial services provider, trading as Glacier Invest FSP 770.

## YouTube continues to be top platform among teens, followed by TikTok, Snapchat and Instagram

% of U.S. teens ages 13 to 17 who say they ever use the following apps or sites



Note: Those who did not give an answer are not shown.  
 Source: Survey of U.S. teens conducted Sept. 26-Oct. 23, 2023.  
 "Teens, Social Media and Technology 2023"

PEW RESEARCH CENTER



# Glacier Financial Solutions (Pty) Ltd is a licensed Financial Services provider.

The information in this presentation is provided for information purposes only and should not be construed as the rendering of advice to clients. Although we have taken reasonable steps to ensure the accuracy of the information, neither Sanlam nor any of its subsidiaries accept any liability whatsoever for any direct, indirect or consequential loss arising from the use of, or reliance in any manner on the information provided in this document.

Glacier Invest is the discretionary fund management offering of Glacier Financial Solutions (Pty) Ltd (“Glacier”). Glacier has partnered with Sanlam Multi-Manager International (Pty) Ltd, part of the Sanlam Investments Group, to optimise the investment management responsibilities.

Glacier Financial Solutions (Pty) Ltd. | A member of the Sanlam Group | Private Bag X5 | Tyger Valley 7536 | Email [client.services@glacier.co.za](mailto:client.services@glacier.co.za) | Tel +27 21 917 9002 / 0860 452 364 | Fax +27 21 947 9210 | Web [www.glacier.co.za](http://www.glacier.co.za) | Twitter @GlacierBySanlam | Reg No 1999/025360/07 | Licensed Discretionary Financial Services Provider FSP 770, trading as Glacier Invest.

Sanlam Multi-Manager International (Pty) Ltd. | A member of the Sanlam Group | Private Bag X8 | Tyger Valley 7536 | Tel +27 21 950 2600 | Fax +27 21 950 2126 | Web [www.sanlaminvestments.com](http://www.sanlaminvestments.com) | Reg No 2002/030939/07 | Licensed Discretionary Financial Services Provider, SMMI acting as Juristic Representative under the Glacier Invest FSP 770.



glacier  
invest

