



INVEST BETTER with BRENTHURST

IN THIS ISSUE

Over the past 15 years, the rand's value has declined significantly, reducing R1 million from approximately \$130,000 to less than \$55,000. To preserve wealth, South Africans should consider legally diversifying investments offshore, using allowances such as the R1 million Single Discretionary Allowance and the (up to) R10 million Foreign Investment Allowance.

INVESTING WITH SA'S

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YOUR MONEY IS LOSING VALUE DAILY – HERE'S HOW TO PROTECT IT

RUAN BREED | FINANCIAL ADVISOR, BRENTHURST STELLENBOSCH

You don't need me to tell you that the rand has been struggling – you've seen it yourself. Maybe it was on a recent trip, when everything felt shockingly expensive. Maybe it was while trying to buy something imported, only to realise it costs double what it did a few years ago. Or maybe it was just another morning, scrolling through the headlines, seeing the exchange rate slip again.

It's easy to overlook it when it happens little by little, but over time, these small shifts turn into something much bigger. The reality is this: if all your money is in rands, it's quietly losing value daily.

WHY HOPING FOR A TURNAROUND IS NOT A STRATEGY

Many South Africans still believe the rand will recover – that it's just going through a rough patch. But if we look at the last 15 years, it's clear this isn't a cycle, it's a downward trend.

In 2009, R1 million was worth around \$130,000. Today, that same R1 million is worth less than \$55,000. That's more than half of your global buying power gone. And the truth is, there's nothing on the horizon that suggests a sudden reversal. South Africa faces ongoing economic and political challenges, and the world is changing in ways that are out of our control.

So, if you're holding your wealth in rands only, you're not just standing still, you're moving backwards.

YOU ARE NOT POWERLESS

The good news is that you don't have to sit by and watch your savings erode. Many South Africans have already started shifting parts of their wealth offshore – not because they're running away, but because they want to protect what they've worked so hard for.

This isn't about taking extreme risks or betting on foreign markets, it's about playing defence. By moving some of your money into stable global assets, you can make sure that, no matter what happens to the rand, your wealth holds its value.

HOW YOU CAN MOVE MONEY OFFSHORE – LEGALLY AND SIMPLY

YOU DON'T NEED MILLIONS TO START SECURING YOUR WEALTH GLOBALLY. SOUTH AFRICANS ARE ALLOWED TO TAKE MONEY OFFSHORE WITHIN CLEAR LIMITS:

- **R1 million per year** – this is your Single Discretionary Allowance (SDA) and requires no approval. You can use this for offshore investments, international purchases, or simply for holding foreign currency.
- **An additional R10 million per year** – this is the Foreign Investment Allowance (FIA), which requires approval from the South African Reserve Bank (SARB). While there's paperwork involved, it's a well-trodden path.

THERE ARE ALSO DIFFERENT WAYS TO INVEST OFFSHORE:

- **Direct offshore investing:** Buying property, stocks, or funds in global markets directly.
- **Indirect offshore investing:** Using locally available offshore feeder funds or ETFs, which give you exposure to international assets without needing to manage them yourself.

The key is to find the right approach for your goals, and that's where getting professional advice makes all the difference

THE BEST TIME TO ACT WAS TEN YEARS AGO. THE SECOND-BEST TIME IS TODAY

This isn't about fear; it's about being smart with your money. South Africans who acted ten years ago have already seen the benefits of protecting their wealth offshore. Those who didn't, are feeling the impact today. You don't need to move everything offshore, but you do need to start. Because waiting and hoping won't reverse the rand's decline. It is extremely important to understand the tax and regulatory requirements and build an offshore strategy that makes sense for you. It's your wealth, let's make sure it remains that way.

RUAN BREED | FINANCIAL ADVISOR, BRENTHURST STELLENBOSCH

Phone: +27 (0) 21 882 8706 | **Email:** ruan@brenthurstwealth.co.za

CONTACT ANY OF OUR HIGHLY QUALIFIED FINANCIAL ADVISORS AT OUR NINE OFFICES COUNTRYWIDE TO DISCUSS YOUR INVESTMENT STRATEGY.

EMAIL US:
invest@brenthurstwealth.co.za

Johannesburg	+27 (0) 11 799 8100	Claremont	+27 (0) 21 100 3901	SATELLITE OFFICES:
Sandton	+27 (0) 10 035 1391	Bellville	+27 (0) 21 914 9646	KZN: Arin Ruttenberg +27 84 582 8581
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