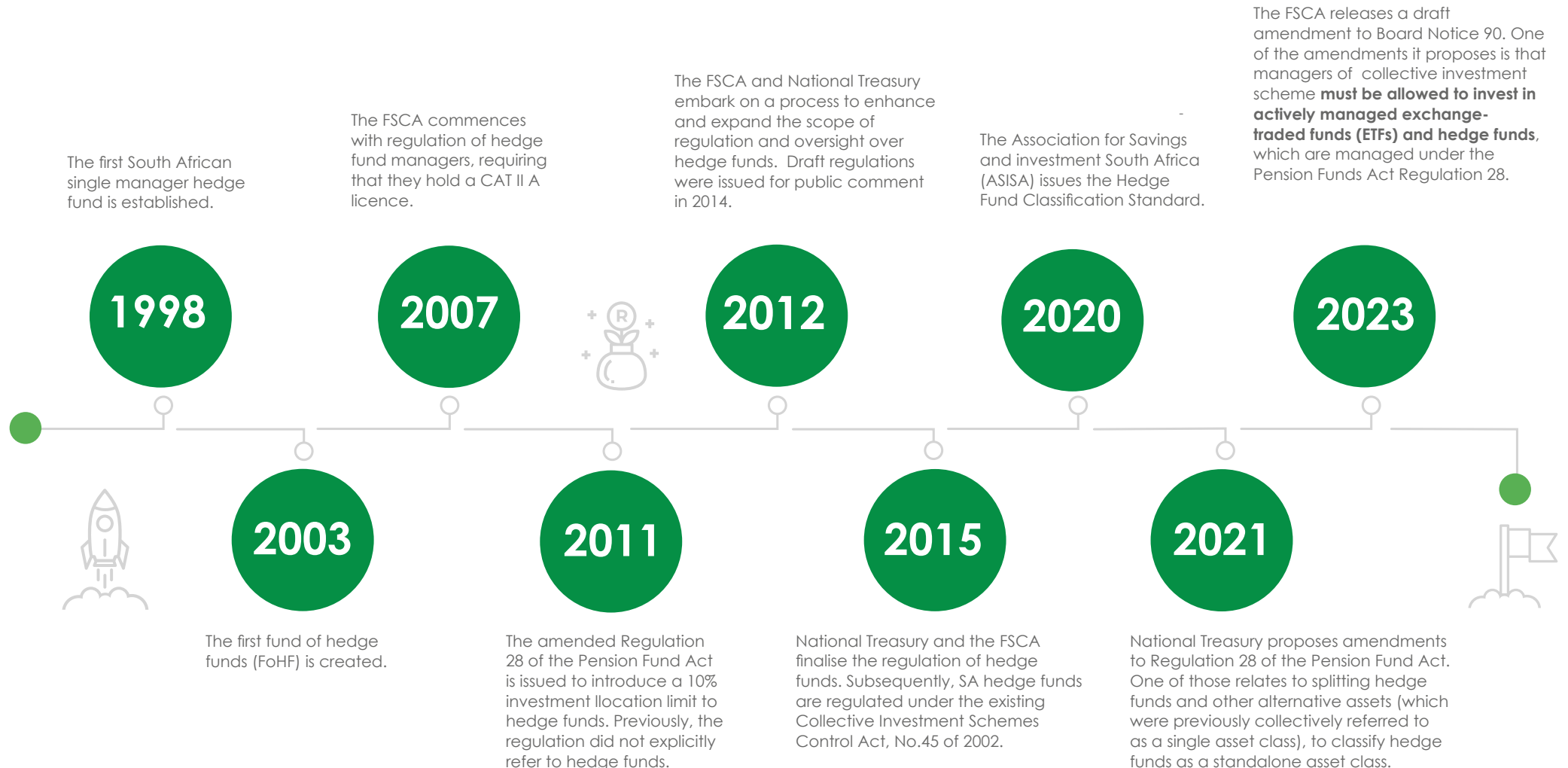


Novare Annual South African Hedge Fund Survey 2023

The evolution of South African Hedge Fund industry

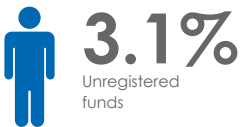
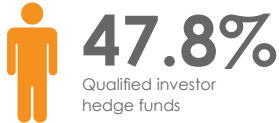
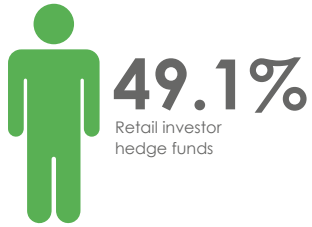
We are pleased to present the 20th edition of the Novare Annual South African Hedge Fund Survey. This milestone edition continues our tradition of providing a detailed and insightful overview of the local hedge fund industry. Our survey focuses on key aspects such as assets under management, investment strategies, and performance metrics, while also shedding light on operational and cost-related elements.



Novare Annual South African Hedge Fund Survey 2023

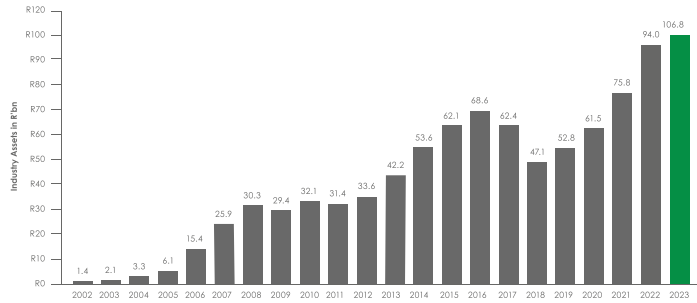
Assets by scheme

78, or 49.1% of the 159 funds assessed, were registered as RIHFs, while 76, or 47.8%, were registered as QIHFs.

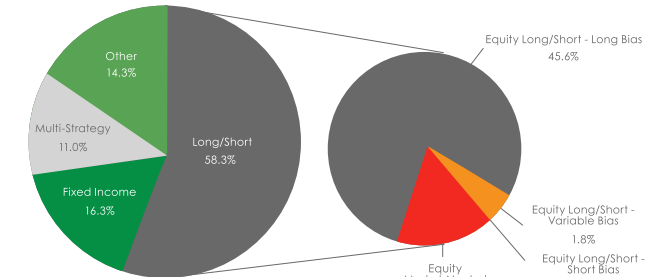


Assets under management

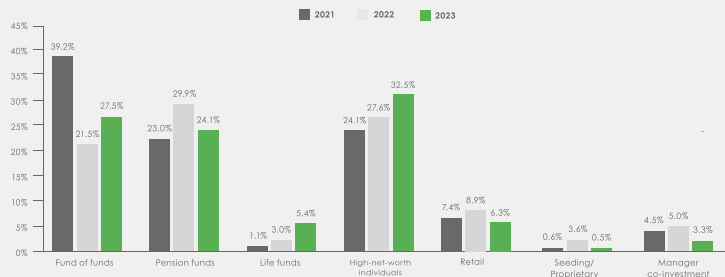
While the **13.7% growth** in AUM was the slowest pace post 2019, it still indicated healthy net inflows and performance gains, even with reductions from closed or dissolved funds and consolidation.



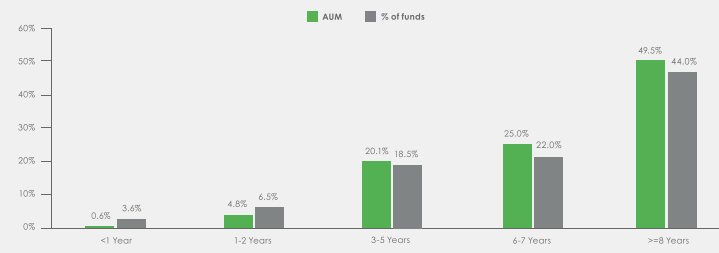
Strategy as a % of hedge fund assets



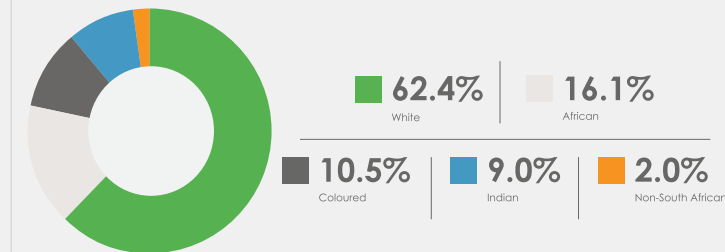
Key asset allocators/main investors



Funds track record



Senior management - ethnicity



R12.8 billion

The industry saw a notable increase of R12.8 billion in AUM, driven by strong performance gains and positive net flows. Hedge fund managers with AUM between R1 billion and R2 billion emerged as the top performers, while smaller managers lagged far behind.



R94.0 billion in 2022 to R106.8 billion in 2023

Total AUM reached R106.8 billion, the highest since the first Novare Annual Hedge Fund Survey in 2004.



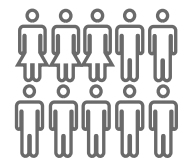
R6.1 billion

Retail Investor Hedge Funds enjoyed a healthy net inflow of R6.1 billion, showing that individual investors are increasingly interested. Retail funds are increasingly capturing market share from the larger Qualified Investor Hedge Funds segment.



Top Ten

The top 10 hedge fund managers manage R69.9 billion of industry assets, representing 65.4% of the total hedge fund assets.



75%

male-dominance

The industry remains male-dominated with 75% of senior management positions held by men. White individuals make up 62.4% of senior managers, highlighting a continued lack of diversity at the top level.