

Name our newsletter competition

We are looking for a funky name for our education newsletter. We've extended the deadline to 17 March '08. To stand a chance of winning R500 send your suggestions to Emilie Olifant at emilieo@jse.co.za.

JSE/GDE Investment Project Launch 2007

Finishing school is an exciting experience for every learner but it can also be scary, especially when it comes to knowing, or rather not knowing, how to work with money. To make it easier on you the JSE has partnered with the Gauteng Department of Education (GDE) to teach you how to manage your money and help make it work for you through saving. This module will form part of the curriculum for Grades 9 and 10. 250 schools from Soweto, Van der Bijl Park, Krugersdorp and Pretoria will participate in a pilot project. If it proves to be successful it will be rolled out nationally.

The curriculum has books that explain financial buzz words like interest rates, the National Credit Act (NCA), private equity funds and explains what all of this means to you and your money. Mr. Malelle Petje, Head of Department at the GDE says that they believe that the business sector plays a critical role in the development and provision of education and is continuously seeking to increase business' understanding of the education system, its priorities and to identify some of the prerequisites for good partnerships like this one with the JSE.

South Africa faces many challenges including getting its savings levels up. This project aims to do just that by educating South Africans about savings and investment, starting with the youth. The intention of the project is to equip young learners, like yourself, with the knowledge and skills to make informed decisions about your current and future financial matters. This will lead to a healthier economy and a more promising future for all South Africans.

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At the Launch of the project – October 2007

Left to right : Prof. van Vuuren (UNISA), Dr. Krishna Perumal (GDE), Mr. Malelle Petje (HOD,GDE), Mr. Jabu Malindi (GDE) & Maureen Dlamini (Senior General Manager: JSE Education)

"Asking is the beginning of receiving. Make sure you don't go to the ocean with a teaspoon. At least take a bucket so the kids won't laugh at you." *Jim Rohn*

Editor's Corner

Welcome to yet another gr8 year. I hope you are excited about taking part in the Challenge again this year.

Back in May last year we were concerned that most of you would struggle to make it through the rest of the year, due to the public sector strike that dragged on for about 3 months. Well, you continued to play the Challenge despite that crippling phase. Well done!

We saw the successful launch of the JSE/GDE Investment Education Project in October last year, which will be piloted among 250 chosen schools in Gauteng. It is aimed to equip the learners with the knowledge to make sound financial choices. Drop us a note if your school is one of them and share your experiences with us.

We embarked on a team building activity in September last year and went to Oosrand Secondary School, to paint the Headmaster's room and one Grade 11 classroom. The weather wasn't very accommodating but it didn't stop us from this fun experience and one we're sure the school will never forget.

Do you know how the interest rate can impact on your investments? Well, with the ever increasing rates, it is vital that you understand its impact and how you can save and use the money wisely. Check the article on interest rates out on page 8.

In this edition, we will focus on asset management as a career for those university students who fancy the possibility of becoming one.

We end on the lighter side of things and share a few jokes that we hope you'll find de-stressing. If you have any jokes you would like to share with everyone through this newsletter, you are welcome to send them to emilieo@jse.co.za.

Have you registered for the 2008 Investment Challenge? Time is running out and very soon the Challenge will kick in so... fax those registration forms or go online to register.

Maureen Dlamini
Senior General Manager
JSE Education



We are excited to break the news about the JSE Investment Education Project to you. This is an exciting project which is going to assist learners at high school to understand the financial markets and how to save and invest money. It is an opportunity that we as adults, whether professional or not, have never had. Otherwise, if we had known we would have all been retired by now having made lots of money.

Isn't it time that you now embrace this opportunity and participate in the project with all the enthusiasm that is needed for one to succeed? Learn the function of banks, insurance companies, stock exchange and how you can save your money and be able to invest. You will learn about various careers in the financial sector, how to grow your money and know how to make your money work for you rather than you work for your money.

This is an investment education project that is piloted in 250 schools in Gauteng. We can't wait for this project to expand to all schools in the country. Join us in becoming an investment fundi (guru).



Brain Teasers



Let's see if those brains are working!!!!

Mister White, Black and Rust are teachers. There are five subjects to teach: English, French, Math, Geography and History. . .

Hints:

- 1) Mister Black does not comprehend angles.
- 2) Mister White is the only one who knows where the Rocky Mountains are situated..
- 3) Each teaches three subjects.
- 4) No subject is taught by three persons.
- 5) Certain subjects are taught by two people.
- 6) Mister Rust is bilingual.

Question: Who teaches what subjects?

A youngster, standing one meter tall, lived with his parents on the tenth floor of an apartment building.

When leaving for school in the morning, he would use the elevator to get to the ground floor.

When returning from school, he would take the elevator to the fifth floor.

Then, he would get out of the elevator and climb the stairs to the tenth floor.

Question: Why did he not use the elevator to get to the tenth floor?

Answers on page 7

Schools Challenge 2008

Another year has gone by and boy oh boy was it a rollercoaster ride with over 7000, yes 7000 learners from all over the country participating in the 2007 JSE/Liberty Life Investment Challenge. If you were not involved last year do not despair. The Challenge is now open and this year we are including all High School learners, yes, even those in grades 8 and 9.

If you did enter last year, get your teams together again as the game is **about to begin**. Tell your friends that are now at University level that they can enter the University Challenge at <http://university.jse.co.za>.

This unique game will challenge you to learn about the JSE and the world of high finance. You will learn all there is to know about investments and share trading. The experience you gain from this Challenge will be a stepping stone to help you take control of your financial future. You will also learn how to manage your finances and how to build wealth for your future while competing against other teams and schools.

There are fabulous monthly prizes to the value of R54 000 to be won and overall prizes of R180 000. Want a slice of the action? Then what are you waiting for?

Register today at <http://schools.jse.co.za> or by fax on 011 520 8588/86 and stand a chance to win BIG!!



“Trouble is only opportunity in work clothes.”

Henry Kaiser

JSE Education Team Building Project

It was a cloudy day in September last year when the JSE Education team embarked on a team building activity and went to Oosrand Secondary School in the East Rand. They went to paint one Grade 11 class room and the headmaster's office, as part of their social responsibility project.

The school, which participated in the JSE/Liberty Life Investment Challenge last year, is one of the disadvantaged schools in Gauteng and the Headmaster Mr. Opperman, was overwhelmed by the generosity as this came unexpectedly.

This was a surprise for the learners too when they returned after their third term break, to walk into a spotless and freshly painted room. The school was chosen to encourage the learners to participate in the Challenge and encourage the school to create a friendly and motivating learning environment for learners, teachers and principal.



JSE Education Team (front to back row):
Desiree Campbell, Maureen Dlamini, Emilie Olifant, Dudu Seme, Philip Nyelisani, Jenny Singh, Mr. Opperman, Idris Seedat, Abie Mokobane and Waldemar Budeli.



Schools – Year End Function 2007 Winners

The 35th JSE/Liberty Life Investment Challenge came to a riveting end last year with an unprecedented amount of high school learners and university students participating. In 2007, 344 registered schools took part with a total of 7 068 learners.

And the winners were...

Income Portfolio – **First place**

“Fantastic Four” of the Orient Islamic School in Durban.

Learners were writing their final year exam but their teacher, Farouk Yacoob, accepted the prize on their behalf. Pictured here with Tshwantsho Matsena from Standard Financial Markets, Momin Hukamdad from Liberty Life and Lisa Blakeway from Learning Channel.



Equity Growth Portfolio – **First place**

“PEWA” of Glenwood High School in Durban.

Preshan Munsamy, Amrit Purshotam, Ethen Singh, Warren Luke and teacher Kathy Starmer. Also in the picture is Momin Hukamdad.

Speculator Portfolio – **First place**

“Tripod Traders” of King David High School in Victory Park.

Hylton Sonnenberg, David Talpert, Charles Donniger, and Iain Sher. Also in the picture is Tshwantsho Matsena, Momin Hukamdad and Lisa Blakeway.



“You have to have confidence in your ability, and then be tough enough to follow through.”
Rosalynn Carter





University Challenge



Career Watch: Asset Manager

Wanna be an Asset Manager?

Asset management is about converting other people’s money into assets such as stocks, bonds, derivatives, and other types of investments. The term “asset management” is often used to refer to the investment management of collective investments, whilst the more generic fund management may refer to all forms of institutional investment as well as investment management for private investors. In short, asset management is the professional management of various financial securities to meet specified investment goals for the benefit of investors. Investors may be institutions – e.g. insurance companies, pension funds, corporations; and private investors – e.g. collective investment schemes or stockvels (an Afrikaans word for – investment club). Therefore asset managers manage money and try to make that money to make more money as fast as possible.

What does an Asset Manager do?

Asset managers have one simple goal: to invest other people’s money wisely and profitably. Asset managers use a combination of investment theory, quantitative tools, market experience, research, and plain dumb luck to pick investments for their portfolios, ranging from high-risk stocks to commercial real estate to cash accounts.

What qualifications do you need to be an Asset Manager?

The profession requires excellent quantitative and analytical skills – if you hate statistics, you may want to consider taking a different career path. But asset management isn't just a matter of adding up the numbers. It requires the organisational skills – and nerve – to make split-second decisions with millions of rands riding on the line. The profession is notoriously tough to break into, especially for those who only have an undergraduate degree. Candidates with post graduate qualifications are often preferred.

Will I find a job as an Asset Manager?

Competition for jobs is fierce at all levels, but if you have strong quantitative and analytical skills, good nerves, and can consistently beat the market, there's probably a place for you.

Answers to Brain Teasers

Question 1

Black = English, French, History

White = Maths, Geography, French

Rust = English, Math, History

Question 2

He was too short to reach the button

“Life is like a dogsled team. If you ain't the lead dog, the scenery never changes.”

Lewis Grizzard



University – Year End Function 2007 Winners

In 2007, 21 universities participated in the JSE/Liberty Life Investment Challenge, and a total of 1 596 students taking part.

The University competition was just as exhilarating as the Schools competition. The first prize was taken by team “W.Smit Investing” of the University of Johannesburg (UJ) taking home a R25 000 prize.



1

Pictured here is Werner Smit with Tshwantsho Matsena of Standard Financial Markets, Momin Hukamdad of Liberty Life and Lisa Blakeway of Learning Channel

In second place was team “The Great Wall (Investors)” of the University of the Free State winning a total amount of R20 000.



2

Chen Shen and Qing Qing Zhang

The third place winner was team “Dreamers” at UJ and they receive prize money of R15 000.



3

Lethabo Maboi and Vuyo Mvulane

The participants played the Speculator Portfolio. All the prize money will be deposited into a Satrix Investment account.

So you see... it pays to play the JSE/Liberty Life Investment Challenge competition. Well done to all winners.

You can also participate this year and stand a chance to win big prizes like these winning teams!

Register today!

Go to <http://university.jse.co.za> or fax us on 011 520 8588/86 and stand a chance to win BIG!!

“Never be afraid to do something new. Remember, amateurs built the ark; professionals built the titanic.”

Anonymous

“Let me win, but if I cannot win, let me be brave in the attempt.”
Special Olympics Motto

Interest Rate and its Impact on Investment

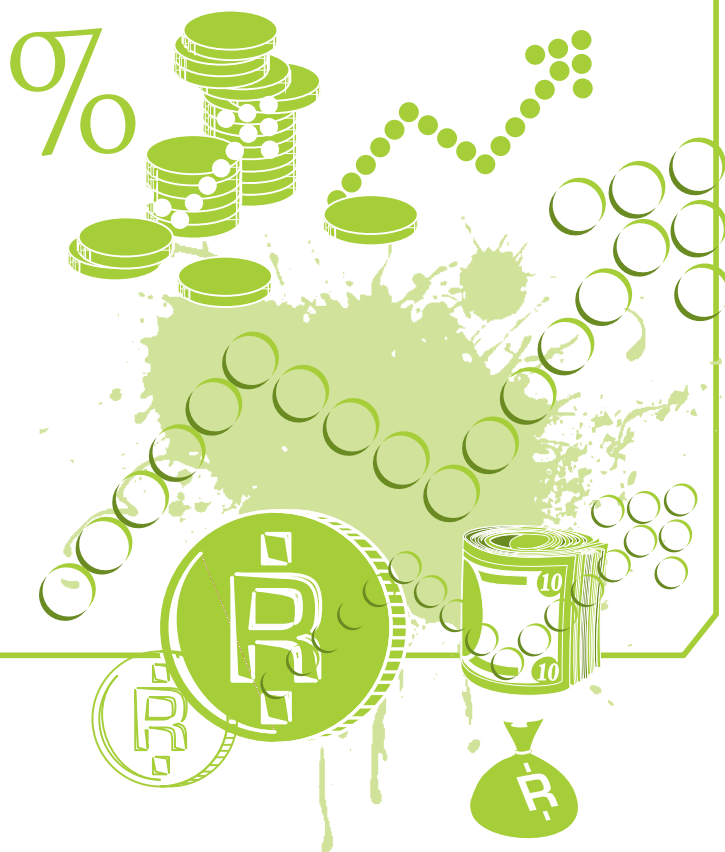
An interest rate is broadly defined as the price of borrowed money and hence it can significantly affect the value of investments across a diverse range of asset classes. Financial economics theory suggest that interest rates and stock market performance, move in opposite directions and the same is usually true for the interest rates and the price of fixed income securities such as government bonds.

The South African Reserve Bank (SARB) is responsible for maintaining price stability in the economy and it uses several methods and instruments (monetary policy) to bring prices, that is, inflation, exchange rates and interest rates in line with other macro economic objectives of the country. Recently, SARB has constantly raised interest rates to fight inflation to return back to its target range.

From an equities market point of view, the bull market (a trend of consistently rising share prices) is associated with low interest rates and a bear market (a trend of consistently falling share prices) is associated with high interest.

Sentiments in the market suggest that higher interest rates that we see in the economy currently, affect the economy and the markets adversely as sectors such as retail, banking, project orientated sectors such as construction and property, have witnessed a decreased activity and share prices will be affected as well.

Once external factors such as the rising international oil prices, recovery of the US economy, etc, stabilises, these industries will most likely respond accordingly.



The lighter side of life

The truth about grad students, post-docs, and professors

A grad student, a post-doc, and a professor are walking through a city park and they find an antique oil lamp. They rub it and a Genie comes out in a puff of smoke.

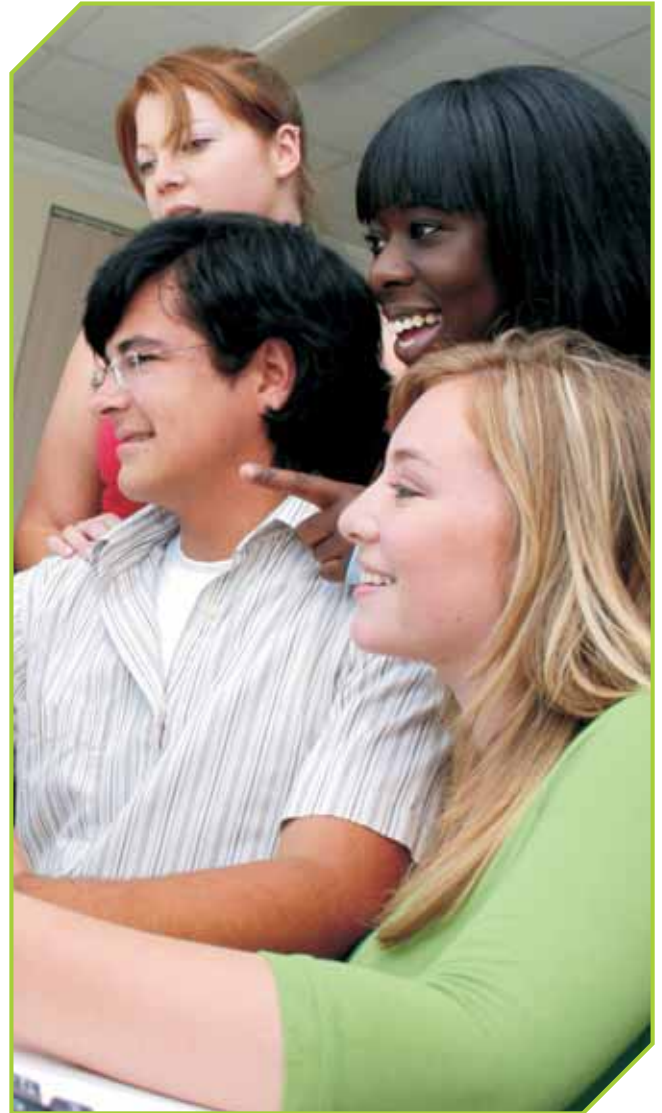
The Genie says, "I usually only grant three wishes, so I'll give each of you just one."

"Me first! Me first!" says the grad student. "I want to be in the Bahamas, driving a speedboat with a gorgeous woman who sunbathes topless." Poof! He's gone.

"Me next! Me next!" says the post-doc. "I want to be in Hawaii, relaxing on the beach with a professional hula dancer on one side and a Mai Tai on the other." Poof! He's gone.

"You're next," the Genie says to the professor.

The professor says, "I want those guys back in the lab after lunch."



The truth about grad students, post-docs, and professors

The graduate with a Science degree asks,
"Why does it work?"

The graduate with an Engineering degree asks,
"How does it work?"

The graduate with an Accounting degree asks,
"How much will it cost?"

The graduate with a Philosophy degree asks,
"Do you want fries with that?"

Have your say...

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