

## G B.W. Financial Planners

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### **In Touch February 202**

In our November 2020 newsletter, we stated that the JSE traded at 56,079 before COVID, and dropped to 37,963 on 20<sup>th</sup> March 2020. As of the 25<sup>th</sup> of January 2021, the JSE was at 63, 987. That is a good start to the new year.

Having listened to six Asset Managers from different company's the call is similar in most respects. All are saying that good cheap Equities are being found which will create value in the future. However, two of those Asset Managers indicate that the debt burden is so huge, that more caution is placed on stock picking and a bubble burst is expected. For South Africa's part, if the Department of Finance can stick to its mandate and implement its programs, we will do well in the next twelve months. With low inflation, your money lasts longer.

We now all live in a different environment and will have to adapt to current changes. Clearly, not all are happy, and there are winners and losers. Thanks to China, they are the winners (1<sup>st</sup> into COVID, and 1<sup>st</sup> out), and the rest of the World are losers. IT stocks, metals and even gold soared. The biggest losers are tourism and small businesses, sport, plus a host of others.

South African politics is still a problem area as Zuma and the Zondo Commission continue to play chess with one another. That clarion call by Zuma many years ago in the Press, 'I want my Day in Court', has disappeared from his narrative. The Government's poor administration of COVID is also a concern.

The lockdown has restricted us in terms of personal visits as was before COVID. Therefore, more time is spent on gathering information and presenting it in a format that is easy to understand. Often, with fact Fund sheets, the crucial issues are more difficult to highlight.

Our office in Cape Town is closed and has been since last year. We all operate from our homes, with our secretary Rennae at her Flat and no land line. We are all on email, or our individual cell numbers which you have. We will continue to attend asset managers meetings to understand the markets to keep you informed of how they see events shaping through this year.

Kind Regards

### **The Team**

Passionately Ethical, and Fiercely Independent