



“May you live in interesting times”. One could be forgiven for assuming that this expression was meant as a positive wish for a person, akin to wishing someone excitement in their lives, implying that boredom and comfort zones were somehow things to be avoided. However, the expression is based on an old Chinese curse. Somewhat ironic given our current circumstances and the world we find ourselves in.

Describing the events over the last few weeks as “interesting times” could be viewed as a significant understatement. These are unprecedented times. Reminiscent of 9/11 and the 2008 financial crisis; however, this is different. 9/11 was far away and the financial crisis was manmade. We did not see queues of people rushing to the local grocery store panic buying everything in sight in preparation for being quarantined in their homes with no way of getting basic necessities. We did not see businesses closing to ensure a measure of social distancing required to limit the spread of a virus.

The measures taken to limit the spread of Covid-19 will no doubt have a lasting impact on the economy, both locally and internationally, reflected in the stock exchanges around the world. As investors, we can't expect to be able to control the markets, but we can control how we react or respond. Calmness and objectivity are critical in these times.

Allowing emotions like fear and panic to drive our behaviour and decision-making to lock in paper losses by moving money out of markets is wealth-destroying over the longer term. History has shown that trying to time the market does not generate the returns that the market had to offer, compared to choosing to remain fully invested during the duration. Investors need to stay focused on their long-term investment objectives, understand that even in times like these, investment opportunities offering good returns over the long term do present themselves. Market recoveries can happen swiftly and the chances of trying to correctly time the recovery are low.

The role of a financial adviser is critical in times like these. They provide guidance on the risk and investment fronts while facilitating a discussion around updating your will, which determines the distribution of your estate and allows you to leave a legacy in line with your wishes.

They provide clarity and objectivity, reminding you what your original investment objectives and goals were. They remove the noise, demystify market reporting and ensure decisions for your portfolio are aligned to the outcomes you initially set out. You are not alone. The PPS business is fully operational, so let us put you in touch with a PPS financial adviser who can be a sounding board to make sure you are making the right decisions to secure your long-term financial well-being.

Yours sincerely

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