



Touchbutton

No: 75, April 2020

The road ahead

Financial markets, much like human beings, detest uncertainty.

Now, at a time when the world is desperately grasping for answers to questions about how long this crisis will last, and at what human and economic cost, it is perhaps more important than ever that we, entrusted to look after our clients' wealth, remain focused on this important task.

As Yogi Berra, the great American baseball player, noted "it's tough to make predictions, especially about the future"; as a firm, we cannot guess the short-term direction of stockmarkets.

Anyone who believes they can will be proved wrong, sooner or later, because it simply isn't possible – it is indeed no more than guesswork and should not be on the minds of genuine longer-term investors.

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What we can do, however, is resist the temptation to make sudden and possibly knee-jerk moves. Our job, on your behalf, is to remain narrowly focused on making long term, well thought out and deeply researched investment decisions, ones that we believe will be proved to be the right ones in time.

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This is what we always do, but it is even more important to remember at times such as these. Our task is made easier as a firm that remains in private, family hands. We have neither the pressure of outside shareholders, nor the unnecessary distraction that they can often bring.

The economic damage that is being wrought will result in seismic shifts in the manner in which the developed world functions. Leaving aside the terrible human cost, there will be widespread damage to a vast swathe of businesses, many of which will not survive. However, the ability of the human race to pick itself up, regroup, and start again, is not diminished – in fact, crises tend to bring out the best in us.

It may not be easy, and it may get worse before it gets better, but long-term investors should hold fast and stay strong. From a financial perspective, this is the prudent and true course to steer.

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