

"It's déjà vu all over again" (Yogi Berra 1925-2015)

I have pleasure in enclosing for you an update on your investment portfolio and, as has consistently been the case, it's performance over the last 6 months has been at odds with the chaotic political background. I find this heartening in that it once again proves that the fundamental economics excerpts more influence on investment values than does the short term political events.

I do, however, believe that we will witness an increase in volatility over the next 24 months as the Brexit negotiations progress and the markets try to digest and extrapolate the potential impact of each new step of the eventual agreement.

I am aware that it is almost beginning to sound like a broken record but our house view is that there is little significant economic change on the horizon. Economic growth will stay low as will interest rates. Inflation, which has spiked upwards, driven by the drop in the value of the pound, will start to head lower again over the next 12 months. Indeed déjà vu, again.

As I have eluded to in previous notes we at Throgmorton are constantly on the lookout as to how we may improve the returns our clients' enjoy – whether that be by alterations to the asset distribution within the portfolios or a change of the funds to sharpen returns.

An area that we have not concentrated on in the past is what we refer to as 'intergenerational planning'. This is simply the inclusion of younger members of a family into the financial planning process where we try to get their affairs in order and to introduce them to the longer-term benefits of financial planning.

As a firm we have, over the last year, taken on two new qualified financial planners and are thus in a position to accept a small number of additional clients. As a further service to you, as

an existing client, we would like to give you the opportunity to introduce our services to either friends or family members who you feel may benefit from our style of delivering person-to-person financial advice.

I have included with this note a reply card, and a FREEPOST envelop in which to return it, to enable you to nominate someone to, hopefully, benefit from a free initial consultation.

As you know I spend a disproportionate amount of time musing at the goings on of our politicians and the last two years have given me much food for thought. Politics itself is the art of getting votes from the poor and campaign funds from the rich by promising to protect each from the other. The only victim in the process is the truth. Donald Trump and his myriad of pre-election promises have been a particular topic for consideration. It is intriguing that his own party who hold a parliamentary majority have been instrumental in frustrating his plans.



I note that he once held the franchise to run the 'Miss Universe' beauty competition and while I would not say it was a fix each time it was run I also note that it was always won by someone from Earth.

Ronald Reagan, on reflecting on his time as the 40th US President said "Politics is supposed to be the second oldest profession; and I have come to realise that it bears a very close resemblance to the first".

Against a broadly unchanging backdrop I will write to you again in the new year with a yet another déjà vu moment.

My best wishes

Yours sincerely

Frank McWilliams
Managing Director