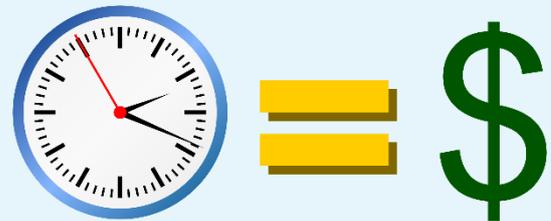


## Sticking to your Financial Plan

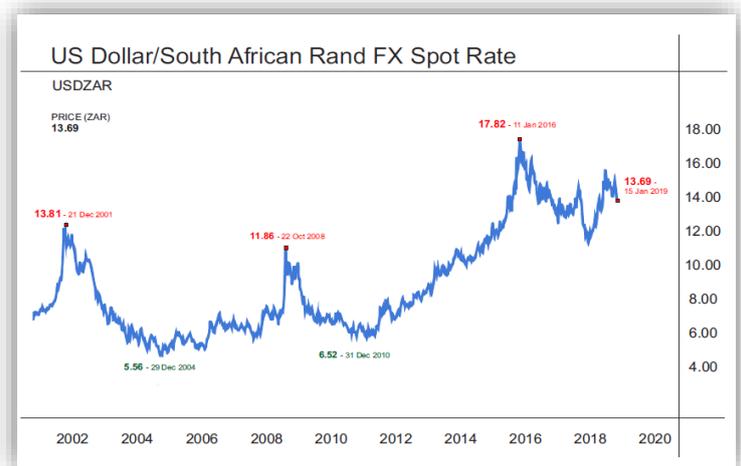
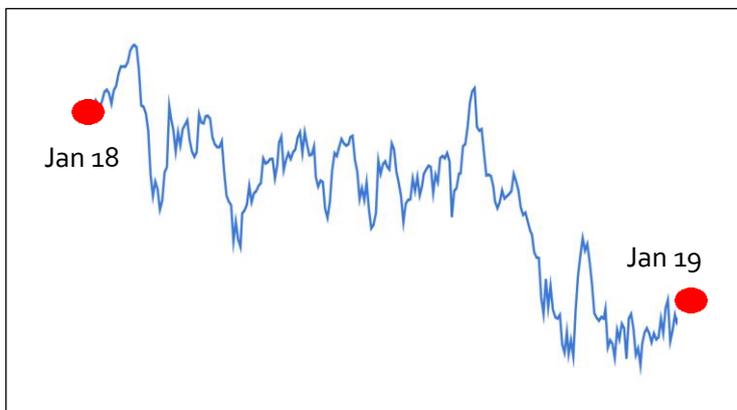
Werner Erasmus from Fin24 mentioned that it is important to follow your financial plan during tough times as well. This past year was identified by a Deutsche Bank report as the worst year for financial markets, globally, since 1901. The report measures a range of assets, which range from emerging to developed markets, of which 90% of all these assets had a negative return for 2018.

During this time, investors find themselves feeling discouraged and lose faith in the financial markets' ability to assist in wealth creation. Investors become more anxious over time, and this results in impulsive behaviour, which is the time where investors should be staying calm and not making hasty decisions.

Investors need to understand that asset management is most effective when done over many years. "Most asset managers agree that the only investment that works is a long-term investment, and therefore you should not get anxious about short-term returns if your initial goal was to invest your money for longer. Asset management is a process, and there is no guarantee in the first few years in which direction your portfolio will go", says Erasmus.



### JSE All Share Index Jan 18 – Jan 19



## ? Four key questions to ask your advisor ?

- 1. Are you independent?**  
Independent financial advisors are those who do not work for any particular product provider.
- 2. What are your qualifications?**  
By law, all financial advisors must be licensed by the Financial Sector Conduct Authority (FSCA). All advisors must prove to the FSCA on an ongoing basis that they are developing and maintaining their professional competence.
- 3. What is your fee structure?**  
Your advisor should be transparent about fees and explain the structures upfront. Fees cannot be charged or paid unless they have been agreed upon upfront.
- 4. How can you help me grow my wealth?**  
A good advisor will take the time to understand your needs and will assist you in creating a plan that reflects your goals and risk appetite.

## THIS AND THAT

- **Switzerland** exported a record 411 tonnes of coffee worth 12.6 million francs (US \$12.7 million) to the UK in November, a 38% increase from the previous year, as **Nestle SA** prepares for **Brexit** by stockpiling Nespresso capsules there.
- **Coca-Cola** has launched a line of alcohol-free sparkling drinks in the US, called Bar None - featuring Sangria, Dry Aged Cider, Bellini Spritz and a Spiced Ginger Mule.
- **Google's** name is a result of a typo. The name emerged from a brainstorming session where founder Larry Page was coming up with ideas for a massive data-index website with other graduate students. One of the suggestions was "googolplex", one of the largest describable numbers. The name "Google" came about after one of the students accidentally spelled it wrong. Page then registered the company with this name.
- **Dubai International Airport** says it remains the world's busiest airport for international travel. The airport said they welcomed over 89 million passengers in 2018.
- **AB InBev** is staging one of the biggest bond sales of the new year to refinance some of its \$100bn debt load. The brewer is finalising the pricing for the \$15.5bn bond offering, with plans to reportedly sell senior unsecured bonds in six parts. Proceeds from the debt sale will be used to refinance some of the debt taken on by the company after its 2016 acquisition of **SAB Miller**.
- Africa's child population is expected to reach 1 billion by 2055 – **the largest child population** of all the continents.

## Facts about money

1. Over 170 different currencies are used around the world today.
2. The \$100 US Dollar is the most counterfeited bill of all time.
3. In Old English, pygg was the type of clay used to make jars which held money. The word eventually morphed into 'piggy bank'.
4. The country with the worst inflation in the world is Zimbabwe. In 2008, it experienced 6.5 sextillion percent inflation.
5. Only 8% of the world's currency is in cash.

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Articles from: Fin24, Old Mutual That Extra Bit, Business Insider SA, News 24, www.factretriever.com, Visual Capitalist, Financial Mail, Allan Gray

**REMEMBER TO TOP UP YOUR  
RETIREMENT ANNUITY BEFORE THE  
END OF FEBRUARY**



## Nike launches new self-lacing shoes

Nike has launched new footwear with self-lacing technology specifically designed for athletes and basketball players. It works by having the lacing mechanism built into each shoe, which can be loosened or tightened via buttons on each side of the shoe, or through the accompanying mobile app. The app also allows the wearer to create three tightness profiles which can be activated with the tap of an on-screen button. The loosening and tightening is thanks to a 'lace engine' and sensors found in smartphones. These include an accelerometer, Bluetooth module, gyroscope, a wireless charging coil and the essential motor and spindle that adjusts the laces. Nike says that the shoes will always have enough charge to unlace, so the wearer will never get stuck in them due to running out of battery.

The new self-lacing shoes, Adapt BB, is expected to hit markets mid-February, with a recommended price tag of \$350 US (just under R5000). According to Nike South Africa, there are no plans to open outlets in South Africa.

## HOW MUCH DO I NEED TO SAVE TO RETIRE?

71.4  
years old

WHO global life expectancy in 2015 was 71.4 years old

GHO data also indicates the global population aged 60 years could expect to live another 20 years on average in 2015

20  
added  
years

### The reality in South Africa is that

16%

of retired people are fully dependent on state pensions

31%

of people who reach retirement age have to keep on working to earn a living

4%

of South Africans can afford to retire comfortably



47%

of people who reach retirement age depend on family members or friends to support them financially

Only 6 out of 100 South Africans can retire independently of others.

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