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Welcome to our Client Information Update

The Investment Update

Human emotion is an exceptionally powerful factor in the decisions that we make every day. For investment strategies however, emotion is generally dangerous, and in all probability accounts for a high percentage of failed or disappointing investments. If someone tells you that their investment has done particularly well, the probability is high that you and I would want to emulate that and so we would run along with our money to invest into the same asset or product. What we are overlooking however, is that the strong performance has already happened, and because our money has come in much later, we are going to end up disappointed that we don't enjoy the same success.

And then when the investment corrects and drops in value, you and I cash out and sit back licking our wounds, vowing to never invest again.

We see this pattern happening again and again – and sadly so. By ignoring emotions and applying cold strategic logic instead, much failure and investors' remorse could easily be replaced with positive outcomes.

It is critical that one's investment selection is matched to the need – for example, saving up to fund an overseas trip in a few months' time should only utilise an interest bearing bank account, whilst saving toward retirement requires exposure to equity and

property asset classes in order to deliver inflation beating returns.

The purpose of this article however is to look not at investment terms, but to give currently disappointed investors some food for thought, in an effort to prevent more disappointments. For the past 18 months to 2 years we have witnessed investment markets being pretty much in the doldrums. While capital values have remained pretty static, or have even fallen slightly, we must not lose sight of the fact that the majority of investment funds continue to earn a YIELD month after month. This is the interest, dividends, and property dividends earned from the underlying assets, which are added to the investment and effectively buying more units each and every month.

Arithmetically, the YIELD earned, + the CAPITAL GROWTH = the TOTAL RETURN. What we see in the news is all related to Capital Growth, but we tend to ignore the Yield aspect. Remember that when investment markets are flat, like they are at present, the capital growth is pretty static, but the Yield continues, and accordingly, you are having “cheap” units added to your portfolio every month! Right now, we are getting more extra units per month than if markets were strong, and that will pay off big time in the future!!

So, even the current dark clouds really do have a silver lining.

Finally, don't forget that we have always experienced market cycles, and we will continue to do so. Right now the cycle is not great, but it will turn for the better. We just don't know exactly when, and how rapidly it will change. What should you do – keep on investing!

Should you have any queries, Myles or Lee are available to discuss your needs and requirements.

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How to deal with vehicle crime in SA: Hijackings, remote-jamming and more...

Hijackings, car theft, smash & grab... Motorists in SA are plagued by many forms of vehicle-related crime.

The South African Police Service (SAPS) crime statistics for 2016, report an increase in so-called "trio crimes"; car-hijackings, house robberies and robberies at non-residential areas. These include car theft and items stolen from vehicles.

Vehicle recovery specialist, Cartrack, has released useful tips and advice to help prevent vehicle crime in SA.

Andre Ittmann, CEO of Cartrack, said: "The most important thing to remember if you do become a victim to one of these crimes, is that your life is more valuable than your possessions. Focus on what you can do to prevent yourself and your loved ones from harm."

Read the full story [Here](#).

Legal Risks Of Using Social Media Websites



Without you, our loyal business partners, customers, suppliers and friends we would not have a business and for that we are eternally grateful. Don't hesitate to contact us if you have any queries or uncertainties.

The [HOLBURN](#) TEAM are here to assist you.

Billy, George, Myles & Staff

