



FOSTER

WEALTH MANAGEMENT

NEWSLETTER | JANUARY 2016

NEW YEAR GREETINGS

The Foster Wealth team joins me in wishing you a happy, healthy and prosperous New Year.

As this has been the worst start to a year that I have ever experienced, I thought I would communicate some of my thoughts on the market to you.

Most of the staff at Foster Wealth are invested in our fund and so we share the same concerns and feelings as you do. The most important thing is not to panic.

Unfortunately the media tend to use words such as crash, dive and sell off.

Another very important thing is to remember that every share sold is a share bought. It's never a one way transaction. Every sale is a buy. So, who's buying? In our opinion it's the wise ones who are buying.

The stock market is off 8.7% for this year and 16.5% off its previous high.

I am very pleased to tell you that our fund is off 5.3% for this year and 9.1% off its previous high.

The reason our fund has not been as badly affected as the stock market, is that it is well diversified. It is diversified both geographically and also in terms of its investment mix. Global property has, for example, done particularly well, obviously benefitting from the weaker rand.

The fund is well positioned to benefit from a weaker rand and, in the event of the rand strengthening, there are other sectors of the fund which will do well.

So, don't panic and don't be overly concerned. You are most welcome to contact us or to arrange a meeting to discuss your investments in detail should you wish to do so.

Kind regards,

Peter Foster

