



## CMEFS WEEKLY INVESTMENT NEWS

10 July 2020

Hello and welcome to this week's edition of Investment News.

Before we go into this week's discussion, let's see how the CMEFS Flexible fund has done for the year thus far as compared to the All Share Index (ALSI)

Fund	Last week Thursday	This week Thursday
ALSI	-5.77%	-5.15%
CMEFS Flexible Fund	-0.49%	-0.43%

OK. So last week I wrote about the possibility of load shedding starting all over again at these very low levels of economic activity.

Today, Friday, stage 2 load shedding just started.

Last week our President urged us all to action in so far as getting our economy back on track is concerned.

How?

Am I the only one seeing the disconnect here?

Of course not.

But more importantly, are the right people seeing it and *doing* something about it?

And then, of course, we have the issue of the 50% plus rise in costs still to come over and above the increases already agreed upon between Nersa and Eskom.

With all this in mind, I wrote to the President (as I am sure many others have) and asked him to please stop talking and please start doing.

I do not expect I will hear back, but at least it is off my chest.

I loathe talking without action, which is why I wrote to him.

I respect the President as I do the office of the President, I really do, but as I said to him in my letter, these are dire times and we do not need any more talks and elaborate plans.

We need action and execution.

We have enough plans, in fact too many of them.

Pick a plan, Sir, *any* one, and execute it.

Something is better than nothing, Sir, and it will do our morale a world of good to see such a thing happen.

And if you are undecided about which one to pick and execute, Sir, might I suggest that you pick getting the alternate energy sector out of the starting blocks (rather than continue to put up blocks) with an insane sense of urgency.

Next, auction off as much spectrum as possible to network providers who have been starved of spectrum for way too long because of continuing bickering and infighting.

Getting just these two very simple and doable things right, in that order, and quickly, (at no cost to you or us incidentally) will lay the foundation that we all need to help you and us alleviate poverty through the wealth and job creation that will result from these very simple two actions, and catapult us and South Africa out of the mess we currently find ourselves in.

Don't worry about whether we can get the job done.

We can, and will.

We just need your help with the resources.

These two things are to economic growth like food and water are to the body.

We can live and thrive with food and water.

Without food and water, we die, no matter how great our desire to live is.

More spectrum will create faster internet speeds and with faster internet speeds we can grow our economy faster, and our computers and cell phones will work because we have electricity.

Forget (for now) building a smart city. (I like the idea, don't bin it, just shelve it.)

Rather, for now, get city smart and get things done.

Getting these two simple things done, and our seeing them being done, will cheer us up no end.

And we desperately need to start feeling a bit more cheery about the future.

Why?

Because yesterday, Sir, I saw a report saying that consumer confidence has dropped to its lowest level in 35 years.

This level was last seen back in 1985.

And if people or organisations get in your way, get them out of the way.

This is not a time for fluttering your eyelashes, dancing in the moonlight or soft diplomacy.

This is a time for action and execution.

We are all in the same boat pulling hard on our oars as we are being inexorably dragged towards the lip of a mighty and deep waterfall.

If we go over the edge, we all die.

We are not there yet, and we can pull safely away from that mighty and deep edge, because there are enough of us in the boat to do so.

But there are a few in the boat who have long ago stopped rowing, preferring to argue about trivial matters in these dire circumstances, risking the lives of us all.

This is not a time for reconciliation, but a time for action.

Take the oars from them and give them to those of us who are prepared to row.

The trivial matters can be attended to later, provided there is one.

And that is your job, Sir, to give us a “later”.

Thank you for listening Sir.

I hope you enjoyed the read.

Until next time then, do take good care of yourselves.

Kind regards, Nine, Charles, and all of us at CMEFS.