ROBERT COWEN INVESTMENTS

NEWSLETTER – END MAY 2020

10 June 2020

The Family Office

"The four most dangerous words in investing are: "This time it's different"." Sir John Templeton
"The most important quality for an investor is temperament, not intellect." Warren Buffet

HIGHLIGHTS OF THIS NEWSLETTER ARE:

- A month in markets – May 2020
- Why are stocks soaring in the middle of a pandemic? – A take by four leading experts
- Off to the races – by Eric Lappeman
- 'Currency Corner' – May 2020
- Charts/Memes of the month
- Meet the RCI team – Monthly staff profile – Eric Lappeman
- RCI Unit Trusts
- RCI – 'The Family Wealth Office' – What we offer

A few interesting articles to read when you are done with this newsletter:

➢ From an unknown unknown to a known unknown

A recent Anchor webinar with Michael Jordaan

Note: If any of our clients wish to be added to the Anchor research and news mailing list, kindly let us know and we will gladly add you.

*If you know of anybody who would like their financial affairs looked at, please do not hesitate to send them our contact details and we will ensure we get back to them with a proposal plan. They can contact us at eric@rcinv.co.za or 0825613124.

Please join us for a presentation by Graeme Codrington entitled "Same Planet, Different World".
When: Jun 12, 2020 09:00 AM Johannesburg
Topic: Robert Cowen Investments | "Same Planet, Different World" by Graeme Codrington

Graeme will be discussing disruption in the 2020's and include comment on post Covid-19.
Graeme is an expert on the future, the disruptive forces shaping it, and its effect on all of our lives. He is a world-renowned speaker and well worth listening to.

For more information about Graeme Codrington, please visit his website www.graemecodrington.com

Register in advance for this webinar:
"Same Planet, Different World"

After registering, you will receive a confirmation email containing information about joining the webinar.

A MONTH IN MARKETS

MAY 2020

By Eric Lappeman

Stocks continued to rally in May, with investors focusing on major economies easing movement restrictions and restarting economic activity, accompanied by still record levels of monetary and fiscal stimulus. Amidst generally positive investor sentiment, one notable concern was the re-escalation of tensions between the US and China. This resulted in Chinese shares being relative laggards in May.

Volatility continued to subside during May. Developed stock markets continued to outperform emerging markets once again. Where technology shares have outperformed through the pandemic so far, May saw signs of a rotation in to sectors that have lagged (financials and discretionary retailers, for example), a trend that has continued into early June. The S&P500 index returned 4.8% for the month and is now only 6% away from its levels at the start of the year despite 1st quarter GDP falling 4.8%. The JSE All Share increased 0.3% in ZAR. The gain was limited, in part, due to the Rand gaining 5.4% against the US Dollar, to close at R17.54. The RCI Worldwide Flexible Fund and RCI Growth Fund closed down 3.6% and 0.5% for the month and are now ranked 3rd and 2nd in their category respectively over the last year.

On the commodity front, we witnessed another month of gains in Gold (now up 13.6% for the year to date), while oil continued to recover. Iron had a strong showing too, up 22.9% during May. Among shares that made large moves, Kumba rallied on the back of strong iron ore prices, in what was broadly a strong month for miners. On the other hand, market participants continued to sell holdings in discretionary retailers like Foschini, while taking profits on the likes of Sibanye Stillwater.

MONTHLY MARKET MATRIX

Indicator	Closing level	Monthly Move	Y-T-D	Indicator	Closing level	Monthly Move	Y-T-D
Equities				**Currency**			
MSCI World Index (USD)	**2148**	**4.9%**	**-8.0%**	USD/ZAR	17.54	5.4%	-20.3%
S&P500 (USD)	3044	4.8%	-5.0%	GBP/ZAR	21.69	7.2%	-14.5%
FTSE 100 (GBP)	6077	3.4%	-18.1%	EUR/ZAR	19.49	3.6%	-19.5%
Nikkei (JPY)	21878	8.4%	-6.6%				
MSCI Emerging Markets Index (USD)	**930**	**0.8%**	**-15.9%**	**Commodities**			
JSE All Share Index (ZAR)	50483	0.3%	-10.1%	Gold Spot (US$/oz)	1 730	2.5%	13.6%
JSE All Share Index (USD)	50483	4.1%	-31.1%	Palladium PM-fix (US$/oz)	1 920	-3.3%	0.8%
JSE Capped Swix All Share Index (ZAR)	19246	-0.4%	-16.5%	Platinum Spot (US$/oz)	838	6.6%	-14.0%
RCI BCI Worldwide Flexible Fund (ZAR)	155.55	-3.6%	20.5%	Copper Cash LME (US$/ton)	5 352	3.7%	-13.0%
RCI BCI Flexible Fund (ZAR)	304.77	-1.5%	-14.5%	Iron Ore (US$/ton)	97	22.9%	13.4%
RCI BCI Growth Fund (ZAR)	144.28	-0.5%	20.2%	Brent Crude ($/Barrel)	35	39.8%	-46.5%
Bonds							
US 10 Year Treasury	0.65	0.2%	11.2%				
SA 10 Year Govt Bond	8.93	7.1%	-8.8%				

Robert Cowen Investments
Growing families' wealth since 1982

MAJOR MOVES IN SHARES

Gainers		Laggers	
KUMBA IRON ORE LTD	34.5%	INVESTEC LTD	-20.8%
AFRICAN RAINBOW MINERALS LTD	23.8%	INVESTEC PLC	-17.3%
SUPER GROUP LTD	21.1%	HARMONY GOLD MINING CO LTD	-16.6%
ASPEN PHARMACARE HOLDINGS LT	20.8%	OLD MUTUAL LTD	-16.3%
IMPERIAL LOGISTICS LTD	19.3%	DIS-CHEM PHARMACIES PTY LTD	-15.8%
NORTHAM PLATINUM LTD	18.6%	REDEFINE PROPERTIES LTD	-15.4%
JSE LTD	16.2%	THE FOSCHINI GROUP LTD	-14.5%
EXXARO RESOURCES LTD	15.0%	SIBANYE STILLWATER LTD	-14.3%
VUKILE PROPERTY FUND LTD	14.0%	TELKOM SA SOC LTD	-13.2%
ANGLO AMERICAN PLATINUM LTD	13.7%	TIGER BRANDS LTD	-13.1%

WHY ARE STOCKS SOARING IN THE MIDDLE OF A PANDEMIC

A TAKE FROM FOUR LEADING EXPERTS

The contrast seems grotesque. A deadly pandemic has shut down the global economy and left millions of workers furloughed, fired, or stranded without work. The future for most businesses looks uncertain to dismal. Yet U.S. stock indices are near all-time highs, at giddy valuations comparable to the 2000 dot-com bubble and 1929.

Despite researching, we could not find a moment in financial history that remotely resembles today—so we asked a panel of leading experts to help us make sense of the markets, and what their state tells us about the economy and society going forward.

INVESTORS SEE THE WORLD THROUGH PRE-PANDEMIC LENSES – by Diane Swonk, chief economist at Grant Thornton

It is hard to reconcile the rich pricing and resilience of the stock market with the devastation brought on by the pandemic. One reason for the dissonance is that the value of the major stock indices is determined by fewer firms—and is less reflective of overall economic conditions—than ever before. The indices are heavily weighted by technology firms, many of which are better positioned to weather and even benefit from the pandemic than companies in other industries.

The U.S. Federal Reserve's aggressive actions to stop a credit market meltdown in March are indirectly providing support for stock prices. There are other reasons for U.S. equity market strength: Investors fleeing emerging markets see the S&P 500 Index as a safe haven, just as investors fled to the perceived safety of U.S. Treasury bonds during the 2008-2009 global financial crisis. This appears to reflect investors' hopes that U.S. stocks won't correct downward much, which could be a misplaced bet.

Perhaps most worrisome, many investors still see the world through pre-pandemic-tinted lenses. They take previous recessions as a benchmark and expect profits to rebound as in the past—and don't see the much larger and longer-term challenges created by COVID-19, including our need to maintain social distancing in the future. They would be better served to view the world with clear eyes: Both the economy and corporate profits will be much smaller than before the pandemic and will remain that way for a long time.

Corporate bankruptcies and consolidation will likely accelerate, which could further derail the rosy scenarios. A little more humility and a little less hubris from Wall Street would be welcome given the magnitude of the devastation we are enduring now and are likely to grapple with for some time to come.

NOTHING IN FINANCIAL HISTORY COMPARES – by David Rosenberg, president and chief economist of Rosenburg Research

This is the mother of all liquidity-induced equity market rallies. Nothing in financial history compares. This is not about vaccine hopes, not about the economy reopening, and certainly not about the deep economic contraction coming to an end.

It is all about massive amounts of liquidity provided by the U.S. Federal Reserve. Look at the timing and numbers, and it becomes obvious: Since the end of March, the Fed's balance sheet has expanded by $3 trillion—twice the expansion that took place at the depths of the 2008-2009 Great Recession. It just so happens that over the same period, the S&P 500 market capitalization has jumped nearly in lockstep—by $2.8 trillion, hand in hand with the Fed's balance sheet. In fact, statistically speaking, the correlation between the equity market and the Fed balance sheet has now crossed above 90 percent, even higher than the already close relationship between equity prices and the Fed's quantitative easing programs between 2009 and 2013.

Conversely, the correlation between the S&P 500 and the performance of the real economy over this interval is close to zero. So current stock prices have nothing to do with the economy—but everything to do with Fed liquidity.

WALL STREET IS FLOURISHING WHILE MAIN STREET IS SUFFERING – by Mohamed A. El-Erian, chief economic advisor at Allianz and designated president of the University of Cambridge's Queens' College

Main Street and Wall Street seem to be on different planets. More than 40 million Americans, or about a quarter of the labour force, have lost their jobs, and the economy is set to contract by as much as 30 or 40 percent during the second quarter—despite some $6 trillion of emergency fiscal and monetary intervention. Yet, after an initial fall, major stock market indices have staged a remarkable recovery.

What is driving markets is a bet investors believe they can't lose: They win if—based on the notion that stock markets can see past the short term—the economy quickly returns to normal; they also win if it doesn't, given that the U.S. Federal Reserve has repeatedly demonstrated that it is both willing and able to backstop markets. After all, what is more reassuring than a buyer with a seemingly endless appetite and a money-printing press to boot?

As compelling as this bet appears to many investors, it should be worrisome for those of us who care about longer-term inclusive prosperity, sustainability, genuine financial stability, and the broad buy-in by society that's needed to support all this.

The more the markets ignore economic and business fundamentals and rely on the Fed, the more they will struggle to efficiently allocate resources throughout the economy. The crucial role played by equity prices in signalling which companies have the best prospects is eroded. This undermines productivity growth and makes the economy less able to sustain high growth and robust job creation.

Only a few months into this tragic COVID-19 shock, there are already concerns that Wall Street is once again flourishing while Main Street is suffering, heightening worries about a further rise in an already large inequality of income, wealth, and opportunity. If current asset prices fail to be validated by a decisive economic recovery, the longer-term well-being not just of the economy and markets but of institutions and society as well will be at risk.

IGNORE THE STOCK MARKETS – by Adam Posen, president of the Peterson Institute for International Economics

Average investors are right to ignore stock market swings and should tell their elected officials to do the same. Movements in overall equity prices have little direct impact on economic growth and rarely forecast future developments. If broad stock market moves have any meaning, it is as a barometer of the share of GDP going to the profits of a small set of publicly listed companies.

Those profits may have nothing to do with the welfare of citizens or the overall economy and everything to do with the way political decisions and technology drive redistribution. Deregulation and lax enforcement can increase profits without creating growth and weaken the market power of workers and consumers. Network effects, especially those associated with the internet economy, may entrench the profitability of a few large firms against smaller competitors and newcomers.

The pandemic makes these forces even stronger. Workers are scared if not unemployed; networked companies are becoming more critical to daily life; large internet-based retailers and service providers are stepping in while small local companies close. Today's market exuberance may seem grotesque, but the rising share prices of listed companies reflect the grim underlying reality. Taxes and regulation are the only way to change that.

The biggest risk to equity markets is that Fed Chair Jerome Powell may take the punch bowl away.

A world with guaranteed income for capital and unprecedented unemployment for labor tells us about the relative power of each.

OFF TO THE RACES

BY ERIC LAPPEMAN

The Family Office

The stock market can be viewed as a barometer of collective investor expectations - a forecasting machine. It's forward-looking nature means it reflects what investors expect the economy will look like in six months and beyond, and how individual companies are expected to fare. Recent volatility has made it difficult to keep track of how the crowded field of contenders in this market "horse race" are shaping up. What is becoming increasingly apparent though is that COVID-19 and its impact has the makings of a long race, and we are still far from the home stretch. So who are the possible contenders to watch out there:

- **Stay-At-Home** Economy Stocks (Zoom Video, Pappa Johns, Dominos Pizza, Netflix, etc.)
- **Recession Proof** Stocks (food, packaging, personal hygiene, etc.)
- **Industrials** (manufacturers of chemicals, paper boxes, machine tools, airplanes, etc.)
- **Travel & Leisure** (all things tourism, hotels, booking agents, etc.)
- **Drug Stocks** (especially those working on a cure or vaccine for COVID-19)
- **Pure Tech, Semis, Software and Cyber Security** (Nvidia, Fortinet, Service Now, Paypal/Square, etc.)
- **Home & Home Improvement** (Home Depot, Lowes, etc.)
- **Financials** – especially the banks (JP Morgan, Wells Fargo, Synchrony, Visa, etc.)
- **FAANG** (Facebook, Apple, Amazon, Netflix and Google)

Given how long this race is likely to be, with many twists and turns ahead (outcome of the US elections, direction of US/China relations for example), it may be premature to start predicting a likely winner. Sure you can make a field bet on every horse (buying the S&P500), because you want to capture the returns from the good and bad horses. The problem is, with the price as a multiple of earnings (P/E) currently in the top 10% of its history – looking expensive in other words – making such a bet may be considerably less profitable than picking the winning horses.

Of course, picking the winners is hard; there are horses that are in the lead right now which could finish dead last when this race is over. And, don't forget, there will be another race after that.

So, firstly, who's in the lead at this stage?

S&P 500 SECTORS - HISTORICAL RETURNS (%)

Last Update: 31 May 2020

ETF	1M	3M	6M	1Y	3Y(*)	5Y(*)	10Y(*)
S&P Information Technology **(XLK)**	+7.18	+11.45	+12.08	+38.36	+21.90	+19.62	+18.24
S&P Consumer Discretionary **(XLY)**	+6.51	+7.74	+2.25	+13.63	+12.42	+11.84	+16.09
S&P Healthcare **(XLV)**	+3.29	+11.80	+5.18	+20.90	+12.68	+8.42	+15.59
US Large Caps **(SPY)**	+4.76	+3.35	-2.11	+12.84	+10.15	+9.77	+13.04
S&P Utilities **(XLU)**	+4.24	-2.99	-3.59	+6.00	+7.00	+9.72	+11.58
S&P Consumer Staples **(XLP)**	+1.67	+2.74	-3.12	+9.48	+4.38	+6.78	+11.43
S&P Industrials **(XLI)**	+5.39	-6.65	-16.43	-3.92	+2.17	+6.14	+10.90
S&P Real Estate **(XLRE)**	+2.15	-5.07	-8.66	-1.77	+6.40	+6.10	+10.00
S&P Communication Services **(XLC)**	+7.44	+6.72	+3.29	+15.83	+3.23	+4.80	+9.21
S&P Financials **(XLF)**	+2.72	-11.17	-21.26	-7.79	+2.27	+5.28	+8.90
S&P Materials **(XLB)**	+6.88	+5.92	-6.48	+7.62	+3.60	+3.98	+8.51
S&P Energy **(XLE)**	+2.00	-12.32	-29.91	-28.48	-11.85	-9.60	-0.21

Year-to-date it has been a rather one-horse race, with Information and Technology taking a commanding lead, as it emerged as an early beneficiary of the changes wrought by COVID-19. Healthcare, unsurprisingly, has also featured in the early running. More recently, however, we have seen the field evening out and the race heating up, as investors focus on the world reopening. Right now, it seems, this track belongs to all the companies that thrive in a low interest rate environment, where the future looks brighter than the past. We have already heard from some industrials that things are not as dire as initially thought. As for the banks, JPMorgan's CEO Jamie Dimon, who in the early stages of the pandemic warned of devastating consequences for the global economy, more recently said we could be in for a 'quick' recovery. Something that would have seemed borderline impossible, if not crazy, just two months ago. What about news of beaches being packed, and Doug Parker from American Airlines stating that the 'worst is over'? No wonder we are seeing a host of beaten up horses making a recent charge. Even restaurants and discretionary retailers are experiencing a turnaround, despite being shutdown since March. Lastly, home improvement seems to have been given a shot in the arm as people decide to perform DIY during lockdown. Home Depot's numbers were strong.

What makes this race so hard to figure out is that the stay-at-home stocks are very much part of the pack. Recession proof stocks are hanging in there but have no real 'oomph'. Healthcare is curious because, while top of mind at the moment, profiting from COVID-19 is not assured – the eventual winner of the race for a vaccine may provide it on a not-for-profit basis. FAANG seemed to start the year off with a 50m head start, but more recently seems to be taking its foot of the gas.

OFF TO THE RACES

BY ERIC LAPPEMAN
CONTINUED…

For the most part, the leading horses in the last month appear to be recovery plays. They are fueled by the belief that the grand reopening is off to a great start. So, you must abandon safety and go all in. Maybe we get a vaccine sooner than expected… Dr Fauci is talking about November or December. Maybe we can reopen safely, as long as people wear masks. Either way, this recovery rally is lead by people who think we can go back to 'normal' sooner than expected. For now, the early leaders (i.e. the technology counters), appear to be lagging a bit, possibly as investors start to question how enduring behavioural changes will be once lock-downs end.

I am betting that by the home stretch, many of the short-term recovery plays in the last few weeks will fall behind once more. The recent bulls seem to be focused on the wrong problem. It is one thing to think that we are going to conquer COVID-19 and that will allow the economy to coming roaring back. It is another thing entirely if you open up the economy and things are better, but we are still plagued by horrific levels of unemployment. That is what we should be focused on. It is not enough to just beat the virus. Every horse in the 'recovery pack' needs the economy to get so strong that we beat sky high unemployment. Neither of these is a sure thing.

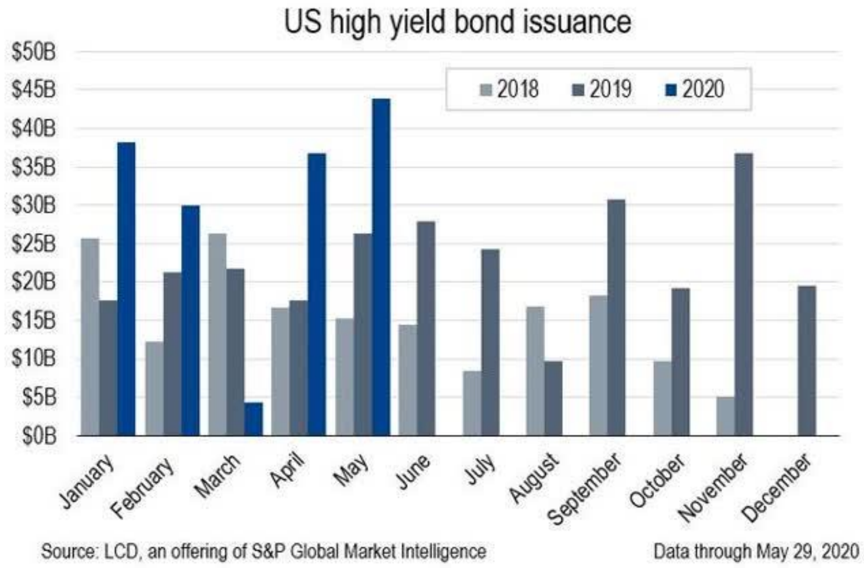
The triple 'V' horses - 'V' shaped recovery, vaccine recovery and 'V' for victory horses - might not even show, let alone place, if the unemployment rate remains in double digits.

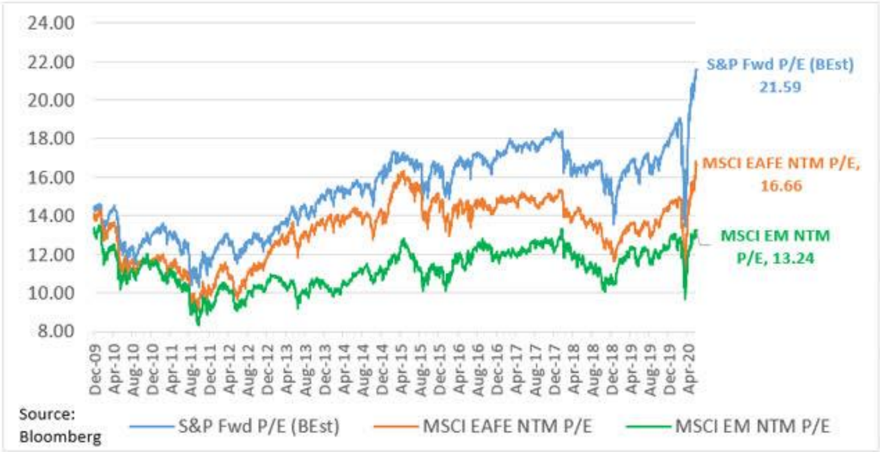
That is why I am betting on the stay-at-home tech stocks. Even though we may be able to go back to work at the office, things will never be the same now that these companies have seen how much money they can save with remote work. It seems that FAANG is more resilient in a slow economy anyway. At least that is what their Q1 results and outlook commentary highlighted.

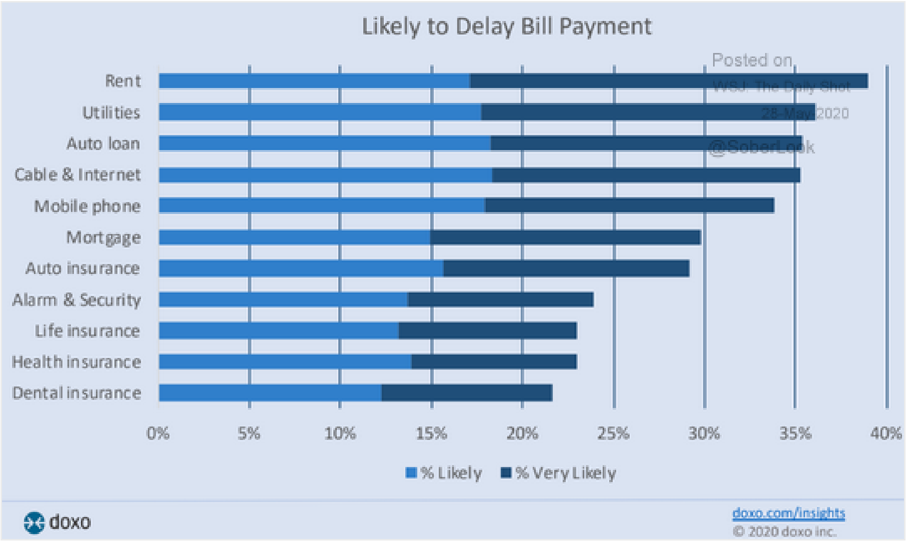
This market seems to be ignoring what happens when the battle for unemployment benefits and paycheck protections program runs out over the summer, triggering a wave of small business bankruptcies.

Bottom line, I want to believe that we will have an amazing rebound and the 'recovery pack' will lead us all the way to the finish line. It would make a great Cinderella story, but there is only one Secretariat and I think that is FAANG. Even though these mega-cap tech stocks seem to be giving up the ghost in the last few weeks, I would bet that as people begin to realise the economy looks a lot uglier once the stimulus fades, they pick up the pace again. We might well be in for a photo finish, but I'm betting the FAANG's will be right in it.

The Family Office







CURRENCY CORNER – MAY 2020

BY NOLAN WAPENAAR

The Rand is at 16,85 again (as at 5 June 2020) which is a marked improvement from where we were a mere two months ago. In fact Emerging Market currencies are heading towards their best week of gains in about four years as the unlock optimism grows and as the dollar faces weakening pressure.

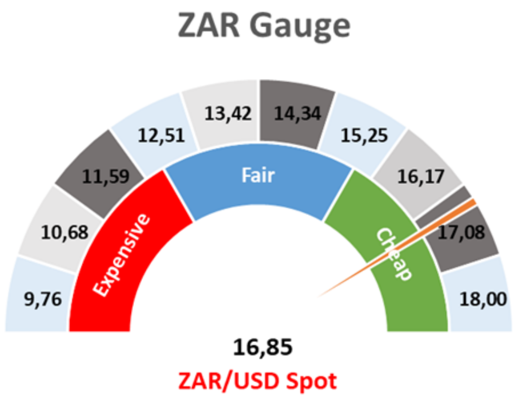
The pandemic recovery is underway in much of the developed world with declining infection rates, economies being reopened and stimulus packages being announced. Most recently we have seen the ECB increase the size of its Pandemic Emergency Purchase Program, giving support to the Euro while the dollar has continued to slide in value.

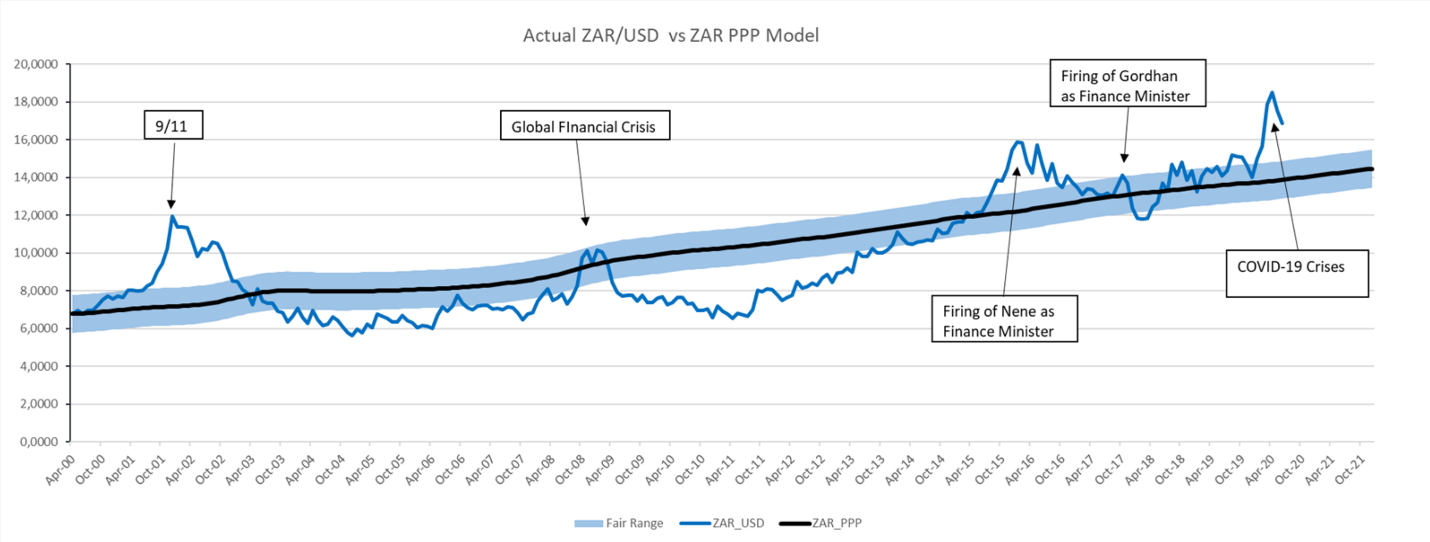
This resurgence in risk appetite and optimism is seeing flows toward Europe. While risk appetites and animal spirits have been reignited, the investment flows into emerging markets have still been rather modest. Central banks stimulated developed market yields to levels that are approaching zero or negative yields. As a result investors that need to generate an income will be forced to increase the risk of their portfolios and it is only a matter of time before their attention turns towards emerging markets. We think that there is still a good propensity for the Rand (along with other high yielding emerging market currencies) to see significant recovery. Remember that 5 months ago the rand was trading below R14,00 to the dollar.

Domestically we are also seeing an unlock of the economy and the economic projections that we are seeing are less dire than previously. In all, there is a feel good factor with the unlock and while economic damage has been done, we think that the market will look through this for now. The South African budget speech on the 24th of June will be a market moving event, but it looks like it will take place at a time when the market is forgiving and all news is perceived as good news.

For now, the future of the Rand is determined by extent of foreign investment when it does eventually arrive. Our fair value remains around 15,00 against the greenback. If we see portfolio flows towards our Rand to the extent that we saw outflows then the Rand might quite easily strengthen through this level again. If we see portfolio flows to a greater extent (following all the stimulus) then the Rand quite conceivably will trade below 15 again. Conversely if the rating downgrade does mean a smaller share of the emerging market flows for South Africa, then we think that the Rand will hover in the mid R15,00 level for a while. We don't quite know where the Rand will settle in the longer term, however, we do maintain our call that it remains over sold and that there is scope for continued appreciation of the rand.

With the Rand at current levels, we are maintaining our positions and will be patient before we unwind some of our hedges.





MONTHLY STAFF PROFILE

ERIC LAPPEMAN

- Joined Robert Cowen Investments in December 2010.
- Eric studied a B.Com in marketing and management from Monash University and is a CFA charter holder.
- He is part of the investment team, working as a portfolio and fund manager.
- Eric has competed his RE1 and RE5 FSCA examinations, as well as the registered persons examinations with the South African Institute of Financial Markets.

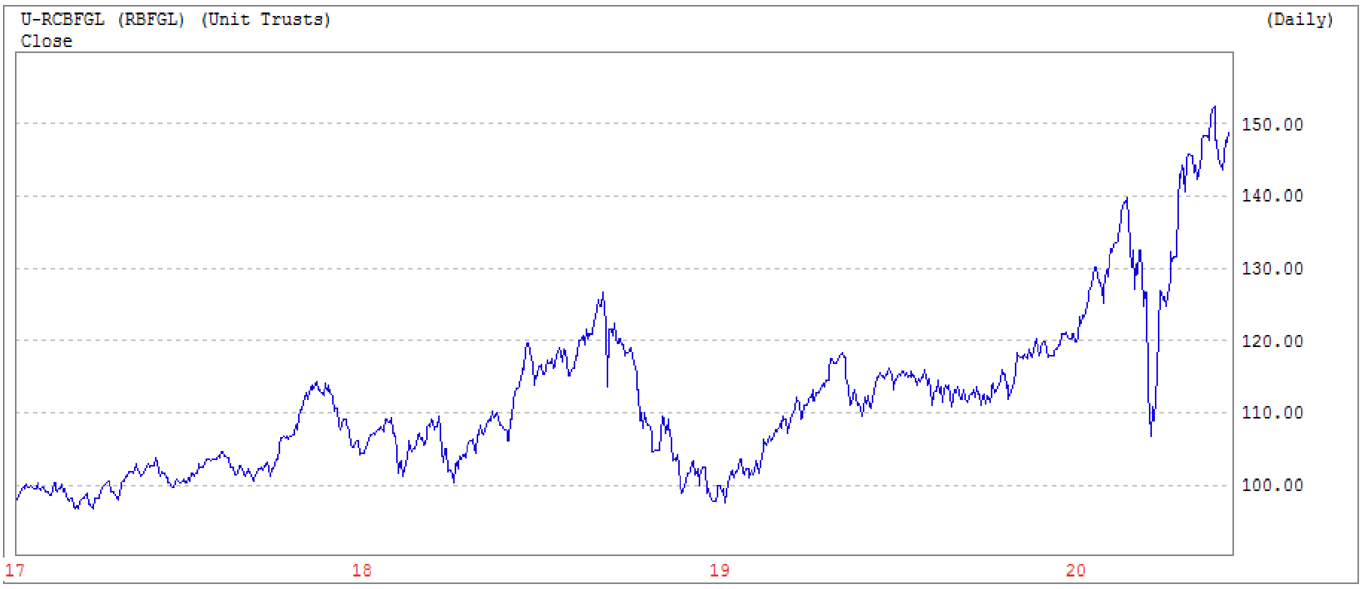
When not compiling the RCI monthly newsletter, Eric is busy making sure client portfolios are correctly positioned to take advantage of the opportunities that the market currently presents. As a portfolio/fund manager, he enjoys finding new investment ideas that could find their way into your portfolio.

Eric has a passion for shares and enjoys uncovering exciting new investment ideas that could find their way into your portfolios. He also manages the RCI Growth Fund which is currently ranked 2nd in its category over the last 6 and 12 months.

Eric's mantra is to keep things simple and try to focus on the big picture over the long term. It is too easy to get caught up in all the noise that distracts us from clear and focused thinking.

When not indulging in all things finance, Eric enjoys being outdoors with family and friends, especially in the bush. His hobbies include running, gym, investing, reading and gaming. Wherever possible he also believes that life is too short to not enjoy a glass of red…

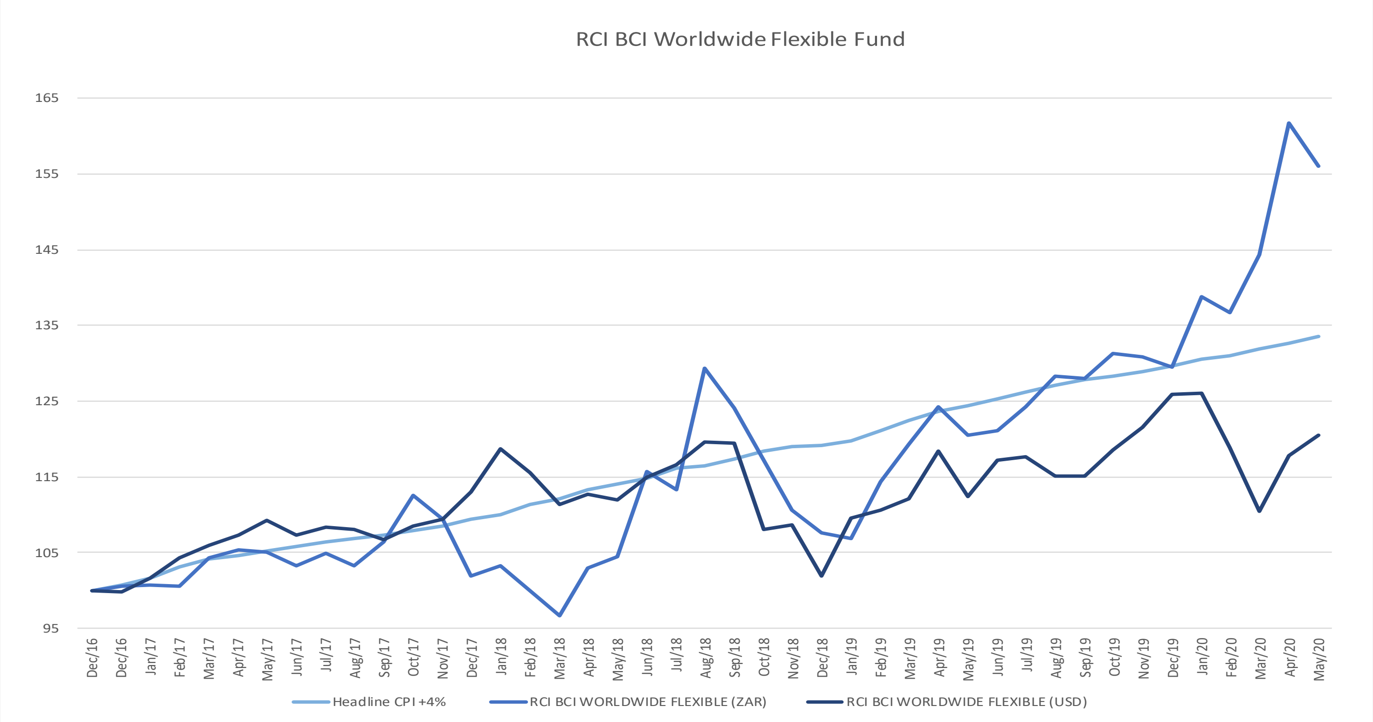
RCI GROWTH FUND



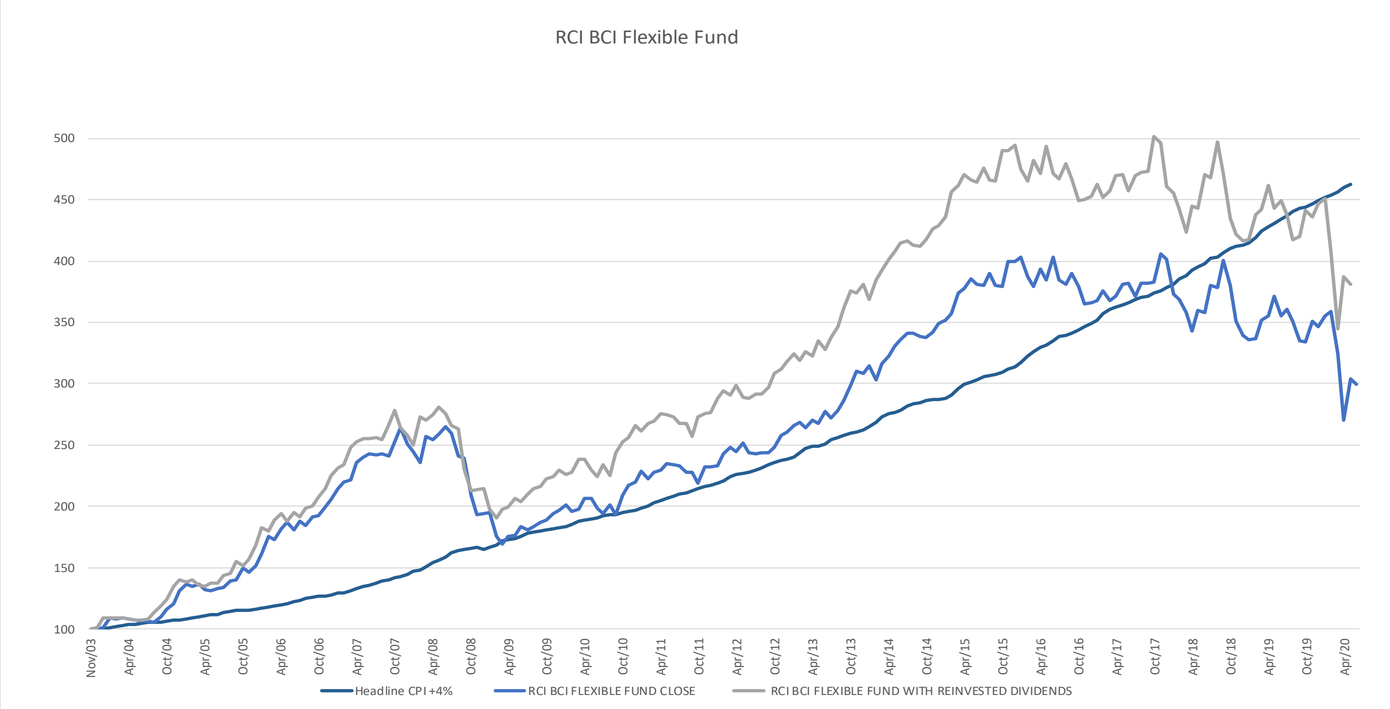
RCI UNIT TRUSTS

'HAPPY TO TAKE SMALL AMOUNTS'

RCI BCI Worldwide Flex closed May at 155.55c, down 3.6% for the month and up 29.49% for the last 12 months. It is ranked 3rd out of 79 funds in its category for the last year, and 4th over a rolling three-year period.



RCI BCI Flexible Fund closed May at 304.77c, down 1.5% for the month and down 13.55% for the last 12 months.



Our unit trusts have the flexibility to buy and sell shares and to change weightings more frequently than in an individual portfolio. We are happy to take small amounts into the unit trust (from R1000 per month to lump sums of R25 000). As you will not pay commission to any agents, there is no cost to get in and out of our fund. When selling, the amount you receive back will depend on our performance.

TO CONCLUDE…

MAY 2020

May saw markets continue their strong rally on the back of fresh Federal Reserve support, vaccine hopes, and a global re-opening of economies.

In this newsletter, we try to explain the juxtaposition of the market rally against a poor economic backdrop and look to four economic experts for answers. A world with guaranteed income for capital and unprecedented unemployment for labour forces tells us about the relative power of each. This cannot last forever, and the extreme disparity is bound to have profound consequences at some point in the future.

Although there seems to be a rotation out of growth and into beaten up value, the road to recovery is still expected to be long and Eric cautions investors against buying into the "lower quality at a lower price" trade just because you have FOMO. If anything, investors should be focused on trading up in quality as we head into 2nd quarter reporting next month.

Our client portfolios are very well positioned, and many have turned positive in dollars this year, while the S&P500 and JSE All Share are still trading in the negative.

Nolan Wapenaar gives us a summary of his views on the currency. We continue to believe the Rand will show further strength from here, in the short term. A great opportunity to start investing abroad if you haven't already.

We are excited about what the future holds and continue to keep a close look out for companies on our watchlist that should be able to generate our clients' solid returns from current levels.

We hope to continue assisting you, our clients, by being the best Family Office we can be.

Di, Mike & Eric

PS: Please feel free to pass this newsletter on to friends and family who may wish to learn more about investing. To be added to our emailing list, contact eric@rcinv.co.za

Note: We had an incident this last month in which a client's email address was hacked and we were requested to redeem an investment and pay funds to a new bank account. This is not the first time it has happened and certainly will not be the last. Thanks to the processes we have in place we picked up the scam and the request was not processed. It is our standard practice that whenever a client changes a bank account, apart from requesting proof i.e. bank statement or letter from the bank, we always phone the client to confirm. In this case, the requested proof of bank arrived (it was a doctored one!!) but on phoning the client, we discovered this to be a scam.

To assist us in making sure this happens as little as possible we would encourage you to change your email passwords regularly and if you are sent a password by a supplier e.g. mweb that you must please change it immediately.

RCI – "THE FAMILY WEALTH OFFICE"

WHAT WE OFFER:

FINANCIAL NEEDS ANALYSIS OF YOUR FAMILY'S ENTIRE ASSET BASE

- Evaluate existing asset base and asset allocation
- Evaluation of current investment structures (retirement, endowment, company, trust etc.)
- Establishment of future goals/objectives/risk appetite

RECOMMENDATION OF CHANGES TO EXISTING ASSET BASE AND ASSET ALLOCATION

- Suggested restructuring (per proposal)
    - Local/Offshore split
    - Trusts; local and offshore
    - Companies
    - Insurance
- Estate Planning
    - Calculating existing estate duty and capital gains tax
    - Assisting in reducing estate duty and capital gains tax
    - Reviewing trust deeds
    - Reviewing existing wills

INVESTING CLIENT FUNDS

- Bespoke local/offshore share portfolios
- Retirement funds
- Unit trusts (local/offshore)

ONGOING FULL CASH MANAGEMENT SYSTEM

- Fully managed transactional banking accounts for clients
- Third party payment functionality – debit orders and ad-hoc payments
- Transferring of funds offshore

FIDUCIARY SERVICES

- Trustees on more than 80 trusts
- Trust administration
- Trust accounting
- Tax compliance
- Assisting in applying for foreign tax clearance
- Legal compliance; drafting of resolutions, contracts and assisting with legal opinions

Growing families' wealth since 1982