



AN ON-GOING INVESTMENT JOURNEY

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It is coming close to 10 years after the start of the Global Financial Crisis and we are still tendering to our wounds. At an investment conference last month, I found that the mood and focus were quite different from previous years. The panelists were not debating over the outlook for investments. Instead, we were confronting a sustained period of no growth or low-growth economic environment and there was a need to check costs and manage client expectations.

I have previously written that we should manage our expectations and be prepared for a sustained period of slow economic growth ahead. This would still be a prudent approach even if the economy and stock markets were to pick up faster than our expectations.

The global economy has taken longer than I had expected to improve and with greater economic inter-dependence among countries, we are also concerned when our major trading partners falter.

First, I will acknowledge the significant risks – the tangible risks of the global economy dislocating the economies of Singapore and its regional trading partners and the still

intangible risks of Britain leaving the European Union in the middle of the year, investor jitters over the United States presidential elections at the end of the year, the sour relations between North Korea and South Korea and the territorial disputes in the South China Sea.

Then, having said this, I will invite you to join us for our investment journey. Our investment journey is an on-going journey and it is unlikely to end when we reach Europe in the next 13 hours or in New York in about 22 hours. I found both journeys very arduous, and they would have been more so if there were no stopovers before we reach our destinations. We know we will reach our destination (short of a mishapening) and yet we hold our breath (and I say a little prayer) before the take-off. And we would expect some turbulences now and then, sometimes fairly violent ones which could knock many points off our index. When we reach there and clear the immigration and customs, there would only be joy and excitement, before the return trip begins. What a beautiful sight - London Bridge, the Eiffel Tower, the Statue of Liberty.

Talk to us. **Talk to Phillip.**

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