The trillion rand property collapse

Magnus Heystek, award-winning investment strategist and co-founder of Brenthurst Wealth Management, puts pen to paper on what he calls nothing short of a calamity – the value destruction that is the South African property market. As always, Magnus’ strong opinions are backed by the facts, with listed and non-listed property feeling pain all over the country despite some respite for parts of the Western Cape. One of South Africa’s best stock pickers, Piet Viljoen, recently shared a similar sentiment to Magnus, calling the ‘buy-to-let’ model a no longer plausible investment. – Justin Rowe-Roberts

By Magnus Heystek

There is no other investment area in South Africa which is more exposed to the brutal, wealth-destroying policies of the ANC and its policy of cadre deployment than the local property market, whether listed or residential, it matters not. Perhaps only the lower-priced residential areas with prices around the R1m-mark showing some kind of resilience – not growth, mind you.

In virtually all other categories in all parts of the country have property owners suffered a massive destruction of wealth which, in my estimation, looks permanent. Property values in most small and medium-sized towns in eight of the country’s provinces have – due to a variety of reasons – evaporated. It’s only in certain parts of the Western Cape where properties have kept values, to a certain extent.

And yet, when you read the commentary about property, especially residential property, from our property marketing companies, you would think the country is in the grips of a full-blown property boom. In fact, it’s not.

And this is at a time when most countries in the developing world are experiencing unprecedented booms in their domestic property markets.

I have seen with my own eyes how formerly pristine towns and cities such as Kimberley, Bloemfontein, Rustenburg and others have collapsed at great speed.

Piet Viljoen – ‘Investing in SA residential property doesn’t make sense.’

Long before Lichtenburg became front page news, due to Clover announcing the closure of SA’s largest cheese factory, have I seen and written about this collapse. There are many other Clovers and Lichtenbergs in the country, but the only reason it was front page news was the fact that Clover is a listed company and was legally obliged to make a formal announcement.

There are many hundreds of “Clovers” around the country where, over the past 10 to 15 years, small and medium-sized businesses and factories have simply shut up shop or moved somewhere else due to the collapse in local government. And yet government, which is so fond of talking about smart cities and high-speed trains, have either not been aware of this collapse or simply don’t care.

I have witnessed this over the past 5-7 years on my annual cycling trips to the Karoo. But I also have, due to the nature of my profession, picked this up from clients scattered all around the country, all providing first-hand experience of this collapse.

Magnus Heystek on the JSE and why you’ve suffered financial wipe-out

Each and every time I wrote columns about this trend, I was met by a barrage of denials, accusations of being “negative and the best of all: “if you don’t like it here, why don’t you f**k off”. But it seems as if mainstream media has at long last started to write about the collapse in local government. The Financial Mail published a cover article in March, about the collapse of Johannesburg, SA’s largest city, with the headline ‘A sinking city’.

Peter Bruce wrote the following in the Sunday Times: “It is truly an incapable state. It can’t fly an airline, deliver a letter, fill a pothole, pick up litter or mow the lawn. It can provide water, oxygen, personal protective equipment or live doctors and nurses to its hospitals. On top of this pile, sits Cyril Ramaphosa.”

Read the article here

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BRIEFS

US loan to boost Aspen vaccine production to 500m doses

Eskom seeks R140bn for shift from coal

M&R receives R285m Gautrain business disruption insurance payout

Half of Sydney houses now sell for at least R10m

2,242 more deaths than normal recorded in Gauteng to June 20 – SAMRC
There’s rich picking in some of the small caps

Expert market analyst David Shapiro joined the BizNews Power Hour for yet another insightful discussion on Mr Market’s latest movements. Most prominently discussed was Anglo American and BHP Billiton’s sale of their Colombian thermal coal assets to Ivan Glasenberg’s Glencore for R8.3bn, which Shapiro believes makes all three companies look attractive. Also on the line was veteran mining analyst Peter Major. Both experts gave Glencore’s purchase the thumbs up.

Shapiro, a ‘commodity optimist’, believes that those companies that “sell a machine that makes a noise or needs big tires” are those that are going to benefit and is particularly impressed by Afrimat, Raubex and Invicta to name a few. – Nadya Swart

Shapiro on whether he would sell his shares in exponential (tech) companies to buy commodity shares:

“No, I think they complement each other. Listen, I’m not over enamoured with Biden’s infrastructure plan – you know, $600bn spread over 50 states is not going to do much. But he did do a bipartisan deal, and I think this is going to trigger a lot more investment in commodities. And, China has been the main driver of commodity prices. I just see it balancing out. But I’m particularly interested in what’s going to happen in maybe the rare earths – maybe nickel, maybe copper – for electric vehicles. Maybe it’s not that big, because I don’t know what amount of commodities go into motor cars. But what I do see is a mammoth rush to build gigafactories (or whatever they call them, I don’t even know what that really means) in the UK or wherever to build batteries because the demand for batteries is going to be so big. So I see (with that) a different type of investment that we’re going to see in commodities. So, I think there’s a nice balance there that we’re going to participate in. And, you know, what Peter says we lived through – and I think I’ve repeated this on the programme before, and Peter was there – where, you know, in the 70s and 80s, in those periods, you had to be a pretty good miner to survive. And I don’t mind that. I don’t mind if we go into a period like that rather than commodity prices falling in a heap. So I think we can find areas in the infrastructure development area and in commodities where I think we can do pretty well. And Ivan’s giving us a lead. You know, he’s going for it.”

On whether he’s enthused (similar to Piet Viljoen) about certain pockets in the JSE that are becoming attractive:

“I am very much so. And you know where it is? It’s mining-related, because we are digging more holes and we’re doing a lot more blasting. Whatever it is. It might not be evidence, but it’s going to come across – you saw Invicta’s results are out. I’ve still got to go through them in great detail. Even companies like Raubex are moving in there. Barloworld, who sells yellow metal in Mongolia and in Siberia, you know, selling Caterpillar. So that to me is a lot more attractive than the banks and retailers. These companies are just being chucked away for nothing. You know, Pete made such a good point about an owner being aware of every nut and bolt. And I think if you go to the nuts and bolts of these businesses, they’ve just been given away for nothing. What Peter said about sunk costs, you know, if you look at the sunk costs in these businesses, I think there’s rich picking in some of the small caps. We’re all index huggers. We love to hug the index here; Naspers, Prosus, British American Tobacco.”

Steven Nathan engaged in a discussion with BizNews founder Alec Hogg on consequences finally being seen in South Africa – the ‘Republic of no consequences’. Former President Jacob Zuma’s sentencing to 15 months in prison earlier this week was something that many of us had resigned ourselves to believing would never happen. While it is only for his contempt of court – a mere tip of the iceberg which makes up his mountainous volume of transgressions – Nathan hopes that this will facilitate further investigations. With corrupt individuals being held to account in the private sector as well, perhaps this is the beginning of a turning tide in South Africa. – Nadya Swart

On Jacob Zuma being sentenced to 15 months in prison for contempt of court:

“Yes, without a doubt [it’s a start]. It reminds one a little bit of how they get AI Capone; they couldn’t get him for the bootlegging and the violent crimes. I think they got him on tax evasion. But what really matters is if you can at least bring culprits to book somehow, and I think that the vast majority of South Africans would be really happy to see Jacob Zuma imprisoned for some length of time. And maybe that also facilitates further investigations and hopefully convictions of many of the allegations that he has been accused of.”

On Nkandla and Zuma’s presidency:

“It’s kind of; where do you look to focus on the destruction that was caused under the Zuma presidency? You know, we look at GDP growth where beforehand, I think many of us forget, we were actually running budget surpluses in South Africa. Now, obviously, it’s not just the president and the government of the day – there are economic factors at play. But under Trevor Manuel and his leadership of finance, we were actually running budget surpluses and our debt was very low. So we were actually seen as a very responsible and attractive emerging market investment destination.

Then you fast forward over an almost ten-year period and you look at the devastation from an economic growth perspective, from an increase in unemployment perspective, from State Capture, from loadshedding. As you say, then you can look at Nkandla, those sort of outrageous numbers. The big picture is really, really disturbing. And maybe on a more lighthearted note, I remember speaking to a friend of mine about Nkandla, about the outrageous cost, and he said; ‘Well, you know it’s not so much the money that really irritated me. It’s just that surely they could have done a better job with all that money. Surely they could have actually improved it’. So one has to also see the lighter side of it. But the sheer economic impact... And we are paying for it, because it’s much easier to destroy than it is to build. So it’s easy to kind of get yourself in debt. It’s easy to tear down. It’s easy to milk institutions, but it’s much, much harder and takes much longer to get them back to their former glory.”

Steven Nathan is the founder of 10X Investments

Steven Nathan on ‘Republic of no consequences’

BizNews 360 Potgooi (met Charl Botha)

Drikus Combrink gesels oor die globale ekonomie en belegging

In my tweede gesprae met Drikus Combrink van Capricorn, het ons kortlik weer geraak aan inflasie. Die kern van ons gesprae die keer het gehandel oor watter lande by dink die minute – en meeste – uitgelewer is, en sal wees, aan globale ekonomiese skommelinge, en die beleggings implikasies daarvan. Hy deel ook sy raad rondom wat dit vereis om ’n goeie belegger te wees.

Besoek BizNewsRadio.com om nog potgooi te luister
Land grabs are happening

We all remember the devastating consequences of land grabs in Zimbabwe. In this article, Chuck Stephens, Executive Director at the Desmond Tutu Centre for Leadership, states that "we are starting to see reruns of those horrible scenes." Stephens tells a chilling story about his own arrest and "three-night special" in jail over the past weekend. As a 70-year-old man, Stephens objectively falls into the minority of those who are vulnerable to severe illness from Covid-19. Throwing him into an overcrowded jail cell – with no charge sheet and having been denied the right to make a statement – is therefore, surely, reckless. Stephens believes that it was brought about by a man with a fierce grudge against whom he won a court case relating to property ownership earlier this year. He believes that land grabs are happening and that 'Covid Endangerment' is the weapon being used, stating that, "there are forces out there that want your land no matter what they have to do to get it – including some policemen."

His story is provided as a cautionary tale, a testament to the accounts of the past weekend in case of his death. – Nadya Swart

By Chuck Stephens

Off-beat, in-sync, on mark, out of Africa

I have lived in Southern Africa since 1982, in Angola, Zimbabwe, Mozambique. And now for 26 years in South Africa. I didn't want to live in South Africa before the first free and democratic elections were held. Since then, I have worked feverishly to try to improve conditions for youth.

So I can well remember the land grab scenarios of the early 1990s. Even a Canadian friend of mine was not spared, although he had none of the attitudes of former Rhodesians. He started a flower farm near Harare and at first it thrived. Then they forced him out of the country and seized it. Why am I starting in Zimbabwe and not South Africa? Because here in Mpumalanga province, we are starting to see reruns of those horrible scenes. Even though this very month, the government of Zimbabwe has allocated $1 million to pay those white farmers for their losses. Because of the attitudes they want them to return!

What Mugabe did to them was déjà vu of what Idi Amin did to Ugandan Asians. He knocked out a whole layer in the economy, and did permanent harm to Uganda's economy.

This introduction sets the scene for what has happened to me in Mpumalanga province in recent years. This weekend there was a ugly event.

I arrived in court and I still didn't get my details, and would not allow me to write a statement. Thus starts the "three-night special" in jail. Because the Law says that you can only be held for 48 hours - but if you snafu someone late enough on a Friday, it runs over to the first working day after the 48 hours expires.

I arrived in court and I still didn't receive a charge sheet, but I was told to return next week.

IN SHORT

Eskom needs $10bn to re-purpose coal plants

Eskom needs $10bn to shut most of its coal-fired plants by 2050. The power utility is in talks with development finance institutions to raise the money, said the head of Eskom’s Just Energy Transition office Mandy Rambharos. The power plants may be re-purposed and the sites used to produce power from renewable energy or natural gas.

SA sees another trade surplus of over R50bn

In May 2021, South Africa’s trade balance recorded another extremely large surplus of R54.6bn, which was bigger than market expectations for a surplus of R49.6bn (Bloomberg). SA has recorded a trade surplus in each of the past 13 months and in 21 out of the past 24 months. Over the past 12 months South Africa trade balance has achieved an average monthly surplus of R38.6bn.

Zuma gets 15 months behind bars for contempt

Zuma, who’s been repeatedly implicated in aiding and abetting the plunder of state funds during the nine years he led SA, was sentenced to 15 months in jail for defying a court order to testify at a graft inquiry. The ConCourt ruled in January that Zuma had to respond to questions from a judicial commission headed by Judge Raymond Zondo.

South Africa expands vaccine programme

South Africa is expanding its coronavirus-inoculation programme as the pace of vaccine deliveries accelerates, acting Health Minister Mmamoloko Kubayi-Ngubane said. Health authorities received 1.5 million Pfizer vaccines over the past week, and are expecting a further 2.1 million Pfizer shots to be delivered next month, Kubayi-Ngubane said in a virtual briefing on Friday.

CR implements level 4 lockdown, alcohol ban

President Cyril Ramaphosa banned alcohol, outlawed public gatherings and closed schools to curb surging coronavirus infections. The tighter restrictions imperil South Africa’s recovery from its worst contraction in a century last year, when GDP shrank 7%. Economists surveyed by Bloomberg News this month forecast output may rebound faster than anticipated.
Govender on Naspers/Prosus share swap, China

Rockstar fund manager and one of South Africa’s most successful female entrepreneurs, Delphine Govender, joined BizNews founder Alec Hogg and 10X Investments founder Steven Nathan in a discussion surrounding the controversial Naspers/Prosus share swap. Ninety One has jumped on the bandwagon against the executives of the two largest South African businesses despite its chief executive (Hendrik du Toit) being on the board of both Naspers and Prosus. – Justin Rowe-Roberts

On Ninety One’s vote of disapproval against the Naspers/Prosus share swap

"To be honest I’m not surprised, and the fact that some of the larger firms didn’t join the collaborative engagement didn’t necessarily mean they didn’t agree with the approach or the content, it was just the path that they were on. We respected that process and the fact that wheels turn differently at different institutions. We had several of them involved at some point in the engagement."

On Bob van Dijk not giving an inch to the asset manager’s demands

"Bob (Van Dijk) and Basil (Sgourdos) have been very public saying that they’ve worked for well over a year on this transaction, they used north of ten different options that they had been working on and they settled on this one. I’m sure if we were in their shoes we had to do a bit of a role reversal, it would be incredibly hard to now backtrack after investing all this time, energy, effort and advisory fees."

On the Chinese communist party coming for country’s tech titans, including Tencent

"The first point I think is that the risk you’re highlighting is a risk that has been there for many years, it became more heightened in the last five years or so as visiblity and transparency over the whole variable interest entity (VIE) structure – in which the Tencent stake is held through the Hong Kong listing. In fact we (Perpetua investment managers) hadn’t been shareholders in Naspers for a while and one of the reasons was that we felt, ironically, the discount to which the share was trading relative to its net asset value (NAV) was not accounting sufficiently for these risks you take on when you invest in Naspers, notwithstanding the amazing underlying asset that Tencent is. You don’t actually own the underlying assets as a Naspers shareholder, you own it through this VIE structure whose legality has never been tested and the Chinese government could change their mind at any point in time."

BizNews Power Hour with Alec Hogg

The BizNews Power Hour, hosted by Alec Hogg, airs weeknights at 5:30pm on Cape Town’s Fine Music Radio (101.3FM) and in Johannesburg at 7pm on ChaiFM (101.9FM). You can also catch it on www.biznewsradio.com.

BizNews Power Hour

Mergence Corporate Solutions veteran mining director Peter Major dissects Anglo American and BHP Billiton’s sale of their Colombian thermal coal assets to Ivan Glasenberg’s Glencore for R8.3 billion. Major highlights that there are many factors at play here with Anglo and BHP disinvesting from coal assets given their diverse and universal shareholder base calling for environmental best practices. He regards the deal as a big win for Glencore shareholders.

BizNews Power Hour

MEC David Maynier joined the BizNews Power Hour to discuss Amazon’s impending venture, which he believes to be of “huge strategic importance to the Western Cape.” He further commented on both Zuma’s ConCourt sentencing and the direction of the Port of Cape Town’s efficiency, which he regards with optimism.

BizNews Power Hour

Ashgabat in Turkmenistan has been named the world’s most expensive city. BizNews spoke to Vladimir Vrzhovski from Mercer, the company that published the 2021 Cost of Living Survey, to find out the reason for Ashgabat’s top position and where South African cities ranked.

BizNews Power Hour

Dr Daniel Israel joined the BizNews Power Hour to outline the reality of what’s going on in Covid-19 wards across the country. People with severe symptoms often wait hours for a bed – and it’s not just the elderly and those with comorbidities suffering anymore.

BizNews Power Hour

Plastic waste is everywhere. It is choking our cities, rivers and beaches, but there’s a company turning the useless waste into something useful. The Centre for Regenerative Design (CDRC) turns plastic waste into a granular product called CDRC - which can be used as a building material. BizNews spoke to Deon Robbertze who said they saw an opportunity in the piles of waste.
Lockdown exposes SA’s mom and pop shops

Piet Viljoen told BizNews two weeks ago that “investing in South African residential property doesn’t make sense.” Viljoen further elaborated on that perspective, stating that “equity is a much better asset class to own for building wealth over the long term than property.” When asked about stocks which have caught his eye lately, Viljoen made an insightful analogy between a portfolio and twigs, “each individual stock is a twig, quite a brittle, easy to break twig – but if you bundle them together and tie them together, it creates quite a strong element.” Another topic of discussion was lockdown, particularly with reference to the restaurant industry. While he believes that listed companies will likely survive this lockdown, he fears for the “mom and pop shops.” – Nadya Swart

On his assertion that investing in residential property in SA doesn’t make sense

“Look, I mean, I’ve looked it up on spreadsheets. Being a financial analyst, that’s what I do. And it just doesn’t make sense. It can make sense for two reasons. One is emotional security. One understands that some people find value in owning a home and the security that it offers you – and that’s an intangible value, which you can’t quantify. Some people have that, so there’s that.

The other thing is that you can leverage. It’s one of the very few assets banks are willing to lend you money against. However, that only works if the value of the asset goes up over time. And that’s not always the case, especially in South Africa, with a lot of our municipalities going backwards, pulling down property prices with them. That could be a problem.”

On whether there are any companies to worry about that won’t survive the current lockdown

“I do think [that] if you went into this with a lot of debt, if you didn’t use the last six to nine months to get your financial house in order and you went into this with a lot of debt, it could tip you over. It’s quite possible. I wouldn’t want to speculate on Sun International – whether that will happen to them or not. I know they have quite a heavy debt load. But the other thing one has to say is that these businesses, like Sun International, like Togo, like City Lodge – they’ve also learned how to manage their businesses with a much lower cost base and in line with government regulations and maintain their business.

So, they’ve learned from the previous lockdown. This lockdown, hopefully, is only two weeks. I think most businesses should be able to see through it. It’s tough. It pushes out what you wanted to do by another two weeks or a month or however long it takes. It’s hard, but I think most businesses will have learned from previous lockdowns and are facing this one with a bit more confidence.”

On the tough position that the restaurant industry is facing with another lockdown

“I think there are very few listed companies that will be exposed. Spur would be an obvious example, but there’s a lot of takeaways as well. They’re financially strong. They’ll be able to see through the two week period. Famous Brands has mostly takeaways, which won’t really be that affected by this. And so they will be able to see it through. So I think they’re OK. It’s the mom and pop shops that are the main problem. It’s the neighbourhood shop, the mom and pop shop, that enterprise that has two or three people working there – those are the ones that I feel very sorry for, that are really facing some tough times.”

The EasyEquities inside Q2 market scoop

EasyEquities’ Lesedi Mfolo formed part of the BizNews Power Hour with Alec Hogg, sharing insights on all the trading action on South Africa’s favourite retail investing platform. Apart from the price action, Lesedi has skin in the game himself, sharing thoughts on companies from a fundamental basis too. Apart from the price action, Lesedi has skin in the game himself, sharing thoughts on companies from a fundamental basis too. I’ve compiled a high-level summary of the most popular shares on the JSE and international markets amongst the EasyEquities community, thanks to the data provided by Lesedi.

On where the money is coming in on the JSE

“We’ve seen some huge shifts in the top five (most popular shares). One remains, which is Sasol, a firm favourite given its volatility. It’s climbed from R130 at the beginning of the year, so it’s not a surprise to see it at number 1. Second we have a firm favourite of mine, a company that owns EasyEquities which is the Purple Group. It’s had a spectacular six months.”

On the performance of the Purple Group, the parent company of EasyEquities

“The goodwill is crazy now. EasyEquities hit a million retail investors. The last time we spoke (around three months ago) we had around 800,000 retail investors and now we have 1 million. There were a lot of factors at play, there was Covid-19 as well as the partnership with Capitec but it’s all happening at Purple Group. We saw our biggest month of investors this past month (June) with 18,000 retail investors investing into Purple Group via EasyEquities.”

On what the trading action was like for the rest of the JSE heavyweights

“If you were a holder of both Naspers and Prosus, it will be awfully nice to see these stocks live up to their fair value and I think most of the EasyEquities investors would like to see the same thing happen. And if it doesn’t happen it would be a huge disappointment to all of the investors in Naspers. So I’m hoping for the best there.”

On whether he’s going to vote in favour of the share swap

“It’s a tricky one. I’m currently on the fence – I can’t tell you right now.”

On the companies that make up the rest of the most traded shares

“At fourth we have Sibanye, which really is not a shock. The topic of mergers has featured with his company. When people see Sibanye, they see it trading at a discount compared to its fellow counterparts like Anglo American and Goldfields. I think it’s an interesting time for gold as well – I think people are seeing Sibanye as a great value stock at this time. AngloGold Ashanti makes up the top five.”

Read also:

“We think that fractional investing represents the future”, says EasyEquities CEO Charles Savage

Invest to Inspire
Covid-19 brought about an age of misinformation like never before. With this, the responsibility of journalists to provide informed, well-researched and objective news to the public has never been of more paramount importance. This article by Marc Girardot, a member of PANDA, takes a deep dive into the issue of natural immunity and Covid-19 vaccination. This article is not and should not be construed as ‘anti-vax’. Rather, it provides evidence of natural immunity. It is impeccably researched and well worth reading. – Nadya Swart

Epidemiology, immunology and the clinical data all say a clear ‘No!’ There is no good reason to vaccinate the recovered.

By Marc Girardot

A British friend, recovered from Covid-19, decided to get vaccinated despite being naturally immune. This is the email he recently sent me:

“Marc I suffered a mild stroke on Wednesday 8 days after taking the Astrazeneca 2nd dose. Since I am a marathon runner I am a very ‘rare case’. I don’t smoke, have high blood pressure, high cholesterol, family history or come into any of the risk categories for blood clots...

You did warn me against taking the second dose and I wished I’d heeded your advice. I’ve taken a totally unnecessary risk with my life and I bitterly regret doing it.”

Ivermectin gets big US research thumbs up

Contrary to most, Tony was informed; he had been told about the power of natural immunity, about the long – if not lifelong – duration of immunity, of the risk inherent to any medical procedure (yes, vaccination is a medical procedure!), as well as of the rising levels of adverse events. He admitted he hadn’t imagined it could happen to him...

Though it is hard to assess precisely the actual severity and breadth of vaccine-related adverse events, it is very clear that vaccination against Covid-19 isn’t as harmless as pharmaceuticals, mainstream media, academia, health authorities and the medical community have been saying. And, in contrast to high risk individuals who are still susceptible, recovered people have no real benefit to balance the additional risks of vaccination.

For over a year, mainstream media, health authorities as well as many ‘experts’ have been downplaying the power of the immune system, dismissing natural immunity and proclaiming that immunity to Covid-19 was short-lived. Simultaneously, vaccines have been portrayed as the silver bullet to this crisis, an incidental procedure with no risk whatsoever. The data shows a different picture and many are coming forward, to challenge the official narrative. We will demonstrate that this is a fallacy.

The human immune system is one of the most sophisticated achievements of evolution. The survival of our species has depended on it for millennia. And today, we are still very much relying on it. For the record, 99% of people infected with SARS-CoV-2 recover without treatment. Only 1% of SARS-CoV-2 patients, who did not receive early home-based treatment, end up hospitalised. In other words, the immune system overwhelmingly protects. Even vaccines depend entirely on the immune system: vaccines essentially teach our immune systems what viral markers to be prepared for, they are not cures per se. Without a functional immune system, there can be no effective vaccine.

On the waning immunity fallacy

Once recovered, the immune response recedes, notably via a decrease in antibodies. It is not only natural; it is indispensable to restore the body to a normal balanced state. Just as a permanent state of fever would be harmful, a high number of targetable antibodies or T-cells constantly circulating throughout the body could create serious complications such as autoimmune diseases. Taking an evolutionary perspective, only those whose antibody and T-cells count waned post-infection survived. So, a dropping number of antibodies and T-cells is reassuring, even healthy.

By Rubin van Niekerk

Meta analysis of 60 studies on the treatment impact of Ivermectin on Covid-19. Van Niekerk notes that “Ivermectin studies vary widely, which makes the consistently positive results even more remarkable. It is both insightful and important.” – Nadya Swart

Meta analysis of 60 studies on Ivermectin for Covid-19 has been the subject of much debate. The World Health Organisation’s recommendation against Ivermectin as an alternative treatment is shrouded in suspicion as the WHO’s second-biggest donor is the Bill and Melinda Gates Foundation. Bill Gates also founded and funds the Vaccine Alliance (GAVI). The connection and clear conflict of interest is thus astounding.

This 3,000-word synopsis by Rubin van Niekerk is on Bryant’s peer reviewed meta analysis published in the American Journal of Therapeutics about 60 studies on the treatment impact of Ivermectin on Covid-19. Van Niekerk notes that “Ivermectin studies vary widely, which makes the consistently positive results even more remarkable. It is both insightful and important.” – Nadya Swart

Meta analysis of 60 studies on Ivermectin and Covid 19 by Bryant, published in the American Journal of Therapeutics. (Version 93 Updated 21/6/21)

This is a brief 3000-word synopsis of the analysis of all significant studies concerning the use of ivermectin for Covid-19. Search methods, inclusion criteria, effect extraction criteria (more serious outcomes have priority), all individual study data, PRISMA answers, and statistical methods are detailed. Random effects of meta-analysis results for all studies, for studies within each treatment stage, for mortality results, for Covid-19 case results, for viral clearance results, for peer-reviewed studies, for Randomized Controlled Trials (RCTs), and after exclusions are presented. Please read the original 18 000-word comprehensive research analysis should you need more detail and insight into the methodology on https://ivmmeta.com/.

TREATMENT STAGES

Results: (Click here for more info)

Prophylaxis refers to regularly taking medication before becoming sick, to prevent or minimize infection. Early Treatment refers to treatment immediately or soon after symptoms appear, while Late Treatment refers to more delayed treatment.

Randomized Controlled Trials (RCTs).

Evaluation of studies relies on an understanding of the study and potential biases. Limitations in an RCT can outweigh the benefits, for example excessive dosages, excessive treatment delays, or Internet survey bias could have a greater effect on results. Ethical issues may also prevent running RCTs for known effective treatments. For more on issues with RCTs see [Deaton, Nichol]. Random effects meta-analysis for Randomized Controlled Trial mortality results only.

Keep your money in good health.
Plastic waste is everywhere. Even at the bottom of the Mariana Trench – the deepest ocean trench – the dreaded waste has been found. It is choking our cities, rivers and beaches – even being dubbed the white flower of South Africa. But there’s a company turning useless plastic waste into something useful. The Centre for Regenerative Design (CDRC) turns plastic waste into a granular product called CDRC, which can be used as a building material. BizNews spoke to Deon Robbertze, the Business Development Director of CDRC, who said they saw an opportunity in the piles of waste. – Linda van Tilburg.

Deon Robbertze on the idea of turning plastic waste into concrete

“It didn’t start in South Africa. It actually started in Costa Rica. It was founded by a guy called Donald Thompson, a Canadian who’s been living in Costa Rica for the last 25 years. He’s a designer, engineer – a thinker of note. It actually started on a beach clean-up. He and his wife sponsored a music school on the beach in Costa Rica. There was a lot of plastic that used to wash up on the beaches. He started researching and realised the enormity of the plastic waste problem, not only in Costa Rica, but worldwide. Being ex-construction and a builder too, he decided to start playing with the plastic.

He came up with a process which we now called REAP – Recover, Enrich, Appreciate, Prosper – so we can take any waste plastic – from rivers, the ocean, post-industrial and unrecyclable – and we put it through a process, making a concrete modifier. That goes into different types of concrete products. To date, worldwide, we’ve spent over US$1 million testing it into blocks, bricks and concrete pipes.

On the Cape Town plant

“We’ve got a pilot plant in Cape Town that does about converts about 10 tons of plastic per month. That pilot plant was purely to get intake and off-take agreements with concrete partners here in South Africa. According to the published stats, we’ve got approximately one million tons of plastic waste going to landfill in this country. That’s not even taking into account the river/海洋 plastic and the little bits of plastic we see around us. We see ourselves not just as a solution to the plastic waste problem, but with unemployment sitting on 42%, we’re looking at creating jobs within the informal sector to collect plastic and build better homes for people. The initial RDP homes, as they were called, weren’t that well-built.”

On building further plastic conversion factories in South Africa

“We plan to rollout over 21 factories in South Africa in the next five years. We’re looking at [Gqeberha], Durban, Johannesburg, Limpopo and Mpumalanga. Wherever there’s a plastic waste problem – and wherever there’s a need for it to go into infrastructure – that’s where we will locate our plants.”

On Resinr

“It’s either a substitute for the sand or the aggregates in the concrete mix. When you make a concrete block, you put sand and aggregate – which is stone of different sizes. So it replaces that. It’s still a cement brick. It’s a concrete block. When you make a concrete product, you use cement, sand aggregates – and you might use some other modifiers – plus water, to make that concrete product – be it a block, a paver or a concrete pipe. What our product replaces is either/or the sand and the stone – but because of the nature of our product, it adheres to the cement part of that product very well which is where you get the strength increase and the weight reduction, because our product takes up more volume.”

Desire for ‘pretty privilege’ drives cosmetics industry

A ccording to a recent report from Allied Market Research, the global cosmetics industry generated $380.2bn in 2019, and is expected to reach $463.5bn by 2027 – witnessing a CAGR (compound annual growth rate) of 5.3% from 2021 to 2027. This is quite astonishing but not surprising. There is an inherent desire in most, if not all, of us to be more attractive – whether we realise it or not. The reason for this desire and the exorbitant worth of the cosmetics industry is because, as this article will show you, attractive people have certain distinct advantages in life. Referencing insightful sources – such as economist Daniel Hamermesh and Russian writer Leo Tolstoy – as well as credible academic studies, the article indicates that “pretty privilege is rooted in fundamental biology.” There is, however – as is usually the case – a flip side. This article first appeared on FirstRand Perspectives. – Nadya Swart

By Tiffany Markman

In 1889, legendary Russian writer Leo Tolstoy said, “It is amazing how complete is the delusion that beauty is goodness” ( Kreutzer Sonata). In 2013, a tweeter called @smethanie said, “I bet Ryan Gosling doesn’t even blow his candles out. He probably just wrinkles at them and they faint.” These thinkers, a century between them, are referring to ‘pretty privilege’: the association of beauty with talent, intelligence, social success, and health. Personally, I wouldn’t know; I’m a 6 out of 10 on a good day. But people have actually studied this – the field is called ‘Pulchronomics’ – and they say that, “if someone is easy on the eyes, the enjoyment we derive from looking at them colours our perceptions of their other attributes” (Jadzeweni, 2018).

This may start as early as pre-school, where cuter kids get more attention from their teachers and are expected to do well. With that attention come better grades, more confidence, and greater comfort with public display.

A great personality

You’ll have seen in your own life how overall judgements about a person often inform our perception of their specific traits. This is called the ‘halo effect’.

Reyes (2015) explains further that, when we look at pretty privilege from a macro-cosmic level, we find that it is interwoven with many aspects of our society. In our social circles, we can easily identify ‘the pretty one,’ and we can recognise the privileges that he or she may be afforded as a result.

Yes, this is a very ‘high school’ type analysis, because one need only look at high school social groups to identify how pretty privilege works. All other things being equal, the pretty people tend to get certain advantages: popularity, sexual validation, social opportunity, and social attention. That’s why everyone secretely (or not-so-secretely) hates the pretty girl. And what does she, the pretty girl, look like? Well, says Reyes (2015), she has a very mainstream and Euro-centric aesthetic, rooted largely in skin colour, a specific body shape, facial symmetry, and certain facial features.

The evolution of privilege

Reyes (2015) says that pretty privilege is rooted in fundamental biology. As sexual creatures, we’re trained to seek out attractive people because, in propagating our species, they offer something positive to the gene pool.

Anthropologist Helen Fisher (in Stroussel & Mastropolo, 2006) explains that, “Natural selection has evolved all kinds of mechanisms in order to win.” Good looks are often a sign of health and fertility; so evolution has conditioned us to prefer them in a partner. “It’s survival of the fittest. If you have four children and I have no children, you live on and I die out,” she says.
Currency strategist and director at TreasuryONE Andrea Cilliers dissected exactly what is happening in the foreign exchange markets with specific focus on the ever-volatile Rand. The Rand has benefitted from an extended commodity bull run, which seems to have run its race, with commodity prices having moved steadily lower over the prior weeks. This saw a sharp pullback in the rand against all the major currencies, however, the Rand has still managed to outperform everyone’s wildest expectations during the Covid-19 era. Andra says the Rand is in a good place and assures one that there is not too much to be concerned about. – Justin Rowe-Roberts

On how the commodity bull run affects the value of the Rand

“South Africa is a commodity-rich country and we are one of the largest producers of all that are shaping the world. When commodities do well, the export levels increase and the flow of currency increases from exports and that simply means we get more currency impacting positively on the trade balance, impacting positively on the currency.”

On whether there is a direct correlation between high commodity prices and a strong Rand

“Yes, absolutely. It’s a direct correlation and as I said, it’s because we are exporting a lot and there are more dollars coming in. Those little words called supply and demand, more supply of dollars, more sellers, less buyers have a positive influence on the currency (Rand).”

Rand/dollar aside, how has the Rand performed against the other major currencies

“For a long period, the Rand has done very well against the Euro and very well against the Pound. We saw the Rand at the R19 levels against the Pound, we saw the Euro at the R16.50 levels. In the last few weeks, we have seen that retrofitting somewhat against some of those major currencies and that was simply because those currencies actually depreciated quite a bit against the Dollar, but the Rand depreciated more, in other words the percentage of depreciation of the Rand against the Dollar was more than what the other currencies depreciated and hence we have lost some value against some of those currencies. But we are still trading at relatively strong levels and I don’t think there’s nothing to be concerned about.”

Craig Sher, head of product and development at Discovery Invest, joined Alec Hogg to unpack Discovery’s latest fund in partnership with Goldman Sachs Asset Management – the Global Megatrends Fund. The fund focuses on four main themes that are shaping the world – healthcare provision, technology, environment and sustainability, and Millennials. As Sher explains, these are the shares “that are primed for growth in the future.” – Claire Badenhorst

Craig Sher is the General Manager at Discovery Limited

Craig Sher is the General Manager at Discovery Limited

On the Megatrends component of the fund

“The fund is investing in stocks that it thinks or that the managers behind Goldman Sachs think are going to be the future. Importantly, the component that focuses on millennials and how millennials are spending their money is actually quite well focused on emerging markets. They reckon that a big part of this cohort, of these people that are going to be spending their money – that were born from 1980 onwards – are going to be spending in emerging economies. Just some examples. Some of the sharing economy – Airbnb, Uber – these are quite big companies, but they’re still 1.8% market share. But they think that in the future, these numbers will catapult to 50% market share by 2025. So investing in these types of companies are the ones that are going to be the future.”

On how you invest in this new fund at Discovery Invest

“It’s offered exclusively from Discovery Invest. You can invest in it on our local platform. So we have it in our endowment. You can even include it in part of your RA or your preserver from another company or in a living annuity, even if you want to keep it as a portion of your money. We also have the fund available on our offshore platform. If you want to externalise your money, turn it into dollars, take it offshore. You can invest in this fund on our offshore platform as well. Part of it’s a Rand-denominated fund so you can take your rand’s, you can invest in it and still get exposure to the movement of these shares in dollars. When you sell out of it, you get your rand’s back.”

On the fund being actively managed

“The portfolio is actively managed so each of the different components are done on an as-and-when basis. When they see a new opportunity, they’ll go and buy it. I don’t think it has a specific mechanism to it but it does rebalance back to the four main themes in equal proportion on an ongoing basis. We believe that the benefit of having active management here is if a specific theme or shares within a theme are not performing well, you have an engine room of hundreds of people at Goldman Sachs that can react to this. I don’t think this is a fund where you want to follow an index and just sort of see where it goes. This is something where you actually do want that active management.”

For more insight.

Listen to the full interview here
Is investing in the money market worth it?

Brought to you by Brenthurst Wealth

If you were to consider yourself a long-term investor, you would expect some sort of capital appreciation when reviewing your investments over certain periods. You would expect that the impact of rising inflation is not eating away at the purchasing power of your wealth. Historically, being invested in money market and cash type solutions would have given you peace of mind knowing that your wealth is not exposed to uncalculated risks, having no need to follow markets, and assuming that you are keeping up with and possibly even outperforming the rate of inflation at a suitable level. This could not be further from the truth at current interest rate yields and if you review the returns on your money market account, you may be unpleasantly surprised.

Cash investments have become a risk:

Recently, we have seen the consumer price index (which only measures the price of limited goods and services) hit a 14-month high of 4.4%, driven by rising fuel and transport prices. If you consider inflation in general, you will agree that inflation should be reflected as a much larger percentage, arguably more than 10%. Due to the well-familiar financial crisis because of Covid-19 and related aftereffects, the Reserve Bank lowered the interest rates to provide relief to indebted households and firms. Reducing interest rates was aimed at discouraging savings, and encouraging spending to stimulate the economy in response to the pandemic. As a result, money market investments have not yielded returns as they used to in the past. If most of your wealth is invested in money market-type instruments, you will run the risk of capital depreciation in the current low-interest rate environment. Interest rates are expected to remain low for some time to come and certainly for the next 12 to 18 months despite the rising inflation environment.

Aidan Freewick is a financial advisor

The above returns are before inflation is taken into consideration. As it stands, this will deplete your wealth in real terms and even the average pensioner needs to consider added calculated risk to grow their wealth in real terms.

Where a money market account is suitable:

1. Money market and cash type investments are generally used for short-term objectives such as paying for a deposit on a property. The nature of cash investments is that the capital is generally secure and is somewhat guaranteed when you need to access the funds.

2. Cash is also used in a structured portfolio for capital preservation purposes. However, if you are a long-term investor who is seeking capital growth and inflation-beating returns, it may be a good time to revisit the cash allocation in your portfolio or seek alternative investment solutions if all your wealth is invested into cash-type investments.

Where a money market account is suitable:

<table>
<thead>
<tr>
<th>Top 5 Money Market Funds</th>
<th>1 Month</th>
<th>1 Year</th>
<th>3 Year</th>
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<tbody>
<tr>
<td>Cadiz BCI Money Market</td>
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What’s with the explosion of retail trading?

Brought to you by Blackstone Futures

There can be no question that the number of people trading for themselves in the last 18 months has exploded! Brokers across the globe have seen record numbers of clients opening trading accounts. All hoping to exploit opportunities that the forex, CFD, and equity markets have offered up. The advent of fractional ownership of shares has also made it so much more affordable to be involved in the financial markets. What are the underlying reasons for ordinary people looking to get involved?

Covid effect

Most people lucky enough to have a job have been working from home. They have not had a boss looking over their shoulder and checking in on what they are doing 9-5. They can have a trading platform open while doing their day job and potentially take advantage of opportunities in the markets.

The pandemic has been such a shock to the system that no one is necessarily better placed to take advantage than the next person. No fund manager could have modelled such an event and so everyone has been scrambling to be involved. Those that did lose their job were suddenly looking for a new form of income or something to support them while they looked for the next opportunity. The low barrier to entry made it a very attractive option where few may have been available to them at the time. All you need is a stable Internet connection, a laptop or mobile phone and some cash to get you started.

Access to information

The average person has access to so much information these days that was once the preserve of the fund manager. Armed with this information, more people are confident enough to make a call on their financial future and not just leave it up to the boy’s club. Many of the fund managers have struggled to beat inflation, have still taken their fees and still have shiny new cars at the expense of their clients. People want more control of where their money is invested and which types of companies they see as the growth stocks of the future. They have a bigger appetite for risk and are prepared to be the future unicorns like Tesla, Netflix and Amazon.

Pity it is hard to think of a local unicorn, but EasyEquities looks to be the most likely and a huge beneficiary of the explosion of retail trading.

Gamification

A few months ago, a little-known stock called Gamestop exploded onto the scenes. The company, a physical store, was found to be the subject of a large short position in their stock. A wealthy hedge fund was hoping their shares would go to zero was caught in a short squeeze. Thousands of small investors were caught up in the fun on Reddit and proceeded to push up the price of the share. It moved from $10 to over $300 in a matter of days. The activist investor and hundreds of thousands of others were suddenly involved in playing the stock market in a very different way. They were taking on the hedge funds of Wall Street and winning.

Other shares like AMC were soon to follow and companies like Robinhood have been opening thousands of accounts every day.

Bulls**t media

What I really meant was social media. Social media has had a huge influence on people’s perception of trading. It is mostly bulls**t as those posting all over Facebook, Instagram and Twitter of their trading prowess or 95% success rate or robot that guarantees great riches, are just influencers. They could not trade themselves out of a wet paper bag but are able to market to the fear and greed of their audience.

These influencers may have no more than a camera and a photoshop suite and can transport themselves to luxury cars, private planes and even yachts. They post about being self-made traders and for a small subscription you can have access to all their secrets. Really?? No one gives away all their intellectual property for $50 a month.