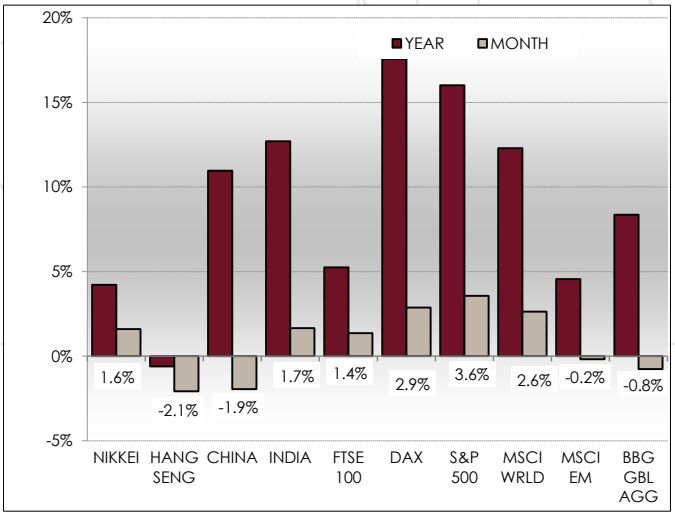
Two for the price of one

Observant readers would have noticed that there was no November edition of *Intermezzo*. I must apologize for this. Without going into the reasons for the missing edition, I have taken the liberty of combining the two editions into one, making this the final edition for 2019.

November in perspective – global markets

November brought with it an unusual amount of volatility in equity and bond markets. However, when all was said and done we saw much of the trends that have dominated the year so far reassert themselves: strong US equity markets, weak Chinese and Hong Kong markets, and mixed emerging market performances. As we have come to expect, the US China trade war was a major factor behind the volatility.

Chart 1: Global returns to 30 Nov 2019



The MSCI World index rose 2.6% during the month, in stark contrast to the MSCI Emerging market index *decline* of 0.2%. The US equity market rose 3.6% on the back of a better-than-expected corporate earnings season. The NASDAQ index rose 4.5%, bringing its year-to-date return to 30.6%. The German market posted a useful 2.9% gain, the Swiss market rose 2.7%, and the Japanese market 1.6%. The Hong Kong market though fell 2.1% as the ongoing protests started affecting all aspects of that economy. The Chinese market fell 2.0%; its 15.2% year-to-date return remains respectable, thanks to a strong start to the year.

The dollar was slightly firmer against most currencies, and commodity prices ended the month with mixed but relatively benign movements. Global bond markets endured above-average volatility but ended the month marginally lower.

The Jesuit Church, Luzern, Switzerland

Source: https://www.flickr.com/photos/bezshoots

What's on our radar screen?

Here are a few items we are keeping an eye on:

"To achieve great things, two things are needed; a plan, and not quite enough time."
- Leonard Bernstein

- *The SA economy:* All signs point to a further slowdown in the South African economy during the past few months. The drastic so-called "load shedding", whereby Eskom restricts the output of electricity to the country, is going to have a further and dramatic negative effect of the country's "growth" rate. As it is, the economy grew at an annual rate of only 0.1% in the year to September, down from 0.9% in the year to end-June. There are currently few indicators pointing to any meaningful turnaround in the economy. Eskom's increasing woes could scarcely come at a worse time, being just ahead of the peak holiday and retail season. We maintain our negative view on the prospects for the economy and country, and marvel at a political leadership so adept at scoring so many own goals, despite having been in power for 25 years with no effective opposition over that period.

The Mosque of Cordoba, Andalucía

Instagram handle: @angelartlife

- *The US economy*: Economic growth in the US slowed during the third quarter, but remained at reasonable levels, supported by a healthy consumer. Annual economic growth slowed from 2.3% during the June quarter (Q2) to 2.1% during the September quarter (Q3). At its November meeting, the US central bank, otherwise known as the US Federal Reserve (the Fed), lowered the official interest rate by 0.25% to a range of 1.50% to 1.75%. The Fed went on to express the view that US monetary policy was "in a good place" and there was little appetite to lower interest rates further. As if to reinforce this message, the Fed left rates unchanged at its December meeting, with the overall tone of the Fed's comments on the US economy providing a reassuring undertone to equity and bond markets. Core US inflation, currently at 2.3%, remains relatively benign. The labour market remains very strong – the average number of jobs created during the last three months is 205 000 per month - with the unemployment rate declining to 3.5% in November, its lowest level since 1969. Wages are rising at an annual rate of 3.1%.
- *Developed economies*: There are tentative signs that the Eurozone's economic slowdown has been arrested. The signs are tentative at best and we are still watching economic indicators there very closely, especially in Germany, which seems most at risk of a recession, although it narrowly avoided it during Q3. The Eurozone grew at an annual rate of 1.2% during Q3 and at a rate of 0.2% quarter-on-quarter (q-o-q). The German economy grew 0.1% q-o-q during Q3, having shrunk 0.2% during Q2. Government spending and construction were the key drivers of economic activity.

By way of example of how weak the economy is at present, German industrial production for October *declined* at an annual rate of 5.3%, versus the 3.6% decline expected, the biggest contraction since November 2009. Capital good production declined 8.4%. The Swiss economy grew 0.4% q-o-q during Q3, which was better than expected, driven by exports of chemicals and pharmaceuticals.

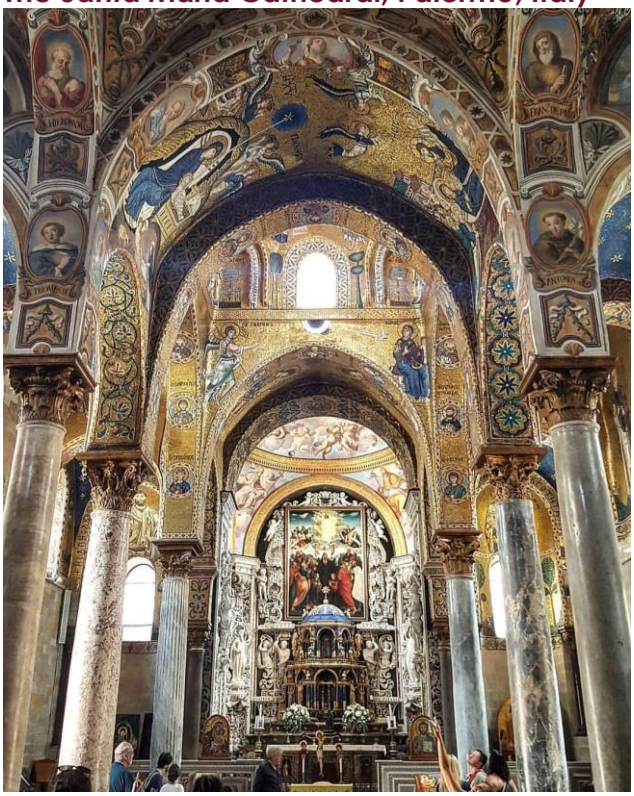
The Unitarian Church, Charleston, USA

Instagram handle: @architectural_pursuits

- *Emerging economies*: Turkey's central bank cut interest rates by 2.5% to 14% in October, and then by a further 2.0% in December, both cuts being significantly more than expected. The bank has now reduced interest rates by 12.0% since June. Inflation in Turkey declined to 8.6% in October, from September's 9.3%, its lowest rate since 2017. Core inflation i.e. inflation excluding volatile food and energy prices, is 6.7%. The Bank of Indonesia cut its official interest rates by 0.25% to 5.0%, the fourth consecutive rate cut, and indicated it would retain its accommodative stance in an effort to maintain the prevailing economic momentum. The Indonesian economy is growing at an annual rate of 5.0% while its core inflation rate remains stable, just above 3.0%. The Bank of Russia also lowered its interest rate in October, by 0.5%, the largest rate cut since 2017 and the fourth reduction in a row. The Bank justified its action on the basis of a benign inflation outlook – it forecast the year-end inflation within a range of 3.2% - 3.7%. Governor Elvira Nabiullina stated that more needs to be done to fight against a period of sustained low inflation. The Bank of Russia cut rates again in December, by 0.25% this time, bringing to 1.5% the total cuts during 2019. It forecast Russian 2019 economic growth at between 0.9% and 1.3%. In line with the rate-cutting mood in other countries, the Chilean Central Bank lowered its interest rate by 0.25% to 1.75%, in an effort to stimulate an economy struggling with slow growth and low inflation. A number of other measures were introduced in response to the rising social unrest which continues to weigh heavily on the country's growth rate and prospects. The Chinese economy grew at an annual rate of 6.0% during Q3, from 6.3% in the preceding quarter. Retail sales growth slowed from 8.6% to 7.6%, while Fixed Asset Investment growth slowed from 5.5% to 4.8% on the back of a slowdown in property investment and manufacturing. The November Purchasing Managers' Index (PMI) rose to 50.2 from October's 49.3,

notably above the 50 growth/ contraction level, and the first time it has risen above 50 since April. The non-manufacturing i.e. services PMI rose from 52.8 to 54.4. Chinese inflation remains a concern, although a driver of higher inflation in recent months – the annual headline inflation rate in November was 4.5% - was the surge in pork prices due to the African swine flu epidemic. Pork prices have more than doubled during the past year, pushing food prices up by 19.1%. Core inflation declined from 1.5% to 1.4% in November, the lowest reading since February 2016.

The Santa Maria Cathedral, Palermo, Italy



Instagram handle: @hugokro

The Hong Kong economy slipped into recession during Q3 as it *declined* 3.2% from the previous quarter amid the ongoing protests and the headwinds of the US-China trade war. The annual growth rate fell to -2.9% from 0.5% during Q2. The number of tourists visiting Hong Kong plunged 34.2% year-on-year in September as the protests escalated. The Hong Kong Tourism Board revealed that 3.1m people visited the city in September, of which 78.0 % were from mainland China. The number of short-haul non-mainland China travellers, including those from Taiwan, South Korea, Japan, Malaysia and Singapore, recorded the deepest decline, falling 35.5% to 405 000. Mainland China visitors declined 35.0%. During the first nine-months of 2019, Hong Kong tourist arrivals grew 0.2% to 46.8m from the same period last year. The Brazilian central bank lowered its interest rate by 0.5% to a new all-time low of 4.5%. This follows a 0.5% rate cut in October. The Brazilian economy grew at an annual rate of 1.2% during Q3, and 0.6% q-o-q, and indications are that their economic momentum is now gaining traction. The better-than-expected growth was driven by private consumption expenditure (0.8% q-o-q) and fixed investment (2.0% q-o-q). The Brazilian economy is expected to grow more than 2.0% next year. The Mexican central bank cut its rate too, by 0.25% to 7.5%, this being the third consecutive rate cut. The central bank expects the Mexican economy to grow by only 0.2% to 0.7% during 2019, and by 1.5% to 2.5% in 2020. Meantime in India, economic growth slowed to an annual rate of 4.5% during Q3, the sixth consecutive quarter in which it slowed and the lowest rate since 2012. November consumer inflation rose from 4.6% to 5.5%, well above the Reserve Bank of India's target range.

St Peter's Basilica, the Vatican City

Instagram handle: @architectural_pursuits

Quotes to chew on

Hawk, dove, owl, vulture, ostrich?

Newly appointed *Governor of the European Central Bank, Christine Lagarde*, was asked at her first press conference, whether she was a hawk, meaning someone who adopts an aggressive stance with respect to monetary policy i.e. is in favour of *increasing* interest rates, or a dove, being someone in favour of a more relaxed stance on monetary policy. She replied "I am neither a dove nor a hawk. My ambition is to be this owl that's often associated with a little bit of wisdom."

Alibaba Single's Day

Single's Day, the spending spree initiated by Alibaba founder Jack Ma in 2009 as a shopping holiday for single people – an anti-Valentine's Day, as it were – has come and gone. We have tracked Singles Day, 11 November each year, in *Intermezzo* for a long time already, not least because of its spectacular proportions and the records its continues to set, but also because Alibaba is one of the largest holdings in our global equity portfolios, as well as our global balanced Fund, Central Park.

The sheer scale of the operations behind Single's Day continues to bear testimony to the scalability of China as a single market and the growing technological abilities of Alibaba and its ecosystem. Some metrics are worth highlighting:

- Total Gross Merchandise Value (GMV) i.e. the total value of goods sold through Alibaba's internet presence on the day was RMB268.4bn ($38.4bn), an increase of 26% over 2018's GMV. The first Single's Day in 2009 amassed a total GMV of $7.4m
- From the stroke of midnight i.e. the start of Single's Day, it took only 96 seconds to reach a total GMV of RMB10bn and 1 hour 3 minutes to reach RMB100bn
- According to Alibaba, 5bn mobile users (mobile devices) participated in Single's Day this year, an increase of 1bn over 2018. Remembering that there are fewer than 8bn people of our planet, this statistic is simply mind-boggling!!
- Over 200 000 brands took part, compared to just 27 in 2009
- 1m new products were launched on Single's Day by participating merchants
- Alibaba's freight subsidiary, Cainiao Network, processed 1.3bn delivery orders
- China's National Post Bureau forecasts some 2.8bn parcels will be shipped between November 11 and 18. While robots will do much of the heavy lifting, an average human warehouse worker will cover 42km per day i.e. the equivalent of a marathon every day. According to the 2018 Courier

Service Punctuality Test about 80% of Chinese parcels are delivered within 72 hours

- The fear of automation causing job losses has not been realized in the Singles' Day scenario; each year China's courier service providers hire an estimated 400 000 temporary workers to meet the demands of Singles' Day
- Sales on 299 brands surpassed the RMB100m ($14.3m) mark on the day, while 15 of those brands surpassed RMB1bn ($143m) on the day
- At its busiest period on Single's Day Alibaba processed 544 000 transactions per second, 1 360 times faster than the peak in 2009. As though that weren't enough, Alibaba reported zero downtime throughout the festival
- Alibaba's processors translated more than 21 languages in real time, supporting more than 200 countries and regions. In excess of 200bn words were translated on the day
- Their artificial intelligence (AI) resources generated 9.0bn personalized recommendations. Over 1m orders were placed and processed through voice command
- Alibaba Cloud processed 970 petabytes on November 11, equal to about 12 901 years of nonstop HD video recording. In addition, the liquid-cooling technology Alibaba employs in data centres saved 200 000 kilowatt hours of energy – enough to power 18 U.S. households for a year
- You can watch a short video on Single's Day, also referred by many as "Double 11", by clicking here.

The Grand Cathedral, Florence, Italy

Instagram handle: @davidmaponi

Charts of the month

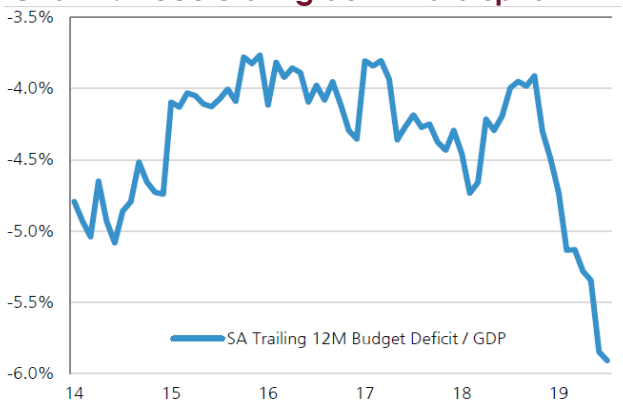
How bad is bad?

During October the SA Minister of Finance, Tito Mboweni, delivered the annual Medium-Term Budget Policy Statement (MTBPS), the objective of which is to communicate government's medium-term budget plans. Given the urgent matters on all South Africans' minds, and failure of just about everything government is involved in, the emphasis this year was far more short-term in nature, specifically on the slowing economy and the failure of virtually all State-owned Enterprises (SoEs), and Eskom in particular. For years government has thrown good money after bad, and supported over-staffed and inefficient SoEs like South African Airways (SAA) and the state electricity utility, Eskom, without anything to show for it other than greater and deeper black holes in their respective balance sheets.

The news shared by Mboweni was not good; it made for depressing reading. In short, revenues are below estimate, expenses have not declined by any noticeable extent (government expects to reduce expenses by only R50bn), and more money has been committed to the collapsing SoEs. The best manner to show the current and forecast situation is by means of charts.

Chart 2 shows that not only is SA's debt position worsening, but it is doing so at an increasing rate. It shows the country's budget deficit as a percentage of its total economic output (Gross Domestic product or GDP). One can safely predict the country is now in a debt trap, where, short of an economic miracle (which we do not expect) the country's debt will eventually overwhelm its income and financial well-being.

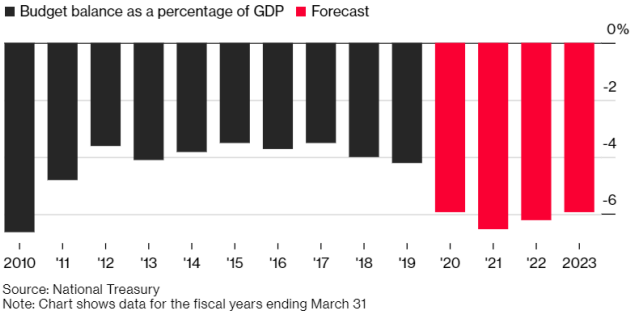
Chart 2: Accelerating downward spiral



Source: UBS

Looking forward, the deficit, which of course has to be financed somehow, will increase to record levels of 6.5% in 2021, 2.2% higher than what was forecast only 6 months ago (one almost gets the feeling no one in government is even looking at its finances)! This is evident from Chart 3, which shows the same as Chart 2 but over a longer-term period.

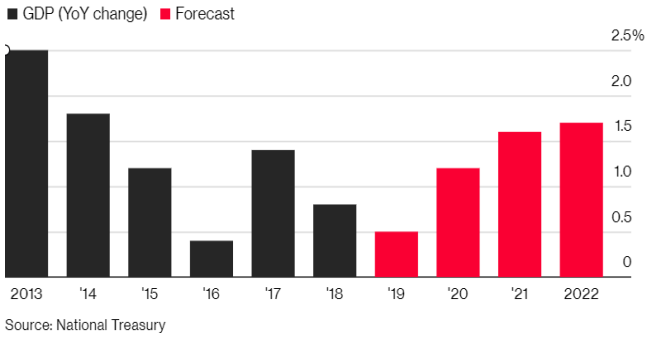
Chart 3: Ballooning deficit…



Source: Bloomberg

What makes this situation so dire is that there is no real chance of a pick-up in SA's growth rate, despite it being so low at present. The country is on course for its 9th consecutive year of sub-2% growth, as shown in Chart 4, below.

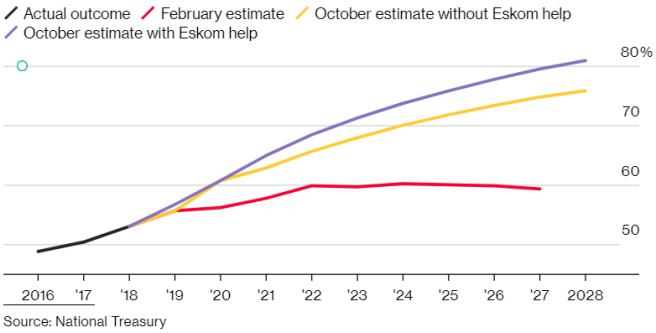
Chart 4: …While growth slumps



Source: Bloomberg

Chart 5 expresses SA's debt to GDP ratio, compared across various scenarios. In the face of pre-announced commitments to Eskom, SA's debt to GDP ratio is likely to blowout during the next ten years. This is unsustainable in the face of the current slowing economic growth rate and declining revenue. Bear in mind, too, that these forecasts are those of the National Treasury, which is consistently over-optimistic in its forecasting. So the reality will likely turn out a lot worse than shown in the charts.

Chart 5: Debt blowout: Up, up and away …

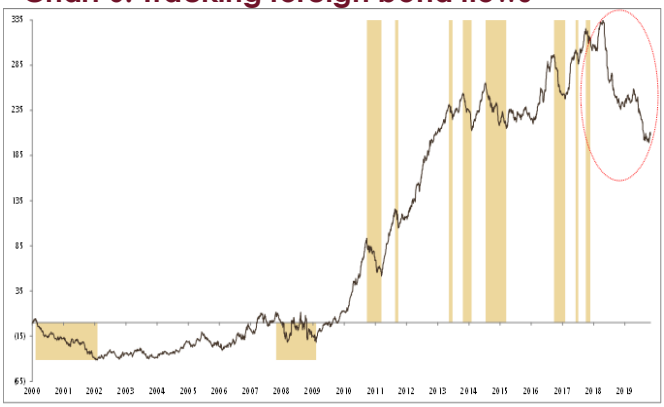


Source: Bloomberg

To place Chart 5 into perspective, note the words of Mboweni at the time of delivering the bad news: "Once the debt level breaches the 60% level, we should be concerned. Ideally, your debt to GDP should be around 30% or lower." The "most desirable sweet spot" of about 64% would require R250bn of spending cuts by 2022, he said.

Finally, investors vote with their feet – remember actions speak louder than words, even in the investment world. If we track foreign investor bond flows during the past few years (Chart 6), it is clear that during the past two years foreigners have been voting with their feet and leaving in droves. One should note here that the exodus should increase in the event that the country gets downgraded to junk status, which is almost certain to occur next year.

Chart 6: Tracking foreign bond flows



Source: UBS

The Jesuit church, Luzern, Switzerland

Source: FineArtAmerica.com

Obituary: Paul Volker (1927 – 2019)

Paul Volcker, the Federal Reserve Board (Fed) chairman who vanquished the scourge of inflation that ravaged America's prestige and power in the 1970s and early 1980s, has died at the age of 92.

Source: FT.com

While the following obituary might be a bit long, I thought it worthwhile including, because inflation and monetary policy are so topical these days – indeed have been ever since the 2007/9 Great Financial Crisis – that Volcker's life and role in their formulation could well double for a history lesson on how we arrived at the current environment. His contribution spanned so many years that many readers may well be unaware of his enormous contribution to economic history. So for the sake of all concerned, here is a tribute to a giant of a man, in more ways than one, and

the role he played in developing modern monetary policy and the current approach to it. What follows is a precis of the Financial Times's obituary and tribute to Volcker.

Paul Volcker was a dedicated public servant and a towering figure in every sense – he stood 2.01m tall – and served under presidents from John F Kennedy to Barack Obama. Throughout a career spanning more than six decades, his reputation for probity and dogged policymaking remained intact in the face of political storms. Volcker came to epitomise the power of the independent central banker well before the phenomenon became fashionable under his successor Alan Greenspan. But he never lost his humility, regularly smoking cheap cheroots and travelling coach class on the shuttle from New York to Washington. It was his steely resolve in the battle against inflation, in the most testing of political circumstances, which made him one of the most successful central bank governors in history, earning his place the hard way in the pantheon of American statesmen.

Jay Powell, the current Fed chairman, said in a statement that he was deeply saddened by Volcker's death: "He believed there was no higher calling than public service. His life exemplified the highest ideals – integrity, courage, and a commitment to do what was best for all Americans. His contributions to the nation left a lasting legacy."

Volcker rose to the challenge soon after his nomination to be Fed chairman by Jimmy Carter in 1979. His task was daunting: how to arrest the Great Inflation pushing price growth towards double-digit levels and pressuring the dollar on foreign exchange markets. His arrival on the Fed's board in August 1979 came as the US faced an economic crisis at home but also a crisis of leadership abroad after being humiliated by revolutionary Iran's seizure of the US embassy in Tehran and the spectacle of 52 Americans held hostage for 444 days. It was Volcker's singular achievement that, ignoring the political election cycle, he persuaded the Fed's governors to adopt a pragmatic new anti-inflationary monetary strategy, within weeks of taking office. He continued the fight under President Ronald Reagan, laying the foundations for a dramatic recovery in the US economy in the 1980s. Though his independence probably cost him a third term in 1987, the US has not suffered an inflationary upsurge since.

Aachen Cathedral, Germany

Instagram handle: @nick.77

Volcker was born in Cape May, New Jersey, on 5 September, 1927, into a family descended from German immigrants. A shy boy, he learnt a

devotion to public service and discipline from an early age. After graduating with top honours at Princeton University, he continued his studies first at Harvard and then at the London School of Economics. He joined the New York Fed in 1952 as a junior economist, having earlier worked there as a research assistant. Volcker showed an early flair for policy analysis which equipped him to deal with the pressures that were beginning to build up within the international currency system, with its fixed exchange rates. As new realities asserted themselves in the 1970s, with mounting dollar outflows, Volcker was among those who came round to the idea of ending the dollar's link with gold, and moving towards flexible exchange rates. As Treasury under-secretary for monetary affairs, he attended the top secret meeting at Camp David in August 1971 at which President Richard Nixon approved the dollar devaluation that effectively ended the post-war monetary arrangements.

The Church of New Jesus, Naples, Italy

Instagram handle: @the_dream_of_venus

However, this dramatic move did not end the turbulence. World markets entered a period of even greater upheaval, nurturing Volcker's view that monetary policy, to be effective, must be forcible and timely, and not merely a response to market events. In 1979, President Carter's economic policy was in disarray. The dollar was weakening again and inflation surging in the wake of successive oil price shocks. In an inspired appointment, Mr Carter asked Volcker to take over from G William Miller as chairman of the Federal Reserve Board in Washington. It was an appointment that came at acute personal cost to Volcker: his wife Barbara chose to stay with his son in New York where she was being treated for rheumatoid arthritis and diabetes. Within a little over a month of his elevation in August 1979, Volcker raised interest rates twice, and a month later he produced his "Saturday night special", a swingeing package of measures to bring credit and money growth back under control.

The package was accompanied by an announcement that the Fed would switch its monetary targeting from interest rates to money supply growth. Although Volcker was not a hard-line monetarist, he believed that this switch would drive home the message that the Fed would not allow the dollar to be cheapened by excessive supply. However, the implication of the change was that interest rates would have to rise to whatever level was necessary to keep money growth in check, and they did, with the prime lending rate ultimately reaching a record 21.5% in December 1980. The measures sparked protests and they were slow to achieve their aims. It was more than two years before inflation subsided; by then unemployment was at record post-war levels, and the Fed chairman had become a feared figure through much of America.

As the economy began to recover, Volcker was presented with fresh problems from the stimulative economic policies introduced by the "supply siders" in the Reagan administration

which had come to power in 1981. Tax cuts alongside undeliverable spending reductions had produced a dramatic widening of the federal budget deficit. With the economy strengthening, the effect was to drive the dollar up, as foreign capital flowed in to finance the deficits. In 1985, G5 finance ministers concluded the Plaza accord to bring the currency down again, only to reassemble along with Canada at the Louvre two years later to stop it plunging too far.

But this was not the only reason Volcker was unhappy under Reagan. Although he had accepted Reagan's offer of a second four-year term, he lacked a personal rapport with the administration's members. He also found his own board increasingly packed with Reagan appointees, who resisted his attempts to maintain monetary discipline and adhere to the Plaza commitment to international co-ordination.

Mosque of Cordoba, Andalucía

Instagram handle: @angelartlife

His darkest hour came in February 1986, when he was outvoted on a cut in the discount rate. The event nearly prompted his resignation, but he managed to forestall the move for a few weeks while he consulted with his overseas partners. After leaving the Fed in 1987, Volcker extended work in public service, serving on a committee inquiring into alleged corruption in the UN's Oil-for-Food programme in Iraq, as well as chairing a commission to settle claims against Swiss banks by Holocaust victims. Barack Obama appointed him to lead an advisory board examining ways of improving the economy in the teeth of the worst downturn since the Depression.

Among the outcomes of this work was so-called Volcker rule, which attempted to restrict banks' ability to engage in risky proprietary trading. The rule epitomised Volcker's suspicion of financial innovation – a view that had been vindicated by the crisis. The Fed has recently sought to simplify the rule as it attempts to ease some of the burdens of post-crisis regulation. There is no doubt that Volcker, by instinct, was much more critical than his successor Alan Greenspan of the role played by unfettered free markets – and, in particular, bankers – in the nation's economic life. He was also more sympathetic to the importance of vigorous regulation and supervision of the financial sector.

By demonstrating that a central bank could bring inflation under control in the US, his success laid the foundations for governments around the world to give greater independence to their central banks to pursue anti-inflation focused monetary policies. The low-inflation era, which continues to this day can be traced back, at least in part, to the rigorous example set by the Volcker Fed.

The St Francois-Xavier Cathedral, Paris

Instagram handle: @cbuiron

Volcker was also a committed internationalist, and a believer in the positive global role the US could play. He wrote in 1992 that the days of a so-called Pax Americana were past. But he added: "My sense is that other nations – old allies and new democracies alike, the now-rich and the still-struggling – will still welcome a constructive lead from the United States."

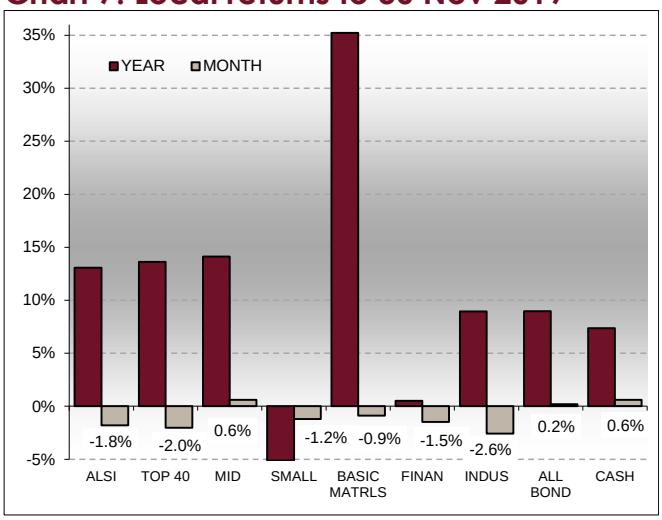
While he could come across as gruff, with a low, growly voice, Volcker was a warm man with a dry sense of humour who inspired steadfast loyalty among subordinates. He was unexcited by money, preferring fly-fishing and crossword puzzles. "He was a genuine statesman – a man of personal courage and rectitude," said American economist Ted Truman, who served under Mr Volcker in the 1980s as the Fed's director of the division of international finance. "He had strong principles – low inflation, fiscal discipline, sound banking, and respect for public service."

Thomas Ross, president of the Volcker Alliance, said: "Paul A. Volcker was a giant among American public servants. He was a man of great courage and integrity who committed most of his working life to the public good." His first wife Barbara, with whom he had two children, died in 1998. In 2010 Volcker married Anke Dening, his long-time executive secretary and adviser.

November in perspective – local markets

Within the South African markets, the rand posted a relatively strong gain, rising 2.8% against the dollar. This didn't provide much support to the equity market though, which seemed to be under constant, relentless selling pressure for most of the month. The All Bond index rose 0.2%, in keeping with the firm rand, but the All Share index declined 1.8%, trimming its year-to-date gain to 8.5%; compare that, for example, to the US and German equity market returns of 27.3% and 25.4% respectively. Despite thse firm rand the Financial index declined 1.5%, the Basic Materials index fell 0.9%, and the Industrial index fell 2.6%.

Chart 7: Local returns to 30 Nov 2019



"To achieve great things, two things are needed; a plan, and not quite enough time."
- Leonard Bernstein

For the record

Table 1 lists the latest returns of the mutual and retirement funds under Maestro's care. Returns include income and are presented *after* fees have been charged. Fund Summaries for each respective fund listed in the table, as well as all the historic returns, are available on our website.

Table 1: The returns of funds in Maestro's care

	Period ended	Month	Year to date	Year
Maestro Equity Prescient Fund	**Nov**	**-1.7%**	**4.0%**	**4.7%**
JSE All Share Index	*Nov*	*-1.8%*	*8.5%*	*13.1%*
Morningstar sector ave	*Nov*	*-2.0%*	*5.6%*	*9.5%*
Maestro Growth Fund	**Nov**	**-0.7%**	**10.8%**	**9.1%**
Fund Benchmark	*Nov*	*-1.1%*	*9.3%*	*12.3%*
Morningstar sector ave	*Nov*	*-0.6%*	*8.3%*	*8.9%*
Maestro Balanced Fund	**Nov**	**-0.6%**	**8.0%**	**4.9%**
Fund Benchmark	*Nov*	*-0.9%*	*9.2%*	*11.7%*
Morningstar sector ave	*Nov*	*-0.5%*	*8.6%*	*9.0%*
Maestro Cautious Fund	**Nov**	**0.5%**	**5.3%**	**6.4%**
Fund Benchmark	*Nov*	*-0.2%*	*7.8%*	*9.7%*
Morningstar sector ave	*Nov*	*-0.2%*	*7.8%*	*8.3%*
Central Park Global Balanced Fund ($)	**Nov**	**2.4%**	**22.5%**	**12.8%**
*Benchmark**	*Nov*	*1.3%*	*15.5%*	*11.1%*
*Sector average **	*Nov*	*1.2%*	*12.6%*	*8.8%*
Maestro Global Balanced Fund	**Nov**	**-0.3%**	**27.6%**	**21.2%**
Benchmark	*Nov*	*-1.5%*	*17.7%*	*17.4%*
*Sector average ***	*Nov*	*-1.2%*	*17.5%*	*16.3%*

* 60% MSCI World Index and 40% Bloomberg Global Aggregate Bond Index
** Morningstar USD Moderate Allocation ($)
*** Morningstar Global Multi Asset Flexible Category

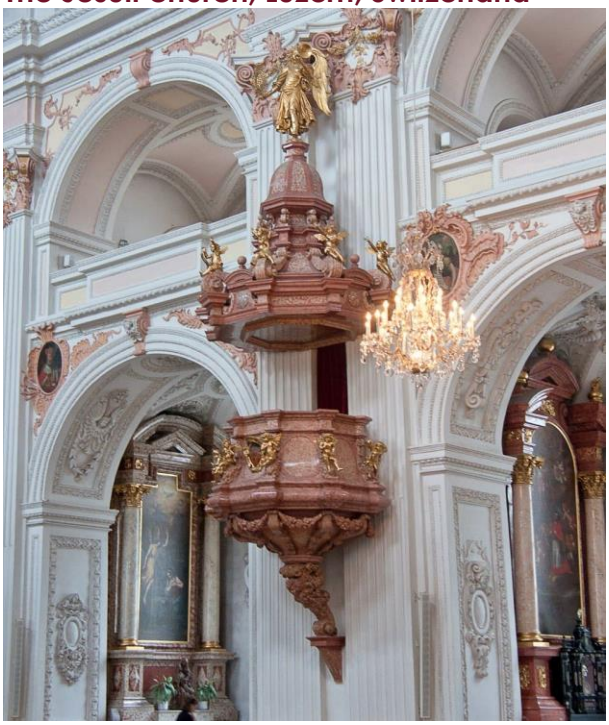
So what's with the pics?

I had the privilege recently of travelling through Europe, and was struck by the beauty of so many of the churches and places of worship. Each one is unique, representative of a community, a place of comfort and solitude if necessary. So I thought it apt to share some of the pictures I have come across recently on Instagram. I hope you enjoy them as much as I did.

St Isaac's Cathedral, St Petersburg, Russia

Instagram handle: @welcometochurches

The Jesuit church, Luzern, Switzerland



Source: wynnanne.blogspot.com

"To achieve great things, two things are needed; a plan, and not quite enough time."
- Leonard Bernstein

The Imperial Palace, Residenz, Munich

Instagram handle: @maik.wtf

The Imperial Palace, Residenz, Munich

Instagram handle: @maik.wtf

The Imperial Palace, Residenz, Munich

Instagram handle: @maik.wtf