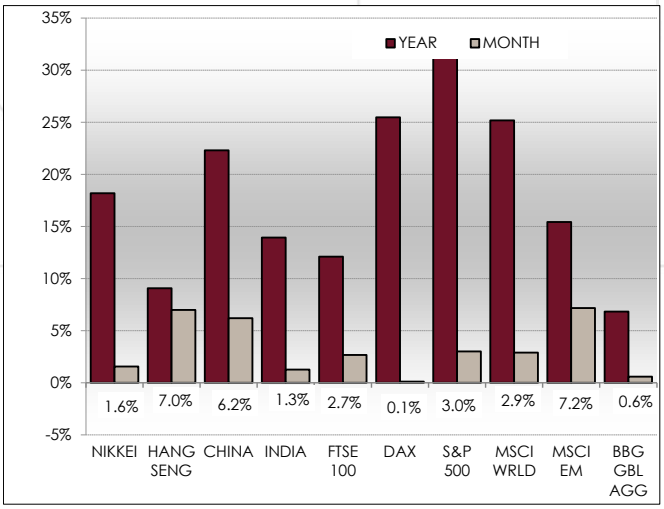
INTERMEZZO
INVESTMENT LETTER
February 2020

Orchestrating Your Wealth
MAESTRO
Masters of Investment

January in perspective – global markets

If you have been anywhere near a TV or news bulletin, you don't need me to tell you what has been dominating global news headlines of late. I find it fascinating, without detracting from the seriousness of the problem at hand, how, despite man's best efforts to manage investments, economies, social problems, policies, etc, something as small as a molecule can sow such havoc amongst the best-made plans of men and women; can render sovereign squabbles null and void in the face of a global pandemic (what happened to the US China trade war that so influenced investment sentiment last year?); wreak economic havoc; and so instantaneously set aside nationalistic arguments and agendas in the interests of tackling what is one of the bigger challenges to the survival of mankind. And how many of us had even heard of a coronavirus before a few weeks ago?

Chart 1: Global returns to 31 Jan 2020



With that by way of background, it is not surprising that January proved to be an extraordinary month in global investment markets. Hot on the heels of a very profitable 2019, investors and managers alike were still patting themselves on the back when the first reports of the virus emerged around 20 January. Markets got off to a cracking start – the S&P500 rose 3.0% in the first 11 trading days of the year – but all the gains were wiped away as the uncertainty of the viral outbreak in Wuhan began to emerge. At the time of writing volatility remains the order of the day, although it does look like equity markets are intent on heading higher and further into record territory, fueled in part by the lack of value in cash or bonds, and a robust earnings season so far. For now though, we list below the events during January.

The Pantheon roof, Rome, Italy

Instagram handle: @cbuiron

The MSCI World index, a proxy for developed economies' equity markets, declined 0.7% in January (after having been up 2.5% to 22 January) while the MSCI Emerging Market index declined 4.7% (it had been up 3.2%) as investors dramatically reduced their exposure to riskier assets. For the same reason, the global bond market rose 1.3%, despite the very low level of interest rates, while the dollar (DXY index) rose

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

1.0%. The Swiss franc firmed 0.4% against the dollar. Given its proximity to the epicenter of the virus outbreak, and the recent social unrest in the city, it is unsurprising that the Hong Kong equity market fell 6.7%. The German market fell 2.0%, the UK market 3.4% and Japan 1.9%, while emerging markets saw India fall 3.8%, China 2.4% (although that market was closed from 23 January and has subsequently declined further upon the resumption of trading), Brazil 1.6% and South Africa 8.4% in dollar terms. Not all markets declined on the month; the tech-heavy NASDAQ index, for example, rose 2.0% in January.

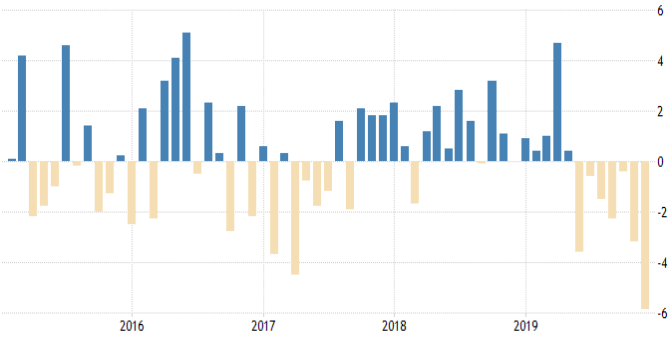
The majority of commodity prices also posted substantial declines, as investors sought to make sense of the uncertainty created by the coronavirus outbreak. The oil price declined 14.5%, copper fell 9.8%, and iron ore 10.2%. The Baltic Dry index, which measures shipping rates to transport dry commodities like coal and iron ore, fell an astonishing 55.3% while palladium on the other hand, which was very strong all of last year when it rose 51.7%, rose a further 19.6% during January.

What's on our radar screen?

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

- *The SA economy:* The annual rate of headline inflation rose from 4.0% to 4.5% in January. Core inflation i.e. excluding food and energy prices, declined from 3.8% to 3.7%. The unemployment rate remained at 29.1% during the December quarter (Q4). Manufacturing production slumped 2.8% in December, bringing the annual decline to 5.9%. Chart 2 depicts the annual percentage change in manufacturing production in recent years, from which it is clear just how far production has declined, particularly during the second half of 2019.

Chart 2: SA manufacturing production
Year-on-year percentage change

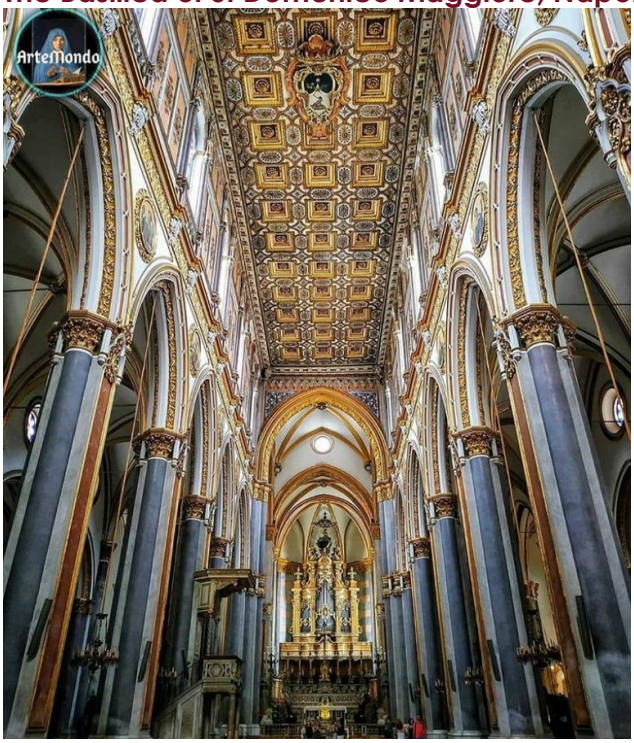


Source: Trading economics

- *The US economy*: January's ISM manufacturing (Purchasing Managers) index rose to a 6-month high of 50.9, while the new orders sub-component rose to 52.0, its highest level since May last year. Remember that any level above 50 denotes growth, and below it contraction. The ISM non-manufacturing (services) index rose to 55.5 in January, its highest level since August. The US labour market remains robust, adding 225 000 new jobs in January. The unemployment rate remained unchanged at 3.6% although the labour force participation rate increased by 0.2% to 63.4%, the highest since 2013. The tightness in the labour market continues to drive wages higher; the average hourly earnings increased 0.2% in January, representing an annual increase of 3.1%. The annual rate of US headline inflation rose to 2.5% from 2.3% in December, its highest level since October 2018, while core inflation remained at 2.3%.
- *Developed economies*: during January further evidence emerged of the economic slowdown across the eurozone. There, the manufacturing Purchasing Managers Index (PMI) was revised up a tenth to 47.9 although it has now been in

contractionary territory for 12 consecutive month. The French and German readings came in at 51.1 and 45.3 respectively – any index level below 50 indicates contraction; above 50 is indicative of growth. Further evidence of the slowdown was seen in the 3.5% contraction in German industrial output in December (it rose 1.2% in November), the largest decline since 2009 when that economy was in recession. Industrial orders declined 2.5% from the month before. French industrial production fell 2.8%. The Eurozone services PMI rose marginally from 52.2 to 52.5.

The Basilica of St Domenico Maggiore, Napoli



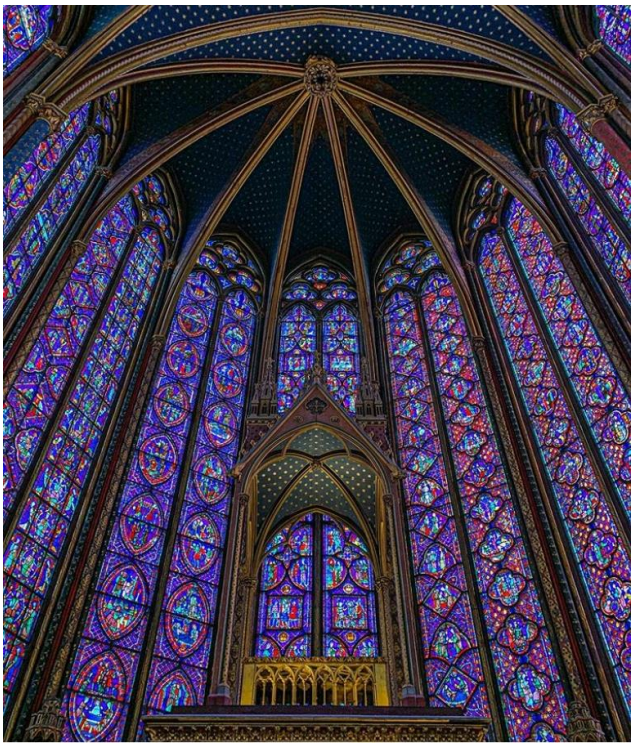
Instagram handle: @blackwolf_88_

The Japanese economy shrank at an annualized rate of 6.3% during Q4, much worse than expected. The sharp decline followed an increase in sales tax during the quarter. Private consumption fell 11.0% while businesses reduced investment by 14.0%. The last time such awful data was seen, was in 2014 which marked the previous increase in sales tax and the advent of a terrible typhoon. As if to add insult to injury, Japan's flash manufacturing PMI came in at 47.6 versus 48.8 in January, the sharpest contraction in more than seven years. The services PMI fell back into contractionary territory, to 46.7 from 51.0 in January, resulting in a composite PMI reading in February of 47.0 versus 51.0 in January. Add to these data the effect of the coronavirus, and it is almost certain that Japan, the world's third largest economy, has slipped into a recession. In Australia the February services PMI fell to 48.4 from 50.6, which represented the lower reading since the index began. The manufacturing PMI, however, remained stable at 49.8, bringing the February composite PMI to 48.3 (and into contractionary mode), from 50.2 in January.

- *Emerging economies*: The Bank of Thailand (BoT) lowered its policy rate by 0.25% to an all-time low of 1.0%. The BoT also expressed concern regarding the impact on that economy of the Covid-19 virus. The size of Thailand's tourism sector has grown from 7.7% of GDP in 2002 to 13.7% in 2019. Meanwhile, the share of tourists from China has almost quadrupled from 7.1% in 2002 to 27.6% currently. Tourism thus contributes around 20% of that economy. In addition, Thailand is battling a severe drought, which will weigh on the agricultural and industrial sectors, and on rural consumer demand. The BoT therefore expects the economy to undershoot their 2020 growth forecast of 2.8%. The economy decelerated to an annualized rate of 1.6% in Q4 last year – its slowest rate in five years – from 2.6% in Q3.

Economic growth for 2019 was 2.4%. Last month, the BoT relaxed lending rules for homebuyers and sped up tax rebates for small and medium-sized enterprises, in a policy measure aimed at supporting businesses and households by boosting liquidity and facilitating debt restructuring.

Sainte-Chapelle, Paris, France



Instagram handle: @architectural_pursuits

The Central Bank of Philippines (BSP) cut rates by 0.25% to 3.75%, and continued to signal its intention to reduce rates by 0.5% during the course of 2020, in part as a pre-emptive measure against the risks to growth from the coronavirus. The BSP maintained its guidance for economic growth in 2020 of 6.5% (growth reached a 7-quarter high during Q4 2019 of 6.4%) but revised its inflation forecast from 2.9% to 3.0%. The Bank of Indonesia cut its policy rate by 0.25%, also as a pre-emptive measure to counter-act the negative effects of the coronavirus on its economy.

St Jerome of the Croats church, Rome, Italy

Instagram handle: @the_dream_of_venus

Joining the growing throng of central banks cutting rates, the Brazilian central bank reduced its rate by 0.25% to 4.25%. The Bank's monetary policy committee argued that global conditions remain uncertain, but they would bring to an end their monetary policy easing – the latest rate cut was the fifth consecutive rate cut, which saw the official (Selic) policy rate decline from 6.5% to 4.25%. The Bank has set its 2020 inflation target at 4.0%. The central bank of Mexico reduced their rates by 0.25% to 7.0%, the lowest level since 2017. Economic growth there is forecast to remain around 1.0% in 2020. Finally, at its second meeting of the year Turkey's central bank continued its easing trajectory, cutting its rate by 0.5% to 10.75%. This rate cut means it has reduced interest rates by 13.25% since June 2019. January's annual inflation reading came in at 12.15%, putting *real* interest

rates at -1.4%. Turkish President Erdogan is pushing for the economy to grow at 5.0% during 2020, and is relying largely on credit-led growth, making the level of interest rates more important than usual.

The Peter and Paul Fortress, St Petersburg, Russia

Instagram handle: @maik.wtf

Obituary: Joseph Shabalala (1941 – 2020)

Many years ago I had the privilege of studying African music, and was astonished when I came across Ladysmith Black Mambazo and more specifically their origin and achievements. Prior to that, like so many white South Africans, I had been shielded from this extraordinary vocal ensemble and more generally the vast quantity of local, primarily jazz, music that exists in the global music domain. I dare to say that most white South Africans remain unaware of the extraordinary depth and wealth this country has in its music heritage that emanated from its black communities, especially during the "apartheid years". The genre is so significant in musical terms that it carries its own title – township jazz – and is widely recognized across the world as a distinct genre. I encourage all readers to take time to listen to some of this very special music, which is freely available. If you don't know where to start, you are more than welcome to contact me. If you have never heard or experienced any of this music, you are most certainly the poorer for it.

While not strictly-speaking regarded as township jazz, there is one group that looms large in our musical heritage: Ladysmith Black Mambazo, founded by a remarkable man Joseph Shabalala. So it was with great sadness that South Africa learnt recently of the passing of this musical giant at the age of 78. I would like to honour Joseph Shabalala for his enormous contribution not only to music, but to all South Africans and indeed humanity at large. You don't need to listen to too much of their music, or read many of their lyrics, to appreciate just how universal their music is.

Source: thesouthafrican.com

Ladysmith Black Mambazo emerged in the 1960s playing a vocal music called *isicathamiya*, from a Zulu word meaning "tread softly". The name derives from the tiptoeing dance undertaken by its performers.

The Peter and Paul Fortress, St Petersburg, Russia

Instagram handle: @maik.wtf

Born in 1941 and raised on a farm in KwaZulu Natal, Shabalala was a resourceful musician: at 15, he made a guitar from an old can and a plank of wood. He started Ladysmith Black Mambazo while working as a mechanic in Durban after a series of visionary dreams. Ladysmith Black Mambazo initially consisted of several bass singers, an alto, a tenor and Shabalala as lead. The group's name came from the town where he was born, Ladysmith, the colour of the strongest oxen, black, and a Zulu word for axe, *mambazo* – a warning to rival troupes in singing contests that they would be chopped down.

The *isicathamiya* music that the all-male group played was originally created by Zulu migrant workers in factories and mines in the 1900s. Industrial and working-class, it drew on blackface minstrelsy and ragtime from US and African harmonies. Shabalala trained his group hard in the form, until they were literally banned from competitions for winning too frequently.

Wider exposure came with broadcasts on the Zulu service of Radio Bantu. In 1972, Shabalala signed the group to South Africa's oldest independent record label, Gallo. Their debut album, *Amabutho*, came out in 1973 and sold over 25 000 copies, the first gold-certified record by a black South African act. Under Shabalala's guidance, Ladysmith Black Mambazo brought choreographic brio and a new level of sophistication to *isicathamiya*. They became one of South Africa's biggest musical attractions, mainly in black townships but with a small white audience too. The apartheid regime was determined to prevent musical mixing. In 1976, the year of the Soweto Uprising, the interracial band Juluka had a song banned for mixing English and Zulu lyrics. Jail sentences were common. Shabalala carefully avoided political topics. But Ladysmith Black Mambazo didn't exist in a bubble. Peace was a recurrent theme of their intricately layered vocal harmonies, filtered through Shabalala's fervent Christian belief in salvation, the notion of a better world to hold against apartheid. Mandela called them "South Africa's cultural ambassadors".

Fame abroad came with Shabalala's introduction to another perfectionist who preferred to avoid politics. Paul Simon invited Ladysmith Black Mambazo to appear on his album *Graceland*, which the New Yorker travelled to Johannesburg to make in 1985. Condemned for breaking the anti-apartheid boycott, Simon's act of internationalism nonetheless sold 16m copies. The group became stars of the newly named "world music" market. Their 1987 album *Shaka Zulu*, produced by Simon,

won the first of five Grammy awards. Shabalala arrived back in South Africa holding the prize aloft in the airport like a returning conqueror. Touring the world and playing with famous pop singers, Ladysmith Black Mambazo were symbols of South African resilience and the role played by music in fighting apartheid. They performed at Mandela's inauguration in 1994.

The Peter and Paul Fortress, St Petersburg, Russia

Instagram handle: @maik.wtf

Shabalala needed resilience in his personal life too. His brother Headman, an original member of the group, was murdered in 1991. So was his first wife, Nellie, in 2002 and another brother, Ben, in 2004. Although the group continued performing, Shabalala retired in 2014. The last years of his life were marked by illness. But his dream of perfect vocal harmony, diffused into South Africa's dream of liberation, lives on in the continuing existence of Ladysmith Black Mambazo. Its current line-up contains four of his sons. "Let's come together and work together," he said in 2004. "We have only one Father, He wants to see us together. That's all."

In bidding farewell to this South African giant I encourage you to visit the Group's website, which you can access by clicking here. Better still, listen to the large quantity of their recorded music. Once you get to know it, you will start to appreciate and love it; of that I am sure.

Quotes to chew on

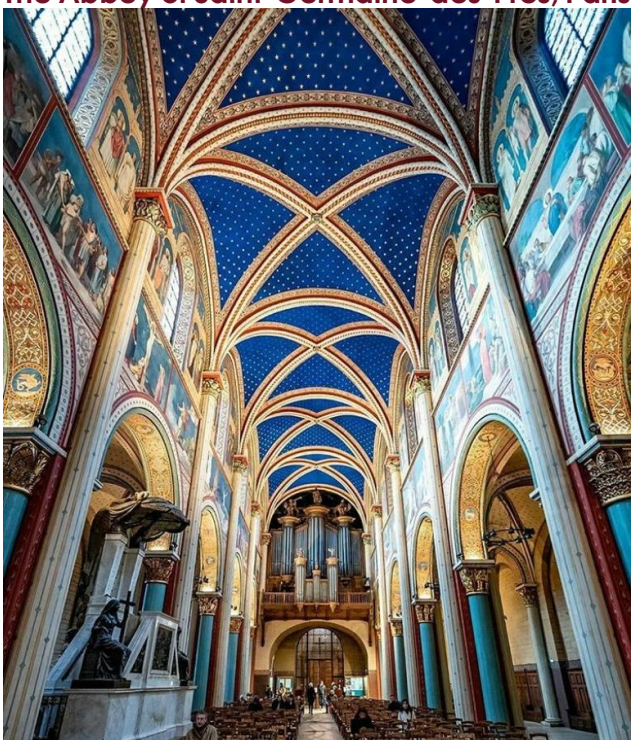
Tesla – the first "car cult"?

I will share more about Tesla in next month's *Intermezzo*, but for now I will share two specific broker comments on the company, issued two days apart. The share price rose dramatically in February – but more on this next month. In the following quotes, ignore the comments about whether or not the share is over-valued; rather focus on the remarkable details about Tesla, relative to other established car companies.

On 4 February Julius Bär included the following in their daily report: "Tesla's share price rose 20% on 3 February ... According to a news source, Tesla's battery joint venture with a major Japanese electronics company has reported the first quarterly profit at the end of 2019, following years of production delays at Tesla. Thanks to production volume growth, costs for battery production have come down. Furthermore, an investment management firm issued a very bullish report with a $7 000 target price by 2024 (*Ed*: at the time of writing Tesla's price was $644), valuing the company at $1.3trn. Today, Tesla's valuation is equivalent to the combined market cap (size) of the two largest German car manufacturers, which together produce more than 13m cars compared to Tesla's 367 000 deliveries in 2019."

The very next day, *Deutsche Bank's Jim Reid* wrote the following in his *Early Morning Reid* daily report: "At a micro level it was the incredible 13.7% surge for Tesla which really grabbed the spotlight yesterday though. That means the stock is up 36.4% over the last two sessions and 112.0% this year already. More impressive still is the 435.0% rally from the 2019 lows. With a market cap of nearly $160bn that puts the company in between the nominal GDPs of Ukraine and Kazakhstan. For what it's worth, Tesla isn't in the S&P500 but a quick look at the index would mean it would be around the 50th largest company and would have added roughly 13 points to the index this year. Incidentally, the electric car maker may soon be eligible to join the index now that it is close to posting four straight quarters of profits – the only requirement the company was short of."

The Abbey of Saint-Germaine-des-Pres, Paris



Instagram handle: @patrickcolpron

Charts of the month

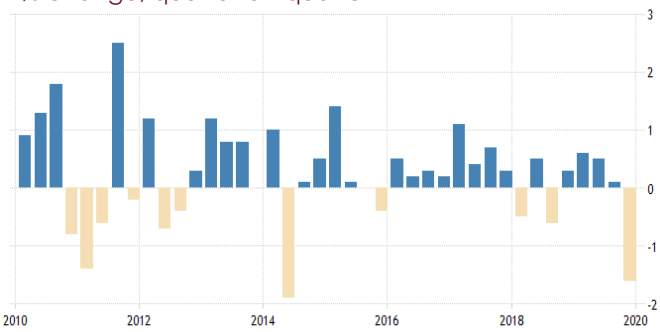
The Japanese economy – how low can you go?

We referred to the weak Japanese economy above, but I thought it worth sharing a chart on this "serial underperformer". In 1989 I recall the Japanese buying virtually every piece of real estate in New York; and how in 1989, just more than two years after the historic October 1987 crash, the Japanese stock market (the Nikkei 225 index) went on to register an all-time high close to 39 000. In March 2009, that same index was just above 7 000, a drop of more than 81%. At the time of writing, that same index trades around 21100, still 46% lower than its peak 30 years ago – not exactly a resounding example of why to invest in equities!

While there are numerous reasons for this huge underperformance, one of the largest is the terrible performance of their economy and in close association, their currency. Chart 3 depicts the economy during the past ten years. Rarely did the economy get above the 1% mark on a quarter-on-quarter basis, and their recent contraction of 1.6% is hardly going to help matters. Just imagine where this world would be if Japan, still the third largest economy in the world, had posted meaningful growth during the past 30 years.

Chart 3: Japanese economic "growth"

% change, quarter-on-quarter



Source: Tradingeconomics.com

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

For the record, during Q4 the Japanese economy shrank 1.6% quarter-on-quarter, compared to the market expectation of a 0.9% contraction and after a downwardly revised 0.1% growth in Q3. This was the first contraction since Q3 2018 and the steepest since Q2 in 2014, as private consumption fell for the first time in five quarters following October's sales tax hike. Business spending dropped for the first time in three quarters. Private demand fell 2.9%. On an annualized basis, the Japanese economy shrank 6.3%, the largest fall in 5½ years, following a downwardly revised 0.5% growth in Q3.

St Isaac's Cathedral, St Petersburg, Russia

Instagram handle: @maik.wtf

Ignore US equity markets at your peril

We have been positive on US equity markets for many years already, and invested a significant portion of our global equity portfolios in those markets in general, and in technology shares in particular. Whereas the MSCI World index rose 25.2% during 2019 – a great year by any standard – the US equity market (the S&P500 index) rose 31.3%. The latter was the best return of the developed global markets we follow, other than the tech-heavy NASDAQ index, which rose 35.3%. Commentators and clients alike have warned of over-valued US equity markets, a warning we have heard numerous times in recent years. However, the US equity market has continued to not only do well, but also out-perform other global markets. By way of example from Table 1 it is clear that the S&P has out-performed every major market during the 1, 3, 5, 7 and 10-year periods to end-2019. In the table, black boxes depicts the best return for that period, while red boxes depict the lowest return.

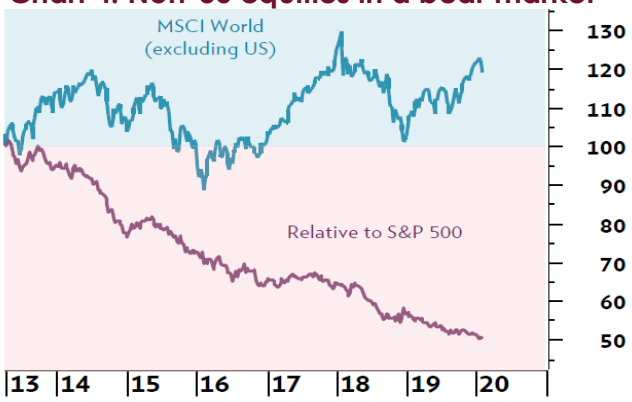
Table 1: Compound annual returns to end-2019

Returns to 31 Dec 2019	1 year	3 years	5 years	7 years	10 years
S&P 500	31.3%	15.1%	11.6%	14.8%	13.7%
DAX	25.5%	4.9%	6.2%	8.2%	8.3%
FTSE 100	12.1%	1.8%	2.8%	3.6%	3.4%
Hang Seng	9.1%	8.6%	3.6%	3.2%	2.6%
Nikkei 225	18.2%	7.4%	6.3%	12.5%	8.4%
Shanghai Composite	22.3%	-0.6%	-1.2%	4.6%	-0.7%
MSCI World	25.2%	10.4%	6.6%	8.4%	7.3%
MSCI EM	15.4%	8.9%	3.1%	0.8%	1.2%
10 Year Treasury	-3.3%	3.3%	1.8%	2.2%	2.5%
Bloomberg Glbl Agg Bond	6.8%	4.3%	2.3%	1.3%	2.5%

In light of the above, I found Chart 4 interesting. It depicts the MSCI World index, excluding the US markets in the top portion, and that same index relative to the US markets in the lower portion of the chart. The S&P500 has been in a bull market since March 2013, during which time it has risen at a rate of 11.5% *per annum*. Turning to the lower section of the chart i.e. global equity markets excluding US markets, on paper they look reasonable, having returned about 19% *in absolute terms over the entire period*. Comparing these two returns with each other though, one doesn't have to be a genius to realize that all other markets have severely underperformed US markets, or have been in what Julius Bär quaintly refers to as an "invisible

bear market" i.e. it looks like the returns have been good, but relative to the best performing market they have actually been awful.

Chart 4: Non-US equities in a bear market



Source: Julius Bär

From Chart 4, it is clear that equity markets outside of the US have been trapped in a steady "invisible bear market" since 2013. We remain of the humble view that significant exposure to US equity markets is required for global investors seeking to outperform global markets in general.

Basilica of St Paul Outside the Walls, Rome

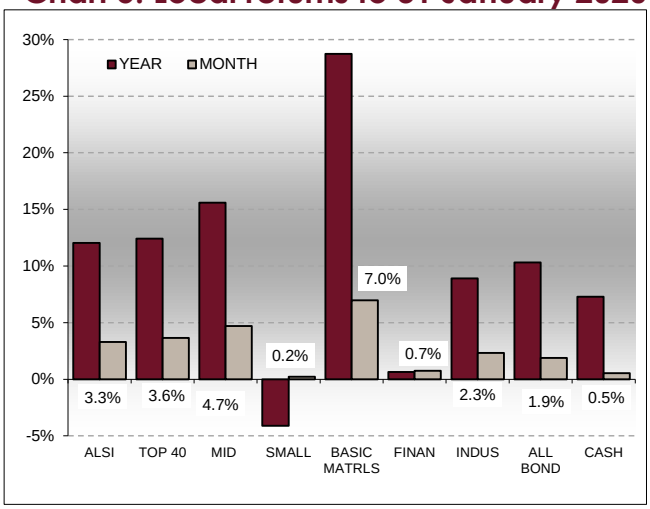
Instagram handle: @patriziapiera

January in perspective – local markets

Turning to the South African market, the fact that the rand was so firm during December (it rose 4.8% against the dollar), and that the rand is traditionally seen as a high-risk asset by the global investment community, it was to be expected that when investors reigned in their appetite for risk in January, the rand came under enormous pressure. It declined 6.8% against the dollar, more than offsetting December's strength.

The weak rand failed to offset the decline in underlying commodity prices, resulting in the Basic Material index falling 3.5% (though it had risen 7.0% in December). The Financial index also bore the brunt of the rand weakness, falling 5.2%, while the Industrial index rose 1.6%. The All Share index fell 1.7% and the All Bond index rose 1.2%, in line with global bond market returns.

Chart 5: Local returns to 31 January 2020



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.

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

Table 2: The returns of funds in Maestro's care

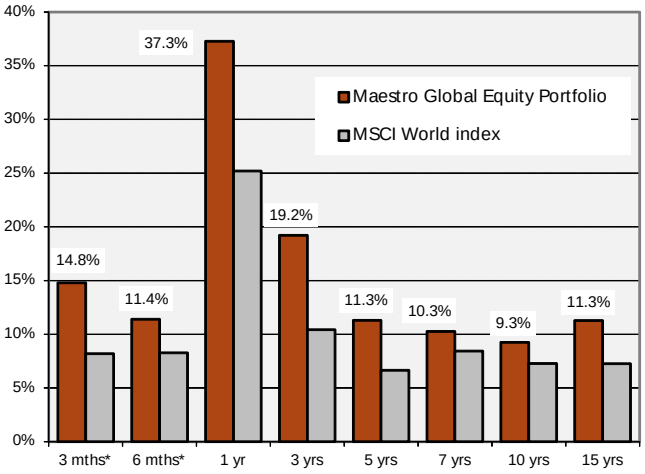
	Period ended	Month	Year to date	Year
Maestro Equity Prescient Fund	**Jan**	**-0.1%**	**-0.1%**	**1.3%**
JSE All Share Index	*Jan*	*-1.7%*	*-1.7%*	*7.1%*
Morningstar sector ave	*Jan*	*-1.4%*	*-1.4%*	*4.4%*
Maestro Growth Fund	**Jan**	**2.5%**	**2.5%**	**12.0%**
Fund Benchmark	*Jan*	*0.0%*	*0.0%*	*9.5%*
Morningstar sector ave	*Jan*	*0.7%*	*0.7%*	*8.6%*
Maestro Balanced Fund	**Jan**	**2.1%**	**2.1%**	**9.0%**
Fund Benchmark	*Jan*	*0.2%*	*0.2%*	*9.5%*
Morningstar sector ave	*Jan*	*1.0%*	*1.0%*	*9.0%*
Maestro Cautious Fund	**Jan**	**1.0%**	**1.0%**	**7.0%**
Fund Benchmark	*Jan*	*0.1%*	*0.1%*	*7.7%*
Morningstar sector ave	*Jan*	*1.0%*	*1.0%*	*8.3%*
Central Park Global Balanced Fund ($)	**Jan**	**-0.6%**	**-0.6%**	**15.2%**
*Benchmark**	*Jan*	*0.1%*	*0.1%*	*12.0%*
*Sector average **	*Jan*	*-0.1%*	*-0.1%*	*9.4%*
Maestro Global Balanced Fund	**Jan**	**6.3%**	**6.3%**	**29.1%**
Benchmark	*Jan*	*7.4%*	*7.4%*	*26.6%*
*Sector average ***	*Jan*	*6.0%*	*6.0%*	*25.0%*

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

Last year I alluded to the relatively good performance of our global equity portfolios a number of times. With 2019 now something of the past, I can share the returns to the end of last year. They are depicted in Chart 6, and shown gross of fees i.e. *before* fees are taken. Given the pressure from passive funds, and the ongoing debate between active and passive managers, it is indeed gratifying to post returns which see *Maestro's global equity returns better than the benchmark, the MSCI World index, over every period during the past 15 years*.

What is not shown in the returns is the fact that our portfolio turnover i.e. the extent to which we buy and sell investments, is very low. We tend to buy into companies we like, and retain them for a number of years. The portfolios have a strong bias in favour of technology shares and companies which are heavily, or fully, exposed to the Chinese economy.

Chart 6: Global equity returns to 31 Dec 19



Our largest holdings at the end of the year included Tencent, Alibaba, Visa, New Oriental Education, SAP, Adobe, TAL Education, Alphabet, Ping An Insurance, and Partners Group. Of these ten investments, which comprise more than 50% of the total portfolio, half of them are tech companies, and half are companies whose operations are for all intents and purposes in China. Six of them have primary listings in the US, two are listed in Hong Kong, and two in Europe.

Obituary: Li Wenliang (1942 – 2020)

I am sure that you, like me, had not heard of Mr Li before, but after this obituary, you are unlikely to forget him, even if you cannot remember his first name. While it is not in my nature to include two obituaries in one *Intermezzo* edition, given the unique circumstances in which the world finds itself, I thought the inclusion of a tribute to Mr Li would be appropriate.

The Basilica of St John Lateran, Rome, Italy

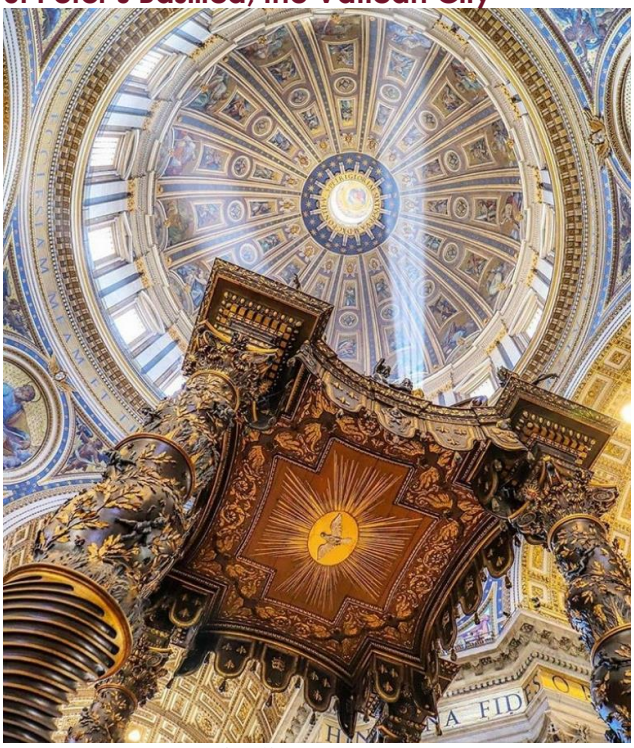
Instagram handle: @rione_primo

Li Wenliang, an ophthalmologist, was born on 12 October 1986 in Beizhen, China. On 30 December 2019, Li sent a message to a group of his fellow Chinese doctors warning them about a possible outbreak of an illness that resembled severe acute respiratory syndrome (SARS) in Wuhan, Hubei province, where he worked. Meant to be a private message, he encouraged them to protect themselves from infection. Days later, he was summoned to the Public Security Bureau in Wuhan and made to sign a statement in which he was accused of making false statements that disturbed the public order.

In reality, Li was one of the first people to recognise the outbreak of 2019 novel coronavirus disease (COVID-19) in Wuhan that has spread to 50 countries, killing 2 933 people and infecting more than 85 406 people as of 29 February 2020. Li returned to work after signing the statement and contracted the coronavirus, apparently from a patient. He died on 7 February, aged 33 years.

Li's death sparked outrage in China, where citizens took to message boards to voice their gratitude for Li's dedicated front-line service and to criticise the initial response of Wuhan's security and medical officials to his warning. In the days before his death, Li said "If the officials had disclosed information about the epidemic earlier I think it would have been a lot better. There should be more openness and transparency."

St Peter's Basilica, the Vatican City

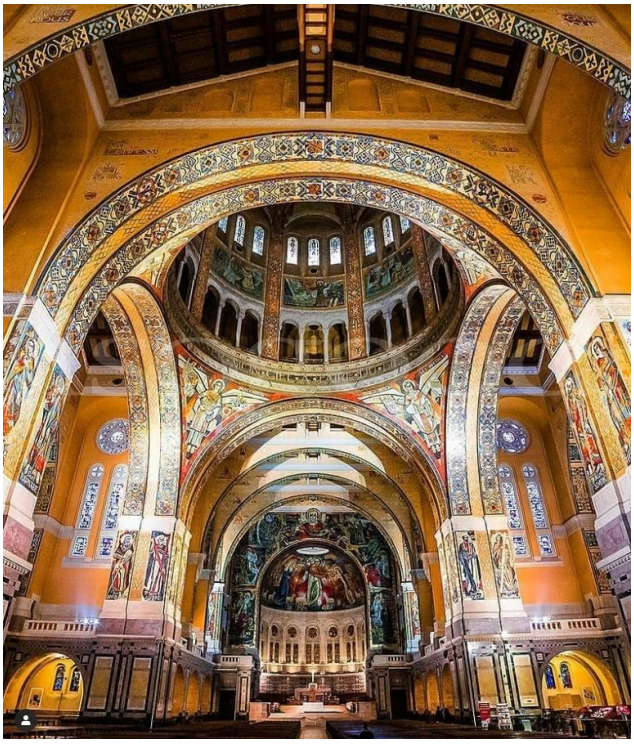


Instagram handle: @chifsso

Li studied clinical medicine at Wuhan University and, after graduating, went to work in Xiamen, a port city in China's southeast. He took a position as an ophthalmologist at Wuhan Central Hospital in 2014. That hospital has been one of the health facilities at the epicentre of the outbreak of COVID-19. Li raised the alarm after he saw seven

patients with SARS-like symptoms. Li reported the suspected outbreak to his colleagues in a closed group on the WeChat social media platform after learning that patients were being quarantined. There was already speculation within the group that there could be a new SARS outbreak, and Li said that "we needed to be ready for it mentally. Take protective measures."

The Basilica of St Thérèse of Lisieux, France



Instagram handle: @isogood_patrick

Li was one of eight people detained in Wuhan for "spreading rumours", according to Chinese media. He said he was asked to sign a statement agreeing to stop illegal activities or face legal punishment. Nevertheless, Li decided to speak out about his experience because he thought "a healthy society should not have just one voice".

In China, citizens and even some officials seem to agree with him. In the wake of Li's death, the Wuhan municipal government issued a statement offering condolences to Li's family as did the National Health Commission. Li's death highlighted the impact of COVID-19 on health workers in China. A significant number of health workers are amongst those that have succumbed to the virus already.

Li's parents were also infected with the virus but have recovered, according to a recording Li's mother shared on social media. Li is also survived by a son and his wife, who is pregnant with their second child.

So what's with the pics?

I received favourable comment on the photos of churches that I have shared during the past two months. Seeing there are so many breathtakingly beautiful churches around the global – and to date, with one exception, I have only shared churches from the Christian faith – I thought it worthwhile to share a few more photos along this theme. I hope you enjoy them as much as I did.