June in perspective – global markets

2019 continues, in many respects, to be a remarkable year on global investment markets. The start of May was characterized by optimism and exuberance following indications that the US China trade was near an end, but those were unceremoniously trashed by the Trump Tweet of 5 May, heralding new tariffs of Chinese imports. The start of June was characterized by doom and gloom, with forecasters and investors alike redrawing their scenarios and planning for worse to come, for longer.

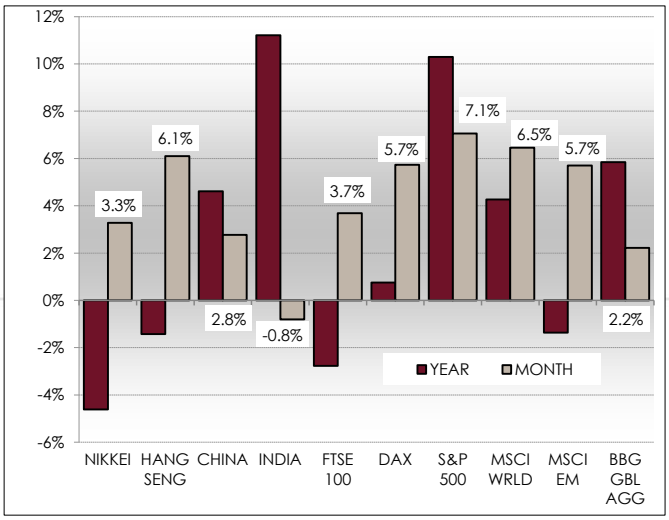
After the blizzard

Instagram handle: @natgeoyourshot

At the time of writing, euphoria has returned, following the Trump meeting with Chinese Premier Xi Jinping, at which an apparent "trade war truce" was declared. In the interim, global equity markets dived precipitously in May but managed to recover a large part of those losses in June – I should add here that the May declines were more widely covered than the June recovery, perhaps indicative of just how "hopelessly human" markets are, after all. Indeed, it may come as a surprise to some that many global equity markets ended June at or a fraction below record high levels, including the US and Swiss equity markets.

We have a unique vantage in the investment profession, in that we observe, and are often the destination and target for, client comments and sentiment. In that regard the wave of concern and negativity during May was quite remarkable, despite the fact that global equity markets had generated extraordinary return so far, notwithstanding the sharp declines in May. Fast forward one month, and "all is forgotten" as year-to-date returns surged even higher during June. All of which is to illustrate just how volatile not only markets but also client sentiment have been so far this year. It is not always easy to manage, but it underlines again just how important our focus as investment managers should be on the longer-term, and on important company-specific criteria that we hold dear, such as earnings growth, quality of balance sheet and cash flow.

Chart 1: Global returns to 30 June 2019



And so it is that I can report on another profitable month for global equity investors – echoes of "the pain trade" can be heard, but we have beaten that drum to death by now. June saw bond and equity markets register strong gains. Interest rates moved lower, and thus bond prices higher, on ample support from global central banks, while

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

equity markets moved sharply higher despite the doom and gloom that prevailed during May and the uncertainty surrounding geopolitical and indeed "geo-economic" issues.

The Barclays Global Aggregate Bond index rose 2.2%, bringing its year-to-date return to 5.6% - quite astonishing for only a half-year return, especially when one considers how low interest rates were at the beginning of the year. The MSCI World index rose 6.5% while the MSCI Emerging Markets index rose 5.7%, bringing their respective year-to-date returns to 15.6% and 9.2%. Lucrative returns were available in the US equity market, which rose 7.1%, and tech shares, which saw the NASDAQ rise 7.4%. The German equity market rose 5.7% while Hong Kong rose 6.1%. Within the emerging market space, the Chinese equity market rose only 2.8% (but is still up 19.5% for the year-to-date). The Indian market actually declined 0.8%. More lucrative emerging market returns were to be found in Greece, where the equity market rose 4.6%. Turkey rose 6.5% and Russia 7.3% although this market is always a function of the oil price, which rose 3.8%.

The dollar declined 1.7% in June, setting the scene for a strong month across the commodity price complex. Leading the gains was the iron ore price, which rose 18.2% (it has now risen 83.0% during the past year). Strong gains were also posted by palladium, which rose 13.8%, the gold price rose 9.5%, and the coal price rose 9.9%. The Bloomberg Commodity index rose 2.5% during June. On the currency front, most currencies posted some form of gain against the dollar, including the rand, which rose 3.2% against the greenback during June.

Winter scene from Poland

Instagram handle: @travellingthroughtheworld

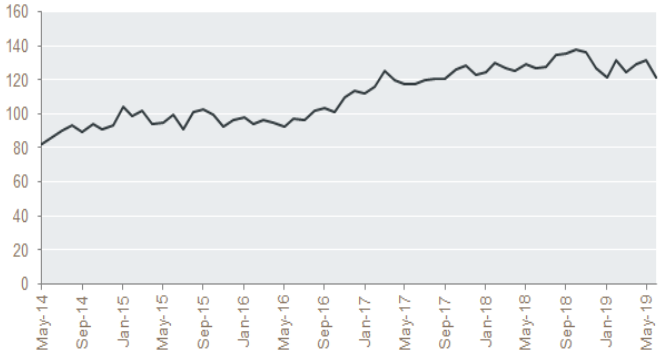
What's on our radar screen?

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

- *The SA economy:* the annual headline inflation rate rose marginally in May, from 4.4% to 4.5%, fuelled by the petrol price increase – the transport component of the inflation basket rose 1.0% on the month and is up 7.1% on an annual basis. Core inflation rose 4.0% on an annual basis but was flat (0.0%) on a monthly basis. The "cheapest" province to live in was the North West province, where inflation rose only 3.8% over the year, while the Western Cape saw the greatest annual price increase, up 5.4%. The annual inflation rate in Gauteng is 4.4%.

- *The US economy*: US economic data continues to be reasonable although there is sufficient evidence of a slight slowdown. That said, recent unemployment data was positive, although we suspect the Federal Reserve (the Fed) will still lower interest rates by 0.25% at its July meeting. US consumer confidence continues to decline, albeit at a moderate pace, and is now at its lowest level since September 2017 – refer to Chart 2 in this regard.

Chart 2: US Consumer confidence index



Source: EFG

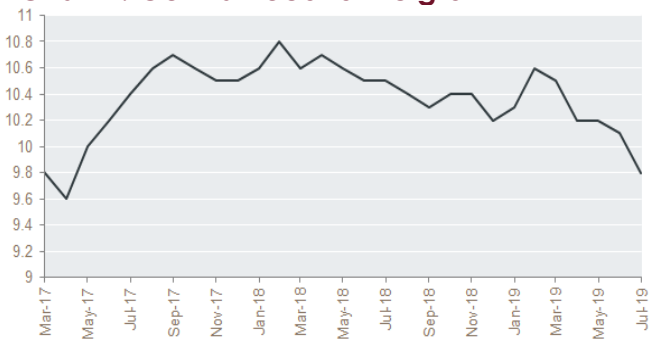
The ISM (PMI) manufacturing index continues to decline. It dropped to a level of 51.7 in June, from 52.1 in May, to its lowest level since October 2016 – refer to Chart 3. Remember a reading below 50 denotes a contraction, so the index bears close monitoring.

Chart 3: ISM Manufacturing PMI index

Source: EFG

- *Developed economies*: German consumer confidence continues to decline, but at a faster pace – refer to Chart 4. In general, economic news emanating out of Germany was bleak. For example, May factory orders declined 2.2% on the month, bringing the annual decline to 8.6%, the largest decline since September 2009.

Chart 4: German economic growth



Source: EFG

The Reserve Bank of Australia cut interest rates for a second successive month. Its cash rate was reduced by 0.25% to 1.00%, a fresh all-time low. The central bank is trying to stimulate the economy which has been hurt by a slowdown in trading partner China as well as weak consumer spending, although it also noted that the government also needs to use fiscal policy. Swiss unemployment in May was revised down from 2.4% to 2.3%, while during the June unemployment rate remained at 2.3%.

- *Emerging economies*: The Central Bank of Russia (CBR) lowered interest rates by 0.25% to 7.5% in response to falling demand, a slowing economy and lower inflation (currently around 5.0%). Turkey provided more fun and games for investors to manage: Turkish President Erdogan removed the central bank governor Murat Cetinkaya, due to his failure to lower interest rates. Erdogan has for some time

now being flying in the face on conventional wisdom, saying that higher interest rates cause inflation. The deputy governor Murat Uysal was installed as the new governor. Erdogan made it clear that he expects lawmakers and politicians to tow his line that higher interest rates cause inflation, and threatened "consequences" for those who didn't, and those who threatened government policies. (*Ed*: he sounds increasingly like Donald Trump, doesn't he?). For what it is worth, the Turkish headline inflation rate is 15.7%, down from 18.7% in May, although the one-week repurchase rate remains elevated at 24.0%. Real progress has been made on the economic front though; the current account deficit has declined from 6.5% in the second quarter of 2018 to only 1.7% in the first quarter of this year.

Chart of the month

FANG? FAANG? FAAMNG?

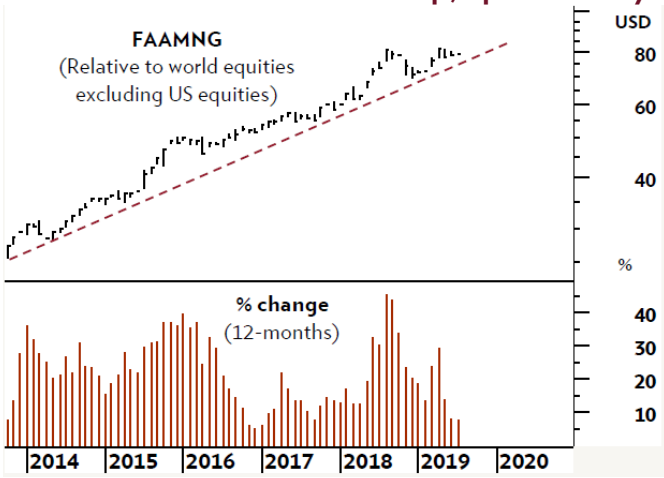
In an industry known for its jargon, we have had to endure the morphing of what was first "FANG" into its current state of "FAAMNG". The most important aspect of this acronym is not so much what it stood for, but rather how well it has performed during the past few years. Maestro has long had a preference for growth companies and for technology companies in particular, yet ironically of all the FAAMNG companies, we have always only held one of them in recent years. That said, client portfolios have continued to benefit over the years from exposure to growth and tech companies such as Alibaba and Tencent, which are not included in FAAMNG.

Winter scene from Bolu, Turkey

Instagram handle: @travellingthroughtheworld

Chart 5 is nevertheless useful, providing insight into how well this remarkable group of companies has performed in recent years, specifically since 2013. Ironically, on 1 July, when the market was particular strong, none of these companies registered new highs. However when viewed as a basket, the FAAMNG companies continue to lead the market higher. The upper section of Chart 5 depicts an index compiled of Facebook, Apple, Amazon, Microsoft, Netflix and Google – hence FAAMNG – while the lower section shows the rolling 12-month return from this index. From the lower portion of the chart, one can see that this index has not registered a negative annual return since 2013, despite the sharp and at times brutal (think December 2018) setbacks experienced over this period.

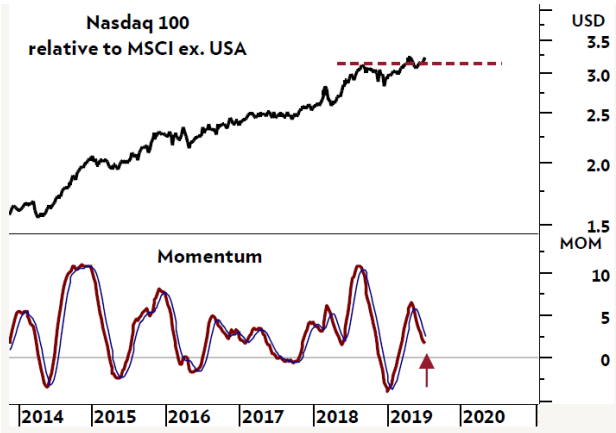
Chart 5: The FAANMG stocks: up, up and away



Source: Julius Baer

Chart 6: The NASDAQ 100 Bull

It ain't over until it's over



Source: Julius Baer

Speaking bull markets and growth shares, I thought the following comments from *Julius Baer's Head of Technical Analysis, Mensur Pocinci*, were prescient: "Every bull market has its centre. In the current bull market, it is US equities and in particular US growth stocks. Here it is worth recalling Sir John Templeton's observation about the nature of bull market cycles: bull markets are born on pessimism, grow on scepticism, mature on optimism and die on euphoria. Looking at flow-of-funds data, we cannot even detect optimism for the Nasdaq 100 – or did you know that the largest Nasdaq 100 Exchange-Traded Fund has 25% less outstanding shares than in 2012 and 51% less than in 2002. From a sentiment point of view, therefore, US growth stocks and the Nasdaq 100 in particular, should remain the leaders in the current bull market". Chart 6 accompanied his comments. It depicts the performance of the 100 largest shares in the NASDAQ 100 index relative to the rest of the world's indices excluding those of the US. The chart shows that the largest tech shares in the US (the NASDAQ index is dominated by large tech companies) have outperformed all other shares in the world, and their outperformance has just reached an all-time high.

The most important chart at the moment

One could argue that Chart 7 is at the very least one of the most important charts in the lexicon of any investor and investment manager. We have referred to it a number of times in recent months, and make no apology for showing it again. It places a lot of the market's movements during the past year into perspective. The chart is simply referred to as "the yield curve" and shows the difference between, in the case of Chart 7, the yield (interest rate) on the US 10-year government bond and the shorter-term 3-month bond. Traditionally the yield curve is shown as the difference between the 10-year yield and 2-year yield, but there are many variations of the curve, as can be seen in Chart 7. The vertical shaded areas in the chart represent recessions in the US, while the difference between the 10-year and 3-month yields is shown as the light brown line. The turquoise line attempts to adjust for yield curve for the effects of quantitative easing (QE) and tightening (QT), but it yields the same result.

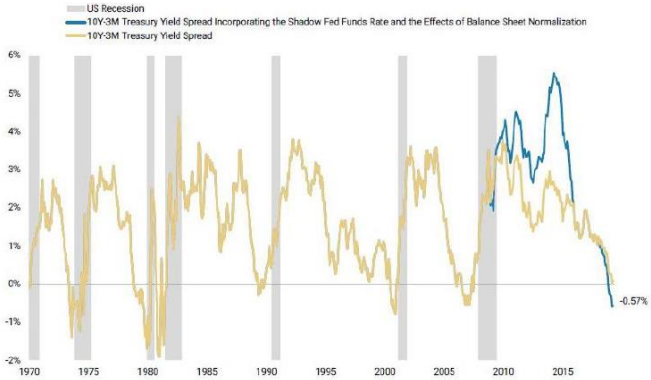
Snow walkers, Switzerland

Instagram handle: @travellingthroughtheworld

The reason the yield curve is so widely watched is that it has never – at least during the last century – turned negative without a US recession ensuing in the subsequent 18 to 24 months. Given that the yield curve is now virtually negative (at the time of writing the difference between the 10- and 2-year yields is 16.2 points or 0.162%, having got as low as 8 points or 0.08% in recent months), investors are watching closely to see if it will continue into, and perhaps remain, in negative territory. Based on the accuracy of its predictive ability, the inference is that the US will slide into a recession within the next two years.

The debate surrounding the merits of watching the yield curve, as well as its predictive ability, is a subject too complicated to address here. Suffice to say is that we are watching it closely, and suggest you should be too.

Chart 7: The Yield curve – recession or not?

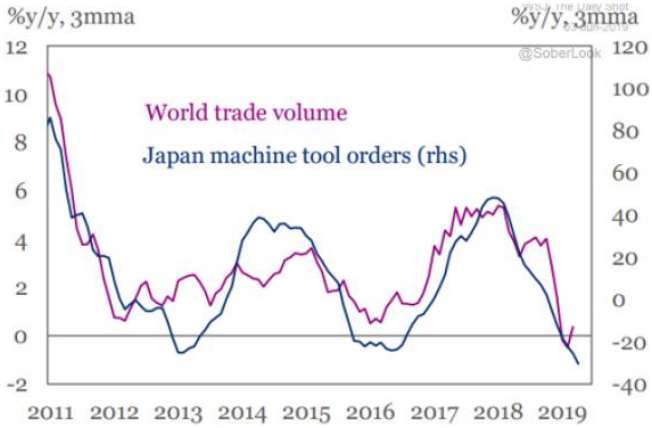


Source: Skenderberg Investment Management

Underlining the extent of the global slowdown

The following two charts are a timely reminder that the global economy is slowing down. In fact it has been slowing for some time, as Chart 8 and 9 show. The former shows the decline in trade volume around the world against Japanese machine orders. Technically, what is shown in the annual percentage change in the 3-month moving averages of both indicators – 3-month moving averages are used to smooth out volatile data series. The picture is clear though – the slowdown is well developed and in danger of turning negative i.e. we will soon no longer talk of "growth" but rather "contraction".

Chart 8: World trade volumes under pressure



Source: Skenderberg Investment Management

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

This message is borne out in Chart 9, which depicts the global purchasing manufacturing index (PMI) against the annual percentage change in global industrial production. You would surely know by now that if a PMI index is below the 50 level, it signals contraction rather than growth. The chart shows that the global manufacturing PMI has just dipped below 50, which means it is now in contraction mode. This is confirmed by the fact that industrial production around the world is on the brink of turning negative. Once again, the message is clear: the global economy is slowing down and the slowdown is well-entrenched.

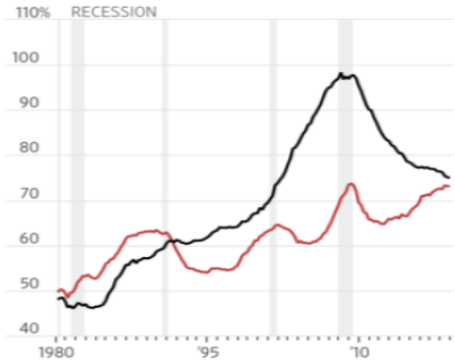
Chart 9: Global manufacturing is contracting

Source: Skenderberg Investment Management

Three random but interesting charts

The following charts are rather random but hopefully still interesting. Chart 10 shows the extent of US household (the red line) and business (black line) debt expressed as a percentage of the size of the US economy (GDP). It is clear that, following the trauma of the Great Financial Crisis of 2007/9, US consumers (households) reduced their level of debt materially, while the corporate sector's debt is now around the same levels. Of course, there are many reasons why this is the case and I'm not suggesting that it is necessarily a bad thing. However, it is interesting to see how divergent these patterns of behaviour have been over the past three decades.

Chart 10: US corporate debt at record levels

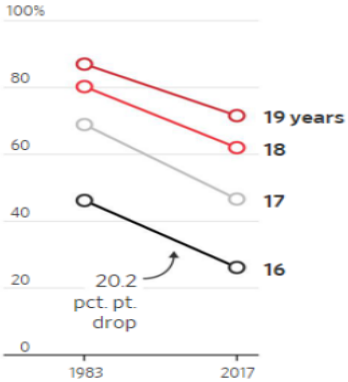


Source: Skenderberg Investment Management

Chart 11 depicts the percentage of various age cohorts who obtained their driving license in the US. The number of 16-year olds who obtained their licenses in 2017 has declined 20.2% since 1983.

Chart 11: The ride-hailing generation

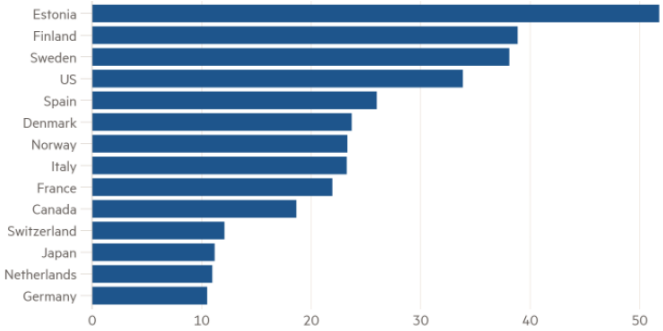
Percentage of licensed drivers by age



Source: Skenderberg Investment Management

Finally, we are aware that Germans, for example, are not an equity-oriented nation i.e. not many Germans use equity investment (shares) as a saving mechanism. Neither do the Swiss, whereas the Americans generally do. Chart 12 depicts the share of household financial assets in shares and other equities at the end of 2016.

Chart 12: Low on stock



Source: Skenderberg Investment Management

Quotes to chew on

Say what?

Any investor who watches markets closely will know that US President Trump's utterances have proved to be a very disruptive influence on markets during the past few years. Spare a thought for poor investment managers, as they monitor the garbled verbiage (or should that be verbal garbage?) that emanates like an out-of-control fire hydrant from his Twitter account. Late in June, we had to decipher the following, issued prior to his G-20 meeting with Chinese Premier Xi Jinping: "My plan B's maybe my plan A, my plan B is that if we don't make a deal I will tariff, and maybe not at 25%, but maybe at 10%". I rest my case.

Just another day in the life of an investment manager…but what a day!

We have already referred to what a remarkable month June was in global investment markets. Ironically, one could have said exactly the same thing about May, just in the opposite direction i.e. markets moving lower and not higher as they did in June. Still, one of the more extraordinary days was the one which followed the European Central Bank (ECB) meeting on 18 June, when Governor Mario Draghi signalled a very accommodative stance with regard to future monetary policy.

Although some of it might be a bit technical (I have edited it as far as possible to remove the jargon), I thought *Deutsche Bank's Jim Reid* captured the drama of the day in his "Early Morning Reid" daily comment of 19 June: "Before we go through the details of Mr Draghi and Mr Trump's significant comments, respectively, it's worth starting with markets where we can now list new all-time yield lows for 10-year bonds. Germany, Denmark, Netherlands, Austria, Finland, Sweden, France, Belgium, Slovakia, Ireland, Slovenia, Latvia, Spain, Portugal, Cyprus and Croatia all experienced this yesterday. Indeed it wouldn't be a surprise if we missed one or two. German 10-year bonds (Bunds) declined 7.6 basis points (bps) or 0.076%, to close at the eye wateringly low level of -0.322%. French 10-year bonds hit an intraday low of -0.004% - the first time they have been below 0% - while yields in Sweden and Austria closed at -0.027% and -0.052%, both below 0% for the first time too. Italian bonds also rallied -18.5bps which is the biggest one-day move since October.

A Landscape in Velvet

Instagram handle: @natgeoyourshot

If you want a scary example of just how extreme the rates move was, then Austria's 100-year bond rose 5.5bps yesterday, taking it to a cash price of 156.9. That means it has jumped nearly 40bps during the year to date already, equivalent to a -61.2bps fall in yield so far in 2019. The coupon on that bond is 2.1% and the yield is now just 1.14%. Oh, and it has a duration of 51.8 years! You'd be hard pressed to find many fixed income assets which have delivered a bigger return in the year-to-date. Yesterday's moves were even more remarkable since they were driven by collapsing real yields as inflation expectations perked up. The European five year-five year inflation swap rate popped up 8.9bps to 1.23%, which is still extremely low by historical standards but was the biggest rise since March 2012.

The move for European rates reverberated throughout the US too. Indeed US 10-year government bonds (Treasuries) fell 3.5bps (though they were down 7.9bps before the Trump tweet) and are now down to 2.060%, the lowest level since September 2017 (*Ed*: the US 10-year bond ended the month on a yield of 2.01%). They have held that level overnight also. The yield curve i.e. the difference between the yields of the US 10-year and 2-year bonds, also dipped to 19.15bps (down 2.8bps on the day). The amount of negative yielding debt in the world now is around $12.5tn and the most ever. Oh, and the Bund curve is now negative out to 18 years i.e. every German bond issued with a redemption date between now and the next 18 years, currently has a negative interest rate.

The other side of the coin for markets was a big rally for risk. The STOXX 600, which rose 1.67%, had its best day since January. The DAX, CAC and FTSE MIB all closed up more than 2% while in the US the S&P500, NASDAQ and Dow Jones ended 0.97%, 1.39% and 1.35% higher, respectively. Despite the yield move, banks rose 1.54% in Europe and 1.79% in the US. Emerging market equities finished up 2.44%, their best session since January, while High Yield credit spreads were -10bps and -6bps tighter in Europe and the US, respectively. Oil rallied 3.79%, helped by the improved risk sentiment but also by news that the OPEC+ group will meet to discuss a possible extension to their supply cuts. Finally the euro finished down -0.21% - a fairly modest move all things considered, though -0.43% from its pre-Draghi level."

Sunset in Benajarafe, Andalusia, Spain

Instagram handle: @gronvik52

Of course bond yields continued to decline after that, posting a very strong return for June. They continued to decline into July, and on 5 July *Jim Reid* wrote the following: "… yesterday's bond moves mean the German bond (Bund) curve is now negative at all maturities out to 2040. In fact, we count 49 outstanding Bunds with a maturity of at least 12 months and all but 4 now have a

negative yield. That's around 90% by market, value which is fairly staggering. Across Europe we've now got negative 2-year and 5-year bond yields in 17 different countries. At the 10-year maturity we've got negative yields in 9 different countries including Switzerland, Germany, Denmark, Netherlands, Austria, Finland, France, Belgium and Sweden. To be fair Slovakia, Ireland, Slovenia and Latvia are within a sneeze of dropping into negative territory too. For 30-year bonds it's still only Switzerland which has a negative yield, with Germany (0.194%) and Netherlands (0.204%) the closest after that. If you were also wondering what the longest dated government bond was yielding in Europe, the Austrian 2117 bond yield – with 98 years to maturity – is now down to 1.061%. The duration on that is fairly eye-watering at 52.7. At a cash price now of 163.2, that bond is up nearly 47 points this year alone (or 40.5%). Anyway, when it was all said and done, the global stack of negative yielding debt held at the record high of $13.4tn yesterday."

Sunset silhouette

Instagram handle: @veziphoto

Financial Repression – best we get used to it

The following is an extract from *Yves Bonzon, the Julius Baer Chief Investment Officer's* regular letter to clients. "The rapid decline in bond yields in recent weeks has made many investors aware that financial repression has become the 'new normal'. $13tn or 24% of the bonds in the Barclays Aggregate Index currently have a negative yield to maturity.

As we have often pointed out, financial repression, which consists of transferring wealth from creditors to debtors, and from the private to the public sector, takes several forms. The city of Berlin has recently launched another initiative in that direction with the decision to freeze rents for five years from 1 January 2020. Nearly 1.5m homes are reported to be affected. In Berlin, 85% of the residents are renters. Before the 2008 crisis, the average purchase price per square meter of residential space was around €800. Cheap housing was then widely available. Ten years later, rents have doubled, growing significantly more than the average incomes of Berlin households.

On the other hand, the city attracts several tens of thousands of new residents every year. Reportedly, discussions are ongoing to extend the measure to other regions in Germany. While all Real Estate Investment Trusts (REITs) have benefitted from falling interest rates since the beginning of the year, the European segment of the sector has been hit hard. In June, the FTSE EPRA/REIT Developed Europe Index has declined by close to 3% while the Swiss, American or Asian equivalents have increased by 2% to 5%. This event provides us with a lesson and a reminder. First, financial repression takes many forms, and investors should minimise their allocation to countries that are highly likely to practice this.

Finally, the unpredictable nature of these policy decisions reminds us why reasonable portfolio diversification is imperative."

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

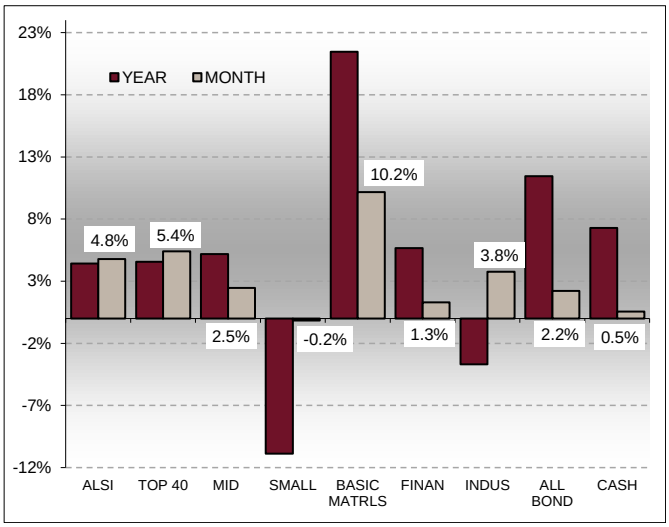
	Period ended	Month	Year to date	Year
Maestro Equity Prescient Fund	**Jun**	**2.6%**	**8.0%**	**-3.5%**
JSE All Share Index	*Jun*	*4.8%*	*12.2%*	*4.4%*
Maestro Growth Fund	**Jun**	**1.8%**	**8.8%**	**0.5%**
Fund Benchmark	*Jun*	*3.5%*	*10.4%*	*7.0%*
Maestro Balanced Fund	**Jun**	**1.9%**	**6.0%**	**-2.2%**
Fund Benchmark	*Jun*	*3.1%*	*9.5%*	*7.3%*
Maestro Cautious Fund	**Jun**	**0.6%**	**3.2%**	**7.8%**
Fund Benchmark	*Jun*	*2.3%*	*7.4%*	*7.9%*
Central Park Global Balanced Fund ($)	**May**	**-8.3%**	**11.0%**	**-12.9%**
*Benchmark**	*May*	*-3.1%*	*6.6%*	*0.2%*
*Sector average **	*May*	*-2.3%*	*6.5%*	*-0.7%*
Maestro Global Balanced Fund	**Jun**	**3.1%**	**19.1%**	**-1.0%**
Benchmark	*Jun*	*1.5%*	*9.6%*	*8.3%*

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

June in perspective – local markets

Turning to the local markets, not surprisingly the All Bond index posted a decent gain of 2.2%, supported by the firmer rand and the strong global bond markets. In line with global equity markets, the All Share index posted decent gains: it rose 4.8%, bringing its year-to-date gain to 12.2%. The All Share index rose 8.2% in dollar terms, bringing the year-to-date dollar gain to 14.4%. The Basic Material index rose 10.2% despite the firm rand, and the Gold index ended the month 24.5% higher. Notwithstanding the firm rand, the Financial index rose "only" 1.3% while the Industrial index gained 3.8%, bringing its year-to-date gain to 11.7%.

Chart 7: Local returns to 30 June 2019



The Large and Mid cap indices rose 5.4% and 2.5% respectively, while the Small Cap index actually declined 0.2%. Its year-to-date return remains negative at -1.6% which stands in contrast to the Large and Mid Cap indices respective year-to-date returns of 13.5% and 4.3%. It is worth noting that the (US) S&P Mid and Small Cap indices posted monthly gains of 7.5% and 7.3% respectively, for year-to-date gains of 17.0% and 12.8%, underlining once again our long-held belief that global equity markets hold more promise than local ones.

File 13 – Information almost worth knowing

Who do you trust more? Greece or the US?

I know that is a rather strange question, but the truth is when you lend capital to someone, or in this case a country or government, you have to believe they will eventually repay it, and on the terms on which you agreed in the first place. So it

is with bonds: you buy government bonds (debt) and the return you expect to receive is effectively the interest rate (yield) at which you buy that debt. The less certain you are about that government's ability to repay your debt, the higher the yield you will demand for the risk (of non-repayment) you are assuming.

Owl at Sunset

Instagram handle: @elite_owls

This simple process allows you to very quickly compare the implicit price (of risk) investors are demanding for the debt of certain countries. The more certain the security of that debt being repaid, the lower one would expect the yield on that debt to be. By way of example, if you buy a US bond due for repayment in 10 years' time, you will, at the time of writing, receive 2.08% per annum on that debt and you will expect it to be repaid in ten years' time. I am not sure what the prevailing yield on Venezuelan or Zimbabwe debt is (does anyone even care?) but I can assure you it is significantly higher than 2.08%, if there are even investors willing to lend to these governments. South African 10-year debt currently yields about 8.1%, proving that investors regard South Africa as a significantly riskier borrower than, say, the US.

I return to my question, now put differently: would you rather lend money to the US or Greek government? You might be surprised by the answer, which will show yet another anomaly of the current financial markets. On 3 July, the yield on the 10-year Greek bond rallied down to 2.138%. This was only 0.162% higher than the 10-year US yield at that time. One has to go all the way back to 2007 before finding a differential that low. So for all intents and purposes, bond investors are telling you there is little, if any, difference between the credit-worthiness of Greece and the US. You can formulate your own view as to whether this is correct or not.

Zebra kill

Instagram handle: @africanimals

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

Incidentally, as recently as 2015, the difference between the two was 16.0% - a far cry from today's 0.162%. In July 2015, Greek 10-year yields touched 19.23%, while in March 2012, during the peak of the Greek crisis, they touched 48.6%. Of course it would have been a brave investor who lent Greece any money at the height of the 2012 crisis. Had you told anyone then that in 7 years' time Greece would be rated at a similar level to the US, they would've thought you'd lost all your marbles. I guess fortune favours the brave.

Winter walker

Instagram handle: @bnwtones_flair

So what's with the pics?

As with recent editions of Intermezzo, I have taken to Instagram to select and share a few photos that appealed to me. I have chosen them from my "Photography" folder this month, where I save photos which appeal to me for no other reason that they are beautiful or unique photos. I hope you will agree with me.

Whale wake-up call

Instagram handle: @africanimals