

Enjoy this month's instalment of our newsletter. As always, it is packed with links that you may find interesting.

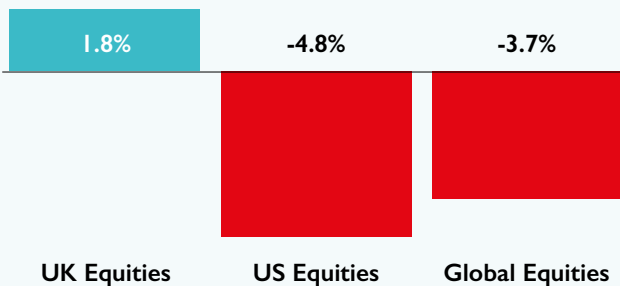
The Stock Markets

(updated 30 September 2023)

The key benchmark you should care about is achieving all of your financial and life goals, and not running out of money

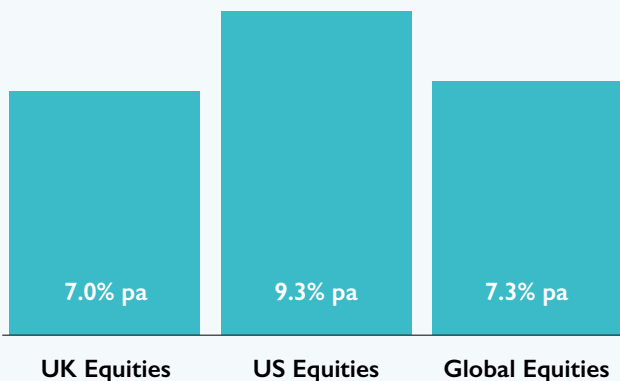
The Unimportant Numbers - 1 Month

Monthly figures are a distraction from your long term goals.



The Important Numbers - 30 Years

Investing in the Great Companies of the World has produced life-changing returns for the disciplined and patient investor over the last 30 years, the average length of a two-person retirement.

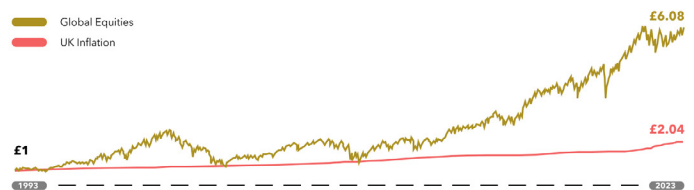


Source: FE Analytics, Humans Under Management. Returns are based on the total return of the respective indices, which assures all dividends are re-invested. Returns are in local currencies.

Inflation - The Real Enemy (updated September 2023)

The number one enemy of the long-term investor is the financial dragon called inflation (the silent but steady increase of prices over time). The only sane definition of money is purchasing power, and over the last 30 years, inflation in the UK has almost halved the value of your money. But an investment in the UK share market has consistently provided protection from this enemy. What did you have to do to earn this? Two (behavioural) things:

1. Invest and stare out of the window (much harder than it sounds).
2. Be willing to see your investment value decrease by about -15% on average every year without being panicked into selling.



Myers-Briggs Type Indicator: What's Your Personality Type?

[View](#)

Great Listens

The Lifecycle of Greed and Fear [12 minutes].

The cycle that is inevitable but cannot be eliminated.

[Listen](#)





There's No Secret Door

There are many areas in life where a high level of wealth gets you through a secret door. Here, a new realm of possibility opens up to you with better options than you faced before. Think luxury travel packages, chartered planes, private security, home chefs, and private schools.

It is, therefore, not surprising that high-net-worth investors expect a similar expansion of options in investment products. After all, with the basics in place and more money to invest, doesn't investing in something complex that provides more diversification make sense? Let's unpack this thinking and consider whether this pursuit of complexity has helped or hindered investors.

The Illusion of Sophistication

Investment marketing departments spend hours and millions dreaming up new ways to package the financial building blocks into products their salesforce can confidently sell. The more exciting and exclusive the opportunity, the more beautiful the brochure. It's a story you can tell at the party, and everyone likes telling a good story.

Unfortunately, in most cases, the truth does not live up to the story. The returns these products provide are usually lower than a simple diversified portfolio, with higher fees not helping investors either. The more enticing of these products often involves a trendy industry, an exclusive but limited opportunity, and an unhealthy dose of illiquidity. It may work for a while, but eventually, the chickens come home to roost.

The benefits of status, a story to tell, and the feeling of sophistication must be contrasted with the cost of higher fees, lower returns, less liquidity, and an unnecessary hassle factor.

The Beauty of Simplicity

Many investors are attracted to sophisticated opportunities because they have forgotten what a miracle it is that we can invest in the global financial markets at all. Spoilt for choice compared to their ancestors, modern investors have lost their sense of wonder for the ability to own the best companies in the world at near-zero fees.

Given that the only purpose of your investments is to provide you with the life you want to live, we believe it's in your best interest to reframe the story you're telling yourself about how your money is invested. Consider the innovation that has gone into becoming a diversified shareholder of the best companies in the world at the click of a button, at a low fee, with very few liquidity constraints.

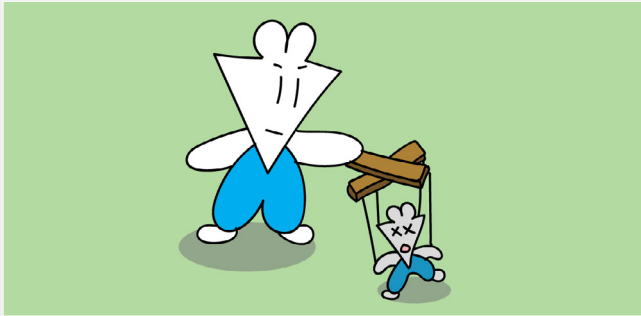
If this structure was invented tomorrow and only marketed to the wealthy, it would instantly become the only game in town. In our view, it's the height of sophistication. Framed this way, the traditional fund structure becomes the only sensible destination when new money is available for investment.

Avoiding Temptation

While the temptation to participate in a new opportunity is understandable, we encourage investors who have already overcome the initial hurdle of growing wealth to stay focused on what got them there. In the investment world, you can't have too much of a good thing, and from experience, we know that simplicity is the ultimate sophistication.

In our view, the aim of investing is a life well lived, and investment products are nothing more than plumbing. We're committed to helping clients achieve this goal most simply and efficiently.

Read



The Illusion of Control [4 minutes].
True freedom comes from allowing life to be.

[Read the full article](#)

The Never-Ending Then [4 minutes].
Discover the secret to breaking free from the endless pursuit of the future.

[Read the full article](#)

Intelligent vs. Smart [8 minutes].
This crucial distinction can shape your success in life and decision-making.

[Read the full article](#)

What Do You Want? [16 minutes].
Is this the key to unlocking a fulfilling life?

[Read the full article](#)



The Art of Rest: How to Let Your Body and Mind Heal [3 minutes].
Learn how to bring balance, clarity, and renewed energy into your life.

[Read the full article](#)

KISS It [3 minutes].
Simplicity leads to better outcomes.

[Read the full article](#)

Ignore the Media

The media is not a friend of the disciplined and patient investor. Ignoring the key determinants of lifetime investor returns, the media prefer to focus on short-term returns, market predictions, and negative news.

We present the following as an antidote to the onslaught of negative news:



SpaceX broke its record for number of launches in a year

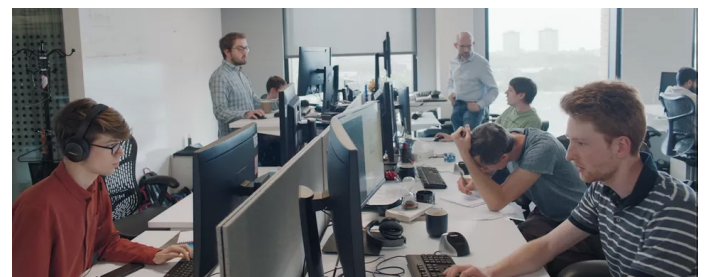
It probably seems like SpaceX is launching almost every day, and that's not far from the case. It also might seem like SpaceX is regularly breaking one of its records, whether it's in the number of launches, turnaround time, or reusing Falcon 9 boosters. This is also true.

[Read the full article](#)

The app teaching Somalis to read and write

Ms Artan was never taught to read or write. Then, a few months ago, she found out about an app called Daariz, which, according to their user data, has now taught over 410,000 people across the Horn of Africa to do just that.

[Read the full article](#)



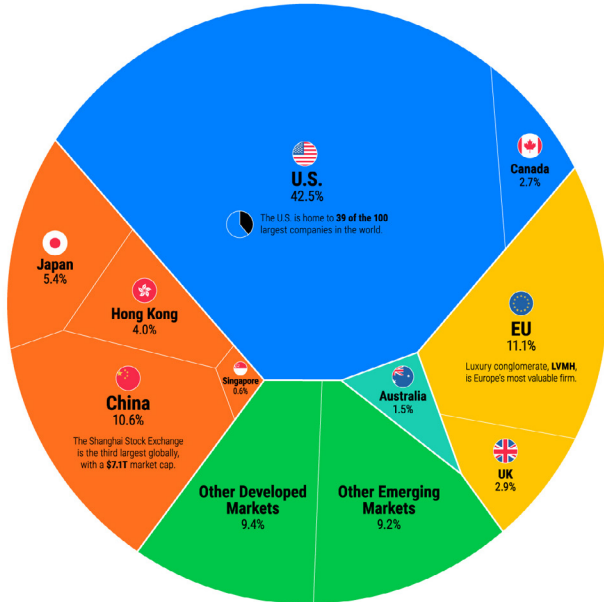
Google DeepMind AI speeds up search for disease genes

Google's AI firm DeepMind has used artificial intelligence to identify changes in human DNA that might cause diseases. The researchers believe they have pinpointed 89% of all the key mutations. The development is expected to speed up diagnosis and help in the search for better treatments.

[Read the full article](#)

A Picture is Worth a 1000 Words

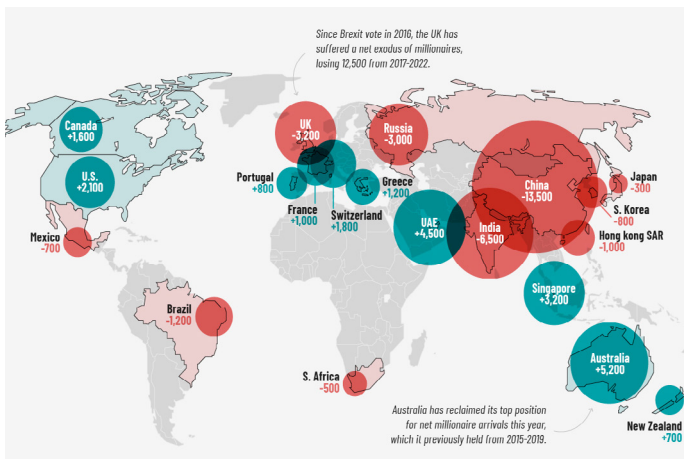
The \$109 Trillion Global Stock Market in One Chart



Global equity markets have nearly tripled in size since 2003, climbing to \$109 trillion in total market capitalization. Over the last several decades, the growth in money supply and ultra-low interest rates have underpinned rising asset values across economies.

[Read the full article](#)

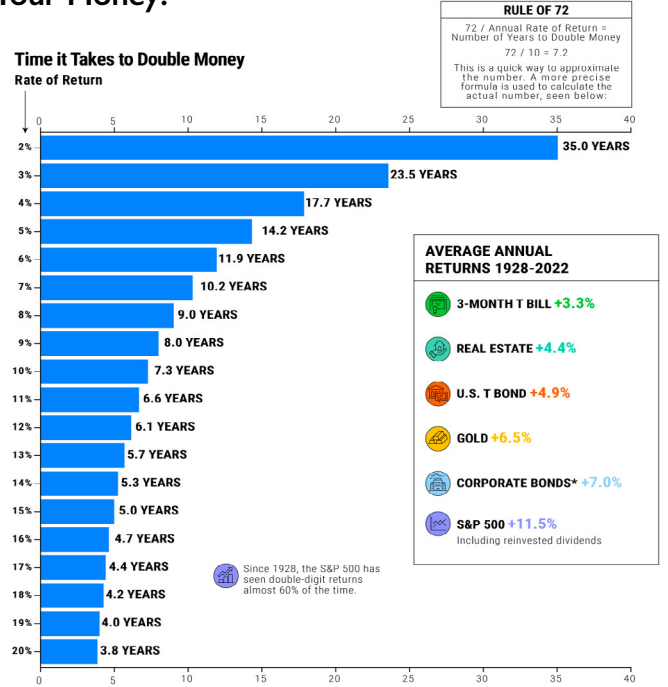
Mapped: The Migration of the World's Millionaires in 2023



Just like everyone else, High Net Worth Individuals (HNWIs) traveled less than usual during the pandemic, and as a result their migration numbers trended downwards. But millionaires and billionaires are on the move again and it is anticipated that 122,000 HNWIs will move to a new country by the end of the year.

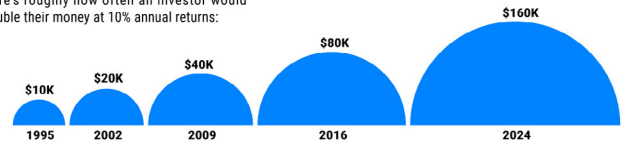
[Read the full article](#)

Visualized: How Long Does it Take to Double Your Money?



The Speed of Doubling Your Money

Here's roughly how often an investor would double their money at 10% annual returns:



At first glance, a 7% return on your investment may not seem that impressive. Yet what if you heard that your money could double in roughly 10 years? The above graphic takes the rule of 72 shortcut and uses the more precise logarithmic formula to show how long it takes to grow your money at different annualized returns.

Using the classic rule of 72, an investor can estimate how long it takes to double their money. At 7% annual returns, an investor would see \$10,000 grow to \$20,000 in about a decade by taking 72 and dividing it by 7%, the rate of return. While the rule of 72 serves as a guide to estimating when your money will double, the more accurate way to arrive at this number is through a logarithmic equation.

[Read the full article](#)

We hope that you enjoyed this month's newsletter. Please let us know what you enjoyed or write back with any of your own news.

Please forward to a friend, relative, or colleague. As always, we're here for you. See you next month.