JUNE

2022

# FINANCIAL INSIGHTS

by

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# FINANCIAL NEWS DIGEST - JUNE 2022

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## AT THE BEGINNING OF JUNE

### Recession fears weigh on global stock markets

Most major stock markets fell in the first week of June as investors continued to question whether the Federal Reserve's attempts to rein in inflation could spark a US recession.

The S&P 500 finished its four-day trading week down 1.2% as JPMorgan Chase CEO Jamie Dimon warned an economic "hurricane" was on the horizon. News that Elon Musk had told his fellow executives that Tesla might have to cut 10% of its staff over his "super bad feeling" about the global economy also dented investor sentiment. The Dow declined 0.9% while the Nasdaq lost 1.0%.

Concerns about slowing economic growth and inflation also weighed on stocks in Europe. The pan-European STOXX 600 fell 0.9% while Germany's Dax was largely flat. The FTSE 100 slipped 0.7% through Wednesday (1 June).

In Asia, Japan's Nikkei surged 3.7% as the authorities announced a relaxation of Covid-19 restrictions on foreign tourism and the Bank of Japan said it would continue with monetary easing. China's Shanghai Composite rose 2.1% after the government gave further details of stimulus measures that aim to revive the economy in the wake of Covid-19 lockdowns.

## ECB signals July and September rate hikes

European Central Bank (ECB) president Christine Lagarde said last week that interest rates would likely rise in July and September, resulting in the eurozone exiting negative interest rates by the end of the third quarter. She also said net purchases under the ECB's bond buying programme would finish very early in the third quarter, thereby confirming the end of the ECB's quantitative easing programme.

Interest rates are currently at -0.5%, which means moving into positive territory by the end of the third quarter would require two 25 basis point hikes between now and then.

## Chinese regulators to end the probe into Didi

Stocks rallied on Monday (6 June) after the Wall Street Journal reported that regulators in China were close to finishing their investigation into three US-listed firms, including the ride-hailing app Didi. Shares in Didi and the wider technology sector surged, helping Hong Kong's Hang Seng rise 2.7% on Monday.

## Eurozone inflation hits fresh record high

Inflation in the eurozone soared to a fresh record high of 8.1% in the 12 months to May, up from 7.4% in April, according to Eurostat's flash estimate. This was higher than the 7.7% annual rise forecast by economists in a Reuters poll and marked the seventh month in a row that inflation has hit a new high.

## US economic data better than expected...

Last week's slew of economic data seemed to contradict fears of an impending US recession. Figures from the Labor Department showed employers added 390,000 nonfarm jobs in May, slower than the upwardly revised 436,000 in April but much higher than expectations of around 328,000. Weekly jobless claims were lower than expected, falling by 11,000 to 200,000 in the week ending 28 May.

# AROUND THE MIDDLE OF JUNE

## Stocks slump as central banks hike interest rates

Global equities fell sharply (10 June - 17 June) after several central banks announced interest rate increases. The S&P 500 recorded its worst weekly decline since the onset of the pandemic, sliding 5.8% and officially entering bear market territory (down more than 20% from its January peak). The Dow and the Nasdaq both fell 4.8% as the Federal Reserve announced its most aggressive rate hike since 1994.

In Europe, the STOXX 600, Dax and FTSE 100 all lost more than four percentage points as the European Central Bank (ECB) called an emergency meeting and the Bank of England (BoE) and Swiss National Bank both raised interest rates.

Fears of a global recession weighed on Japan's Nikkei 225, which plummeted 6.7%. In contrast, the Shanghai Composite added 1.0% on news China had approved ten fixed-asset investments worth 121 billion yuan – a more than six-fold jump from April – in an effort to boost economic growth.

## US inflation hits new 40-year high

Inflation in the US accelerated to a new four-decade high in May as the cost of petrol, food and other necessities surged. The headline CPI rose to 8.6% from a year ago, faster than April's year-on-year increase of 8.3% and the highest level since December 1981.

## ECB unveils interest rate plans

Inflation and interest rates also dominated the headlines in Europe. The ECB signalled it was likely to raise rates by half a percentage point in September, in addition to a planned quarter-point rise in July. ECB president Christine Lagarde and chief economist Philip Lane had previously said rate rises of 0.25% were the benchmark for its meetings in July and September. On Thursday, however, Lagarde said risks to the inflation outlook were "primarily on the upside", according to a report in the Financial Times.

The comments came as the ECB raised its inflation projections to an average of 6.8% for this year, well above the 5.1% predicted in March. Inflation is expected to ease to 3.5% in 2023 and 2.1% in 2024. The ECB also cut its outlook for GDP growth to 2.8% for 2022 and 2.1% for 2023, down from 3.7% and 2.8% previously.

"Russia's war against Ukraine has severely hit confidence, caused energy and food prices to soar further and, together with pandemic-related disruptions in China, compounded existing supply chain pressures," the ECB said. "These factors pose strong headwinds for the economic recovery in the euro area and come at the same time as a relaxation of pandemic-related restrictions, which is providing a strong boost to the services sector."


## Japan's GDP is better than expected

The latest economic growth figures for Japan proved to be better than expected. According to the Cabinet Office, GDP declined by an annualised 0.5% in the first quarter of the year, less than the initial estimate of a 1.0% contraction. On a quarter-on-quarter basis, GDP shrank by 0.1%, beating expectations for a 0.3% decline. Private consumption, which makes up more than half of Japan's GDP, rose by 0.1% from the previous quarter, while inventories also increased. This helped to offset a 0.7% quarterly fall in capital spending.

# TOWARDS THE END OF JUNE

## UK house price growth starts to slow

UK and European indices started this week in the green, with the FTSE 100 and STOXX 600 up 1.5% and 1.0%, respectively, at the close of trading on Monday (20 June). US markets were closed on Monday for a public holiday.

Figures from Rightmove showed UK house prices hit a record high for the fifth consecutive month in June to reach £368,614. However, the 0.3% month-on-month rise was the smallest increase since January and suggests the pace of price growth is slowing. Rightmove said price rises are expected to slow further in the second half because of worsening affordability challenges, bringing the annual rate of price growth down from the current 9.7% towards 5.0%.

The FTSE 100 was up 0.6% at the start of trading on Tuesday (21 June) following a rebound in Asian markets overnight.


## US retail sales weaker than expected

Fears that interest rate hikes could spark a recession were exacerbated by disappointing US retail sales data. Sales fell unexpectedly in May by 0.3% from the previous month, driven by a steep decline in auto sales and a drop in furniture sales, according to the Department of Commerce. Economists had expected a rise of 0.3%.

Receipts at auto dealerships dropped by 3.5%, the largest fall in almost a year, and online store sales fell 1.0%. Sales at service stations surged by 4.0%, driven by record high gasoline prices. Excluding gasoline, retail sales fell by 0.7% month-on-month.

## BoE makes fifth consecutive rate hike

In the UK, the BoE increased its base interest rate from 1.0% to 1.25%, the highest level in 13 years. This was the fifth time in a row that the Monetary Policy Committee voted to increase rates. It came after annual inflation rose to 9.0% in April amid large increases in global energy and goods prices, fuelled by the Ukraine war and the pandemic.

## Consumers rein in spending

The latest UK retail sales data suggests rising prices are resulting in consumers reining in their spending. Sales volumes fell by 0.5% between April and May, reversing the expansion seen in the previous month.

The decline was driven by a 1.6% fall in food store sales, which the ONS said seemed to be linked to the impact of rising food prices and the cost of living.

## Eurozone business growth slumps

Last week's economic data also showed a slowdown in business growth in the eurozone. The S&P Global flash eurozone PMI composite output index fell from 54.8 in May to 51.9 in June, a 16-month low. Manufacturing output contracted for the first time in two years and service sector growth cooled considerably, particularly among consumer-facing services.

Companies also scaled back their business expectations for output over the coming year to the lowest since October 2020. Both the stagnation of demand and worsening outlook were widely blamed on the rising cost of living, tighter financial conditions and concerns over energy and supply chains.

## Signs US inflation is moderating

Over in the US, data suggested inflation could be moderating. The University of Michigan's consumer sentiment survey showed consumers expect inflation to rise at an annualised rate of 5.3% in June, below forecasts and the peak rate of 5.4% recorded in March and April. Meanwhile, S&P Global's flash PMI data for June showed the pace of input price inflation eased to the lowest for five months, and output charges rose at the softest pace since March 2021.

# THE FUTURE OF INVESTING IN OIL & GAS

In the past, oil and gas stocks were a common asset within the portfolios of serious investors, offering the possibility of huge returns well over the 7% average.

Having said this, the oil and gas industries have always produced highly volatile securities, which have been largely dependent on supply and demand, with prices being vulnerable to publicised events such as oil spills and workplace accidents.

Despite this, most investors would agree that stocks in the oil and gas sector were worth the risk.

However, as we move into a world with a vastly different socio-cultural and political climate – with the environment and climate change being a top concern for both individuals and governmental bodies – oil and gas stocks won't hold the value they once did, especially as a long-term investment.

Here are just five reasons why.

## 1. THE INDUSTRY HAS A HUGE CARBON FOOTPRINT.

One of the top global concerns right now is the rising temperature of the planet, which, if drastic changes aren't made in the coming decade, will have an irreversible impact on the Earth with a wide-reaching impact on communities and ecosystems across the world.

Greenhouse gases such as carbon dioxide released by oil and gas companies contribute to this global warming. The oil and gas industry releases around 5200 million tonnes into the atmosphere daily.

On the other hand, renewable energies such as solar and wind release a small volume of these gases by comparison. Governments are turning their support towards these energy sources as a result. Businesses and individuals concerned with the environment are quickly switching to renewable energy companies to provide their power wherever possible.

## 2. EXTRACTING OIL AND GAS POLLUTES COMMUNITIES.

The plants and wells required to extract oil and gas from deep under the ground release a range of toxic pollutants – from benzene to formaldehyde – into the air.

This means that nearby communities are exposed to these harmful air pollutants, which can cause and aggravate a range of respiratory problems and many other health issues.

# 3. THE OIL AND GAS INDUSTRY DESTROYS HABITATS.

Naturally, oil and gas extraction and processing sites have to be built somewhere – and, as a result, their construction often leads to the destruction, or at least massively disrupts, the ecosystems in place there.

Likewise, more than being disrupted by the use of land, the chemicals released by the plants – and the vast amounts of ongoing noise pollution – continues to disrupt wildlife long after construction has ended.

Last but certainly not least, the oil spillage into the sea has contributed to millions of animals becoming sick or being killed and has significantly impacted the health of reef systems, which are integral to every aspect of life on earth.

# 4. OIL AND GAS PRICES HAVE SOARED

The oil & gas industry has struggled to cope with the increase in demand since the rapid recovery of the global economy after the pandemic – and the consequent need for energy – with prices climbing over 70% in just a year.

As a result of the unreliability of supply – and the resulting volatility of prices – in addition to the cost of renewable energies decreasing steadily, switching to renewable energy is becoming more and more financially appealing to homeowners and businesses alike.

# 5. OIL AND GAS ARE FINITE SOURCES OF ENERGY.

Another significant factor affecting the future of the oil and gas industry is that oil and gas are finite sources of energy – a.k.a. they're going to run out.

Eventually, this means that there will cease to be a supply of these non-renewable energy sources, and thus the industries themselves will be able to exist no longer.

In the shorter term, however, this means that – across the globe – countries will begin to prepare for the inevitable future in which oil and gas can no longer be relied on to provide our energy.

In contrast, the renewable energy industry – including solar, wind and hydro – will earn (and has already begun) a considerable amount of financial support from governments and is significantly favoured by public sentiment, especially after the COP26 conference and the resulting rise in environmental awareness.

So, if you're considering investing in the energy sector – and you're thinking about adding oil and gas stocks to your portfolio – consider the above risks when making your decision, ensuring that you take into account the long-term implications of investing in oil and gas on the environment and the health of your investment portfolio.

# TRAVEL INSURANCE AND WHY YOU NEED IT


It's commonly said among expert travellers that if you can't afford to buy travel insurance, you can't afford to travel – and there's a lot of reasoning to back this up.

Travel insurance covers you financially while taking a trip and often even before, between booking – both your holiday and your insurance – and leaving for your trip if something happens that forces you to cancel your holiday.

There are a couple of different types of insurance you should be aware of:

Single trip – this type of travel insurance covers you for a single journey, typically in one location.
Annual multi-trip – this type of travel insurance covers you for a fixed yearly price regardless of how many trips you take and often works out cheaper than single trip insurance if you make three or more excursions a year.
Backpacking – this type of travel insurance covers you across numerous locations for a significant period of time.
Moreover, insurance will differ – primarily in cost – according to the places you intend to travel to, so you should ensure your insurance covers all the destinations you plan to visit.

But why should you purchase travel insurance in the first place?

Here are the four primary reasons why.

# IN CASE OF A MEDICAL EMERGENCY.

By far, the biggest reason you should take out travel insurance when planning a trip away is to ensure that, should you need medical care, you're covered financially.

Depending on the country you're in, paying for medical care outright can cost millions, landing you in insurmountable debt and can even result in you not getting the help you need altogether.

So, suppose you sustain a significant injury while abroad or suffer a sudden illness that you can't get back home to treat. In that case, it's always worth having insurance to make these concerns an impossibility.

However, remember that medical emergencies caused by 'reckless' behaviour – such as that caused by drugs or alcohol – may not be covered by all travel insurance policies.

Certain risky activities – such as shark diving, skiing or snowboarding – are similarly not usually covered by regular travel insurance. However, on extreme sports holidays such as these, you should be able to find specialist travel insurance that covers all your bases.

# YOUR BELONGINGS ARE STOLEN (OR MISPLACED) ABROAD.

If your luggage is lost in transit, stolen at the airport or elsewhere on your trip – or if someone steals your phone or wallet – it's good to know that, despite the inconvenience, you're financially no worse off.

If you leave your baggage unattended or unsecured, most travel insurance policies won't cover the cost of these items – so make sure always to do your best to keep your belongings safe.

It's good to keep in mind that different insurance policies have additional terms dictating what they will and won't cover and under what circumstances, so research each insurance policy thoroughly to ensure you're getting the kind of coverage you want.

Lastly, many travel insurance policies won't offer complimentary protection on gadgets such as phones, laptops and cameras – however, almost all will offer it as an add-on.

## IN CASE OF DELAYS AND CANCELLATIONS.

Hundreds of thousands of flights are delayed or cancelled each year. Without insurance, you may not see reimbursement for the knock-on effects, such as nights not spent in already-paid-for accommodation and any activities you might have planned.

With some travel insurance policies, you can receive a payout for delays and cancellations, including any financial loss you may have incurred.

## IF EVENTS OUTSIDE OF YOUR CONTROL FORCE YOU TO CANCEL YOUR TRIP.

An inescapable fact of life is that anything can happen, and nothing is ever entirely in our control.

So, when planning for a trip in the future, we have to consider that something unexpected could force us to cancel the trip – such as a severe illness, an injury or a family death – that means we need to stay where we are.

In these cases, it's good to know that if you have sufficient travel insurance, you don't miss out financially, as many of us really can't afford to lose the amount of money we'd spend on a vacation.

This is especially true if, when these unexpected circumstances have passed, you have to take that trip regardless (for example, if you were going to visit family members who are still awaiting your call).

So, to safeguard yourself financially when travelling, make sure to purchase a travel insurance policy that covers all your bases to put your mind at ease while you're away.

# ONE OF US

In 'One of Us', we share intimate conversations with colleagues, thought leaders, and financial experts to educate, enlighten, and entertain you.

## This month we caught up with our Executive Director for Africa and Managing Director of Mauritius - Phil Morris.

**Q:** Thank you so much, Phil, for taking the time to do this interview. Can we start by letting our audience know about your background and role with AMA?

**A:** The Founding Senior Partner Gregory Morris asked me to join Austen Morris Associates as an Executive Director in 2006, working from our Shanghai office. Since then, I have helped the AMA Group expand and open companies and offices in many areas throughout China, Asia, South Africa and relatively recently, our two companies in Mauritius.

**Q:** What are your AMA-related goals for the next five years?

**A:** To play a part in increasing our client base, assets under management and client satisfaction across the group. This continued success, I believe, will be achieved by our established management team and staff across all companies working to improve upon our already high level of services, both in-person and online.

## Q: If you were to invest a lump sum these days, would you invest it in South Africa or offshore?

A: This is a more complex question than you may think, and the answer is dependent on an individual client's specific needs.

The US has been a global economic powerhouse for many years and has been a fantastic destination for investors' money around the world. The technology sector, in particular, has grown exponentially, largely owing to big names such as Facebook, Apple, Microsoft and Amazon. That said, there has been a significant drag on portfolios in 2022 as the world grapples with the Russia / Ukraine conflict, a decade's high inflation, and sporadic hard lockdowns in China.

Diversification has always been key to AMA's investment strategies and success, both in asset allocation and geographic location. While we have tended to favour offshore markets historically and, by extension, 'hard' currencies, we've also found compelling growth opportunities in the local SA market. We've capitalised on this by partnering with global investment research giant Morningstar to build our bespoke range of Model Portfolios, CITRINE. The performances over the past two and a half years on a peer-comparison level have delivered superior returns to our local clients.

## Q: What was the most difficult decision you made last week that you can share with us?

A: After becoming accustomed to masks and sanitiser, lockdowns and restrictions of movement, to return to everyday working practice was hard to accept. Therefore, the decision to remove the final restrictions regarding COVID in our SA offices was also made.

I would like to thank all of the incredible AMA staff around the world who rose to the hugely exacting challenge of the pandemic in such an exemplary fashion, hardly missing a beat in very trying times.

## Q: If you didn't work in wealth management and investments, what would you imagine yourself doing as a profession?

A: At 57, I think my ambition of being an F1 driver is now a couple of years behind me, so my skill set may assist a charitable organisation or help my sons in their business endeavours.

## Q: What is the news you have been following these days? And what's your opinion about that?

A: I avidly consume news and current affairs and follow as much as time allows.

The situation in Ukraine is multifaceted and affects not only the region but the world in so many ways.
Recently grain and food distribution from Ukraine and the NATO pact expanding initially to Finland and Sweden have come to the fore. It is fascinating that both events could potentially be used as bargaining chips to end the current conflict or escalate it. I think sanctions will slowly persuade President Putin to pause hostilities. Unfortunately, for all involved, this could be a long time coming!

## Q: What do you like to do in your 'me-time'?

A: Generally, I enjoy following F1, Liverpool and a bit of test cricket.
I was surprised and pleased with England's recent three straight test wins.
(Apologies to our New Zealand Clients)

# RENEWABLE ENERGY AND THE BENEFITS

In the last decade or two, the popularity of renewable energy has skyrocketed – particularly since the COP26 conference in 2021 and the collective commitment of countries worldwide to reduce carbon emissions. People seek more renewable energy to power their homes and motivate their investment choices.

Indeed, over the last couple of decades, many have taken Environmental, Social and Governance (ESG) factors into account more and more when making investment decisions, as they try to make the most responsible and ethical decisions with their money.

## SO, WHAT IS RENEWABLE ENERGY?

In short, renewable energy is a type of energy that can't be 'used up' in contrast to fossil fuels and oil, which are finite resources destined to run out.

Most of the time, renewable energy sources are better for the environment as they don't – with the exception of biomass energy – rely on burning, using the resulting heat energy to produce electricity.

Some of the most popular types of renewable energy include:

- Solar energy – light and/or heat energy from sunlight is captured and converted into electricity or stored in batteries.
- Wind energy – the kinetic energy provided by the wind's movement of the wind turbines is converted into electricity.
- Hydroelectric energy – kinetic energy from the movement of water is used to produce electricity, often via hydroelectric dams.

# WHAT ARE THE BENEFITS OF RENEWABLE ENERGY?

There are countless benefits to renewable energies, ranging from being better for the planet to positively impacting society.

Here are the top six.

## REDUCING GREENHOUSE EMISSIONS.

Climate change poses a greater threat than ever to our – and countless communities' and animal and plant species – survival.

Climate change is caused by a phenomenon whereby greenhouse gases in the Earth's atmosphere – principally, carbon dioxide – trap heat from the sun, contributing to global warming.

Burning fossil fuels releases gases such as these, causing them to build up in the atmosphere and escalating this warming effect.

On the other hand, renewable energy sources – like wind and solar power – don't release any CO2 to produce electricity, providing a significantly more climate-friendly option than burning fossil fuels.

# FEWER AIR POLLUTANTS.

Greenhouse gases aren't the only problematic compounds released when non-renewable fossil fuels are burned.

Nitrous oxides released by the process contribute to smog and acid rain, particulates – solid/liquid particles released by burning – cause respiratory and heart problems, and sulphur dioxide exacerbates asthma and cardiovascular diseases. These are just a few of the harmful chemicals released by burning fossil fuels.

On the other hand, clean, renewable energy sources don't release any of these harmful compounds when captured and converted into electricity.

# REDUCING WATER USE FOR PRODUCTION.

Though we tend to think of water as an inexhaustible resource, it's not; overusing water has many adverse effects.

For one, using lots of water removes it from ecosystems that need it, throwing the habitats of plants and animals into disarray.

Secondly, overusing water means less for the communities who need it most – for drinking and irrigation so they can grow crops.

Third, a large amount of energy is used to treat water – often, this energy is produced via burning fossil fuels.

## RENEWABLE ENERGY FACILITIES ARE LESS DANGEROUS.

Inherently, renewable energies are safer for the labourers involved.

According to the online statistics platform Statista, the energy industry with the highest fatality rate in 2018 was coal – mainly due to the danger of coal mining – with oil and glass following closely behind.

In comparison, renewable energy industries such as solar and wind power recorded around 10 to 20 times fewer deaths that year.

## RENEWABLE ENERGY INDUSTRIES CAN BENEFIT THE ECONOMY.

Compared to getting energy from burning fossil fuels, the process used to capture renewable energy sources is much more reliant on people's labour, providing significantly more jobs than the non-renewable energy industry.

Likewise, lower costs are associated with producing electricity from renewable energy sources. As more technology is harnessed to capture this energy, electricity prices will likely be lower for everyone.

## RENEWABLE ENERGY NEVER RUNS OUT.

Renewable energy – as per its name – is abundantly available, meaning it can't be depleted or 'run out' unlike non-renewable fuels such as coal, oil, and gas, which are finite.

Making renewable energy a resource that we can rely on indefinitely, and making it a desirable investment option, as the value of renewable energy isn't dependent on its relative availability, unlike fossil fuels.

# 7 TIPS TO CONSERVE MORE ENERGY AT HOME

Whether you're a homeowner aiming to cut the costs of your utilities or someone who wants to minimise their carbon footprint and help the planet by reducing their energy usage, or perhaps a combination of the two, it's no wonder you're looking for ways to conserve more energy at home.

Luckily, you can do many things simply by making a few changes to your home life to reduce the amount of energy you use, lower your carbon footprint and cut household costs as a result.

## Here are our top 7.

# 1. OPT FOR COLD WATER WHERE POSSIBLE.

Though we're not expecting you to take cold showers every day for the rest of your life – though by all means, go for it if you want to – using cold water to wash the dishes, do your laundry and clean your hands can make a massive difference to your energy consumption.

This is because a lot of energy is used to heat cold water to provide us with hot water. While these small changes won't present a massive inconvenience to your life, accumulatively, they could make a huge difference to the planet.

# 2. TURN OFF APPLIANCES AT THE WALL.

Unbeknown to many, when you leave your appliances on stand-by – a.k.a. when the plug is still switched on at the wall – electricity is still being used within the socket, contributing to overall energy usage, even when you aren't using your appliances.

With this in mind, always turn your switches off at the wall when you're not using your appliances – particularly at night when they could spend 8+ hours guzzling energy unnecessarily.

## 3. CONSIDER USING POWER STRIPS.

Although turning off your sockets at the wall can help reduce energy waste, some electricity can still gather here and therefore be wasted.

Power strips are designed to shut off the electricity completely when sockets aren't being used; they can be programmed to ensure the electricity is shut off at night and can even recognise when an appliance hasn't been used in a while, automatically shutting the electric off after periods of inactivity.

## 4. UPGRADE TO ENERGY-EFFICIENT LIGHT BULBS.

The incandescent light bulbs most popular in years gone by used a significant amount of energy to light up our homes.

Now, however, there are tons of different energy-efficient light bulbs to choose from – and though they might be slightly more expensive to purchase, they pay for themselves in the long run while helping you do your bit for the planet.

## 5. TAKE MULTIPLE MEASURES TO INSULATE YOUR HOME.

Much of the energy we use to heat – or cool down – our homes ends up being wasted since our houses aren't that well adept at keeping the heat in (or out).

So, to help maintain your home's temperature with as little energy as possible, ensure that your attic is fully insulated, and consider upgrading to double-pane windows, which are better at conserving heat.

To stop the air inside your home from escaping – and to prevent air from the outside from rushing in – make sure to seal any cracks in your walls or around your doors and windows that could contribute to your high heating bill (and carbon footprint).

Likewise, insulating household features such as your water tank or pipes with blankets – designed for insulation purposes – can help keep your water hot, thus reducing the energy used to reheat the water.

# 6. EMBRACE AIR DRYING.

So many appliance-aided processes we carry out on a day-to-day basis can be done manually, without the need to use any energy at all.

In particular: air drying, since there are tons of things we dry with machines that we don't need to.

## A few swaps include:

- Forgoing your hair dryer and let your hair dry naturally after a shower.
- Hanging your laundry on a washing line or a drying rack after washing.
- Washing/drying your plates rather than using the dishwasher.

# 7. CLEAN/UPGRADE OLD APPLIANCES.

Old appliances often use up more energy than newer appliances – mainly because, over time, their ability to function decreases, and they require more energy to complete the same actions they did when they were new.

Sometimes, simply giving the inner workings of your appliances a deep clean – or even doing something as simple as removing the lint from your washing machine or the dust from your air conditioning unit – can make your appliances work more efficiently.

In other instances, upgrading to a more up-to-date, energy-efficient appliance might be better.

# GROW FINANCIALLY WITH AMA

At Austen Morris Associates, we know how the right financial decisions can make all the difference to your long-term security, quality of life and the realisation of your dreams. We also understand the importance of working closely with you over the long-term to understand your unique needs and help to meet any challenges along the way.

Since 1994, we have been committed to the core values of trust, professionalism and partnership to the benefit of our International Clients around the world, resulting in the successful long-term relationships that are the foundation of Austen Morris Associates today. As Independent Financial Advisors, we provide unbiased advice and give you access to the world's top investment management groups.

Our Consultants offer a wealth of experience in providing a full spectrum of financial advice. Our commitment to ensuring your peace of mind reinforces our focus on trust and partnership. By focusing on your specific needs and situation, we tailor plans to reach your financial goals while maximising the benefits of international investing.

Austen Morris Associates is a truly international company with its global registered office in Seychelles and wholly-owned registered offices in China, South Africa, Hong Kong, Mauritius, the USA and the Philippines. To begin your journey towards total financial security, we invite you to meet with one of our Consultants to understand our financial planning approach and why our clients become loyal and long-term partners.

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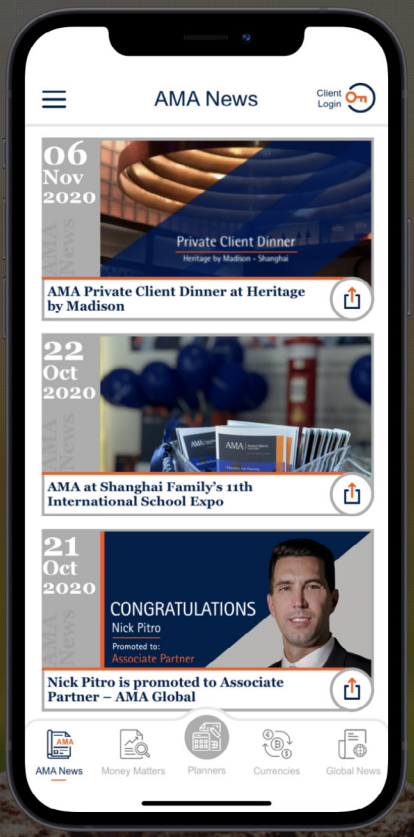


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