



RHODES
WEALTH MANAGEMENT

Client Bulletin
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Foreword

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Preparing for Christmas always takes time, and whilst we feed Christmas cakes with brandy, freeze bread sauce and consider the merits of a real Christmas tree versus an artificial one, it is also a time to reflect on the year so far.

Although the year has not been without its challenges, I think the one thing we can all take from this time is the importance of human connection: family, friends, neighbours, colleagues. Whether it is virtual catch ups, dog walks with friends or coffee chats, these small moments can make difficult circumstances significantly more manageable.

In the spirit of Christmas, we are hosting a festive virtual culinary demonstration with Michelin-trained guest chef Darryl Breen on Thursday 26th November at 6pm.

Places are limited, if you would like to attend please register your interest on the 'events' page of our website, or contact the Rhodes Wealth Management office directly.

As we continue to strive to provide excellent levels of client service provision in these unpredictable times, we were delighted to be joined by guest speaker Tim Knight on 2nd November for an overview of the state of the markets and an economic outlook as we begin to think about a new year.

If you were unable to attend the session your adviser will be happy to talk you through the key content, please call the office to arrange an appointment on 01332 497670 or email rwm@sjpp.co.uk.

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A 'K' shaped economic recovery?



The Coronavirus pandemic has brought about a great deal of uncertainty in not only our day to day lives, but the global marketplace and our domestic economy. Whilst economists attempt to forecast the future for recovery, success will vary between sectors and geographies.

There has been much debate amongst experts as to what the future of our economic health looks like; a 'V-Shaped' recovery being the most optimistic approach, suggesting a relatively quick bounce back, whilst more cautious forecasters anticipate a more gradual recovery rate. Some have even predicted a 'U-Shaped' recovery, suggesting a long period of decline and a very slow rate of overall progress in the economic climate.

In recent weeks, a 'K-Shaped' recovery seems the most likely path. This would suggest that some sectors of the economy would face a fast upturn, whilst others may continue to decline for a significant period of time.

The service sector and low-wage workers are experiencing the most conflict, whilst those with assets are more likely to soar in the current economic climate. The real estate industry has skyrocketed, particularly in US cities, with more businesses and individuals purchasing property.

Some fear the future impact this will have, particularly the value of rental properties, with more workers moving out of urban areas for green space.

A similar trend can be seen to be taking place throughout the UK. Some would argue this has been heavily encouraged through government incentives, such as the recent stamp duty holiday, incentivising property purchases.

The concept of a 'K-Shaped' recovery is that those with a higher level of skill or qualification will continue to have lower unemployment rates and these industries will remain strong. This gap could become more pronounced after the pandemic as job losses continue in sectors where workers are in low paying and zero-hour positions.

This isn't a new concept. It reflects a widening of an already pronounced wealth divide, with the resilient sectors continuing to surge through the pandemic. Service providers such as technology firms and online retailers continue to see consistent growth in their industries, whilst many sectors serving physical needs, such as restaurants, hotels and airlines face great volatility.

<https://www.ft.com/content/0865e993-d454-40d0-af57-9a75c7016177>

<https://www.forbes.com/sites/forbesrealestatecouncil/2020/09/04/real-estate-trends-across-the-us-as-the-pandemic-continues/#bb-b7cf745065>



Client Events

Stay in touch with us through our regular client events.

Christmas Culinary Special

Join us for an online culinary session with michelin-trained chef, Daryl Breen

When: 26th November 2020

Time: 6pm

Location: Virtual

Register your interest at
www.rhodeswealthmanagement.co.uk/events

Please check our online events page for details of 2021 events. This will be updated shortly.



The Optimistic Investor



It's not easy. No one predicted a global pandemic and attempting to keep track of your own investments throughout turbulent times can be a real challenge.

Long-term financial security is more likely to exist if we are pessimistic and able to survive throughout short-term events.

Even throughout the most prosperous periods comes a string of problematic downturns. Over the flourishing decades of the 1950's and 1990's, millions of Americans became unemployed in 1958 due to economic downturn. Yet the 50's led to American's experiencing the greatest boost in income than ever before.

Based on historical trends, the world faces instability roughly every 10 years. Every year has a one in ten chance of bringing a new disaster or problem. If we think of this on a more local or national scale, we can expect uncertainty every few years.

Several factors can influence the economy's current state, be that a global pandemic, natural disaster, or political change. We should always be prepared for life-altering events to come our way.

Choosing to save in a pessimistic way brings comfort throughout times of trouble. Being reserved about your spending can help later down the line during times of uncertainty.

'a miracle a month'

However, the odds are in our favour. Whilst we will encounter disaster and downturn in our lifetime, Littlewoods law of miracles deduces that we will encounter roughly one miracle a month, where life surprises us in positive ways.

When it comes to investing, setbacks are often only temporary, historically long-term trends commonly highlight consistent growth throughout the years, inclusive of downturns as a result of unexpected events.

Good investing comes from enduring difficult challenges in order to enjoy long-term progress, whilst benefitting from compounding over years of accrued interest during prosperous periods.

When it comes to your investments, it is impossible to measure progress day-to-day, due to the ever-changing external environment. Yet over a period of time, trends become clear and being wise about how much you choose to save can make a great difference.

We may stand to face a disaster a decade, but with a miracle a month, the odds truly are in our favour.

The value of an investment with St. James's Place will be directly linked to the performance of the funds you select and the value can therefore go down as well as up. You may get back less than you invested.

Source: <https://www.collaborativefund.com/blog/save-like-a-pessimist-invest-like-an-optimist/>



Keeping in touch with you

As our normal way of life continues to be affected, we at Rhodes Wealth Management are looking at new ways in which we can ensure you are fully up to date with your St. James's Place policies and plans. Further disruptions are expected to the Royal Mail network, so we want to ensure that you do not miss out on any important communications, by inviting you to register for your Online Wealth Account.

The St. James's Place Online Wealth Account offers secure access to the following services online:

- View the value of your investments in a range of currencies and see a breakdown of that valuation.
- Access SJP Insights for the latest investment news.
- Receive electronic correspondence and update your future mail preferences.
- Receive important electronic communications directly from St. James's Place.
- Use your debit card to make payments to St. James's Place.
- Top up your ISA with your debit card at a time that suits you.
- By registering for electronic correspondence, you will also be helping us to reduce our environmental impact.

Contact the team on 01332 497670 or via email on rwm@sjpp.co.uk to register for the Online Wealth Account.

Did you know that St. James's Place produces regular informative and topical insights into the world of investments and finance? Covering a range of topics from retirement to protecting your business, insights are here to help you make informed decisions about your wealth.

Visit the 'Insights' section of our website to access the most recent market updates and register for our complimentary e-briefing service.



Testimonials



At Rhodes Wealth Management we sincerely value feedback from our clients. We aim to deliver the highest levels of satisfaction and build long-term relationships, meaning that we are able to provide support through major life events and all phases of our clients' financial journeys.

"Gavin has been giving me financial advice and life advice for over 4 years and has always put my needs first. He is always professional but friendly when he visits to keep information and advice updated. I would thoroughly recommend him, and indeed have, to anyone who is looking for a reliable and trustworthy service."

"I worked with Adam Rhodes to review my pensions and to evaluate potential options. Adam provided sound advice on the advantage and disadvantages of the alternatives, and has also introduced me to people he trusts to review our mortgage and update wills. I am very happy with the decisions taken and feel confident that working with Adam has provided financial security for me and my family."*

"This, my first investment with Mr. Webster, proved to be satisfactory in every way. The points raised by myself were all adequately cleared and discussion of performance indicators and other cyclical elements affecting investment most interesting and assuring – a sound Partner."

"We have loved working with Tiffany. She has always taken time to understand our needs and found solutions that work, often in difficult circumstances. Tiffany is adept at dealing with challenging personalities, and we would recommend her to anyone needing advice and support in moving forwards."

*Will writing involves the referral to a service that is separate and distinct to those offered by St. James's Place. Wills are not regulated by the Financial Conduct Authority.





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