

## STRATEGY FOR Week Commencing 21 September

US pre-election banter has begun in earnest. Polls currently put democrat contender Biden in front. Last time around election rallies played a deciding factor in ensuring the hyperbole was able to be heard by all and sundry. This time around incumbent President Trump can no longer rely on his bluster and blame as disciples can no longer here the rhetoric with major corporations opting to distant their reliance on a trump victory. The consequences of a new kid on the block Biden [whose older than Nixon when he left office] would have significant market consequences. Over the next six weeks expect markets and commentators to position themselves for a coin flip where with a binary choice only one can be the winner. To appreciate the real change that could be coming, the savvy among you may like to watch a hard punching video on the effects of a Biden Victory. [CLICK HERE -If Biden Wins.](#)

Scenario analysis is a tool that allows one to determine the possible outcome of probable events. Such a tool is a useful method as it allows one to assess alternatives. The Internal bill being proposed regarding Europe suggests that it's not over till the fat lady sings. Pound Sterling has been reactive on the real possibility that a no deal trade agreement will not be secured. The knock on effects will have consequences as geopolitical disharmony begins to filter down to sectors. The instability as a result of the pandemic continues to affect major economies as fears of a resurgence in infections continues to provide opportunities for sector specific industries.

With the Federal Reserve shifting its approach to handling inflation in the US economy expect more stimulus to become the norm on the excuse that the economy needs it. The U.S. Federal Reserve is creating the biggest flood of money in recorded history. It is entirely plausible that the Fed will be grappling a decade from now to undo the emergency actions of today with a SEVEN-FOLD increase in the amount of money being printed by the central bank. Inflation is the monster in the room ready to burst out. But conversely, negative interest rates is being considered by the Bank of England [CLICK HERE Britain sterling regains lost ground after BOE negative rate talk.](#) Pound fell sharply last thursday after Bank of England said it had briefed monetary policymakers on how negative interest rate environment could be brought in.

Last week the portfolio saw a +3.28%. Omega Diagnostics again shone through as the optimum performer touching 90p per share ending the week on 85p representing a +13% increase week on week. Whether share price appreciation continues only time will tell. Segro and Spirent communications also stabilised and saw share price increases of +4% and +3%. Housbuilders Bellway and Redrow again showed little enthusiasm as the popularity of UK housing stocks lost their sparkle. Redrow has specifically seen a significant share price decline and a cashcow its certainly not at the moment. Last week, I called time on SDI group which has become a drag on the portfolio. Promises of growth just did not materialise after patience was exhausted I disposed of SDI thereby allowing me to look for further opportunities in the coming weeks. Trade Idea generation is a valued concept to pursue and I have explored the ideas of Battery lithium and glass battery development. Miners in this new gold may well see the new emphasis on alternative energies. With that in mind, last week I added a new position with a speculative trade on US share Lithium Americas Corp which is a miner of lithium in Argentina. Week for week change was +13%. This followed my previous acquisition of Nano one materials dealing with Lithium. Conscious of the fact September is not normally kind for stock purchasers this week, I may look for new opportunities from disposals proceeds. Until next time.

[STRATEGY 14 September](#) [7 Sept](#) [31 August](#) [24 August](#) [17-10 Aug](#) [3 Aug](#) [27 July](#) [20 July](#)