

## **STRATEGY FOR week commencing 14 December –**

Time for reflection is always a poignant time. A recent loss of a dear friend of many years has led me to take a major sabbatical from stock market activity since the US election. Rest in Peace to my dear old mate Joe Martinez.

The portfolio had prior to the US election been refigured towards a Biden presidency. Glad to report that my hunch was correct on a Biden's presidency as incumbent Trump's incessant demand for the US election result to be overturned falls on deaf ears even at the US Supreme Court. So the era of a change in leadership looks certain to bring new challenges in both political ideology and economic fabric. The president elect Biden has diametrically opposing views from the soon-to-be-leaving Trump. This may assist in providing a clue of sectors to concentrate. Climate change, higher wealth taxes, Environmental friendly policies and a divergence from fossil fuel energy are just a starter for ten. [CLICK HERE on How to trade the US 2020 election](#) which provides valuable information on sectors and shares that might president elect Biden may favour.

The first 100 days of any presidency will be key in determining market sentiment and direction. Yet one must not obviously forget the continuing decimating toll of the pandemic. News that vaccines offer a glimpse of hope is encouraging yet daily deaths recorded continue to offer sobering reality. I'm reminded of the words of Winston Churchill. This is not the end. It is not even the beginning of the end. But it is, perhaps, the end of the beginning. The devastating economic affects of the pandemic continue to be felt in all major economies. The UK economy has been propped up by the biggest form of Government intervention since the second world war. Milton Friedman eminent economist once said that there are no free lunches. So one must ask the question How's this unrivalled support to be paid for? Well for the first time in many a year a way forward look like the possibility of a wealth tax. A must read for anybody whose wealth will be under threat for UK residents [A-Wealth-Tax-For-The-UK](#) . Higher taxes of stealth are on their way. You heard it here first! <https://www.lse.ac.uk/News/Latest-news-from-LSE/2020/L-December/Wealth-Commission-report>.

The portfolio has needed to be refined by changes to its constitution. Share disposal has included Omega Diagnostics at a hefty profit, and Learning Technology Group replaced by new share acquisitions Canadian Solar [Solar Energy], Digital Turbines [the mobile market], Orthofix Medical [Medical related] Renewable Energy and increased holdings in Spirent Communications. Changes in the portfolio were necessary to adapt to the new future with the removal of Omega Diagnostics which seems past its sell by date. The instability of Brexit negotiations has also favoured the realignment to US stocks as opposed to UK stocks where confusion and discord is the tone for the foreseeable future.

This week I will look to consider profit taking on Teradyne if \$120 a share appears in the window. Send me comments if you have missed me. Note daily updates will be restricted in the future. Until next time.

[STRATEGY FOR week commencing 9 November](#)   [2 November](#)   [26 October](#)   [19 October](#)   [12 October](#)   [5 October](#)   [28 September](#)   [21 September](#)   [14 Sept](#)   [7 Sept](#)   [31 Aug](#)   [24 Aug](#)   [17-10 Aug](#)   [3 Aug](#)   [27 July](#)   [20 July](#)