

## STRATEGY FOR week commencing 29 March

1956 saw the Suez crisis where geo political turmoil ensued. The significance of the geographical position of the Suez Canal has been taken for granted as of late where the status quo as a trade route has always been assumed as a safe passage without any major hiccups for decades. Yet the importance to world trade has come into focus this week with 15% of world trade passing through it. The blocking by a mega ton container ship is costing \$7 billion a day with economic and political consequences. Shipping has often been a forgotten sector and the chaos that is to follow will have knock on effects to commodity and retail prices with possible inflationary aspects to follow. Globalisation has in the past been the suggested solution for a more inter connected world yet reliance on the given is always subject to the unexpected. In the UK further departmental closures mean more job losses and fractured local economies.

As winter blues begin to fade now onto April which historically is one of the best month for equities being the second best performer of the year. April often gets off to a strong start in the month plateauing in the middle two weeks rising strongly in the final week. The pandemic continues to play centre stage in European politics and talk of trade embargoes and export bans would further provide additional complications in an already complex scenario. Biotech has obviously become a focus sector as of late and quick easy wins on share related companies are not to be assumed. The elasticity of supply chain management in vaccine distribution looks likely to be stretched as countries try to keep a handle on the ever growing problem of supply distribution to authorised countries. Politics has again become an issue as institutions [EU] adopt a blame culture in preference to try and resolve issues regarding vaccine supply. Crypto News last week saw that the Indian Government is also passing a law with the outright banning any form of crypto trading making it illegal had an immediate effect on the price of Bitcoin albeit if only temporary. [CLICK HERE India cryptocurrency ban.](#)

Last week the portfolio retraced from prior week's increases with a -5.09% decline. Alas some shares have now become a drag on the portfolio. Co-diagnostics a share one would have thought that would flourish in the Covid world has become a drag with extremely poor share price performance. Last week its results despite increased revenue saw earnings below par and the market didn't like it declining depressingly down -29% week on week. Other degraded performers included the Crypto stocks MARA -18% and RIOT -22%. These stocks have natural high betas and influenced by news. Fulton Genetics a once reliant share performer continued to depress with a -9% decline. Recent purchase Micron Technology saw a -4% decline, however my comment that revival in US related housing stocks was evidenced by US housing stock D R Horton which has proven resilient as of late with a +7% increase with recent purchase Ultra Clean Holdings holding its own with a +8% increase. Last Week's market volatility saw losses being taken on Digital Turbine which had been a sideways performer as of late. Future disposals will be determined by the prevention of share price collapse which alas FLGT and CODX are guilty of. This week I will look to end the financial year with an appropriately timed purchase when the time is appropriate. Until Next time

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