BRENTHURST
THE HOME OF WEALTH

INVEST BETTER *with* BRENTHURST

IN THIS ISSUE

Reacting emotionally to rattled markets can do more harm than good. History shows that volatility is a normal part of investing, and the best outcomes come from staying invested, maintaining a globally diversified portfolio, and aligning your strategy with long-term financial goals rather than short-term noise.

INVESTING WITH SA'S
LEADING BOUTIQUE WEALTH MANAGER
WINNER 2020 & 2017 | RUNNER-UP 2023 & 2018
TOP 3 2022 & 2021 | TOP 4 2019
RANKED AMONGST THE TOP WEALTH MANAGERS FOR 7 CONSECUTIVE YEARS

JHB (HQ)	+27 (0) 11 799 8100
JHB (SANDTON)	+27 (0) 10 035 1391
PTA	+27 (0) 12 347 8240
CAPE TOWN	+27 (0) 21 418 1236
BELLVILLE	+27 (0) 21 914 9646
CLAREMONT	+27 (0) 21 100 3901
STELLENBOSCH	+27 (0) 21 882 8706
PAARL (VAL DE VIE)	+27 (0) 21 100 3901
GEORGE	+27 (0) 44 050 6057
MAURITIUS	+ 230 5843 5215

FEELING RATTLED BY THE MARKETS?

HERE'S WHAT NOT TO DO

ARIN RUTTENBERG | FINANCIAL ADVISOR, BRENTHURST WEALTH SANDTON

If you've been feeling anxious about your investments lately, you're not alone. Since Donald Trump began his second term, his wave of executive orders – particularly aggressive trade tariffs – has sent shockwaves through global markets. South Africa hasn't escaped scrutiny either, and it's understandable that many investors are feeling nervous about what this all means for their portfolios.

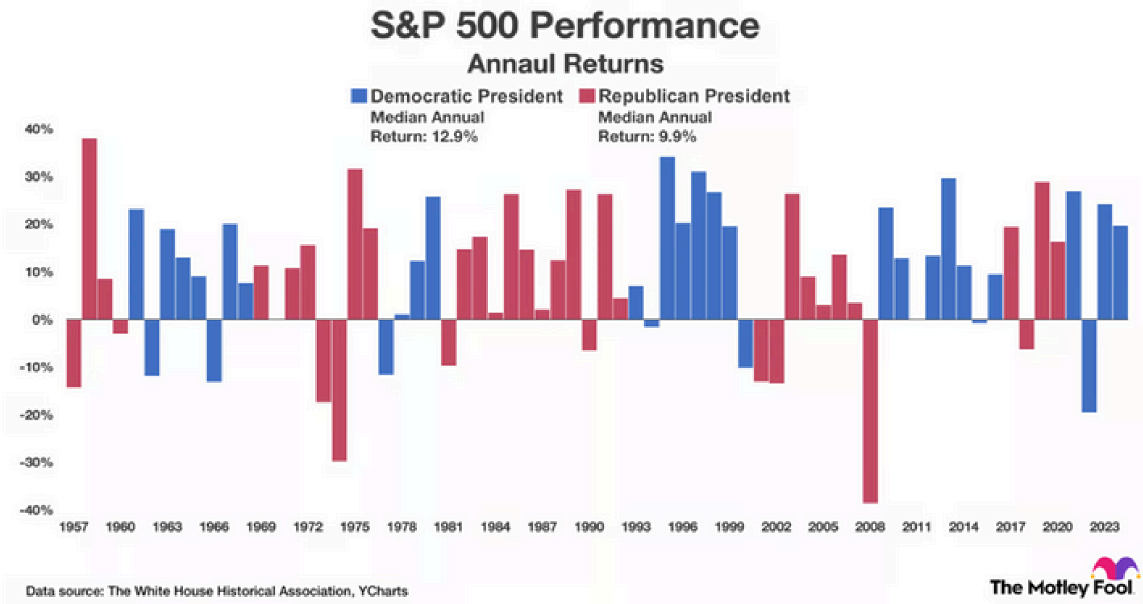
It's not just the headlines causing concern. Major US indices such as the S&P 500, Nasdaq and Dow Jones – once seen as safe havens of growth – have taken a hit. With all this disruption, a natural question arises: Should I be doing something? Should I get out before things get worse?

PRESIDENTS COME AND GO. THE MARKET KEEPS GROWING

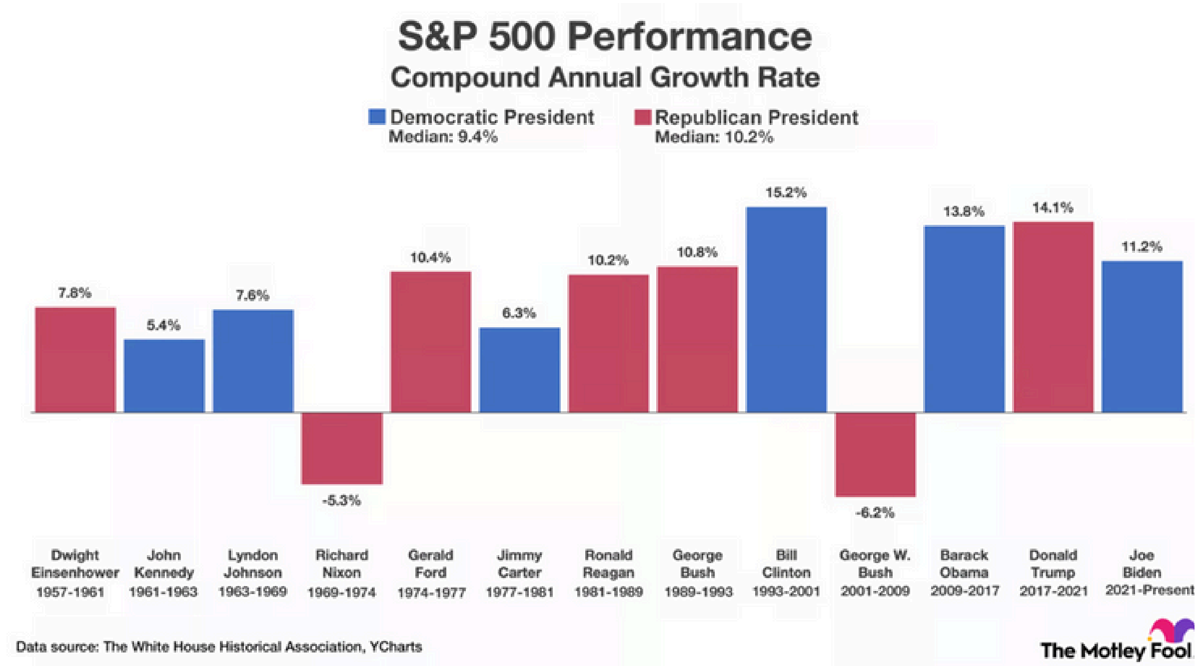
Here's something you might not expect: while elections can bring huge political change, they don't tend to change the long-term direction of the markets.

Many investors worry that the market will perform better or worse, depending on which party holds power. But history shows otherwise. Since the S&P 500 was created in 1957, it has grown by nearly 13,000% – averaging around 7.4% per year before dividends. Add in dividends, and the numbers are even stronger.

Looking at total returns during presidential terms, Republicans have shown slightly higher gains. But when measured year by year, Democratic presidencies edge ahead. The point is this: both parties have presided over periods of strong market growth, and no consistent pattern shows one is better for your money than the other.



DATA SOURCE: YCHARTS. SHOWN ABOVE IS THE S&P 500'S ANNUAL RETURN UNDER DEMOCRATIC AND REPUBLICAN PRESIDENTS.



DATA SOURCE: YCHARTS AND THE WHITE HOUSE HISTORICAL ASSOCIATION (INAUGURATION DATES). SHOWN ABOVE IS THE S&P 500'S COMPOUND ANNUAL GROWTH RATE DURING DEMOCRATIC AND REPUBLICAN PRESIDENCIES.

A $10,000 investment made in 1948 and left untouched through every administration – red or blue – would have been worth around $38 million in 2023. If you had invested only during Democratic years, you'd have around $1.2 million. If only during the Republican years? Closer to $312,000.

THE DIFFERENCE ISN'T ABOUT THE PARTY, IT'S ABOUT STAYING INVESTED.

SO, WHAT SHOULD YOU DO NOW?

Market volatility is uncomfortable, but reacting emotionally by exiting the market or trying to time your way around elections and economic noise is where many investors stumble. Some of the best market days often follow the worst – and missing just a handful of those can dramatically reduce your long-term returns.

INSTEAD, CONSIDER THESE GUIDING PRINCIPLES:

- **Stay invested.** It might feel counterintuitive right now, but history favours those who hold their ground.
- **Diversify globally.** While US markets are shaking, other parts of the world – such as India, Japan and parts of Europe – are offering growth opportunities. A global spread helps reduce risk.
- **Review your goals, not just your returns.** Check in on whether your investments still align with your personal plan and time horizon.
- **Speak to your advisor.** This is not the time to go it alone or make decisions in a vacuum.

WHAT REALLY MATTERS

Right now, you might feel caught between your instincts and your strategy – that's normal. But times like these are where long-term plans earn their worth. The market is reacting to noise – that doesn't mean you have to.

You've put your investment plan in place for a reason. Don't let one president – or one headline – derail it. The evidence is clear: staying invested through political cycles, market dips and even global shocks has consistently been the most reliable way to build long-term wealth.

If you're unsure or just want to talk it through, reach out. These are the moments where a steady hand and a clear plan can make all the difference.

ARIN RUTTENBERG | FINANCIAL ADVISOR, BRENTHURST SANDTON

Phone: +27 (0) 10 035 1391 | **Email:** arin@brenthurstwealth.co.za