

Introduction



Anet Ahern

Anet has 30 years' experience in investment and business management. After starting her career at Allan Gray in 1986, where she fulfilled various roles in trading and investment management, she worked as a portfolio manager at Syfrets, and later BoE Asset Management, where she was CIO and CEO. She also spent six years at Sanlam, where she was the CEO of Sanlam Multi Manager International, with assets totalling R100 billion in local and global mandates. Anet joined PSG Asset Management as CEO in 2013.

As investors look back on 2015, particularly the tail end of the year, most of us will still have our ears ringing with the shrill cries of volatile markets and a currency that was under attack. There is little left of the complacency investors experienced as the bull market matured over the past six years.

We never compromise our investors' needs for the sake of comfort

At PSG Asset Management, we recognise that the best long-term investment decisions, made with our clients' interest firmly at heart, are seldom made in a cosy environment. In fact, doing the right thing for the long term – as opposed to the thing that makes you look and feel good in the shorter term – is often partnered with extreme discomfort.

In this edition, we explore what it means when we say we are bigger picture thinkers

In this edition of *Angles & Perspectives*, we examine the concept of bigger picture investing and what this means in a research-based, bottom-up investment process. Shaun le Roux reflects on the fact that, even though 2015 was a difficult year to be a contrarian, valuation-based investor, this approach has proven to provide the best long-term returns. He also highlights that our team are currently optimistic about the opportunities in the market.

Our investors are by now aware of the 3Ms we use to evaluate securities: Moat, Management and Margin of Safety. We have consistently emphasised the importance of partnering with the right management teams. In his article, Kevin Cousins writes about Masayoshi Son and his management of SoftBank and explains how great management can assist us as stewards of our clients' capital.

The fixed income markets have adjusted rapidly to the downgrade in South Africa's outlook and investment rating, and Lyle Sankar puts forward our view of where the opportunities lie.

We are also pleased to share the thinking behind our new television advert with you. This is an initiative we are proud of and that speaks to our efforts to prepare, to research and to take into account the bigger picture at all times.

Despite ongoing uncertainty, we are optimistic heading into the new year

Our investment team remains hard at work to consider all aspects of every opportunity that is subjected to our thorough research process. We are excited about the positioning of our funds and we are seeing tremendous opportunity among the chaos, bad news and uncertainty.

As always, we appreciate your interest and support and never take for granted the trust you place in us.