

How I would invest...

PRESS RELEASE

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By Uchi Gappah

R10k

I would use this to settle any small debts that have high interest payments. Credit cards, overdrafts and settle any of those debts with R299 unnecessary debit orders.

R50k

Given the current conditions in financial markets, the return you will earn by paying your debt far outweighs the return you would make by investing in any of the asset classes considering the risk that you will take when investing. Settling your debt will provide a far more certain return. We are in a period surrounded by extreme uncertainty and the right thing to do is to free up cash flows as opportunities for investment in a relatively more certain investment will come. Under the current conditions, any form of liquidity is king.

R100k

After settling my debts, I will pay membership fees at a golf course in Cape Town and start planning to buy a property in the next 6 – 18 months. Although interest rates are falling, property bargains are still going to be present given the economic slowdown. I would aggressively build up a good deposit with my freed up cash-flows.

'The return you will earn by paying your debt far outweighs the return you would make by investing in any of the asset classes'



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Uchi is an experienced Quantitative Analyst and Portfolio manager. He joined Sygnia in 2008.

R500k

Depending on the interest rate that the banks will offer me, I would get into the property market with a good deposit or set aside the money until I think there is good opportunity to get into property. I will use R200, 000 to build a diversified portfolio with 45% In Equities (allocating to equity managers with a value bias), 30% to Hedge Funds via the Sygnia Fund of Hedge Funds products and 25% to Bonds.

R1m

After setting aside a good deposit on a property and building a well diversified portfolio I can now start thinking about all those business ideas I have at night with the view of converting some of them into reality. The returns I make from my investments over the next 5-10 years will be used to fund the business I want to start in future. I will also use R60, 000 and plan for my entire family to go on a week's holiday to Mauritius in December 2009.

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ABOUT SYGNIA

www.sygnia.co.za

Sygnia is a leader in new-generation multi-management in South Africa. Launched in 2003, Sygnia offers off-the-shelf products, customised multi-manager strategies, and pure investment administration. Sygnia relies on its leading edge multi-management technology, Sygnia Platinum, to provide clients with an incomparable service Sygnia has been appointed by institutional clients in the United States, United Kingdom and South Africa.

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