

Certus Financial Group

10 November 2016

Good morning,

I think you will all agree that last night's US Election result was a huge upset, as Donald Trump (Republican) was polling slightly lower than Hillary Clinton (Democrat) in the lead up to the election.

However, Donald Trump has convincingly beaten Hillary Clinton in the US Election and will be elected as the new President of the United States. What does this mean for Financial Markets? I have summarised below what I think will happen over the next few weeks:

- Shares and Property assets will fluctuate in value in the short term (1-2 weeks) and then recover over the medium term, similar to what happened with Brexit in June/July 2016.

- Fixed Interest Funds should perform well as investors head towards low risk assets such as Government and Corporate Bonds. Most investors have a strong weighting towards Global and NZ Fixed Interest Funds.

- NZ Shares are usually resilient when these events occur as they still offer high dividend streams in comparison to other asset classes.

Finally, please do not panic if the Global Financial Markets are volatile over the next few weeks! The US Election result is a similar shock result like Brexit was, and the Financial Markets were volatile in response, and then recovered in the following months.

I have included a link (see below) to Bevan Graham, AMP Capital US Election article which was written last night. Bevan's article provides a common sense approach to the US Election result.

<http://www.ampcapital.co.nz/nz-blog/november-2016/trump-poised-for-victory>

I am on a conference until this Friday afternoon, but please feel free to contact me on Friday 11 November (afternoon) or Monday 14 November if you would like to discuss your WealthView portfolio.

If you would like to urgently discuss your portfolio please contact Warren Robertson on 09 365 5903.

Kind Regards,

Brendon White