

**JONATHAN DAVIS**   
Leaders in Wealth Management  
Chartered Financial Planners  
**World Cup edition**

I write as the World Cup is starting. I noticed a tweet on Wednesday which read as follows:

"The English team visited an orphanage in Brazil today. 'It's heartbreaking to see their sad little faces with no hope' said Jose, age 6."

If anyone wishes to comment, please email to [ScottishFA@HampdenPark.co.sc...](mailto:ScottishFA@HampdenPark.co.sc...)

At practically half-time, for 2014 (how many soccer metaphors can I slip in?) arguably the most important global economics action so far this year has been the European Central Bank's cut of its base rate from an extremely low 0.25% to a tiny 0.15% and the first major global central bank to bring in negative interest rates for banks who deposit funds with it. This most important move is discussed in the first article below.

Next we look at house prices around the world and, in particular, in the UK. This is especially timely as The Chancellor talks about capping mortgage lending (why not just cancel the iniquitous Help to Buy / Borrow?) and the Bank of England Governor speaks about raising interest rates.

After that we consider a front page headline of the Financial Times this week which screamed "Volatility [...of shares...] 'extinguished' by moves from central banks". Why is this important to you?

Well, if there is no risk in shares, then they'll rise for ever and your pension will be a gold mine. On the other hand, if a headline like that actually were, to coin a phrase, to ring the bell at the top of the 5 year plus bull market, how would this affect your investments and your retirement?

Next we look at the global economy. Remember, the UK Government and/or the Bank of England will NOT be able to insulate us from the next global economic shock.



Finally, we look at investments we previously highlighted as potential good performers in earlier updates and how they've been doing.

You can forward this update to a friend [here](#) if there is any information you think would be beneficial to them.

Our philosophy remains to seek out quality assets at severely depressed prices.

It also means we have a natural aversion to assets which have soared in price. If you prefer to invest in these then you may wish to reconsider your strategies of preserving and growing your wealth.

We have other thoughts that keep us alert to attacks on personal wealth and retirement security as well investing opportunities not generally discussed which may be of interest to you. What should YOU do to secure your or your clients' wealth? We urge you to speak to us.

Don't put it off till it's self-evidently too late.

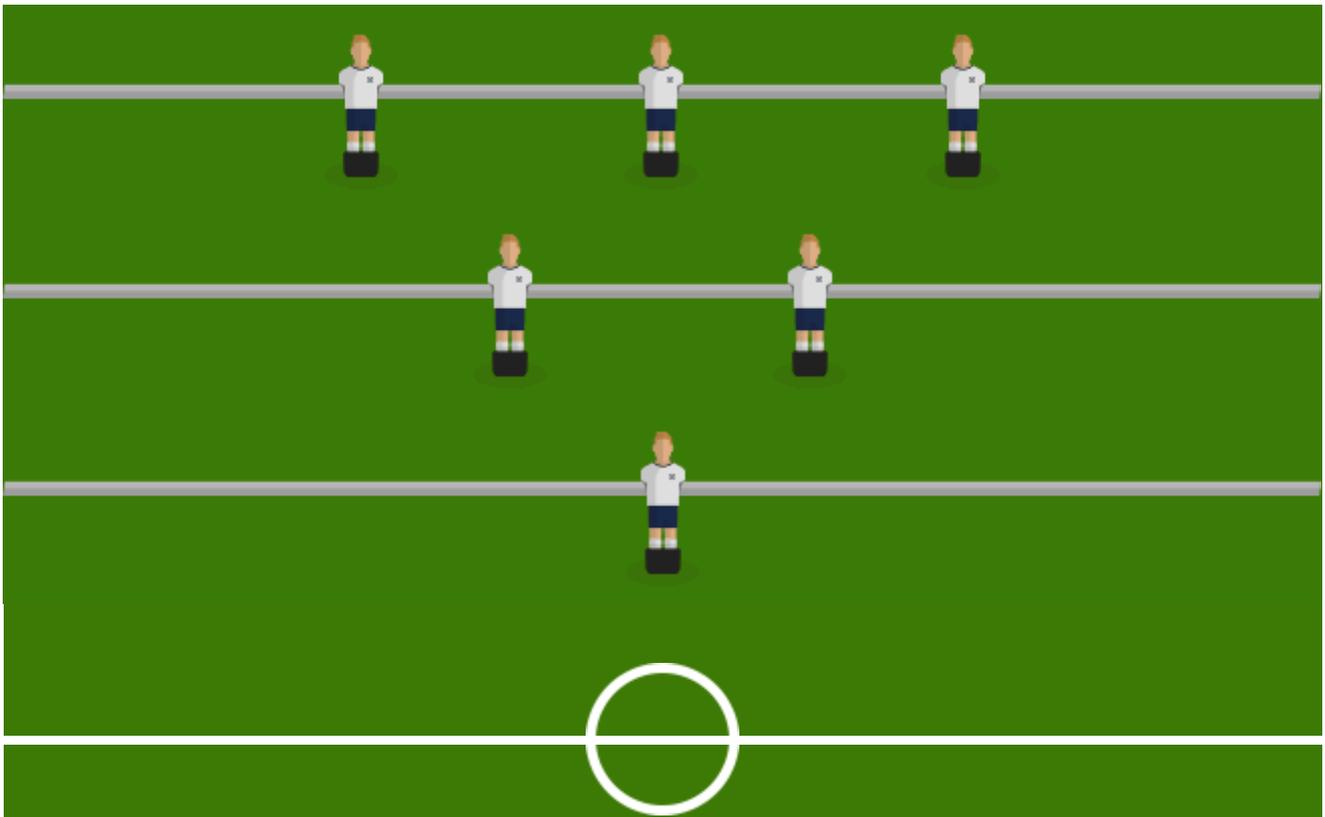
Can you benefit potentially from our advice? We work for wealthy to very wealthy families (£300k to £25m of financial assets and/or high earners) and trusts. We work for clients all over the UK and indeed on three continents.

Our most important and most often repeated philosophy is (as seen widely on our website): "We advise you based on what we would do, were we in your shoes, given what we know".

Call me personally to see how we can help.

Kind Regards

Jonathan Davis BA MBA FCII FPFS  
Managing Director  
Chartered Financial Planner



## ECB cuts rates

The ECB has cut the Base Rate by the staggering amount of, er, 0.1% to 0.15%.

Also, banks depositing funds at their Central Bank (the ECB) will be charged 0.1% for the privilege.

So what?

[TO READ MORE,  
CLICK HERE](#)



**So, a Brazilian  
did score first!**



Did you know:  
Emerging Markets'  
e.g. Brazil share  
prices have soared  
17% (in US\$) since  
end January 2014





**It's a game of two halves**

## Global house prices

Some countries' house prices are shockingly high, relative to reasonable economic comparators such as in relation to local incomes and rents.

UK house prices, for example, are seen as c 30% above the long term norm in relation to incomes and 40% above in relation to current rents.

**[TO READ MORE, CLICK HERE](#)**



**The team that scores the most goals will win**

## FT: "Volatility 'extinguished' by moves from central banks"

Isn't it a good thing that volatility in stockmarkets has been extinguished?

**[TO READ MORE, CLICK HERE](#)**



**Investments that we previously wrote positively on**

**Might you be interested in an asset that fell from \$515 to \$15...**



At the end of the day...

The World Cup is in Brazil, one of the so-called BRIC countries.

My word is my Bond...

[TO READ MORE,](#)  
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Please note that investments can fall as well as rise. And they do!

Nothing in this message should be considered as advice.

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