

JAMAICA COVID-19: GROWTH IN THE PORTFOLIO



*"The keys to success are patience, persistence, and obsessive attention to detail."
- Jeff Bezos*

We cannot stress enough the importance of spending **Time in the Market**. Some of you became fearful, and left the market fairly quickly. Luckily, the market is a very forgiving one, and as history would tell, always recovers. We cannot predict when and how quickly the market will recover, but what we can say is that **the time to get in is now!** Start when the opportunity is still knocking on the door so that you can truly experience the effects of compound and exponential growth.

Compound Average Growth Rate (CAGR) is the rate of return experienced by an investment over a multi-year period. It takes into consideration all the downturns and upturns of the market, when identifying the returns of an investment. The CAGR tells an investor at what rate their investment is growing, from inception to the current period. Exponential Growth is a pattern of data that shows sharper increases over time.

Let us look at an **Actual** BPM Client account:



This client's account has a CAGR of 22%. Theoretically, this account generates a rate of return each year on the initial investment of 22%. From the graph, the first 10 years were fairly flat. It is important to note that even during the World Recession of 2008, we managed to reposition the assets within this account, to minimize any potential losses that could have been incurred. At the 10 year marker, there was an **exceptional exponential growth** identified as at 2015, in which the portfolio **skyrocketed**, generating significant returns.

The client has spent time in the market, trusted us to exercise our exemplary Portfolio Management techniques, and to this day, continues to reap the rewards of compound growth.

TAKE AWAY MESSAGE:

Despite experiencing the unprecedented impact of the Global Pandemic, Covid-19, many opportunities continue to present themselves during this crisis. We are currently approaching what is called "Earnings Season". This is where a large number of publicly traded companies release their quarterly reports. The opportunity that is created here, is that companies will get a chance to thoroughly update current and potential investors, on how they have been navigating the crisis, report on their earnings, and more importantly, give insight on their future outlook and expectations.

During earnings season, the market is usually very active, and companies use it as a period to instill the necessary investor confidence.

At BPM Financial, we will grasp the opportunities that will help maximize investor value and provide optimal returns as your trusted Investment Managers. We continue to do thorough analyses and we continue to encourage our clients to:

Bask in the ambiance of endless opportunities

Practice spending time in the market, and

Mentally prepare yourself for market downturns, but always remember growth is a greater reward for risk.

At **BPM**, we aim to continue to **"Take You Higher!"**