UNCOMMON **SENSE**

AUGUST 2026 INVESTMENT NEWSLETTER

Enjoy this month's instalment of our newsletter. It is packed with ideas and links that you may find interesting. As always, we're here if you'd like to discuss how any of these ideas might apply to your unique situation.

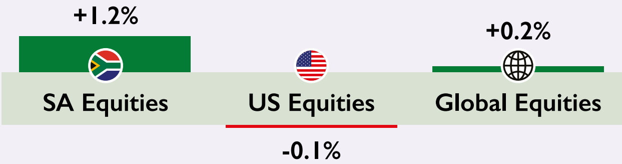
The Stock Markets

JULY 2026

The key benchmark you should care about is achieving all of your financial and life goals, and not running out of money

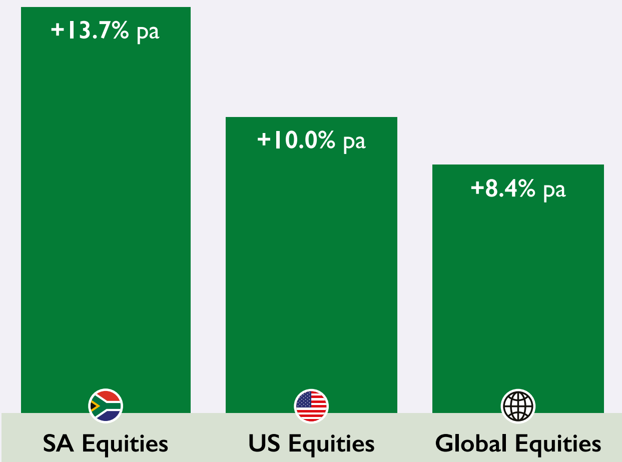
The **Unimportant Numbers** 1 MONTH

Monthly figures are a distraction from your long term goals.



The **Important Numbers** 30 YEARS

Investing in the Great Companies of the World has produced life-changing returns for the disciplined and patient investor over the last 30 years, the average length of a two-person retirement.



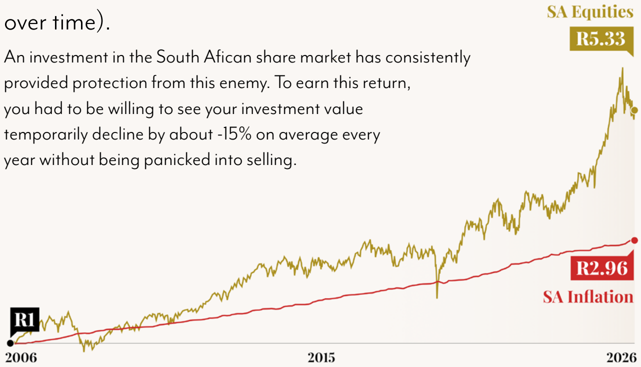
Source: FE Analytics, Humans Under Management. Returns are based on the total return of the respective indices, which assures all dividends are re-invested. Returns are in local currencies.

Inflation THE REAL ENEMY

JULY 2026

The number one enemy of the long-term investor is the financial dragon called inflation (the silent but steady increase of prices over time).

An investment in the South Afican share market has consistently provided protection from this enemy. To earn this return, you had to be willing to see your investment value temporarily decline by about -15% on average every year without being panicked into selling.



Sources: FE Analytics. Humans Under Management. For illustrative purposes only.

Watch

Why you think you're right - even if you're wrong

View

Listen

Inheritance of a Story

[2 minutes].

We don't just inherit money, we inherit the stories that come with it.

Listen

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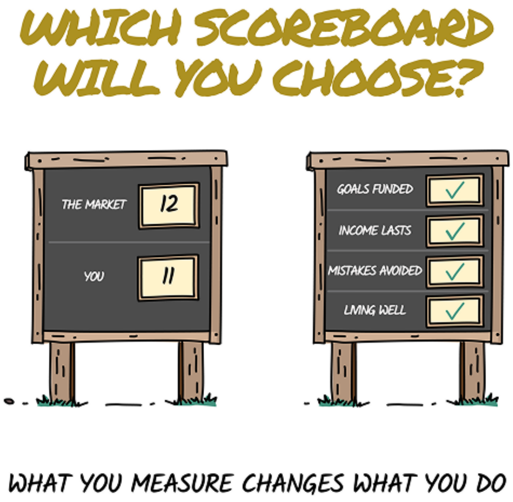
Choosing the Right Scoreboard

"How am I doing?" is a great question to ask in life. Reflecting on our progress in any domain allows us to make course corrections and improve our chances of success.

Naturally, we strongly encourage asking this question about your financial life, and it's what our regular planning meetings with clients are built around.

However, we've seen that people reach for different numbers when they ask this question, and two of them are always close at hand.

The first is the market return. It is quoted in most market reports and printed in the papers, so the figure is easy to find. The second is the people around us, and the numbers they mention when telling stories of their financial success. Both end up being used as a benchmark.



Why Neither One Fits

We don't believe either of these numbers is the right benchmark for reviewing your progress.

A stock market index has no goals. It has no children starting university in four years, no income to draw next month, no tax position, no time horizon, and no reason to hold anything in cash for upcoming expenses. A like-for-like comparison can therefore be very difficult.

In any given year, a diversified portfolio will usually have trailed some asset class or investment product. This is the reason for being diversified. Knowing what has performed well recently is not the same as identifying it in advance.

A friend bragging about an impressive return seldom mentions the risk that was taken. The investment may have been concentrated in one thing, borrowed against, or held by someone who could afford to lose it all. You are also only hearing the stories that ended well, because the same bet going the other way never gets told.

The question is not whether your portfolio beat the market or a friend. It is whether it did what you asked of it, and whether it is likely to support the life you want to live.

What a Real Scoreboard Measures

We believe five questions are worth asking every year. Asking these, preferably with the help of a qualified financial planner, can give you a much better idea of your progress.

1. Am I on track to fund the life I want?

2. Is my savings rate where it needs to be?

3. Will my income last for as long as I do?

4. Have I avoided any permanent mistakes?

5. Is the money buying a life I actually want?

The last question is one that almost never appears on a scoreboard. A financial plan can be completely on track and still be paying for a life nobody chose deliberately. Answering it means looking at what last year's spending actually bought, and asking whether you would buy the same things again.

If the answer to any of these questions is no, there is usually something that can be done: saving more, spending less, adjusting the income you draw, or moving the timing of something planned.

The index is outside your control, so last year's return number doesn't change anything you can do now.

Keeping Score Together

What we measure tends to change how we behave. Someone judging the year by an index or by what a friend said may be tempted to fix a portfolio that isn't broken.

Alternatively, if we judge a financial plan by what we can control, it usually points to something we can do.

Part of our job is to keep the right measures in front of you when we meet, and a large part of our planning meetings focuses on answering these questions. While we are happy to compare your returns to the market, we are more interested in whether you are on track and whether anything needs to change.

If these ideas raise a question about your own financial plan, we are always glad to talk it through.

Read

Why Autonomy Is the True Gift of Retirement
[11 minutes]. The recovered right to be entirely in charge of your own life.

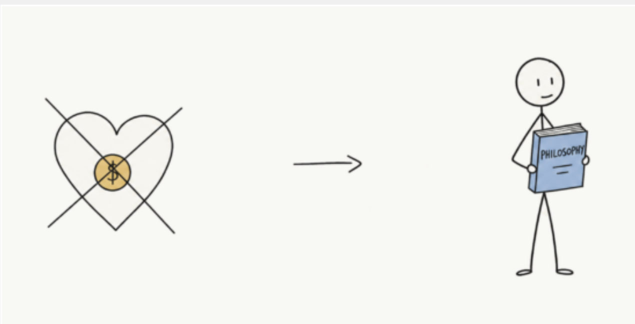
[Read the full article]

Failing is Common, Trying is Rare *[5 minutes].*
Fake trying is hard to see in real time.

[Read the full article]

What Are the Chances of Your Prediction Being Right?
2 minutes]. What playing cards can teach us about financial markets.

[Read the full article]



I was obsessed with money... then I found philosophy
[5 minutes]. When the tool becomes the goal.

[Read the full article]

Great Expectations *[3 minutes].*
Adjusting an expectation is not the same as lowering your standard.

[Read the full article]

One Person's Luxury, Another's Necessity
[3 minutes]. The thing in your budget you would defend before anything else.

[Read the full article]

Rational Optimism

The media is not a friend of the disciplined and patient investor. Ignoring the key determinants of lifetime investor returns, the media focuses on short-term returns, market predictions, and negative news.

We present the following as an antidote to the onslaught of negative news:

Global Airline Safety Improved as Accident Rates Fell in 2025
One of the clearest indicators of progress is the global accident rate, which measures how many accidents occur per one million flight departures.

[Read the full article]

Air Quality Improvements Achieved Across Europe
The overall picture remains positive, and air quality continues to improve in Europe, with emissions of key air pollutants declining across the continent as a result of long-standing air quality policies, technological improvements and cleaner industrial and transport systems.

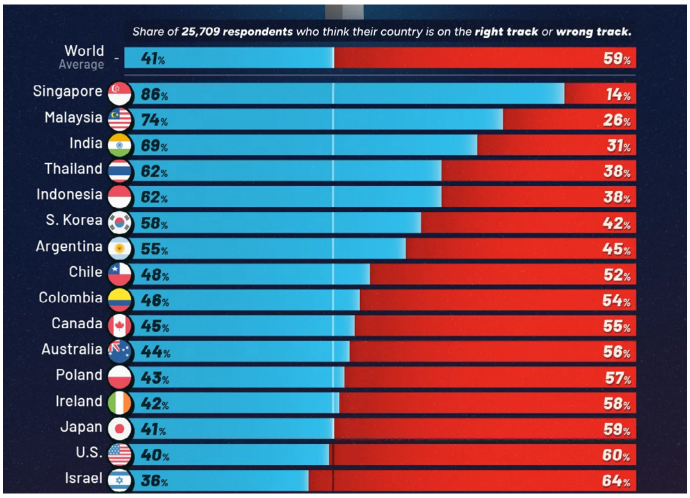
[Read the full article]

AI Is Helping Workers Across Jobs, but Not Replacing Them
Google is launching the first iteration of the AI & Economy ATLAS (Activity, Task, Landscape, and Adoption Study), an ongoing, large-scale, de-identified study of how people are using Google's AI products and tools.

[Read the full article]

A Picture is Worth a Thousand Words

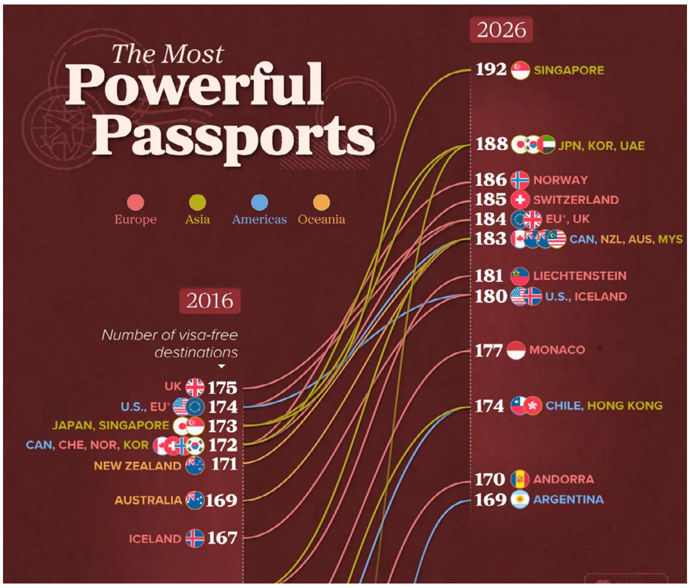
Which Countries Think They're on the Right Track?



Public confidence in national direction varies dramatically around the world. Respondents in several Asian countries are broadly optimistic, while majorities across much of Europe and the Americas believe their countries are on the wrong track.

[Read the full article]

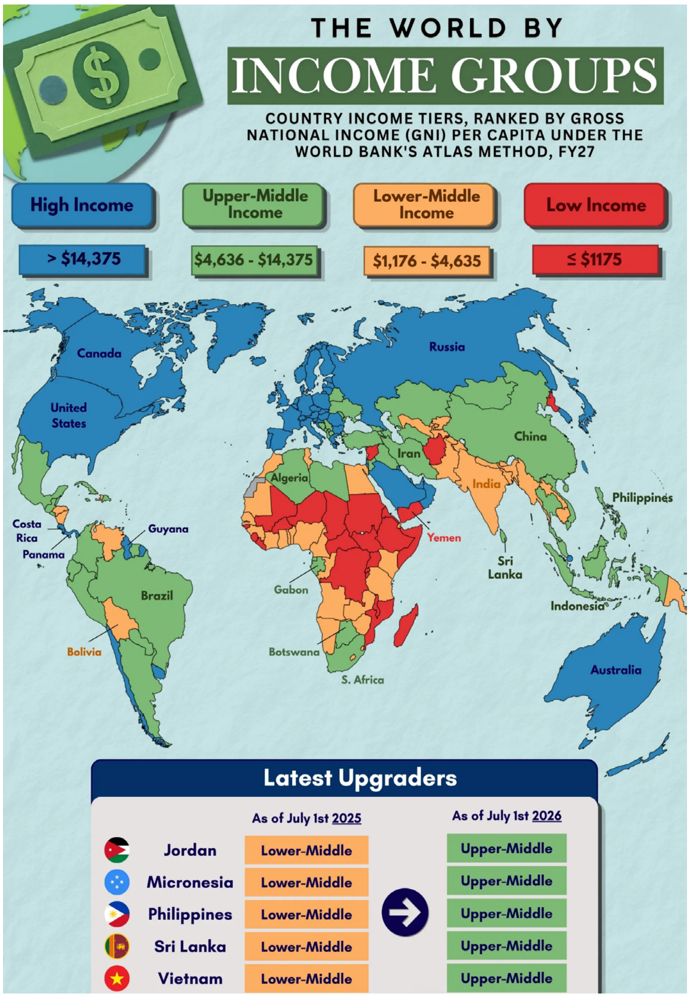
The World's Most Powerful Passports (2016 vs. 2026)



A passport's strength is typically measured by the number of destinations its holders can visit without obtaining a visa in advance This visualization compares the world's most powerful passports in 2016 and 2026, showing how the global hierarchy has changed over the past decade.

[Read the full article]

The World By Income Groups



The World Bank has released its latest annual income classifications, grouping 218 economies into four tiers based on gross national income (GNI) per capita using its Atlas methodology. The visualization below, created by Iswardi Ishak using data from the World Bank, shows where each economy falls in FY27. The World Bank updates its income classifications every July, adjusting GNI per capita thresholds for inflation and incorporating the latest estimates for economic output, exchange rates, and population.

[Read the full article]

We hope that you enjoyed this month's newsletter. Please let us know what you enjoyed, or write back with any of your own news.

As always, we're here for you. See you next month.