



John Johnston - CEO

## **FINAL WORD**

Most first world countries including our own over recent times have been madly creating ("printing") new money to fund massive debts incurred during the GFC. Trillions of dollars have been created through a host of means, principally by the US, the UK, the EU and Japan.

We now find ourselves living in a world awash with cash that never used to exist available to purchase roughly the same amount of necessary goods. Such a situation must inevitably cause the price of such products to rise. This process is INFLATION at work in its purest form.

Governments around the world would have always known the heightened inflation potential of their recent fiscal largesse but as inflation is unpopular and the key role of governments is to get re-elected, which they do through the popularity, not pragmatism of their policies, it is unlikely that they will ever acknowledge it publicly.

We can't change this reality but we can prepare for it. Past history would support that a strategic quality residential property acquisition in today's 'buyer's market', at today's low fixed middle or long term interest rates, may prove not just a wise inflation hedge but a pretty astute investment decision overall.