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Real assets

With the sheer volume of money that central banks have been printing since 2008's financial crash, inflation was always going to arrive and arrive hard.

We have been observing inflation in real tangible assets for at least the past six years as exemplified by copper which has risen about 60% from its average price over six years to an all-time high. Copper has risen circa 150% since March 2020 selloff. These price increases in metals and now oil and uranium look far more entrenched.

Property prices have been rising over that time too and now inflation is reaching the food industry. Wheat, oats and coffee have all seen prices surge as all real assets react to the unbridled money creation.

We are not confident inflation is transitory and continue to position our portfolios towards real assets such as commodity-based equities as well as steadily increase our Reit exposure are avoiding index-linked gilts as an asset class.

anagers battle the inflation threat

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