

PROSPECTS



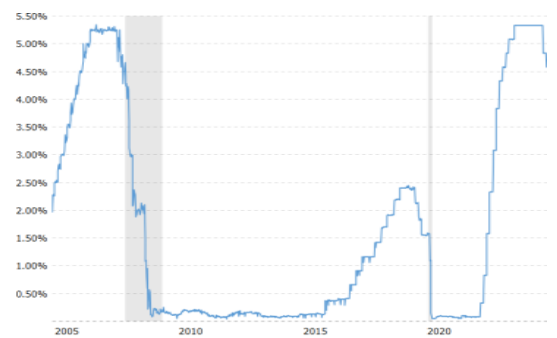
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December 2024

Planning an investment strategy for 2025 has seldom been more difficult because what should have been a year of growth inspired by a series of global interest rate reductions has been rendered very uncertain by the rise of Donald Trump for a second term as the US President!

With an era of high global inflation behind us, the cost of money should by now be significantly lower, taking with it mortgage and hire-purchase costs and consequently putting more disposable income into the hands of taxpayers which could in turn boost job-creation and economic growth. However, as the graph on the right tracking 20 years of US Federal Funds rates makes clear, the interest reduction trend has barely begun. The fed funds rate is the interest rate at which depository institutions (banks and credit unions) lend reserve balances to one another overnight and so it reflects the real cost of short-term business in the US.

Indeed, if you consider the table on the right, this month's figure of 4.58 percent is 2.6 times greater than the ten-year average rate of 1.78 percent, a clear indication of how cautiously US banks are viewing the coming year. US 30-year T Bonds are similarly trading at high multiples having closed this week at 4.59 percent. Moreover, the graph below right makes it clear that the marketplace has little short-term expectations of interest rates declining:



Federal Funds Rate - Historical Annual Yield Data

Year	Average Yield	Year Open	Year High	Year Low	Year Close	Annual % Change
2024	5.20%	5.33%	5.33%	4.58%	4.58%	-14.07%
2023	5.03%	4.33%	5.33%	4.33%	5.33%	23.09%
2022	1.68%	0.08%	4.33%	0.08%	4.33%	6085.71%
2021	0.08%	0.09%	0.10%	0.05%	0.07%	-22.22%
2020	0.36%	1.55%	1.60%	0.04%	0.09%	-94.19%
2019	2.16%	2.40%	2.45%	1.55%	1.55%	-35.42%
2018	1.79%	1.42%	2.40%	1.34%	2.40%	80.45%
2017	1.00%	0.55%	1.42%	0.55%	1.33%	141.82%
2016	0.39%	0.20%	0.66%	0.20%	0.55%	175.00%



High borrowing rates are, furthermore, not confined to the US. The graph on the right indicates that British 10-year sovereigns are currently trading at 4.286 percent compared with their 4.68 percent peak in August 2023.

And it is hardly surprising considering The Donald's proposed trade tariff barriers. Just as an example, the US

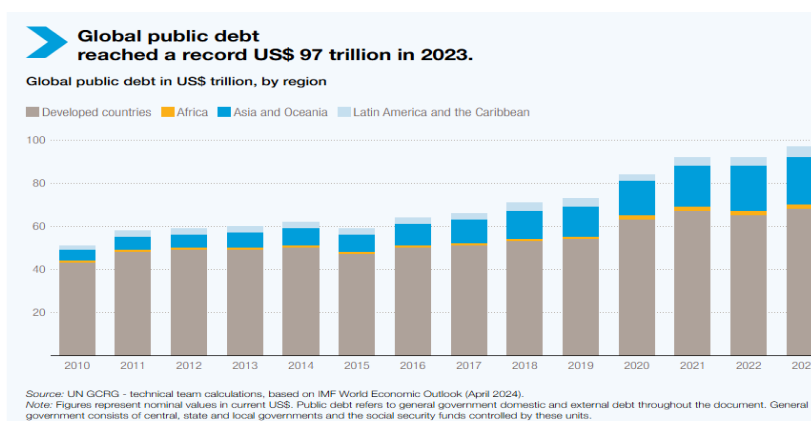


imports 4.3-million barrels of crude oil a day from Canada which the incoming president has threatened with a 100 percent import tariff. That's 60 percent of its gross crude oil imports. Furthermore, similarly facing a 200 to 500 percent tariff are the 2.5-million motor vehicles the US currently imports from Mexico.

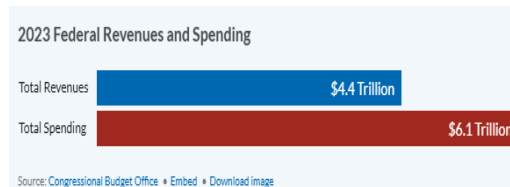
The list is endless, making it clear that if Donald Trump is serious about his threats, the US faces extraordinary domestic inflationary pressure. Accordingly, and not withstanding statistics making it clear that the US economy was slowing in the third quarter of 2024, high-profile US economists, led by former Treasury Secretary Larry Summers, labelled the Fed's half-point September rate cut 'a mistake.'

All of which explains the currently cautious approach of the US Federal Reserve which disappointed markets in November by only announcing a 25 basis points reduction at its November 6-7 meeting. Clearly, everyone is watching and waiting to see what the Trump administration is likely to offer the world in 2025. But for so long as world interest rates remain high, the world will remain in effect in economic recession!

Overhanging everything is, of course the elephant in the room; government debt which everyone agrees is unsustainable and, given Trump's promised tax cuts, the rate of US debt increase is expected to rise dramatically. In the view of the highly-respected Wharton School of economics, US Government debt could reach a tipping point of around a 160 to 170 percent debt to GDP ratio as soon as late 2025.

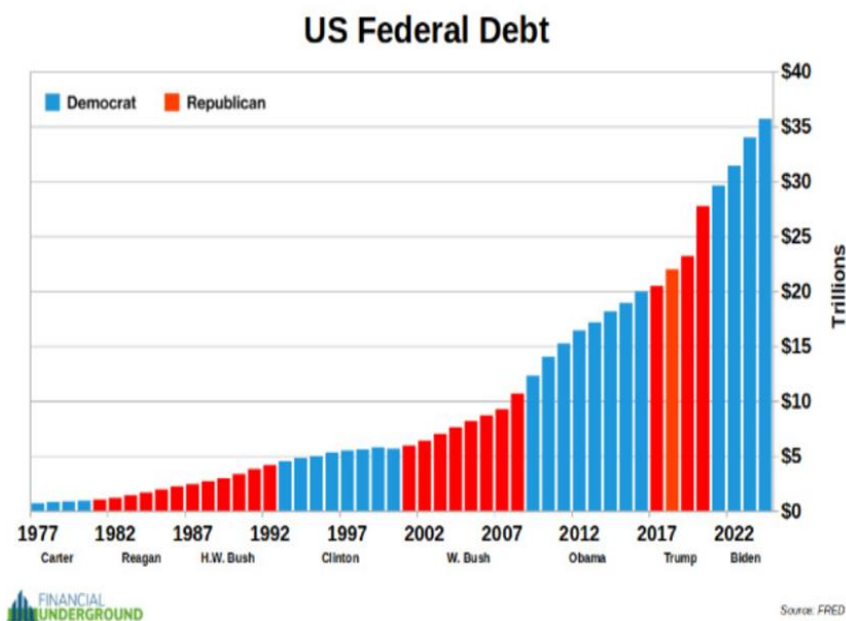


So debt is rising everywhere, but the crisis is likely to begin in the US where government spending is already out of control. The graphic on the right tells why:



Trump's plan to bring in South African-born billionaire Elon Musk to head a team that will seek to cut the US Government's bloated civil service and reduce the costs of the administration is thus a sensible step. Indeed, it is probably past urgent as my next graph illustrates. But will it succeed?

To put the numbers into perspective, the US National Debt reached \$36 172-trillion this month: the equivalent of \$107 169 for every single person in the country or \$275 204 per household. That is something like twice the cost of an average American house.



In Britain a national debt of three-trillion pounds divided evenly over 28-million households means that every one of them is responsible for a million pounds of debt. That figure could buy four average British houses.

And if you think that is bad, consider South Africa where our latest tax statistics indicate that just 1.37 million people pay 76.2 percent of all personal income tax. Given a population of 64-million, that figure implies that just 2.1 percent of South Africans are carrying the main burden of our R5.7-trillion national debt. Care to work that out, each member of this tiny percentage, which earns an average monthly income a shade over R40 000, carries responsibility for some R4.17-million of Government debt. Given the average SA house price of R1.4-million, each of these top earners is responsible for the mortgage equivalent of nearly three homes in addition to their own!

Meanwhile there are 27.78-million South Africans receiving Government grants. So each of South Africa's 1,37-million top earners is also responsible for 20 grants recipients. Worse, these top tax-payers are leaving in droves. The country has lost 200 000 of them since 2020!

That ordinary folk everywhere are either unaware of the magnitude of the debt problem, or unwilling to take action, was well illustrated by the fall of the Barnier government in France earlier this month because it tried to pass a budget that would correct a yawning €60 billion budget deficit and tackle a colossal €3.2-trillion public debt that is equal to 111 percent of France's GDP.

To the French government's credit, it tried to spread the pain evenly (though not equally) across the board through a mix of tax increases and spending cuts. In Britain, efforts by the new Labour government to tackle the country's £50-billion annual budget deficit and its £2.9-trillion national debt are similarly facing revolt from the public.

It was debt that caused the fall of Britain's Tory government earlier this year, and debt had much to do with the ANC's failed service delivery problems which cost it this year's election as it also did India's Narendra Modi. Meanwhile, Canadian prime minister Justin Trudeau is hanging on by a thread after his finance minister—and until recently, his closest ally—Chrystia Freeland resigned yesterday. In her resignation letter, Freeland cited differences over how to handle the "grave challenge" posed by Trump's tariff threat.

Also on the ropes is German Chancellor Olaf Scholz who on Monday lost a parliamentary vote of confidence. As Europe's largest economy thus heads for a snap election in February, Friedrich Merz, leader of Angela Merkel's centrist Christian Democratic Union, is leading polls and will likely be the next chancellor. "You are leaving the country in one of the greatest economic crises in postwar history," Merz said to Scholz.

It is a problem right across the planet. A total of 76 nations face a national debt which far exceeds the 60 percent level at which, until a few years ago, economists generally believed a debt default would become inevitable. The list on the right gives you an idea of the worst offenders.

South Africa is 47th on the list with a debt as of the end of September of \$315.7-billion which equals 74.6 percent of GDP. This means that South Africa will spend roughly R1.06 billion a day on servicing its debt. Over the Medium Term Expenditure Framework, which runs to 2026/27, these interest costs are expected to reach R1.3 trillion.

No.	Country and region	General government gross debt 2024 ^[6]
1	 Sudan	344.4
2	 Japan	251.2
3	 Singapore	175.2
4	 Greece	159
5	 Italy	136.9
6	 Bahrain	126.7
7	 Maldives	121.1
8	 United States	121
9	 Laos	115.5
10	 Cape Verde	112.2
11	 France	111.6
12	 Bhutan	111.4
13	 Barbados	107.5
14	 Spain	106.3
15	 Belgium	105
16	 Canada	104.7
17	 United Kingdom	101.8
18	 Dominica	98.7
19	 Zimbabwe	98.5
20	 Mozambique	96.9
21	 Egypt	96.4
22	 Ukraine	95.6
23	 Portugal	94.7
24	 Republic of the Congo	94.6
25	 Jordan	91.4

Although South Africa's high debt-to-GDP, which is hoped will stabilise at 77% of GDP in 2025/26, is not uncommon for emerging markets, there is usually something to show for it. Here, however, in the words of Stanlib Chief Economist Kevin Lings, the government's R1-billion per day interest bill is coming at the cost of other services, including education, health and infrastructure.

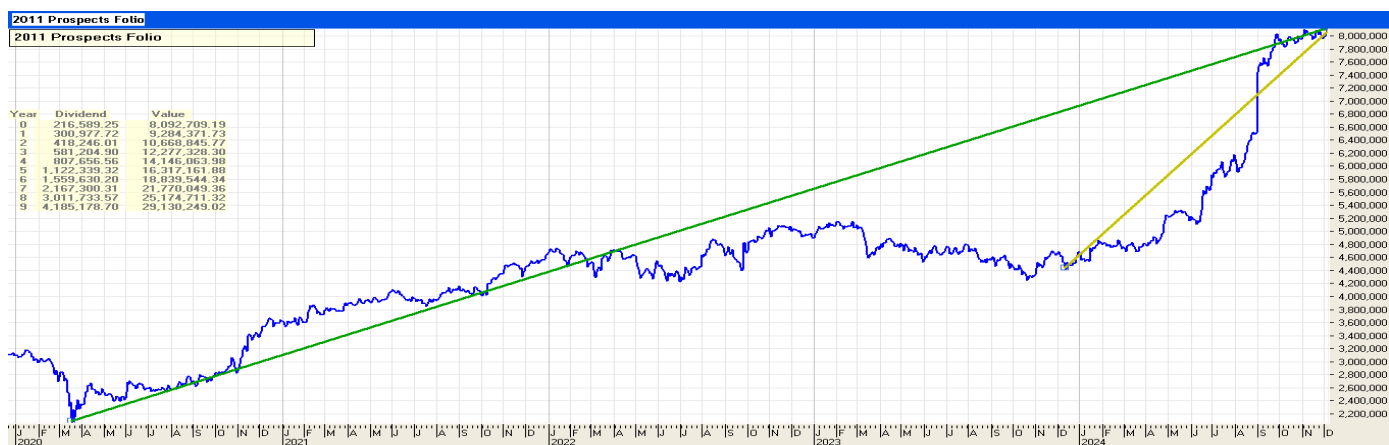
"If we walk around the country a bit, we've taken up debt enormously, but what do we have to show for it, other than stadiums? You're going to struggle to find something to demonstrate (value for money)," Lings said.

"If you look at China, go back to the same time period, government debt was 28% of GDP (in 2009), and now it's at 80% – slightly higher (than South Africa). "But if you walk around China, you can see what they spent the money on. The development over that time period is just phenomenal. They put themselves in a position to sustain decent growth for many years – those assets are going to last for decades. They will reap the reward for undertaking the investment."

At the end of this month's issue, in case you missed reading it, I have republished an article which I added to my **Richard Cluver Predicts** column earlier this month detailing how debt has sunk successive empires throughout history. I urge you to read it to gain an insight into the problems facing the planet and, hopefully, this issue might help you prepare for the frightening possibility of a US debt default which must inevitably send a tidal wave of inflation around the world!

What does this mean for ordinary folk like you and I? Well as a first imperative one should endeavour to minimise all debt because the cost of money is likely to soar to unaffordable levels. Furthermore, since the only effective means governments can employ to get rid of their debt is to monetise it; to in other words print more currency which is another word for a devaluation or, as most of us understand it, to create high levels of monetary inflation.

Thus, to protect the cash value of one's assets, the traditionally best inflation hedges have always been to invest in items like gold coin, Blue Chip shares, property and, in recent years, crypto currency! Property is, however, a special case since it is difficult to trade in the short-term in an era when the advance of the internet has made it possible to affect instant trades seamlessly across national borders. In the case of our record-beating Prospects share portfolio, the consequence of this flight of investors into safe-haven investments has never been more dramatic as that illustrated by the graph below in which the green trend line drawn for the trough of the 2020 Covid Crash to the present demonstrates a compound annual average growth rate of 33.4 percent. Moreover, over the past 12 months as the crisis has been coming to a head, the yellow trend line illustrates annual growth of 83.1 percent.



Here I need to emphasise the importance of quality in determining the growth rate (here read security) of the investment by comparing the graph performance above with that of South Africa's most popular Unit Trust, the Satrix 40 below.

In the Satrix case the green trend line since the 2020 market bottom to the present illustrates a compound annual average growth rate of only 19 percent and the yellow line an annual average of 20.4 percent. Clearly then, quality grows four times faster!



Turning to crypto which is, strictly speaking, not an investment but rather a means of enabling monetary transactions, the following graph illustrates the amazing recent performance of Bitcoin which could be had for \$185.2 in March 2020 and is now worth \$102 732: That is a compound annual average rate of 83.3 percent. In the past 12 months, moreover, that growth rate has accelerated to compound 126.89 percent:



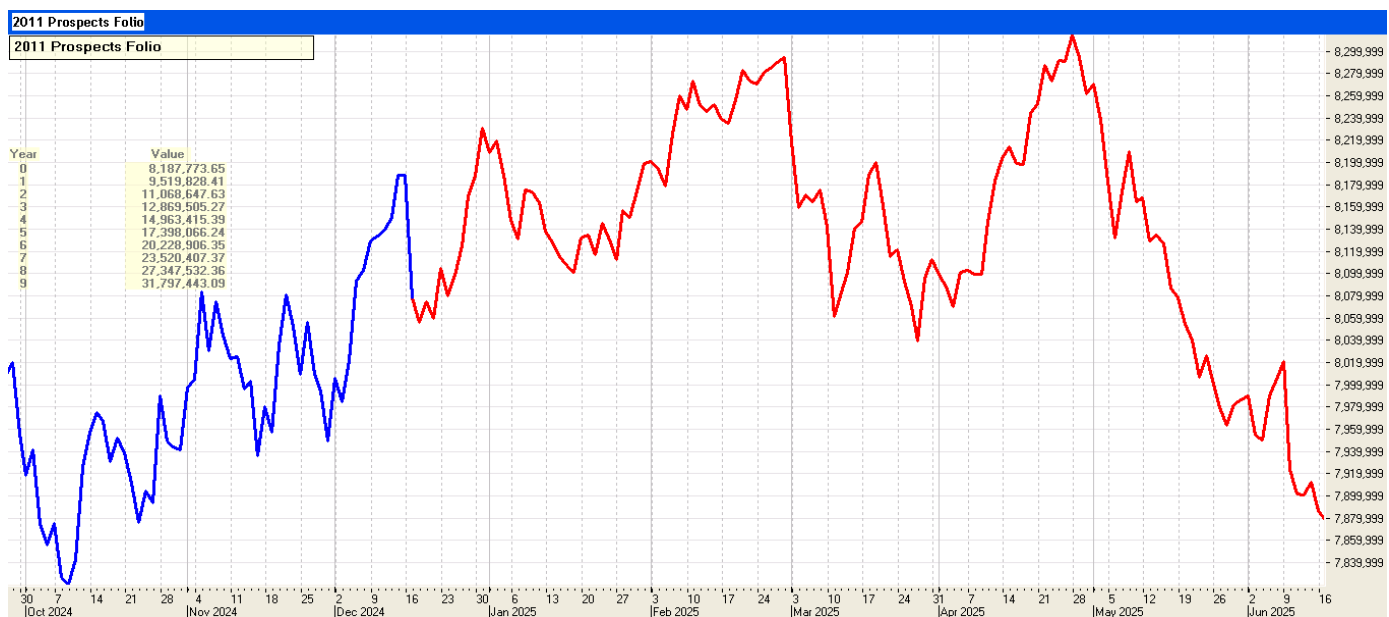
What is very important to notice is that both my SA Prospects portfolio and Bitcoin experienced comparatively modest growth from mid-2022 to late-2023 during a period when, compared with the present, the investment world was returning to comparative tranquillity following the shocks of the Covid period, illustrating the comparative volatility of the investment markets. Yet, when we compare the two with the dollar price of gold since 2011, it is clear that Blue Chip shares offer the least amount of volatility. On the left below is the Prospects portfolio since inception with its arithmetic mean line in red, in the middle Bitcoin over the same period and, on the right, the dollar gold price.



Given the evidence of the above has convinced me to create one more Prospects portfolio which, spread over a large number of extreme top performers on a global basis should theoretically further reduce portfolio value volatility teamed with very high levels of value growth.

Currently it is a work in progress to be named the Prospects Global portfolio and consists of the five best long-term performers on the New York Stock Exchange, the New York Nasdaq, the London Stock Exchange and the Australian Stock Exchange. Currently we are rigorously back-tested the portfolio in computer simulation as if it were actually created 15 years ago and I had hoped to be able to offer readers a performance graph at this stage. But I am afraid you will have to wait a little longer while the team at ShareFinder International continue burning the midnight oil over the holiday period!

SA Prospects Portfolio



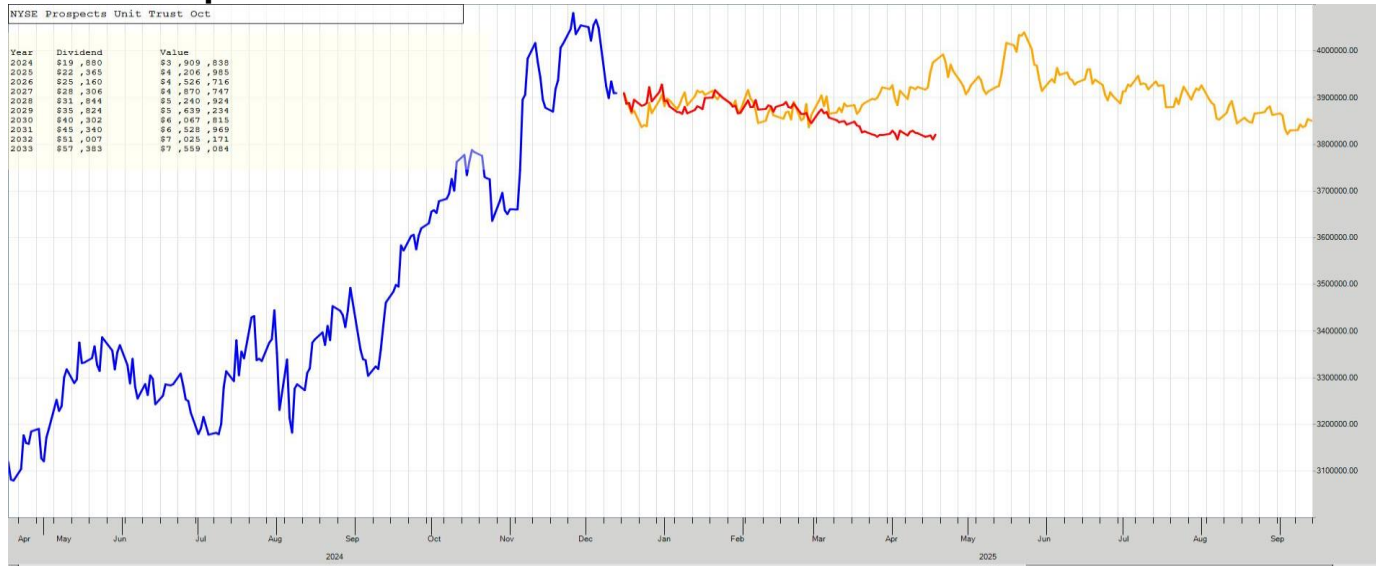
Given that ShareFinder continues to project strong growth for our South African portfolio at least until the end of April, I have elected to re-invest our ten percent cash buffer and have recorded the transactions on the right:

Name	Action	Quantity	Price
AFRIMAT	Buy shares	256	66.7900
NASPERS-N	Buy shares	7	4,216.3100
SHOPRIT	Buy shares	45	304.1900
REINET	Buy shares	134	484.5100
STANBANK	Sell shares	130	232.2400
SHOPRIT	Buy shares	71	303.6300
SANTAM	Buy shares	572	387.7700
REINET	Buy shares	36	476.8000
NASPERS-N	Buy shares	6	4,412.1600
HUDACO	Buy shares	500	202.9500
FIRSTRAND	Buy shares	467	79.6900
CLICKS	Buy shares	422	398.4900
CAPITEC	Buy shares	39	3,316.8200
AFRIMAT	Buy shares	491	66.4100

As a result, the portfolio now looks like this:

Name	Quantity	% Portfol...	Cost	% Gain	DY
2011 Prospects Folio				57.9	3.0
*Cash		0.0%			
AFRIMAT	10,947	9.3%	728,569.55	+2.9%	2.8
CAPITEC	488	19.7%	491,312.18	+224.0%	1.5
CLICKS	2,175	10.5%	580,994.28	+46.0%	1.7
FIRSTRAND	6,254	6.1%	512,274.78	-4.1%	4.9
HUDACO	3,792	10.2%	715,318.84	+14.8%	4.7
NASPERS-N	201	11.1%	637,757.61	+40.1%	
REINET	1,422	8.0%	639,271.70	+1.6%	1.3
SANTAM	1,963	9.3%	702,030.00	+6.7%	8.3
SHOPRIT	2,226	8.4%	653,476.28	+4.0%	2.2
STANBANK	2,661	7.4%	479,586.78	+25.3%	6.3

NYSE Prospects Portfolio



Given the uncertainty of the market outlook ahead of the Trump administration taking office, I have elected to keep our remaining cash with the result that our transactions recently represent only some modest re-balancing.

Name	Full Name	Quantity	Action	Price
PH	Parker-Hannifin Corporation	27.00	Sell Shares	696.1600
CAT	Caterpillar, Inc.	22.00	Sell Shares	395.0300
GWW	W.W. Grainger, Inc.	1.00	Sell Shares	1 185.1600
LLY	Eli Lilly and Company	3.00	Sell Shares	826.7100
MSI	Motorola Solutions, Inc.	28.00	Sell Shares	489.9600
LII	Lennox International, Inc.	7.00	Sell Shares	661.1200
ETN	Eaton Corporation, PLC	22.00	Buy Shares	371.2200
FIX	Comfort Systems USA, Inc.	44.00	Buy Shares	497.0000
EME	EMCOR Group, Inc.	21.00	Buy Shares	509.0300
GPI	Group 1 Automotive, Inc.	20.00	Buy Shares	430.4900

As a result, the portfolio now looks like this:

Name	Full Name	% Portfolio	Price	Quantity	% Gain	Cost	Per Share	Value
*CASH	*CASH	8.40 %						332,690.64
CAT	CATERPILLAR, INC.	5.90 %	380.78	615.50	-3.9 %	243,968.91	397.34	234,354.86
EME	EMCOR GROUP, INC.	13.20 %	480.25	1,086.20	+10.0 %	474,179.61	437.03	521,657.16
ETN	EATON CORPORATION, PLC	8.00 %	358.64	885.90	+7.4 %	295,904.36	334.36	317,729.94
FIX	COMFORT SYSTEMS USA, INC.	16.60 %	469.06	1,396.00	+15.6 %	566,417.93	405.74	654,793.69
GPI	GROUP 1 AUTOMOTIVE, INC.	8.00 %	425.00	745.20	+14.7 %	276,058.38	370.55	316,710.00
GWW	W.W. GRAINGER, INC.	7.10 %	1149.01	244.60	+10.9 %	253,430.77	1,034.41	280,990.40
LII	LENNOX INTERNATIONAL, INC.	7.30 %	662.00	436.90	+11.4 %	259,636.27	595.50	289,194.70
LLY	ELI LILLY AND COMPANY	9.20 %	782.35	467.00	-11.8 %	414,013.98	888.44	365,333.98
MSI	MOTOROLA SOLUTIONS, INC.	6.70 %	469.92	567.00	+4.4 %	255,313.10	451.08	266,421.14
PH	PARKER-HANNIFIN CORPORA...	7.70 %	682.57	443.70	+8.2 %	279,891.20	631.81	302,863.14

London Blue Chip Portfolio



Given the improved London market outlook I have here also used our cash reserve to increase our shareholdings in the transactions below:

Full Name	Quantity	Action	Price
GAMES WORKSHOP GR...	89.00	Buy Shares	141.4000
DIPLOMA	378.00	Buy Shares	45.4600
NEW BRUNSWICK RAIL...	1 520.00	Buy Shares	49.8500
NEXT	745.00	Buy Shares	100.0000
EXPERIAN PLC	1 930.00	Buy Shares	37.1000
REED ELSEVIER	1 913.00	Buy Shares	37.4600
RENEW HLDGS	3 664.00	Buy Shares	10.0600
BLOOMSBURY PUBLISHI...	34 467.00	Sell Shares	6.7000

As a result the portfolio now looks like this:

Name	Full Name	% Portfolio	Quantity	Cost	Per Share	Value
LSE Prospects Unit Trust ...						2,413,758.56
*CASH	*CASH	1.80 %				43,462.14
CHRT.L	COHORT	11.20 %	25,160.00	257,890.00	10.25	270,470.00
CWK.L	NEW BRUNSWICK RAILWAY CO	9.10 %	4,440.00	224,400.00	50.54	220,224.00
DPLM.L	DIPLOMA	9.60 %	5,217.00	224,680.20	43.07	232,260.84
EXP.N.L	EXPERIAN PLC	8.80 %	5,814.00	220,826.28	37.98	212,908.68
GAW.L	GAMES WORKSHOP GROUP	10.30 %	1,769.00	214,856.60	121.46	248,898.30
MGNS.L	MORGAN SINDALL GROUP PLC	10.70 %	6,792.00	254,700.00	37.50	258,435.60
MSI.L	EROS INTERNATIONAL PLC	11.20 %	27,234.00	269,235.33	9.89	270,978.30
NXT.L	NEXT	8.90 %	2,193.00	217,655.07	99.25	214,256.10
REL.L	REED ELSEVIER	9.40 %	6,081.00	220,333.54	36.23	227,429.40

Australian Blue Chip Portfolio



Our re-balancing activity is recorded below:

Full Name	Quantity	Action	Price
CTI LOGISTICS LIMITED	2 548.00	Sell Shares	1.9100
CHARTER HALL GROUP	3 101.00	Sell Shares	14.9100
NORTHERN STAR RESO...	1 467.00	Sell Shares	16.3500
AUSBROKERS HOLDIN...	174.00	Sell Shares	31.1500
GOODMAN GROUP	340.00	Sell Shares	36.5700
PRO MEDICUS LIMITED	70.00	Sell Shares	268.1000
LINDSAY AUSTRALIA LI...	2 176.00	Buy Shares	0.8900
BREVILLE GROUP LIMIT...	1 637.00	Buy Shares	36.0600
COMMONWEALTH BAN...	197.00	Buy Shares	157.0600
REA GROUP LTD	78.00	Buy Shares	251.4300

As a result, the portfolio now consists of the following:

Full Name	Quantity	Per Share	% Gain	Cost	Price	Value
			21.3 %			4,345,512.23
*CASH						403,132.69
AUSBROKERS HOLDINGS LIM...	7,271.00	31.82	-4.5 %	231,363.22	30.39	220,965.69
BREVILLE GROUP LIMITED	9,693.00	31.96	+13.3 %	309,813.50	36.22	351,080.46
COMMONWEALTH BANK OF ...	1,872.00	143.67	+10.1 %	268,941.57	158.21	296,169.12
CHARTER HALL GROUP	12,017.00	15.00	-1.7 %	180,255.00	14.74	177,130.58
CTI LOGISTICS LIMITED	139,192.00	1.89	+2.9 %	263,072.88	1.95	270,728.44
GOODMAN GROUP	11,635.00	36.51	+0.7 %	424,793.85	36.78	427,935.30
LINDSAY AUSTRALIA LIMITED	214,364.00	0.85	+4.7 %	182,285.56	0.89	190,783.96
NORTHERN STAR RESOURCES ...	18,178.00	17.58	-6.5 %	319,569.24	16.44	298,846.32
PRO MEDICUS LIMITED	5,267.00	195.00	+28.0 %	1,027,06...	249.63	1,314,801.21
REA GROUP LTD	1,641.00	229.01	+4.8 %	375,803.61	240.06	393,938.46

On the following pages we publish lists of the world's top-performing shares which, we submit, should form the bulk of your investment portfolios in their respective countries or as suggested replacements for any in your portfolios that are achieving lesser growth rates than the ShareFinder Blue Chip average growth rates which head the lists. The shares listed in the first block of each list have been selected because of their investment grade quality, their very high dividend growth rates and superior investment safety.

The second block of ten offers significantly higher dividend growth rates but at the price of a greater degree of investment risk. The shares listed in the third block have been selected because of their investment grade quality and their very high price growth rates. These offer superior investment safety. Finally, shares in the fourth block have been selected because they generally offer significantly higher price growth rates but at the price of a greater degree of investment risk:

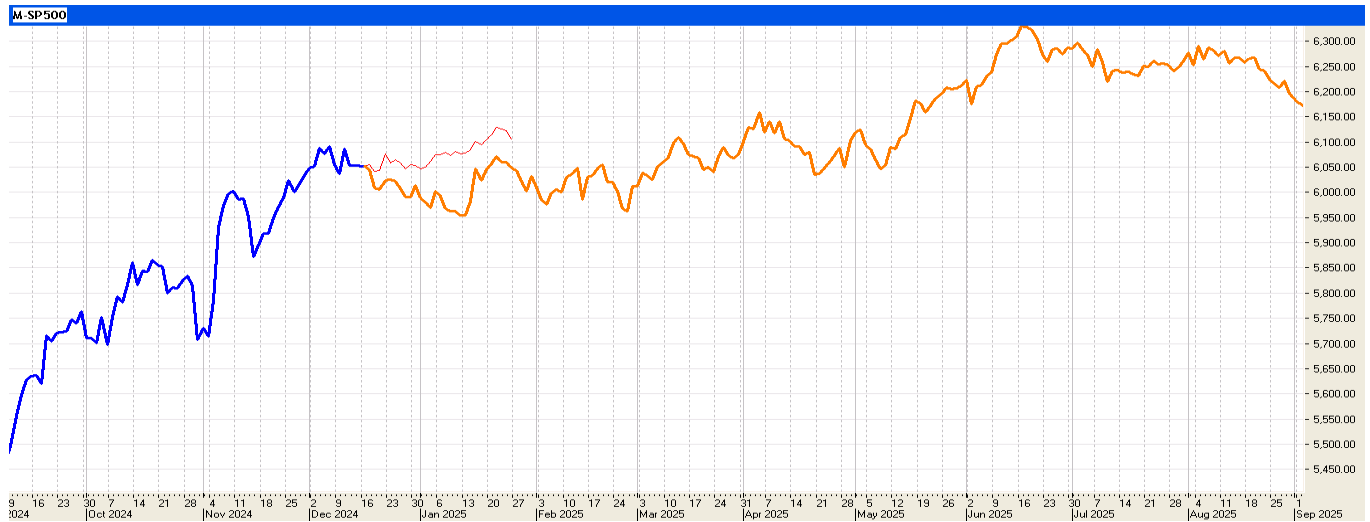
South Africa: JSE

JSE-ALSH



Name	Close	3 Month Price Growth	5 Year Price Growth	Dividend Growth	Gr
The following shares, combine exceptional fundamental quality with high historic dividend growth rates:					
CAPITEC	3,26...	48.89	12.09	55.24	
AFRIMAT	68.50	21.66	10.00	53.88	
REMOVED	42.64	-3.81	6.58	47.61	
SABCAP	89.00	70.05	15.92	31.00	
ADVTECH	32.20	29.99	1.70	22.73	
CLICKS	390.12	19.36	7.19	15.59	
AFRO-C	2.10	-77.00	-1.23	14.01	
AECI	89.29	-39.15	-4.49	10.25	
BURSTONE	9.31	1.29	-13.90	0.73	
Though the following shares may carry a greater degree of risk, these have achieved the highest historic					
ANGLOPLAT	584.19	6.99	25.97	214.62	
REINET	456.69	-7.69	11.31	182.95	
GFIELDS	250.56	-3.43	36.05	139.11	
ANGGOLD	429.96	-38.60	28.45	83.62	
ARM	153.70	-42.23	18.48	70.28	
ANGLO	562.00	59.48	15.96	57.62	
MUSTEK	15.50	120.49	19.24	49.63	
CASTLEVU	8.50	0.00	7.26	45.08	
KALGROUP	51.00	3.24	-3.76	40.17	
STOR-AGE	15.57	10.01	-0.17	36.36	
The following shares, combine exceptional fundamental quality with high historic rates of price growth:					
CAPITEC	3,26...	48.89	12.09	55.24	
AFRIMAT	68.50	21.66	10.00	53.88	
SABCAP	89.00	70.05	15.92	31.00	
MARSHALL	28.21	-1.06	10.39	-6.25	

New York Stock Exchange: NYSE



Code	Full Name	Close	3 Month Price Growth	5 Year Price Growth	Dividend Growth	Grade	Risk	Total Return
The Following shares, combine exceptional fundamental quality with high historic dividend growth rates :								
EXP	Eagle Materials Inc	277.60	31.69	32.56	165.00	516.00	20.68	32.96
LEN	Lennar Corporation	155.47	-43.66	25.19	80.50	273.00	23.94	26.19
FBP	First BanCorp.	19.92	4.84	22.87	106.93	390.00	18.85	25.67
NRG	NRG Energy, Inc.	95.14	70.42	21.38	184.78	533.00	15.59	22.98
CI	Cigna Corporation	282.96	-39.86	14.78	1984.36	5025.00	-17.50	16.48
ARC	ARC Document Solutions, Inc.	3.39	16.96	21.65	87.14	278.00	38.43	27.55
RDN	Radian Group Inc.	33.62	-10.25	13.83	993.59	2538.00	0.34	16.53
PFSI	PennyMac Financial Services, Inc.	105.07	-35.07	20.58	79.63	248.00	32.34	21.38
JOE	St. Joe Company (The)	47.10	-64.15	18.26	78.43	264.00	50.09	19.16
RM	Regional Management Corp.	33.71	-14.82	-0.72	80.26	159.00	62.30	2.88

Through the following shares may carry greater degree of risk, these have achieved the highest historic dividend growth rates :								
FRO	Frontline Ltd.	13.73	-83.24	43.06	642.67	7220.00	66.54	63.96
EXP	Eagle Materials Inc	277.60	31.69	32.56	165.00	516.00	20.68	32.96
FBP	First BanCorp.	19.92	4.84	22.87	106.93	390.00	18.85	25.67
NRG	NRG Energy, Inc.	95.14	70.42	21.38	184.78	533.00	15.59	22.98
CI	Cigna Corporation	282.96	-39.86	14.78	1984.36	5025.00	-17.50	16.48
RDN	Radian Group Inc.	33.62	-10.25	13.83	993.59	2538.00	0.34	16.53
VOYA	ING U.S. Inc.	70.17	11.92	8.21	173.69	578.00	-24.76	9.91
MAIN	Main Street Capital Corporation	55.39	53.66	8.37	160.14	3033.00	-6.96	13.37
RMD	ResMed Inc.	242.51	2.62	1.99	222.49	563.00	9.15	2.69
GPN	Global Payments Inc.	115.77	88.73	-13.56	148.12	269.00	5.75	-12.66

The Following shares, combine exceptional fundamental quality with high historic price growth rates :								
EME	EMCOR Group, Inc.	480.25	157.93	116.38	18.83	570.00	28.02	116.48
MUSA	Murphy USA Inc.	547.93	49.37	59.67	72.03	451.00	15.68	59.97
MCK	McKesson Corporation	579.29	216.45	49.02	9.80	243.00	-11.32	49.42
JBL	Jabil Circuit, Inc.	133.64	119.39	46.30	0.00	134.00	30.31	46.50
ARES	Ares Management LP	182.74	93.92	45.00	18.95	283.00	29.92	46.70
AIT	Applied Industrial Technolog...	268.00	253.15	41.46	3.18	152.00	16.66	41.96
DKS	Dicks Sporting Goods Inc	218.86	-6.83	46.29	40.38	586.00	51.03	48.09
PHM	PulteGroup, Inc.	120.69	-41.40	40.22	12.41	196.00	34.14	40.82
GPI	Group 1 Automotive, Inc.	425.00	108.45	40.83	22.86	248.00	40.48	41.23
TOL	ToIi Brothers Inc.	138.46	10.53	41.08	16.04	216.00	57.94	41.68

Through the following shares may carry greater degree of risk, these have achieved the highest historic price growth rates :								
EME	EMCOR Group, Inc.	480.25	157.93	116.38	18.83	570.00	28.02	116.48
DDS	Dillard's, Inc.	453.48	171.70	85.81	-9.64	330.00	109.38	86.01
CRS	Carpenter Technology Corporati...	177.17	197.89	82.35	2.22	294.00	98.65	82.85
MPC	Marathon Petroleum Corporation	146.28	-31.63	64.76	11.13	340.00	45.14	66.86
MUSA	Murphy USA Inc.	547.93	49.37	59.67	72.03	451.00	15.68	59.97
STNG	Scorpio Tankers Inc.	47.23	-83.91	77.61	12.50	791.00	126.63	79.81
MCK	McKesson Corporation	579.29	216.45	49.02	9.80	243.00	-11.32	49.42

London Stock Exchange: LSE

M-FT-100



Code	Full Name	Close	3 Month Price Growth	5 Year Price Growth	Dividend Growth	Grade	Risk	Total Return
The Following shares, combine exceptional fundamental quality with high historic dividend growth rates :								
KMR.L	KENMARE RESOURCES	3.30	33.05	6.72	90.23	449.00	-1.55	19.82
CAPD.L	CAPITAL DRILLING LTD	0.85	0.00	9.68	40.00	270.00	14.60	12.78
SLPL	SYLVANIA PLATINUM LTD	0.44	-29.20	-1.01	60.00	421.00	62.69	17.19
VLX.L	MOLEX INC	3.03	-45.85	9.26	30.00	246.00	59.39	10.16
OMGL	OMZ JSC	0.58	-36.54	-1.23	30.00	183.00	26.01	3.07
MWEL	MTI WIRELESS EDGE	0.44	-41.12	-4.86	30.00	23.00	64.29	1.94
MSI.L	EROS INTERNATIONAL PLC	9.95	-6.22	0.00	37.86	78.00	119.99	0.80
IPXL	IMPAX ASSET MANAGEMENT GRO...	3.28	-54.66	-5.42	55.63	177.00	136.40	1.58
FUTR.L	FUTURE	9.90	-35.27	-15.13	30.00	-25.00	155.60	-14.83
ARCL	ARCONTECH GROUP PLC	1.26	18.67	-19.55	30.00	-43.00	35.73	-16.95
Through the following shares may carry greater degree of risk, these have achieved the highest historic dividend growth rates :								
FOU...	4IMPRINT GROUP PLC	50.20	0.71	27.35	242.52	4560.00	34.42	33.75
KMR.L	KENMARE RESOURCES	3.30	33.05	6.72	90.23	449.00	-1.55	19.82
NWGL	Northumbrian Water Group Plc	4.09	153.96	16.98	58.33	258.00	17.41	19.38
RFX.L	Ramsdens Holdings Plc	2.23	34.87	8.16	95.00	1698.00	24.72	10.96
SLPL	SYLVANIA PLATINUM LTD	0.44	-29.20	-1.01	60.00	421.00	62.69	17.19
VSVS.L	VESUVIUS PLC	4.34	38.01	-1.37	61.32	133.00	5.47	2.23
BARCL	BARCLAYS	2.71	138.12	8.72	60.00	230.00	43.55	10.62
VID.L		2.74	-34.88	-16.94	60.58	55.00	80.78	-7.84
SPR.L	Springfield Properties Plc	0.90	-59.92	-9.32	58.33	137.00	50.57	-4.02
IPXL	IMPAX ASSET MANAGEMENT GRO...	3.28	-54.66	-5.42	55.63	177.00	136.40	1.58
The Following shares, combine exceptional fundamental quality with high historic price growth rates :								
CER.L	Cerillion Plc	19.10	39.08	77.06	14.00	455.00	65.45	77.36
CRH.L	CRH	78.44	141.51	24.32	11.62	121.00	10.73	25.62
JDGL	JUDGES SCIENTIFIC PLC	87.00	-49.75	18.13	13.69	165.00	7.22	18.83
BNZLL	BUNZL	35.34	-9.83	11.01	0.24	59.00	-18.14	12.31
VTU.L	VERTU MOTORS PLC	0.63	-12.08	22.74	0.00	70.00	58.00	25.04
ING.L	Ingenta Plc	0.75	-78.67	20.64	20.00	100.00	63.47	23.64
CAPD.L	CAPITAL DRILLING LTD	0.85	0.00	9.68	40.00	270.00	14.60	12.78
SOLI.L	Solid State Plc	1.30	-9999.00	15.52	9.94	93.00	87.13	25.92
LOK.L	Lok'n Store Group Plc	11.05	-2.54	12.28	5.08	80.00	28.41	13.38
VLXL	MOLEX INC	3.03	-45.85	9.26	30.00	246.00	59.39	10.16
Through the following shares may carry greater degree of risk, these have achieved the highest historic price growth rates :								
TRD.L	TRIAD GROUP	2.90	50.47	86.17	0.00	304.00	96.21	87.57
MRO.L	Melrose Plc	5.58	195.33	85.49	-8.33	352.00	99.69	85.69
CER.L	Cerillion Plc	19.10	39.08	77.06	14.00	455.00	65.45	77.36
MEGPL		2.15	105.06	46.14	-20.00	93.00	73.86	47.54
BAL	ENOVA SYSTEMS INC	12.15	-9.59	28.07	-19.09	42.00	-11.12	29.47
XPS.L	EXPANSYS PLC	3.54	183.99	25.98	0.43	145.00	7.61	27.58
FOU...	4IMPRINT GROUP PLC	50.20	0.71	27.35	242.52	4560.00	34.42	33.75

Australian Stock Exchange

M-AUST



Code	Full Name	Close	3 Month Price Growth	5 Year Price Growth	Dividend Growth	Grade	Risk	Total Return
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The Following shares, combine exceptional fundamental quality with high historic dividend growth rates :

SNLAX	SUPPLY NETWORK LIMITED	33.06	33.01	109.48	23.43	674.00	16.04	110.08
PME...	PRO MEDICUS LIMITED	249.63	573.61	99.98	25.14	539.00	46.79	100.08
KPG.AX	Kelly Partners Group Holdings L...	10.05	217.59	66.59	10.00	320.00	35.80	67.19
HUB...	HUB24 LIMITED	70.82	240.48	37.94	63.67	517.00	31.35	38.14
JBH.AX	JB HI-FI LIMITED	95.00	121.06	11.05	8.94	124.00	-15.94	13.15
WOR...	Worley Limited	13.23	-32.48	11.39	35.56	107.00	-11.77	13.29
HIT.AX	HITECH GROUP AUSTRALIA LIMIT...	1.96	-6.09	6.42	25.86	183.00	-28.15	9.72
BSLAX	BLUESCOPE STEEL LIMITED	20.60	9.10	9.10	57.36	181.00	-17.77	10.30
LIC.AX	LIFESTYLE COMMUNITIES LIMITED	8.60	36.61	4.81	10.67	92.00	30.30	5.41
EGG...	ENERO GROUP LIMITED	1.07	-26.71	-6.12	94.91	238.00	34.66	-0.02

Through the following shares may carry greater degree of risk, these have achieved the highest historic dividend growth rates :

KSC.AX	K & S CORPORATION LIMITED	3.65	10.88	25.89	33.33	482.00	-32.39	28.59
HUB...	HUB24 LIMITED	70.82	240.48	37.94	63.67	517.00	31.35	38.14
KOV.AX	KORVEST LTD	10.20	-19.53	22.97	39.05	158.00	-26.28	25.47
ORG...	ORIGIN ENERGY LIMITED	10.41	38.04	18.25	34.82	211.00	-14.38	19.85
BSA.AX	BSA LIMITED	1.01	62.78	46.01	40.00	249.00	142.58	46.01
WOR...	Worley Limited	13.23	-32.48	11.39	35.56	107.00	-11.77	13.29
BSLAX	BLUESCOPE STEEL LIMITED	20.60	9.10	9.10	57.36	181.00	-17.77	10.30
JLG.AX	Johns Lyng Group Limited	3.70	86.56	13.99	91.33	421.00	27.02	15.19
IGO.AX	IGO Limited	5.05	-33.10	8.81	86.00	801.00	24.53	11.61
EGG...	ENERO GROUP LIMITED	1.07	-26.71	-6.12	94.91	238.00	34.66	-0.02

The Following shares, combine exceptional fundamental quality with high historic price growth rates :

SNLAX	SUPPLY NETWORK LIMITED	33.06	33.01	109.48	23.43	674.00	16.04	110.08
PME...	PRO MEDICUS LIMITED	249.63	573.61	99.98	25.14	539.00	46.79	100.08
KPG.AX	Kelly Partners Group Holdings L...	10.05	217.59	66.59	10.00	320.00	35.80	67.19
HUB...	HUB24 LIMITED	70.82	240.48	37.94	63.67	517.00	31.35	38.14
VLS.AX	Vita Life Sciences	1.84	-49.53	26.50	-5.00	81.00	11.50	28.10
JBH.AX	JB HI-FI LIMITED	95.00	121.06	11.05	8.94	124.00	-15.94	13.15
WOR...	Worley Limited	13.23	-32.48	11.39	35.56	107.00	-11.77	13.29
SSG.AX	Shaver Shop Group Limited	1.31	51.27	9.68	8.33	37.00	-12.57	13.28
REA.AX	REA GROUP LTD	240.06	191.36	12.66	-0.53	35.00	-2.36	12.96
BLX.AX	Beacon Lighting Group Limited	3.09	14.85	17.01	-4.00	54.00	32.53	18.41

Through the following shares may carry greater degree of risk, these have achieved the highest historic price growth rates :

SNLAX	SUPPLY NETWORK LIMITED	33.06	33.01	109.48	23.43	674.00	16.04	110.08
PME...	PRO MEDICUS LIMITED	249.63	573.61	99.98	25.14	539.00	46.79	100.08
KPG.AX	Kelly Partners Group Holdings L...	10.05	217.59	66.59	10.00	320.00	35.80	67.19
ACF.AX	Acumen Capital Property Securi...	1.02	12.10	51.03	-20.00	127.00	-6.74	52.43
LAU.AX	LINDSAY AUSTRALIA LIMITED	0.89	-20.28	45.80	10.00	514.00	-10.61	47.90
SXE.AX	SOUTHERN CROSS ELECTRICAL EN...	1.42	-65.64	38.41	-20.00	57.00	-4.63	39.11

The 'Empire Killer' Strikes Again

by Nick Giambruno

One of the most potent and underappreciated forces responsible for the downfall of the most powerful empires throughout history has been debt.

While military defeats, political upheavals, and external invasions often dominate historical accounts of the fall of great powers, excessive debt—the "Empire Killer"—has quietly but relentlessly eroded the foundations of empires across the centuries.

From Rome to the Soviet Union, the over-extension of resources, poor financial management, and the inability to service massive debts have led to economic collapse, social unrest, and, ultimately, the demise of these once-mighty empires.

Understanding how debt has played a role in the fall of these empires gives us insight into the role it could play in the collapse of the US Empire.

Here is a summary of some prominent historical examples of this clear pattern.

The Roman Empire

One of the most iconic examples of debt's destructive force is the Roman Empire. At its height, Rome was the centre of the known world, controlling vast territories, including much of Europe, North Africa, and parts of the Middle East.

Maintaining a vast empire required immense financial resources. The Roman government needed to fund its sprawling military, build infrastructure such as roads and aqueducts, and support the grandeur of its capital city.

Emperors financed the resulting debt by debasing the currency—reducing the silver content in Roman coins. However, this led to rampant price increases and economic instability.

The more the Roman government tried to print its way out of debt, the worse the problem became. As debt and inflation strangled the Roman economy, the empire struggled to pay its soldiers, undermining military morale and effectiveness.

Weakened by internal financial collapse, Rome became vulnerable to external threats. The combined weight of financial mismanagement, social unrest, and military decline led to the empire's collapse.

The Spanish Empire

In the 16th century, the Spanish Empire was a global super-power. The discovery of the New World brought an influx of gold and silver, filling the Spanish government's coffers beyond imagination. However, this newfound wealth bred complacency and extravagance.

The Spanish monarchy became embroiled in costly wars across Europe—including the Eighty Years' War with the Dutch and conflicts with France and England—and indulged in lavish expenditures without regard for fiscal sustainability.

Spain borrowed heavily from European bankers to finance its ambitions, accruing enormous debts. At first, the influx of colonial wealth allowed Spain to service its debts, but as wars dragged

on, the costs began to outstrip the income from the New World. But Spain's creditworthiness diminished as the debts mounted, and the economic decline became irreversible.

The inevitable consequence was a series of bankruptcies in 1557, 1575, and 1596. Each bankruptcy weakened Spain's creditworthiness, making it more difficult to borrow money on favourable terms. The once-dominant empire lost its influence, illustrating how an abundance of wealth, when mismanaged and coupled with excessive debt, can precipitate a rapid descent from power.

The French Monarchy

The fall of the French monarchy in the late 18th century provides another stark example of how debt can destabilize a powerful country. France's involvement in costly wars, such as the Seven Years' War and the American Revolution, strained the country's finances.

Meanwhile, the extravagant lifestyle of the French court, epitomized by King Louis XVI and Queen Marie Antoinette, drained the treasury further. France was deeply in debt, and the government struggled to service its loans. By the late 1780s, the French government was spending more on interest payments than its military.

The French monarchy imposed heavy taxes on commoners to pay the cost of its debts, while the nobility and clergy were largely exempt. It led to widespread anger among the population, fuelling social unrest. In 1789, the situation reached a tipping point, igniting the French Revolution.

The Qing Dynasty

The Qing Dynasty was the last imperial dynasty of China. It was a leading world economic power, but spending and foreign borrowing in the 19th century was a significant factor in its decline.

The Qing Dynasty faced enormous financial strain due to prolonged conflicts, including the Opium Wars, the Taiping Rebellion, and the Boxer Rebellion. These wars forced the Qing Dynasty to borrow heavily from foreign lenders.

The Qing government increased taxes on peasants and small landholders to manage its debt. The tax burden, widespread corruption, and inefficiency in the imperial bureaucracy led to social discontent and weakened the central authority's control over the provinces.

Debt was a critical factor that exacerbated the already unstable political and social situation in the late Qing Dynasty.

The British Empire

The sun never set on the British Empire at the height of its power. However, two World Wars strained the empire's resources beyond its limits. The cost of fighting in WW1 and WW2 left Britain deeply in debt, particularly to the US.

The financial strain of debt made maintaining control over its vast territories impossible, and Britain's role as a world superpower diminished. The pound ceased being the world's leading reserve currency.

How Debt Destroys Empires: A Familiar Pattern

The typical pattern in these examples of collapsing empires (and numerous others I didn't have time to mention) is:

Stage #1: Empires achieve success and become overconfident.

Stage #2: Overconfidence leads to extravagant spending on luxuries and wars.

Stage #3: Empires finance this lavish spending by going into debt.

Stage #4: The debt grows to an unsustainable level and creates a crushing burden.

Stage #5: Empires finance the debt through taxation and currency debasement.

Stage #6: The populace bears the brunt of debt repayment as empires raise taxes and debase the currency—to the maximum extent—until it causes internal instability.

Stage #7: Empires cannot finance their militaries because of their debt burden. This is usually the tipping point.

Stage #8: Underfunded militaries plus internal instability make empires vulnerable to foreign invasion, domestic revolution, civil war, and other existential dangers.

Stage #9: The empire collapses.

The US federal government has the biggest debt in the history of the world. And it's continuing to grow at a rapid, unstoppable pace.

While the US government can extend the charade of solvency longer than any other entity on the planet, not even the most powerful empires in human history can do so forever, particularly when they start to struggle to pay the interest costs.

The situation has reached a tipping point. That's because the federal debt's annualized interest cost exceeded the defence budget for the first time earlier this year.

It's on track to exceed Social Security and become the BIGGEST item in the federal budget. As a result, the US Empire is somewhere between **Stage #6** and **#7** in the empire collapse pattern I described above.