OASIS

YOUR OASIS

UK EDITION 02 - **2021**

VIEWS FROM OUR CEO

During 2021, the global economy continued gaining momentum, supported by massive monetary & fiscal support and an aggressive vaccine rollout. However, the recovery remained uneven, dependent on the relative size of policy support, degree of vaccine rollout and intermittent COVID waves. Advanced economies, with access to better resources, have progressed much faster than emerging economies. The IMF expects that the global economy would have expanded by 5.9% in 2021, which is the fastest pace in decades after the -3.1% decline in 2020[1]. Unprecedented policy stimulus boosted global demand. However, the COVID pandemic and accompanying lockdowns led to significant supply disruptions globally including bottlenecks in production, trade and labour supply. The International Labour Organisation (ILO) estimates 4.3% of global working hours have been lost in 2021 relative to late 2019, equalling 125mn full time jobs[2] resulting in economic hardship and poverty globally, particularly in less developed economies. Increasing global demand and constrained supply has led to major inflationary pressure across the world, as too much money chases too few goods. Inflation in USA reached 6.2% in October 2021, the fastest growth rate since late 1990. Central banks are signalling the start of a tentative withdrawal of stimulus which may hurt economic growth. The challenge will be to balance rising inflation concerns while supporting the economic recovery and job creation. In this environment, financial markets could remain volatile.

UK ECONOMY

The UK economy has grown by 0.6% on average over the 10 years to 2020, compared with the 1.2% for developed economies. The impact of Brexit and Covid-19 have been significant. In 2020, the UK economy declined by 9.8%, the worst outturn in 300 years. This, despite the UK having one of the largest monetary and fiscal stimulus packages. Given the combination of extremely low interest rates, pent-up demand, an exceptionally buoyant housing market and a rapid vaccine rollout programme, the UK economy is expected to have grown in 2021 by 6.8% (IMF). This would also be the fastest pace of economic growth since 1973. By the end of 2021, the UK economy would still be on average 3.7% smaller than in 2019. Supply chain bottlenecks and higher energy costs are putting a lot of upward pressure on the prices and transport of consumer goods. In the Autumn Budget, HM Treasury more than doubled up its inflation forecast for 2022 from 1.8% to 4.0%. While this is bad news for household budgets, on the plus side for the public finances, the combination of faster economic growth and higher inflation will lead to higher tax revenues. In fact, in the Autumn Budget, the Office of Budget Responsibility (OBR) raised its forecast of tax revenues by some £35.0bn per annum over each of the next few years. This provided the fiscal leeway for the Chancellor to announce significant inflation-adjusted increases in departmental spending across the board by an average annual 3.8% over the life of the current parliament, especially in health, social care and education.

FINANCIAL ADVICE

In an environment of near-zero interest rates, sharp rises in inflation massively erode purchasing power or real wealth. If a 12-month fixed deposit returns 0.2% annual interest when inflation is at 5%, your real annual return adjusted for inflation is a staggering -4.8%. As a result, it is imperative to invest in inflation-beating instruments, like property, commodities and equity, which are able to both maintain and improve your standard of living and real wealth. It is also imperative to own the best quality inflation assets to reduce exposure to market volatility. At Oasis, our guiding philosophy is to focus on companies which have market leadership, strong management teams, good capital allocation, strong cash flows, sustainable profitability and which are priced below their intrinsic or fundamentals values. Speak to an Oasis accredited financial advisor to assist you in identifying your most suitable options, while providing you with an overview of our product offering. Be proactive and do not leave these decisions to the last minute.

OASIS UPDATE

Our global journey began with the registration of the Oasis Global Investment Scheme as a Collective Investment Scheme with the Guernsey Financial Services Commission in November 2000. The Scheme included two funds, namely the Oasis Global Equity Fund and the Crescent Global Equity Fund.

In January 2003, Oasis Global Management Company (Ireland) Limited opened its new global offices in the Dublin financial district, and assumed full control over the administration of its Irish-registered funds. In December 2010, Oasis' Funds were registered in the United Kingdom with Oasis Crescent Wealth (UK) Limited opening its London office in Knightsbridge and launched its UK Advisory Services in June 2012.

On the 11th December 2020, Oasis Crescent Global Investment Fund (Ireland) Plc merged with the Oasis Crescent Global Investment Funds (UK) ICVC ("the UK Fund"), culminating in the re-domiciliation of the funds from Ireland to the United Kingdom.

Oasis Crescent Wealth (UK) Limited (OCW) is the authorized corporate director of the UK Fund. OCW was initially established with the purpose of advising on units of Undertakings for Collective Investment in Transferable Securities (UCITS). In April 2020, OCW was further authorized to advise on Personal Pension Products and on 21 July 2021, it was licensed as a UK UCITS Management Company.

Oasis Products in UK are being marketed through 'Business to Consumer' (B2C) platforms via Investment Financial Advisors (IFAs). The next step is to provide a 'Direct to Consumer' (D2C) channel by 31st March 2022. The 'Business to Business' (B2B) channel will launch in the middle of 2022.

[1] IMF, World Economic Outlook, October 2021, Recovery During a Pandemic, Health Concerns, Supply Disruptions, and Price Pressures.
[2] ILO Monitor, October 2021, COVID-19 and the world of work. Eighth edition; https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/briefingnote/wcms_824092.pdf

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Collective Investment Schemes | ISA | Junior ISA

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OASIS FUNDS ARE LONG TERM INVESTMENTS. PAST PERFORMANCE IS NOT A GUIDE TO FUTURE RETURNS.
THE VALUE OF YOUR INVESTMENT MAY GO DOWN AS WELL AS UP AND YOU MAY NOT GET BACK THE ORIGINAL AMOUNT INVESTED.
* Performance (% returns) in GBP; net of fees, gross of non permissable income. Source Oasis Research using www.oecd.org.

Important Information: This promotional document is not investment advice and you should always seek professional advice before making a decision to invest.
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