

February 28, 2020

CORONAVIRUS BEN'S REALITY CHECK

30 years of investing experience at Value Contrarian Asset Management and the Value Contrarian Equity Fund has taught us that bull markets don't rollover and die simply because they are expensive or highly valued. You need a catalyst: Now think Corona!

Yes, Corona is certainly a serious reality, but not monumental. It's a good catalyst for an overdue market correction... but we don't see this as the eventual bear market knockout punch. That will involve another unexpected upcoming surprise. Unfortunately, no one is going to ring a bear market bell giving us advance warning.

The present downturn in stock prices is more severe as a result of accumulated months of "exuberant" valuations and the propensity for financial markets to overshoot on both the upside and downside.

According to one wise old market hand, "the damage to the market would have been a lot less intense had it not been so expensive and investor complacency so rampant leading into February."

Remember those two human emotions: Greed & Fear? In January, investors were in the Greed Zone. Today, it's the Fear Zone. Think of the "teeter-totter" effect, from one extreme to the other extreme.

Eventually, gravity takes hold and the investing pendulum swings back to the rational middle ground. Yes, values in equities will return and buying opportunities are already appearing for the Value Contrarian Equity Fund. Yippee!

Respectfully,
Ben Horwood
Fund Manager
Value Contrarian Equity Fund
February 28, 2020

**Next purchase date deadline Value Contrarian Equity Fund:
March 31, 2020 (call today: 514-398-0808)**

*******Feel free to forward Ben's Market Intel to your friends & clients.**

P.S. Do visit us at our web site: www.valuecontrarian.com

**Your comments are always welcome: e-mail benh@valuecontrarian.com,
phone (514) 398-0808 or LinkedIn.**

Please note: The timing of Ben's market comments will only be sent when something of value should be shared.