Indur-Vishni Wealth
MANAGEMENT LLC

16192 Coastal Highway
Lewes, DE 19958 U.S.A.
Email: indurvishniwealth@gmail.com
Tel: UK: +44 741 144 2326 ▪ USA: +1 213 712 2803

U.K. Banks' H1 2019 Performance

At Indur-Vishni Wealth Management & Advisory LLC although we may like to present our reports in a novel (some would say irreverent) way, we nevertheless take accountability very seriously. If in hindsight we were wrong in our assessment about some stocks then we'll put our hands up and say 'We got it wrong'. We're dismissive of stocks but we're deadly serious about the fundamentals as well as 360 degree macro view take the numbers seriously and the purpose of this six-month review is to assess how our assessments panned out for the first half of the year. So, without further ado, let's with the UK's Asset Managers.

The Sun Shone on the Banks

Barclays finished 2018 down just under 27%! So far, 2019 has been kinder to it. The stock finished H1 just half-a-percent down. We had a **Carpe** rating on the stock, partly because of the 4% dividend (still intact). We reiterate the rating for the same price: when it drops below 140. We'll chalk this up as a 'Win' for us, seeing that the stock stayed strong and didn't confound our recommendation.

We advised **S.T.F.A**. from posho favourite **Close Brothers** and we were vindicated in our assessment as "the Bros" finished H1 2019 down just over 2%. We double down on our S.T.F.A. recommendation. Brit poshos aren't as financially well-off as they used to be and that's going to totes affect "CloBro". That's another 'Win' for us.

Leeds-based **CYBG** (parent company of Clydesdale Bank and Yorkshire Bank) was one of the banking sector's ''prison bitches'' in 2018, falling a brutal 47% from beginning to end. It's slowly crawling its way back this year, up just under 5% at the end of H1. However, we still think it deserves a **S.T.F.A**. recommendation as once the consequences of a 'Hard Brexit' start to bite, there will be nowhere to run and nowhere to hide for CYBG. Having said that, we didn't expect the stock to appreciate so we guess we were wrong about the trajectory.

Erstwhile favourite of the Mexican drug cartels, **HSBC** might have finished 17% down for the year but it's finished H1 almost where it began. Anyone who might have invested in the stock at the start of the year, defying our S.T.F.A. rating, would have seen minimal appreciation. We still stand by our belief that these fuckers should be boycotted on moral grounds and we were right in our S.T.F.A. assessment because the stock's done nothing for investors (apart from giving them a dividend just over 4.5%). Going forward, we stick with **S.T.F.A** for House of Shits, Bastards and Crooks. And, this is another 'Win' for us.

Lloyds, after a slaughtering to the tune of 24.55%, earned a "Bollocks to that!" comment and **S.T.F.A** recommendation from us but the stock finished up 10% by the end of H1 2019, thus proving us wrong. But, we feel the same way about them as we do about C.Y.B.G. and go with a S.T.F.A. recommendation.

Metro Bank finished 2018 53% down. It's fallen ANOTHER 69% since the 2nd of January (until the end of June, '19). We had a S.T.F.A. recommendation and, true to form, the bank didn't disappoint! It earns another S.T.F.A. recommendation from us. Another 'Win' for us!

One Savings Bank fell over 15% for the year in 2018 and this year's been mediocre at best. Still, a rise of just under 3% is better than a kick in the bollocks, as the Brits say. We're still bearish on the U.K.'s property sector and any bank overly exposed to it so we say **S.T.F.A**. yet again to One Savings Bank, even though the stock defied our expectations and crept up slightly. Not a 'Win' for us by any means.

Paragon Banking was another bank we were wrong about, notwithstanding its fall of 20-odd percent by the end of 2018. It actually finished H1 up just over 11%.ything but. However, its exposure to similar sectors as One Savings compels us to advise, once more, to **S.T.F.A**.

RBS came full-circle by the end of H1. In our last assessment we advised **S.T.F.A**. and we're going to go with that for H2. We see RBS falling further by the end of 2019. This is neither a 'Win' nor a 'Lose' for us as, in our past coverage, we didn't take a hard position on where we thought the stock would go.

Standard Chartered (or, should that be Charturd?), also known as the 'Bank of Iran', has had a pretty good H1 (what's that saying about rising tides lifting even the biggest turds?), up just under 18% for the half. We were bearish on the stock and, although in hindsight wrong about its rise, we're still bearish because of its Emerging Markets (especially China. We're yet to see a trade agreement between the U.S. and China and any further breakdowns will hit the Chinese markets, and banks like Stanturd Charturd) focus. We think a recession in the U.S. is due in about 12-18 months and the ripple effects will be felt in E.M.s. We don't see 'turd 'turd going beyond £8.50 this year and, if anything, see a H2 finish below £7. **S.T.F.A.**

We got four of our predictions, out of ten, right in the Banking sector. Not impressive but we're only half-way through the year and we believe that our previous assessments on the six other banks will be prevailing ones at the end of 2019.

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