

I hope you all had a wonderful holiday season with family & friends.

I visited the North American continent again this year and I happy to report that capitalism is alive and transforming.

Change they say can be good yet challenging too.

My study`s of pure capitalism is when the “minority “combined with efficiency, innovation and management, replaces the “majority”.

The catalyst for all of this theory to come alive has been the GFC and the changing of mind set of people.

I have see a lot of that this year in the world`s largest economy.

The going got very tough and still is in several parts, but the tough not only kept going....they have started sweeping changes in business`s and behaviour.

I will give you one brief experience.

I meet a grandmother flying from Las Vegas to Canada, sadly her daughter had been recently widowed in Las Vegas with her two children, her husband a US marine.

He was killed in shootout in his garage by local thieves trying to rob him, he had left the garage door open briefly after his return home from work one night.

That is dangerous to do now days!

Crime is a real and serious problem post GFC in America.

The bank will not let her refinance the family home and it has negative equity in value, this is a very common and unfortunate position for millions of people in the USA.(No help from the US army either in this case).

Solution.....The Foreclosure Claus”.....no there is no such thing in any documentation from any bank.

In this case and millions of others in financial trouble in the USA, people are choosing not to make mortgage payments knowing that it will take more than 12 months to actually be foreclosed upon do to backlog and longer to be actually evicted.

People are saving the money to repair the family balance sheet and find a place to rent when forced to move.

The grandmother praising and supporting her daughter`s decisions and telling me a complete stranger.

The story above is a change of behaviour post GFC that is rapidly changing the world largest economy and I feel this will continue through 2010.

I am very positive on quality equities and see them as a new currency in the days ahead in a global market.

I am still negative on both residential and commercial property, I have seen vast amounts of both all very empty and decaying.(It will take considerable time to come good).

We are I believe in the recovery stage and it will take some time now that this unstoppable transformation is taking place.

Gee it's good to be home.....

Talk to you soon.

Kind regards

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