

PROFILE



CHARLES VAN DER MERWE
CEO, CREDO WEALTH

How did you get involved in financial services – was it something you always wanted to do?

As a boy growing up in Upington, my earliest ambition was to grow grapes along the Orange River. Obviously, that changed when I was a student at Stellenbosch, and my interest in numbers led me down the accountancy route. It was when I was doing my articles with PWC in Johannesburg that I was really exposed to banking and investments. Deciding that this was my chosen direction, I later joined Standard Bank, and from then on, I was involved full-time in the financial services industry. So no, I didn't always know that I wanted to work in financial services, but I am very happy with the choices I've made to get me here.

What was your first investment – and do you still have it?

My first investment was a property in Johannesburg because I liked the idea of an asset-backed security with regular income and a decent return. I no longer have it: the house was sold as part of a move to London to work for JPMorgan. I made a decent return on that sale, though, and used the proceeds to buy into a new adventure. In this case, the "new" was the exciting opportunity to be part of the City, where I found a South African 'can do' attitude goes far. Nothing beats an early morning coffee in historic London, feeling the buzz of the city coming to life.

What have been your best – and worst – financial moments?

The worst moment was being a DIY trader during the dotcom period – and subsequently not investing in those tech companies that managed to survive. What did I learn? Running a financial business is different from being an investment guru. I realised that I needed to play to my strengths and delegate investment decisions to the experts to manage. I have had no regrets since learning this life lesson back in 2000. The best moments have been since I joined Credo.

What do you tell investors who are worried about their investments due to SA's current economic environment and COVID-19?

South Africans have always understood the need to diversify internationally, if only to gain exposure to different markets. Most of our clients in South Africa work with Credo to solve that exact problem. I would offer a bullish view over the longer term. I firmly believe that the largest and best companies in the world will continue to adapt and thrive in a post-COVID-19 environment. Stay invested!

What's the best book on investing that you've ever read – and why would you recommend it to others?

I often discuss this with Deon Gouws, our Chief Investment Officer, because many of the books out there seem to contradict each other!

Fooled by Randomness by Nassim Taleb is highly recommended, as it debunks many of the myths that are prevalent in the world of investing. In a line, the message of the book is that one should pay scant regard to the opinions and forecasts put forward by commentators and strategists, as much of it really boils down to noise. Again, stay invested!



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