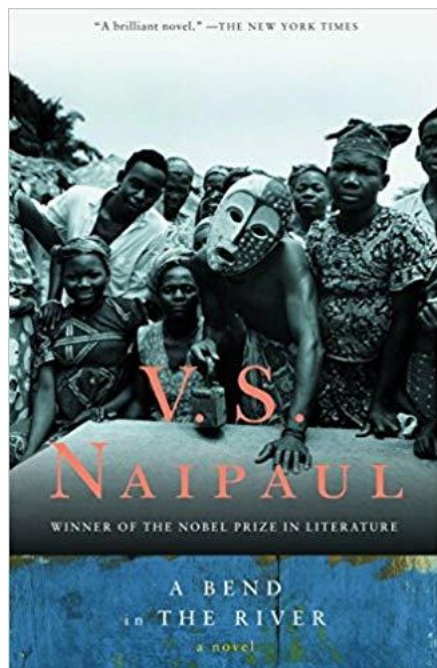


The Way we Live Now

Aly-Khan Satchu
5th April 2020

It certainly is a new c21st that we find ourselves in. There is a luminous and Fairy Tale feel to life in quarantine and as you know most fairy tales have an oftentimes dark and dangerous and unspoken undercurrent. I sit in my study and its as if my hearing is sharpened. I hear the Breeze, birdsong, Nature in its many forms and the urban background noise which was once the constant accompaniment to daily life has entirely retreated. The Nights are dark, the stars are bright and the neighbours long gone.

There is a Passage in V.S Naipaul's A Bend in the River



“Going home at night! It wasn't often that I was on the river at night. I never liked it. I never felt in control. In the darkness of river and forest you could be sure only of what you could see — and even on a moonlight night you couldn't see much. When you made a noise — dipped a paddle in the water — you heard yourself as though you were another person. The river and the forest were like presences, and much more powerful than you. You felt unprotected, an intruder ... You felt the land taking you back to something that was familiar, something you had known at some time but had forgotten or ignored, but which was always there. **You felt the land taking you back to what was there a hundred years ago, to what had been there always.**” — V.S. Naipaul, A Bend in the River



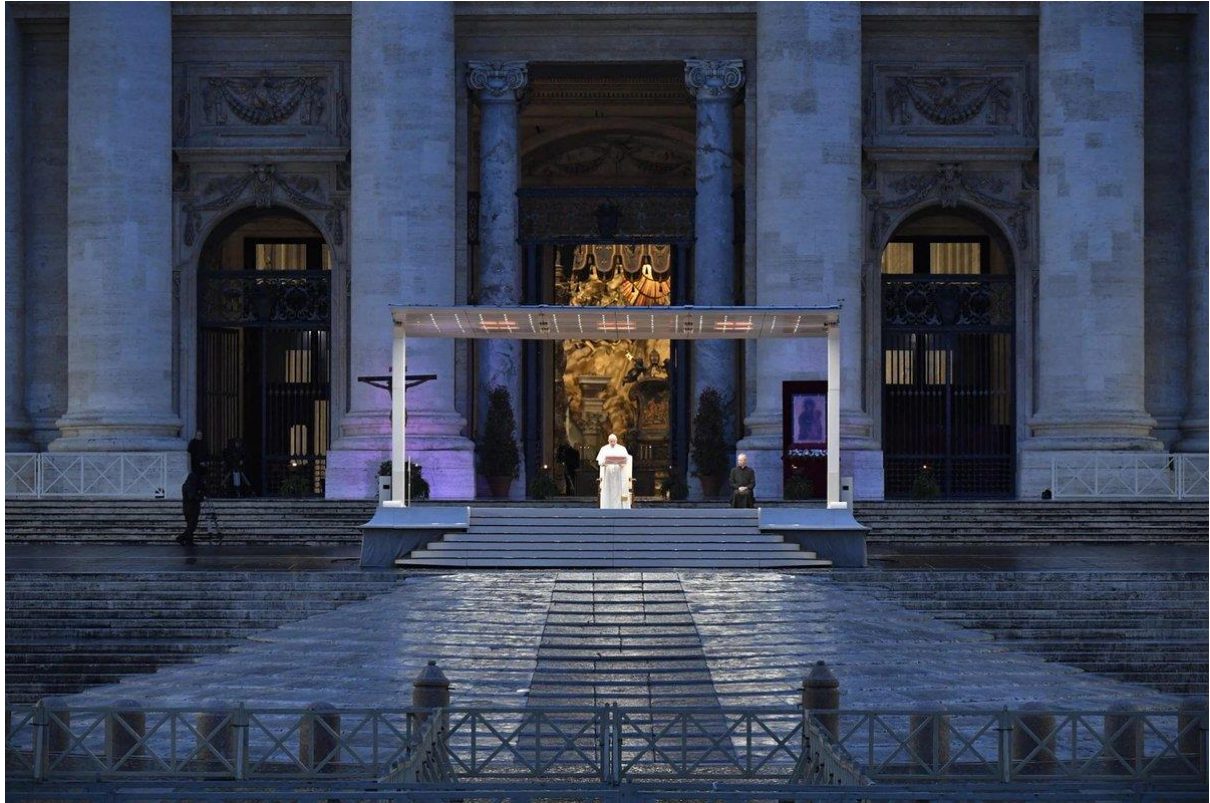
The Mara River

One feels one must tread more carefully now, with a lot of circumspection, that not just my purchase but all of ours is a lot more precarious now and that there is something Karmic in this #COVID19. When I saw a Video of a Pool Party in South Africa, where everyone was chanting "Corona Corona" like a mantra, I recoiled, I couldn't watch because I thought to myself, You can be sure of one thing COVID19 will come.

Meanwhile, in **South Africa**, they are having **CORONA VIRUS PARTY**.
https://twitter.com/XXSlicky_/status/1242211167046709248?s=20



The COVID19 is invisible but it has already defeated the most expensive Aircraft carriers, it lurks everywhere and in silence and has put down Mecca, St. Peters Square and the Vatican, Qom and everywhere else that we congregate and ask for succour.



It is not to be trifled with. Boris dismissed it and now speaks to the Nation like a disembodied voice from a Bunker. **[I wrote this before the news about Boris Johnson's hospitalisation I wish him a speedy recovery]**

Boris Johnson from the Bunker

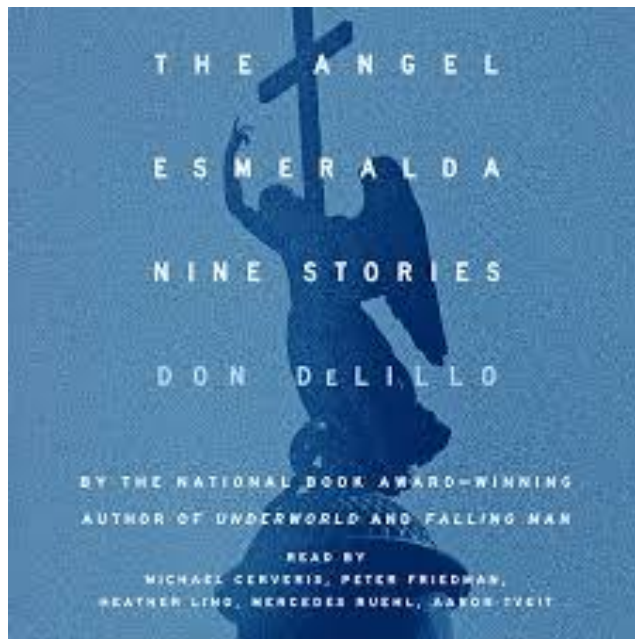
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Trump too thinks its another Trade and his luck which took him all the way to the Presidency will hold out and watching his always surreal White House Briefing has an added frisson of the waiting for him to turn yellow.



And I suppose we all wish we had an Angela Merkel because at least then we might have a fighting chance.

Don DeLillo wrote "Everything is barely weeks. Everything is days. We have minutes to live."



And it certainly feels like we are pirouetting at the precipice and our Leaders are saying Don't Panic and I want to say "look Chum You are not Merkel and just a few days ago You were telling me its all cool its just the Flu. Others might take you seriously on what basis I know not but I don't."

Venturing to the Supermarket is like going on a Safari. You look around. You keep your distance. You want to leave. You think every surface is potentially a Killer. You walk around the familiar and it all feels so unfamiliar.

And what is clear is that we are all in our different but similar quarantined experiences at an inflexion Point because COVID19 has brought us all to an inevitable question. What is it all about? Can it ever return to what it was? As I try and peer through into the Future the one thing I do know is that its not reverting to what it was. We are turning the Page here and the uncertainty is because we all know collectively that's what we are about to do. The book is in front of us and the page might turn itself but turn it will. The Question is what is on the next page and I cannot answer that.

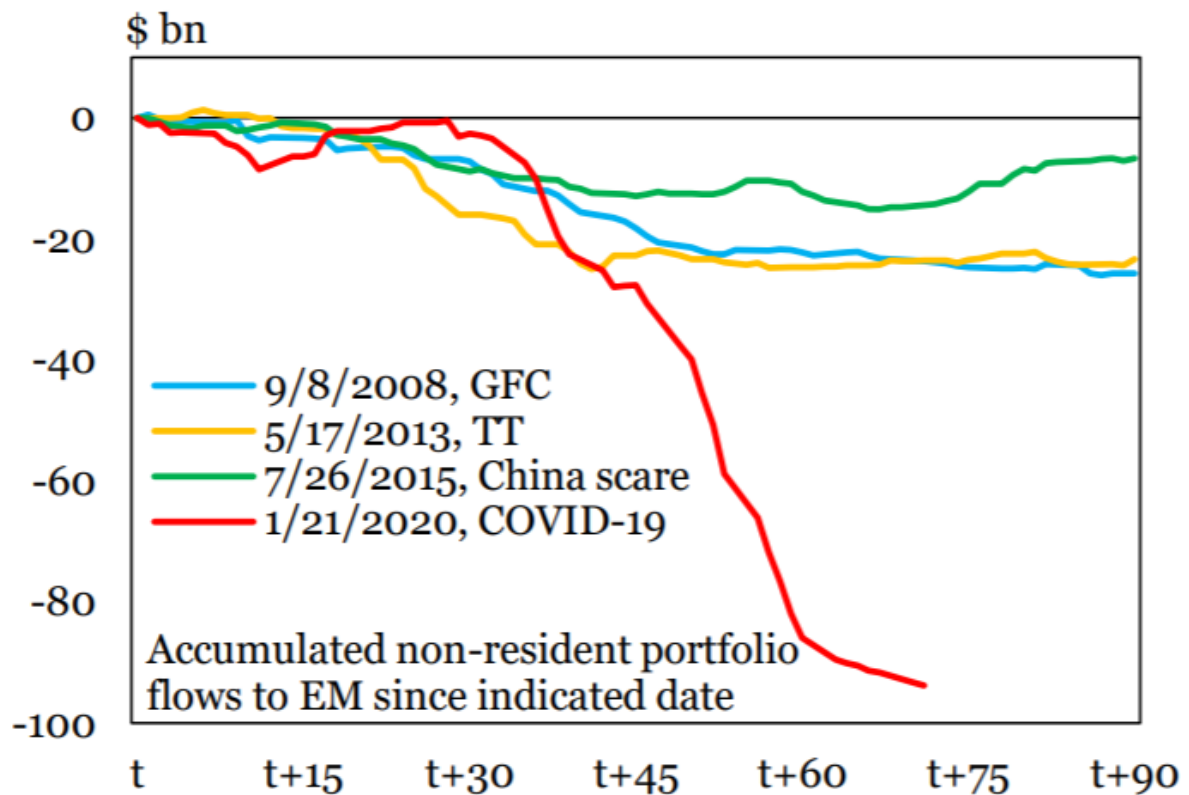
What I do know is this. Regime implosion is coming to the Oil Producers and Trump can game the price a little more sure but its a pointless exercise. Demand has cratered and a return to a hyper connected 100 barrels per day world is not going to happen for the foreseeable future. Putin will survive because he prepared for this moment. Others are as good as terminated. I also know that we are about to enter The Great Depression. The

FED, The ECB and the all the other Central Banks can print but at some point it turns Weimar Germany.



Before it turns Weimar Germany, it falls off a cliff in Emerging Markets. We are watching the Great Decoupling unfold in front of our eyes, from Brazil to South Africa to India. Twenty years of good times are now ended.

Exhibit 2. Stress Episodes for Capital Flows



Source: IIF daily flows tracker

Africa is simply too dreadful to contemplate. We are weeks away now from collapsing health care systems and "blow ups" in our urban centres. Ramaphosa and Kagame might have a chance but everywhere else I look, leadership is as clueless as Trump is in his White House Briefing.