

### **FUNDAMENTALS BE DAMNED !**

The very real prospects of a war in the Middle East are looming – thanks to the Syrian crisis – and the prices of equities, around the world, will suffer, without question, probably sooner than later.

Investors would be best advised to sit on their hands in these uncertain times.

It matters little what the fundamentals of publicly listed companies indicate because, in times of grave uncertainty, fundamentals mean very little.

**TARGET** () is not suggesting that the prices of all stocks and shares will fall, dramatically, but which ones will fall the most is the only question to be answered.

If one does not know the answer to this question, then ...

If one is not fully invested at this point in time, then, one should look to the Heavens for having been lucky to procrastinate with regard to making any material, new investments in equity markets.

Recently, certain investment analysts at US banks have been advising clients to buy this and that and giving, what appears to be on the surface, very logical reasons for their advice.

These analysts must, in this medium's opinion, be rank youngsters because a very experienced analyst/investor would know only too well how the drums of war can change a great number of projections for the immediate future, and, especially, with regard to trading on equity markets.

More to the point, today is, perhaps, that not knowing which way the dogs of war are running could be much more disturbing than an actual shooting war.

### **A 'Good War' Does Not, And Never Has, Existed**

There is no such thing as a '*good war*', as some people would like to have others believe.

As far as making investments are concerned, wars tend to kill people, devastate cities, and leave in their wake, millions of displaced people. Wars take lives, indiscriminately.

In the world of today, there can be no such thing as a '*limited*' war because the world has shrunk, considerably, from that which our forefathers knew, during the first The Great War of 1914-1918, followed by The second Great War of 1939-1945.

Military and civilian casualties of the international conflict of 1914-1918 took the lives of more than 37 million people. It was, at that time, the deadliest conflict in human history.

World War II (1939 -1945) took the lives of an estimated 70 million people, civilian and military, with Russia, being the country, having suffered the biggest losses, thought to be in excess of 20 million people.

Today, one is faced with the situation in Syria, with the United States of America, calling for action to stop the killing of innocent civilians, more than 1,429 of whom, having been gassed to death by the military forces of Bashar Hafez al-Assad, the President of Syria, on Wednesday, August 21, 2013.

Of that number of deaths, 426 deaths were those of children.

The situation in Syria has spilled over into other countries, abutting Syria, Lebanon, Turkey and Iraq, known to be the recipients of more than two million, Syrian refugees, one million of whom are children.

Yesterday, a senior Iranian Member of Parliament, Mr Alaeddin Boroujerdi, who is the Chairman of the Majilis National Security and Foreign Policy Committee, said, inter alia:

*‘Any war and military strike against Syria will have a scope beyond the Syrian borders.*

*‘We, on behalf of the Islamic Republic of Iran, once again announce to Syrian authorities and the international community our opposition to any attack and war against Syria.’*

Earlier this week, President Bashar Hafez al-Assad said that if Syria was attacked by the United States or any other country, he would seek the assistance of Al Qaeda, the global, militant Islamist organisation, founded by the late Osama bin Laden.

Al Qaeda operates as a network, comprising both a multinational, stateless army and a radical, Muslim movement, calling for global and a strict interpretation Sharia Law.

It is among the most-feared of all terrorist organisations in the world, with the United Nations, condemning it as being just that: A terrorist organisation.

President Bashar Hafez al-Assad has, already, embraced the Lebanon-based, terrorist organisation, Hezbollah, whose fighters, earlier this year, entered Syria to fight alongside Syria’s military forces.

And the result was a series of outstanding military victories for this combined force.

### **What All Of The Above Means**

President Bashar Hafez al-Assad is desperate.

He will use whatever weapons he has on hand, his, or somebody else’s.

Should a combined military force of the West determine to strike Syria, be it a so-called, limited offensive, attacking Syria’s military installations, or something more lethal, anything and everything is possible.

The weapons of war, today, are far more lethal than anything that could have been imagined in the Two Great Wars; and, a killing field of 70 million people could well be surpassed in very short order.

The key indices of equity markets should be expected to be extremely volatile in the near future and, should the Administration of President Barack Hussein Obama obtain the green light from The Congress, next week, to attack Syria, one may expect certain States of the Middle East to explode into a huge fireball.

This is not the type of situation that is conducive to strong expectations of making profits from investments in stocks and shares, listed on equity markets ... or in investing in anything else, for that matter.

This medium cannot foretell the future; and, the fundamentals of a specific company, no matter in which industry it is involved and in which region of the world, or the likely direction of any Western economy for the remainder of this year, will not assist in trying to make a determination as to what action, if any, one should take.

Therefore, the conclusion is obvious: Do nothing and await the outcome of these trying times.

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