

When Being Human Provides Certainty

There is a rather famous saying that goes like this: “History doesn’t repeat, but it certainly does rhyme”. The quote is attributed to Mark Twain, although this is debated. Nonetheless, it is certainly a pertinent expression for modern day investors. It is very easy to believe that nothing from history could apply to today. When an American President gives expletive-laden speeches and threatens destruction of a civilisation, it’s easy to question where we are going. It is in times like these that I try to mentally transport myself into days gone by – say 1944 or 1973 as quick examples. What would the investor mindset have been back then? Considering the commonality of our humanness may give us clues.



**Robin
Gibson**

I recently gave a finance presentation to a room of twenty-somethings. In the room were a few young professionals, newly qualified. One of them was a Chartered Accountant, a very bright young man with a promising career. He approached me very respectfully, but veiled in his question was the idea that possibly the focus on dividend growth and compounding might be very old

fashioned in the modern era, and was I opened minded to a different approach?

I learnt a long time ago that the person who predicts what happens next to any great degree of accuracy is very likely to be luckily right (and won’t generally predict the next 5 things right) or completely wrong. I believe the world is too infinitely complex to be completely certain, and no one

ACCOUNTING’S FUTURE IS SECURE



No matter what the future holds, it is hard to see that humans will not want to know, for certain, whether a company has made a profit

SPEED READ

- History rarely repeats exactly, but human behaviour does — fear, optimism and uncertainty have always shaped markets.
- The world may change in form, but business will always revolve around profit and investors sharing in it.
- Speculation chases price whereas investing participates in a growing stream of earnings — that distinction never ages.
- Even amid war, volatility and political noise, people still live, consume and earn — and markets adapt rather than end.

person can hold enough variables in balance sustainably to be consistently successful.

This does not however mean that there aren’t aspects we can lean on when assessing possible outcomes or potential consequences. Take the young CA I mentioned. I answered his question with a question – “Do you think that accounting will ever be obsolete?” I did have to clarify that I was asking about accounting as a discipline not accountants as a profession. He was unequivocal – definitely not! I asked him why? He responded that humankind needed some way to measure earnings, profit and expenses. I agreed and then declared that no matter how much the world changes in the future, business will still be about profit, and investing (not speculating) will always be about the sharing of a growing profit stream. Speculating is about chasing a potential increase in an asset’s value and then selling it to someone else at the right time to make a profit.

So while I cannot predict which industries, or by what methodology, business will make profit into the future, I

can be pretty sure that commerce will have the same basic premise into the future and that entrepreneurs will always need investors' capital to grow their businesses and they, in turn, will ask to be rewarded by a share of the profits.

We can extrapolate this more broadly to humanity. Despite the technological advancements and digitisation of much of our lives, human beings remain social animals with much the same needs and wants as those in Mediaeval Europe. People will have to pay others to do things they cannot, they will want to pay others for services they perceive make life easier and they will pay to own products they perceive to give them social capital. So, while the world may look very different into the future, many of the base drivers remain firmly in place, and will generally help to identify what is likely not to happen.

Let's bring this back to today. As I write, we are in the

shaken economies around the globe. Are we at the start of World War 3? Well, I think that depends on how you

define World War – is it a war that effects everyone? Then yes. Is it a war where everyone is fighting? Then, no (and by that measure I am not sure if we have ever had a World War). No doubt what is happening is going to have consequences for the future. It will almost definitely lead to volatility in markets and is likely to impact company profits – some for the better, others for the worse. Regardless, humans need to eat, work for an income, have

a place to live, send their children to school, fill their cars, have them serviced etcetera, etcetera! The circumstances may change how they go about doing those things, which will impact profits, but commerce certainly isn't going to come to an end.

In times of uncertainty it may make sense not to do certain things, but investing consistently and continuously is certainly not one of them.

“Despite the technological advancements and digitisation of much of our lives, human beings remain social animals with much the same needs and wants as those in Medieval Europe.”



Technology may bring the illusion that human needs are different but in reality, we still have the same basic desires.



Our next seminar will be held in June. As usual, we will review the first six months of the year and update our outlook for the remaining six months.



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Topic: **2026: The first six months**

Natal Midlands

Date: 4 June 2026

Venue: Christ Church Howick, 23 Mare Street, Howick

Morning Time: 10am for 10.30am

Evening Time: 5.30pm for 6pm

Johannesburg

Date: 9 June 2026

Venue: Rosebank Union Church, Cnr Winne Mandela Drive and St Andrews Road, Hurlingham

Time: 7am for 7.30am

Cape Town

Date: 11 June 2026

Venue: Kelvin Grove Club, 144 Camp-ground Rd, Newlands, 7700

Time: 7.30am

Venue: Helderberg Village Lifestyle Estate, 63 Bakkerskloof Rd, Helderberg Village, Cape Town

Time: 5.30pm for 6pm



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