

16th November, 2015

Dear Chris,

Since we parted company in Karachi last month I have been on a round-the-world trip. I have now been in 3 American cities and 5 Asian cities over the last four weeks, a few things stand out:

1. Combine cheap energy in the US with accessible credit and we have consumption galore. Life is lived by region; California does not think about New York and New York thinks only of itself! A reminder that there are many mindsets in this vast nation. (Having lived there for many years, I should have recalled, but as I age, the past has its own patina.)
2. Asia is megalopolis after megalopolis. The infrastructure looks modern on the surface but below it is still adjusting. Again like the US, it is cheap energy, even in local currency, that keeps the people afloat. Credit is compressed first into real estate and then into consumption.
3. Asia is bifurcating between China, the shiny route, and Japan/US, the tested route. This tussle is apparent on billboards, with offers of Chinese RMB bank accounts,

**Christopher Andrew  
Clarmond Wealth  
1 Holbein Place  
London, SW1W 8NS**



Japanese car finance, and American fast food. Each billboard reinforces a stereotype.

There is one constant throughout the trip...Mega-cities, those with over 10m in population, they are at the epicentre of economic activity and material consumption. This is where the wealth is, where power resides; the mega-city is becoming a nation onto to itself. This process is being repeated all over the globe - there are 30 odd cities with populations over 10m.

But there are two things that all these massive cities desperately depend upon: cheap, accessible energy and cheap, accessible credit. The movement of people and goods require both. And globalisation makes this virtuous circle operate, it is the elixir to their continuing attraction.

See you soon in the megalopolis of London,

Mustafa