

Holiday risk

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After a busy first half year, the summer holidays are just around the corner¹, at least, that is how we always called it when we were in school. For many people a time to leave the work behind for a while. A nice rest, being outdoors, nothing has to be done, slow down, these are just some slogans that are often used in preparation for the summer. Holiday is also an opportunity to travel. Some thereby enjoy going every year to the same area, while others like to do something different every year. There are even people who do not have real holiday if they had not been at least 12 hours on a plane. Each to his own, shall we say.

For us as asset managers, that is obviously a bit pointless. As we have been saying for years and years, a good asset manager is on the beach. If you have things well organized, than the assets do just what they need to do, the field engineers know what to do if the assets even have sometime no sense and take a day off, and the finances are arranged in case an asset needs some extra attention. Talk of a subscription to an asset wellness resort. From this comfortable position of a professional holiday maker, we watch with some malicious pleasure to the normal holiday maker. After all, for every profession practice makes the art, and an amateur who leaves for three weeks is completely dwarfed by the professional that practices throughout the year.

But where is that malicious pleasure all about? Well, very simple, that all these so-called arguments with which are looked forward to the holiday are entirely incorrect. A vacation is simply very much stress. Take the simple example of a plain fly vacation in Europe. It starts with figuring out the flight. Obviously, the aim is to find the cheapest flight, and lots of providers give the impression that they can help. But in practice comparing airfares is an outrageous impossibility. In one provider there is a very cheap rate, but that is only the case with a stopover in (we just call some location) Abu Dhabi, where several nights in an expensive hotel are required. The other one seems to be very cheap, but requires an impossibly early time of departure. Or (once truly experienced) you get a ticket with which you return earlier than you leave, though it appeared after some further understanding a double return was cheaper than a single return. Additionally there are questions on the amount of luggage you can take, what can be carried in your in hand luggage, rates for checked baggage, additional reservation -, payment -, check-in -, seat- and redemption fees plus an additional charge for a plane with a pilot and it is clear that this is anything but a relaxing pastime. There are people who entered the monastery for less.

Even if the holiday is there, being really relaxed appears difficult. The first moments you have stress because of the question whether you have everything with you (in 99,99% of the cases you carry more than you need), next comes a phase of acute panic that the doors are not locked / the gas is not switched off / the washing machine is not emptied / guinea pig does not have food / the dog is tied to a tree or you name it. If you are lucky is the only panic at a time when there's nothing more you can do and the real panic disappears quickly, but it is still rankle. Whether you're on the road with your own transport and the French farmers block the motorway, so you do not arrive on time at the holiday address and find a closed door.

And when you're finally there then the damage is not yet suffered. Being outdoors a lot is fine, but if you just miss a spot with sunblock, you are stuck with a lovely sunburn for a few days. Good food and drink belongs to the holiday of course, but before you know it you then execute binge drinking of alcohol-free beer. And for some reason, people on vacation always want to do something special, such as mountain climbing, bungee jumping, parachuting, diving, bull running, playing war in the Levant or execute a four-day run. Perilous! For the real adrenaline junkies indeed seems to be a new market development,

¹ Our sincere apologies for those for whom the holiday is over, for them this column is not intended, though of course it can provide some recognition

dangerous summer jobs. Topper on that list is currently tax inspector in Greece, followed closely by the public prosecutor in southern Italy and poo shoveller in West Africa.

Incidentally, this type of danger is all nothing compared to what can happen in the far abroad accidentally. Diarrhea in all colours, fever, parasites, scary poisonous animals, volcanic eruptions, earthquakes, tsunamis, stuffed animals (lions, tigers, polar bears, crocodiles, sharks, etcetera) that like to eat a biscuit with you, these are just some mild discomfort for those regions. More serious cases are concerned with the very limited availability of Wifi or whether you have Astro TV or Tommy Teleshopping in your hotel. However it is obviously disastrous if it appears that virtually nowhere a decent glass of buttermilk can be obtained.

Hindsight is always said the holiday was great. But the reality is that most pleasure is experienced in the preparation of the trip. Therefore, our tip of the week free and for nothing:

DON'T DO IT!

Plan your vacation, book it if necessary, but stay at home and just sit on the couch when the time is there. If this is psychologically stressful, you can also book a trip with virtually 100% cancellation guarantee, which saves you the trouble of not going. Consider a last minute for the 100th four-day hike, an "Eleven towns trip" on skates or for example a two week holiday to Rome with urbi et orbi of both Christmas and Easter. On YouTube you can probably find movies how it should look like on the intended destination and see nice weather, as you do not do it. Bestsellers such as "I wish I had never gone on holiday" then tell you how bad it could have been. A little handyman photo shops himself without problems in the most beautiful locations. And because everyone else is still away, no one will recognize that you stay at home. Safe, cheap, healthy, and really relaxed. If you want to go out, you can go to the beach where more asset managers put down a chair. To be clear, we will not be there. Because we are on vacation!

John de Croon and Ype Wijnia are partner at AssetResolutions BV, a company they co-founded. In turn, they give their vision on an aspect of asset management in a weekly column. The columns are published on the website of AssetResolutions, www.assetresolutions.nl/en/column