



The luck of the Irish?

With the Rugby World Cup in full swing, let's consider a few international stocks that could be compared with some of the participants in the tournament. These are my thoughts, in the approximate order of each nation's likelihood of finishing as world champions (starting with the biggest underdogs and ending with the team that I consider to be favourites ... in my totally unbiased view, of course).

England: No offence, but they remind me of Nokia. Used to be good – in fact, they invented the game. But they haven't done much for years. Yes, they had a decent start against Argentina, but I don't think they're going to win the cup.

Ireland: I'm sticking my neck out here, and I feel rather exposed as a consequence, but I'd compare them to Nvidia today: both have done tremendously well over the past few years, but are possibly rated too highly at present

– who expected the Irish to be ranked first in the world going into this World Cup? The fear therefore is that both this team and stock could disappoint.

In the case of Ireland, their fans have been disillusioned before: even though they have featured in the quarterfinals at all but two of the nine tournaments in which they've participated, they have yet to progress to the semis. Could this finally be the year in which the luck of the Irish turns?

France: Look no further than LVMH, the luxury goods conglomerate which is, of course, the largest company from the same country and indeed all of the eurozone. The analogy is based on more than nationality alone. As chair and CEO of LVMH Bernard Arnault said in an interview at the Oxford Union in 2016, his definition of luxury boils down to a combination of quality and creativity – many would argue this also perfectly sums up French rugby. Also consider the fact that the French team will be playing in front of fanatical home crowds and you can understand why many fancy them as possible winners.

Yet, much like the LVMH share price, which peaked over a year ago but has been under pressure since then, the French rugby team are no longer the clear favourites due to a spate of injuries to key players. But they had an excellent result against New Zealand in the opening match and are sure to entertain to the end, at the very least.

All Blacks: It has to be blue-chip Microsoft, and I say that with a heavy heart, as this is probably the ultimate compliment. A team that will always sit at the top table, even when

they're not quite at their best (as is clearly the case this year). Until last Friday, New Zealand were the only team to have never lost a World Cup pool match and have thus always qualified in first place from their group. Only on one occasion did they not reach the semifinals.

I recently came across a visual produced by the Economic Research Council, Britain's oldest economics-based think tank, showing the top 10 global companies ranked by market capitalisation at five-year intervals going back to 1999. Only one name features every single time ... you've guessed it, Microsoft. I'm pretty confident the share will once again feature in the top handful in another five years' time. In a similar vein, I expect the All Blacks to be there or thereabouts in the latter stages of this year's tournament.

Springboks: Can only be Tesla, and not only because both have a somewhat quirky South African in charge. Since its listing in 2010, Tesla has been one of the most shorted stocks in the world, much as commentators around the globe also love to hate the Springboks. Just a week ago, former Welsh international player Alix Popham referred to South African players as "huge mutants", for example; I don't believe he meant it as a compliment. And the Boks have a habit of consistently proving their detractors wrong – just look at what happened in the 2019 World Cup, when they lost their opening game against New Zealand, yet went on to win the tournament.

A bit like Tesla, the Springboks continue to innovate. Consider, for example, their unprecedented "bomb squad" coming off a 6-2 bench (which has recently been taken even further to one split 7-1 in favour of the forwards). Cue calls for a rule change to level the playing field; no doubt Rassie Erasmus will only smile wryly in response, much like Elon Musk probably would. Bet against both at your peril. ✘

Go Bokke!

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Unorthodox: Director of rugby Rassie Erasmus
Reuters/Peter Cziborra