

36 South Views

By Richard "Jerry" Haworth

Adventure riding

I am in the final stages of a motorbike trip around Zimbabwe.

Having done over 4000 kms on roads that resemble scenes from Mad Max Furiosa through to quiet roads situated in areas of outstanding natural beauty, I find many parallels between adventure riding and what we do at work and why.

Firstly, we wear protective gear: helmet, visor, neck brace, thick padded Kevlar-lined jacket, trousers and ridiculously heavy boots that require some serious yoga poses to do up.

Why?

It is hot this time of year in Zimbabwe, 30-35 degrees, and all that gear is very uncomfortable. Why not just wear t-shirt, shorts and sandals?

I did crash the bike on a particularly bad section of the road, so covered in potholes that we were forced to use the side of the road. I was slightly hurt, but nothing compared to what I would have been without the gear.

The small negative value I experienced every day was nothing compared to what I avoided in the accident. The same goes for investing in tail-hedging products.

The small premium you outlay on a monthly basis is far outweighed by the value you receive in a tail event.

Secondly, buy quality protective gear that has been time tested... ditto for tail-hedging products.

Thirdly, if I was wearing no protective gear, I would go a LOT slower.

Having tail hedges allow a fund to be more risk-on for longer.

Lastly, the protective gear is a general, all-weather hedge, protecting the rider from multiple hazards: goats, road debris, unaware oncoming traffic, etc. The accident you have will always be something you did not foresee, because if you did, you would have avoided it.

A generalised tail hedge is what you should look for, one that is not over-tailored and over specified.

Investing, motorbiking and pretty much every risky pastime is made a lot safer and more enjoyable by taking small precautions up front which may be slightly irritating, uncomfortable or involve small daily outlays.

You are however more than compensated when the tail event actually occurs and all worst-case scenarios are avoided.

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