

### It's that time of year again

December is here so it is that time of the year when we all start making our forecasts for 2021. This time last year we focused on identifying tail risks (those risks that probably won't happen, but could happen and, if they do happen, will have a meaningful impact on markets). Given that no one (to our knowledge) identified COVID-19 as a potential 2020 tail risk, the approach was right even though the results fell short.

But this year it's not that time of year again. It's different. We believe this will be the first year our industry begins to stop playing for the "yyyy+1 best forecast award".

COVID-19 has told us we need to look after ourselves better, i.e. how we live, work and prosper as humanity. That means a secular shift to thinking about long term consequences (real results) and not just where we will be this time next year.

#### So here's our Top 10 Ten Year list for 2020.

Event	Action	Implication
<b>Build back worse</b>	The world realises that public sector bureaucracy overwhelms public sector mantras	Private sector-led partnerships initiate humanitarian investing and refugee numbers decline from their 2020 peak of 26 million
<b>ESG investing becomes a thing of the past</b>	The SEC, the ESG regulatory sceptic, reverses course and issues rulemaking requiring disclosure of investment recommendation rationale	All investing becomes stakeholder based
<b>Cancer is cured but diabetes still kills</b>	Fast clean food goes mass market	Beyond Meat (NDSQ:BYND up 74% LTM) acquires Chipotle (NYSE:CMG up 15% pa 2010-2020)
<b>Hydrogen fuels hypersonic transport</b>	Global sports teams are the only international business travelers	CES (Consumer Electronics Show) attendance grows from 180,000 in 2019 to 18 million (all virtual)
<b>Hypoxia kills global fish stocks</b>	Warm water aquaculture is the darling investment sector	The blue bond market exchange is based in Riyadh
<b>Brexit is good</b>	Global portfolio flows into UK	UK markets are dominant return contributors to global market indices
<b>National debt loads reach point of default</b>	Rescheduling is no longer economically feasible	Bulgaria completes its national debt pay-down via Bitcoin exchange
<b>VR is the new WFH</b>	Virtual spending overtakes goods and services in the real world	Virtual wallets replace cash
<b>Investors stop making annual forecasts to inform asset allocation decisions</b>	Investors target rolling 5 year absolute returns	Traditional benchmarks are replaced by multi-factor indices
<b>There is no alien life on Mars</b>	The only life on Mars is human	Elon Musk becomes the first Planet President

Ten year thinking is not undermined by anchoring bias. That makes it harder but more fun and potentially more rewarding. What's your Top 10 Ten Year list?

We'd love to know so feel free to share with us. Tell us here: [info@gibam.com](mailto:info@gibam.com) or post a comment.

Happy New Year to all.

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