

THE LATYMER ECONOMICS BULLETIN

Week Beginning 5/3/18

A portfolio of one's own

Assets of ten richest by sex, selected holdings, March 6th 2018

MEN			WOMEN				
Global rank	Name	Assets, \$bn	Business	Global rank	Name	Assets, \$bn	Business
#1	Jeff Bezos	112	Amazon	#16	Alice Walton	46	Walmart
#2	Bill Gates	90	Microsoft	#18	F. Bettencourt Meyers	42	L'Oréal
#3	Warren Buffett	84	Berkshire Hathaway	#32	Susanne Klatten	25	BMW, Altana
#4	Bernard Arnault	72	LVMH	#34	Jacqueline Mars	24	Mars Inc.
#5	Mark Zuckerberg	71	Facebook	#43	Yang Huiyan	22	Country Garden
#6	Amancio Ortega	70	Zara	#58	Laurene Powell Jobs	19	Apple, Disney
#7	Carlos Slim	67	Grupo Carso	#69	Gina Rinehart	17	Hancock Prospecting
#8	Charles Koch	60	Koch Industries	#80	Iris Fontbona	16	Antofagasta
#8	David Koch	60	Koch Industries	#83	Abigail Johnson	16	Fidelity Investment
#10	Larry Ellison	58	Oracle	#86	C. de Carvalho-Heineken	16	Heineken
Total		744		Total		243	

Source: Forbes

Growing Investment By Women



High Street Crisis Deepens



High Profile Resignation

Growing Investment By Women

What's going on here?

Over the last few years there has been a significant increase in investment by women and investment in women. Data from Boston Consulting Group shows that between 2010 and 2015 private wealth held by women grew from \$34 trillion to \$51 trillion. This is forecasted to increase to \$72 trillion by 2020, which will mean that by 2020 women will be expected to hold 32% of all private wealth.

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#6	Amancio Ortega	#20	Laurence Powell Jobs
#7	Carlos Slim	#21	Lina Rinnehart
#8	Charles Koch	#22	Lisa Forbano
#9	David Koch	#23	Abigail Johnson
#10	Larry Ellison	#24	L. de Carvalho-Heineken
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Why is it important?

A particularly significant reason for this change in wealth distribution is that more women are now in work than ever before, with women's rate of participation in labour markets in the US rising from 34% in 1950 to 57% in 2016. Of these, an ever increasing number of women are being employed in 'better-paid' senior leadership roles within firms. This change is also likely to change the entire global investment landscape, as a survey by Morgan Stanley suggests that 84% of women are interested in "sustainable" investing, compared to 67% of men. Changes in the investment management world are already on their way, as investment firms focusing on women are already springing up such as 'Ellevest', which has the motto 'Invest Like a Woman.'

High street crisis deepens

What's going on here?

UK retailer John Lewis Partnership Plc said that it is expecting profits to fall further this year. This news comes in a fairly turbulent time for UK retailers in what is being called 'the high street crisis.' The retail crisis has already seen household icons such as toy store Toys 'R' Us and electronics chain Maplin beginning insolvency procedures. Some stores are still 'coasting' along, closing stores and reaching out to banks for additional financing in attempt to continue to survive the challenges posed to high street retailers.



Why is this important?

Senior staff members at John Lewis and other retailers have spoken out and claimed that costs have increased due to the 'Brexit-induced' weakening of the pound and rising wage costs. This, alongside distress among UK retailers in competing with the rise of online retailers such as Amazon has reduced profit margins and revenues for UK retailers. These threats to UK retailers will likely have a detrimental effect on their employees, especially if the companies are forced into liquidation. This is not only in the short term, as some retailers, including baby store Mothercare have a lack of funds in their pension pots, which could see employees losing out on pensions they have paid into throughout their working life.

High Profile Resignation

What's going on here?

Gary D Cohn, the US president's top economic adviser and head of the National Economic Council has said that he would resign from his position. This decision to resign has seemingly come after Cohn lost an internal struggle with the US president over his plans to impose large tariffs on steel and aluminium imports.



Why is this important?

Cohn, a former executive at Goldman Sachs is best known for overseeing recent tax reforms in the US and pushing for regulatory reforms. As an avid free marketer, he had a tendency to oppose the anti-free trade policies of the Trump administration. As more international leaders continue to voice their opposition to this policy, businesses and investors are becoming increasingly uncertain over the future of the US economy and markets.