

# INSIGHTS

## For the Mainstream Investor

WEEK ENDING AUGUST 18, 2017 EDITION 207



### FOODS UNDER SCRUTINY

*Obesity measures rise*

The food industry continues to be scrutinized for its role in public health. Now [Public Health England](#) is studying high-calorie foods such as burgers, pizzas, savoury snacks, sandwiches and ready meals in an effort to lower childhood obesity. It intends to publish its findings in early 2018. Initially it looks as if the government will promote voluntary guidelines but has threatened to take stronger measures if required. Next year, the UK sugar tax will be enforced adding about 10% to the cost of sugary soda drinks. Expect more on food standards and probably taxes. [READ MORE](#)

### BIG PHARMA AND BIG TOBACCO

*Lessons from the latter*

Litigation over [opioids](#) is gathering momentum. A sixth state has joined the legal battle against opioid makers. Lawmakers want compensation for the public health crisis and costs caused by these substances. Medical Care journal put the cost of opioid overdoses in the US at \$78.5 billion. Lawyers who sued Big Tobacco are actively involved in these cases.

### CORP GOVERNANCE PRESSURE

*Standards and disclosures*

The newly merged Standard Life Aberdeen investment group has [promised](#) to lead the drive to improve boardroom standards. The former CEO of Standard Life stated, "Asset managers have a big responsibility to hold boards and senior management to account for delivering sustainable business success". [SSGA](#) is pushing for more climate change disclosures as is [Vanguard](#). To the year ended June 30th 2016, Vanguard conducted over 800 engagements with corporates and directors, a 19% increase over the previous 12-month period.

### EXTENDING EMISSIONS TRADING

*EU and Swiss to join up*

Both the European Commission and Swiss government have [approved](#) the linking of their carbon trading emissions systems (ETS). A signing of the agreement is expected at the year-end and to become operational in 2019. The European Commission is keen to link its ETS to other carbon markets believing it increases the opportunities for further emission reductions.

### THIS WEEK IN NUMBERS

500,000

is the cholera count in Yemen for this year, according to the World Health Organisation

131,000

square kilometres (50,000 square miles) of the waters in Lancaster Sound (Arctic Ocean) are set to be protected by the Canadian Government

2018

is the date by which all Royal Schiphol Group airports in the Netherlands will be powered by sustainable power

400

were killed in a mudslide in Sierra Leone, with hundreds still missing

400

year-old Greenland shark was discovered last year making it the oldest known living vertebrate

200

times sweeter than sugar is the stevia plant, which can be processed into a zero-calorie sweetener

128

countries have backed the Minamata Convention which commits countries to the banning of mining mercury and the phasing out of the product completely

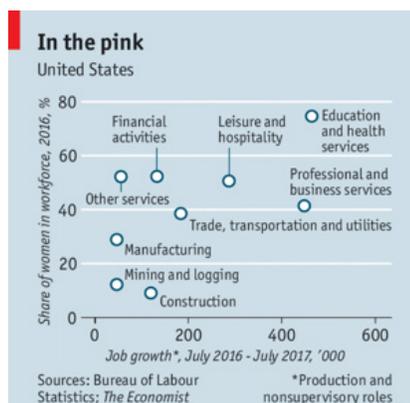
62

deaths a day are attributed to the opioid epidemic in the US

### INFOGRAPHIC OF THE WEEK

*Women alone are driving a recovery in workforce participation*

Source: [The Economist](#)



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### THE SIXTH EXTINCTION

*But is biodiversity rising?*

Palaeontologists and ecologists have identified five mass extinctions in the past. The question is whether humans (in the age of the Anthropocene) are causing the sixth extinction. Although there appears little doubt that humans have reduced the numbers of many species, there is also evidence that humans are promoting greater biological diversity. There is data suggesting that new species have been introduced faster than the old ones have disappeared. For example there are between 20% and 100% more plant species than there used to be. So is it acceptable for imported species to replace eradicated ones? The debate continues...[READ MORE](#)

### DID YOU SEE?

Germany's Finance Minister has called for stronger [regulation](#) of the nation's car industry. The industry employs 80,000 and is the country's biggest exporter. It has become a major election issue.

### GOOD NEWS

The US FDA set a deadline of June 2018 for the removal of TransFats (partially hydrogenated oils – PHOs) from foods. It looks like this deadline will be met. [READ MORE](#)

### WE'RE WATCHING

This coming Monday August 21st, there will be a total solar eclipse meaning that solar power will cease for a time. Other forms of power generation will be needed to compensate for the lack of solar. The [National American Electric Reliability Corporation \(NERC\)](#) believes the US power system can cope.

### WORTH NOTING

Can rises in the minimum wage accelerate the introduction of robots? A [recent report](#) suggests that low-skilled workers in automatable jobs are threatened with employment changes and job losses as the minimum wage increases.

### TERM OF THE WEEK

[Climate gentrification](#) – the redevelopment or construction of new structures to withstand climate change but which also open the door for real estate speculation that displaces existing populations, often along lines of race or class.

### BAD NEWS

The take-up for free vaccines to protect against meningitis is falling in England. Only one-third of 17-18 year olds were vaccinated. [READ MORE](#)

### READING LIST



**Bloomberg Businessweek**

[The Energy Market's Facts of Life](#)

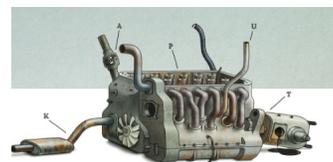


Fig. 1 The Internal Combustion Engine

**The Economist**

[The Death of the Internal Combustion Engine](#)

### BELIEVE IT OR NOT

What do you think about a floating nuclear power station? Apparently they could be safer than land-based one. [READ MORE](#)

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