



Basis Points – September 3, 2019

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Above the Fold

As ultra-powerful, yet unpredictable Hurricane Dorian leaves a trail of destruction behind, we obviously think of the human impact first and the economic ramifications later. The sad reality is that these storms have claimed the lives of many and upended the daily routines of millions more. And even though many losses may not be reversed entirely, there may be a small silver lining to these dark clouds.

After the devastation clears, research has shown that hurricanes leave minimal lasting impact on our broad economy. The aftermath of Hurricanes Harvey and Katrina were both catastrophic, but amidst the chaos, we saw innumerable acts of generosity and assistance for our fellow man. Many local businesses, especially those in areas lacking strong infrastructure were most heavily

affected, but America's economy remained relatively unphased after both storms. In fact, after Katrina, Gross Domestic Product grew at a healthy 3.6% annual rate, one of the best quarters in the last expansion.

Insurance, federal aid, corporate spending and charitable donations all help to mitigate losses and stimulate rebuilding after the storm passes. These devastating events also allow civil engineers, planners and entrepreneurs to develop better systems, solutions and standards to mitigate future risks to humanity. And if properly insured, asset owners may have homes rebuilt with new materials, autos replaced with better quality and perhaps additional cash to replace other items damaged.

Of course not everyone will have a happy ending, so let's all hope the impact on human life is minimal and Dorian's effects aren't as severe as some are predicting.

Three Things

1. *How to Borrow Cash From Your Employer* – In an effort to boost productivity, loyalty and morale, employers like Walmart Inc., Comcast Corp. and others are researching and implementing short-term loan programs secured by future earnings to help cash-strapped workers. The fees and interest charged should still be less than outside lenders, but will range between 6% to 36%.
2. *Kangaroo Meat Coming to America?* – Down in Australia, lean and nutritious Kangaroo meat can be found at most markets, but startup VOW is looking to bring a lab-grown variant of the delicacy to a plate near you. Cultivating beef, tuna and chicken may help satisfy the world's growing hunger, but the founders of VOW are hoping to bring more exotic meats to high-end diners globally, without having to kill any animals.
3. *Tesla's Model P, Unveiled (Sort of)* – Turkish Canadian design guru Emre Husmen released his own [concept](#) of what the new powerful, rugged truck might look like. The design blends Tesla's current styling with a modernized pickup form. While the design may differ from what Elon Musk has teased to deliver in two to three months, we do know the truck will cost less than \$50,000 and offer more functionality than Ford's F-150, but with Porsche 911 handling, according to Musk.

Did You Know?

According to the National Oceanic and Atmospheric Administration, hurricanes, cyclones and typhoons mostly form near the equator between the tropics when ocean temperatures are above 80 degrees Fahrenheit for at least 160 feet or so beneath the surface. All of these potentially devastating weather phenomena are very similar in their form, but vary by name depending on where they form and in which direction they spin.

Most storms that spawn in the North Atlantic, central North Pacific and eastern North Pacific are called hurricanes, while those in the Northwest Pacific, South Pacific and Indian Ocean are dubbed typhoons or even tropical cyclones — storms that form and build above the equator and spin counterclockwise — while those below spin clockwise and are almost always considered “cyclones.”

Ironically, the strongest hurricane to make landfall in Florida was the 1935 Labor Day hurricane, which devastated the Florida Keys. It was also the strongest hurricane on record to make landfall in the U.S.

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