



Basis Points – August 27, 2020

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Above the Fold

Apple Defending User Privacy, Facebook Not-So-Much

Let's face it, the vast majority of big tech companies thrive on data. Whether it's making consumers' choices easier, improving search speed and efficiency, or selling that vast knowledge to enterprises so they can better market to you, information is the universal currency of the digital age. The size, detail and frequency of data capture could mean the difference between a highly successful app or advertising campaign and one that struggles to gain viral recognition.

In the latest volley of tech-titans, Facebook released a scathing note to app developers declaring that Apple's latest operating system privacy improvements will affect its Audience Network Business or AUB. If you're not familiar with it, the AUB is the link that connects Facebook users'

identities and information with off-platform activities. In other words, it allows Facebook to gather more about you and what you're doing even when you're not on Facebook — and Facebook earns revenues using these data sets.

The changes will come with Apple's new iOS14 and will disallow Facebook and other companies to gather your specific advertising identifier without user permission. Apple has yet to comment, but a recent article in the Wall Street Journal suggested that there could be a substantial impact to Facebook's publisher revenue.

Three Things

1. *Yes, You Can Still "Scoot" in California* – At the 11th hour, a previous version of bill AB 1286 was amended to now allow bike and scooter rental companies to use liability waivers. The original iteration essentially forced the ride-share companies to bear the full brunt of accidents and incidents, making operations near impossible as insurers would not have been able to provide any protections. The new bill paves the way for safe, continued operations in the state.
2. *You Might Be Considered an Accredited Investor (Without a Change in Your Net Worth)* – The Securities and Exchange Commission (SEC) has expanded its definition of "accredited investor" to include financial savvy, in addition to wealth. Accredited investors, those able to place money in hedge funds and other private investments, typically need a certain liquid net worth and/or minimum income requirements. The amendment now includes those with FINRA Series 7, Series 65 and Series 82 licenses, with other certifications, designations or credentials likely to follow in the future.
3. *Selling China, Buying Mexico* – According to several [Reuters](#) reports, several large Asian manufacturers including Pegatron, Luxshare and Apple's key builder Foxconn are seriously considering building and potentially relocating major lines of production from China to Mexico to reduce potential tariff and logistical risks, and to benefit from the new United States-Mexico-Canada trade agreement that allows for tariff-free exports to the U.S. under certain circumstances. Foxconn is already producing phones in India to avoid import duties there.

Did You Know?

Need to Know Hurricane Information

It's been 15 years to the week that Hurricane Katrina devastated Louisiana and other parts of America's southern coast. Hurricane Marco had already unleashed its high winds and rain on that same area, with Hurricane Laura right behind, making landfall late last night as a category 4 storm and continuing to work its way up into the mainland. In the northern hemisphere, because of the counter-clockwise rotation, the right side of the storm is typically the most dangerous in terms of

winds, storm surge and embedded tornadoes. So depending on how the storm moves, damage may be worse along the eastern part of the path. And while hurricane season extends from June until November, September is by far the most active month historically as high humidity, warm ocean water, changes in wind direction at different altitudes and heat all contribute to hurricane activity. Please stay safe out there and check out [weather.gov](https://www.weather.gov) for official warnings and updates.

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