



## Basis Points – January 12, 2021

 [westwoodgroup.com/weeklyblog/basis-points-january-12-2021/](https://westwoodgroup.com/weeklyblog/basis-points-january-12-2021/)

### Above the Fold

#### *The Human Toll of ESG Investing*

There's an exponentially growing interest and demand from investors to add environmental, social and corporate governance (ESG) factors to their investment strategy. ESG integration serves as a framework for quantifying the sustainability and societal impact of a company or business. While this approach seems like a generally "good thing," strategists now see a correlation between ESG investing and what some, like professor and global market strategist Vincent Deluard, are [calling](#) the "bear market for humans."

Deluard noted that stocks in companies with less reliance on employees not only performed better in 2020, but that companies with the highest ESG rankings tended to have less employees on average. In other words, ESG is incentivizing reductions in the workforce. He suggests that the issue could be solved by ensuring workers and their stability remain a focus before addressing the other factors of ESG. Perhaps one solution could be a rethink to the scoring [methods](#) used to determine an ESG ranking. Unfortunately, the present structure of ESG is generally biased against humans while favoring automation, as it's theoretically more "sustainable."

## Three Things

---

1. *Amazon Pulls Parler Plug* – After Google and Apple removed the Twitter alternative from their app stores, Amazon dealt an even bigger blow to Parler by abruptly ending hosting for the company. This leaves Parler with no place on the net and nowhere for existing apps to connect to (for now). The coordinated (and hotly contested) effort between the digital giants was an unprecedented move to quell what the companies said was a rising tide of violent posts after last week's breach of the U.S. Capitol Building.
2. *Yes, 2020 Was a Record-Setting Year for Job Losses* – The resurgence of coronavirus late in the year has triggered a new wave of shutdowns and restrictions that led to the first drop in employment in December. The country shed 140,000 jobs in the last month of the year. And though employers had been adding jobs for the seven months prior, 2020 was the [worst](#) year overall for American job losses since 1939. The leisure and hospitality industries were hit hardest.
3. *This Year's "Tech Olympics" Have Begun (Virtually, of Course)* – The 2021 Consumer Electronics Show (CES) kicked off already with its first online-only event. This year, experts are looking for big things in digital, from 8K innovations, transparent TVs and the new HDMI 2.1 technology that allow for more enhanced AV and gaming experiences. As a sign of the times, LG even recruited a [virtual influencer](#) named Reah Keem to give its keynote presentation and announce some of its new products. Apparently, computer-generated influencers are quickly becoming "a thing."

## Did You Know?

---

### *Henry Ford Apparently Liked to Drive Fast on Ice!*

Less than a year after he incorporated the Ford Motor Company, it was on this day in 1904 that Henry Ford broke the world land speed record. It was a cold day in Michigan when Mr. Ford jumped into his wooden chassis "999" car that had no body or hood and sped up to 91.37 MPH on the frozen surface of Lake St. Clair. The publicity around the event was critical to Ford's growing success, but it would be another four years before he rolled out the wildly popular Model T.

The information contained herein represents the views of Westwood Wealth Management at a specific point in time and is based on information believed to be reliable. No representation or warranty is made concerning the accuracy or completeness of any data compiled herein. Any statements non-factual in nature constitute only current opinion, which is subject to change. Any statements concerning financial market trends are based on current market conditions, which will fluctuate. Past performance is not indicative of future results. All information provided herein is for informational purposes only and is not intended to be, and should not be interpreted as, an offer, solicitation, or recommendation to buy or sell or otherwise invest in any of the securities/sectors/countries that may be mentioned.