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Global mega trends for the next decade

Three trends to watch

EXANTE Horizon, Cyprus
Amara Hotel, Limassol
27 April 2023

Three mega trends for the next decade

- 1. Why inflation is here to stay**
- 2. Why green transition won't go away**
- 3. ChatGPT/ai: nirvana or doomsday?**

1. Why inflation is here to stay

- **Geopolitics: US and EU prioritizing resilience over efficiency**
 - **Means built-in spare capacity, extra supplies, 'redundancy'**
 - **Energy independence**
 - **These cost money. Natural gas in 2022 was extreme example**
- **Geopolitics: onshoring is back**
 - **No China for tech, no Russia for gas**
 - **Onshoring = pensions, labour rights, more expensive labour**
 - **Might not reach 10%, but will be higher than 2020-2022**

2. Why the green transition won't go away

- **Litigation risk: No one wants to be sued for billions**
 - Means insurers are demanding climate mitigation
 - Means green is here to stay regardless of elections
- **Central banks: major shift in priorities**
 - ECB heading towards 'green-only' corporate/sovereign debt
 - Banks: how green is your tourism/delivery business?
 - Major impact on every single lending decision

3. ChatGPT/ai: nirvana or doomsday?

- **Winners/losers**
 - **Social stability in the West: angry young men?**
 - **Social stability in Asian “labour exporters” (eg India, Sri Lanka, Philippines, Nepal, Vietnam)**
 - **Social instability=political instability=security instability=bad for investment**

- **Bad actors/good actors**
 - **We are likely to be chasing “the bolted horse”**

Shameless plug

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