
GILKISON GROUP

40 Years of News (and Markets)

Lessons of a Professional Lifetime: From 1979 to 2019

Jim Parker
Vice President, Communications

December 2019

Agenda

The World: Glass Half-Empty View

How the Attention Economy Works

The World: Glass Half-Full View

Some Takeaway Messages

Glass Half-Empty View 1: Economic Meltdown

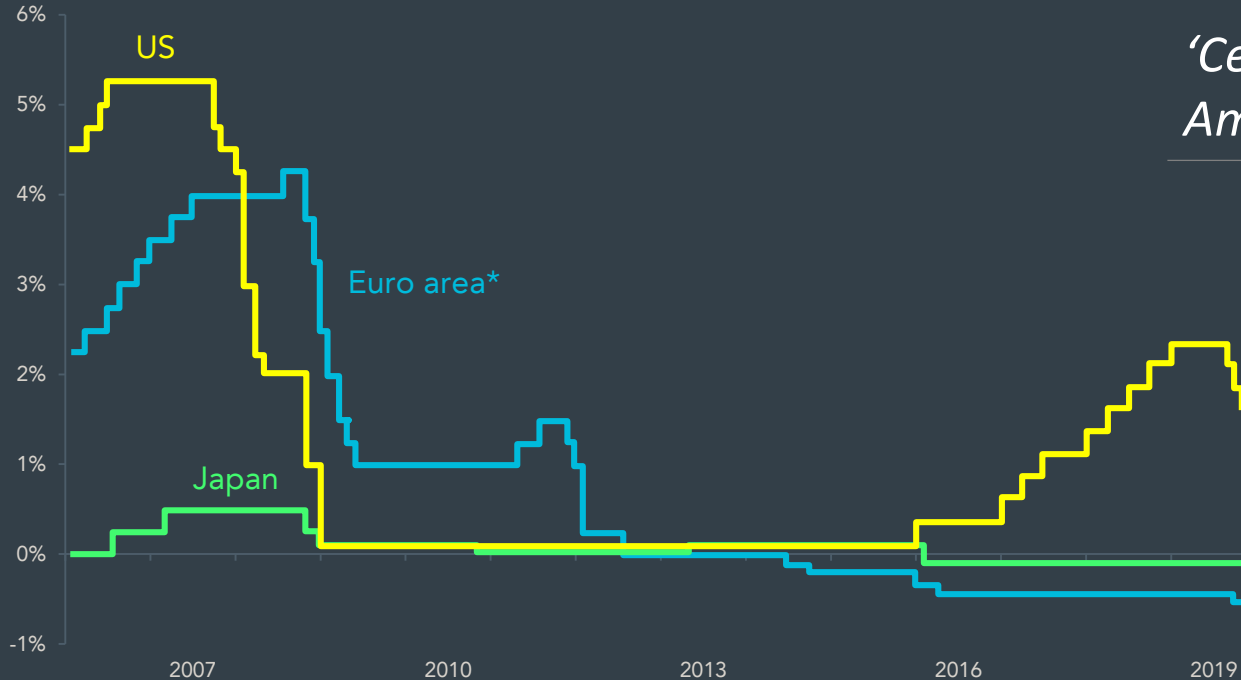


*'Policymakers' Fear
Global Recession'*

FINANCIAL TIMES
20 OCT 2019

Glass Half-Empty View 2: Little Scope for Stimulus

Policy Interest Rates



'Central Banks Out of Ammunition'

CNBC
28 JUNE 2019

Source: Central Banks

*Main refinancing rate until the introduction of 3-year LTROs in December 2011; deposit facility rate thereafter.

Glass Half-Empty View 3: Debt Already Unsustainable

Global Debt by Sector, Q3 2018



TOTAL:
\$US244
Trillion or
318%
of GDP

*'Global Debt Hits
Peacetime High'*

FINANCIAL TIMES
24 SEPT 2019

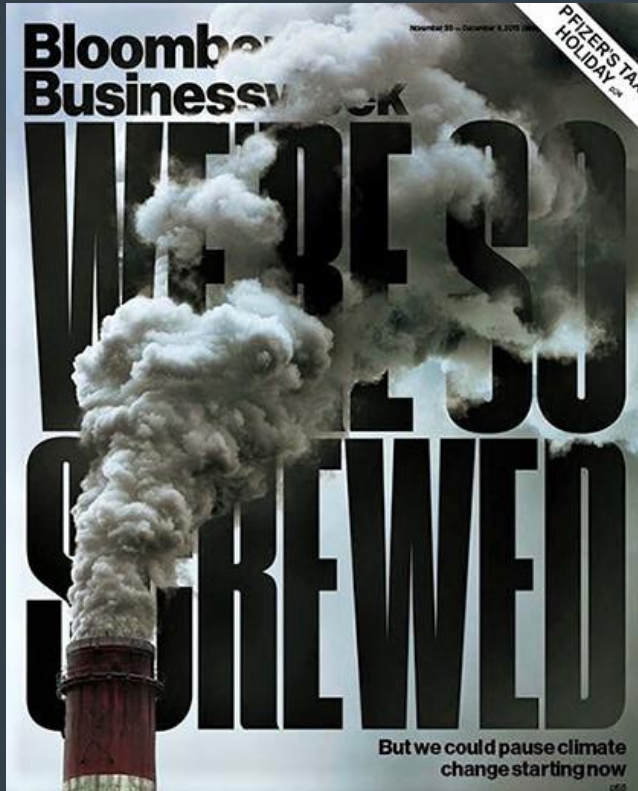
Glass Half-Empty View 4: Loss of Faith in Institutions



*'Trump is Weakening the
Global System'*

THE ECONOMIST
3 JAN 2019

Glass Half-Empty View 5: Paralysis on Climate Change



'The Massive Cost of Not Adapting to Climate Change'

BLOOMBERG
9 SEPT 2019

The REALLY Depressing News

The Media Business is Now Primarily Driven by Attention-Grabbing Clickbait



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We are Overwhelmed by Data and Information



In 2014, mobile devices
uploaded or downloaded
2 exabytes of data.

Your Attention is Valuable

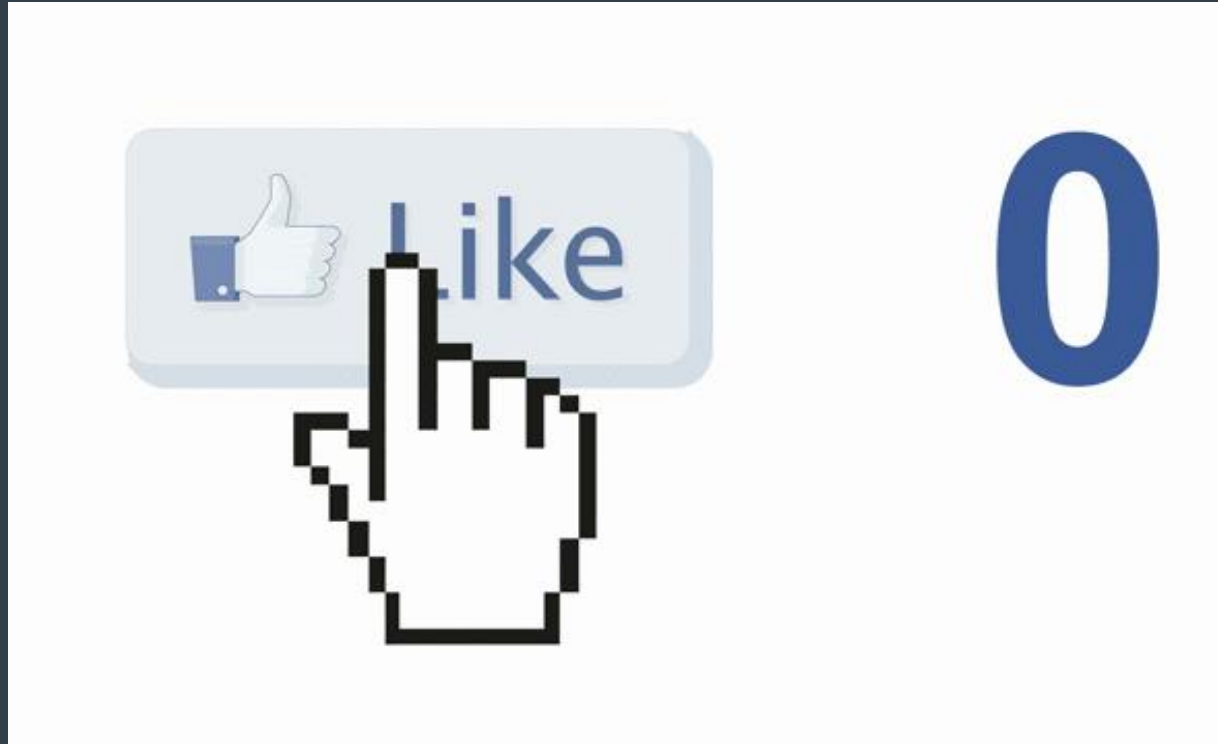


This means the scarce resource today is not information.

The scarce resource is securing your undivided attention.

And that's where the value is.

How the Attention Economy Works



CREATE or Curate Clickable Content

ATTRACT Consumers' Attention

Gradually **GROW** Audience

Encourage them to '**SHARE**' & '**LIKE**'

SELL Audiences' Data to Advertisers

Journalism in the Age of Facebook and Google

Digital Platforms are Changing How News is Produced, Distributed and Consumed

SPEED



Accuracy, context and balance now often come second to generating speed, instant outrage and clickability.

VOLUME



Everyone has an opinion and a platform. But are more voices, choices & devices making us better informed?

VIRALITY



Pressured by social media, traditional media now rank entertainment above public interest. It is all about 'shares'

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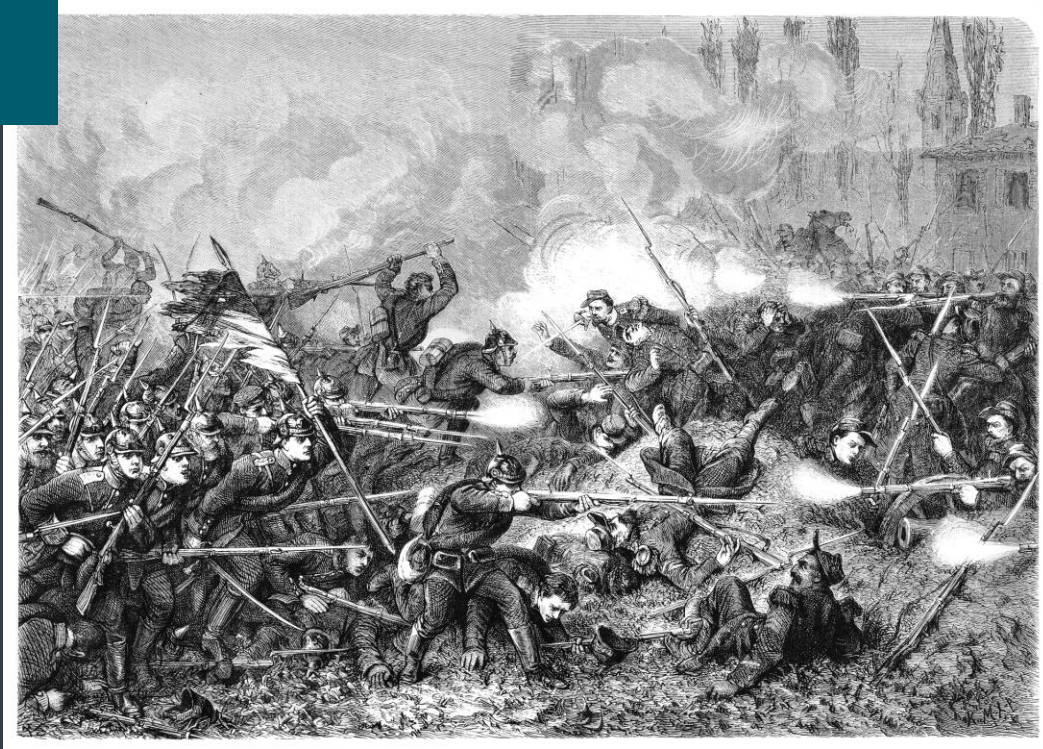
Anyone Remember the 'Good Old Days'?

1910-20

WW1
(37M
casualties
est.)

and

Spanish Flu
(20M)



Anyone Remember the 'Good Old Days'?

1920-30

Hyperinflation;
stock market
crash



Anyone Remember the 'Good Old Days'?

1930-40

Global
Depression:

Rise of
Fascism



Anyone Remember the 'Good Old Days'?

1940-50

WWII,
holocaust

(about 75M
dead)



Anyone Remember the 'Good Old Days'?

1950-60

Cold War
Korean War
Arms Race



Anyone Remember the 'Good Old Days'?

1960-70

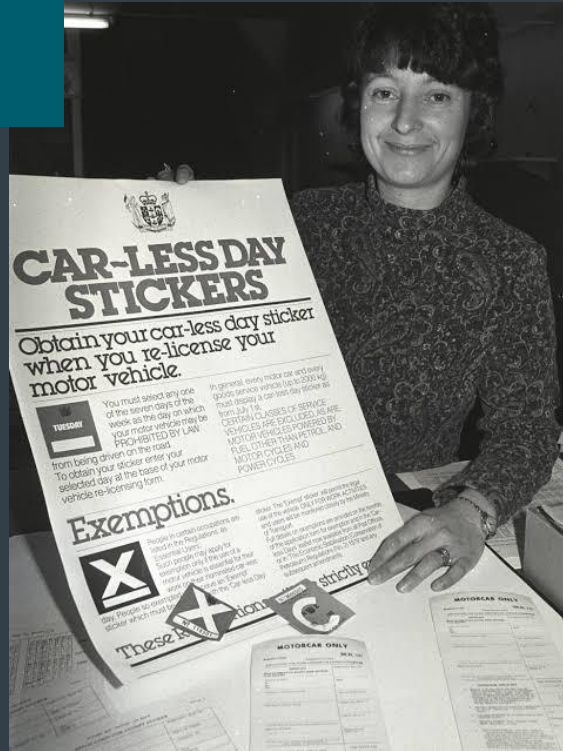
Vietnam war
Assassinations
Riots



Anyone Remember the 'Good Old Days'?

1970-80

Oil shock
Stagflation
Recession



Headlines You May Have Missed

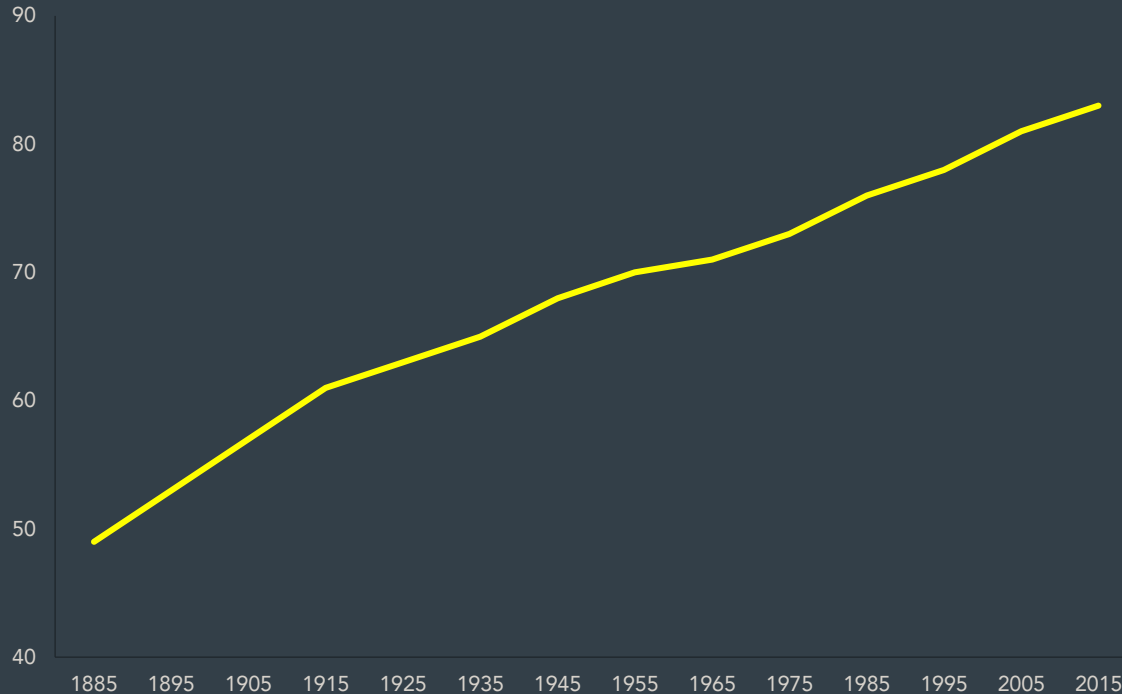


In 25 years from 1990:

- Two billion people moved out of extreme poverty*
- Child (under 5) mortality rates fell by 53%*
- Maternal mortality fell by 45%*
- Incidence of HIV, malaria and TB all declined
- Globally, life expectancy increased by 5 years*

Signs Life is Getting Better

Australians' Average Life Expectancy, 1885-2019



- Australians' life expectancy in the late 19th century was less than 50
- Today, the average is around 83
- We rank sixth in the OECD for life expectancy

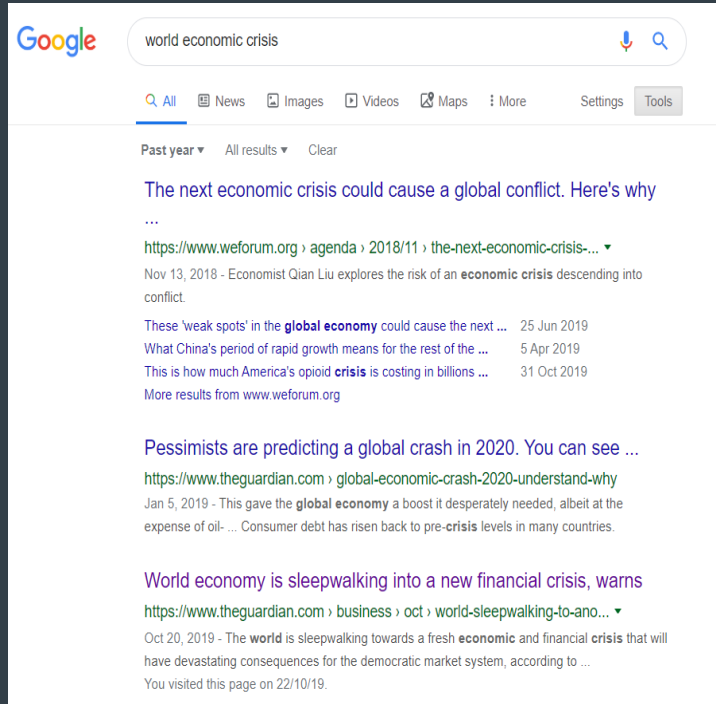
An Energy Transition is Underway Regardless



- Wind & solar are now frequently less expensive than fossil fuels
- 11M people were employed in the renewable energy industry in 2018*
- Most countries remain committed to the Paris climate pact
- While the US plans to withdraw, many cities and states are committed

*Source: International Renewable Energy Agency

The World According to Google – A La Carte News



Google world economic crisis

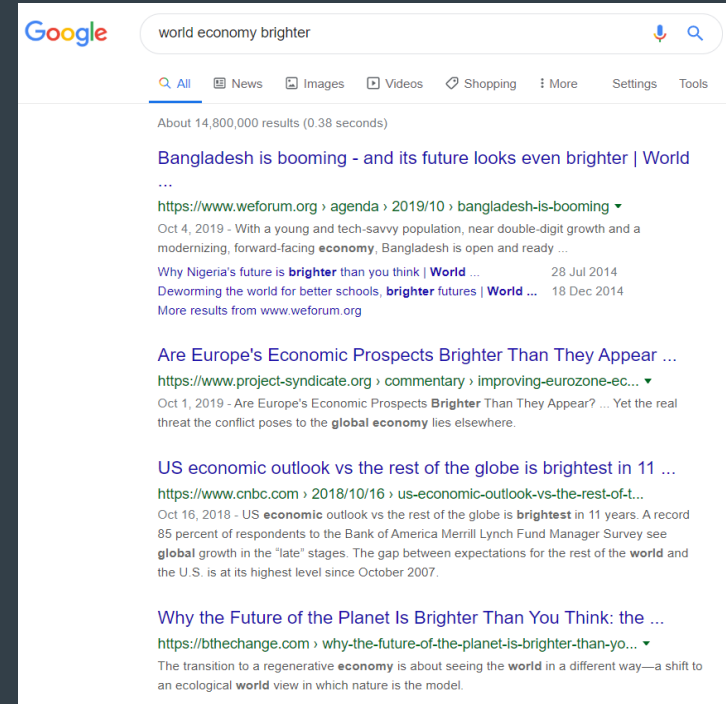
Q All News Images Videos Maps More Settings Tools

Past year All results Clear

The next economic crisis could cause a global conflict. Here's why
...
<https://www.weforum.org/agenda/2018/11/the-next-economic-crisis-...>
Nov 13, 2018 - Economist Qian Liu explores the risk of an **economic crisis** descending into conflict.
These 'weak spots' in the **global economy** could cause the next ... 25 Jun 2019
What China's period of rapid growth means for the rest of the ... 5 Apr 2019
This is how much America's opioid **crisis** is costing in billions ... 31 Oct 2019
More results from www.weforum.org

Pessimists are predicting a global crash in 2020. You can see ...
<https://www.theguardian.com/global-economic-crash-2020-understand-why>
Jan 5, 2019 - This gave the **global economy** a boost it desperately needed, albeit at the expense of oil- ... Consumer debt has risen back to pre-**crisis** levels in many countries.

World economy is sleepwalking into a new financial crisis, warns
<https://www.theguardian.com/business/oct/world-sleepwalking-to-ano-...>
Oct 20, 2019 - The **world** is sleepwalking towards a fresh **economic** and financial **crisis** that will have devastating consequences for the democratic market system, according to ...
You visited this page on 22/10/19.



Google world economy brighter

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About 14,800,000 results (0.38 seconds)

Bangladesh is booming - and its future looks even brighter | World
...
<https://www.weforum.org/agenda/2019/10/bangladesh-is-booming>
Oct 4, 2019 - With a young and tech-savvy population, near double-digit growth and a modernizing, forward-facing **economy**, Bangladesh is open and ready ...
Why Nigeria's future is **brighter** than you think | World ... 28 Jul 2014
Deworming the world for better schools, **brighter** futures | World ... 18 Dec 2014
More results from www.weforum.org

Are Europe's Economic Prospects Brighter Than They Appear ...
<https://www.project-syndicate.org/commentary/improving-eurozone-ec-...>
Oct 1, 2019 - Are Europe's Economic Prospects **Brighter** Than They Appear? ... Yet the real threat the conflict poses to the **global economy** lies elsewhere.

US economic outlook vs the rest of the globe is brightest in 11 ...
<https://www.cnbc.com/2018/10/16/us-economic-outlook-vs-the-rest-of-t-...>
Oct 16, 2018 - US **economic** outlook vs the rest of the globe is **brightest** in 11 years. A record 85 percent of respondents to the Bank of America Merrill Lynch Fund Manager Survey see **global** growth in the "late" stages. The gap between expectations for the rest of the **world** and the U.S. is at its highest level since October 2007.

Why the Future of the Planet Is Brighter Than You Think: the ...
<https://bthechange.com/why-the-future-of-the-planet-is-brighter-than-yo-...>
The transition to a regenerative **economy** is about seeing the **world** in a different way—a shift to an ecological **world** view in which nature is the model.

Headlines and Markets:

MAJOR RECENT HEADLINES:

US-China Tit-for-Tat Trade Dispute Roils Markets; Curbs Investment

Brexit Stalemate Divides UK; May Resigns; Johnson Threatens No-Deal

Slowing Global Growth Threatening Recession in Many Economies

Central Banks Reversing Course on Interest Rates as Growth Slows

IPCC Warns Rapid, Unprecedented Change Need to Halt Global Warming

MARKET RETURNS:

(Annualised as of 31 October 2019)

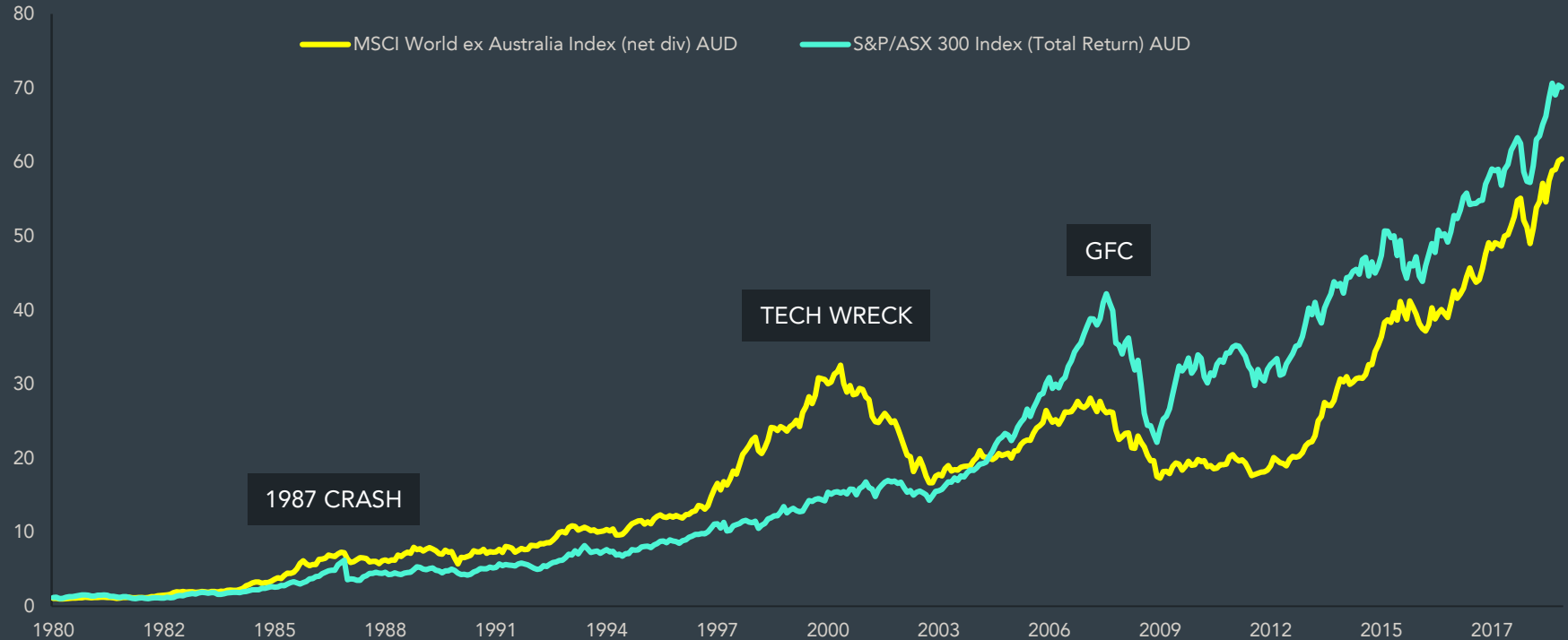
MSCI World ex Australia Index (net div, AUD)

1-Year	15.83%
3-Year	15.70%
5-Year	13.09%
10-Year	12.63%

S&P/ASX 300 Index (Total Return)

1-Year	19.50%
3-Year	12.53%
5-Year	8.56%
10-Year	8.23%

Growth of a Dollar: 1980-2019



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Takeaway Messages

With the Media Disrupted, There is a War on For Your Attention

Speed & Volume of Data Does Not Necessarily Make Us Better Informed

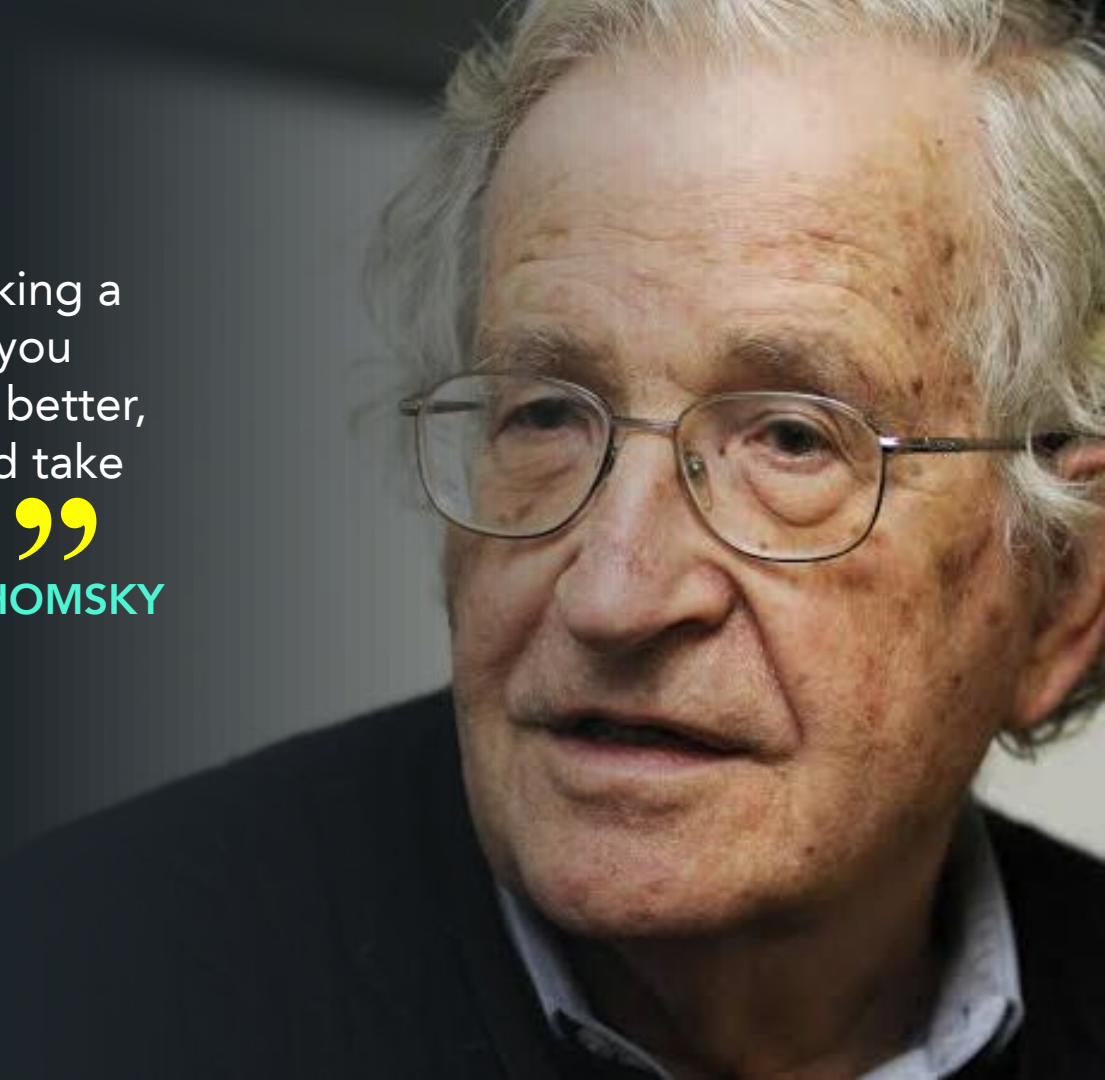
On Many Measures, the World is Getting Better

This is Not to Downplay the Problems, But to Advocate for a Balanced View

In the Meantime, Disciplined & Diversified Investors have Enjoyed Solid Returns

“Optimism is a strategy for making a better future. Because unless you believe that the future can be better, you are unlikely to step up and take responsibility for making it so.”

NOAM CHOMSKY



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