Investing themes for 2023 Part 1 – Food Waste

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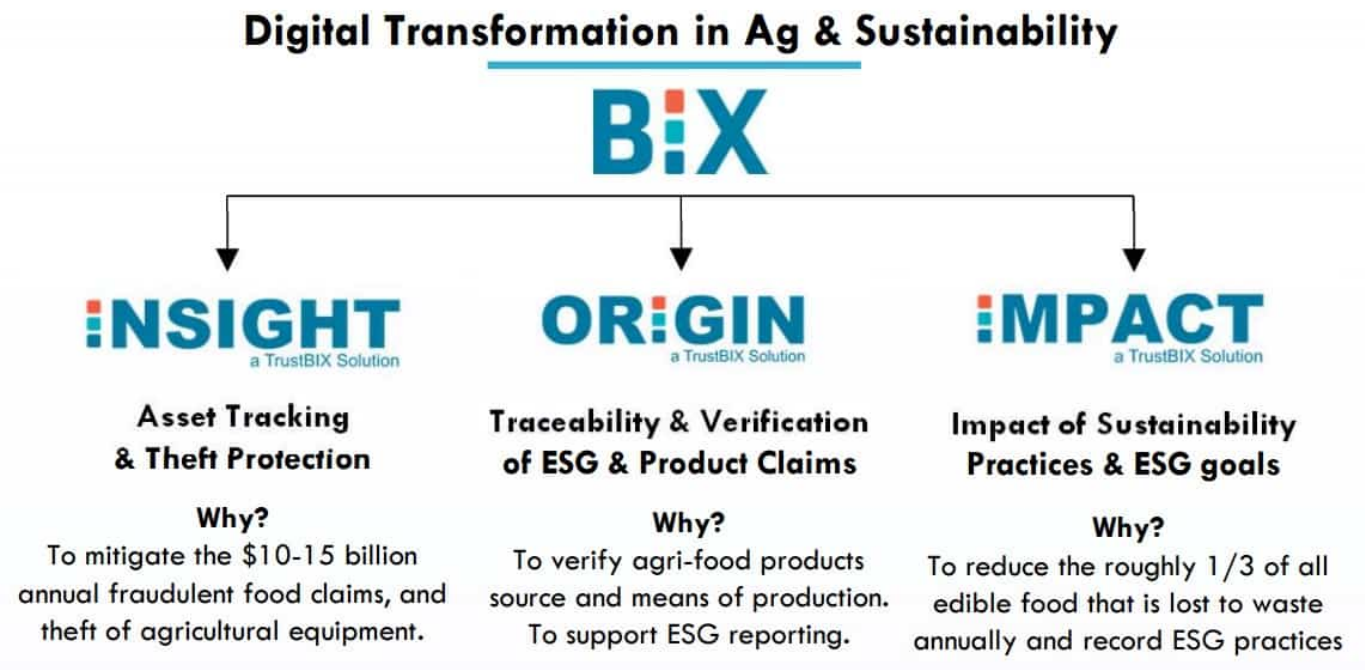
Hello 2023! So long and good riddance to 2022. From a personal investment perspective, I'm more than happy to look at 2022 in the rear-view mirror. My year-end portfolio review was a sobering reminder of what I already knew, another lesson in humility that hopefully I will continue to learn from to become a better investor. Now it's a time for renewal and the look ahead to what might be in store for us in the weeks and months to come. What investment themes will emerge that will help soften the blow of the damage done in 2022. A healthy share of fossil fuel exposure in the first half of last year would have gone a long way to mitigating the carnage inflicted by big tech and crypto. Uranium and lithium stocks also started out the year strong but seemed to lose momentum as the year came to a close. Everyone seems to think we'll all be driving EV's in short order, but the stock price of many of those companies have been crushed of late. Are these buy the dip opportunities or is the market coming to the realization that we might be a little early for some of these trades?

I'm not sure that I have any useful insights for you based on my 2022 portfolio performance, but over the next couple of weeks I will take a stab at a few themes that might start to gain traction as 2023 progresses. With that said, there are several enormous macro issues (China/Taiwan, Russia/Ukraine, resurgent Covid to name just a few) out there that could completely trash any ideas I have and put them far from the focus of investors. Nevertheless, we have to start somewhere, so today we'll explore a broad theme of food security, sustainability and food waste reduction as inflation takes its toll on consumers world wide.

Food waste and spoilage statistics are quite alarming. According to the UN Environment Programme, about one-third of food produced globally for human consumption each year is lost or wasted. That is approximately 1.3 billion tonnes of edible food. Saving just a quarter of food lost or wasted globally each year would feed 870 million people. Not only does this result in financial losses but it also increases greenhouse gas emissions (another key theme and global focus). Are there ways to fix this? Yes. But similar to reducing our global carbon footprint it's going to take time and a concerted effort. However, I would argue that there is a much greater economic incentive today to reduce food waste given everyone's concern about food prices relative to opinions even as recent as a year ago.

One group at the forefront of trying to remedy this situation is TrustBIX Inc. (TSXV: TBIX | OTCQB: TBIXF). As an innovative leader, TrustBIX provides agri-food traceability and chain of custody value solutions. The Company's goal is to create a world where we trust more, waste less and reward sustainable behaviour by addressing consumer and agri-food business demands. The proprietary platform, BIX (Business InfoXchange system), is designed to create trust without compromising privacy through innovative, blockchain-derived use of technology and data.



Source: TrustBIX Fact Sheet

The existing customer base includes hundreds of producers, auction markets, and feedlots. TrustBIX has a market presence in Canada, the USA, China, Mexico, and a healthy baseline of one-time and recurring revenue. Some notable customers include two of the largest beef companies in Canada, JBS Canada and Cargill, as well as household names such as McDonald's and Loblaw's (Real Canadian Superstore). Additionally, the Company will be presenting at this year's CES (Consumer Electronic Show) in Las Vegas where they will be exposed to plenty of industry heavyweights. Even more exciting for the company is that they will be on a panel discussing "Cross-Industry Opportunities for Consumer Tech" along with John Sheehan, a Strategy and BD executive with Amazon Web Services' Aerospace & Satellite group. That seems like someone worthwhile getting to know, especially for a Company with a market cap of only C$3 million.

Will TrustBIX be a good way to play the food security and waste prevention theme in 2023? Only time will tell. But I dare say that the food theme will at least start the year at or near the top of everyone's list of concerns.