

INSIGHTS

For the Mainstream Investor



WEEK ENDING DECEMBER 22, 2016 HAPPY HOLIDAYS EDITION 174

MORE EXTREME WEATHER

More evidence that humans are causing extreme weather events

The [Bulletin of the American Meteorological Society](#) published a report this week that found that [human-caused climate change](#) "very likely increased the severity of heat waves" that hit places like India, Pakistan, Europe, East Africa, East Asia, and Australia in 2015 and helped make it the warmest year on record. Other evidence of human-induced climate change includes record-low Arctic ice, extreme drought in southwestern Canada and extreme rainfall in May in southeast China.

In fact, the study found that "without exception, all the heat-related events studied in this year's report were found to have been made more intense or likely due to human-induced climate change." [Read the special report HERE](#)

BREAKING NEWS

Despite tobacco returns, CalPERS has voted to divest. The \$300B pension will sell off its remaining \$550m in tobacco stocks in "a surprise move" after research from Wilshire, its investment consultant, showed the pension fund "missed out on \$3bn in returns since implementing its initial ban for internal assets back in 2000." [READ MORE](#)

DID YOU SEE, HOLIDAY EDITION

The Swedish government has proposed tax changes to incentivized consumers to repair broken objects instead of replacing them. For example, households that pay to repair appliances such as washing machines will be eligible for a tax deduction. [READ MORE](#)

CHINA POLLUTION CRITICAL

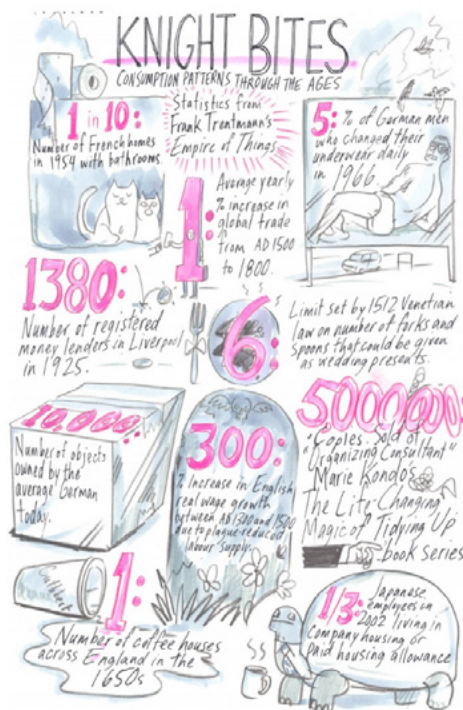
Major cities' pollution has hit critical levels

Air pollution in several northern Chinese cities have reached critically high levels. In Shijiazhuang, fine particulate matter hit levels of [1,000 micrograms per cubic meter](#), markedly higher than the [WHO](#) guideline of 10 micrograms per cubic meter. That is not the only city to be plagued by severe air pollution.

Heavy smog engulfed 40 Chinese cities this week and 23 cities have activated red alerts. Upwards of 35 flights in Tianjin were delayed or canceled due to "extremely low visibility". [READ MORE](#)

HOLIDAY-THEMED INFOGRAPHIC OF THE WEEK

Consumption through the ages



Source: [Corporate Knights](#)

THIS WEEK IN NUMBERS

2,000

unemployed Finns are to be randomly selected and given a universal basic income without bureaucratic hassle

1,200

factories close to Beijing were told to close or reduce output to help combat smog

94

feet is the height of the Rockefeller Christmas tree

60

percent of Americans buy from socially responsible companies, down from 64% in 2015, according to [good.must.grow](#)

11

is the long-term average number of cyclones to affect Australia per cyclone season

9.5

gigawatts of renewable energy is the target set in Vision 2030 by Saudi Arabia

5

trillion US Dollars of assets has been pledged to fossil fuel divestment

WORD OF THE WEEK

Airpocoalypse: The condition in China right now as the most severe episode of poisonous smog in a year has prompted a red alert warning.

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RANKING THE FRACKERS

What are the fracking facts?

A new report called [Disclosing the Facts: Transparency and Risk in Hydraulic Fracturing](#) ranks the oil majors engaged in Hydraulic Fracturing ("fracking") on their disclosures and behaviors. The top five firms ranked on [43 disclosure indicators and other practices](#) are: BHP Billiton, Noble Energy, Apache Corp, Hess Corp and Range Resources. Each of these firms have "dramatically increased their scores over the last year". Apache, for example, has reduced toxic chemicals by 60%.

The bottom five performers are: Whiting Petroleum, Continental Resources, Devon Energy, WPX Energy and Cabot Oil & Gas.

[READ THE PRESS RELEASE HERE](#)

FSB AND CLIMATE DISCLOSURE

FSB receives backing on climate disclosure

The Task Force on Climate-Related Financial Disclosure (TCFD), a group convened by the Financial Stability Board, has urged stock exchanges and financial regulators to commit to greater disclosure and transparency. The group has [garnered the support of lawmakers](#) in 34 countries.

The TCFD released its recommendations this week, which call for consistent, comparable climate-related disclosures.

[READ THE RECOMMENDATIONS](#)

WHAT WE'RE WATCHING

The world's hottest borehole ('bôr,hōl. *noun*. a deep, narrow hole made in the ground, especially to locate water or oil). Geologists are [drilling into a volcano](#) in Iceland in an attempt to bring steam from the well up to the surface. The aim is to open new doors for geothermal production. Drilling updates [here](#).

NOT SUCH FESTIVE NEWS

Research out of Southampton University shows that light pollution and "road noise" is affecting a [robin's song](#). When light and noise affect the quality of a robin's territory, it is much less vocal.

BEFORE WE GO...

This week President Obama invoked a 1953 law that governs offshore leases to halt any future drilling in the Arctic and Atlantic Oceans. The law does not allow the decision to be repealed by an incoming president. "These actions, and Canada's parallel actions, protect a sensitive and unique ecosystem that is unlike any other region on earth," the White House said in a statement. "They reflect the scientific assessment that, even with the high safety standards that both our countries have put in place, the risks of an oil spill in this region are significant and our ability to clean up from a spill in the region's harsh conditions is limited." [READ MORE](#)

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HAPPY HOLIDAYS!

Wishing you a joyous holiday season and a happy new year.



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HOLIDAY BELIEVE IT OR NOT

The Tió de Nadal is a Catalan tradition where children have to 'feed' a log until Christmas Eve when it is then encouraged to 'defecate' presents.

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