

INSIGHTS

For the Mainstream Investor

WEEK ENDING SEPTEMBER 8, 2017 EDITION 210



CLIMATE CHANGE ATTRIBUTION

Fossil fuel producers examined

A recent [study](#) in the growing field of climate change attribution, suggests that fossil fuel producers may 'bear responsibility for climate change damages potentially traceable to emissions from their products'. The analysis examined global consequences – rising atmospheric CO2, surface temperature and sea levels – and the link to carbon emissions.

Ninety major industrial carbon producers were studied. Their emissions were calculated to have resulted in about 57% of increased CO2, between 42% and 50% of increased temperatures and between 26% and 32% of increased sea levels. Expect more work in this field of climatic attribution.

TAKE NOTE

The Executive Director of the World Food Programme ([WFP](#)) has stated that Saudi Arabia alone should fund the humanitarian [crisis](#) in Yemen. 'Either stop the war or fund the crisis. Option three is, do both of them,' he stated.

HUMANITARIAN BONDS

Impacting war zones

The International Committee of the Red Cross ([ICRC](#)) has issued what it claims is the first humanitarian [impact](#) bond, worth close to US\$30 million. The funds will be used to build three rehabilitation centers in Nigeria, Mali and the Democratic Republic of Congo. The program will run on a payment-by-results basis and each center will be run by the ICRC.

Results are measured on the number of people who receive mobility devices with results benchmarked against existing physical rehabilitation centers. The President of the ICRC called this bond 'a radical, innovative but, at the same time, logical step for the ICRC'.

CAN IT BE TRUE?

Academic [research](#) suggests that it's possible to identify companies which are likely to manipulate their earnings (outside GAAP) before it happens!

THIS WEEK IN NUMBERS

1,714

signatories to the Principles for Responsible Investment (PRI) in April 2017

1,073

UNESCO World Heritage sites have been identified, 54 which are in danger

180

billion US dollars is the latest estimate of the damage caused by Harvey, says the Texas Governor

115

is the number of times that President Trump has tweeted about climate change skepticism

104

quarters of economic growth have been recorded by Australia, the longest ever for an advanced economy

85

percent of global electricity generation will come from renewable sources by 2050, according to DNV.GL

40

percent or more of the workforce is women in more than 80 countries

30

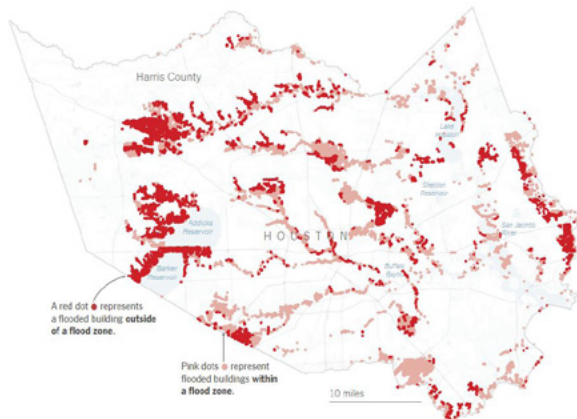
years since the stock market crash of 1987

20

million people are living on the brink of famine, according to the World Food Programme

INFOGRAPHIC OF THE WEEK

Flooded areas within and outside the official flood maps following Hurricane Harvey



Source: Building damage estimates from the Federal Emergency Management Agency, through Aug. 31.

Source: [New York Times](#)

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SUSTAINABILITY INDICES REVIEW

S&P DJ announces 2017 changes

S&P Dow Jones and RobecoSAM recently announced the constituent changes for the DJ Sustainability Indices (DJSI) review. The most significant changes to the DJSI World were the inclusion of Samsung Electronics, British American Tobacco and ASML Holding. Excluded were Enbridge Inc., Reckitt Benckiser Group and Rio Tinto. These changes become effective on September 18 2017. The new indices will be published on the RobecoSAM on September 18.

WORTH WATCHING

France and Germany have renewed their commitment to promote the European Union's energy transition by using more renewable power. Both countries will seek an agreement on the European Emissions Trading System (ETS) carbon market prior to the November climate change conference in Bonn, Germany.

QUOTE OF THE WEEK

“When we write the history of this, we will see 2017 as the year in which [ESG investing] reached a tipping point.”

—Rory Sullivan, Head of Standards and Sustainable Investment at FTSE Russell

RENEWED CARBON COOPERATION

Twenty six sign up

Twenty six national and regional governments have signed an agreement to boost carbon trading globally. The International Carbon Action Partnership (icap) issued a statement promising to ensure carbon trading systems are effective and send the correct pricing signals to the markets. The statement also stressed the need for subnational entities to combat climate change. Signatories to the agreement include EU States, Mexico, California, Oregon, Washington and Tokyo. [READ MORE](#)

DID YOU SEE?

The US Department of Energy's analysis of electricity markets is critical of low-cost gas effect on coal and nuclear closures. The DoE proposes compensating coal and nuclear generators for their reliability. The reports states that, 'Recent weather events have demonstrated the need to improve system resilience.'

WE HOPE...

In Ohio, Hamilton County is pioneering an experiment to tackle opioid-related overdoses. Last year, drug overdoses involving opioids claimed 60,000 lives. The county is tripling the availability of an antidote (naloxone) which blocks opioid receptors. Other local government organizations have chosen to sue the pharmaceutical distributors.

READING LIST



How fast should religious investors divest from oil, gas and coal?



Russia is an emerging superpower in global food supply



FINANCIAL TIMES

Going green is good for business



FINANCIAL TIMES

The ethical investment boom

BELIEVE IT OR NOT

Narwhals, mammals which benefit from melting ice, are helping NASA survey Greenland's ice cap. [READ MORE](#)

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