

## US AND CHINA STRIKE DEAL TO CURB GHG EMISSIONS

Two leaders announce a commitment to curb Greenhouse Gas emissions by 2030 or earlier

When President Barack Obama and Chinese President Xi Jinping met in Beijing this week, climate, the military, and visa agreements were on the agenda for their marathon two days of talks. The leaders reached a [historic agreement](#) on climate change—a first of its kind for the two nations. The US agreed to double its pace of carbon-dioxide reductions, committing to an overall cut of greenhouse gases between 26% and 28% by 2025 compared with 2005 levels. China, on the other hand, set its goals slightly lower, agreeing to stop its increases in carbon

dioxide emission by around 2030. Given China's quick industrial growth, its commitment will still result in emissions "a lot lower than they would be," said an official. [Read more](#)

Ed Davey, the [UK climate change secretary](#) said about the deal: "We don't have enough information from the Chinese or the Americans to really be clear about the implications of this." Experts and politicians asked for more detail, especially about how the emissions will fall in later years.

These climate talks are expected to effectively replace the Kyoto protocol, currently the only binding treaty for reducing GHG emissions.

### "STAT" OF THE WEEK

How polluted was Beijing during this week's Asia-Pacific Economic Cooperation conference that culminated in a summit with leaders President Barack Obama, Xi Jinping of China and Vladimir Putin of Russia? We don't know! The phone apps that provide Beijingers up-to-the minute data on air quality were suspiciously not loading during the conference. The readings at the US Embassy appear to have been censored from the monitoring sites.

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## GENDER WEALTH GAP WIDENS BUT MORE WOMEN IN THE BOARDROOM

The corporate governance issue takes front and center as gender wealth gap widens in Australia

Women are taking a seat in the boardroom. [A new analysis](#) by the Wall Street Journal and MSCI Inc. found that approximately 54% of the 67 companies in the Standard & Poor's 1500 Index with a female CEO now have at least three women on the board. Roughly 15% of firms led by a man have at least three women on the board. The study also found that women comprise 15.8% of S&P 1500 boards, up slightly from 12.5% in 2009.

However, [another study](#) by economists at Curtin University in Australia found that Australia's gender wealth gap has widened sharply over the past decade leaving single young women with "a little over half the average assets of their male counterparts". The research found that the difference in average wealth between single men and single women across all age groups grew from \$18,300 to \$47,000 between 2002 and 2010.

## G20 GROUP SPENDS USD 88 BILLION PER YEAR ON FOSSIL FUEL SUBSIDIES

### Groups urge G20 to ditch handouts ahead of Brisbane Summit

The Overseas Development Institute and Oil Change International has compiled the list of subsidies and tax breaks from governments and development banks that funded fossil-fuel exploration. They found that the G20 group of major economies spend approximately USD 88 billion per year on fossil-fuel exploration.

Shelagh Whitley, a research fellow at the Overseas Development Institute, noted in a recent interview: “not only are companies continuing to look for fossil fuels and trying to find new reserves, but governments are putting more money and support towards exploration than companies, which is basically governments fueling dangerous climate change.”

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### QUOTE OF THE WEEK

Freddie Woolfe, associate director of corporate engagement at Hermes Investment Management on deforestation: “For a heavily diversified universal asset owner such as a pension fund, which is focused on long-term wealth creation, destruction of such a valuable ecosystem with no comparable alternative makes no sense.”

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## BARCLAYS AND MSCI LAUNCHES GREEN BOND INDEX FAMILY

### Bonds will finance projects with environmental benefits

Barclays and MSCI announced that they have launched a new [Green Bond Index Family](#). Bonds will be eligible for inclusion in the bond family based on an assessment of securities by [MSCI ESG Research](#) along four dimensions closely tracked by green bond investors: use of proceeds, project evaluation, management of proceeds, and reporting. Barclays announced in September that it expects to invest more than £1bn into investment grade bonds by next year.

Sean Kidney, CEO of the Climate Bonds Initiative, said, “The green bond market has grown enormously in recent years. The availability of market standard indices is important in establishing clear, broadly accepted guidelines for the new issuers rapidly entering the market. The stature of Barclays and MSCI will help to bring attention to green bonds.”

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