

STILL SOME APPETITE FOR COAL AND NATURAL GAS; OTHERS REJECT IT

Australia and India will support new coal projects; Norway rejects coal; US Senate defeats Keystone bill

Australia's Queensland state will support plans for the nation's [largest coal project](#). The state will help fund a 388-kilometer (241-mile) rail line to link a coal project to the port of Abbot Point near the Great Barrier Reef.

India's Prime Minister Narendra Modi made a [speech this week](#) in Australia, asking the country to supply India with energy—coal and natural gas—as the country continues to develop. He also supported the growth of renewables.

However, KLP, the Norwegian insurer and asset manager has announced that it is [divesting NOK500m](#) (USD 73M) from companies which have a high exposure to coal. It plans to put the assets into renewable energy following a review prompted by a client. It defines coal companies as coal mining companies and coal-fired power companies which derive a proportion of their revenues from coal.

Meanwhile the U.S. Senate defeats [Keystone XL Pipeline legislation](#) by one vote. The bill would have approved construction on the Keystone XL pipeline. This is considered a win for environmentalists, but proponents of the project criticized the Senate for voting against jobs.

STAT OF THE WEEK

The new US SIF Trends Report found that the total US-domiciled assets under management using SRI strategies expanded from \$3.74 trillion at the start of 2012 to \$6.57 trillion at the start of 2014, an increase of 76 percent.

[READ THE REPORT HERE](#)

CLIMATE CHANGE PLEDGES AT THIS WEEK'S G20 MEETING

Meeting of world leaders in Brisbane brings climate change to forefront, to some dismay

At this week's G20 meeting of world leaders in Brisbane, Australia, several countries committed to raising money for the [Green Climate Fund](#) (GCF)—a UN-backed fund that supports developing countries dealing with climate change. Japan pledged to raise USD 1.5 billion, the U.S. agreed to raise USD 3 billion and the [UK pledged](#) approximately USD 1 billion. The fund reached USD 7.5 billion, about three-quarters of the way to its USD 10 billion goal.

Italy and Australia have yet to pledge. In fact, [Australian Prime Minister](#) Tony Abbott argued in Brisbane that climate talks should happen elsewhere, not at meetings of the G20. Germany and France have previously pledged approximately USD 1 billion each for a first round of funds for the GCF. The countries are now preparing for another summit in Paris next year—devoted entirely to the climate.

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CHINA'S PLEDGE TO CUT GHG EMISSIONS MAY CURB AUTO SALES

Demand for electric and hybrid vehicles may increase in coming years

China recently pledged alongside the U.S. to [cap greenhouse gases](#). The commitment may curtail [car-ownership across China](#)—the world's most-populous nation—even as domestic auto sales are on pace to keep climbing, hitting a record 23 million vehicles in 2014.

Harry Chen, an automotive analyst in Shenzhen with Guotai Junan Securities, notes that “about 7 percent of China’s greenhouse gas emissions currently come from the transport segment, [versus 28 percent](#) in the U.S... China will have to promote more electric and hybrid cars to meet emissions standards as we forecast sales will grow at a mild 7 to 9 percent a year.”

KEEP AN EYE ON THIS...

Seven Harvard University students filed a lawsuit asking a judge to force the university’s governing body to divest the University’s USD 36.4B from fossil fuel companies.

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CHINA'S ECONOMICS OF CLIMATE CHANGE

China can reduce emissions and still grow economy study shows; Spending on climate down globally

A new study by [China and the New Climate Economy](#) noted that China has a lot of work to reach [emissions target](#). It would require the country to implement policies on “economy restructuring, energy conservation, energy efficiency improvement, renewable energy development and air pollutants reduction”. However, if followed, China can “meet the

target while maintaining growth of up to 7 percent to 8 percent in the near term and 5 percent by 2030”, the study says.

Despite China’s movement, investment in climate is down globally. Global expenditures on renewables, energy efficiency and measures that protect against the effects of climate change “slid \$28 billion, or 8 percent, to about \$331 billion in 2013”, according to the report published today by the [Climate Policy Initiative](#), a San Francisco-based analysis company.

BELIEVE IT OR NOT

The world’s biggest chocolate-makers say we’re running out of chocolate(!!) Supply is down (dry weather in West Africa and a nasty fungal disease) but demand is insatiable.

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