

BIG PHARMA CALLS ON GOV'TS TO HELP PAY FOR ANTIBIOTICS

Request for help in beating threat of drug resistance

We noted in our [2016 Predictions](#) that we “expect Big Pharma to hit back” this year, following R&D returns hitting [five-year lows](#). This week at the [World Economic Forum](#) more than 80 pharmaceutical companies, including GSK, Merck and Pfizer, have asked governments to help them pay for the development of new antibiotics. In return, “they have promised to invest in research and improve access to antibiotics around the world.” They are coming together to ask for help now, in light what they

are calling the “rising threat of drug resistance”.

[The Declaration of Combating Antimicrobial Resistance](#) asks for the support for two efforts:

- A continuation of efforts towards improved conservation of antibiotics, including a call for improved uptake of rapid point-of-care diagnostics to improve how antibiotics are prescribed
- Changes to incentive structures within health systems that directly reward doctors, pharmacists and veterinarians for prescribing antibiotics in greater volumes

@SICMGMT TWEET OF THE WEEK

 @SASB “As the world evolves, the ideology and infrastructure that govern our financial markets must keep pace” bit.ly/1Ke6a4B

TERM OF THE WEEK

[Great Green Fleet](#). The US Navy just deployed warships powered partly by biofuels. [READ MORE](#)

OCEANS UNDER ATTACK

Two pieces of bad news for the oceans this week according to two studies.

1. [Carbon dioxide concentrations](#) in seawater continue to rise, creating dangerous levels that “disorient and intoxicate” the fish. “Essentially the fish become lost at sea” said the lead author of a study published in *Nature*, Ben McNeil.

2. A new report by the World Economic Forum has found that the world’s oceans will contain [more plastics than fish](#) by 2050 as plastic – mostly packaging – enters the seas at the rate of one garbage truck-load a minute.

Eight million tonnes of plastic end up in the ocean every year.

THIS WEEK IN NUMBERS

300,000

is the number of Ebola vaccine doses that Merck will supply to Gavi in May 2016

500

million Canadian Dollars is the anticipated size of a green bond in the first quarter of 2016 to fund clean transport

27

gigawatts of renewables are to be installed by Gulf nations by 2030

27

gigawatts of renewables are to be installed by Gulf nations by 2030

10

percent was the decline over the last year in PM2.5 levels in 189 Chinese cities in 2015 according to Greenpeace

5.3

quadrillion calculations per second will be the capability of the new Cheyenne computer dedicated to climate change

5

million is the value of a deal for an Ebola vaccine announced by Gavi

1.2

million Wal-Mart workers will have a pay rise in 2016

INSIGHTS

For the Mainstream Investor



Week ending January 22, 2016

Edition 126

2015 WAS THE WARMEST YEAR ON RECORD

Are we even surprised at this point?

According to analyses by the National Oceanic and Atmospheric Administration (NOAA) and NASA, 2015 was the **warmest year** on record since records began, and by a lot. Temperatures in 2015 broke previous record – set in 2014 (you thought this sounded familiar, right?) – by a significant 0.23 degrees Fahrenheit (0.13 degrees Celcius).

Climate change and El Nino are the biggest contributors the report says.

And it may **get worse** in some regions. Some parts of the Arctic have already passed the 2-degree warming mark, and the Mediterranean, central Brazil and the lower 48 states of the US are among the areas likely to warm by 2 degrees by about 2030, according to the research published on Thursday in *Nature* journal.

[READ MORE](#)

LINING UP AGAINST BIG OIL

California's attorney general is also **targeting ExxonMobil** on whether the company lied to investors about the risks of climate change. New York's attorney general is undertaking a **similar** investigation. An additional coalition of investors representing USD 300B in assets and including New York State Comptroller and the Church of England has also urged ExxonMobil to detail its **climate change resiliency** plan.

Plus... Did natural gas beat coal to the finish line in the U.S.? Power companies in 2015 for the first time may have burned more natural gas than coal to **generate electricity** according to Data from the **U.S. Energy Information Administration**.

DID YOU SEE...?

Global investment firm KKR & Co. announced that it has re-launched its environmental initiative under a new name: the Green Solutions Platform. The focus will be on eco-efficiency primarily, but also "eco-innovation and eco-solutions" for their portfolio companies.

[READ THE PRESS RELEASE](#)

BELIEVE IT OR NOT

The richest 1 percent now owns more than the REST OF US combined.

[READ MORE](#)

QUOTE OF THE WEEK

"The work of the Task Force on Climate-related Financial Disclosures will help to accelerate global investments in technological innovation and clean energy by increasing transparency. And, in doing so, it will help make markets more efficient, and economies more stable and resilient."

—Michael R. Bloomberg

The Financial Stability Board (FSB) has set up a global task force to encourage businesses to voluntarily disclose climate change risks to help investors.

[READ MORE](#)

WHAT WE'RE READING



PWC: 2016 CEO Survey

[READ HERE](#)

The above research materials are for informational purposes only. They are not an offer or solicitation for any security or investment product managed by SICM and should not be construed as investment advice. Investment strategies implemented by SICM on behalf of its clients may or may not trade or hold positions in the securities referred to above. Further, investment accounts managed by SICM may or may not employ strategies based on or related to the above research.