



# Sustainable Finance

Market Performance - Selected Markets for the Week Ended February 12, 2010					Selected Rates (Institutional)	
Market	Dec 31, 2009	Feb 12, 2010	YTD Change	YTD % Change	Description	Price/Rate Feb 12, 2010
S&P TSX	11,746.11	11,469.81	- 276.30	-2.35%	CDN/USF	1.0531
Dow Jones	10,428.05	10,099.14	- 328.91	-3.15%	CDN/EURO	1.4348
S&P 500	1,115.10	1,075.51	- 39.59	-3.55%	CDN/CHF	0.9779
Nasdaq	2,269.15	2,183.53	- 85.62	-3.77%	CDN/YEN	0.0117
Nikkei 225	10,546.44	10,092.19	- 454.25	-4.31%	Total CPI -Canada TTM (12/09)	1.30%
FTSE 100	5,412.88	5,142.45	- 270.43	-5.00%	Total CPI - USA TTM (12/09)	2.70%
Dax	5,957.43	5,500.39	- 457.04	-7.67%	Total CPI - Euro TTM (01/10)	1.00%
Hang Seng	21,872.50	20,268.69	- 1,603.81	-7.33%	GOC 1 Yr T-Bill	0.56%
Shanghai	3,277.14	3,018.13	- 259.01	-7.90%	GOC 5 Year	2.54%
DJSI World TR	1,286.40	1,194.53	- 91.87	-7.14%	GOC 10 Year	3.47%
DJSI North America TR	120.14	116.48	- 3.66	-3.05%	GOC 30 Year	4.06%
Jantzi Social Index TR	173.67	168.77	- 4.90	-2.82%	Gold USF/Oz	1,089.50
FTSE 4Good Global 100	4,256.14	3,924.20	- 331.94	-7.80%	Oil USF/BBL WTI Cushing Spot	74.13

## Week in Review

The news of the week continued to be Greece and its abysmal state of affairs. How do you run a budget deficit that is 12 % of GDP?

Now it is up to the European Union to solve. Greece did not exit recession in the last half of 2009 like almost everyone else and the effects of continued stimulus are starting to add up.

So what does this say for the rest of

the European Union? Well Italy and Spain saw their GDP fall for the last quarter of 2009 and German GDP growth came to a halt as well.

Does anyone see the pattern here? The global economic recovery that all the pundits were predicting as a result of the massive stimulus programs after the sub-prime implosion in the US is just not coming about like they thought.

This reminds me of

what an overweight aircraft does when it tries to take off.

It applies full power and starts to hurtle down the runway and at times it leaves the ground but then settles back. All the time it is heading towards the end of the runway and the question becomes will it ever be able to get off the ground before it hits the end of the runway and certain disaster?

Boy am I the life of the party! But that is what the recovery

around the planet looks like right now.

Add to that a real estate bubble in China and a possible real estate issue in Canada and you have the possibility of some really ugly scenarios.

China has already initiated a sales tax on real estate transactions for houses sold within 5 years of purchase and Canada is talking about making mortgage terms tougher to limit speculation and make

mortgage serviceability more robust.

So we have anemic growth in North America, South America, Europe, and the ex Warsaw pact countries. The only bright spot is Asia and there is the real threat of a property bubble in China.

Globalization has its benefits and problems. One of those problems is that since world economies are so interconnected now when one falters the others start falling

like dominos. We are now seeing this in action.

Markets this week produced some gains to help offset the poor performance of the first 6 weeks of the new year.

However they are all pretty much sticking to a trading range now and moving sideways.

We expect this to continue for some time and as we progress and more news comes out we expect that much of it will be

less than positive.

I am certainly not trying to be a pessimist here but the writing is on the walls.

The recovery that the US bankers and politicians patted themselves on the back for ensuring through massive stimulus packages is not playing out the way they thought. Should we be surprised?

Was disaster averted or just delayed?

Stay tuned.

## British Columbia Vows Ban on Mining, Drilling Near Glacier National

British Columbia won't allow energy and mineral exploration in the headwaters of Glacier National Park, the province's top official promised yesterday.

At issue is the province's management plan for the Flathead River Valley, a million-acre watershed straddling the border of Montana and British Columbia.

In Montana, which controls nearly two-thirds of the watershed, the land is off limits to energy development to protect Glacier National Park and the Flathead National Forest. But British Columbia's plan allows companies to propose development.

British Columbia Lt. Gov. Steven Point pledged to change the provincial plan yesterday, saying the province would work with Montana on conservation guidelines. Under the new plan, "mining, oil and gas development and coalbed gas extraction will not be permitted in British Columbia's Flathead Valley," he said during the annual Throne Speech.

The valley is coveted by energy companies wanting access to coal, coalbed methane and hardrock minerals. But environmentalists say energy development in Glacier's headwaters would be disastrous for natural resources and wildlife.

The two sides collided last December after MAX Resource Corp. struck gold in the valley. The company insisted any extraction would occur through underground mines with no discharge into the Flathead, but environmentalists and U.S. Sens. Max Baucus (D) and Jon Tester (D) of Montana pressured the province to ban development.

MAX President Stuart Rogers said Point's announcement effectively kills further development of its "Crowsnest" gold deposit.

"We are surprised and disappointed by the Government's action given our outstanding exploration results at Crowsnest

in 2009," he said in a statement. "We will seek adequate compensation."

The province faced international pressure to protect Glacier, which is a U.N.-designated World Heritage Site. Glacier and Waterton Lakes National Park, which sits along the valley's eastern border in Alberta, were jointly designated as a cross-boundary World Heritage Site in 1995.

British Columbia froze a proposal for an open-pit coal mine in the valley this summer after the U.N. Educational, Scientific and Cultural Organization asked the United States and Canada to intervene ([Greenwire](#), July 2, 2009).

Point could implement a new land-use plan for the area via an "ordering council" -- the Canadian equivalent of an executive decree -- or he could submit one to the legislative assembly for a vote. All but 30,000 acres of British Columbia's portion of the valley are publicly held.

Environmental groups cheered Point's announcement but said they were still waiting to see the details of the plan. The groups are also hoping the province will eventually turn its portion of the Flathead into a national park to join Waterton Lakes and Glacier as part of the World Heritage Site.

"There's still work to

be done here, but I'm not going to lie to you, I'm a pretty happy guy right now," said Will Hammerquist of the National Parks Conservation Association. "You had a land-use plan in place that put mining above all

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## Selected News Articles

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### Olympic Medalists Will be Wearing Recycled Metal Waste

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U.S. skier Julia Mancuso and Russian hockey player Alex Ovechkin may be wearing waste from recycled Sony Trinitrons around their necks if they reach the medals podium at the Winter Olympics in Vancouver this month.

The 2010 Olympic and Paralympic medals are the first containing metal salvaged from televisions, circuit boards, monitors and electronic waste. The so-called urban ore was supplied by Teck Resources, Canada's largest base-metals producer, which provided gold, silver and copper used to make the undulating, laser-etched prizes.

For Teck, based in the Olympic host city, supplying the recycled metals represents a publicity effort as well as a

chance to show off what it says is a growing four-year-old business.

"Anyone going out of their way to take steps in sustainability is a big deal, even if it's just a small step like this one," said Mancuso, 25, a giant-slam gold medalist at the 2006 Turin Winter Games. "It all goes toward something bigger -- you never know what simple things will inspire."

The medals are produced by the Royal Canadian Mint in Ottawa, which bought metal from Teck valued at about \$1.24 million. Each of the 1,014 medals to be awarded is unique, based on designs by local artists, according to the Vancouver Organizing Committee for the Olympic and Paralympic Winter Games.

First-place winners

get gold-plated medals that are 92.5 percent silver. The second-place prizes are also 92.5 percent silver, while the third-place bronze medals are mostly copper.

The Olympic medals weigh about 500 to 556 grams, meaning the metal in the gold awards are valued at about \$537. The silvers are worth about \$300 and the bronzes about \$3.40.

All the medals have some e-waste materials from Teck's electronic recycling program in Trail, British Columbia, about 260 miles east of Vancouver. Teck mixed gold, silver and copper from the program with metals mined from the ground.

The salvaged metals include components from Trinitron televisions made by Sony and sets manufactured in the 1960s by Zenith, said Christa

Ford, director of Teck's e-waste recycling program. Pavilion computers sold by Hewlett-Packard are also among hundreds of products recycled. Teck may process 15,000 tons of e-waste this year, up from 2,100 tons in 2006, when the program began, Ford said.

"It's a new direction for Teck to be mining what's often referred to as urban ore," Ford said in an interview. "We're trying to re-use what we already have."

Teck will add more appliances to the e-waste stream this year, including DVD players, and the company is testing zinc alkaline batteries and fluorescent bulbs, Ford said.

The recycling operation in Trail, near the U.S. border, "generates a positive revenue stream," said

Teck spokeswoman Kate Best, declining to be more specific about the profitability.

Canada won't be the first Olympic host to give out awards made from scavenged material. Norway used stone quarried from the ski jump excavation site in Lillehammer to form the base of medals awarded during the 1994 Winter Games, Mark Adams, an International Olympic Committee spokesman, said in an e-mailed response to questions.

Teck is an Olympic sponsor that derives the largest share of its revenue from coal. The company said it wants to be associated with sustainable production in an industry with an environmental impact.

Teck's efforts to keep metal out of landfills may help the company counter public-

ity related to the spill of an acidic liquid containing 950 kilograms of lead into the Columbia River in 2008. Teck temporarily shut lead production at Trail afterward.

"Trail operations has completed a full systems assessment for the lead refinery and all recommendations have been implemented with the view to preventing similar incidents," Carol Vanelli Worosz, a Teck spokeswoman, said in an e-mailed response to questions.

"The connection between Teck and the Olympics isn't obvious, so tying Teck with recycled metals at the Olympics is very clever because it gives them a sustainability association," said David Dunne, professor of marketing at University of Toronto's Rotman School of Management.

Olympic-bound athletes greeted news of the e-waste medals with varying degrees of enthusiasm.

"I would be extremely proud to have a medal made of recycled metals," said U.S. speedskater Katherine Reutter, 21.

Ovechkin, 24, the second-leading scorer as of yesterday in the National Hockey League with the Washington Capitals, said the e-waste connection was "interesting."

"I had never heard about that," he said in an interview when he was in Atlanta for a game against the Thrashers. "You want to win, especially in the Olympics, so it doesn't matter what it's made of."

The Associated Press  
February 8, 2010  
By Rob Delaney

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*And Man created the plastic bag and the tin and aluminum can and the cellophane wrapper and the paper plate, and this was good because Man could then take his automobile and buy all his food in one place and He could save that which was good to eat in the refrigerator and throw away that which had no further use. And soon the earth was covered with plastic bags and aluminum cans and paper plates and disposable bottles and there was nowhere to sit down or walk, and Man shook his head and cried: "Look at this Godawful mess."*

*Art Buchwald*

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### Indian decision to put moratorium on Genetically Modified crop hailed

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India's decision to stop the release of its first genetically modified food crop because of health concerns has been widely hailed by agriculture scientists and environmentalists across the country, terming it an "extremely positive" development that has saved the nation from a "catastrophe".

One of India's largest seed companies, Maiko, has developed a GM eggplant which it said was modified to be pest-resistant. But, after weeks of heated debate on the whether the GM

eggplants should be grown on farms for commercial use, India Tuesday imposed a moratorium on the cultivation of a genetically modified Bt brinjal till scientific studies established it as completely safe.

"It is my duty to adopt a cautious, precautionary principle-based approach and impose a moratorium on the release of Bt brinjal, till such time independent scientific studies establish, to the satisfaction of both the public and professionals, the safety of the product from the point of view of its long-term

impact on human health and environment," Environment Minister Jairam Ramesh said.

Noted agriculture scientist M.S. Swaminathan, known as the "Father of the Green Revolution", has described the Indian government's moratorium on commercialization of Bt brinjal until independent studies established its safety, as "a wise and appropriate decision".

"It's appropriate not to hurry and to look at the problems to the satisfaction of all. The government should utilize the

time to put in place a credible, effective and transparent system for the benefit of the country and conduct tests in a manner that have public trust," he said, adding biotechnology was a powerful tool but it should be utilized for "public good".

India is one of the largest producers of eggplant in the world, and the crop accounts for 9 percent of country's vegetable production. If approved, BT brinjal would be the first GM vegetable to be grown in the world.

But, V.S. Vijayan, the

chairman of the Kerala State Biodiversity Board, has said that the government's decision has saved the country from a "catastrophe", while Vandana Shiva of Navdanya and Research Foundation for Science, Ecology and Technology, claimed the decision was a "victory for scientists, farmers, ecologists and all those who called for caution."

Kavitha Kuruganti of the Kheti Virasat Mission hailed the decision as an "extremely positive" development. "During the moratorium period the gov-

ernment should put in place a liability provision in the Environment Protection Act which makes a (GM) crop developer solely liable for any potential leakage and contamination. Jairam Ramesh has set a good precedent," she told the media.

Echoing similar sentiments, Sunita Narain, the Director of Center for Science and Environment said: "We have consistently voiced our concerns. We are not against the use of genetically modified technology to improve crop yields. But we definitely oppose the

introduction of Bt brinjal."

She added: "Here, for the first time, we are genetically modifying a common vegetable which is used nearly daily in most of our homes. Brinjal is consumed directly and not processed into bread or used in other processed foods. In many parts of the country, it is even eaten uncooked. We, therefore, need to be extremely cautious in our review of this food."

Xinhua News  
February 10, 2010  
Editor Xiong Tong