



Sustainable Finance

Market Performance - Selected Markets for the Week Ended April 1, 2010					Selected Rates (Institutional)	
Market	Dec 31, 2009	Apr 1, 2010	YTD Change	YTD % Change	Description	Price/Rate Apr 1, 2010
S&P TSX	11,746.11	12,146.21	400.10	3.41%	CDN/USF	1.0075
Dow Jones	10,428.05	10,927.07	499.02	4.79%	CDN/EURO	1.3671
S&P 500	1,115.10	1,178.10	63.00	5.65%	CDN/CHF	0.9541
Nasdaq	2,269.15	2,402.50	133.35	5.88%	CDN/YEN	0.0107
Nikkei 225	10,546.44	11,244.40	697.96	6.62%	Total CPI -Canada TTM (02/10)	1.60%
FTSE 100	5,412.88	5,744.89	332.01	6.13%	Total CPI - USA TTM (02/10)	2.10%
Dax	5,957.43	6,235.56	278.13	4.67%	Total CPI - Euro TTM (02/10)	0.90%
Hang Seng	21,872.50	21,357.00	-515.50	-2.36%	GOC 1 Yr T-Bill	0.87%
Shanghai	3,277.14	3,147.42	-129.72	-3.96%	GOC 5 Year	2.90%
DJSI World TR	1,286.40	1,298.58	12.18	0.95%	GOC 10 Year	3.56%
DJSI North America TR	120.14	126.19	6.05	5.04%	GOC 30 Year	4.07%
Jantzi Social Index TR	173.67	180.82	7.15	4.12%	Gold USF/Oz	1,125.08
FTSE 4Good Global 100	4,256.14	4,294.20	38.06	0.89%	Oil USF/BBL WTI Cushing Spot	84.87

Week in Review

Early close this week with the Good Friday holiday. No matter it was a good week and one that people have been waiting for.

The recovery in the USA is starting to feel and sound more robust with the ISM manufacturing index moving to its highest level in 5 years. This is good news because manufacturing is the basis for wealth creation.

Personal expenditures in the USA also gained for the 5th consecutive month so people are starting to spend again. More good

news. Canadian GDP advanced yet again leading to a annualized rate of 5.00 for the first quarter of 2010. This is very strong.

Where is all this leading for the stock markets?

Well, for one, our view of the markets is changing. We now believe that the downside risk to the markets is becoming much lower.

As the recovery enters this phase it is telling us that the economics are starting to catch up to the market advances of

the past year which have been substantial although attenuated for the past 6 months.

Interest rates have been on the rise in the bond markets as the inflationary process and the prospect for increased rates that it brings are starting to be felt.

We believe that this process will take a few years to complete and that rates will remain at historically low levels for many years to come as capacity is filled and the almost 8.4 million lost jobs in the USA are slowly replaced.

However, China and

India will certainly lend to the demand side of the equation.

Of importance was a recent article that stated Germany was running out of train capacity to move materials for its economic expansion. Germany is a producer of very high quality goods and many of those goods are capital goods used to produce products in other countries.

That should give you an idea of the demand that is starting to form. I have never heard of Germany running out of train capacity.

That one piece of information alone is causing us to look very deeply at what is coming down the pipe so to speak.

It makes us ask the question about commodities. How is this going to affect the price of oil, gold, and other commodities used in the production process?

Our belief is that the commodity markets of 2006 to 2008 were an appetizer. A small look at what is to come. And a harbinger of where and how fast prices may truly advance.

Within 3 to 5 years it

is quite likely that \$ 147.00 for a barrel of oil may seem like such a bargain attracting calls for the "good old days".

Now some of you may be smirking and thinking that impossible but remember that India is looking to produce a car for \$ 2,500 and China is selling cars by the millions each year now. And these are not powered by anything other than oil derived gasoline or diesel.

And what of the basic materials that goes into these products? Or the food required to feed all the work-

ers at the new plants? Ethanol will not look like such a great idea when corn triples in price.

As this new expansion gets underway we are going to see shortages that have not been seen since World War II. We expect that prices will advance to levels not seen quite possibly ever. And we feel that the number of middle class families that drive these purchases the world over will almost double.

For Canada and the Canadian dollar this will be an amazing opportunity.

Communities turn on water smarts

Local governments commit to reducing water consumption by 20 per cent

Despite the wealth of fresh water in the Columbia River basin, a new program has municipalities diving into water conservation.

The Columbia Basin Trust has decided to focus on water since increasing human activities, population growth and climate change are placing pressure on the precious resource.

By working with communities and developing action plans, CBT's Water Smart initiative is a basin-wide program that aims to reduce

domestic water consumption by 20 per cent by 2015.

Trail, Montrose, Fruitvale and Salmo are among the 19 local governments that signed a water smart charter last week, which seals the regional water conservation deal.

Participating communities will start by identifying water-use patterns, do an inventory and figure out what has already been accomplished. Then with help from CBT consultants, the ideas and goals will be inked in a water

smart action plan, which will provide a framework for implementing changes.

Communities will also gain knowledge by accessing an online "water smart" toolkit, which provides water conservation resources, and will have the opportunity to connect with other participating communities to share ideas through a water smart network.

The wealth of information is further topped with funding from CBT, which will match up to \$10,000 in financial

assistance.

The goals detailed in a community's action plan will come to fruition as early as this summer, according to Kindy Gosal, CBT's director of water and environment.

This is the first time a water conservation program of this kind has been introduced by the organization, which looks to create a legacy of social, economic and environmental well-being by developing and delivering programs. Working closely with people who live in

the basin, CBT focuses on local priorities – bringing people together around key issues.

"Water use in the Columbia Basin is a big issue," said Gosal, pointing to cost being a major factor, too. "Canada is the second-highest per capita water user in the world, British Columbia is one of the highest per capita water users in Canada, and the Columbia Basin is one of the highest per capita users in British Columbia."

For more information on CBT's water ini-

tiative, visit www.cbt.org/water

Trail Daily Times

April 1, 2010

April 1, 2010
By Valerie Rossi

*Edited for length

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Selected News Articles

When Less is More

From soap to beer, manufacturers are reducing and greening their packaging

At his brewery on Government Street, Matt Phillips pours beer into a glass jug. The 1.9-litre twist-cap bottle, or growler, is an old-fashioned method of storing beer. The beer is meant to be shared, and then the container is washed and refilled.

Without overhead associated with bottling, inventory and shipping, a growler isn't just a novelty. It's a more sustainable way to enjoy local beer, and part of a trend in product packaging.

"I like them for the environmental aspect. They're fully reusable, without an end point. As long as you don't drop them, they're good to go," Phillips says. "They also have the added benefit of giving us a little more interaction with our customers."

Phillips Brewing launched growlers in early March, and

already customers are returning for refills. At \$15 for a full growler and \$10 for a refill, it's cheaper than a six pack by a few dollars. Having fewer bottles, cardboard and bottle caps to dispose of is also a benefit.

"I think people are seeing the utility of them. It's not an unwieldy amount of beer, and if you open it, you've got a couple of days to drink it," he says, adding that unopened, it can be stored for a week.

From smaller packages to biodegradable plastics, reduce, reuse and recycle are becoming key values in product packaging.

The Soap Exchange, at the corner of Hillside Avenue and Cedar Hill Road, has sold environmentally friendly cleaning products in refillable containers since 1993. It sells everything from shampoo to hand soap to high-efficiency laundry

detergent.

"Our philosophy is really simple: We promote and encourage reusing far more than recycling," owner Wes Koch says. "We want to use something until its life is over. We've had people come in with mason jars, ice cream buckets and cookie tins. We reuse, reuse, reuse."

You don't have to bring your own. The Soap Exchange has containers that are plastic because it's a durable lightweight material with a long life, and can be recycled. Containers, ranging in size from small testers to 20-litre pails, can be had for a dollar or two deposit each. That keeps people bringing them back rather than disposing of them, Koch says.

With more than 15 refill stations around town, the products are popular. A 1.6-kilogram tub of locally made laundry

soap costs \$14.99 -- and it travelled less than 10 kilometres to reach the store.

Vancouver package designer Chris Zawada's blog, *Lovely Package*, documents innovative packaging. Sustainable packaging is the way the industry is going, he says.

"How much packaging do we throw away on a daily basis? It's probably one of the largest contributors to the landfill," he says. "From the design standpoint, it's becoming more apparent that we need to be more creative in the way that we design things. As a package designer you want to do the most beautiful crazy things out there and win the next big award with it, but there's something to be said about being socially conscious with what you're doing as well."

SunChip's introduction of a compostable chip bag is an exam-

ple of rethinking traditional packaging, he says. Foil chip bags are accepted for recycling but are burned as fuel. SunChip's bag is made from bioplastics, and will break down in 14 weeks if placed in a compost pile.

"That's a big step. I think all the big chip manufacturers will eventually go down that road," he says.

Many companies are shrinking their packaging or using greener materials. For example, Apple's packages are 40 per cent smaller than in 2006, allowing 50 per cent more boxes to be shipped in each cargo flight. Smaller packaging also means less recycling for the consumer.

One of the largest advocates for sustainable packaging is Walmart, says George Guidoni, editor of *Canadian Packaging* magazine. Walmart has said it wants to go to zero waste, use renewable en-

ergy, and maintain a sustainable supply chain. It recently stated its goal to eliminate 20 million metric tons of greenhouse gas emissions from its supply chain by 2015, the equivalent of taking 3.8 million cars off the road for a year.

Walmart evaluates the eco-friendliness of suppliers' packaging. The aim is to help its 60,000 suppliers reduce packaging by at least five per cent by 2013.

"The emphasis is on reduction -- basically, less packaging, same product," Guidoni says. "With Walmart being Walmart, it wasn't really a suggestion. ...Almost everyone wants to do business with Walmart."

Guidoni says less packaging saves money, but also makes other companies reduce their environmental footprint. In a recession, often the environment is

pushed to the side. The sustainable packaging industry is still going strong, with huge demand for bioplastics such as those used in the SunChips bag, he says.

"It's consumers who woke up in the last couple of years, and they're putting pressure on companies to adopt more eco-friendly packaging," he says.

"It's spun quite an industry. It was dismissed as a fad at first, but here we are, four or five years later, but the public wants to see more sustainable packaging, and they're willing to pay extra for it."

The Times Colonist
March 28, 2010
By Steve Carey

"Let every individual and institution now think and act as a responsible trustee of Earth, seeking choices in ecology, economics and ethics that will provide a sustainable future, eliminate pollution, poverty and violence, awaken the wonder of life and foster peaceful progress in the human adventure."

John McConnell

Tougher Emission Rules for Ships Operating in North American Waters

The International Maritime Organization gave the final go ahead on Friday to a plan for creating a North American emissions control area extending 200 nautical miles from the coasts of the United States and Canada.

Beginning in 2012, large commercial ships traveling in the control area will have to use a more expensive fuel that contains far less sulfur than regular diesel fuel or, in some cases, be

equipped with special devices, or "scrubbers," that extract sulfur from exhaust. In 2016, new ships will be required to use advanced emissions control systems.

The American and Canadian governments, which developed the plan cooperatively, needed the I.M.O.'s approval to move forward.

"This is a change that will benefit millions of people," said Lisa P. Jackson, the administrator for the United States Envi-

ronmental Protection Agency, in an announcement. "The sulfur, particulate emissions and other harmful pollutants from large ships reach from our ports to communities hundreds of miles inland -- bringing with them health, environmental and economic burdens."

E.P.A. estimates that the cost of implementing and complying with the control area will be \$3.2 billion in 2020. The agency expects that the benefits will in-

clude preventing up to 14,000 premature deaths and relieving respiratory symptoms for nearly five million people annually.

The monetized health-related benefits in 2020 from the reduction in diesel exhaust -- believed to be carcinogenic to humans -- are projected to range from \$47 billion to \$110 billion in the United States, the E.P.A. said.

As for shipping companies engaged in international trade,

the E.P.A. predicted that the impact would be modest, with a container ship traveling across the Pacific seeing around a 3 percent increase in operating costs, or an additional \$18 per container.

"These costs are expected to be completely passed on to consumers of transported goods, on the order of about one cent for a pair of shoes," the E.P.A. noted.

Modern container ships can carry up to

15,500 containers, according to the World Shipping Council.

In waters off California, where an emissions control zone extending 24 nautical miles from the coastline went into effect last year, cargo ships have been going out of their way to avoid the control area.

Ramon Alvarez, a senior scientist with the Environmental Defense Fund, said the newly designated 200-mile control area "may deter that be-

havior."

Environmental groups like E.D.F. and the Natural Resources Defense Council have endorsed more stringent emissions regulations for what they call "floating smokestacks" and have applauded the decision.

Green Inc.
March 30, 2010
By Leora Broydo Vestel