



# Sustainable Finance

Market Performance - Selected Markets for the Week Ended April 9, 2010					Selected Rates (Institutional)		
Market	Dec 31, 2009	Apr 9, 2010	YTD Change	YTD % Change	Description	Price/Rate Apr 9, 2010	
S&P TSX	11,746.11		-	11,746.11	-100.00%	CDN/USF	1.0055
Dow Jones	10,428.05		-	10,428.05	-100.00%	CDN/EURO	1.3541
S&P 500	1,115.10		-	1,115.10	-100.00%	CDN/CHF	0.9420
Nasdaq	2,269.15		-	2,269.15	-100.00%	CDN/YEN	92.7644
Nikkei 225	10,546.44		-	10,546.44	-100.00%	Total CPI -Canada TTM (02/10)	1.60%
FTSE 100	5,412.88		-	5,412.88	-100.00%	Total CPI - USA TTM (02/10)	2.10%
Dax	5,957.43		-	5,957.43	-100.00%	Total CPI - Euro TTM (02/10)	0.90%
Hang Seng	21,872.50		-	21,872.50	-100.00%	GOC 1 Yr T-Bill	0.98%
Shanghai	3,277.14		-	3,277.14	-100.00%	GOC 5 Year	3.04%
DJSI World TR	1,286.40		-	1,286.40	-100.00%	GOC 10 Year	3.65%
DJSI North America TR	120.14		-	120.14	-100.00%	GOC 30 Year	4.06%
Jantzi Social Index TR	173.67		-	173.67	-100.00%	Gold USF/Oz	1,161.10
FTSE 4Good Global 100	4,256.14		-	4,256.14	-100.00%	Oil USF/BBL WTI Cushing Spot	85.39

## Week in Review

It has been a while but the Canadian dollar reached parity with the US dollar this week and then slid back to finish the week slight less than par.

Of course this led to busy border crossings as Canadian shoppers flocked to the US for Easter weekend buys and of course the much hyped iPad.

Not sure how the iPad will work out.

Think of it. You have an iPhone and a Mac laptop or computer or a smart phone and a Windows based computer of a combination of any of those. What are you going to do with an iPad?

Regardless of what the commercial result of the iPad is, it marks the progression of a large trend. And that trend is one of cheap electronics that have the ability to be personalized

through the purchase of easily accessible applications (Apps) and accessories. In essence the product becomes an income stream after the initial purchase.

Computer manufacturers learned this with printers. If you sold the printer cheap enough lots of people would buy them. And then they have to buy the cartridges and thus the printer becomes an income stream for the

manufacturer. Only now with personal communications it is so much easier because they either have your credit card on files or the charges get billed through your service provider.

My guess is that this will be the model for the computer industry for some time to come.

Still cannot figure out what I would do with an iPad although I am sure my 12 year old son

would take to it like a duck to water.

Oil is once again moving up with news that manufacturing is increasing around the globe. But at this level it will not take too much of an increase to start slowing economies down again.

It just may be that the price of oil will soon be the arbiter and solver of overheated economies as once it moves to a certain price (over

\$ 100.00 a barrel) things start getting expensive to ship and to produce.

On the radar this week is Japan. We are starting to wonder how a country with a debt to GDP ratio of over 200% can maintain interest rates on their sovereign debt in the 1.3% range.

The EU debt crisis occurred with countries that had Debt to GDP ratios of less than half of Japan's and yet the

Japanese bond market is considered top grade. Add to that the fact that this year the Japanese will finance more government revenue through bond issuance than tax collection and it sets off very large alarm bells.

They are literally paying interest to old investors with money borrowed from new investors. This is called a Ponzi scheme in North America.

## Mars technology to help our planet

### ENERGY EFFICIENCY:

GOOGLE, eBay, FedEx, Walmart and Coca-Cola are among a growing list of companies using new energy servers whose development spun out of Nasa's Mars space programme.

Silicon Valley-based Bloom Energy's technology works by converting gas and air to electricity through a clean chemical process.

Fuel such as natural gas or biogas passes over an anode, while air

passes over a cathode. In between the cathode and anode is an electrolyte. Oxygen ions then react with the fuel gas to produce electricity.

It was developed when Bloom Energy chief executive Dr KR Sridhar, a professor of aeronautical and mechanical engineering and former adviser to Nasa, realised that the technology they were working on (using solar energy and water to provide air and transport fuel on Mars) could be applied on earth.

Manufactured using affordable materials (their main components are thousands of flat, solid ceramic squares, made from a sand-like powder), each server provides 100kw of power and takes up the same room as a parking space.

They are very efficient and easy to install and maintain. Also, they can reliably provide power on a constant basis, unlike wind or solar, for example, which are intermittent.

They reduce CO2 emissions, from

power consumption, by between 40 per cent and 100 per cent, compared to conventional fossil fuel sources.

Even running on a non-renewable fuel, the servers are about 67 per cent cleaner than a coal-fired power station, the company claims.

Each 100kw unit can power about 100 homes or a 30,000sq ft office building, the company says. The larger a company is, the more units it can install; by placing the units side by side and connect-

ing them up.

Bloom Energy was the first cleantech company that US cleantech venture capital firm Kleiner Perkins Caufield and Byers invested in, and managing partner John Doerr sits on Bloom Energy's board along with former US secretary of state General Colin Powell.

"This is a new kind of product announcement," says Doer. "For years, there have been promises of new energy solutions that are clean, distributed, affordable and reliable; today

we learn that Bloom, formerly in stealth, has actually delivered a breakthrough technology. Americans want clean, affordable, energy, 24-7 and all the jobs that go with it."

April 9, 2010 Volume 2 Issue 14

Trevor Giles is Managing Director of Blue Marble Capital Management Limited, a discretionary portfolio manager located in Nelson, British Columbia that specializes in socially responsible investment using their ESGC Investing™ method.

He is a Certified Management Accountant (CMA), a Chartered Financial Analyst (CFA) and a Fellow of the Canadian Securities Institute (FCSI). He has over 20 years investment experience in public investments, venture capital, carbon finance, and socially responsible investing.

Trevor be contacted at 250.354.4422 or at trevor.giles@bluemarblecml.com. The firm's website is www.bluemarblecml.com.



## Selected News Articles

### CIBC appoints Vice Chairman of renewable energy and clean technology banking

OTTAWA, April 6 / CNW/ - CIBC announced today that it has appointed Don Roberts as Vice Chairman, renewable energy and clean technology in its wholesale banking group. Mr. Roberts' role will be to integrate the bank's expanding efforts in investment banking, lending and trading to provide capital and advice to companies within these high-growth sectors.

"It is clear that the

market for clean and renewable sources of energy is growing in Canada and across North America," says Richard Nesbitt, Chairman and Chief Executive Officer of CIBC's Wholesale Banking division. "Governments across the continent are drafting and enacting legislation to create new opportunities for green technologies. Many Canadian companies are emerging as leaders in the sector and will need in-

creased access to capital. CIBC has assisted many of these companies in the past and we plan to reach out to all players in the marketplace to determine how we can help them respond to growing opportunities."

While Mr. Roberts will focus on companies in the renewable energy and clean technology sectors, he will also explore opportunities in the emerging carbon and water markets, as well as the fu-

ture of the forest industry.

Mr. Roberts has been a leading equity analyst in Canada for the past decade, ranking number one in seven of the past 10 years. He is regarded as a global thought-leader in the fields of bio-energy and forest products, and spent the last year analyzing opportunities for growth in both the clean energy and forestry sectors. Mr. Roberts holds an M.B.A. (Hon), in Finance,

from the University of Chicago, an M.S. in Forestry Economics from the University of California at Berkeley, and a B.Sc. (Hon) in Resource Economics from the University of British Columbia.

"Having studied this space extensively, I believe the sector provides significant growth opportunities for developers and investors alike," says Mr. Roberts, who will coordinate CIBC's corporate lending, debt and equity

financing, M&A advisory and trading activities. "Total capital invested in clean energy has increased 60 per cent over the last five years. I expect investment to grow even faster in the coming years with technological and cost breakthroughs coming at a rapid rate."

CIBC's wholesale banking business provides a range of integrated credit and capital markets products, investment banking, and merchant banking

to clients in key financial markets in North America and around the world. We provide innovative capital solutions and advisory expertise across a wide range of industries as well as top-ranked research for our corporate, government and institutional clients.

For further information: Kevin Dove, Communications and Public Affairs at (416) 980-8835, [kevin.dove@cibc.ca](mailto:kevin.dove@cibc.ca)

*"The insufferable arrogance of human beings to think that Nature was made solely for their benefit, as if it was conceivable that the sun had been set afire merely to ripen men's apples and head their cabbages."* -Savinien de Cyrano de Bergerac, *États et empires de la lune*, 1656

### GMA to leave for Asean meeting today

PRESIDENT ARROYO will leave for Hanoi, Vietnam, today to attend the 16th Association of Southeast Asian Nations (Asean) Summit.

The Asean Summit on April 8 and 9 is expected to discuss measures to accelerate the development of communities and the implementation of the Asean Charter, strengthen cooperation among members, improve Asean capacity to challenge, and expand cooperation with other partners, Malacañang said in a press statement.

President Arroyo will be accompanied by a lean delegation, including Foreign Affairs Secretary Alberto Romulo, Finance Secretary Margarito Teves, Trade Secretary Jesli Lapus and Press Secretary Crispulo Icban Jr.

Executive Secretary

Leandro Mendoza said in a news briefing there might be bilateral talks between the President and other Asean leaders, but he declined to give details "since it is still in the process of coordination with some heads of state."

A few days after the Vietnam trip, the President will leave for Washington, D.C., to attend the 40-nation Nuclear Security Summit to be hosted by US President Barack Obama on April 12 and 13.

From the US, she will proceed to Spain for an official visit on April 15 and 16 and to receive the Premio Internacional Don Quijote de la Mancha for promoting Spanish language and culture in the Philippines.

The 16th Asean Leaders Summit will adopt a statement on Joint Response to Climate Change, a draft of which subscribed to the Copen-

hagen Accord "as a stepping stone" in the process of negotiation toward a new international climate-change regime.

The new accord follows the United Nations Framework Convention on Climate Change (UNFCCC), the Kyoto Protocol and the Bali Action Plan.

But the Department of Foreign Affairs (DFA), in a draft comment to the Asean Joint Statement, said, "The department rejects the rationale stated in the [Asean] Draft Statement that the Copenhagen Accord is a good basis for advancing international negotiations toward reaching a legally binding global agreement on climate change."

The DFA stressed that the Copenhagen Accord "does not have a legal standing within the UNFCCC process and, therefore, has no binding

effect by the Conference of Parties of the UNFCCC."

The Philippines, in particular, raised concern that the Asean economies should adhere to the United Nations principle of "preinformed consent" when it comes to multilateral negotiations, such as issues on climate change.

It argued that the Copenhagen Accord represents a limited group and the Philippines "was neither approached by nor did it request/authorize-any state party to represent interests" in the group of parties.

"Support for this paragraph [referring to the Copenhagen Accord as a stepping stone for a legally binding agreement] will undermine the multilateral process not only within the UNFCCC framework, but also within the workings of existing multilateral conventions. In the

process, the Philippines will risk being repeatedly left out," said the DFA response to the draft, a copy of which was obtained by the BusinessMirror.

The DFA believes the Asean would merely undermine its policy of constructive engagement with the multilateral UNFCCC process, referring to the Copenhagen Accord.

"Any Asean Draft Statement on Climate Change Negotiations should go beyond a mere recall of principles and commitments, to include: identification of mutual concerns and interests, and an agreed strategy to engage actively and constructively in the way forward in the negotiations," said the DFA response document.

The draft Asean Leaders' Statement on Joint Response to Climate Change also

seeks to "urge developed countries to support developing countries, especially the least-developed ones and those most affected by climate change, with adequate, predictable and sustainable financial resources, technology transfer, as well as capacity enhancement to enable adaptation efforts and nationally appropriate mitigation actions by developing countries through effective and new institutional arrangements."

This paragraph was opposed by the Philippines and Malaysia, saying funding assistance from rich economies, particularly technology transfer to mitigate the impact of climate change, should not just benefit least developed countries of Asean but all the Asean countries as a whole.

The Philippines said that the reference to differing degrees of

vulnerability, specifically when it relates to support to be provided by developed countries to developing countries, as a whole, is not in the interest of the Philippines.

"It should be emphasized that the commitment of developed countries is to all developing countries which includes all Asean countries without exception," said the DFA response.

The draft statement on climate change has stressed that the Southeast Asian region is vulnerable to climate change "which seriously affects our agricultural production, cripple our vital infrastructure, diminish our natural resources and limit our development options in the future."

Article appeared in the Business mirror April 08, 2010 edition.