



Friday, November 20, 2020

Week in Review, November 20, 2020

Special Focus: Hitting Back at Divestment ‘Virtue Signaling’ Claims

Markets this week struggled to continue upward momentum amid rising COVID-19 cases across the U.S. The death toll from the virus in the U.S. surpassed the quarter-million mark, with new reported infections topping 170,000 cases on Wednesday. Rising cases have led to a new round of restrictions, sending jobless claims surging sharply to 742,000 last week, up from the 711,000 claims from the previous week. Several vaccination trials from top drug makers showed promising immune responses to COVID-19. Some will submit their vaccine testing data to the FDA as early as today. That said, the FDA’s [Emergency Use Authorization](#) process for COVID-19 vaccines may take several weeks to approve. Distribution of vaccines will be limited to the elderly and health-care workers only ([MarketWatch](#), [WSJ](#)). Adding to this week’s market woes, Senate Republicans and House Democrats have yet to come to an agreement to pass a new COVID-19 stimulus package to provide immediate relief to millions of struggling Americans. ([CNBC](#)). For the week, markets ended with the S&P 500 down 0.8%, the DJIA down 0.7%, and the NASDAQ up 0.2%.

Wallace Global Fund and Sierra Club Foundation have been very vocal about the values that govern their grant-making are also embedded in their investment management. Other grant-makers treat grant-making and investing as two different parts and have governed each with different values and rules. The two organizations recently laid out the case for mission-aligned investing, rejecting one of the wealthiest grant-makers in the U.S.’s accusation that such divesting from fossil fuels is merely ‘virtue signaling’. Both WGF and SCF have been proponents of the Divest-Invest movement for years and have divested from fossil fuels and reallocated to renewables. The shift to promoting climate and clean energy solutions has resulted in their portfolios generating returns better than benchmarks ([Alliance](#)).

A financial services company cited in June that renewable power projects will become the largest area of spending, which is projected to reach 25% of the total energy supply capex in 2021. This green wave will overcome hydrocarbon spending for the first time in history. It also expects the clean energy sector to reach a \$16 trillion investment volume through 2030 ([Forbes](#)). Meanwhile, hydrogen is getting a boost in the Golden State with nearly 40 hydrogen fueling stations installed and dozens more are in progress. California officials have high hopes to combat climate change with hydrogen projects, and their investment will reach \$230 million by the end of 2023 ([NY Times](#)).

U.S. SIF Foundation released their biennial report on [U.S. Sustainable and Impact Investing Trends 2020](#) on Monday. The report finds that sustainable investing assets domiciled in the U.S. grew from \$12 trillion in 2018 to \$17.1 trillion in 2020 or 1 in 3 dollars of the total U.S. assets under professional management, an increase of 42% ([Barron's](#)). This is an amazing level of growth and demonstrates that investors are significantly embracing sustainable investing!

American private aerospace manufacturer and space transport services company in collaboration with NASA has set another milestone this week by delivering a full crew of four astronauts to the International Space Station ([AP](#)). Its main private rival had also passed a key milestone but only on a lunar lander design concept ([GeekWire](#)).

With Thanksgiving approaching next week, our offices will close early on Wednesday at 2:00 PM, be closed completely on Thursday, and will close early on Friday at 11:00 AM.

As always, please reach out to us with any questions or commentary.

Weekend Reads

RBC [Global Insight Weekly November 19, 2020](#)

RBC [Global Insight Monthly November 2020](#)

RBC [Monthly Scorecard November 2020](#)

AP [Historic deal revives plan for largest U.S. dam demolition](#)

Ars Technica [With coal dying, Arizona utility offers \\$169 million deal with Navajo](#)

Bloomberg [Bezos Climate Fund Discloses First Grants Totalling \\$791 million](#)

Bloomberg [Biden Maintains His Lead over Trump as Georgia Recount Ends](#)

NY Times [Trump Tax Write-Offs Are Ensnared in 2 New York Fraud Investigations](#)

NY Times [Coronavirus Vaccine Tracker](#)

WSJ [Doctors Begin to Crack Covid's Mysterious Long-Term Effects](#)

Weekend Watches

Al Jazeera [Pfizer, Moderna COVID vaccines could be ready for U.S. use in weeks](#)

Bloomberg [UN's Guterres on Climate, Inequality, Impact of Covid-19](#)

60 Minutes [Barack Obama: The 2020 60 Minutes interview](#)

TED [Climate change is becoming a problem you can taste](#)

Vox [How America can leave fossil fuels behind, in one chart](#)

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