

# Monthly Update

Investment News, October 2021

# Investment news

**Our investment and research team's analysis are being incorporated into PWIN & PWINRMF's investments**

# Evergrande impacts

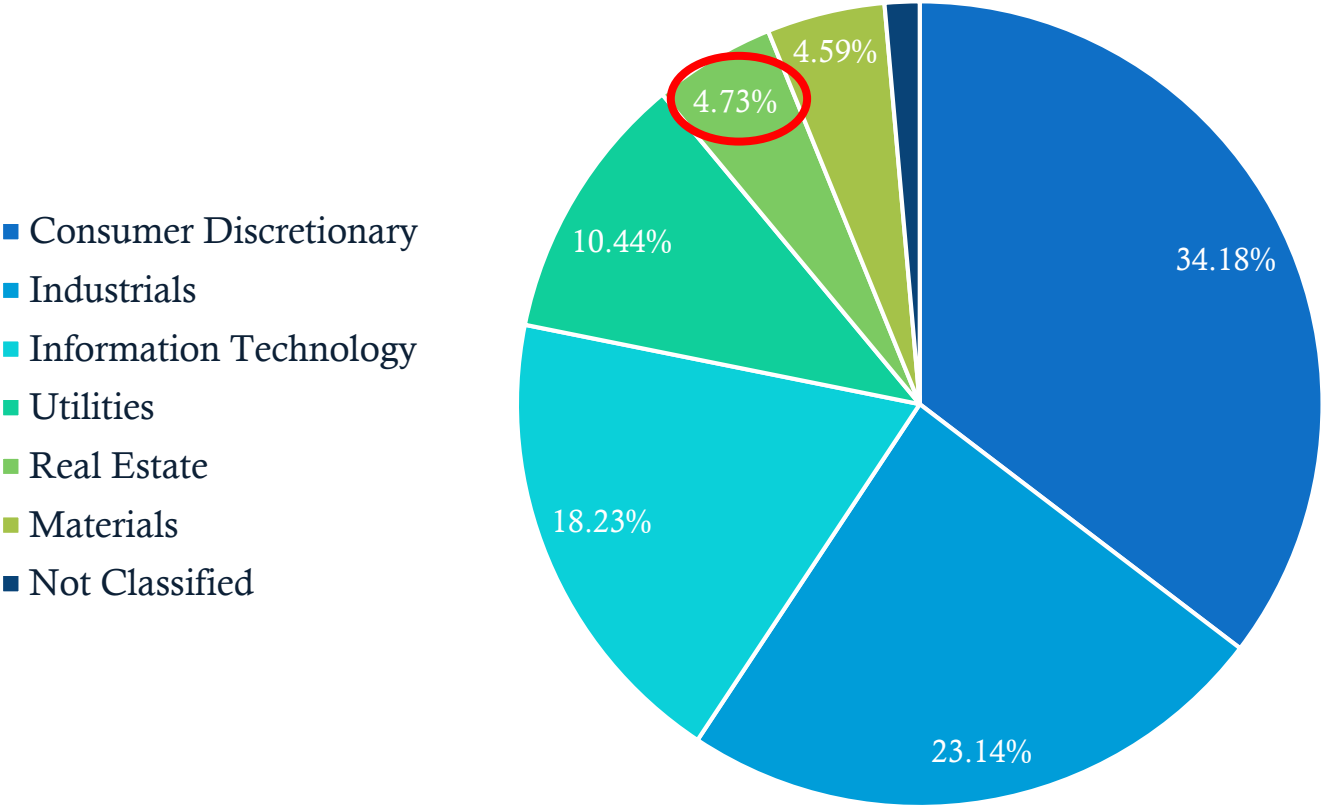


**Uncertainty arose in the stock market when Evergrande postponed a scheduled debt repayment.**

- ➔ However, the impact will be limited to China property sector and some oversea bondholders only
- ➔ The situation is unlikely to escalate to global financial crisis

# Limited impact on P-CGREEN

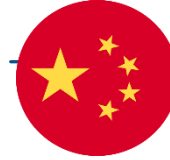
Sector Allocation



➔ Real estate sector accounted for less than 5% of P-CGREEN portfolio

➔ P-CGREEN holds less than 1% of Evergrande

# Energy Crisis in China



## **Power cuts and even blackouts have slowed or closed factories across China**

Factories were closed and residential areas are affected. Some municipal pumping stations have shut down, prompting one town to urge residents to store extra water for the next several months

# What caused the crisis?



Surge in coal price from higher demand as more regions of the world are reopening after pandemic-induced lockdowns

↓

Demand and price have risen but Chinese regulators have not let utilities raise rates enough to cover the rising cost of coal.

# What caused the crisis?



Second, all provinces are trying to meet energy and environmental goals as set in the 14<sup>th</sup> National Five Year Plan

## Renewable goals by the Government

- To become carbon neutral goal by 2060

# Opportunities for P-CGREEN

This is an opportunity for faster adoption of renewable energy, which is in line with P-CGREEN's investment themes.



## Alternative Energy

Firms supporting the development of renewable energy and alternative fuels



## Sustainable Water

Firms that attempt to resolve water scarcity and water quality issues



## Pollution Prevention

Firms focused on pollution prevention, waste minimization or recycling



## Green Building

Firms that directly support achieving sustainable building standards



## Energy Efficiency

Firms that address the global demand for energy and minimize effects on the environment