

HUDSON VALLEY PATTERN *for* PROGRESS

The PULSE of the ECONOMY

EDITION 50 | MAY 27, 2021

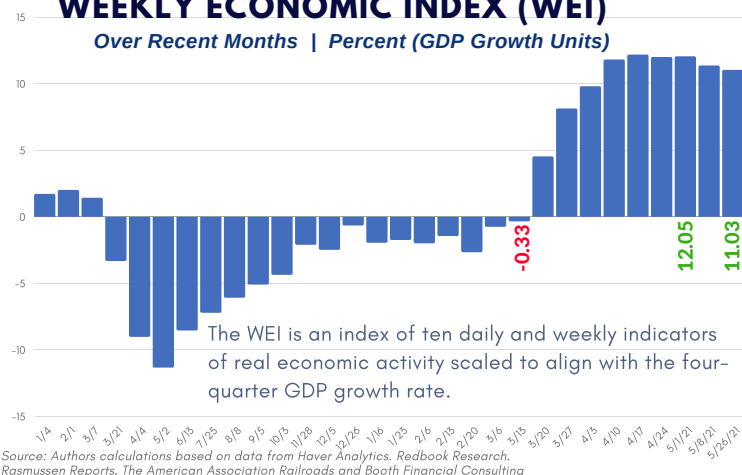
Invest in Green and we do not mean dollars – not that we know what cash is anymore.

The charts below depict the trend in green investment. These are sizeable surges from just a few years ago. It will be interesting to see what the final version of the Biden infrastructure bill has in store for green investment.

Take a look at the WEI chart on the right. It has been several weeks where it has ticked down. It is just one measure of the economy but it suggests we have hit a plateau.

WEEKLY ECONOMIC INDEX (WEI)

Over Recent Months | Percent (GDP Growth Units)



STOCK MARKET DOW JONES

33,896 MAY 19 CLOSING NUMBER
34,327 MAY 26 CLOSING NUMBER
↑ **431**

COVID THE LATEST COUNT

U.S. Numbers
 Total Reported 14-Day Change
Cases 33.2 M+ -37%
Deaths 591,554 -12%

Hudson Valley
 Total Reported
291,940
 Updated May 26, 2021

GREEN FINANCE GOES MAINSTREAM, LINING UP TRILLIONS BEHIND GLOBAL ENERGY TRANSITION

Green Capital

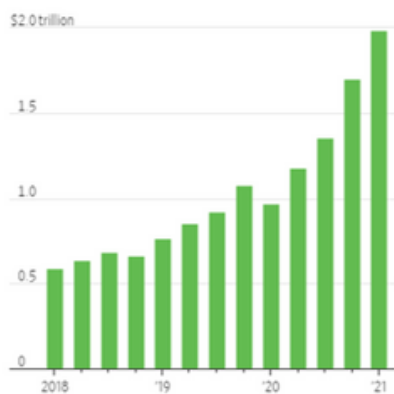
Money has been pouring into ESG investment funds focused on environmental, social and corporate-governance issues.

Cumulative stock fund flows by category since start of 2019



*includes stock and bond mutual and exchange-traded funds
 Source: Morningstar

Assets¹ held by ESG funds, quarterly



Some of the world's biggest companies and deepest-pocketed investors are lining up trillions of dollars to finance a shift away from fossil fuels.

Assets in investment funds focused partly on the environment reached almost \$2 trillion globally in the first quarter, more than tripling in three years. Investors are putting \$3 billion a day into these funds. More than \$5 billion worth of bonds and loans designed to fund green initiatives are now issued every day. The two biggest U.S. banks pledged \$4 trillion in climate-oriented financing over the next decade.

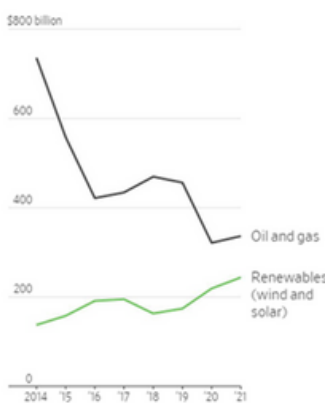
As recently as 2014, the world's energy companies spent \$735 billion on oil-and-gas extraction. The figure was less than half that last year, while spending on wind and solar projects rose to nearly \$220 billion, up from about \$135 billion six years earlier, according to Rystad Energy, a consulting firm. Some analysts predict spending on renewable energy will exceed oil and gas in the next several years.

Source: www.wsj.com/articles/green-finance-goes-mainstream-lining-up-trillions-behind-global-energy-transition-11621656039?mod=searchresults_pos3&page=1

Spending Spree

Energy companies are spending more on renewable projects and less on oil and gas, but analysts say much more is needed to hit global climate goals.

Annual capital expenditures by project category¹



¹2021 figures are projections ²also based on world limiting global warming to 1.5 degrees celsius above pre-industrial levels
 Sources: Rystad Energy (capital expenditures); Wood Mackenzie (spending by category)

Estimated cumulative spending by category to get to net-zero emissions by 2050²

