



FOOTPRINTS ON WALL STREET

Years ago, I visited Wall Street. I was surprised to find that it's a curiously intimate place. The buildings have classical lines. I suppose this was a deliberate effort by architects, decades ago, to create a solid, traditional feel to the seat of America's financial markets.

But there's a new breeze blowing along Wall Street these days, and it's coming from a growing number of investors who are looking for more than just bottom-line profits. The investment industry is becoming greener.

One move by Wall Street was to create, in 1999, the Dow Jones Sustainability Index, which is a measure of how well sustainability-

driven companies are doing. Today more than five billion US dollars is managed in investment vehicles based on this index – enabling more investors to support the good guys. And by and large these companies outperform their old-school counterparts. Sustainability is good business.

You might be surprised by which companies make it onto the sustainability list. They include big names such as General Electric, BP, Pfizer, Procter & Gamble, Toyota and Vodafone. To qualify, they have to demonstrate high levels of competence in a number of corporate activities including financial performance, customer service, products, ethical business practices and good governance, and show a commitment to sustainable practices.

The index does not include New Zealand companies, but you can find out which local businesses are based on sustainability policies by visiting www.sustainable.org.nz for a list of members of the Sustainable Business Network.

As consumers, we can vote with our purchasing dollar. Show your support to eco-friendly businesses by choosing items with less packaging, buying New Zealand-grown and using household products designed to be less harmful to the environment. It takes some effort (I spend ages reading labels) but it can show manufacturers that sustainability doesn't mean reduced profit.

Toyota is an example of this. It was one of the first car companies to market fuel-efficient hybrid cars. But their vehicles also have legendary reliability, and in terms of profitability, Toyota is now streets ahead of American companies who spent years making cars that had a short and wasteful working life.

Consumers are rewarding greener companies. **■**



MONEY TALKS

Susanna Stuart uses her consumer dollar to support businesses with sustainable policies

easy saving online

Finding it hard to save? Internet banking buffs should consider online-only player Rabobank. It has a savings account that you set up as a master fund with the option of adding up to five further accounts. This is an ideal way to save for specific, unique goals such as Christmas or your child's education. You can start the investment with as little as one dollar and, even better, there are no fees. Rabobank doesn't have branches, but they do have a strong pedigree, with triple-A ratings from financial agencies Standard & Poor's and Moody's. Visit www.raboplus.co.nz for details.

MAKINGCENTS

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Q After years of budget-blowing surprises such as unexpected car problems and illnesses, I've decided to set up an emergency fund. How much do you recommend I set aside?

Lynda, Palmerston North

A I suggest having enough money to cover two or three months' worth of expenses. This allows you a bit of breathing space to figure out your next step if, for example, you're sick and can't work for a few weeks. It's quite a large amount to save, so build up the fund by using an automatic payment to divert money into a high-interest savings account. If the need arises, you then have immediate access to your fund. Don't put the money in any investment that takes time to sell or redeem. In addition, you'll need to use some will power so you don't raid your emergency stash every time you need spare cash!