Interest has been growing over the past several years in environmental, social, and governance (ESG) and impact investing. Institutions have used socially responsible investing (SRI) for decades, but we now are seeing additional attention from other client segments, especially women and millennials. This issue of Investments & Wealth Monitor focuses on this developing trend and attempts to help advisors by explaining what's driving the growth. We cut through the terminology, share data that tells the story of growth and interest by client segment, and discuss how advisors can incorporate impact investing into portfolios.

We begin our evaluation of impact investing with an article from Randy Kaufman, “Rebel with a Cause: The Case for Impact Investing,” to frame the discussion. Jackie Moszeter gets into compelling specifics with “Electrifying Portfolios: The Economic Construction of an Impact Portfolio.”

Lawrence Ford offers a holistic view in “The Magic of Conscious Alpha.” Vivek Tanneeru expands the discussion in “Global ESG through an Asia Lens,” and Betsy Moszeter gets into compelling specifics with “Electrifying Portfolios: The Economic Case for Fossil Fuel Free Investing.”

Based on the growing interest, we’ll likely revisit aspects of impact investing in future issues. We welcome your input regarding topics and timely or relevant articles you’d like the editorial advisory board to consider.

Anthony B. Daviddow
Chair, Investments & Wealth Monitor
Editorial Advisory Board

“Why Impact? Why Now?” We continue with an article from Alexander Douwe and Logan McIntosh, “What Makes Millennials and Impact Investing the Perfect Match?”

Morningstar’s Jon Hale then introduces us to the details of screening methodologies in “The Morningstar Sustainability Rating,” and editorial board member Mike Dieschbourg discusses additional ESG ratings and their implications in “No Place to Hide.” Saker Nusse ibes discusses the societal context of impact investing in “The Why Question,” and Jed Emerson tells us how to incorporate these strategies in “Construction of an Impact Portfolio.”