

Excerpt from BusinessWeek, July 25, 2012

<http://www.businessweek.com/news/2012-07-25/clean-tech-index-declines-to-nine-year-low-on-uncertainty>

Clean-Tech Index Declines to Nine-Year Low on Uncertainty

The WilderHill New Energy Global Innovation Index (NEX), a global index of clean-energy stocks, declined to a nine-year low as the industry faces oversupply, falling prices and uncertain government support.

The NEX index, as it's known, fell 81 cents to \$102.40 in New York yesterday, its fourth consecutive drop and its lowest price since April 2003. The index has lost 19 percent of its value this year.

NEX tracks 96 solar, power-storage, energy-efficiency, wind and biofuel companies, all industries that have been hard-hit as governments in Europe and the U.S. scale back subsidies and the weak global economy slows demand, said Joseph Salvatore, an analyst at Bloomberg New Energy Finance in London. That's pushing some investors to seek safer havens. "There is certainly a risk element to the sector," Salvatore said in an interview yesterday. "There is a lot of policy uncertainty, which is not good for an industry that is still heavily reliant on government support."

The NEX is falling while the Standard & Poor's 500 Index gained 6.4 percent this year. Investors are seeking stability and shifting away from industries perceived as speculative and risky, such as renewable energy, he said.

"Investors are redeeming and exiting," Salvatore said. "It's been consistent for the last year."

The NEX is down about 78 percent since a 2007 high, before the global economic crisis drove down valuations.

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