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## Clean-Energy ETF Slips As Bush Speech Fades

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After a big run-up to start 2006, energy exchange traded funds have hit on tough times.

But check IBD's top performing ETFs in the past quarter. PowerShares WilderHill Clean Energy ([PBW](#)) still runs strong.

Its Accumulation/Distribution Rating has fallen to a D+. And its Relative Price Strength Rating is 78, down from 83 three weeks ago.

"Whether it's institutional or individual investors, we've seen heavy buying this year," said Rob Wilder, manager of the WilderHill Clean Energy Index. PowerShares uses the benchmark as the ETF's guide.

In the past three months, the fund's daily volume has averaged around 250,000 shares. Six months ago, it was trading at half that level. It has also seen assets jump from \$190 million at the start of 2006 past \$400 million today.

### **Still Heavily Traded**

Its share price has dropped about 10% from its late February peak above 21. "The volume remains very healthy," said Wilder. "So we're probably seeing a secular trend rather than anything fundamental to the index's holdings."

The fund isn't easy to categorize. But many of its top stocks can be found in IBD's Energy-Other group.

It hit a new high Feb. 24. Last week it sank to its 50-day moving average line, where it's found support.

The fund doesn't buy fossil fuel names. It picks 40 different stocks from energy sectors covering solar and wind power, fuel cell and micro-turbine developers. Also included are hybrid automakers along with creators of advanced battery systems for cars and computers.

"We also own companies that focus on power delivery and conservation services," said Wilder. "The idea is to invest in companies that will profit if oil and gas prices keep going up. They're sound businesses that can make energy conservation and efficiency more relevant and compelling to people."

### **Sun Power**

One of the fund's top five names is Evergreen Solar. ([ESLR](#)) It develops panels and cells for solar power. "It's one of the industry's bread-andbutter names," said Wilder. "It's a good bellwether name that reflects investment sentiment toward solar power as a whole."

Another major solar firm in the fund is SunPower. ([SPWR](#))

"In the past, investors have had to buy big conglomerates to get a piece of solar. But this ETF is one of the few ways to make a pure play in solar stocks," said Wilder.

A top name in the fund that's connected to alternative power is Zoltek. ([ZOLT](#)) It makes the carbon fiber that goes into wind turbines' big blades. The stock is one of the fund's biggest winners this year. It has shot up from 8.38 in early January past 17 on heavy volume.

After President Bush highlighted alternative energy sources in his State

of the Union address in January, names like Pacific Ethanol ([PEIX](#)) also took off. But within a few weeks, it sold off. It's 12% below its March 2 intraday high, but still way above its 50-day moving average.

