The Hottest ETFs of 2019

In this episode of ETF Spotlight, I speak with We discuss solar and clean energy ETFs.

The ... Solar ... ETF is the best performing ETF of 2019, up about 60%, and the Invesco WilderHill Clean Energy ETF PBW has gained about 35%.

Enphase Energy ENPH and SolarEdge Technologies SEDG—the largest holdings in these ETFs—have skyrocketed 580% and 124% respectively this year. Are the gains sustainable?

These ETFs are usually quite volatile since their fortunes are tied to government subsidies and oil prices. Is there a correlation between oil prices and clean energy stocks?

The cost of renewable energy generation has been falling in recent years with continued technological innovation, and that has started changing the competitive balance between clean and traditional energy.

According to the investment firm ... , wind power is now less expensive to produce than coal or natural gas power, and utility-scale solar plants have become competitive with gas and cheaper than coal.

Why should investors consider solar and clean energy ETFs?

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PBW holds companies involved in renewable energy generation or conservation, in almost equal weights. Enphase Energy (ENPH), SolarEdge (SEDG) and SunPower SPWR are among its top holdings.

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