

DOUBLE-DIGIT SOLAR DECLINE DRAGS ON NEX IN QUARTER

1 July 2016

The WilderHill New Energy Global Innovation Index, or NEX, moved down 3.1% in the second quarter of 2016, as strength in power storage and biofuels and biomass shares was more than offset by a steep decline in solar stocks.

In the quarter, the S&P 500 Index gained 1.9%. The Nasdaq Composite Index retreated 0.6%, while the MSCI AC World Index of global equities was flat.

NEX power storage stocks rose 4.3%. Biofuels and biomass advanced 2%. Wind deflated 1.7%. Energy efficiency retreated 4.3%. Energy conversion was down 7.9%. Solar swooned 13%.

On a regional basis, NEX Americas stocks collectively shed 2.3% of their value. Europe, Middle East & Africa issues were down 4.3%, while Asia & Oceania issues retreated 6.1%.

The index's top two quarterly performers were acquisition targets.

US energy efficiency contractor Opower Inc. leapt 51%. Opower on 2 May agreed to be acquired by Oracle for \$532m in cash.

Saft Groupe charged up 34% after Total SA in May offered EUR 986m for the France-based energy storage specialist.

Other top-performing NEX stocks in the quarter were TerraForm Power Inc. (US; 26%), Universal Display Corp. (US; 25.3%) and Aixtron SE (Germany; 24.9%).

The index's biggest quarterly decliner was US renewables developer SunEdison Inc., which surrendered its remaining 59.4% of market capitalization en route to an April bankruptcy declaration.

Shares of UK utility consultant Utilitywise PLC decayed 36.6%. No significant news was published about Utilitywise, whose share price has rebounded 9% from a 52-week low reached on 27 June.

The other top-five NEX decliners in the period were VERBIO Vereinigte BioEnergie AG (Germany; -33.8%) Shunfeng International Clean Energy Ltd. (Hong Kong; -33.6%) and SunPower Corp. (US; -31%).

Effective with the close of trading on 29 June, Saft, Falck Renewables SpA, China Datang Corp.

Renewable Power Co. Ltd. and CENTROTEC Sustainable AG were dropped from the NEX portfolio. Opower was removed during the quarter coincident with its acquisition by Oracle.

Two new issues were added effective 1 July: Senvion SA, a Germany-based wind turbine builder, and Canvest Environment, a Hong Kong waste-to-energy developer.