

Clean Energy Stocks No Match for Broad Market in 2016: BNEF

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(Bloomberg) -- A 4.9 percent retreat in the fourth quarter of 2016 left the WilderHill New Energy Global Innovation Index, or NEX, down 8.3 percent in a year in which broad market indexes advanced.

In the fourth quarter, the technology-driven Nasdaq Composite Index gained 1.3 percent, and the MSCI AC World Index of global equities improved 1 percent. Another low-carbon energy gauge, the S&P Global Clean Energy Index, deflated 14.5 percent.

In calendar 2016, the Nasdaq Composite rose 7.5 percent, while the MSCI ACW added 5.6 percent. The S&P Global CEI ended the year 19 percent lower.

The NEX hit a 2016 low of 144.46 on Feb. 11 and rebounded to a high of 175.87 on Sept. 8. Its fourth-quarter nadir was 156.22 on Nov. 14, from which it advanced 5.8 percent to close the year at 165.21. It began the quarter with 94 component stocks on exchanges worldwide.

Energy efficiency consultancy Utilitywise Plc was the NEX's best performer in the fourth quarter of 2016, surging 51 percent. The U.K. company opened the quarter with an "outperform" rating by Macquarie; two weeks later it posted a sizable increase in year-over-year revenue and improved earnings.

Shares of LED and solar production equipment vendor Veeco Instruments Inc. added 48.5 Percent in the quarter. The U.S. firm began the quarter issuing a revenue outlook at the high end of previous guidance. In its Nov. 11 earnings release, Veeco fulfilled that revenue outlook and reported a smaller loss than analysts expected.

German biofuels producer Verbio Vereinigte BioEnergie AG gained 22.5 percent in the quarter. the company was seen as a major beneficiary of the European Union's increase in its policy target for first-generation biofuels to 7 percent of the fuel supply by 2020.

Other top NEX quarterly performers were Drax Group Plc (U.K.; 18 percent) and China High Speed Transmission Equipment Group Co. (Hong Kong; 15.5 percent).

The index's biggest quarterly decliner was FuelCell Energy Inc., which surrendered 68 percent of its market capitalization. The U.S. manufacturer on Dec. 1 posted quarterly revenue that was less than half its previous estimate and announced a 17 percent workforce reduction "to meet current demand levels."

Shares of integrated Chinese solar company Shunfeng International Clean Energy Ltd. slumped 47 percent in the quarter. Shunfeng was a focus of investor concern about rising solar production capacity despite an oversupply of cells and modules.

Swiss solar production equipment source Meyer Burger Technology AG swooned 33 percent

in the period. Meyer Burger on Dec. 2 refinanced debt by issuing 457 million new shares.

Other quarterly NEX laggards were Plug Power Inc. (U.S.; -30 percent) and Servion SA (Germany; -29.6 percent).

For the full year, the NEX's top three performers were Itron Inc. (U.S.; 73.7 percent), EnerNOC Inc. (U.S.; 55.8 percent) and Sao Martinho SA (Brazil; 55.5 percent).

The index's worst-performing members of 2016 were SunEdison Inc. (U.S.; -98.6 percent), Intelligent Energy Holdings Plc (U.K.; -92 percent) and SunPower Corp. (U.S.; -78 percent).