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<https://seekingalpha.com/article/4719751-pbd-outperforming-us-only-clean-energy>

PBD: Outperforming U.S.-Only Clean Energy

Summary

- The Invesco Global Clean Energy ETF offers global exposure to the clean energy sector, covering solar, wind, and hydroelectric power, making it a smart investment choice.
- PBD follows the WilderHill New Energy Global Innovation Index, providing diversified holdings in companies leading clean energy innovation across North America, Europe, and Asia.
- The fund's broad approach reduces risks associated with sector-specific downturns, outperforming other ETFs like PBW due to its global diversification.
- While PBD presents growth opportunities in a fast-growing field, investors should consider market volatility, political risks, and currency fluctuations.

I think it's clear that the clean energy movement isn't going away. Some may disagree with the idea that we need it given an abundance of fossil fuels, but the push towards alternative sources of energy that are less harmful to the environment just won't stop. And with that comes opportunity. If you like the clean energy space, and want global exposure, then you may want to consider the Invesco Global Clean Energy ETF (NYSEARCA:[PBD](#)). We're at a turning point where environmental needs meet new tech breakthroughs, and clean energy isn't just a passing fad – it's changing industries across the globe. PBD gives investors a chance to be part of this big change, offering a mix of stocks from companies leading the way in clean energy solutions. As more countries push to cut down on carbon and renewable tech keeps getting better, this fund looks like a smart bet for anyone wanting to invest in sectors that are set to grow in the future.

PBD aims to follow the WilderHill New Energy Global Innovation Index. This index zeroes in on companies around the world that are bringing new ideas to the clean energy field. It serves as a yardstick for how clean energy is doing, covering a wide range of companies involved in renewable energy, energy saving, and efficiency. The fund's goal is to give investors a varied stake in the clean energy sector, including solar, wind, water power, and other renewable energy sources. When you put your money into this ETF, you're betting that clean energy tech will keep growing and catching on worldwide.

A Look At The Holdings

No position makes up more than 1.26% of the fund. This is quite diversified overall – something you rarely see with niche funds like this.

Top Holdings | [View All](#)

as of 09/05/2024

Fund Holdings subject to change

TICKER ↕	COMPANY ↕	% OF FUND ↕
819 HK	Tianneng Power International Ltd	1.26
NOVA	Sunnova Energy International Inc	1.23
XPEV	XPeng Inc ADR	1.20
NIO	NIO Inc ADR	1.17
EOSE	Eos Energy Enterprises Inc	1.15
020150 KS	Lotte Energy Materials Corp	1.11
6674 JP	GS Yuasa Corp	1.10
1407 JP	West Holdings Corp	1.09
006400 KS	Samsung SDI Co Ltd	1.07
1585 HK	Yadea Group Holdings Ltd	1.06

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What do these companies do? Tianneng Power International Ltd. ([OTCPK:TIANF](#)) makes batteries for electric cars and stores renewable

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Sector and Global Allocation

The fund puts a lot of money into solar and wind energy, showing how these technologies are becoming more important From a sector perspective, the companies are well categorized, so there's good group diversification here as well, with the majority of these stocks characterized as Industrials, followed by Utilities and Tech.

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While the bulk of the fund is from US companies at 28%, the global reach is well spread out – a big plus in my view.

Peer Comparison

When you compare PBD to other ETFs like the Invesco WilderHill Clean Energy ETF ([PBW](#)), you'll notice some big differences. Both funds zero in on clean energy, but PBD looks at the global picture, while PBW sticks to the U.S. This matters a lot to investors who want to spread their money around the world. Also, PBD casts a wider net covering solar, wind, and hydroelectric power, which makes it stand out from funds that have a tighter focus. This broad approach can help cut down on risks if one sector takes a hit.

When we look at the price ratio of PBD to PBW, we find that PBD has substantially outperformed. The global diversification here clearly has worked.

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Pros and Cons

One big plus is that PBD gives you a stake in a fast-growing field backed by worldwide shifts towards eco-friendly practices and cutting down on carbon. The clean energy business is set to grow a lot pushed forward by new tech and helpful government rules. Also, PBD's mix of investments across different clean energy areas and places around the world offers a good balance of potential gains and risks.

But don't forget that clean energy stocks can be pretty unpredictable. Market ups and downs, new laws, and tech breakthroughs can all shake things up. While the fund lets you invest worldwide, you've got to watch out for political risks and currency changes that might mess with your returns. Investors need to think hard about these risks and see if they fit with how much risk they're okay with and what they want from their investments.

Conclusion

Overall, I like the Invesco Global Clean Energy ETF. Its mix of holdings, reach across the globe, and focus on groundbreaking clean energy answers make it a smart choice for any portfolio looking ahead. Yet, those thinking about investing should keep in mind how unpredictable this sector can be and how wider market forces could affect returns. Solid portfolio.