

Excerpt from ETF Database, March 18, 2022

<https://etfdb.com/etf-education-channel/high-oil-prices-will-impact-renewable-transition/>

# High Oil Prices Will Impact Renewable Transition

... soaring crude prices can stoke more discussion about renewable energy and clean technologies, explaining why related equities and exchange traded funds, such as the **Invesco WilderHill Clean Energy ETF** ....

With that in mind, it might not be surprising that PBW, which tracks the WilderHill Clean Energy Index, is higher by almost 11% over the past month. If oil prices continue trending higher, PBW's recent bullishness could be the start of a longer-ranging rebound.

"Higher and more volatile energy prices will be a catalyst for individual and global efforts to decarbonize energy grids, critical for meeting climate change goals. But energy prices alone aren't going to be a tipping point that gets society to embrace cleaner energy sources, experts say. Government intervention and widespread education ....

The \$1.28 billion PBW holds 80 stocks, giving it one of the more expansive line-ups in this fund category. That portfolio depth positions PBW to capitalize on multiple renewable trends, which is a potentially favorable trait because elevated oil prices tend to benefit more than one corner of the clean energy spectrum.

As consumers know all too well, soaring oil prices mean painfully high prices at the pump, which is a scenario playing out today. As a result, some experts believe that more car buyers will consider electric vehicles. Tesla (NASDAQ:TSLA) is a member of PBW's line-up, but the Invesco ETF's electric vehicle exposure expands far beyond Elon Musk's company to include lithium miners, charging station companies, and other EV manufacturers. None of PBW's holdings exceed a weight of 2.3%, indicating that single-stock risk is low in the fund.

Additionally, PBW is all the more relevant today because Russia's war against Ukraine reminds investors that energy security is national security and renewables are part of reaching energy independence.

"In addition to their decarbonization benefits, investments in clean energy are also becoming attractive as a way to protect the American economy from the swings energy prices due to geopolitical changes," according to ....