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<https://www.forbes.com/sites/feliciajackson/2021/01/25/five-market-trends-driving-energy-transition/?sh=63c8fee55077>

Five Market Trends Driving Energy Transition

.... While no one could have forecast how the year would play out, there were trends in play which continue to drive fundamental shifts in energy markets. Energy transition is firmly underway and there are a number of trends ...

Renewable energy appetite accelerates

Despite concerns over COVID-19, 2020 saw an estimated \$303.5 billion invested in renewable energy capacity, up 2% on 2019, according to [BNEF's latest figures](#). Clean energy is outperforming in the stock market too., chief editor at Bloomberg New Energy Finance (BNEF) reported clean energy shares soaring to new records, with the WilderHill New Energy Global Innovation Index (NEX) up a remarkable 142% on the previous year. This was an outperformance on the NYSE Arca Oil Index by a noteworthy 180 percentage points.

Given that, it was unsurprising that a recent [Imperial College report on renewable energy investment](#), showed renewable power shares offering investors higher total returns relative to fossil fuels in the US, the UK and Europe.

... said, “While demand is still recovering from the pandemic, the share of renewables on the system will increase significantly in 2021. Large scale renewables will continue their inexorable rise as the lowest cost form of energy.”

There is also significant growth potential in distributed renewable energy. As ... puts it, “The exciting trend to watch for in 2021 will be how we shift from large, centralised, technology-focused energy solutions to smart, local energy systems. This will be a bit like the mainframe to PC transition in computing, ...

While the oil market is showing some signs of recovery, the overwhelming trend is negative. Concerns about stranded assets and the carbon bubble are beginning to have an impact, with investor concerns about physical, policy and liability risk making the markets a challenge for the oil majors. Following major asset write-downs some of the oil majors including

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