

NEX RESUMES UPWARD COURSE WITH 4.9 PERCENT GAIN IN QUARTER

4 October 2016

The WilderHill New Energy Global Innovation Index, or NEX, gained 4.9 percent in the third quarter of 2016 on double-digit improvement by its wind, energy conversion and biofuels and biomass components.

The just-ended quarter was the NEX's best period of 2016. It declined 5 percent in the first quarter and 3.1 percent in the second quarter.

Its third-quarter gain beat the 3.3 percent rise of the large-capitalization S&P 500 Index but trailed the technology-centric Nasdaq Composite Index, which returned 9.7 percent.

NEX wind stocks inflated 12.9 percent. Energy conversion improved 10.6 percent. Biofuels and biomass added 10.2 percent. Energy efficiency rose 8.1 percent. Power storage recharged 2.3 percent, while solar retreated 2.5 percent.

On a regional basis, NEX Asia and Oceania stocks and Europe, Middle East and Africa stocks each rose about 9.5 percent. Americas stocks collectively gained about 3 percent.

The index's top performer was Ballard Power Systems Inc., which surged 77 percent in the period. The Canadian fuel cell manufacturer in July announced plans to begin production in China and signed a supply pact with an unidentified vehicle manufacturer.

Shares of China Singyes Solar Technologies Holdings Ltd. added 50 percent. The Hong Kong specialized module maker restructured in the quarter by selling projects and announcing a plan to spin off its Singyes New Materials unit. Goldman Sachs on Sept. 9 upgraded the shares from "neutral" to "buy."

Other top-performing NEX stocks were Taewoong Co. Ltd. (South Korea; 40 percent), Senvion SA (Germany; 38 percent) and Dialight Plc (United Kingdom; 35 percent).

The index's biggest quarterly decliner was SunPower Corp., which slumped 42 percent. The US module maker and developer on Aug. 9 said it would delay some projects to take advantage of cost-reduction efforts and would shift investment from utility-scale to distributed-generation projects.

Shares of U.S. solar converter producer Enphase Energy Inc. ended the quarter 41 percent lower. The company on Sept. 22 said it would reduce its global workforce by about 11 percent and seek to raise capital via a stock offering.

The other top-five NEX decliners in the period were SMA Solar Technology AG (Germany; -35 percent), Kandi Technologies Group Inc. (U.S.; -23.2 percent) and Gigasolar Materials Corp. (Taiwan; -23.1 percent).

The NEX quarterly performance was calculated after excluding data for Johnson Controls Inc., which was dropped from the index during the period when it merged with Tyco International Plc.