

Excerpt from CNN, October 5, 2020

<https://www.cnn.com/2020/10/05/investing/exxon-stock-solar-wind-nextera/index.html>

Exxon briefly dethroned as America's most valuable energy company

New York (CNN Business) The clean energy revolution just hit another major milestone. Solar and wind company NextEra Energy dethroned ExxonMobil as America's most valuable energy company.

Although the moment was fleeting, it puts an exclamation point on the extreme optimism around clean energy and deep pessimism about the future of fossil fuels.

"Investor sentiment on clean tech stocks is the best it has ever been," Pavel Molchanov, energy analyst at Raymond James, told CNN Business in an email.

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Clean energy stocks are booming

Exxon is hardly the only oil company under pressure. The Energy Select Sector SPDR Fund (XLE) is down by a staggering 50% this year. Top holdings include Exxon, Chevron (CVX) and Schlumberger (SLB).

Fossil fuel companies, Exxon included, have been penalized by the growing clout of socially-conscious investing and heightened awareness about the climate crisis. Many investors, including younger ones, would prefer to bet on clean energy companies than ones as viewed as part of the problem.

By contrast, clean energy stocks are on fire. The Invesco WilderHill Clean Energy ETF (PBW) has spiked 90% so far this year. Top holdings include Vivint Solar (VSLR), SunRun (RUN), SunPower (SPWR) and Bloom Energy (BE). Another member is Tesla (TSLA), the electric car maker whose market value surpassed Toyota (TM) earlier this year to become the world's largest auto maker, even though it makes far fewer vehicles.

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"This does, in our view, underline the multi-year shift from traditional towards renewable energy, one that will continue in the decades ahead," UBS strategists wrote in the report.

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