

Excerpt from Kiplinger, March 6, 2020

<https://www.kiplinger.com/slideshow/investing/T022-S002-funds-that-prosper-from-fighting-climate-change/index.html>

## Funds That Prosper From Fighting Climate Change

Sustainable investing, sometimes called ESG for the environmental, social and governance criteria that define the investing style, has taken the fund world by storm. But it's not always possible to isolate the E from the S and G, and strategies vary, too. Some portfolios are defined by .... Others concentrate on innovative firms ... making the planet greener, such as renewable-energy ....

**The 10 mutual funds and exchange-traded funds highlighted below have at least a partial focus on the environment.** We've organized them into ... that define different approaches: Thematic ETFs that zero in on climate change exclusively; diversified funds that have a sustainable bent; and actively managed funds that hew to an ESG-oriented ....

### **Climate: Invesco WilderHill Clean Energy ETF**

**1-YEAR RETURN:** 42.9%

**3-YEAR RETURN:** 24.3%

**EXPENSE RATIO:** 0.71%

If alternative energy is your thing, consider **Invesco WilderHill Clean Energy ETF** (symbol [PBW](#), price \$36, expense ratio 0.71%), which invests in firms that focus on green and renewable energy sources—wind, solar, hydro, geothermal and biofuel—and in technologies that facilitate cleaner energy. California-based Bloom Energy is a top-10 holding. It makes solid oxide fuel cells, ....

The fund holds some foreign stocks, too. ....

WilderHill Clean Energy has a horrible 10-year record, but its 9.9% five-year annualized return is promising. Invesco's Jason Bloom, head of global macro ETF strategy, says the returns are in part a reflection of the sector's rough early days. "The market was right about the growth in clean energy. What it missed was how difficult it would be in the early stages to make money," he says. But volatile results are also a sign of the risk that comes with investing in thematic funds. Year to year, the ride can be extremely rough. In 2018, the fund lost 14.1%. The next year, it gained 62.6%.

WilderHill Clean Energy spreads its bets across a range of alternative energies, as opposed to only solar or wind energy, say. That's good from a long-term perspective. "No one knows which alternative-energy technology will win today, so don't pick just one," says Bloom.

....