

Excerpt from ETF Trends, May 10, 2024

<https://www.etftrends.com/innovative-etfs-channel/record-breaking-year-clean-energy-underscores-2-etfs>  
Also, in VettaFi

# Record-Breaking Year in Clean Energy Underscores 2 ETFs

2023 was a record-breaking year for clean energy usage, further highlighting the global push to reduce emissions. The transition underscores a pair of exchange-traded fund (ETF) opportunities to capitalize on the growth: the [Invesco Global Clean Energy ETF \(PBD\)](#) and the [Invesco WilderHill Clean Energy ETF \(PBW\)](#).

As published in a [Yahoo News report](#), more consumers used a variety of energy sources daily in 2023, according to a report from London-based think tank Ember....

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As mentioned, the goal of reducing emissions is a global .... The Ember report showed that a number of nations are using more clean energy sources .... And China, in particular, accounted for the biggest jump in adding renewable energy....

“China added more renewable energy than any other country last year — 51% of the new solar power and 60% of the new wind power globally,” the Yahoo report confirmed. “China, the European Union, United States and Brazil together accounted for 81% ...

## A Global and Small-Cap Option

To capture the global transition to clean energy, PBD offers exposure to the global clean energy index, including both U.S. and international stocks in the underlying portfolio. As such, it’s an ideal fund for investors also looking to add more portfolio diversification by investing outside of U.S. border.

Furthermore, PBD diversifies across various types of clean energy — such as wind, solar, and hydro — making it an interesting option for those looking to bet on a clean energy boom, but are unwilling to make a concentrated bet on a specific subsector.

PBW tracks the WilderHill Clean Energy Index, which is composed of companies in the U.S. that focus on cleaner energy and conservation. The fund skews more toward growth, focusing on primarily small-cap companies (over 80% of the fund’s holdings as of May 3).

The small-cap focus is further segmented through qualitative factors, thus giving investors exposure to small-cap blend, growth, and value. Like PBD, it invests across a broad spectrum of companies involved in various clean energy sources, adding subsector diversification.