

Excerpt from Raymond James, Industry Comment, July 9, 2020

RENEWABLE ENERGY AND CLEAN TECHNOLOGY

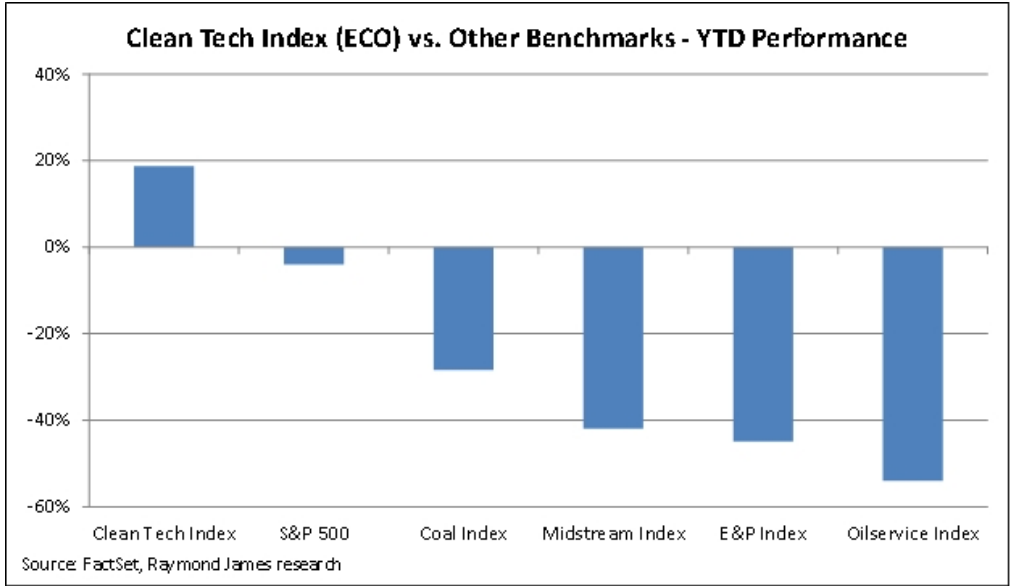
Clean Tech 2Q20 Update: After YTD Outperformance, Key Question

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Let's first take a step back and consider the big picture: clean tech has been, at the risk of incautiously generalizing, a textbook example of a V-shaped recovery from the March/April equity crash. Clean tech stocks had been among the last to fall, and the first to bounce as the market began to look past the pandemic's initial crisis stage.

Illustrating the strength of investor sentiment, the **benchmark ECO index** was up 19% in 1H20: outperforming not just all other energy subsectors, but also the S&P 500 and even the NASDAQ. The fundamental backdrop is the **global decarbonization megatrend**, reflecting a potent combination of technological/economic and political/regulatory tailwinds. Vis-à-vis the first category, for example, we recently profiled the mainstreaming of electric buses and trucks and Big Oil's push to decarbonize. In the second category, we are following the European Green Deal (including its budgetary aspects), other case studies of net-zero policies, and potential extension of tax credits by Congress. In addition, there is the concurrent benefit of the **ESG investing trend** — one of the most visible and durable themes in the investment landscape.

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