

Excerpt from ETF Database, August 23, 2011

<http://etfdb.com/2011/daily-etf-roundup-pbw-surges-on-risk-appetite-gld-plunges-on-profit-taking/>

## Daily ETF Roundup: PBW Surges On Risk Appetite, GLD Plunges On Profit Taking

U.S. markets surged in Tuesday trading as solid reports regarding European PMI reports more than offset further weakness in the American housing market. The Dow rose by just under 3% in the session, but was outpaced by a 3.4% surge in the broader S&P 500 and a 4.3% jump in the Nasdaq market. These gains were led by broad strength in the tech and materials sectors while financials, utilities, and health care were more mixed but still rose higher as well. Commodity markets continued to be jumpy too; gold plunged by over 3.4%, or roughly \$64/oz., while oil gained just over 2.1%. Similar jumps were seen in the rest of the energy and softs markets, while the precious metals led the way on the downside as the risk trade was back on for the time being.

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One of the biggest ETF winners on the day was the PowerShares WilderHill Clean Energy Portfolio ([PBW](#)) which surged by 7.2% in the session. Today's gains were largely thanks to higher oil prices, hopes for more energy demand, and a general move towards risky assets. The clean energy sector, despite the inroads that many firms have made, is still one of the more volatile in the ETF world as this particular fund has a beta of 1.5, so when markets rise PBW tends to do better than most. Additionally, many of the solar-focused names in the fund, such as JA Solar, surged on a [report from Goldman Sachs](#) that the industry was nearing a bottom. This helped to push top component JASO up by nearly 14% on the day while First Solar and Renesola also put up impressive performances as well, making it a very good day to be in the alternative energy industry [see [holdings of PBW here](#)].



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Disclosure: Long PBW, long gold bullion, long IAU.