

Excerpt from Barron's, November 27, 2023

A Major Climate Summit Is Coming. What It Could Mean for Energy Stocks.

World leaders will gather in Dubai this week for climate talks that could be a catalyst for clean-energy stocks to rally, though the backdrop for the sector remains challenging.

...

While clean-energy stocks are [suffering through their worst slump](#) in years, renewable energy is expected to take center stage during the talks. Shares of clean-energy companies could get a much-needed pop if countries announce meaningful ...

The Invesco WilderHill Clean Energy exchange-traded fund (ticker: PBW) — a green-power benchmark — is down 30% since the start of the year, compared with a 19% gain for the [S&P 500 index](#), as of Nov. 22.

“The renewable sector right now is in the bottom, but this is a cyclical business, and I think we’re going to see the renewable sector come back up in the next few years, so investors should pay a lot of attention to what happens at COP,” said ..., chief energy strategist at S&P Global Commodity Insights.

The U.A.E., U.S., and European Union are leading a push for countries to triple renewable energy capacity this decade. This month, the U.S. and China, the world’s biggest polluters, [agreed to](#) “pursue efforts to triple renewable energy capacity globally by 2030” with the intention “to accelerate the substitution” for coal, oil, and gas generation. Fossil fuels are widely agreed to cause global warming. That sets an optimistic backdrop for this week’s talks, as well as for the clean energy sector.

....