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## Daily ETF Roundup: PBW Tanks On Risk Aversion & Oil, VXX Jumps On Continued Uncertainty

U.S. equity markets plunged in Wednesday trading as weak data and more fears over a debt default hit stocks. The Dow plunged by 1.6% while the broader indexes fell by over 2% with the S&P falling by just more than two percent and the Nasdaq sinking by 2.7% on the day, led by large losses out of tech giants Cisco and Apple. Meanwhile, in commodity markets, most natural resource benchmarks finished the day lower as WTI crude fell by close to 2.3% and safe haven commodities finished marginally lower as well. Grains and other softs also finished in the red; ....

... Congress appears to be no closer to a deal than they were weeks ago, leading many traders to worry that even if a last-minute agreement is reached, it will not be enough to stave off a downgrade by the major ratings agencies. "Ratings agencies can already easily make the case for a downgrade of the U.S. credit rating from AAA to AA," [analysts at JBC Energy](#), a consultancy based in Vienna, said in a research report. ....

One of the biggest losers in the ETF world was the [PowerShares WilderHill Clean Energy Portfolio \(PBW\)](#) which plummeted by 3.5% on the day. These sharp losses came due to a few reasons which kept the pressure on the alternative energy sector during Wednesday's session. First, since the sector is often one of the more volatile and risky ones in the market– the fund has a beta of nearly 1.7– desire for safe havens and less risky equities hit this corner of the market hard, as many investors pulled out of clean tech companies in favor of less volatile assets. Furthermore, weakness in crude prices didn't help matters as U.S. inventories of the commodity rose by [2.3 million barrels](#) last week, helping to push prices of WTI below the \$98 mark and made clean energy, which is often more expensive than fossil fuels, less appealing by comparison. Selling was especially bad in some of the solar and battery names that are in the top ten components of PBW as Renesola plunged by close to 5.3% while Advanced Battery Technologies sank by nearly 8.3%, underscoring the rough day of trading in this often volatile sector [see more [holdings of PBW here](#)].

Disclosure: Long PBW.

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