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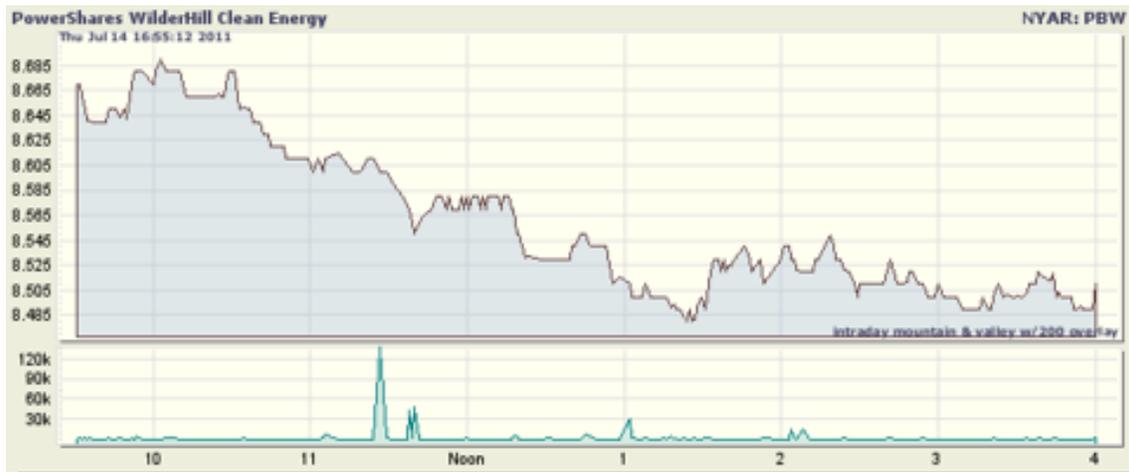
Thursday ETF Roundup: VXX Surges After Bernanke Testimony, PBW Sinks on Subsidy Fears

U.S. stocks tumbled on the second day of Ben Bernanke's testimony on Capitol Hill, as hopes for more stimulus faded and debt ceiling talks dominated the headlines. The Dow finished lower by 0.4% while the S&P 500 slumped by 0.7% and the Nasdaq fell even further, dropping by 1.2% on the day. The biggest losses were in the industrial goods, services and tech sectors, while the healthcare and consumer segments managed to hold firm despite broad market weakness. Commodity markets, on the other hand, finished mostly lower as well as gold rose by \$2/oz. but oil tumbled by over \$2/bbl. in Thursday trading. All other energy products finished the day lower while weakness was also seen in the grains and softs markets as well. The U.S. dollar was relatively flat in today's session as the currency gained against the pound and yen but dropped when matched up against the Aussie dollar and the euro. In Treasury markets, U.S. debt was relatively flat despite ongoing issues related to debt ceiling talks. The Two-Year was flat on the day while the 10-Year saw yields rise by four basis points, putting the yield at the 2.96% mark to close the day.

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One of the biggest ETF losers in Thursday trading was the PowerShares WilderHill Clean Energy Portfolio ([PBW](#)), which sank by 1.7% on the day. Today's losses came thanks to worries over cuts to subsidies for clean energy programs in both Europe

and the U.S. as well as lower oil prices. Crude is important because when the product declines it makes clean energy less competitive, lessening the demand of wind and solar power as alternatives. Meanwhile, talks of huge cuts in government spending both in the halls of the U.S. Congress as well as in major clean energy producing nations such as Spain is making many investors very nervous over the near term prospects of the sector, especially if oil remains subdued. In fact, PBW is now down 5.5% over the past week and has lost more than 15.5% in the past quarter, underscoring how widespread the fears are over the [sector](#) in the short-term.



Disclosure: Long PBW.