



# Australian CleanTech Index

**1Q FY16**

## **Quarterly Performance Report**

**October 2015**

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## 1. Australian CleanTech Index Overview

The Australian CleanTech Index provides the definitive measure of the performance of Australian listed cleantech stocks.

The cleantech industry is split into a number of sub-sectors as detailed in the table below. Each of the sub-sectors contains companies that have both environmental and economic benefits.

Solar Thermal and Photovoltaics	Waste Management & Recycling
Wind Generation	Energy Efficiency & Biomaterials
Biofuels	Green Buildings
Water	Energy Storage & Fuel Cells
Environmental Services	Wave, Tidal & Hydro
Low Emissions Vehicle Technologies	Biogas
Carbon Trading	Geothermal – Hot dry rocks and conventional

The cleantech sector is fundamentally different to Socially Responsible Investments (SRI) or Environmental, Social and Governance (ESG) performance. SRI and ESG look at incremental improvements in company performance and can be seen as ‘operational hygiene’ measures that find the best in class. Cleantech focuses on companies whose output positively enhances the communities and ecologies in which they reside. It is about doing ‘more good’ rather than ‘less bad’.

With 63 companies falling under the coverage of the Index and with a combined market capitalisation, after its rebalance, of nearly \$17Bn, the ACT Australian CleanTech Index presents a comprehensive picture of the Australian cleantech industry’s growth in a single measure.

The Index is weighted by market capitalisation and is benchmarked against both the ASX200 and the ASX Small Ordinaries. The rules for the formulation and management of the Index have been developed with reference to global best practice. An overview of these rules is provided in the annual performance report.



The ACT Australian Cleantech Index is updated each month and published on the Australian CleanTech website at [www.auscleantech.com.au](http://www.auscleantech.com.au), in the Ethical Investor magazine, in WME's Environmental Management News, on the Clean Energy Council website and in the international Cleantech Investor publication.

Monthly results can be emailed directly to interested parties by subscribing at <http://www.auscleantech.com.au/Pages/cleantech.html>.

## 2. Australian CleanTech Index Performance 1Q FY16

Australian CleanTech Index again outperformed the ASX200 and the ASX Small Ordinaries for the quarter.

The Australian CleanTech Index fell from 42.4 to 41.5 over the month of September recording a 2.1% loss, continuing a run of losses. This compared to the ASX200 loss of 3.6% and the ASX Small Ordinaries Index loss of 1.6%. The Australian CleanTech 20 recorded a loss of 2.8%, slightly underperforming the full index for the month.

Over the first quarter of the 2016 fiscal year, the Australian CleanTech Index recorded a loss of 3.8%, ahead the ASX200's loss of 8.1%% and the ASX Small Ordinaries' 5.3% loss.

The twelve month figures also remain well ahead of the wider market. Over the last 12 months, the Australian CleanTech Index recorded a gain of 6.1%, still 11.2% ahead of the ASX200.

Percentage Change	FY10	FY11	FY12	FY13	FY14	SEP'15	1Q FY16	6 Mnths	12 Mnths	3Yrs
<b>ACT Australian CleanTech Index</b>	-32.0%	-8.1%	-30.3%	-3.5%	19.6%	-2.1%	-3.8%	-11.0%	6.1%	20.9%
<b>Australian CleanTech 20</b>	-16.3%	-17.6%	-29.2%	-2.0%	19.6%	-2.8%	-4.9%	-12.5%	4.6%	19.5%
<b>S&amp;P/ASX200</b>	11.8%	4.2%	-9.6%	17.3%	12.3%	-3.6%	-8.1%	-14.8%	-5.1%	14.8%
<b>S&amp;P/ASX Small Ords</b>	10.5%	9.5%	-15.0%	-8.3%	9.6%	-1.6%	-5.3%	-9.4%	-8.1%	-12.5%

The market capitalisation of the 63 stocks in the Australian CleanTech Index is A\$16.8 billion, after its rebalance.

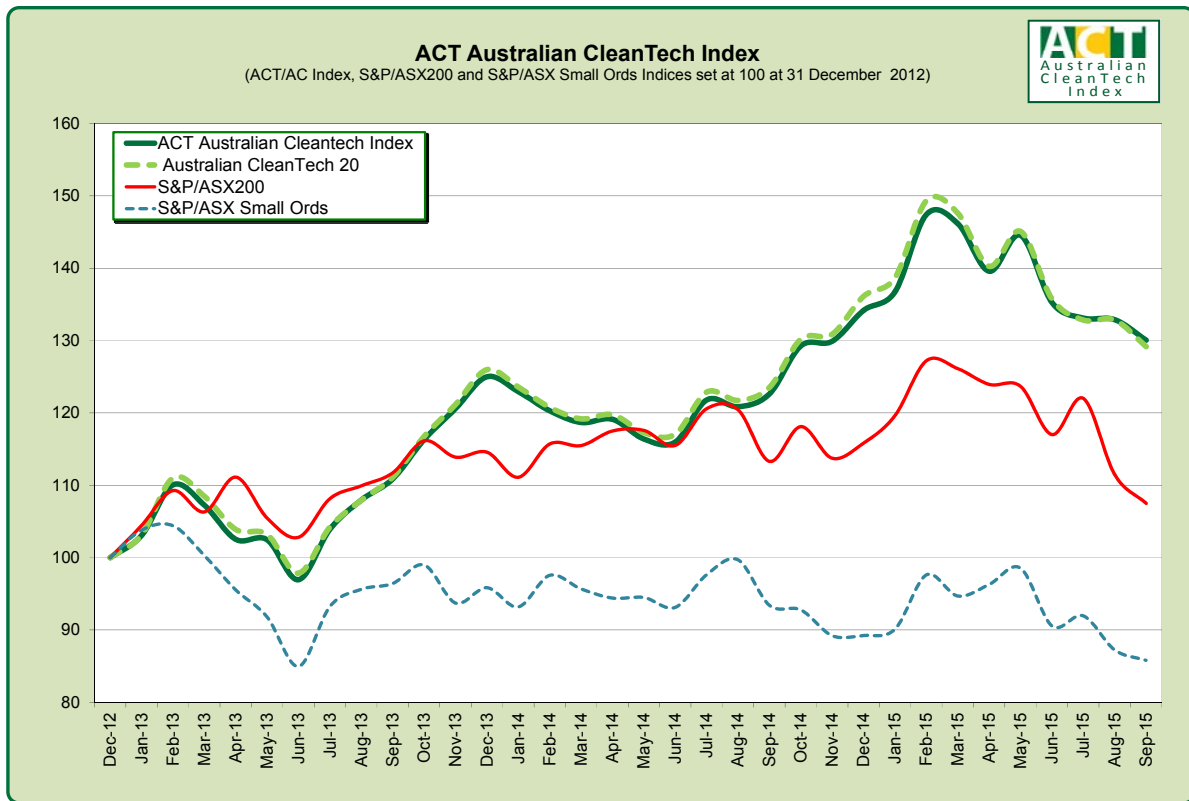
### Best and Worst Stocks

The best and worst performers in terms of share price performance over the month and the quarter are shown in the table below.

The month's performance was driven by 15 companies with gains of more than 15%. The greatest percentage gains were recorded by Soil Sub Technologies (SOI) and EnviroMission (EVM). These gains were more than offset by 5 companies recording losses of more than 15% led by Environmental Group (EGL), Australian Renewable Fuels (ARW) and Algae.Tec (AEB).

The quarter's performance was driven by 14 companies with gains of more than 25%. The greatest gains were recorded by Solco (SOO) and Water Resources Group (WRG). These gains were offset by 6 companies recording losses of more than 25% led by EcoSave (ECV), Australian Renewable Fuels (ARW) and Environmental Group (EGL).

September 2015		
Best Performers Share Price Gain > 15%		Worst Performers Share Price Loss > 15%
Solco EnviroMission K2 Energy Limited Infigen Energy Actinogen Mission NewEnergy Phoslock Water Solutions Water Resources Group	CleanTeQ Gale Pacific Enerji Galaxy Resources Neometals Coffey Soil Sub Technologies	Australian Renewable Fuels Leaf Energy Algae.Tec Vmoto Environmental Group
1Q FY16		
Best Performers Share Price Gain > 25%		Worst Performers Share Price Loss > 25%
Solco EnviroMission K2 Energy Limited Mission NewEnergy Water Resources Group Energy Action Gale Pacific	Eden Energy Neometals Vmoto Advanced Engine Components Carbon Conscious Pacific Environment Soil Sub Technologies	Australian Renewable Fuels Algae.Tec AnaeCo EcoSave Seafarms Group Environmental Group



### Index Rebalance

The Australian CleanTech Index underwent its quarterly rebalancing at the end of September which took account of recent share issues and other corporate activity. There were no companies removed from or added to the Index

### Watchlist

A watching brief is being maintained on the following companies in the Index:

- **Novarise Renewable Resources International (ASX:NOE)** which is currently suspended from the ASX following the failure of the privatisation proposal from its majority shareholder and concerns raised by its auditor.
- **Enhanced Systems Technologies (Wasabi Energy) (ASX:ESY)** which is currently suspended from the ASX and in the process of recapitalising through a Deed of Company Arrangement.

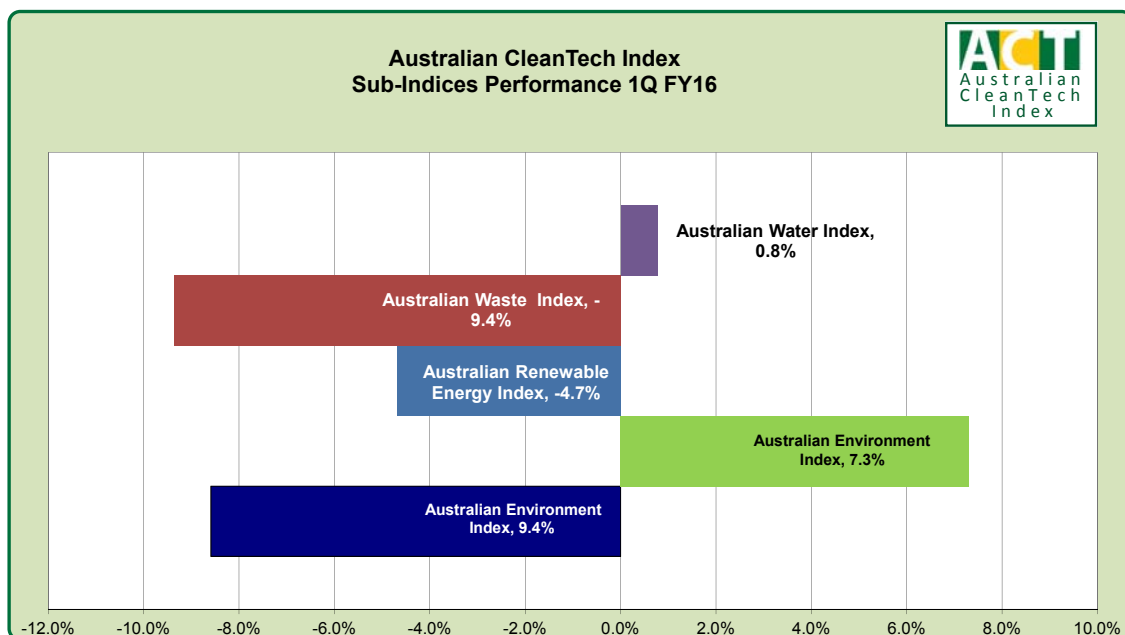
### 3. Component Sub-Indices

To provide an analysis of the Australian CleanTech Index, a number of sub-indices have been developed. The performance of each of these sub-indices over the last five financial years and during 1Q of FY16 is shown in the table and charts below.

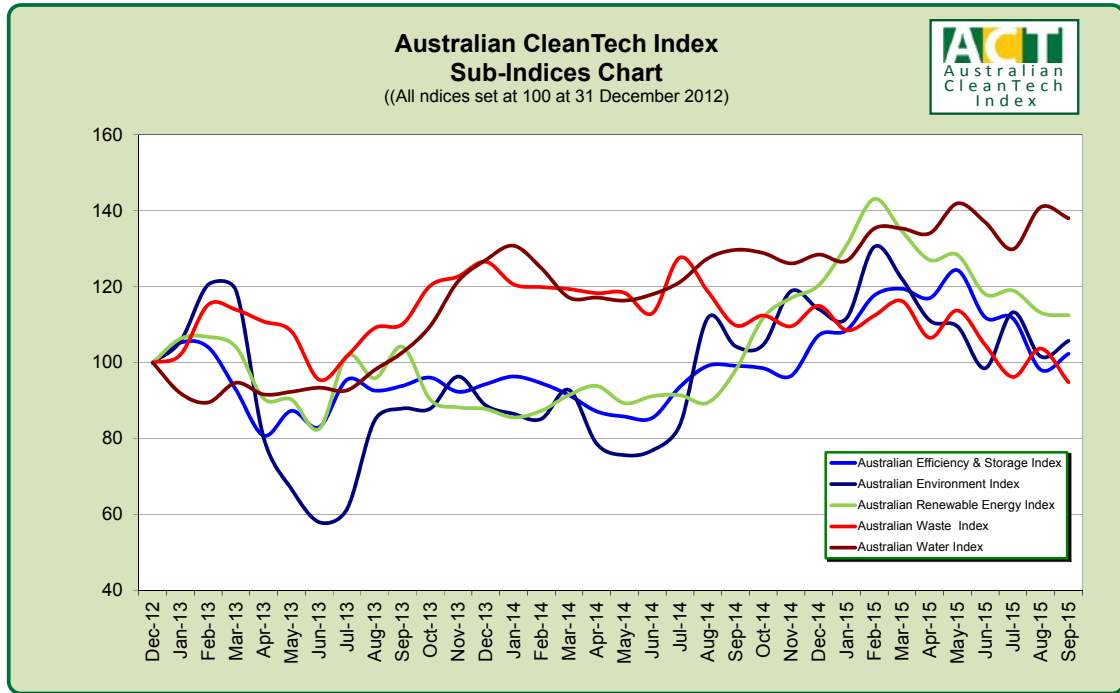
The best performing sectors for the three months to September 2015 were the Australian Environment Index and the Australia Water Index. The worst performer was the Australian Waste Index.

**Australian CleanTech Sub-Indices**

	FY11	FY12	FY13	FY14	FY15	1Q FY16
<b>Australian Efficiency &amp; Storage Index</b>	-1.2%	-23.5%	-27.9%	2.9%	31.0%	<b>-8.6%</b>
<b>Australian Environment Index</b>	-25.2%	-29.8%	-44.5%	32.6%	28.2%	<b>7.3%</b>
<b>Australian Renewable Energy Index</b>	-32%	-22%	-22%	10%	29.5%	<b>-4.7%</b>
<b>Australian Waste Index</b>	-3.3%	-36.9%	-3.4%	18.3%	-7.4%	<b>-9.4%</b>
<b>Australian Water Index</b>	19.8%	1.6%	-14.6%	26.3%	16.1%	<b>0.8%</b>







#### 4. Component Companies on 30 September 2015

The largest 20 largest Index constituents by market capitalisation on 30 September 2015 are provided in the table below. These companies will form the constituents of the Australian CleanTech 20 until the index is rebalanced again on 31 December 2015.

Market Cap Ranking	Company	Ticker
1	Reece Australia Holdings	REH
2	Mighty River Power	MYT
3	Meridian Energy	MEZ
4	Sims Metal Management	SGM
5	Energy Developments	ENE
6	Transpacific Industries	TPI
7	Beacon Lighting Corp	BLX
8	Nanosonics	NAN
9	Tox Free Solutions	TOX
10	Metro Performance Glass	MPP
11	Orocobre	ORE
12	Infigen Energy	IFN
13	Pacific Energy	PEA
14	Pro-Pac Packaging	PPG
15	Neometals	NMT
16	Carnegie Wave Energy	CWE
17	Gale Pacific	GAP
18	Sylex Systems	SLX
19	Dyesol	DYE
20	Novarise Renewable Resources	NOE

There were two new entrants to the Australian CleanTech 20 in this rebalance: Neometals and Gale Pacific. These replaced the outgoing companies of RedFlow and Enerji. Each of the constituents in the Australian CleanTech 20 has a market capitalisation of more than \$66m.

For a full listing of all companies included in the Australian CleanTech Index, please email your request to [index@auscleantech.com.au](mailto:index@auscleantech.com.au).

### 5. China CleanTech Index

Australian CleanTech, through its Beijing-based Chinese operations, publishes the China CleanTech Index. This index tracks all 164 Chinese-based listed cleantech companies with a combined market capitalisation of US\$278 billion and provides the definitive measure of Chinese cleantech stocks for global markets. The charts below show the performance of the China CleanTech Index against its benchmarks from December 2012 and also show the relative performance of the China CleanTech Index against the Australian CleanTech Index.

Full details of the China CleanTech Index can be downloaded from [www.sinocleantech.com](http://www.sinocleantech.com), where it is also possible to sign up to receive the monthly performance reports.

