

Renewable energy stocks put in a shining performance

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The Australian CleanTech Index has significantly outperformed the wider market for the 2015-16 financial year, a new report has shown, capping off a “stellar three years” with returns of nearly 70 per cent for investors that have held the course.

The ACT Australian CleanTech Index Annual Performance report for 2015-16, published earlier this week, puts the combined market capitalisation of the 64 stocks in the index at \$23.5 billion.

This is down from its peak of \$23.7bn in May this year, but “a very long way up” from its trough of \$6.2bn reached way back in July 2012.

The report’s author, Australian CleanTech’s managing director John O’Brien, said the strong performance in the three months to June 30 — which saw the Index gain 12.6 per cent compared to the ASX 200’s gain of

3 per cent and the ASX Small Ordinaries’ 5.5 per cent gain — was driven by 16 companies with gains of more than 20 per cent.

These gains were, however, partially offset by losses of more than 20 per cent recorded by eight companies, led by Intec (INL), Vmoto (VMT) and “the once mighty” Geodynamics (GDY).

The FY16 performance was driven by 17 companies with gains of more than 50 per cent, with the greatest gains recorded by:

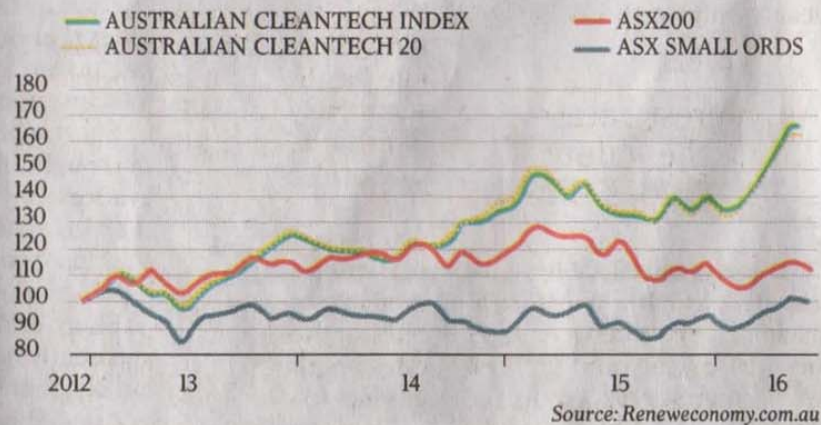
- Eden Energy (EDE), a clean energy technology which moved from 3c 12 months ago to about 23c today;

- Neometals (NMT) a diversified lithium products group which lifted from 8c a year ago to about 45c at present; and

- Bluglass (BLG), the semiconductor company which moved from 6c 12 months ago to about 20c today.

These gains were partially offset by nine companies recording

The Australian CleanTech Index 2015-16



losses of more than 30 per cent, led by EcoSave (ECV), Tag Pacific (TAG), Australian Renewable Fuels (ARW) and Intec (INL). The best-performing cleantech sector for the three months to June 2016 was the Australian Efficiency & Storage Index and the worst performer was the Australian Waste Index.

Over the 2015-16 financial year, the best performing index was again the Australian

Efficiency & Storage Index, being driven by strong interest in energy storage and its suppliers such as lithium mines, with the Australian Waste Index showing the weakest performance.

It is worth noting that the Australian CleanTech Index also underwent its quarterly rebalancing at the end of June, which took account of recent share issues and other corporate activity.

As part of this process, three

new companies were added to the index, including emerging vanadium producer Australian Vanadium Limited, energy efficiency specialist BuildingIQ, and wave energy company Protean Wave Power.

Another three companies were removed from the index for various reasons, including Alterra, Novarise Renewable Resources and Ultimate Power and Energy.

The 20 largest index constituents by market capitalisation as of June 30 are shown in the table, including new entrants CleanTeQ and Emefcy Group. These companies will make up the Australian CleanTech 20 until the index is rebalanced again on September 30. Each of the Australian CleanTech 20 members has a market capitalisation of more than \$108 million.

This is an edited version of a feature that first appeared at www.renueconomy.com.au