Why Renewable Energy's Slide May Be a Buying Opportunity

Renewable energy stocks have struggled this year after soaring in 2020.

The WilderHill Clean Energy Index rose 203% in 2020, but is down 9% in 2021 so far. Now, analysts are starting to get more positive on the names again.

Some analysts are changing estimates based on the stock action. Few think that the big names in renewable energy are a screaming buy right now, but they have become less negative — and see the possibility for a return to growth.

… analyst … upgraded utility-scale solar manufacturer … to Neutral from Underperform after that stock has tumbled from $100 to $72 in the past month. He thinks the market for solar panels could tighten in 2022 as China accelerates deployment of panels to meet carbon targets. His price target ….

 … also upgraded   … focused on renewable energy, to Outperform, because he thinks that stock will rebound from a recent slump and can exceed analysts' earnings targets. His price target …   is 18% higher than the current price of …. He also likes hydrogen fuel cell company …   which has similarly been retreating in recent weeks after a boom in 2020. He upgraded the stock to Outperform,   …   price target. It trades around …

Others are also becoming more positive on the industry. As the overall market starts to favor value names over speculative growth stocks, …   analyst … suggested investors look to renewables companies with high margins and free cash flow. That would include … , and …. He is, however, concerned about ….

 … analyst …   also upgraded …, which makes solar equipment ….   After rising 571% in 2020, … has slid this year — it's down more than 30% in just the past month. … remains expensive, but not outrageously so anymore, so "we are taking advantage of the sector-wide profit-taking by tactically raising our rating from Underperform to Market Perform," …..