Ideal buy Entry into PowerShares Clean Energy Fund ...

••••

Yesterday, we looked at the chart of ... , as one of a handful of ETFs we're monitoring for potential buy entry on a pullback. After selling off in the morning, then reversing to close near its intraday high, the short-term pullback in ... may soon be finished. But we discovered a related ETF with a weekly chart pattern that may be better. Unlike ... , which is a "pure play" whose portfolio is comprised exclusively of solar energy stocks, the index of **PowerShares Clean Energy** (NYSE:PBW - News) "is designed to deliver capital appreciation through the selection of companies that focus on greener and generally renewable sources of energy and technologies that facilitate cleaner energy" (from the PowerShares web site). Yesterday, PBW tested and neatly bounced off support of its 20-day exponential moving average (EMA). This is shown on the daily chart of PBW below:



Looking at the longer-term weekly chart, one sees that PBW has recently broken out above the high of a six-month range. Now, the current pullback to that breakout level provides us with an ideal buy entry point, in anticipation of another leg up within the uptrend. We plan to buy PBW on a rally above yesterday's high. Here is the weekly chart ...

• • • •