

Excerpt from Zacks, February 9, 2015

<http://finance.yahoo.com/news/obama-budget-plan-drives-sector-182306307.html>

Obama Budget Plan Drives Up These Sector ETFs - ETF News And Commentary

The U.S. economy is growing at the fastest pace in a decade with falling jobless claims, housing market recovery, growing consumer confidence and narrowing budget deficit. In fact, despite global meltdown and the oil price collapse, the IMF and the World Bank expect the U.S. economy to sustain its wining trend this year and in the next.

In such a scenario, President Barack Obama's fiscal 2016 budget proposal, which was made public on Feb 2, deserves a special mention as it can throw light on the future sector winners. And for the investment purpose, we have highlighted ETFs from two sectors which are likely to gain if the proposal is put into action.

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Clean Energy

Next comes another area called 'clean energy' which has long been the focus of Obama presidency. His 'Climate Change Action Plan' and the favorable green energy trends have already done a lot in pushing the sector northward. Now, the budget proposal seeks an approximate 7.2% rise in funding for a clean energy space (read: Obama's Second Term has been Great for these ETFs).

The proposal asks Congress for a permanent extension of tax credits for the solar and wind industry. The fiscal 2016 budget request includes a \$7.4 billion fund for clean energy technologies, above the \$6.5 billion enacted by Congress for this year. The tax incentives for both solar and wind energy operators are likely to cost the government about \$31.5 billion over a decade.

Following this announcement, alternative energy ETFs, which have been grappling with the pressure of the broader energy sell-off over the last six months, tacked on considerable gains in the last five trading sessions.

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