



Edison Electric
INSTITUTE

Stock Performance

Q2 2021
FINANCIAL UPDATE

QUARTERLY REPORT
OF THE U.S. INVESTOR-OWNED
ELECTRIC UTILITY INDUSTRY

About EEI

EEI is the association that represents all U.S. investor-owned electric companies. Our members provide electricity for 220 million Americans, and operate in all 50 states and the District of Columbia. As a whole, the electric power industry supports more than 7 million jobs in communities across the United States. In addition to our U.S. members, EEI has more than 60 international electric companies, with operations in more than 90 countries, as International Members, and hundreds of industry suppliers and related organizations as Associate Members. Organized in 1933, EEI provides public policy leadership, strategic business intelligence, and essential conferences and forums.

About EEI's Quarterly Financial Updates

EEI's quarterly financial updates present industry trend analyses and financial data covering 44 U.S. investor-owned electric utility companies. These 44 companies include 39 electric utility holding companies whose stocks are traded on major U.S. stock exchanges and five electric utilities who are subsidiaries of non-utility or foreign companies. Financial updates are published for the following topics:

- Stock Performance
- Dividends
- Credit Ratings
- Rate Review

EEI Finance Department material can be found online at www.eei.org/QFU.

For EEI Member Companies

The EEI Finance and Accounting Division maintains current year and historical data sets that cover a wide range of industry financial and operating metrics. We look forward to serving as a resource for member companies who wish to produce customized industry financial data and trend analyses for use in:

- Investor relations studies and presentations
- Internal company presentations
- Performance benchmarking
- Peer group analyses
- Annual and quarterly reports to shareholders

We Welcome Your Feedback

EEI is interested in ensuring that our publications and industry data sets best address the needs of member companies and the regulatory and financial communities. We welcome your comments, suggestions and inquiries.

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Future EEI Finance Meetings

EEI Financial Conference
November 7-9, 2021
Diplomat Resort & Spa
Hollywood, Florida

For more information about future EEI Finance Meetings, please contact Aaron Cope, Jr. at (202) 508-5128 or acope@eei.org.

The 44 U.S. Investor-Owned Electric Utilities

The companies listed below all serve a regulated distribution territory. Other utilities, such as transmission provider ITC Holdings, are not shown below because they do not serve a regulated distribution territory. However, their financial information is included in relevant EEI data sets, such as transmission-related construction spending.

ALLETE, Inc. (ALE)
Alliant Energy Corporation (LNT)
Ameren Corporation (AEE)
American Electric Power Company, Inc. (AEP)
AVANGRID, Inc. (AGR)
Avista Corporation (AVA)
Berkshire Hathaway Energy
Black Hills Corporation (BKH)
CenterPoint Energy, Inc. (CNP)
Cleco Corporation
CMS Energy Corporation (CMS)
Consolidated Edison, Inc. (ED)
Dominion Energy, Inc. (D)
DPL, Inc.
DTE Energy Company (DTE)
Duke Energy Corporation (DUK)
Edison International (EIX)
Entergy Corporation (ETR)
Eversource Energy (ES)
Exelon Corporation (EXC)
FirstEnergy Corp. (FE)
Hawaiian Electric Industries, Inc. (HE)
IDACORP, Inc. (IDA)
IPALCO Enterprises, Inc.

MDU Resources Group, Inc. (MDU)
MGE Energy, Inc. (MGEE)
NextEra Energy, Inc. (NEE)
NiSource Inc. (NI)
NorthWestern Corporation (NWE)
OGE Energy Corp. (OGE)
Otter Tail Corporation (OTTR)
PG&E Corporation (PCG)
Pinnacle West Capital Corporation (PNW)
PNM Resources, Inc. (PNM)
Portland General Electric Company (POR)
PPL Corporation (PPL)
Public Service Enterprise Group Inc. (PEG)
Puget Energy, Inc.
Sempra Energy (SRE)
Souther Company (SO)
Unitil Corporation (UTL)
WEC Energy Group, Inc. (WEC)
Xcel Energy, Inc. (XEL)

Note: Companies shown in italics are not listed on U.S. stock exchanges for one of the following reasons — they are subsidiaries of an independent power producer; they are subsidiaries of foreign-owned companies; or they were acquired by other investment firms.

Companies Listed by Category

(Based on Business Segmentation Data as of 12/31/2020)

Please refer to the Quarterly Financial Updates webpage for previous years' lists.

Given the diversity of utility holding company corporate strategies, no single company categorization approach will be useful for all EEI members and utility industry analysts. Nevertheless, we believe the following classification provides an informative framework for tracking financial trends and the capital markets' response to business strategies as companies depart from the traditional regulated utility model.

Regulated
Mostly Regulated

80% or more of total assets are regulated
Less than 80% of total assets are regulated

Categorization is based on year-end business segmentation data presented in SEC 10-K filings, supplemented by discussions with and information provided by parent company IR departments.

The EEI Finance and Accounting Division continues to evaluate our approach to company categorization and business segmentation. In addition, we can produce customized categorization and peer group analyses in response to member company requests. We welcome comments, suggestions and feedback from EEI member companies and the financial community.

Regulated (35 of 44)

Alliant Energy Corporation
Ameren Corporation
American Electric Power Company, Inc.
Avista Corporation
Black Hills Corporation
CenterPoint Energy, Inc.
Cleco Corporation
CMS Energy Corporation
Consolidated Edison, Inc.
Dominion Energy, Inc.
DPL Inc.
Duke Energy Corporation
Edison International
Entergy Corporation
Eversource Energy
FirstEnergy Corp.

IDACORP, Inc.
IPALCO Enterprises, Inc.
MGE Energy, Inc.
NiSource Inc.
NorthWestern Corporation
OGE Energy Corp.
Otter Tail Corporation
PG&E Corporation
Pinnacle West Capital Corporation
PNM Resources, Inc.
Portland General Electric Company
PPL Corporation
Puget Energy, Inc.
Semptra Energy
Southern Company
Unitil Corporation
WEC Energy Group, Inc.
Xcel Energy Inc.

Mostly Regulated (9 of 44)

ALLETE, Inc.
AVANGRID, Inc.
Berkshire Hathaway Energy
DTE Energy Company
Exelon Corporation
Hawaiian Electric Industries, Inc.
MDU Resources Group, Inc.
NextEra Energy, Inc.
Public Service Enterprise Group
Incorporated

Note: Companies shown in italics are not listed on U.S. stock exchanges for one of the following reasons — they are subsidiaries of an independent power producer; they are subsidiaries of foreign-owned companies; or they were acquired by other investment firms.

Stock Performance

HIGHLIGHTS

■ The broad stock market powered higher during Q2 with hardly a pause. The defensive, income-producing Utilities sector was left behind, returning -0.5%. Telecommunications, another defensive sector, returned -0.3%. The EEI Index returned a similar -0.7%.

■ Annualized inflation measured by the consumer price index (CPI) for urban consumers jumped above 4% in April, to almost 5% in May and to 5.3% in June — the highest readings since 2008. These numbers might have been a headwind holding back utility stocks in Q2. Yet despite the inflation data, interest rates actually fell slightly during the quarter.

■ The second quarter brought more data points indicating a continuation of the industry's dominant strategic trend — the simplification of business strategies through a focus primarily on state-regulated, clean-energy infrastructure.

■ As 2021's second half began, analysts generally opined that utilities' earnings visibility and growth prospects are underappreciated by investors and poised to become better appreciated when market sentiment shifts.

COMMENTARY

The broad stock market powered higher during Q2 2021 with hardly a pause. The S&P 500 returned 15.3% for the quarter. The Dow Jones Industrials and Nasdaq Composite returned 13.8% and 12.5%, respectively. The traditionally defensive, income-producing broad Utilities sector was left behind, returning -0.5%. Telecommunications, another defensive sector, returned -0.3%. The EEI Index returned a similar -0.7%.

I. Index Comparison (% Return)

Index	2015	2016	2017	2018	2019	2020	2021*
EEI Index	-3.9	17.4	11.7	3.7	25.8	-1.2	2.3
Dow Jones Inds.	0.2	16.5	28.1	-3.5	25.3	9.7	13.8
S&P 500	1.4	12.0	21.8	-4.4	31.5	18.4	15.3
Nasdaq Comp. [^]	5.7	7.5	28.2	-3.9	35.2	43.6	12.5

Calendar year returns shown for all periods, except where noted.

*6 mo. through Jun 30.

[^]Price gain/loss only. Other indices show total return.

Source: EEI Finance Department, S&P Global Market Intelligence

II. Category Comparison (% Return)

U.S. Investor-Owned Electric Utilities

Index	2015	2016	2017	2018	2019	2020	2021*
All Companies	-2.0	22.2	11.6	4.3	23.1	-8.1	6.3
Regulated	-0.7	21.2	11.7	4.5	24.6	-9.0	5.1
Mostly Regulated	-3.7	24.6	11.3	3.6	17.9	-4.9	10.9
Diversified	-14.4	25.6	n/a**	n/a**	n/a**	n/a**	n/a**

Calendar year returns shown for all periods except where noted.

Returns shown here are unweighted averages of constituent company returns.

The EEI Index return shown in Table I above is cap-weighted.

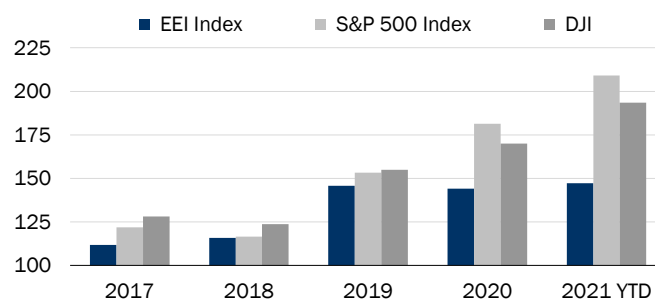
*6 mo. through Jun 30.

**Diversified category eliminated in 2017 due to lack of constituent companies.

Source: EEI Finance Department, S&P Global Market Intelligence and company reports

III. Total Return Comparison

Value of \$100 invested at close on 12/31/2016



Source: EEI Finance Department, S&P Global Market Intelligence

IV. 10-Year Treasury Yield — Monthly

Average Monthly Yield, 1/1/1980 through 6/30/2021



Source: U.S. Federal Reserve

V. 10-Year Treasury Yield — Weekly

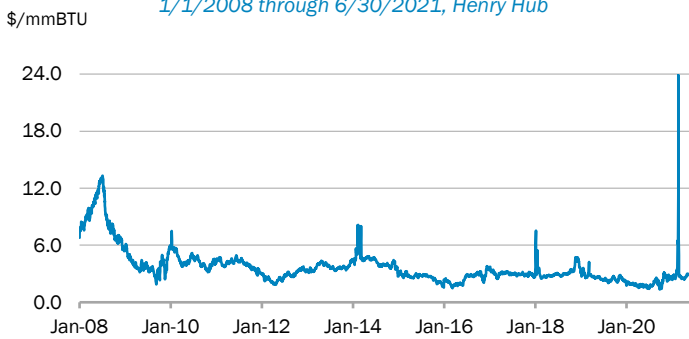
Weekly Yield, 1/1/2008 through 6/30/2021



Source: U.S. Federal Reserve

VI. Natural Gas Spot Prices

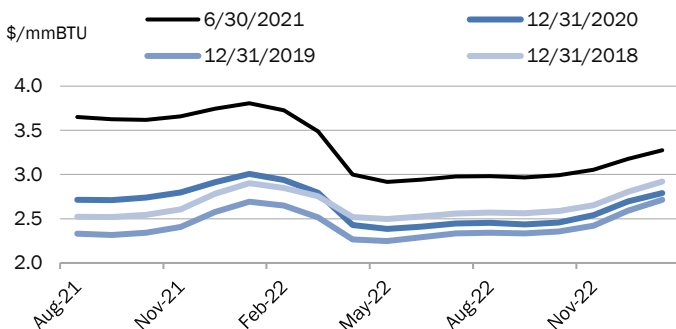
1/1/2008 through 6/30/2021, Henry Hub



Source: S&P Global Market Intelligence

VII. NYMEX Natural Gas Futures

February 2021 through January 2023, Henry Hub



Source: S&P Global Market Intelligence

VIII. Returns by Quarter

U.S. Investor-Owned Electric Utilities

Index	2018 Q3	2018 Q4	2019 Q1	2019 Q2	2019 Q3	2019 Q4	2020 Q1	2020 Q2	2020 Q3	2020 Q4	2021 Q1	2021 Q2
EEl Index	2.0	1.3	11.1	4.1	8.2	0.4	-13.6	1.8	5.6	6.5	3.0	-0.7
Dow Jones Industrials	9.6	-11.3	11.8	3.2	1.8	6.7	-22.7	18.5	8.2	10.7	8.3	5.1
S&P 500	7.7	-13.5	13.7	4.3	1.7	9.1	-19.6	20.5	8.9	12.2	6.2	8.6
Nasdaq Comp. [^]	7.1	-17.5	16.5	3.6	-0.1	12.2	-14.2	30.6	11.0	15.4	2.8	9.5

Category*	2018 Q3	2018 Q4	2019 Q1	2019 Q2	2019 Q3	2019 Q4	2020 Q1	2020 Q2	2020 Q3	2020 Q4	2021 Q1	2021 Q2
All Companies	1.4	0.8	10.6	4.9	6.5	-0.4	-15.8	-1.0	1.3	8.8	6.0	0.3
Regulated	2.0	0.7	10.6	5.9	6.5	-0.1	-15.0	-1.3	-0.1	8.6	4.8	0.3
Mostly Regulated	-0.3	0.9	10.5	1.3	6.6	-1.2	-18.3	0.2	6.2	9.3	10.0	0.3

[^]Price gain/(loss) only. Other indices show total return. / * Returns shown here are unweighted averages of constituent company returns. The EEl Index return shown above is cap-weighted.
Source: EEl Finance Department, S&P Global Market Intelligence

IX. Sector Comparison, Trailing 3 mo. Total Return

For the three-month period ending 6/30/2021

Sector	Total Return
Technology	13.9%
Oil & Gas	11.9%
Financials	8.8%
Healthcare	8.7%
Industrials	5.5%
Consumer Services	5.1%
Basic Materials	4.3%
Consumer Goods	4.3%
Telecommunications	-0.3%
Utilities	-0.5%
EEl Index	-0.7%

Note: Sector Comparison page based on the Dow Jones U.S. Indexes, which are market-capitalization-weighted indices.

Source: EEl Finance Dept., Dow Jones & Company, Google Finance, Y Charts

X. Sector Comparison, Trailing 12 mo. Total Return

For the twelve-month period ending 6/30/2021

Sector	Total Return
Oil & Gas	51.4%
Financials	49.8%
Industrials	49.4%
Technology	49.2%
Basic Materials	48.9%
Consumer Goods	46.7%
Consumer Services	38.4%
Healthcare	28.7%
Utilities	15.9%
EEl Index	15.4%
Telecommunications	8.5%

Note: Sector Comparison page based on the Dow Jones U.S. Indexes, which are market-capitalization-weighted indices.

Source: EEl Finance Dept., Dow Jones & Company, Google Finance, Y Charts

XI. Market Capitalization at June 30, 2021 (in \$ Millions)

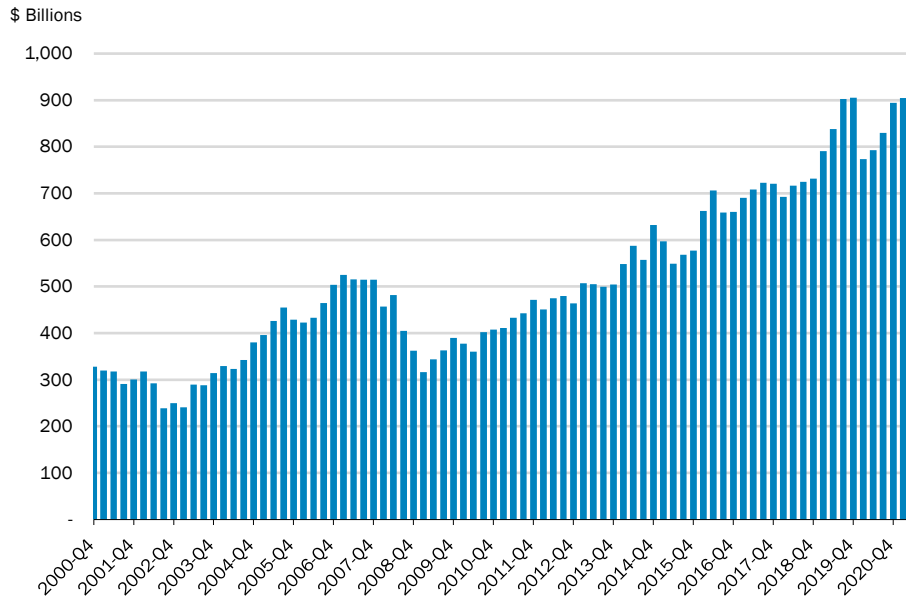
U.S. Investor-Owned Electric Utilities

Company	Stock Symbol	\$ Market Cap	% Total	Company	Stock Symbol	\$ Market Cap	% Total
NextEra Energy, Inc.	NEE	143,746	15.86%	AVANGRID, Inc.	AGR	15,917	1.76%
Duke Energy Corporation	DUK	75,916	8.37%	Alliant Energy Corporation	LNT	13,940	1.54%
Southern Company	SO	64,141	7.08%	Eergy, Inc.	EVRG	13,736	1.52%
Dominion Energy, Inc.	D	59,290	6.54%	CenterPoint Energy, Inc.	CNP	13,524	1.49%
Exelon Corporation	EXC	43,291	4.78%	NiSource Inc.	NI	9,620	1.06%
American Electric Power Co., Inc.	AEP	42,046	4.64%	Pinnacle West Capital Corp.	PNW	9,249	1.02%
Sempra Energy	SRE	39,864	4.40%	OGE Energy Corp.	OGE	6,733	0.74%
Xcel Energy Inc.	XEL	35,443	3.91%	MDU Resources Group, Inc.	MDU	6,290	0.69%
Public Service Enter. Group Inc.	PEG	30,109	3.32%	IDACORP, Inc.	IDA	4,930	0.54%
WEC Energy Group, Inc.	WEC	28,055	3.09%	Hawaiian Electric Industries, Inc.	HE	4,618	0.51%
Eversource Energy	ES	27,577	3.04%	PNM Resources, Inc.	PNM	4,196	0.46%
DTE Energy Company	DTE	25,142	2.77%	Portland General Electric Co.	POR	4,127	0.46%
Consolidated Edison, Inc.	ED	24,543	2.71%	Black Hills Corporation	BKH	4,111	0.45%
Edison International	EIX	21,914	2.42%	ALLETE, Inc.	ALE	3,646	0.40%
PPL Corporation	PPL	21,513	2.37%	NorthWestern Corporation	NWE	3,049	0.34%
Ameren Corporation	AEE	20,362	2.25%	Avista Corporation	AVA	2,957	0.33%
FirstEnergy Corp.	FE	20,205	2.23%	MGE Energy, Inc.	MGEE	2,692	0.30%
PG&E Corporation	PCG	20,187	2.23%	Otter Tail Corporation	OTTR	2,023	0.22%
Entergy Corporation	ETR	19,992	2.21%	Unitil Corporation	UTL	794	0.09%
CMS Energy Corporation	CMS	17,050	1.88%	Total Industry		906,539	100.00%

Source: EEI Finance Dept., S&P Global Market Intelligence

XII. EEI Index Market Capitalization (at Period End)

U.S. Investor-Owned Electric Utilities



Note: Change in EEI Index market capitalization reflects the impact of buyout and spin-off activity in addition to stock market performance.

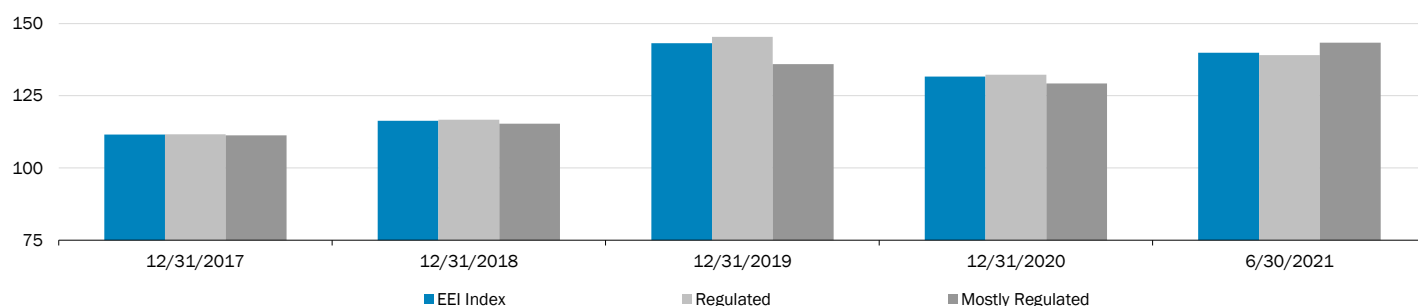
Source: EEI Finance Dept., S&P Global Market Intelligence

EEI Index Market Cap (in \$ Billions)

2005-Q3	455	2013-Q3	500
2005-Q4	429	2013-Q4	504
2006-Q1	423	2014-Q1	548
2006-Q2	433	2014-Q2	588
2006-Q3	464	2014-Q3	557
2006-Q4	504	2014-Q4	632
2007-Q1	525	2015-Q1	597
2007-Q2	516	2015-Q2	549
2007-Q3	515	2015-Q3	568
2007-Q4	514	2015-Q4	577
2008-Q1	457	2016-Q1	663
2008-Q2	482	2016-Q2	706
2008-Q3	404	2016-Q3	659
2008-Q4	362	2016-Q4	660
2009-Q1	316	2017-Q1	690
2009-Q2	344	2017-Q2	708
2009-Q3	363	2017-Q3	722
2009-Q4	390	2017-Q4	720
2010-Q1	377	2018-Q1	692
2010-Q2	360	2018-Q2	716
2010-Q3	402	2018-Q3	725
2010-Q4	407	2018-Q4	731
2011-Q1	411	2019-Q1	790
2011-Q2	433	2019-Q2	838
2011-Q3	442	2019-Q3	902
2011-Q4	472	2019-Q4	905
2012-Q1	451	2020-Q1	773
2012-Q2	475	2020-Q2	792
2012-Q3	480	2020-Q3	830
2012-Q4	464	2020-Q4	894
2013-Q1	507	2021-Q1	905
2013-Q2	505	2021-Q2	907

XIII. Comparative Category Total Annual Returns

U.S. Investor-Owned Electric Utilities, Value of \$100 invested at close on 12/31/2016



	2016	2017	2018	2019	2020	6 mo. 2021
EEI Index Annual Return (%)		11.56	4.28	23.06	-8.07	6.29
EEI Index Cumulative Return (\$)	100.00	111.56	116.34	143.16	131.60	139.88
Regulated EEI Index Annual Return		11.66	4.55	24.56	-9.01	5.10
Regulated EEI Index Cumulative Return	100.00	111.66	116.74	145.41	132.30	139.05
Mostly Regulated EEI Index Annual Return		11.32	3.62	17.87	-4.95	10.93
Mostly Regulated EEI Index Cumulative Return	100.00	111.32	115.35	135.97	129.24	143.36

Calendar year returns shown, except where noted.
 Diversified category eliminated in 2017 due to lack of constituent companies.
 Returns are unweighted averages of constituent company returns.
 Source: EEI Finance Dept., S&P Global Market Intelligence

The broad market bottomed in early March 2020, when the shock of an emerging pandemic was at its peak. Since then, historically unprecedented fiscal support for an economy thrown into deep freeze by stay-at-home mandates and from aggressive Federal Reserve monetary measures — including a return to near-zero short-term interest rates — have sponsored a stock market boom. The S&P 500 has jumped almost 90% since late March 2020 with economically sensitive cyclical and growth sectors leading the advance.

Market gains beginning in the second half of last year were also driven by strong economic data. In late June 2021, the Bureau of Economic Analysis said real gross domestic product (GDP) rose at an annual rate of 6.1% in Q1 after rising 4.3% in Q4 2020. And the corporate earnings outlook became increasingly bullish as Q2 evolved. S&P 500 earnings for Q2 were expected to be up nearly 61% from the year-ago period, according to Zacks Investment Research, higher than a projected 50% gain in late March. As Q2 ended, S&P 500 earnings for the second half of 2020 seemed set to rise almost 20% year-to-year on a 9% revenue gain.

The Specter of Inflation?

While macroeconomics is the province of economists, Wall Street's utility analysts have, for decades, cited economists' warnings of inflation and resulting rising interest rates as a theoretical threat to utility stock valuations. The multi-decade secular downtrend in inflation and yields has made

XIV. EEI Index Top Ten Performers

For the six-month period ending 6/30/2021

Company	% Return	Category
FirstEnergy Corp.	24.2	R
Unitil Corporation	21.5	R
Hawaiian Electric Industries, Inc.	21.4	MR
MDU Resources Group, Inc.	20.6	MR
Otter Tail Corporation	16.4	R
AVANGRID, Inc.	15.1	MR
ALLETE, Inc.	15.1	MR
CenterPoint Energy, Inc.	14.9	R
Eergy, Inc.	10.8	R
Duke Energy Corporation	10.0	R

Note: Return figures include capital gains and dividends.
 R = Regulated, MR = Mostly Regulated
 Source: EEI Finance Department

that language almost a boilerplate disclaimer — until Q2. Monthly inflation measured by the consumer price index (CPI) for urban consumers jumped above 4% in April, to nearly 5% in May and to 5.3% in June — the highest readings since 2008. These numbers might have been a headwind holding back utility stocks in Q2.

Federal Reserve economists suggested the inflation surge is a transitory effect of the sharp economic rebound, not a new secular trend. Indeed, investor's weak sentiment

toward utilities and income sectors was not supported by interest rate moves. Despite the inflation data, interest rates actually fell slightly during the quarter. Short-term rates held near zero and the benchmark 10-year Treasury yield slipped from 1.7% as the quarter began to 1.5% by quarter end.

Electric Output Jumps 5.1%

U.S. electric output in Q2 jumped 5.1%, a notably strong number that mirrored buoyant economic data. Analysts cited a hot June across much of the nation combined with an economic recovery-induced boost in commercial and industrial load as likely drivers of the increase. June heatwaves were particularly felt across Texas and the southwestern U.S., pushing forward power prices and spark spreads higher while raising concerns about resource adequacy and the ability to manage peak load in these markets. Natural gas spot and forward prices also firmed in Q2. Short-term events rarely impact investors' long-term assumptions about industry prospects, yet all this combined to offer thematic support for the long-term capex needs facing the industry.

Focus on Regulated Business Continues

The second quarter brought more data points indicating a continuation of the industry's dominant strategic trend — the simplification of business strategies through a focus primarily on state-regulated clean-energy infrastructure. Several moves were noted in analyst reports in Q2.

- ConEdison on June 1 announced it would divest Stagecoach Gas Services, a natural gas pipeline and storage subsidiary, to Kinder Morgan for \$1.225 billion. ConEdison said the sale is consistent with its strategy to deliver the clean energy future customers expect.

- On June 8, CMS Energy announced a planned sale of its wholly-owned subsidiary, EnerBank USA, to Regions Bank, a subsidiary of Regions Financial for cash in a transaction valued at \$960 million. CMS said the sale simplifies its investment thesis through a pure focus on energy, improves its risk profile, and helps finance its clean energy transformation by eliminating equity issuance needs from 2022 to 2024. On June 23, CMS announced a proposal (subject to regulatory approval) to stop using coal as a fuel source by 2025 — 15 years sooner than previously planned.

- On June 14, PPL completed the sale of its U.K. utility business, Western Power Distribution (WPD), to National Grid for £7.8 billion, concluding the first of two strategic transactions announced in March. PPL said the second transaction — its planned acquisition of Rhode Island's Narragansett Electric from National Grid for approximately \$3.8 billion — remains on track to close in early 2022. PPL said the sale and purchase will simplify its business mix, strengthen credit metrics and improve prospects for long-term earnings growth through investment in sustainable energy solutions.

- While technically a Q3 announcement, on July 1 DTE Energy said it completed the previously announced spin-off to shareholders of its non-utility natural gas pipeline, storage and gathering business, DT Midstream. DTE said the transaction transforms the company into a predominantly pure-play electric and natural gas utility.

- OGE Energy in Q1 announced it would exit its midstream investment in Enable Midstream Partners LP and become a pure-play electric utility focused on investing in electric infrastructure in Oklahoma and Arkansas.

EEI Gainers Show Scattered Stock Themes

The second quarter produced no meaningful change in analysts' broad industry outlook. They continue to expect mid-single-digit earnings and dividend growth for the industry through the build-out of regulated clean energy infrastructure. With little change in industry fundamentals, Q2 analyst reports remarked on scattered stock themes evident in 2021's first half that also show up in EEI Index results. First Energy (+24.2%) led the EEI Index as long-time activist investor Carl Ichan took a stake in the company. Unitil (+21.5%), MDU Resources (+20.6%), Otter Tail (+16.4%) and Hawaiian Electric (+21.4%) benefitted from a broad market trend favoring smaller-capitalization utility names. Hawaiian Electric also received a credit ratings upgrade in Q1 and was named to the iShares Global Clean Energy (ICLN) ETF. CenterPoint Energy (+14.9%) benefitted from the strong price for its late-April sale of Arkansas and Oklahoma natural gas LDC assets and to its post-sale growth plans. Analysts said AVANGRID (+15.1%) benefitted from approval of a rate agreement in Connecticut.

Relative Performance Drought

Utility stocks have experienced the worst three-year stretch of relative return since the late 1990s tech bubble. Whether the market is in a similar bubble today is open to debate, and the unprecedented nature of last year may render relative return comparisons suspect. Nevertheless, when investor sentiment is bullish utility growth always seems slow. When sentiment is bearish, the industry's steady outlook and income generally offers a welcome safe harbor and utilities do (relatively) well. That did not work in early 2020 for reasons that aren't entirely clear (even in hindsight when market moves always seem obvious) and utilities sold off hard into the pandemic along with the major averages.

Inflation and rising rates pose a theoretical risk, but that's true all the time. The nation's clean energy transition is unique to here and now and continues to offer a compelling growth outlook. As 2021's second half began, analysts generally suggested utilities' earnings visibility and growth prospects are underappreciated by investors, and will likely become better appreciated when market sentiment shifts. ■