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<http://www.tradersnarrative.com/solar-power-stocks-an-overview-of-the-solar-sector-810.html>

Solar Power Stocks - An Overview of the Solar Sector

Due to recent advances in technology, this year and the last has witnessed the emergence of solar power from obscurity. There is a lot of activity in the sector and the technological complexity can be quite intimidating. So it is especially satisfying to know that as a chart reader one doesn't need to be an engineer to profit in this sector.

I've been concentrating on the recent price action ...

Back in the good old days of 1978, I noticed unusual strength appearing in the individual casino [stock charts](#) while the hotel-motel and leisure time groups also showed fabulous technical strength. In addition, their respective relative-strength lines were all extremely bullish. Furthermore there wasn't a casino stock that had a bearish chart pattern. With all the buyables to choose from, I felt like a kid in a candy store hardly knowing which to choose. It's unusual to see such incredible broad strength or weakness touch every stock in a sector, but when it does, don't overlook the obvious message that the market is giving you.

As far as I know, there is no "solar power" sector index. Only an ETF, the **Powershares WilderHill Clean Energy Fund**:



If you're familiar with Stan Weinstein's 'stage analysis' you will easily notice that it is setting up to exit from Stage 1 and enter Stage 2. Pay attention to its basing action, its 150 day [moving average](#), its higher lows and higher highs but also its relative strength to the S&P 500 index. Interestingly enough, when PBW came out you would have benefited by [not buying what Wall Street sells](#). From its IPO level of ~\$16 it immediately fell to \$13. But now it looks interesting.

Here is a short list of solar stocks that piqued my interest as I was browsing the sector. They are not all pure plays, nor are they all the solar stocks out there. And yes, there are weak and atrocious looking solar [stocks](#) as well. We definitely do not have a repeat of 1978 with the gaming stocks as Weinstein outlines in his book (above). These just happen to be the stronger ones at the moment:

Ascent Solar (ASTI)Amtech Systems (ASYS)Evergreen Solar (ESLR)First Solar (FSLR)Hoku Scientific (HOKU)MEMC Electronic (WFR)Solarfun Power (SOLF)Suntech Power (STP)Sunpower (SPWR)Trina (TSL)WorldWater & Power (WWAT)

You know the routine... stage analysis, relative strength, enter on a pullback, etc. I especially like the 'young' stocks which have just recently come public: ASTI, FSLR and TSL. Their constituents are for the most part extremely happy since almost everyone who bought is in the green.