

## MARKET COMMENTARY: QUICK TAKE

# Momentum Is Having a Moment



**Rufus Rankin, DBA**  
**Director, Investment Strategy**

Momentum is often seen as one of the market's most intuitive forces: stocks that have been outperforming may continue outperforming.<sup>1</sup> As today's winning stocks scroll in an endless loop across news channel chyrons, headlines, and social media, it seems as if momentum is working right now. And the numbers behind major market factors show just how dominant momentum leadership has become in 2026.

## Momentum Score (Relative to S&P 500)

Factor	Year-to-Date Increase
Value	6.48%
Growth	8.00%
Momentum	24.63%

Source: Bloomberg, based on year-to-date factor returns as of 5/14/2026. U.S. Universe, long-only, top quintile.

## Does Momentum Have Momentum?

Here's one reason why momentum could continue to outperform: A sometimes overlooked driver of momentum performance is investor underreaction, by which we mean the slow incorporation of new information into prices (particularly for company-specific news). With one of the most stunning earnings seasons in years coming to an end, investors may still not have digested the true potential strength of current market leadership.

Specifically, during the first quarter, the S&P 500 grew earnings by 25% year-over-year, while the Nasdaq-100 Index grew earnings by 42%. That growth trounced forecasts (by 18% and 29%, respectively).<sup>2</sup> Investors don't always fully price in earnings surprises like these immediately, and it may take several months for such a change in fundamentals to be fully reflected in prices. That lag can help sustain momentum leadership in the months that follow.

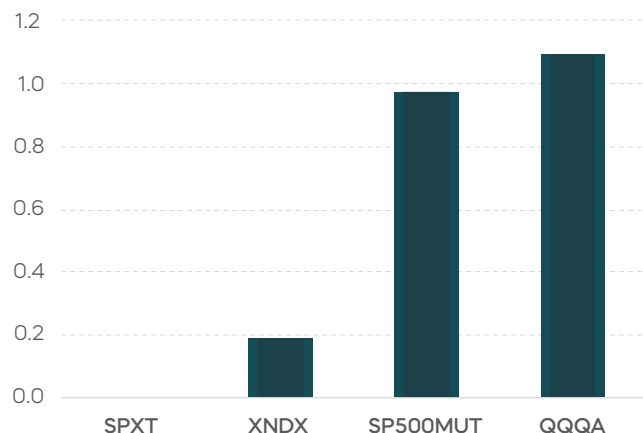
<sup>1</sup> Past performance does not guarantee future results.

<sup>2</sup> Source: Bloomberg, data as of 5/18/26.

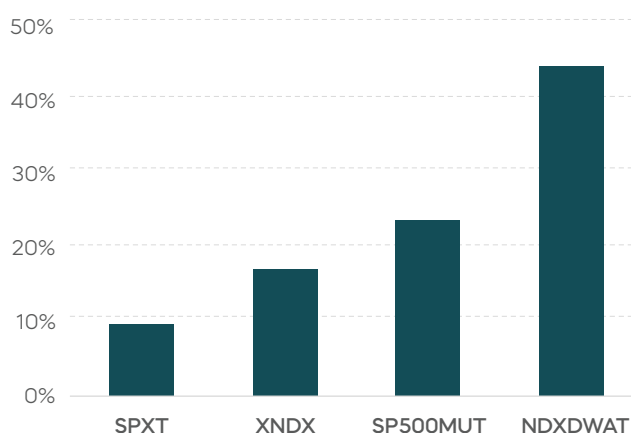
## How to Target Momentum

How can investors pivot to a momentum strategy? Here's a potential two-step process: First, consider where momentum has been strongest. There has been more momentum in the Nasdaq-100 than in the S&P 500 recently, so investors may want to consider which market they target. The second step is targeting what has been an effective strategy for selecting high-momentum stocks.

### Momentum Score (Relative to S&P 500)



### Year-to-Date Total Return



Source: Bloomberg. SPXT is the S&P 500 Total Return Index, XNDX is the Nasdaq-100 Total Return Index, SP500MUT is the S&P 500 Momentum Total Return Index, and NDXDWAT reflects the Nasdaq-100 Dorsey Wright Momentum Total Return Index. Relative momentum scores and year-to-date returns are as of 5/14/2026. Momentum scores are relative factor exposures and do not assess performance. Momentum score data was unavailable for NDXDWAT; the ProShares Nasdaq-100 Dorsey Wright Momentum ETF (QQQA) score is used in its place. Index returns do not reflect any management fees, transaction costs or expenses. Indexes are unmanaged and one cannot invest directly in an index. Past performance does not guarantee future results.

## Why Consider QQQA?

To capture the momentum opportunity, consider a strategy focused on identifying the leading stocks in one of this year's leading markets. The [ProShares Nasdaq-100 Dorsey Wright Momentum ETF \(QQQA\)](#) is the only ETF to target Nasdaq stocks using the proprietary Relative Strength indicator from Dorsey Wright, a recognized leader in momentum investing.

Standardized Performance (As of 3/31/26)	Q1 2026	YTD	1 YR	3 YR	5 YR	10 YR	QQQA Inception (5/18/21)
QQQA (NAV)	1.46%	1.46%	23.94%	16.30%	—	—	5.16%
QQQA (Market Price)	1.42%	1.42%	24.07%	16.26%	—	—	5.15%
NDXDWAT (Index)	1.61%	1.61%	24.72%	17.02%	—	—	5.82%
SP500MUT (Index)	-5.72%	-5.72%	20.31%	28.54%	—	—	18.09%

Periods greater than one year are annualized.

The performance quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than the original cost. Shares are bought and sold at market price (not NAV) and are not individually redeemed from the fund. Market price returns are based upon the midpoint of the bid/ask spread at 4:00 p.m. ET (when NAV is normally determined for most funds) and do not represent the returns you would receive if you traded shares at other times. Your brokerage commissions will reduce returns. Current performance may be lower or higher than the performance quoted. For standardized returns and performance data current to the most recent month end, [click here](#).

# QQQA

## Nasdaq-100 Dorsey Wright Momentum ETF

QQQA invests in leading Nasdaq-100 companies, based on a proprietary momentum signal from Dorsey Wright.

**There is no guarantee any ProShares ETF will achieve its investment objective.**

Shares of any ETF are generally bought and sold at market price (not NAV) and are not individually redeemed from the fund. Your brokerage commissions will reduce returns.

**Investing involves risk, including the possible loss of principal.** This ProShares ETF is non-diversified and entails certain risks, including imperfect benchmark correlation and market price variance, that may decrease performance. Please see its summary and full prospectus for a more complete description of risks.

Natural or environmental disasters, including pandemics and epidemics, have been and can be highly disruptive to economies and markets and have recently led, and may continue to lead, to increased market volatility and significant market losses.

Momentum investing emphasizes selecting stocks that have higher recent price performance compared to other stocks. Momentum can change quickly and changes may occur between index reconstitutions. Companies that previously exhibited high momentum may underperform other companies that did not exhibit high momentum. Certain investment styles may fall in and out of favor. If momentum investing is out of favor, the fund's performance may lag behind other funds using different investment styles.

The fund concentrates its investments in certain sectors. Narrowly focused investments typically exhibit higher volatility.

**Carefully consider the investment objectives, risks, charges and expenses of ProShares before investing. This and other information can be found in their summary and full [prospectuses](#). Read them carefully before investing.**

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