

Prepared by Phil Segner

	-	Reading	+
Valuation		◆◆◆◆◆	
Cyclical		◆◆◆◆◆	
Sentiment		◆◆◆◆◆	
Technical			◆◆◆◆◆
TOTAL		◆◆◆◆◆	

(Low Neutral)

The recent market action has caused an interesting convergence of performance for equity indices in 2026. Through Friday, the S&P 500, equal-weighted S&P 500, Russell 2000, Russell 1000, S&P 400, Nasdaq Composite, Dow Industrials, and even the MSCI ACWI have all returned between +10-14% YTD.

Rotation Fixation

Underperforming active managers might have a hell of a time finding their “most accurate” benchmark as year-end reviews commence.

We also note that an equal-weighted basket of the three defensive sectors of the S&P 500 (Health Care, Utilities, Consumer Staples) has returned roughly the same amount as the Nasdaq Composite so far this year. Of course, over the entire span of this bull market, we’re a long way from parity in this ratio.

Tech Defensive Ratio

Nasdaq / (HLTH + CONS + UTIL) YTD Relative Strength



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