Wellington Shields 100 YEARS

June 5, 2026

DJIA: 51,562

MARKET NOTE . . .

It all started with a Big Bang… called AI. What seems to be keeping the market healthy is the migration or rotation that AI has wrought. The Semis generally were the big beneficiaries for a time, then came the memory chip makers. The recently devised ETF there has almost tripled just since the start of April. Now Software is being viewed through a rosier lens. Even what is old is new again – stocks like IBM (302), HPE (54) and Dell (422). And there's Space, which until recently wasn't even an investment. The loss of participation is any market's undoing, and for now does not seem a factor. Even the Advance/Decline index is dancing around its highs.

All of this argues for a technical backdrop that remains positive overall. There is, of course, the "then too." In this case it's simply any market, especially one where leadership is stretched, is subject to short-term setbacks. The S&P is up seven or eight weeks in a row and the NASDAQ had been up eight or nine days in a row. The market has been amazing in its ability to ignore the ongoing war and closure of the Strait, but something changed Wednesday. While the blame was laid on Tech, we saw it also in Financials as the Swiss giant Partner Group restricted redemptions. That hit teetering names like Blackstone (BX - 119), Carlyle (CG - 44) and KKR (96). As for Tech, the reversal in Marvell (MRVL - 316), Palo Alto's (PANW - 279) failure to rally on good news, and Broadcom's (AGVO - 419) hit also marks a change – if it's the market that makes the news.

Frank D. Gretz

VANECK SEMICONDUCTOR ETF (SMH – 628)

ROUNDHILL MEMORY ETF (DRAM – 66)

ISHARES SOFTWARE ETF (IGV – 100)

INTERNATIONAL BUS MACHINES (IBM – 302)

60 BROAD STREET, 39TH FL NEW YORK, NY 10004 TELEPHONE: (212) 320-3000

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