

GRIN AND BEAR IT

MONTHLY

May 2026

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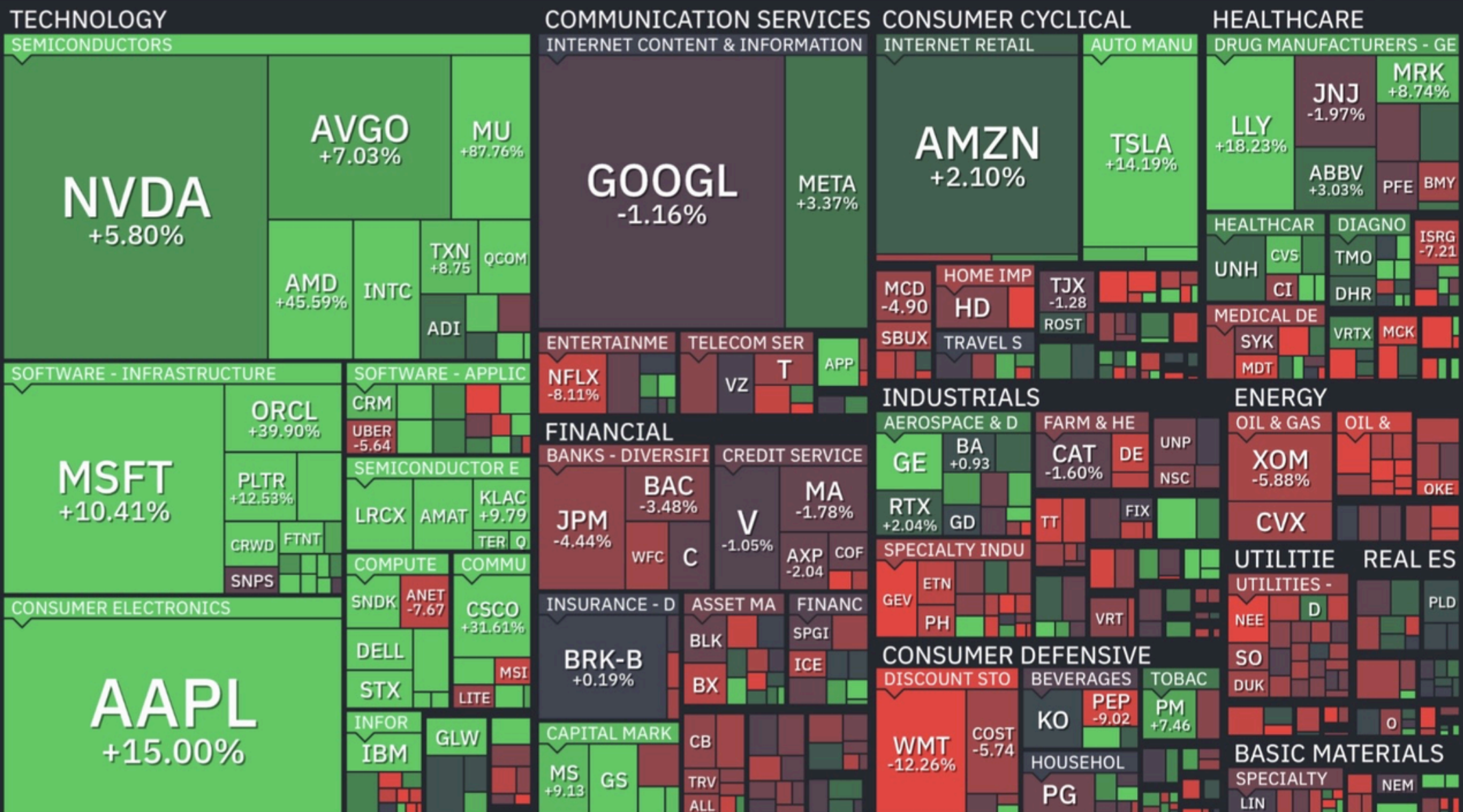
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MAY AND YTD RETURNS



	Index	May	YTD
GLOBAL INDEXES	MSCI ACWI NR USD	5.2	12.1
	FTSE WGBI USD	0.3	0.4
COUNTRY SPECIFIC EQUITY INDEXES	S&P 500 USD	5.2	11.1
	NASDAQ 100 USD	10.6	20.4
	Dow Jones USD	2.9	6.7
	CSI 300 CNY	1.9	6.1
	Nikkei 225 JPY	11.9	32.0
	Eurostoxx 50 EUR	3.7	6.2
	FTSE 100 GBP	0.7	6.6
	Nifty 50 INR	-1.7	-9.6
	JSE ALSI	-0.3	0.8
COMMODITIES AND BITCOIN	S&P GSCI TR USD	-7.6	37.7
	Gold USD	-1.2	5.0
	Copper USD	5.4	10.3
	Oil (Brent) USD	-14.0	77.0
	Bitcoin	-3.0	-19.3



S&P 500 TOP 10 WINNERS VS LOSERS - MAY 2026

TOP 10 WINNERS AND LOSERS S&P 500 • MAY

S&P 500 WINNERS

	COMPANY NAME	MTD
1	Dell Technologies Inc.	101.44
2	Micron Technology, Inc.	87.76
3	Datadog, Inc.	87.12
4	Super Micro Computer, Inc.	68.21
5	CrowdStrike Holdings, Inc.	63.99
6	Fortinet, Inc.	63.65
7	NetApp, Inc.	57.34
8	Palo Alto Networks, Inc.	57.09
9	Sandisk Corporation	54.58
10	First Solar, Inc.	51.96

BIGGEST % GAINERS IN MAY

S&P 500 LOSERS

	COMPANY NAME	MTD
1	Zoetis	-32.43
2	AutoZone	-20.76
3	Trimble	-16.21
4	Boston Scientific	-16.14
5	Insulet Corp	-15.80
6	Dow Inc.	-15.78
7	Huntington	-15.03
8	Intuit Inc.	-14.66
9	Leidos Holdings	-14.35
10	Pool Corp	-14.35

BIGGEST % DECLINERS IN MAY

S&P 500

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MARKET EVENTS

The S&P 500 gained 5 % in May to close at a new all-time high of **7,580**, its ninth consecutive weekly gain and a YTD return that crossed 9.8%. The Nasdaq surged 8%, powered by a 13-day winning streak not seen since 1992. Q1 profit margins hit 13.4%, the highest FactSet has ever recorded. Everything pointed to smooth sailing, except for one awkward detail: CPI came in at 3.8% on May 13, the highest since late 2023, with energy costs driving over 40% of the increase. Core inflation was a more manageable 2.8%, but nobody fills their car with core inflation. Consumer inflation expectations surged to 4.7%. The S&P 500 at a record high and inflation at a two-year high on the same day is the kind of contradiction that either resolves quietly or resolves loudly. History tends to prefer the latter.



MARKET EVENTS

Donald Trump flew to Beijing on May 16 and came home with the kind of headline he lives for: 200 Boeing jets, \$17 billion in annual agricultural purchases, and a handshake with Xi Jinping the White House called "historic." Boeing gets its first major China sale in nearly a decade. American farmers get a guaranteed buyer through 2028. Two new institutions were created: the U.S.-China Board of Trade and the U.S.-China Board of Investment, which sound exactly like the kind of committees that will produce many meetings and few decisions. Trump said the order could rise to 750, though that "could" is doing a lot of heavy lifting. The fact that effective tariffs are still at 11.8% and the courts have ruled them unlawful twice was politely not mentioned. But for one week in May, the trade war had a ceasefire of its own. And unlike the Iran one, this one came with planes.



Nvidia reported Q1 earnings on May 20 and delivered another masterpiece: record revenue of \$81.6 billion (up 85% YoY), EPS of \$1.87 beating estimates, and Q2 guidance above the Street. Jensen Huang said demand was "parabolic." The stock fell 1.8%. Perfection is now priced in. But Nvidia's yawn was a sideshow to the bigger story: the semiconductor sector has become the most spectacular rally in modern market history. The SOX is up 170% in 12 months. SOXX has gained 89% YTD. Intel is up 190% YTD and 356% from its low. The entire sector trades 60% above its 200-day moving average. Enter **Michael Burry**, who publicly warned on May 8 that semiconductors mirror "the final months of the 1999 dot-com bubble." His puts are bleeding. The market doesn't care.



MARKET EVENTS

Apple spent two years being called the Magnificent 7 member with no AI story. In May, it decided the story was ready. The stock surged 15% to a new all-time high of \$312, blasting through \$300 on May 15 and pushing the market cap past \$4.6 trillion. The catalyst wasn't a product launch but the anticipation of one: surveys showed record iPhone upgrade intentions driven by on-device AI features, with WWDC on June 8 as the main event. Q2 revenue of \$111.2 billion was up 17% YoY, services hit \$31 billion, and Tim Cook announced a \$100 billion share buyback, because when you can't decide between AI investment and returning cash, Apple does both. Wedbush's Dan Ives raised his target to \$400, calling Apple "the most underappreciated AI story on the planet." Two years of "what's Apple's AI strategy?" answered with a stock chart that only goes up.



MARKET EVENTS



While everyone watched AI stocks, **solar** quietly staged the comeback of the year. The Invesco Solar ETF surged 26.5% in May, its best month since 2013, led by Enphase Energy (up 110%) and SolarEdge (up 79%). The rally had a ticking clock behind it: the Section 25D residential solar tax credit is set to expire, creating an urgency trade as homeowners rush to install. SolarEdge's Q1 helped too, with revenue up 42% and its sixth consecutive quarter of margin expansion. Solar stocks had been left for dead in 2024-2025 as interest rates crushed rooftop economics. In May, the trade reversed: oil's 19% crash made renewables look stable, and analysts connected solar to the AI data centre power narrative. The solar trade went from "dead money" to "where did that come from?" in 30 days.

MARKET EVENTS

Japan's Nikkei 225 posted another 11.9% in May, its second consecutive double-digit month, pushing the index to new records and a YTD return of 36.6% that makes every other major market look like it's standing still. The yen remained weak, the semiconductor ecosystem rode the global chip boom, and corporate governance reforms kept attracting foreign capital. The Nikkei gained roughly 30% in just two months. **Warren Buffett's** Japanese trading house bets, made when everyone thought he'd lost his edge, are now up multiples from entry. Global allocators who spent 30 years underweighting Japan are scrambling to explain why their models didn't account for "what if Japan just decided to go up 37% in five months." At this pace, the Nikkei doesn't need a forecast. It needs air traffic control.



After April's hopeful 12% bounce, **Bitcoin** spent May giving most of it back. The price peaked above \$80,000 in early May before sliding to \$73,400 by month's end. But the headline wasn't the price. It was the exits. US spot Bitcoin ETFs recorded \$2.3 billion in net outflows, the largest monthly exodus since November 2025, reversing April's inflows with brutal efficiency. BlackRock's IBIT bled consistently through the second half of the month. April's "institutions are back!" became May's "institutions are leaving again!" in exactly 30 days. Bitcoin is down roughly 19% YTD while the S&P 500 is up 11%.



MARKET EVENTS

May 2026 may go down as the month the IPO market went from "recovering" to "ridiculous." In the span of 10 days, **SpaceX** filed its S-1 targeting a \$1.75 trillion valuation and an \$80 billion raise, and **OpenAI** filed confidentially at \$852 billion to \$1 trillion. SpaceX's filing revealed dual-class shares giving Musk 85% of the vote, Starlink generating two-thirds of revenue, and a compensation plan requiring a Mars colony of one million people. OpenAI showed \$20 billion in annualised revenue alongside a projected \$14 billion operating loss for 2026, asking for a trillion dollars while losing roughly \$38 million per day. Anthropic confirmed its own filing at \$1 trillion shortly after month's end. Combined, the three could debut at nearly \$4 trillion, larger than the GDP of the United Kingdom. The last time mega-IPOs lined up like this was 1999. But these companies have actual revenue. Whether \$4 trillion for companies that collectively lose money is the kind of "real" that lasts is another question.



SO UNTIL NEXT MONTH

Above the waterline, May looked unstoppable. Below it, the picture is more nuanced. The S&P, Nasdaq, Apple, solar, Japan, and \$4 trillion in IPOs all share one common thread: AI. That's not a criticism. AI revenue is real, margins are expanding, and the adoption curve is steepening. But strip it out and you're left with 3.8% inflation, Bitcoin down 19%, oil sliding, bonds flat, and consumers feeling the pinch. The broadest rally in years is more concentrated than it appears. That doesn't mean it's wrong. It means it's worth understanding what you actually own. June brings WWDC, Warsh's first FOMC, and possibly the largest listing in history. All AI. Stay curious, stay diversified, and as always, **grin and bear it.....**

