Snapshot

September 27, 2026

# Yields Are Up – But So Is Tech



The S&P 500 rose 1.21% last week, and the broader index is on pace to gain 0.90% for the month, **defying seasonality-based predictions of a September slump** – but directionally in line with Fundstrat Head of Research Tom Lee's expectations.

A lot of that defiance is **thanks to tech stocks**. After a sluggish summer, tech looks to have returned to its perch atop the sector leaderboard, rising 3.11% last week. Likely to the surprise of many, tech stocks have continued to push higher **despite the Federal Reserve's recent rate hike, and despite yields at punishing highs**.

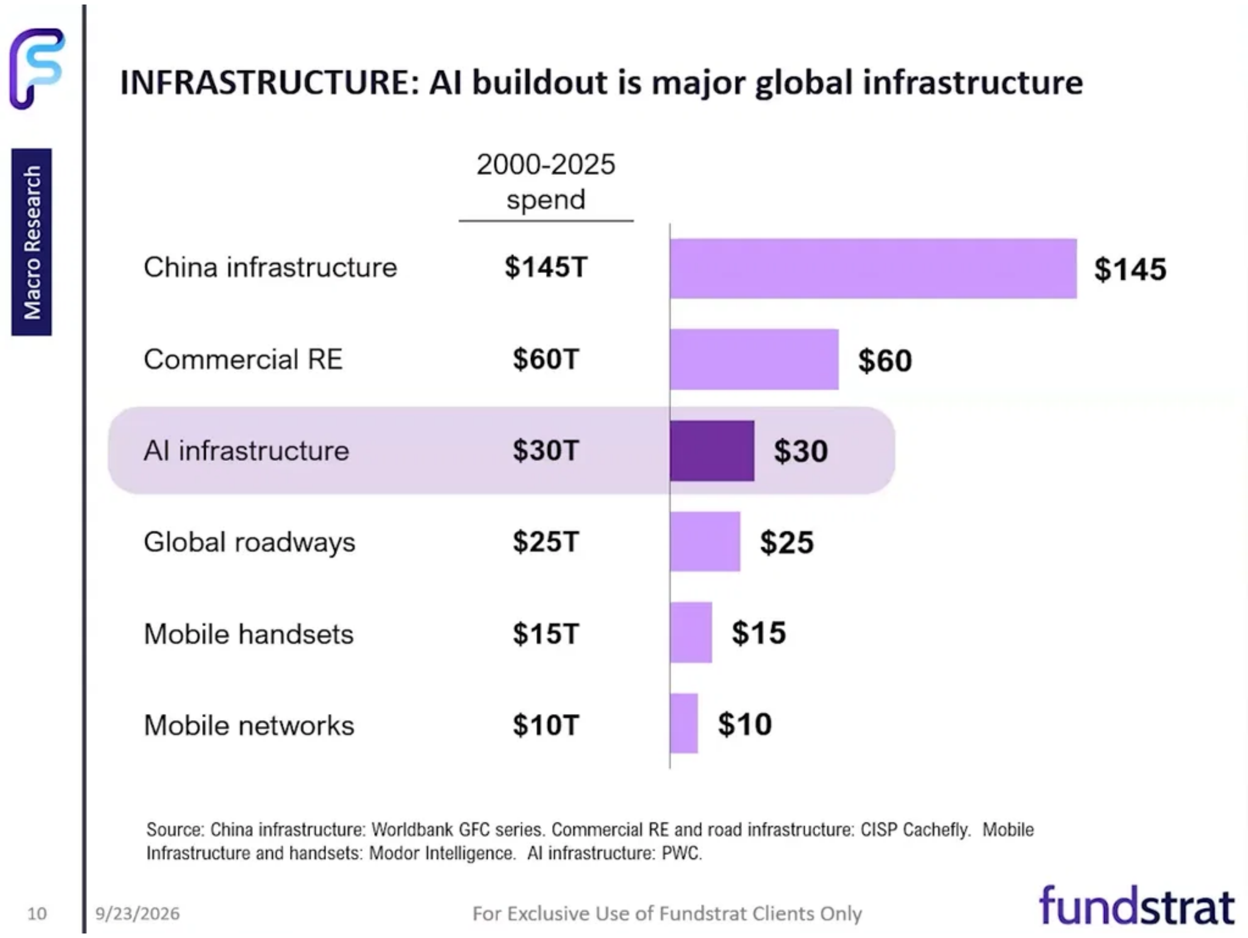
However, as Lee pointed out, the potential economic benefits from AI are such that around the world, companies and countries are making an ongoing series of big bets on AI. As Lee sees it: "**AI is a structural story**, and it's not going to be killed by rate hikes."

Given its outsized market-cap weighting in the S&P 500, **tech's revival is good news** for the broader index. **Yet much of the market is not following**: though six out of 11 sectors closed in the green for the week, two of those six rose so little as to count as basically flat.

Not all of those sector declines are necessarily bad news for those interested in the broader market, according to Newton. Declines in defensives like utilities, for instance, are “actually a positive, in my view.” Weakness in financials and industrials pose a relatively larger concern for him, however. “Some of the deterioration in financials, industrials, and other sectors is **unlikely to be easily recouped**,” he suggested. “It’s going to take time, which I think means we’re in a choppy window again […] from now until the midterms,” though “**I’m pretty constructive on U.S. equities really over the next couple weeks**.”



## *Chart of the Week*




*Some studies project AI infrastructure spending over the next 25 years to top $30 trillion. As this chart shows, this sum would eclipse what has been spent over the last 25 years building out global roadways, mobile handsets, and mobile networks. To Fundstrat's Tom Lee, what this suggests is that "As much as [some] might think that AI numbers are indicative of a bubble, there's a lot of upside actually to how much can be spent."*

## *Recent* ⚡ Flash *Insights*

**Mark L. Newton, CMT** AC
Head of Technical Strategy

**PLTR▼-1.42%** push to new highs for the year should help this get up to challenge $207 which is an area of initial resistance for this stock. As shown below the prior peak from November 2025 intersected right near 207 and this so represents an alternative Fibonacci retracement of the rally from early August when projected from 9/10 lows ( 61.8% of the 7/28-8/28 rally hits right near 207) For those that study Elliott-wave, you'll notice that this push up today helps the larger intermediate-term structure turn much more positive as this solidifies this rally from June as being a five-wave rally off the lows. The only concern is that from a near-term standpoint, upside could be limited to near 207, with 233 as a secondary but probably unlikely target before Mid-terms. Thereafter, i anticipate a 23-38% Fibonacci-based retracement which i suspect could result in weakness in PLTR between mid-to- late October down to mid-November before the start of a much larger rally into next Spring. Overall, this is a top technical pick for intermediate-term investors within the Software space and even for investors with short-term time horizons, i see this pushing up to 207. However the period from mid-October into mid-November could turn out to be quite choppy as this goes through some necessary consolidation after this runup. Support at $165, resistance near $207, then $233.


Sep 23 • 10:44 AM

**Mark L. Newton, CMT** AC
Head of Technical Strategy

Financials is one of seven sectors out of 11 which has declined over 5% in the past month. The good news is that meaningful Trendline support for this sector lies right near current levels and I suspect this to help cushion this sector and offer some stabilization ahead of a coming bounce. Given Financials weight in SPX, the recent underperformance has been a notable drag on markets despite the upward trajectory in price given Technology's dominance. While it seems unusual that markets are knocking on the door of all-time highs when **BAC ▲1.20%** **GS ▲1.32%** , **AXP ▲1.06%** , **BX ▲1.53%** have all dropped more than 8% in the past month, (with many insurers down much more) I like buying dips in Financials and don't anticipate this decline carries much lower in the short run.


Sep 22 • 4:02 PM

**Mark L. Newton, CMT** AC
Head of Technical Strategy

**META ▼-3.47%** has really begun to make substantial progress in strengthening within the “Mag-7” lately and following the breakout of July highs last week, this has now reached the highest level in eight months. As daily charts show this breakout is quite constructive for its intermediate-term structure. i expect this to reach 752-759 zone of resistance initially and then could push back to test all-time highs. Ideally, META trends higher for the next 3 weeks before a slowdown and then would look to buy dips when they occur from October into the mid-term election and mid-November. Overall a very bullish move and near-term technicals support further gains in both price and time into October as part of a larger bottoming out in this stock following underperformance since last Fall.


Sep 21 • 12:32 PM

## *Fundstrat Direct Video: Weekly Highlight*

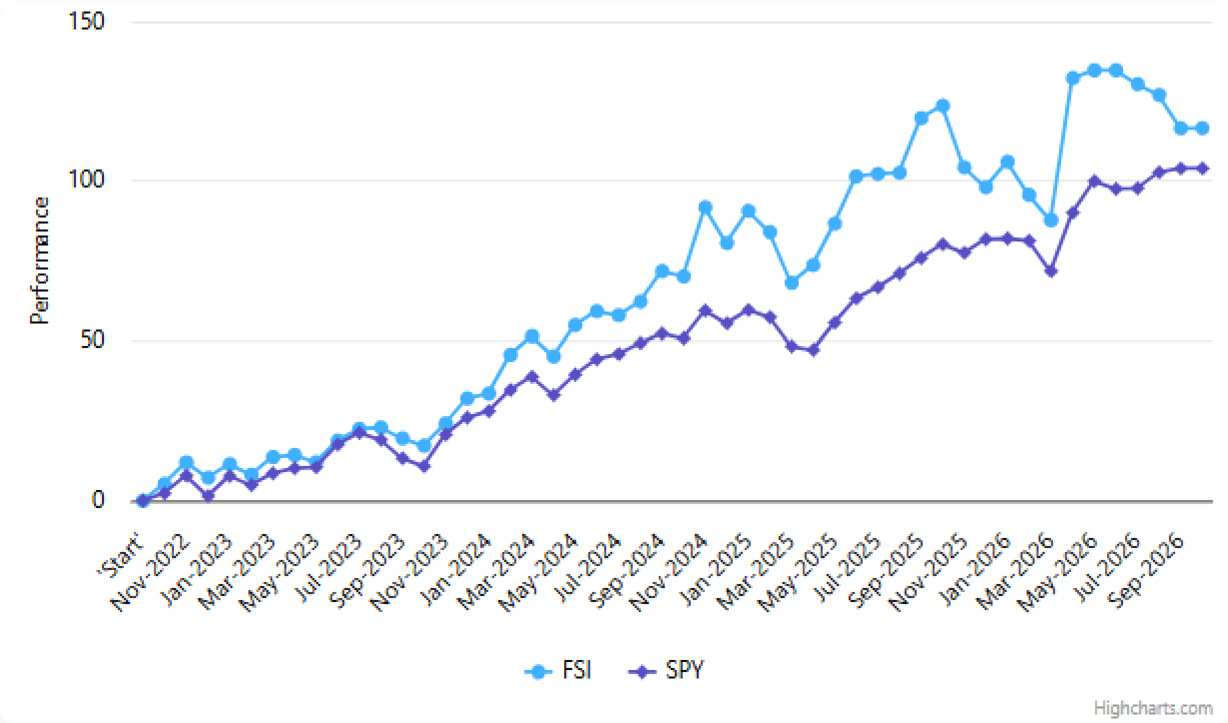

## *Key incoming data*

- ~~9/21 8:30 AM ET: Aug Chicago Fed Nat Activity Index~~ **Tame**
- ~~9/22 10:00 AM ET: Sep Richmond Fed Manufacturing Survey~~ **Tame**
- ~~9/23 9:45 AM ET: Sep P S&P Global Services PMI~~ **Hot**
- ~~9/23 9:45 AM ET: Sep P S&P Global Manufacturing PMI~~ **Hot**
- ~~9/24 10:00 AM ET: Aug New Home Sales~~ **Tame**
- ~~9/24 11:00 AM ET: Sep Kansas City Fed Manufacturing Survey~~ **Tame**
- 9/25 8:30 AM ET: Aug P Durable Goods Orders
- 9/25 10:00 AM ET: Sep F U. Mich. Sentiment and Inflation Expectation
- 9/28 10:30 AM ET: Sep Dallas Fed Manuf. Activity Survey

- 9/29 9:00 AM ET: Jul S&P Cotality CS 20-City MoM SA
- 9/29 10:00 AM ET: Aug JOLTS Job Openings
- 9/29 10:00 AM ET: Sep Conference Board Consumer Confidence
- 9/30 8:30 AM ET: 2Q T GDP
- 9/30 8:30 AM ET: Aug PCE Deflator
- 9/30 Wed 8:30 AM ET: 2Q T GDP QoQ **1.5%e**
- 10/1 Thu 9:45 AM ET: Sep F S&P Global Manufacturing PMI
- 10/1 Thu 10:00 AM ET: Sep ISM Manufacturing PMI **55.0e**
- 10/2 Fri 8:30 AM ET: Sep Non-farm Payrolls **104ke**
- 10/2 Fri 10:00 AM ET: Aug F Durable Goods Orders MoM


## *Stock List Performance*

## Upticks vs SPY ( Inception to Date )




Performance period: October 5, 2022 through September 25, 2026

## *In the News*

Is a massive market 'face-ripper' rally coming?

Sep 22, 2026

YouTube

TOM LEE: While markets churn in Sept, a "max hawkish" Fed is creating positive risk/reward

Sep 22, 2026

YouTube

Tom Lee Calls the Next Big Market Move

Sep 21, 2026

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