TRIVARIATE RESEARCH

HOW LONG DO STOCKS STAY IN THE TOP DECILE OF PRICE MOMENTUM?

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OVERVIEW & RESEARCH SUMMARY

Background: Price momentum has been a dominant and oft-talked-about signal since the AI theme emerged in 2023. However, the sharp roll-over and volatility in AI-Semiconductors and other previously high momentum stocks caused us to investigate some of the key attributes of price momentum in today's work.

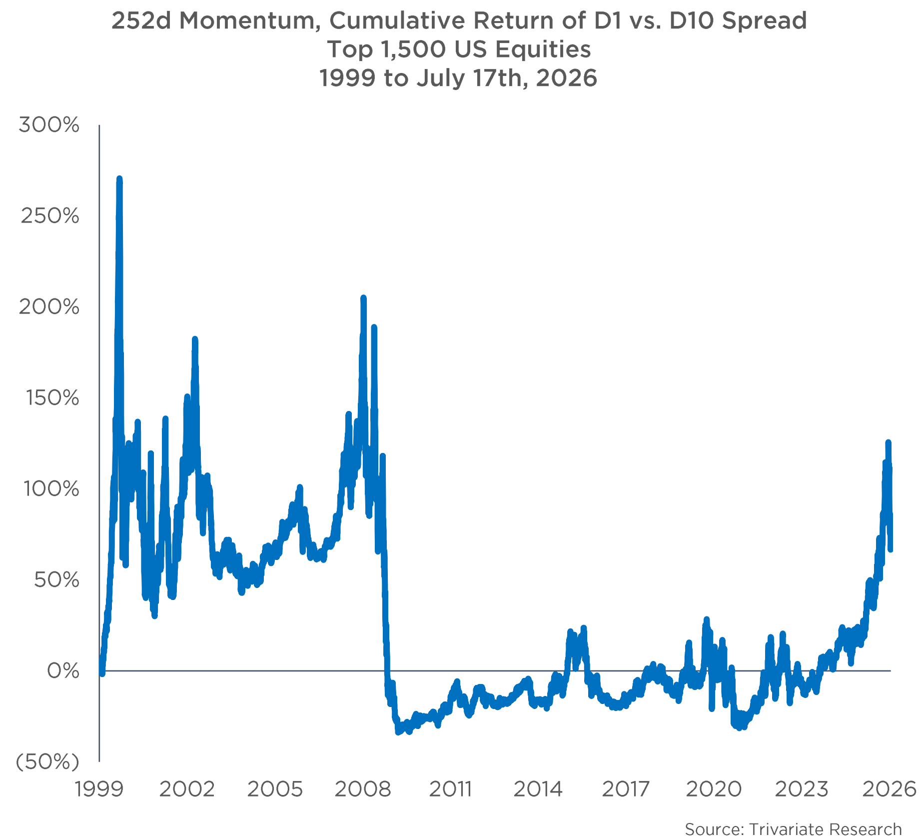
How long do stocks stay in the top / bottom decile of momentum?: We looked at the turnover of names in the top (D1) and bottom (D10) deciles of 12-month momentum for 1, 3, 6, 9, and 12-month periods. On average, just under half of names in the top decile of 12-month momentum leave the top decile 3 months later. After 6 months, 68.6% of names have left the top decile, and after 12 months that climbs to 90.1%. The turnover of the top and bottom deciles of momentum are similar, but the worst decile of momentum has slightly less turnover than the top decile (86.3% vs 90.1% after 12 months).

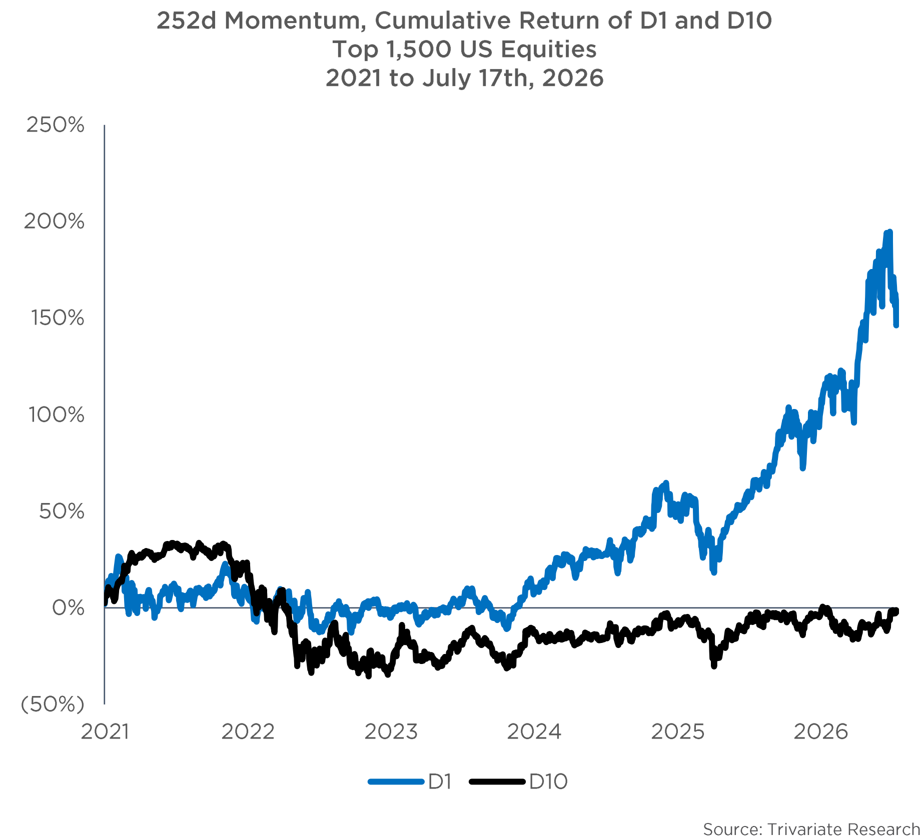
Top decile distribution of outcomes: On average, a company entering the top decile of momentum stays for 3.46 months, with a standard deviation of 3.60 months, and a maximum of 32 months (NVDA). The mean number of months a stock has remained in the top decile of momentum is currently near all-time highs, at 5.41 months.

What happens once stocks leave the top decile of momentum?: While only 30.8% of stocks in the top decile of momentum remain there 6 months later, 68.7% of stocks in the top decile of momentum remain in the top half 6 months later- see slide 6. A slightly higher percentage of stocks in the bottom decile of momentum remain there 6 months later. 3.3% of companies go from penthouse to outhouse in six months.

MOMENTUM JUST HAD ITS BEST RUN SINCE THE FINANCIAL CRISIS

12-month price momentum as a factor had its best performance since the Financial Crisis (left) until a sharp rollover recently. In fact, buying stocks in the top decile of price momentum and shorting those in the bottom decile of price momentum would have been a great strategy until a few weeks ago, where it has since sharply retreated (right).





10% OF STOCKS STAY IN THE TOP 10% OF MOMENTUM FOR A YEAR

Given the huge run and subsequent rollover in price momentum, we looked at the turnover of names in the top (D1) and bottom (D10) deciles of 12-month momentum for 1, 3, 6, 9, and 12-month periods. On average, just under half of names in the top decile of 12-month momentum leave the top decile 3 months later. After 6 months, 68.6% of names have left the top decile, and after 12 months that number climbs to 90.1%. The turnover of the top and bottom deciles of momentum are similar, but the worst decile of momentum has slightly less turnover than the top decile (86.3% vs 90.1% after 12 months), meaning 4% more stocks stay in the bottom decile a year later than remain in the top decile a year later.

Momentum Turnover Statistics, by N-Month Turnover & Momentum Decile
Top 1,500 US Equities
1999 to End-June, 2026

N-Month Turnover	Momentum Decile	Mean	Std. Dev.	Minimum	25th Percentile	Median	75th Percentile	Maximum
1	D1	28.7%	5.3%	15.5%	25.3%	28.2%	31.4%	48.0%
	D10	28.8%	5.7%	17.0%	24.8%	28.4%	32.2%	53.1%
3	D1	49.8%	7.5%	30.4%	45.3%	48.6%	54.3%	81.1%
	D10	47.9%	8.1%	30.2%	42.6%	47.6%	52.7%	85.7%
6	D1	68.6%	7.9%	51.0%	63.0%	67.6%	73.1%	96.5%
	D10	65.2%	9.5%	39.9%	59.3%	64.9%	70.5%	95.3%
9	D1	81.2%	6.7%	67.1%	76.2%	80.4%	85.1%	99.3%
	D10	77.1%	8.5%	49.7%	73.0%	77.0%	81.8%	100.0%
12	D1	90.1%	5.1%	74.3%	86.5%	89.9%	93.9%	100.0%
	D10	86.3%	6.3%	66.7%	83.1%	86.2%	89.9%	100.0%

Source: Trivariate Research

HOW LONG DO COMPANIES STAY IN THE TOP DECILE?

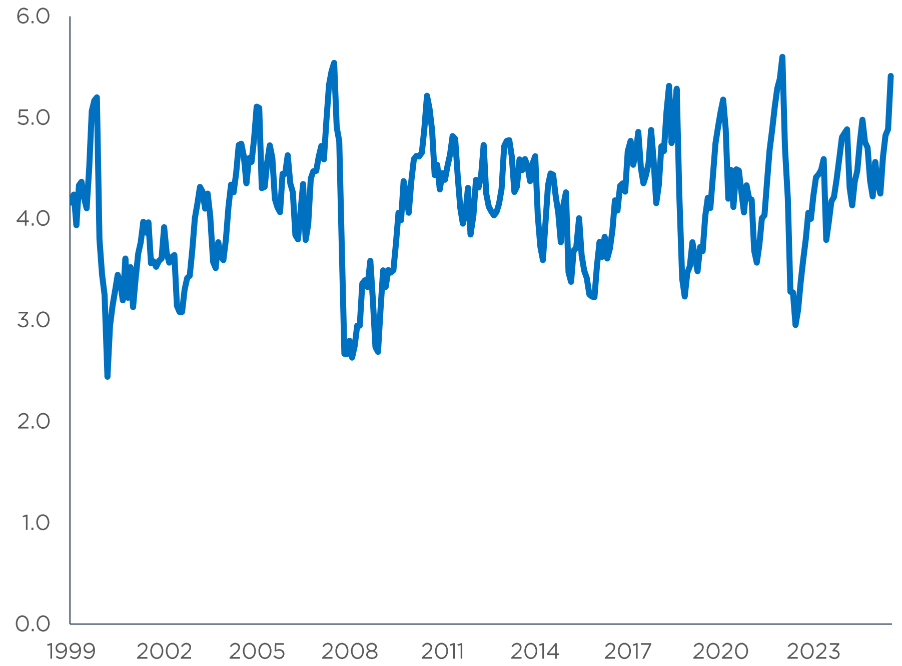
Next, we studied the distribution of the number of consecutive months a company stays in the top decile of momentum. On average, a company entering the top decile of momentum stays for 3.46 months (left), with a standard deviation of 3.60 months, and a maximum of 32 months (NVDA). The mean number of consecutive months a stock has remained in the top decile of momentum is currently near all-time highs, at 5.41 months (right).

Descriptive Statistics of Consecutive Months of Stocks in D1 Momentum
Top 1,500 US Equities
1999 to End-June, 2026

Statistic	Value
# of Stints	13,877
Mean	3.46
Std. Dev.	3.60
Minimum	1
25th Percentile	1
Median	2
75th Percentile	4
Maximum	32

Source: Trivariate Research

Mean Number of Consecutive Months
of a Stock in D1 of 252d Momentum
Top 1,500 US Equities
Through End-June, 2026



Source: Trivariate Research

MOMENTUM DECILE TRANSITION MATRIX

Below we show the percentage of stocks in each starting momentum decile (rows) by their momentum decile 6 months later (columns). We also include a column for the percentage of stocks that leave the top 1,500 universe. While only 30.8% of stocks in the top decile of momentum remain there 6 months later, 68.7% of stocks in the top decile of momentum remain in the top half 6 months later. A slightly higher percentage of stocks in the bottom decile of momentum remain there 6 months later.

Momentum Decile Transition Matrix, Top 1,500 US Equities
% of Stocks in Each Decile 6 Months Later by Starting Decile
1999 to End-June, 2026

Starting Decile	1	2	3	4	5	6	7	8	9	10	Leave T1500
1	30.8%	15.9%	9.7%	7.0%	5.3%	4.4%	3.8%	3.4%	3.2%	3.3%	13.2%
2	13.6%	16.6%	13.9%	11.1%	9.1%	7.6%	6.1%	5.1%	4.4%	3.2%	9.2%
3	7.9%	13.5%	13.8%	12.9%	11.2%	9.5%	7.8%	6.6%	5.0%	3.6%	8.2%
4	5.5%	10.5%	12.7%	12.9%	12.1%	11.1%	9.5%	8.0%	6.4%	4.0%	7.4%
5	4.1%	8.4%	10.7%	12.1%	12.6%	12.0%	10.9%	9.6%	7.6%	4.8%	7.1%
6	3.3%	6.7%	9.2%	10.7%	12.0%	12.6%	12.2%	11.3%	9.3%	5.8%	6.9%
7	2.9%	5.4%	7.5%	9.1%	11.0%	12.2%	13.2%	12.9%	11.5%	7.5%	6.9%
8	2.5%	4.5%	5.8%	7.5%	9.2%	10.9%	12.8%	14.5%	14.4%	10.7%	7.3%
9	2.4%	3.6%	4.7%	5.6%	6.9%	8.9%	11.2%	13.9%	17.4%	16.8%	8.5%
10	2.5%	2.8%	3.1%	3.7%	4.1%	5.1%	6.9%	9.4%	15.5%	34.2%	12.8%

Source: Trivariate Research

CURRENT COMPANIES IN TOP DECILE OF PRICE MOMENTUM

Below we show the largest 20 companies that are in the top decile of 252-day price momentum among the top 1,500 US Equities.

Largest 20 Companies in Top Decile of Price Momentum
June 17th, 2026

Ticker	Company	Industry	Market Cap. (US$ Bil.)	252d Total Return
MU	Micron Technology, Inc.	Semiconductors & Semiconductor Equipment	977.44	630%
AMD	Advanced Micro Devices, Inc.	Semiconductors & Semiconductor Equipment	821.12	210%
INTC	Intel Corporation	Semiconductors & Semiconductor Equipment	487.82	319%
AMAT	Applied Materials, Inc.	Semiconductors & Semiconductor Equipment	417.38	174%
CAT	Caterpillar Inc.	Machinery	398.09	116%
LRCX	Lam Research Corporation	Semiconductors & Semiconductor Equipment	383.63	214%
KLAC	KLA Corporation	Semiconductors & Semiconductor Equipment	271.18	129%
DELL	Dell Technologies Inc.	Technology Hardware, Storage & Peripherals	246.75	226%
SNDK	Sandisk Corporation	Technology Hardware, Storage & Peripherals	205.99	2482%
STX	Seagate Technology Holdings plc	Technology Hardware, Storage & Peripherals	181.56	440%
MRVL	Marvell Technology, Inc.	Semiconductors & Semiconductor Equipment	170.72	167%
WDC	Western Digital Corporation	Technology Hardware, Storage & Peripherals	168.00	619%
GLW	Corning Incorporated	Electronic Equipment, Instruments & Components	131.76	195%
VRT	Vertiv Holdings Co	Electrical Equipment	112.03	131%
VLO	Valero Energy Corporation	Oil, Gas & Consumable Fuels	93.03	122%
FIX	Comfort Systems USA, Inc.	Construction & Engineering	60.17	207%
LITE	Lumentum Holdings Inc.	Communications Equipment	59.56	636%
HPE	Hewlett Packard Enterprise Company	Technology Hardware, Storage & Peripherals	59.01	130%
BE	Bloom Energy Corporation	Electrical Equipment	56.05	771%
COHR	Coherent Corp.	Electronic Equipment, Instruments & Components	55.84	184%

Source: Trivariate Research

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