VM Wealth Management Research
ETF Investment Recommendation

QQQM — Invesco NASDAQ 100 ETF

OVERWEIGHT

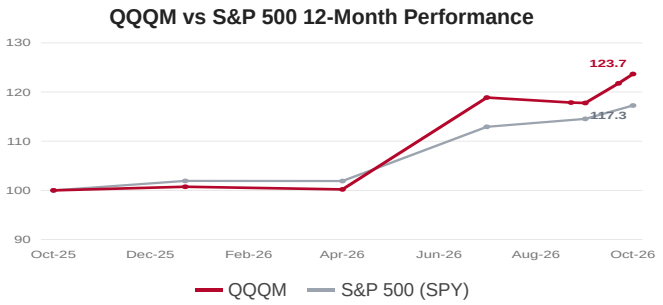
PRICE	EXPENSE RATIO	AUM	BENCHMARK	INCEPTION	CATEGORY
$309.39	0.15%	$112.0B	Nasdaq-100 Index	10/2020	Equity — Large-Cap Growth

INVESTMENT THESIS

QQQM provides the same exposure as QQQ — the 100 largest non-financial companies on the Nasdaq — at a lower 0.15% expense ratio and a lower share price, making it a cost-efficient vehicle for long-term, buy-and-hold allocations. The index remains dominated by the mega-cap technology and AI-infrastructure names driving the current capex supercycle (Nvidia, Apple, Microsoft, Amazon), with the memory and semiconductor upcycle (Micron, AMD) adding a second growth leg and SpaceX joining the index in July 2026. QQQM has outperformed the S&P 500 across every trailing period shown below. We recommend an overweight allocation as a growth tilt within diversified equity portfolios, though position sizing should account for the fund's premium valuation, its ~61% weight in Technology, and the 31% held in its five largest positions.

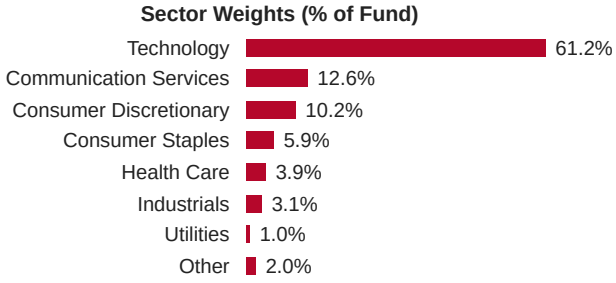
PERFORMANCE & PORTFOLIO COMPOSITION

Returns	YTD	1 YR	3 YR	5 YR
QQQM	22.8%	23.7%	27.8%	16.6%
S&P 500	15.1%	17.3%	23.1%	13.7%
+/- S&P	+7.7%	+6.4%	+4.7%	+2.8%



Total returns (dividends reinvested) as of 10/9/2026; 3Yr/5Yr annualized; S&P 500 represented by SPY. Chart rebased to 100 at 10/9/2025, plotted at the dates shown; QQQM's ~12% peak-to-trough decline between Oct-25 and Apr-26 falls between plotted points. Holdings as of 10/8/2026; sector weights per Nasdaq-100 index constituent data as of 9/26/2026. Consensus 12M analyst price-target return per S&P Global consensus estimates, Oct 6–12, 2026; top 10 weighted-avg = +21.0%. Top 10 holdings = 46.8% of fund; 105 total holdings.

Top Holdings	Weight %	Cons. 12M Price Target
Nvidia Corp.	8.33%	+45.19%
Apple Inc.	7.45%	−3.45%
Microsoft Corp.	5.82%	+8.86%
Micron Technology Inc.	4.84%	+56.60%
Advanced Micro Devices Inc.	4.19%	+7.50%
Amazon.com Inc.	4.11%	+27.52%
Meta Platforms Inc.	3.21%	+7.27%
Alphabet Inc. (Cl. A)	3.06%	+22.09%
Tesla Inc.	2.95%	+4.86%
Alphabet Inc. (Cl. C)	2.86%	+19.99%



Cons. 12M reflects sell-side analyst price targets on the underlying stock, not a forecast by VM Wealth Management or a guarantee of future performance. Targets are frequently revised and can differ materially from actual results. SpaceX (2.85%) ranks just outside the top 10.

KEY RISKS

- Concentration: top 5 holdings represent ~31% of the fund; Nvidia, Apple and Microsoft supply-chain and AI-capex execution carry outsized influence on returns
- Valuation: the fund trades at a premium multiple to the broader market after a ~24% one-year advance, leaving less cushion for any earnings disappointment among its largest names
- Rate Sensitivity: the fund's long-duration growth profile makes it more sensitive than the broader market to a rise in long-term interest rates or a slower pace of Fed rate cuts
- Sector Concentration: ~61% weight in Technology with negligible exposure to Financials, Energy or Utilities leaves QQQM more volatile than a broad-market index during sector rotations

CATALYST DRIVERS (3–12 MO.)

- Continued hyperscaler AI-infrastructure capex (Microsoft, Amazon, Meta, Alphabet) sustaining demand for Nvidia, Micron and other compute/memory suppliers
- Q3 2026 mega-cap earnings season (late October) testing whether AI-driven revenue growth justifies current valuations across the fund's largest holdings
- Potential Federal Reserve rate cuts reducing the discount rate applied to long-duration growth cash flows
- Resilient cloud, enterprise-software and consumer spending supporting Amazon, Apple and the fund's communication-services holdings

Important Disclosures

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DEFINITIONS

- **OVERWEIGHT** - Security is deemed to be undervalued and is expected to outperform compared to the average market return and/or return of comparable securities in the same sector or industry.
- **MARKETWEIGHT** – Security is expected to provide similar returns compared to the market in general or at the same pace as comparable companies; neither strongly positive nor negative.
- **UNDERWEIGHT** – Security is deemed to be overvalued and is expected to underperform compared to the average market return and/or return of comparable securities in the same sector or industry.
- **ZEROWEIGHT** – This security is substantially distressed or at risk of a shock which may significantly impair its value.