

Excerpt from Yahoo Finance, December 30, 2025
<https://finance.yahoo.com/news/6-etf-predictions-2026-160000571.html>
also in Zacks

6 ETF Predictions for 2026

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How Does 2026 Open Up to Investors?

Investors enter 2026 with notable concerns. While GDP growth has accelerated and inflation has eased, the U.S. economy is increasingly showing signs of a “K-shaped” recovery, as mentioned in a Yahoo Finance article. Higher-income households continue to drive spending and wealth gains, while labor market concerns remain.

Lingering worries include heavy spending in the AI space, rich equity valuations, mounting risks in private credit and corporate debt, and a host of geopolitical uncertainties – from the war in Ukraine and energy market tensions to still-uncertain U.S. trade policies. Most central banks will likely hold off on monetary policy easing in the near term. The Fed is unlikely to cut rates at the upcoming meeting and is expected to follow a data-driven approach thereafter.

Against this backdrop, below we make a few investment predictions related to the exchange-traded fund (ETF) arena for the year 2026.

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AI-Led Power Boom: Tap Solar & Alternative Energy ETFs

Solar is regaining its shine as the AI-driven power boom lifts demand for cheap, reliable energy. Costs for photovoltaic panels have fallen sharply over the last decade, while battery storage prices are also falling (per the International Renewable Energy Agency), making solar energy a cheaper option.

Apart from falling panel and battery costs, easing policy fears (as mentioned on Investopedia) and attractive valuations have sparked a sharp rebound, with solar and clean-energy ETFs like TAN and PBW delivering outsized gains in recent months. ... **Solar ETF ...** and **Invesco WilderHill Clean Energy ETF PBW** have surged 48.4% and 60% over the past six months (as of Dec. 26, 2025).