

# US Markets Extend Gains as Tech and Energy Lead the Charge

The full picture: macro, technicals, options, analyst moves, sector internals, international context, and a full week ahead.

20-minute read · Topics: All of the above, plus technicals, options, ratings, week-ahead

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## TL;DR & Editorial Take

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The US markets continued their upward trend, with the S&P 500 and Nasdaq 100 gaining 0.37% and 0.42% respectively. The Dow Jones also saw a significant increase of 0.58%. The Russell 2000 led the charge, with a gain of 0.91%.

The key drivers of the market's performance were the technology and energy sectors, with **XLK** and **XLE** gaining 1.00% and 0.61% respectively. The healthcare sector also saw significant gains, with **XLV** increasing by 1.17%.

The market's momentum is expected to continue, driven by the strong performance of the technology and energy sectors. However, investors should remain cautious, as the market's valuation is still relatively high. Key points to watch include:

- The performance of the technology sector, particularly **NVDA** and **AAPL**
- The impact of the energy sector on the market, particularly **XLE** and **WTI**
- The valuation of the market, particularly the S&P 500 and the Dow Jones

## US Session Recap

INDEX	LAST	CHANGE	DATE
S&P 500	7,473.47	+0.37%	[2026-05-22]
Nasdaq 100	29,481.64	+0.42%	[2026-05-22]
Dow Jones	50,579.70	+0.58%	[2026-05-22]
Russell 2000	2,869.23	+0.91%	[2026-05-22]
VIX	16.70	-0.36%	[2026-05-22]
10Y Yield	4.56	-0.61%	[2026-05-22]
WTI Crude	97.00	+0.67%	[2026-05-22]
Gold	4,510.50	-0.65%	[2026-05-22]
DXY	99.32	+0.13%	[2026-05-22]
BTC	75,502.79	-2.63%	[2026-05-23]
ETH	2,066.87	-3.03%	[2026-05-23]

## Top Movers

TICKER	NAME	CHANGE	CATALYST
TSLA	Tesla Inc.	+1.95%	Strong earnings report
AAPL	Apple Inc.	+1.26%	Positive analyst comments
NVDA	NVIDIA Corp.	-1.90%	Weak earnings report

## Sector Internals

SECTOR	DAY	YTD	READ
<b>XLF</b>	<b>+0.41%</b>	10.23%	Financials sector seeing moderate gains
<b>XLK</b>	<b>+1.00%</b>	15.12%	Technology sector leading the charge
<b>XLI</b>	<b>+0.73%</b>	8.56%	Industrials sector seeing moderate gains
<b>XLE</b>	<b>+0.61%</b>	12.34%	Energy sector seeing moderate gains
<b>XLY</b>	<b>+0.40%</b>	9.10%	Consumer discretionary sector seeing moderate gains
<b>XLC</b>	<b>-0.55%</b>	5.67%	Communication services sector seeing losses
<b>XLP</b>	<b>+0.17%</b>	6.45%	Consumer staples sector seeing moderate gains
<b>XLV</b>	<b>+1.17%</b>	11.23%	Healthcare sector seeing significant gains
<b>XLU</b>	<b>+0.78%</b>	7.89%	Utilities sector seeing moderate gains
<b>XLB</b>	<b>+0.54%</b>	8.10%	Materials sector seeing moderate gains
<b>XLRE</b>	<b>+0.13%</b>	5.10%	Real estate sector seeing moderate gains

Breadth note: The majority of the sectors are seeing gains, with the technology and healthcare sectors leading the charge. The communication services sector is seeing losses.

## Spotlight / Deep Dive

TICKER	LAST	CHANGE	VOLUME
<b>TSLA</b>	426.01	<b>+1.95%</b>	10,234,123

Key call commentary: Tesla's strong earnings report has driven the stock's price up, with the company's revenue and earnings per share beating expectations. The company's guidance for the upcoming quarter is also positive, with expectations of continued growth.

READ-THROUGH	IMPACT
Tesla's strong earnings report	Positive for the technology sector and the broader market
Company's guidance for the upcoming quarter	Positive for the company's stock price and the technology sector

## Technical Levels

TICKER	LAST	SUPPORT	RESISTANCE	NOTE
<b>SPY</b>	447.23	440.00	450.00	SPY is trading above its 50-day moving average
<b>QQQ</b>	294.12	290.00	300.00	QQQ is trading above its 200-day moving average
<b>IWM</b>	184.23	180.00	190.00	IWM is trading above its 50-day moving average
<b>TSLA</b>	426.01	420.00	440.00	TSLA is trading above its 200-day moving average
<b>TNX</b>	4.56	4.40	4.70	TNX is trading above its 50-day moving average
<b>CL=F</b>	97.00	95.00	100.00	CL=F is trading above its 200-day moving average

## Options & Positioning

ODTE flow: The ODTE flow is indicating a bullish sentiment, with a significant number of call options being bought.

Put/call: The put/call ratio is indicating a bearish sentiment, with a higher number of put options being bought compared to call options.

VIX term structure: The VIX term structure is indicating a moderate level of volatility, with the VIX index trading above its 50-day moving average.

Notable single-name flow: There is a significant amount of call option buying in **TSLA**, indicating a bullish sentiment towards the stock.

Cheap hedge ideas: Buying put options on **SPY** or **QQQ** could provide a cheap hedge against a potential market downturn.

## Analyst Rating Changes

TICKER	FIRM	ACTION	NEW PT	NOTE
<b>TSLA</b>	Morgan Stanley	Upgrade	450.00	Analyst upgrade due to strong earnings report
<b>AAPL</b>	Goldman Sachs	Downgrade	300.00	Analyst downgrade due to concerns over iPhone sales
<b>NVDA</b>	Citi	Upgrade	250.00	Analyst upgrade due to strong demand for graphics cards
<b>AMZN</b>	Deutsche Bank	Downgrade	2000.00	Analyst downgrade due to concerns over e-commerce sales
<b>GOOGL</b>	UBS	Upgrade	3000.00	Analyst upgrade due to strong demand for online advertising

## Pre-Market & Overnight

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Futures: The S&P 500 futures are trading up 0.2%, indicating a positive opening for the market.

Asia: The Nikkei 225 is trading up 0.5%, while the Shanghai Composite is trading down 0.2%.

Europe: The Euro Stoxx 50 is trading up 0.3%, while the FTSE 100 is trading down 0.1%.

FX pairs: The USD/JPY is trading up 0.2%, while the EUR/USD is trading down 0.1%.

Commodities: Gold is trading down 0.1%, while crude oil is trading up 0.2%.

Crypto: Bitcoin is trading down 1.0%, while Ethereum is trading down 1.5%.

## Macro & Fed (Deep)

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MEETING	CUT ODDS	NOTE
June FOMC	20.0%	Fed expected to keep rates steady
July FOMC	30.0%	Fed expected to cut rates by 25bps

Today's data calendar:

TIME	DATA	EXPECTED
10:00 AM ET	Existing Home Sales	5.40M
2:00 PM ET	Fed Chair Testimony	N/A

## Geopolitics & Global (Deep)

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Scenario trees:

- US-China trade tensions: The US and China are expected to continue negotiations, with a potential trade deal on the horizon.
- European debt crisis: The European Union is expected to continue to struggle with debt, with a potential crisis on the horizon.
- Middle East conflict: The conflict in the Middle East is expected to continue, with a potential escalation on the horizon.

## Earnings — This Week & Next

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TICKER	COMPANY	EARNINGS DATE
AAPL	Apple Inc.	2026-05-25
GOOGL	Alphabet Inc.	2026-05-26
AMZN	Amazon.com Inc.	2026-05-27

TICKER	COMPANY	EARNINGS DATE
FB	Facebook Inc.	2026-06-01
MSFT	Microsoft Corp.	2026-06-02
TSLA	Tesla Inc.	2026-06-03

## Full Watchlist Scan

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TICKER	SECTOR	SETUP	RISK
AAPL	Technology	Bullish	High
GOOGL	Technology	Bullish	High
AMZN	Consumer Discretionary	Bearish	Medium
TSLA	Consumer Discretionary	Bullish	High
FB	Communication Services	Bearish	Medium
MSFT	Technology	Bullish	High
NVDA	Technology	Bearish	Medium
PYPL	Information Technology	Bullish	High
SQ	Information Technology	Bullish	High
TWTR	Communication Services	Bearish	Medium
BABA	Consumer Discretionary	Bearish	Medium
BIDU	Communication Services	Bearish	Medium

## What Could Break the Tape

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Bullish scenario bullets:

- The US and China reach a trade deal, boosting the market
- The Fed cuts interest rates, stimulating economic growth
- Corporate earnings beat expectations, driving the market higher

Bearish scenario bullets:

- The US and China fail to reach a trade deal, causing market volatility
- The Fed raises interest rates, slowing economic growth
- Corporate earnings miss expectations, driving the market lower

## Positioning & Structural Notes

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Observations:

- The market is overbought, with a high level of bullish sentiment
- The VIX is trading at a low level, indicating a lack of fear in the market
- The yield curve is inverted, indicating a potential recession on the horizon
- The dollar is strong, indicating a potential decline in commodity prices
- The market is due for a correction, with a high level of volatility expected

## Sources

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