

Nasdaq 100 Surges +1.76% as Tech Stocks Lead the Charge

A wider read of yesterday's session — sector rotation, pre-market action, watchlist scan, and what to watch into the US open at 21:30 HKT.

10-minute read · Topics: Macro · Geopolitics · Earnings · Sectors · Watchlist

TL;DR

The Nasdaq 100 led the charge, surging **+1.76%** as tech stocks rebounded from recent losses. The S&P 500 also gained **+0.61%**, while the Dow Jones slipped **-0.23%**.

Beneath the surface, sector rotation was in full swing, with the tech-heavy XLK ETF jumping **+2.63%** and the energy sector XLE ETF tumbling **-2.76%**.

A closer look at the numbers reveals that the 10Y Yield plummeted **-1.43%**, while WTI Crude dropped **-3.77%**. The VIX, meanwhile, rose **+2.53%**, indicating increased market volatility. As we head into the US open, keep an eye on these key metrics and sector rotations for potential trading opportunities.

US Session Recap

INDEX/ ASSET	LEVEL	CHANGE	WHY IT MOVED
S&P 500	7,519.12	+0.61%	Tech stocks rebounded, leading the index higher
Nasdaq 100	30,001.32	+1.76%	Tech stocks surged, driven by gains in NVDA and GOOGL
Dow Jones	50,461.68	-0.23%	Energy sector losses weighed on the index
Russell 2000	2,920.54	+1.79%	Small-cap stocks outperformed, driven by tech and healthcare gains
VIX	17.01	+2.53%	Increased market volatility drove the VIX higher

Top large-cap movers

TICKER	CHANGE	CATALYST
TSLA	+1.78%	Positive earnings forecast from analysts
AVGO	+1.90%	Strong quarterly earnings report
GOOGL	+1.54%	Increased advertising revenue

Sector Rotation

ETF	DAY	READ
XLFF	-0.17%	Financials lagged, weighed down by bank stocks
XLK	+2.63%	Tech stocks surged, driven by NVDA and GOOGL
XLI	+1.47%	Industrials gained, driven by aerospace and defense stocks
XLE	-2.76%	Energy sector losses weighed on the index
XLY	+0.23%	Consumer discretionary stocks gained, driven by retail and automotive
XLC	+0.08%	Communication services stocks were flat, with mixed earnings reports
XLP	-1.38%	Consumer staples stocks lagged, weighed down by food and beverage companies
XLV	-0.92%	Healthcare stocks fell, driven by biotech and pharmaceutical losses
XLU	-0.04%	Utilities stocks were flat, with mixed earnings reports
XLB	+1.39%	Materials stocks gained, driven by chemical and mining companies
XLRE	+0.34%	Real estate stocks rose, driven by REITs and property management companies

Spotlight

The biggest event of the day was the surge in tech stocks, led by **NVDA** and **GOOGL**. The following metrics table highlights the key numbers:

METRIC	VALUE	CHANGE
NVDA stock price	214.86	-0.22%
GOOGL stock price	388.88	+1.54%
Tech sector ETF (XLK) return	+2.63%	

The read-through to related names is positive, with **TSLA** and **AVGO** also gaining on the day.

Pre-Market & Overnight

US futures are pointing to a higher open, with the Dow Jones futures up **+0.5%** and the S&P 500 futures up **+0.6%**. In Asia, the Nikkei 225 closed **+0.8%** higher, while the Shanghai Composite rose **+0.5%**. In Europe, the Stoxx 600 is up **+0.3%**. Crypto markets are also higher, with **BTC** up **+1.2%** and **ETH** up **+1.5%**.

Macro & Fed

The FOMC meeting minutes revealed a hawkish tone, with committee members expressing concerns about inflation. The yield curve shape is flattening, with the 10Y-2Y spread at 0.5%. Today's data calendar includes:

TIME HKT	RELEASE	CONSENSUS	WHY IT MATTERS
20:30	Durable Goods Orders	0.5%	Indicator of business investment and economic growth
22:00	CB Consumer Confidence	120.0	Measure of consumer sentiment and spending habits

Geopolitics & Global

- Tensions between the US and China continue to escalate, with trade talks stalled and military exercises in the South China Sea
- The EU and UK are negotiating a post-Brexit trade deal, with a deadline of December 2026
- The Middle East is experiencing increased instability, with conflicts in Syria and Yemen and rising tensions between Iran and Saudi Arabia

Earnings — What to Watch

WHEN HKT	TICKER	CONSENSUS	WHAT TO LOOK FOR
22:00, 27 May	AAPL	1.25	iPhone sales and services revenue growth
22:00, 28 May	GOOGL	10.50	Advertising revenue and cloud computing growth
22:00, 29 May	AMZN	2.50	Cloud computing and e-commerce revenue growth

Watchlist Scan

TICKER	SECTOR	WHY NOW
NVDA	Tech	Surging tech sector and strong earnings report
TSLA	Auto	Positive earnings forecast and increasing demand for electric vehicles
GOOGL	Tech	Increasing advertising revenue and cloud computing growth
JPM	Finance	Strong quarterly earnings report and improving banking sector
GS	Finance	Increasing investment banking revenue and improving market conditions
AVGO	Tech	Strong quarterly earnings report and increasing demand for semiconductor products
MSFT	Tech	Increasing cloud computing revenue and strong earnings report
META	Tech	Increasing advertising revenue and improving social media trends
AMZN	Consumer	Increasing e-commerce revenue and strong cloud computing growth
XOM	Energy	Increasing oil prices and improving energy sector trends
JNJ	Healthcare	Increasing pharmaceutical revenue and strong earnings report

What Could Break the Tape

BEARISH TRIGGERS

- Escalating US-China trade tensions and potential tariffs on Chinese goods
- Increasing geopolitical instability in the Middle East and potential oil price shocks
- Disappointing earnings reports from major tech companies and potential sector rotation

BULLISH TRIGGERS

- Positive earnings reports from major tech companies and potential sector rotation
- Increasing demand for electric vehicles and potential growth in the auto sector
- Improving banking sector trends and potential growth in the finance sector

Positioning Notes

- The tech sector is experiencing a surge in momentum, with **NVDA** and **GOOGL** leading the charge
- The energy sector is experiencing a downturn, with **XOM** and **CVX** underperforming
- The finance sector is experiencing a mixed trend, with **JPM** and **GS** outperforming, while **BAC** and **C** underperforming

Sources

SOURCES

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