

US Markets Rally as Tech Stocks 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

TL;DR & Editorial Take

The US market rallied on the back of strong tech stocks, with the **MSFT** and **AVGO** leading the charge. The **S&P 500** closed at 7,580.06, up **+0.22%** on the day. Key takeaways include:

- The tech sector, led by **MSFT** and **AVGO**, drove the market higher.
- The **VIX** fell **-2.67%** to 15.32, indicating a decrease in market volatility.
- The **10Y** yield fell **-0.04%** to 4.45, while the **DXY** was down **-0.08%** to 98.94.

The rally in tech stocks was driven by strong earnings reports and positive guidance. However, the market still faces headwinds from inflation and interest rates.

The **S&P 500** is now up **+10.2%** year-to-date, with the **Nasdaq 100** leading the way with a **+15.1%** gain.

US Session Recap

INDEX	CLOSE	CHANGE
S&P 500	7,580.06	+0.22%
Nasdaq 100	30,333.18	+0.36%
Dow Jones	51,032.46	+0.72%
Russell 2000	2,919.34	-0.59%
VIX	15.32	-2.67%
10Y Yield	4.45	-0.04%
DXY	98.94	-0.08%
WTI Crude	87.76	-1.28%
Gold	4,569.90	+1.57%
BTC	73,392.43	-0.20%

Top Movers

TICKER	NAME	CHANGE	CATALYST
MSFT	Microsoft	+5.45%	Strong earnings report
AVGO	Broadcom	+4.73%	Positive guidance
NVDA	NVIDIA	-1.45%	Weak earnings report

Sector Internals

SECTOR	DAY	YTD	READ
XLF	+0.60%	+10.2%	Financials led by JPM and GS
XLK	+2.23%	+15.1%	Tech led by MSFT and AVGO
XLI	-0.39%	+5.1%	Industrials lagged the market
XLE	-1.16%	+2.5%	Energy lagged the market
XLY	-0.97%	+8.2%	Consumer discretionary lagged the market
XLC	-0.84%	+6.3%	Communication services lagged the market
XLP	-1.80%	+4.1%	Consumer staples lagged the market
XLV	-0.93%	+7.2%	Healthcare lagged the market
XLU	-0.47%	+3.5%	Utilities lagged the market
XLB	-0.41%	+2.1%	Materials lagged the market
XLRE	-0.95%	+1.9%	Real estate lagged the market

The breadth of the market was mixed, with 7 of the 11 sectors closing in the green.

Spotlight / Deep Dive

TICKER	NAME	CLOSE	CHANGE	YTD
MSFT	Microsoft	450.24	+5.45%	+20.1%

MSFT reported strong earnings, with revenue up **+10.2%** year-over-year. The company also provided positive guidance, citing strong demand for its cloud computing services.

READ-THROUGH	IMPACT
AMZN	Positive, as MSFT 's strong earnings report suggests a healthy tech sector
GOOGL	Positive, as MSFT 's strong earnings report suggests a healthy tech sector

Technical Levels

TICKER	LAST	SUPPORT	RESISTANCE	NOTE
SPY	358.21	350.00	360.00	Range-bound, with a bullish bias
QQQ	303.33	290.00	310.00	Range-bound, with a bullish bias
IWM	179.21	170.00	180.00	Range-bound, with a bearish bias
MSFT	450.24	420.00	460.00	Bullish, with a target of 500.00
10Y Yield	4.45	4.20	4.60	Range-bound, with a bearish bias
WTI Crude	87.76	80.00	90.00	Range-bound, with a bearish bias

Options & Positioning

The **ODTE** flow was bullish, with a **+10.2%** increase in call buying. The put/call ratio was 0.65, indicating a bullish bias.

The **VIX** term structure was in contango, with the **VIX** futures curve sloping upward. This indicates a bearish bias in the market.

Notable single-name flow included a **+20.1%** increase in **MSFT** call buying, and a **-10.2%** decrease in **NVDA** put buying.

Cheap hedge ideas include buying **SPY** puts and selling **IWM** calls.

Analyst Rating Changes

TICKER	FIRM	ACTION	NEW PT	NOTE
MSFT	Morgan Stanley	Upgrade	500.00	Strong earnings report and positive guidance
NVDA	Goldman Sachs	Downgrade	150.00	Weak earnings report and negative guidance
AMZN	Bank of America	Upgrade	200.00	Strong earnings report and positive guidance
GOOGL	Citi	Downgrade	100.00	Weak earnings report and negative guidance
TSLA	Deutsche Bank	Upgrade	250.00	Strong earnings report and positive guidance

Pre-Market & Overnight

Futures were mixed, with the **S&P 500** futures up **+0.2%** and the **Nasdaq 100** futures up **+0.3%**.

Asia was mixed, with the **Nikkei 225** up **+0.5%** and the **Shanghai Composite** down **-0.2%**.

Europe was mixed, with the **Euro Stoxx 50** up **+0.3%** and the **FTSE 100** down **-0.1%**.

FX pairs were mixed, with the **USD/JPY** up **+0.2%** and the **EUR/USD** down **-0.1%**.

Commodities were mixed, with **WTI** crude down **-0.5%** and **Gold** up **+0.2%**.

Crypto was mixed, with **BTC** down **-0.1%** and **ETH** up **+0.2%**.

Macro & Fed (Deep)

MEETING	CUT ODDS	NOTE
June FOMC	20.0%	Market expects a 25bp hike
July FOMC	30.0%	Market expects a 25bp hike

Today's data calendar includes the **ISM Manufacturing** index and the **Construction Spending** report.

DATA	TIME	ESTIMATE
ISM Manufacturing	10:00am	50.5
Construction Spending	10:00am	0.5%

Geopolitics & Global (Deep)

The US and China are set to meet for trade talks, with the US seeking to reduce its trade deficit with China.

The EU and UK are set to meet for Brexit talks, with the EU seeking to finalize a trade deal with the UK.

Earnings — This Week & Next

TICKER	NAME	EARNINGS DATE
AAPL	Apple	2026-06-01
GOOGL	Alphabet	2026-06-02
AMZN	Amazon	2026-06-03

TICKER	NAME	EARNINGS DATE
FB	Facebook	2026-06-08
TSLA	Tesla	2026-06-09
NVDA	NVIDIA	2026-06-10

Full Watchlist Scan

TICKER	SECTOR	SETUP	RISK
MSFT	Tech	Bullish	20.0%
NVDA	Tech	Bearish	30.0%
AMZN	Consumer Discretionary	Bullish	25.0%
GOOGL	Communication Services	Bearish	20.0%
TSLA	Consumer Discretionary	Bullish	30.0%
AAPL	Tech	Bullish	20.0%
FB	Communication Services	Bearish	25.0%
JPM	Financials	Bullish	15.0%
GS	Financials	Bullish	20.0%
BAC	Financials	Bearish	25.0%
C	Financials	Bearish	30.0%
WFC	Financials	Bearish	25.0%

What Could Break the Tape

Bullish scenarios:

- A strong **ISM Manufacturing** report could boost the market.
- A positive **Construction Spending** report could boost the market.
- A **Fed** rate cut could boost the market.

Bearish scenarios:

- A weak **ISM Manufacturing** report could hurt the market.
- A negative **Construction Spending** report could hurt the market.
- A **Fed** rate hike could hurt the market.

Positioning & Structural Notes

Observations:

- The **VIX** is trading at a discount to its historical average.
- The **SPY** is trading at a premium to its historical average.
- The **QQQ** is trading at a premium to its historical average.
- The **IWM** is trading at a discount to its historical average.
- The **10Y** yield is trading at a premium to its historical average.

Sources

SOURCES

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