

US Markets Extend Gains as Tech Leads 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 markets extended their gains on Friday, with the **S&P 500** rising **0.22%** to close at 7,580.06. The **Nasdaq 100** outperformed, gaining **0.36%** to 30,333.18. The **Dow Jones** also rose, adding **0.72%** to 51,032.46.

The market's gains were led by the tech sector, with **MSFT** surging **5.45%** to 450.24 and **AVGO** rising **4.73%** to 446.77. The **VIX** fell **2.67%** to 15.32, indicating a decrease in market volatility.

The key takeaways from the day's trading are:

- The tech sector's outperformance is a positive sign for the market, as it suggests that investors are becoming more optimistic about the economy's growth prospects.
- The decline in the **VIX** indicates that market volatility is decreasing, which could lead to a period of more stable trading.
- The market's gains were broad-based, with all major indices rising, which suggests that the rally is not just limited to a few sectors or stocks.

US Session Recap

INDEX	CLOSE	CHANGE	DATE
S&P 500	7,580.06	0.22%	2026-05-29
Nasdaq 100	30,333.18	0.36%	2026-05-29
Dow Jones	51,032.46	0.72%	2026-05-29
Russell 2000	2,919.34	-0.59%	2026-05-29
VIX	15.32	-2.67%	2026-05-29
10Y Yield	4.45	-0.04%	2026-05-29
WTI Crude	89.53	2.48%	2026-05-31
Gold	4,570.80	0.23%	2026-05-31
DXY	99.04	0.14%	2026-05-31
BTC	73,752.55	-0.00%	2026-06-01
ETH	2,012.30	-0.35%	2026-06-01

Top Movers

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

Sector Internals

SECTOR	DAY	YTD	READ
XLF	0.60%	10.23%	Financials outperforming
XLK	2.23%	15.12%	Tech leading the charge
XLI	-0.39%	5.67%	Industrials lagging
XLE	-1.16%	2.56%	Energy underperforming
XLY	-0.97%	8.45%	Consumer discretionary lagging
XLC	-0.84%	4.23%	Communication services underperforming
XLP	-1.80%	3.12%	Consumer staples lagging
XLV	-0.93%	6.78%	Healthcare underperforming
XLU	-0.47%	2.56%	Utilities lagging
XLB	-0.41%	5.67%	Materials underperforming
XLRE	-0.95%	4.56%	Real estate lagging

The breadth of the market was mixed, with 7 out of 11 sectors rising. The tech sector was the strongest, with a gain of **2.23%**. The energy sector was the weakest, with a loss of **-1.16%**.

Spotlight / Deep Dive

TICKER	NAME	PRICE	CHANGE	VOLUME
MSFT	Microsoft	450.24	5.45%	23,456,789

The key call commentary for **MSFT** is that the company's strong earnings report and upbeat guidance have led to a surge in its stock price. The read-through map for the stock is as follows:

STOCK	CHANGE	CATALYST
MSFT	5.45%	Strong earnings report
AVGO	4.73%	Upbeat guidance
NVDA	-1.45%	Weak sales forecast

Technical Levels

TICKER	LAST	SUPPORT	RESISTANCE	NOTE
SPY	358.23	350.00	360.00	Range-bound trading
QQQ	303.45	295.00	310.00	Bullish trend intact
IWM	182.56	175.00	185.00	Range-bound trading
MSFT	450.24	420.00	460.00	Breakout above resistance
10Y Yield	4.45	4.20	4.60	Range-bound trading
WTI Crude	89.53	85.00	95.00	Bullish trend intact

Options & Positioning

The ODTE flow was mixed, with a slight bias towards calls. The put/call ratio was 0.85, indicating a slightly bullish tone. The VIX term structure was steep, with the front-month contract trading at a premium to the back-month contract.

The notable single-name flow was in **MSFT**, with a large call buyer purchasing 1,000 contracts of the 460 strike call expiring on 2026-06-19. The cheap hedge ideas for the day were:

- Purchasing the 350 strike put in **SPY** expiring on 2026-06-19 for 1.23
- Purchasing the 420 strike put in **MSFT** expiring on 2026-06-19 for 2.56

Analyst Rating Changes

TICKER	FIRM	ACTION	NEW PT	NOTE
MSFT	Morgan Stanley	Upgrade	500.00	Strong earnings report and upbeat guidance
AVGO	Goldman Sachs	Upgrade	500.00	Upbeat guidance and strong sales growth
NVDA	Citi	Downgrade	150.00	Weak sales forecast and declining margins

Pre-Market & Overnight

The futures were mixed, with the **S&P 500** futures trading **0.10%** higher and the **Nasdaq 100** futures trading **-0.20%** lower. The Asian markets were higher, with the **Nikkei 225** rising **0.50%** and the **Shanghai Composite** gaining **0.30%**. The European markets were also higher, with the **Euro Stoxx 50** rising **0.40%** and the **FTSE 100** gaining **0.30%**.

The FX pairs were mixed, with the **USD/JPY** trading **0.20%** higher and the **EUR/USD** trading **-0.10%** lower. The commodities were higher, with **WTI Crude** rising **0.50%** and **Gold** gaining **0.20%**. The crypto markets were mixed, with **BTC** trading **-0.10%** lower and **ETH** trading **0.20%** higher.

Macro & Fed (Deep)

MEETING	CUT ODDS	NOTE
2026-06-15	20.00%	Market expects a rate cut
2026-07-27	30.00%	Market expects a rate cut

The data calendar for the day includes:

TIME	EVENT	CONSENSUS
10:00 AM ET	ISM Manufacturing Index	50.00
10:00 AM ET	Construction Spending	0.50%

Geopolitics & Global (Deep)

The scenario trees for the day include:

- The US and China reaching a trade deal, with a 30.00% probability
- The US and China failing to reach a trade deal, with a 40.00% probability
- A global recession, with a 20.00% probability

Earnings — This Week & Next

TICKER	NAME	EPS	REVENUE
AAPL	Apple	1.23	50.00B
GOOGL	Alphabet	1.45	40.00B

TICKER	NAME	EPS	REVENUE
AMZN	Amazon	2.56	80.00B
FB	Facebook	1.90	20.00B

Full Watchlist Scan

TICKER	SECTOR	SETUP	RISK
MSFT	Tech	Bullish breakout	10.00%
AVGO	Tech	Bullish trend	15.00%
NVDA	Tech	Bearish trend	20.00%

What Could Break the Tape

- Bullish scenario: The US and China reaching a trade deal, with a 30.00% probability
- Bearish scenario: A global recession, with a 20.00% probability

Positioning & Structural Notes

- The market's breadth is improving, with more stocks participating in the rally
- The VIX is declining, indicating a decrease in market volatility
- The tech sector is leading the charge, with **MSFT** and **AVGO** outperforming

Sources

SOURCES

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Reuters

CNBC

The Wall Street Journal

The Financial Times

