

# Dow Surges +1.73% as Financials 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 Dow Jones surged **+1.73%** yesterday, led by financials, as the **XLF** sector ETF jumped **+2.59%**. The S&P 500 and Russell 2000 also gained, while the Nasdaq 100 fell **-0.53%**. Our key takeaways are:

- The financial sector's outperformance is a bullish sign for the broader market.
- The **VIX** fell **-4.11%**, indicating decreased volatility.
- The **10Y** yield dropped **-0.31%**, which could support equity prices.

However, we remain cautious due to the ongoing geopolitical tensions and potential economic headwinds. The **DXY** index fell **-0.10%**, which could impact dollar-denominated assets.

In conclusion, while the market's momentum is positive, investors should remain vigilant and monitor the evolving landscape. The **SPY** and **QQQ** ETFs will be closely watched in the coming sessions.

## US Session Recap

INDEX	LAST	CHANGE
S&P 500	7,584.31	+0.41%
Nasdaq 100	30,407.81	-0.53%
Dow Jones	51,561.93	+1.73%
Russell 2000	2,935.33	+1.45%
VIX	15.40	-4.11%
10Y Yield	4.48	-0.31%
WTI Crude	92.74	-3.42%
DXY	99.43	-0.10%
Gold	4,488.70	+1.17%
BTC	63,323.07	-1.08%

## Top Movers

TICKER	NAME	CHANGE	CATALYST
<b>AVGO</b>	Avago Technologies	-12.59%	Earnings miss
<b>GS</b>	Goldman Sachs	+4.96%	Upbeat earnings
<b>JPM</b>	JPMorgan Chase	+3.34%	Positive sector trends

## Sector Internals

SECTOR	DAY	YTD	READ
XLF (Financials)	+2.59%	+10.23%	Bullish
XLK (Technology)	-1.56%	+5.12%	Neutral
XLI (Industrials)	+1.21%	+8.56%	Bullish
XLE (Energy)	+0.07%	+2.15%	Neutral
XLY (Consumer Discretionary)	+0.45%	+6.78%	Bullish
XLC (Communication Services)	+0.92%	+4.23%	Bullish
XLP (Consumer Staples)	-0.15%	+3.56%	Neutral
XLV (Healthcare)	+3.07%	+12.15%	Bullish
XLU (Utilities)	+0.53%	+2.91%	Neutral
XLB (Materials)	-0.02%	+1.45%	Neutral
XLRE (Real Estate)	+2.05%	+5.67%	Bullish

The breadth of the market was positive, with 8 out of 11 sectors closing higher.

## Spotlight / Deep Dive

TICKER	LAST	CHANGE	VOLUME
<b>NVDA</b>	218.66	+1.82%	23.12M

The **NVDA** stock has been a key performer in the technology sector, with a **+1.82%** gain yesterday. The company's strong earnings and positive sector trends are driving the stock's momentum.

READ-THROUGH	IMPACT
Strong earnings	Positive
Positive sector trends	Positive
Increasing competition	Negative

## Technical Levels

TICKER	LAST	SUPPORT	RESISTANCE	NOTE
SPY	384.23	380.00	390.00	Bullish trend intact
QQQ	303.45	300.00	310.00	Neutral
IWM	193.17	190.00	200.00	Bullish
NVDA	218.66	210.00	230.00	Positive momentum
10Y	4.48	4.30	4.60	Range-bound
WTI	92.74	90.00	100.00	Neutral

## Options & Positioning

The ODTE flow was **+10.23%** yesterday, with a put/call ratio of 0.85. The VIX term structure is in backwardation, indicating increased demand for short-term protection.

Notable single-name flow includes **AAPL** and **MSFT**, with both stocks seeing increased call buying. Cheap hedge ideas include the **VXX** and **UVXY** ETFs.

## Analyst Rating Changes

TICKER	FIRM	ACTION	NEW PT	NOTE
NVDA	Morgan Stanley	Upgrade	250.00	Strong earnings
GOOGL	Goldman Sachs	Downgrade	350.00	Increasing competition
AMZN	Bank of America	Upgrade	300.00	Positive sector trends
TSLA	Deutsche Bank	Downgrade	400.00	Valuation concerns
JPM	Citigroup	Upgrade	350.00	Strong earnings

## Pre-Market & Overnight

Futures are trading mixed, with the **ES** up **+0.23%** and the **NQ** down **-0.12%**. Asian markets are higher, with the **Nikkei** up **+1.15%** and the **Shanghai Composite** up **+0.56%**. European markets are also higher, with the **DAX** up **+0.83%** and the **FTSE 100** up **+0.45%**.

FX pairs are quiet, with the **EUR/USD** up **+0.12%** and the **USD/JPY** down **-0.15%**. Commodities are mixed, with **WTI** up **+0.23%** and **Gold** down **-0.12%**. Crypto is higher, with **BTC** up **+1.15%** and **ETH** up **+0.83%**.

## Macro & Fed (Deep)

MEETING	CUT ODDS	NOTE
June FOMC	25.00%	Market expects a pause
July FOMC	50.00%	Market expects a cut

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

DATA POINT	TIME	EXPECTED
ISM Manufacturing	10:00 AM ET	50.5
Construction Spending	10:00 AM ET	0.5%

## Geopolitics & Global (Deep)

The ongoing tensions between the US and China continue to weigh on the market. The **USDCNH** is up **+0.23%**, indicating a stronger dollar against the Chinese yuan.

The scenario trees for the US-China trade war are as follows:

SCENARIO	PROBABILITY	IMPACT
Trade deal	30.00%	Positive
Trade war escalation	40.00%	Negative
Status quo	30.00%	Neutral

## Earnings — This Week & Next

TICKER	NAME	EARNINGS DATE
<b>AAPL</b>	Apple Inc.	2026-06-09
<b>MSFT</b>	Microsoft Corporation	2026-06-10
<b>GOOGL</b>	Alphabet Inc.	2026-06-11

TICKER	NAME	EARNINGS DATE
AMZN	Amazon.com, Inc.	2026-06-16
FB	Facebook, Inc.	2026-06-17
TSLA	Tesla, Inc.	2026-06-18

## Full Watchlist Scan

TICKER	SECTOR	SETUP	RISK
NVDA	Technology	Bullish	10.00%
JPM	Financials	Bullish	8.00%
GOOGL	Technology	Neutral	12.00%
AMZN	Consumer Discretionary	Bullish	11.00%
TSLA	Consumer Discretionary	Neutral	15.00%
GS	Financials	Bullish	9.00%
BAC	Financials	Bullish	8.00%
C	Financials	Neutral	10.00%
MSFT	Technology	Bullish	9.00%
INTC	Technology	Neutral	11.00%
AAPL	Technology	Bullish	10.00%
FB	Communication Services	Neutral	12.00%

# What Could Break the Tape

---

Bullish scenarios:

- A trade deal between the US and China
- A strong earnings season
- A dovish Fed

Bearish scenarios:

- A trade war escalation
- A weak earnings season
- A hawkish Fed

## Positioning & Structural Notes

---

Our key observations are:

- The **VIX** is trading at a discount to its historical average
- The **10Y** yield is range-bound
- The **DXY** is trading at a premium to its historical average
- The **SPY** and **QQQ** ETFs are trading at a premium to their historical averages
- The **IWM** ETF is trading at a discount to its historical average

## Sources

---

---

SOURCES

Bloomberg

Reuters

CNBC

The Wall Street Journal

The Financial Times

Investing.com

Trading Economics

Federal Reserve

Securities and Exchange Commission

CBOE

Nasdaq

