

US Markets Plunge as Risk Aversion Spikes

A 5-minute read of yesterday's US session and today's catalysts — what to watch before pre-market opens at 21:30 HKT.

2-3 page read · Topics: Macro · Geopolitics · Earnings

TL;DR

The US market experienced a significant downturn, with the **S&P 500** plummeting **-2.64%** to 7,383.74 and the **Nasdaq 100** dropping **-4.77%** to 28,957.60. The **VIX** surged **+39.68%** to 21.51, indicating increased market volatility.

Tech stocks were among the hardest hit, with **NVDA** and **TSLA** falling **-6.20%** and **-6.56%**, respectively. The 10Y Yield rose **+1.32%** to 4.54, while **WTI Crude** dropped **-2.69%** to 90.54.

US Session Recap

INDEX/ASSET	CLOSE	CHANGE	NOTE
S&P 500	7,383.74	-2.64%	
Nasdaq 100	28,957.60	-4.77%	
Dow Jones	50,866.78	-1.35%	
Russell 2000	2,833.50	-3.47%	
VIX	21.51	+39.68%	
10Y Yield	4.54	+1.32%	
WTI Crude	90.54	-2.69%	

Top large-cap movers

NVDA and **TSLA** were among the biggest losers, falling **-6.20%** and **-6.56%**, respectively. On the other hand, **JPM** rose **+0.48%** to 312.37.

Spotlight

KEY METRICS	VALUE
S&P 500 Close	7,383.74
VIX Close	21.51
10Y Yield Close	4.54

The spotlight is on the **S&P 500**, which closed at 7,383.74 after a **-2.64%** decline. The **VIX** surged **+39.68%** to 21.51, indicating increased market volatility. The 10Y Yield rose **+1.32%** to 4.54, adding to the market's concerns.

Macro & Fed

- Current policy rate: 4.50%-4.75%
- 10Y Yield: 4.54
- Today's data releases:
 - 08:30 HKT: Non-Farm Employment Change
 - 10:00 HKT: ISM Non-Manufacturing PMI

Geopolitics & Global

- Tensions between the US and China continue to escalate, with trade talks stalled.
- The European Central Bank is expected to raise interest rates in its upcoming meeting.
- The Japanese government announced a new stimulus package to boost economic growth.

Earnings — What to Watch

WHEN	TICKER	WHAT TO LOOK FOR
14:00 HKT	AAPL	Q2 earnings and revenue growth
16:00 HKT	GOOGL	Q2 earnings and advertising revenue

Stocks Worth Watching

- **NVDA** : after a **-6.20%** decline, the stock may be due for a bounce.
- **TSLA** : the electric vehicle maker's stock fell **-6.56%** and may be worth watching for a potential rebound.
- **JPM** : the bank's stock rose **+0.48%** and may continue to outperform.
- **AAPL** : the tech giant is set to report Q2 earnings and may experience increased volatility.
- **GOOGL** : the search engine giant's stock may be affected by its Q2 earnings report.

What Could Break the Tape

BEARISH TRIGGERS

A further decline in the **S&P 500** could lead to a market downturn, with the 7,300 level acting as a key support.

BULLISH TRIGGERS

A breakout above the 7,500 level could lead to a market rally, with the **Nasdaq 100** potentially reaching 30,000.

SOURCES

Bloomberg — US Stocks Plunge as Risk Aversion Spikes

Reuters — Wall Street tumbles as investors flee to safety

CNBC — Stocks fall as investors worry about economic growth

Financial Times — US stocks suffer worst day in months

The Wall Street Journal — Stocks Drop as Investors Seek Safety

