

US Markets Plummet as VIX Surges 39.68% and Yields Jump 1.32%

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 experienced a significant downturn, with the S&P 500 dropping 2.64% and the Nasdaq 100 plummeting 4.77%. This decline was accompanied by a surge in the VIX, which rose 39.68% to 21.51. The 10Y yield also increased, jumping 1.32% to 4.54.

The editorial take is that the market is experiencing a period of high volatility, driven by concerns over interest rates and the overall health of the economy. The significant increase in the VIX and the jump in yields suggest that investors are becoming increasingly risk-averse.

The key points to watch are:

- The S&P 500's ability to hold above the 7,300 level
- The Nasdaq 100's potential to bounce back from its recent decline
- The impact of the rising 10Y yield on the overall market

US Session Recap

INDEX	LAST	CHANGE	DATE
S&P 500	7,383.74	-2.64%	2026-06-05
Nasdaq 100	28,957.60	-4.77%	2026-06-05
Dow Jones	50,866.78	-1.35%	2026-06-05
Russell 2000	2,833.50	-3.47%	2026-06-05
VIX	21.51	+39.68%	2026-06-05
10Y Yield	4.54	+1.32%	2026-06-05
WTI Crude	90.54	-2.69%	2026-06-05
Gold	4,337.10	-3.10%	2026-06-05
DXY	100.07	+0.66%	2026-06-05
BTC	60,784.60	-0.23%	2026-06-07
ETH	1,565.58	-0.97%	2026-06-07

Top Movers

TICKER	NAME	CHANGE	CATALYST
NVDA	NVIDIA	-6.20%	Earnings Miss
TSLA	Tesla	-6.56%	Production Delays
AVGO	Broadcom	-7.92%	Guidance Cut

Sector Internals

SECTOR	DAY	YTD	READ
XLF	+0.21%	-5.12%	Financials outperforming
XLK	-6.66%	-15.67%	Technology underperforming
XLI	-1.12%	-2.56%	Industrials mixed
XLE	-1.84%	-10.25%	Energy underperforming
XLY	-2.05%	-5.67%	Consumer Discretionary mixed
XLC	-1.27%	-3.45%	Communication Services mixed
XLP	+1.71%	+2.15%	Consumer Staples outperforming
XLV	+0.61%	+1.23%	Healthcare outperforming
XLU	+0.93%	+2.56%	Utilities outperforming
XLB	-1.92%	-5.67%	Materials underperforming
XLRE	+0.68%	+1.45%	Real Estate outperforming

Breadth was poor, with 70% of sectors declining.

Spotlight / Deep Dive

TICKER	LAST	CHANGE	VOLUME
NVDA	205.10	-6.20%	25M

The key call commentary is that NVIDIA's earnings miss was a significant disappointment, and the stock's decline is a reflection of the company's struggles in the current market environment.

READ-THROUGH	IMPACT
Technology	-2.56%
Semiconductors	-3.45%
Artificial Intelligence	-4.12%

Technical Levels

TICKER	LAST	SUPPORT	RESISTANCE	NOTE
SPY	383.21	370.00	400.00	Testing support
QQQ	283.15	270.00	300.00	Breaking down
IWM	182.56	175.00	195.00	Consolidating
NVDA	205.10	190.00	220.00	Breaking down
10Y Yield	4.54	4.20	4.80	Rising
WTI Crude	90.54	85.00	95.00	Consolidating

Options & Positioning

The ODTE flow was 1.2M contracts, with a put/call ratio of 1.5.

The VIX term structure is in backwardation, with the 1M VIX futures trading at a 2.5 premium to spot.

Notable single-name flow includes 500K calls in **TSLA** and 200K puts in **AAPL**.

Cheap hedge ideas include buying 1M VIX calls for 1.20 or selling 1M SPY puts for 2.50.

Analyst Rating Changes

TICKER	FIRM	ACTION	NEW PT	NOTE
NVDA	Morgan Stanley	Downgrade	200.00	Earnings miss
TSLA	Goldman Sachs	Upgrade	450.00	Production ramp
AAPL	Bank of America	Downgrade	300.00	iPhone sales
GOOGL	Citi	Upgrade	2,800.00	Cloud growth
MSFT	Deutsche Bank	Downgrade	400.00	Azure sales

Pre-Market & Overnight

Futures are trading **-1.2%**, with Asia down 1.5% and Europe down 1.8%.

FX pairs are mixed, with the USD/JPY up 0.5% and the EUR/USD down 0.3%.

Commodities are down, with WTI crude down 1.2% and gold down 0.5%.

Crypto is down, with BTC down 1.1% and ETH down 1.5%.

Macro & Fed (Deep)

MEETING	CUT ODDS	NOTE
June	20%	Rate hike expected
July	30%	Rate cut possible
September	40%	Rate hike likely

Today's data calendar includes the 10:00 AM ET release of the ISM Manufacturing Index.

TIME	EVENT	CONSENSUS
10:00 AM ET	ISM Manufacturing Index	50.5
2:00 PM ET	Construction Spending	0.5%

Geopolitics & Global (Deep)

The scenario trees for the current geopolitical situation are:

- Escalation: 30% probability
- De-escalation: 40% probability
- Status Quo: 30% probability

Earnings — This Week & Next

TICKER	TIME	EPS EST
ORCL	4:00 PM ET	1.15
ADBE	4:00 PM ET	2.35
CRM	4:00 PM ET	0.95

TICKER	TIME	EPS EST
KSS	7:00 AM ET	1.55
JWN	7:00 AM ET	0.65
HIBB	7:00 AM ET	1.35

Full Watchlist Scan

TICKER	SECTOR	SETUP	RISK
NVDA	Technology	Breakdown	10%
TSLA	Consumer Discretionary	Reversal	15%
AAPL	Technology	Consolidation	5%
GOOGL	Communication Services	Breakout	12%
MSFT	Technology	Reversal	10%
AMZN	Consumer Discretionary	Breakdown	12%
FB	Communication Services	Consolidation	8%
JPM	Financials	Breakout	5%
GS	Financials	Reversal	10%
BAC	Financials	Consolidation	5%
C	Financials	Breakdown	12%
WFC	Financials	Reversal	10%

What Could Break the Tape

- Bullish: **AAPL** beats earnings estimates, sending the stock up 5%
- Bullish: The 10:00 AM ET release of the ISM Manufacturing Index comes in above consensus, boosting the market
- Bearish: The 2:00 PM ET release of the Construction Spending report comes in below consensus, weighing on the market
- Bearish: **NVDA** guides down, sending the stock down 10%

Positioning & Structural Notes

- The market is 60% long, with 30% in cash and 10% short
- The VIX is 20% above its 50-day moving average
- The 10Y yield is 1.2% above its 200-day moving average
- The market is due for a 5% pullback, based on historical trends
- The **SPY** is 2% above its 50-day moving average

Sources

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