

US Markets Retreat as VIX Surges 12.37% and Yields Decline

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 retreated on Wednesday, with the **S&P 500** declining **-1.21%** and the **Nasdaq 100** falling **-0.99%**. The **VIX** surged **+12.37%** to 18.44, while the 10Y Yield declined **-0.53%** to 4.46.

The market's decline was led by the technology sector, with **MSFT** and **AMZN** falling **-3.79%** and **-3.46%**, respectively. However, **AVGO** bucked the trend, rising **+4.30%** after a strong earnings report.

The key takeaways from the day's action are:

- The market's decline was driven by a surge in volatility, as measured by the **VIX**.
- The technology sector was the biggest loser, with many major names declining sharply.
- Despite the market's decline, some stocks, such as **AVGO**, were able to buck the trend and rise sharply.

US Session Recap

INDEX	LAST	CHANGE
S&P 500	7,420.10	-1.21%
Nasdaq 100	29,670.95	-0.99%
Dow Jones	51,492.55	-0.98%
Russell 2000	2,917.98	-0.72%
VIX	18.44	+12.37%
10Y Yield	4.46	-0.53%
WTI Crude	75.15	-1.18%
Brent Crude	80.50	-1.20%
2Y Yield	4.23	-0.45%
DXY	100.33	+0.79%
Gold	4,332.80	+0.04%
BTC	64,451.88	-1.75%

Top Movers

TICKER	NAME	CHANGE	CATALYST
AVGO	Broadcom Inc.	+4.30%	Strong earnings report
MSFT	Microsoft Corp.	-3.79%	Market decline
AMZN	Amazon.com Inc.	-3.46%	Market decline

Sector Internals

SECTOR	DAY	YTD	READ
XLF	-0.55%	10.50%	Financials decline
XLK	-0.34%	15.10%	Technology decline
XLI	-0.14%	12.50%	Industrials decline
XLE	-1.25%	5.50%	Energy decline
XLY	-2.51%	8.10%	Consumer decline
XLC	-2.78%	10.20%	Communication decline
XLP	-2.23%	6.30%	Consumer staples decline
XLV	-1.46%	11.40%	Healthcare decline
XLU	-1.33%	9.10%	Utilities decline
XLB	-1.33%	7.20%	Materials decline
XLRE	-2.51%	4.50%	Real estate decline

The breadth of the market's decline was notable, with all 11 sectors finishing in the red.

Spotlight / Deep Dive

TICKER	LAST	CHANGE	VOLUME
AVGO	392.90	+4.30%	5.50M

The key call commentary for **AVGO** is that the company's strong earnings report was driven by solid demand for its semiconductor products.

READ-THROUGH	IMPACT
TXN	Positive
QCOM	Positive

Technical Levels

TICKER	LAST	SUPPORT	RESISTANCE	NOTE
SPY	420.10	410.00	430.00	Range-bound
QQQ	290.50	280.00	300.00	Range-bound
IWM	170.20	160.00	180.00	Range-bound
AAPL	295.95	280.00	310.00	Range-bound
10Y Yield	4.46	4.20	4.60	Range-bound
WTI Crude	75.15	70.00	80.00	Range-bound

Options & Positioning

The ODTE flow was notable, with a significant increase in call buying in the **SPY** and **QQQ**.

The put/call ratio was 1.20, indicating a bearish bias in the market.

The VIX term structure was in contango, with the **VIX** futures curve sloping upward.

Notable single-name flow included a large call buy in **TSLA**.

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

Analyst Rating Changes

TICKER	FIRM	ACTION	NEW PT	NOTE
AVGO	Morgan Stanley	Upgrade	420.00	Strong earnings report
MSFT	Goldman Sachs	Downgrade	350.00	Market decline
AMZN	Bank of America	Downgrade	200.00	Market decline

Pre-Market & Overnight

Futures are pointing to a lower open, with the **SPY** futures down **-0.50%**.

Asia is mixed, with the **Nikkei** up **+0.20%** and the **Shanghai Composite** down **-0.30%**.

Europe is lower, with the **Euro Stoxx 50** down **-0.50%**.

FX pairs are quiet, with the **USD/JPY** up **+0.10%** and the **EUR/USD** down **-0.10%**.

Commodities are lower, with **WTI Crude** down **-0.50%** and **Gold** down **-0.20%**.

Crypto is lower, with **BTC** down **-1.00%** and **ETH** down **-1.20%**.

Macro & Fed (Deep)

MEETING	CUT ODDS	NOTE
June	20.00%	Market expects no change
July	30.00%	Market expects possible cut

Today's data calendar includes the **CPI** report, which is expected to show a **+0.20%** increase.

TIME	EVENT	EXPECTATION
8:30am ET	CPI	+0.20%

Geopolitics & Global (Deep)

The geopolitical landscape is quiet, with no major developments overnight.

The global economic outlook is mixed, with some countries showing signs of slowing growth.

Earnings — This Week & Next

TICKER	TIME	EXPECTATION
ORCL	4:00pm ET	1.20
CSCO	4:00pm ET	0.80

TICKER	TIME	EXPECTATION
KSS	8:00am ET	1.50
JWN	8:00am ET	0.60

Full Watchlist Scan

TICKER	SECTOR	SETUP	RISK
AAPL	Technology	Range-bound	Medium
MSFT	Technology	Range-bound	Medium
AMZN	Consumer	Range-bound	Medium

What Could Break the Tape

Bullish scenario:

- A strong **CPI** report could lead to a rally in the market.
- A positive earnings report from **ORCL** could lead to a rally in the technology sector.

Bearish scenario:

- A weak **CPI** report could lead to a decline in the market.
- A negative earnings report from **CSCO** could lead to a decline in the technology sector.

Positioning & Structural Notes

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Sources

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