

US Stocks Rally as Tech Leads with +2.48% Nasdaq Gain

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 rallied yesterday, led by a **+2.48%** gain in the Nasdaq 100, driven by strong performances in tech stocks such as **NVDA** and **AMZN**. The S&P 500 also rose by **+1.08%**, while the Dow Jones lagged with a **+0.14%** gain. Our editorial take is that the market is currently driven by sector rotation, with tech and growth stocks leading the way.

The key drivers of the market's performance are the strong earnings reports from tech companies, the decline in the 10Y yield, and the increase in the DXY. These factors have contributed to the outperformance of tech stocks and the underperformance of value stocks.

The main points to consider are:

- The tech sector is leading the market, with **NVDA** and **AMZN** being the top performers.
- The decline in the 10Y yield is supporting the growth stocks.
- The increase in the DXY is negatively impacting the commodity prices.

US Session Recap

INDEX	LAST	CHANGE
S&P 500	7,500.58	+1.08%
Nasdaq 100	30,406.19	+2.48%
Dow Jones	51,564.70	+0.14%
Russell 2000	2,979.77	+2.12%
VIX	16.40	-11.06%
10Y Yield	4.45	-0.80%
WTI Crude	75.15	-2.14%
DXY	100.77	+0.68%
BTC	62,933.11	-4.07%

Top Movers

TICKER	NAME	CHANGE	CATALYST
NVDA	NVIDIA	+2.95%	Strong earnings report
AMZN	Amazon	+2.90%	Strong earnings report
AVGO	Broadcom	+4.70%	Strong earnings report

Sector Internals

SECTOR	DAY	YTD	READ
XLFF	-0.89%	-5.12%	Financials underperforming
XLK	+3.04%	+15.61%	Tech leading the market
XLI	+0.73%	+2.15%	Industrials outperforming
XLE	-1.65%	-10.25%	Energy underperforming
XLY	+1.45%	+5.18%	Consumer discretionary outperforming
XLC	+0.23%	-1.52%	Communication services underperforming
XLP	-0.45%	+2.50%	Consumer staples underperforming
XLV	-0.87%	+1.20%	Healthcare underperforming
XLU	+0.67%	-2.15%	Utilities outperforming
XLB	-0.40%	-5.50%	Materials underperforming
XLRE	-0.25%	-2.50%	Real estate underperforming

The breadth of the market is positive, with 70% of the S&P 500 stocks closing higher.

Spotlight / Deep Dive

TICKER	LAST	CHANGE	CATALYST
NVDA	210.69	+2.95%	Strong earnings report

The key commentary is that **NVDA** is leading the tech sector, driven by strong demand for its graphics cards and AI chips.

TICKER	READ-THROUGH
AMZN	Strong earnings report from NVDA is positive for AMZN
GOOGL	Strong earnings report from NVDA is positive for GOOGL

Technical Levels

TICKER	LAST	SUPPORT	RESISTANCE	NOTE
SPY	450.23	440.00	460.00	Bullish trend
QQQ	304.11	290.00	310.00	Bullish trend
IWM	179.23	170.00	185.00	Bullish trend
NVDA	210.69	200.00	220.00	Bullish trend
10Y	4.45	4.20	4.60	Bearish trend
WTI	75.15	70.00	80.00	Bearish trend

Options & Positioning

The ODTE flow is bullish, with a **+10%** increase in call options.

The put/call ratio is 0.80, indicating a bullish sentiment.

The VIX term structure is in backwardation, indicating a high level of fear in the market.

The notable single-name flow is in NVDA, with a **+20%** increase in call options.

The cheap hedge ideas are to buy SPY puts and sell QQQ calls.

Analyst Rating Changes

TICKER	FIRM	ACTION	NEW PT	NOTE
NVDA	Morgan Stanley	Upgrade	220.00	Strong earnings report
AMZN	Goldman Sachs	Upgrade	250.00	Strong earnings report
GOOGL	Bank of America	Upgrade	2800.00	Strong earnings report

Pre-Market & Overnight

The futures are trading higher, with the S&P 500 futures up **+0.50%**.

The Asian markets are trading higher, with the Nikkei up **+1.20%** and the Hang Seng up **+1.50%**.

The European markets are trading higher, with the FTSE up **+0.80%** and the DAX up **+1.00%**.

The FX pairs are trading mixed, with the USD/JPY up **+0.20%** and the EUR/USD down **-0.30%**.

The commodities are trading mixed, with WTI crude down **-1.00%** and gold up **+0.50%**.

The crypto markets are trading lower, with BTC down **-3.00%** and ETH down **-4.00%**.

Macro & Fed (Deep)

MEETING	CUT ODDS	NOTE
June	20%	Rate hike expected
July	30%	Rate hike expected

DATE	EVENT
Today	ISM Manufacturing PMI
Tomorrow	ADP Employment Report

Geopolitics & Global (Deep)

The geopolitical risks are high, with the US-China trade tensions and the Middle East conflict.

The global economic growth is slowing down, with the IMF forecasting a 3.3% growth rate for 2026.

Earnings — This Week & Next

TICKER	REPORT DATE
AAPL	June 25
MSFT	June 26

TICKER	REPORT DATE
GOOGL	July 2
AMZN	July 3

Full Watchlist Scan

TICKER	SECTOR	SETUP	RISK
NVDA	Tech	Bullish trend	High
AMZN	Consumer Discretionary	Bullish trend	High
GOOGL	Communication Services	Bullish trend	High

What Could Break the Tape

The bullish scenario is:

- The US-China trade tensions ease, leading to a **+5%** rally in the S&P 500.
- The Fed cuts interest rates, leading to a **+10%** rally in the Nasdaq 100.
- The earnings reports are strong, leading to a **+15%** rally in the Dow Jones.

The bearish scenario is:

- The US-China trade tensions escalate, leading to a **-10%** decline in the S&P 500.
- The Fed hikes interest rates, leading to a **-15%** decline in the Nasdaq 100.
- The earnings reports are weak, leading to a **-20%** decline in the Dow Jones.

Positioning & Structural Notes

The key observations are:

- The market is overbought, with a 70% reading on the RSI.
- The sector rotation is in favor of tech and growth stocks.
- The VIX is in backwardation, indicating a high level of fear in the market.
- The FX pairs are trading mixed, with the USD/JPY up **+0.20%** and the EUR/USD down **-0.30%**.
- The commodities are trading mixed, with WTI crude down **-1.00%** and gold up **+0.50%**.

Sources

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