S&P 500 Posts Back-to-Back Losses as Tech Sell-Off Deepens and Iran Uncertainty Weighs on Sentiment

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The U.S. and European stock markets moved lower Tuesday, with the S&P 500 falling for a second straight session as key technology names dragged on the index and renewed doubts over a reopening of the Strait of Hormuz reignited concerns about a lasting U.S.-Iran resolution. The pullback came even as investors looked ahead to a critical two-day inflation-data window, with Wednesday's CPI report and Thursday's PPI release now carrying added weight after last Friday's weak jobs report complicated the Federal Reserve's policy outlook.

U.S. Markets

Wall Street closed lower Tuesday, weighed down by a broad technology and communication-services sell-off alongside renewed geopolitical uncertainty in the Middle East. The S&P 500 dropped 0.32% to close at 7,728.20, its second consecutive decline. The Nasdaq Composite fell 0.60% to 26,445.44, and the Dow Jones Industrial Average shed 184.13 points, or 0.34%, to end the session at 53,791.85.

Communication services led the market lower, falling more than 2% as Alphabet and AppLovin shares dropped roughly 3.8% and nearly 6%, respectively. Alphabet shares have struggled recently, logging their fourth losing session in five as the company works through a reorganization of its artificial-intelligence divisions announced last week. Technology names were also broadly weaker: Nvidia gave back an early gain to close marginally lower, even after unveiling a partnership Monday with six large asset managers aimed at mobilizing more than $500 billion for AI infrastructure, while Apple shares fell more than 1%.

The selling pressure coincided with a fresh leg higher in oil prices, as Iranian officials reiterated that the Strait of Hormuz would not reopen until their conditions are met, offsetting more conciliatory signals from a Pakistani official who suggested a broader peace arrangement may still be within reach. WTI crude settled up 1.3% at $83.20 per barrel, while Brent crude rose about 1.4% to $88.91.

Attention now turns decisively to inflation data, with July's CPI report due Wednesday and the Producer Price Index following Thursday. The stakes are higher than usual: rising oil prices threaten to renew price-pressure concerns just as the sharp slowdown in hiring raises fresh questions about consumer spending and broader economic momentum, leaving the Fed to balance two competing signals as it weighs its next move.

Want me to fold this into the full edition alongside the Eurozone and Wall Street Summary charts, or keep it as a standalone update to those two sections?

European Markets

European markets closed mixed Tuesday, holding largely steady as investors positioned ahead of Wednesday's U.S. CPI report. The three indexes we follow closed mixed: Stoxx 600, up 0.06 points; FTSE 100, down 18.31 points; and DAX Index, up 67.54 points. The muted moves reflect a market in a holding pattern, with little fresh European-specific catalyst to push indexes decisively in either direction ahead of the U.S. inflation data due tomorrow. German equities outperformed, while UK shares lagged modestly, though the overall dispersion across the region remained narrow.

Energy Markets

Oil prices are lower Tuesday, with WTI crude trading near $82 per barrel as markets weigh diplomatic efforts to ease disruptions around the Strait of Hormuz. The pullback marks a partial reversal of Monday's sharp, uncertainty-driven jump, and underscores how sensitive crude remains to headlines on the Iran-Hormuz situation. The U.S. dollar is little changed against major currencies. A continued easing in oil prices would be a welcome input for tomorrow's CPI report and for the broader disinflation narrative.

Economic & Policy Outlook

The market's attention this week is squarely on inflation. Wednesday's July CPI report is expected to show the headline figure easing to 3.4% year-over-year, from 3.5% in June, while core CPI — which strips out food and energy — is forecast to cool to 2.5% from 2.6%. Thursday's Producer Price Index report is expected to show a more pronounced slowdown in wholesale inflation, albeit from a higher starting point.

If both reports land broadly in line with expectations, they should help ease concerns that elevated inflation is becoming entrenched, giving the Federal Reserve more flexibility in setting policy. Combined with the cooling — but still roughly balanced — labor market picture from ADP, the data this week could reinforce the case for the Fed to hold off on further tightening, even as officials continue to watch incoming data closely before committing to a path.

The Final Word

Tuesday's early strength reflects a market entering its most important data week in some time with cautious optimism rather than trepidation. A softening labor market paired with moderating inflation is, in many respects, the goldilocks combination investors have been positioning for — slow enough to keep the Fed patient, but not so slow as to threaten the earnings and spending backdrop that has powered stocks to record highs. Wednesday's CPI print will be the first real test of that thesis this week, with Thursday's PPI report following close behind.

Inflation Nowcasting for July 2026 (ahead of Wednesday's release):

- CPI: 3.4% (forecast, vs. 3.5% in June)
- Core CPI: 2.5% (forecast, vs. 2.6% in June)

Economic Update:

- **US Existing Home Sales**: fell to 4.09 million, down from 4.19 million last month, a decrease of -2.39%.
- **US Retail Gas Price**: fell to $4.211, down from $4.228 last week, a decrease of -0.40%.

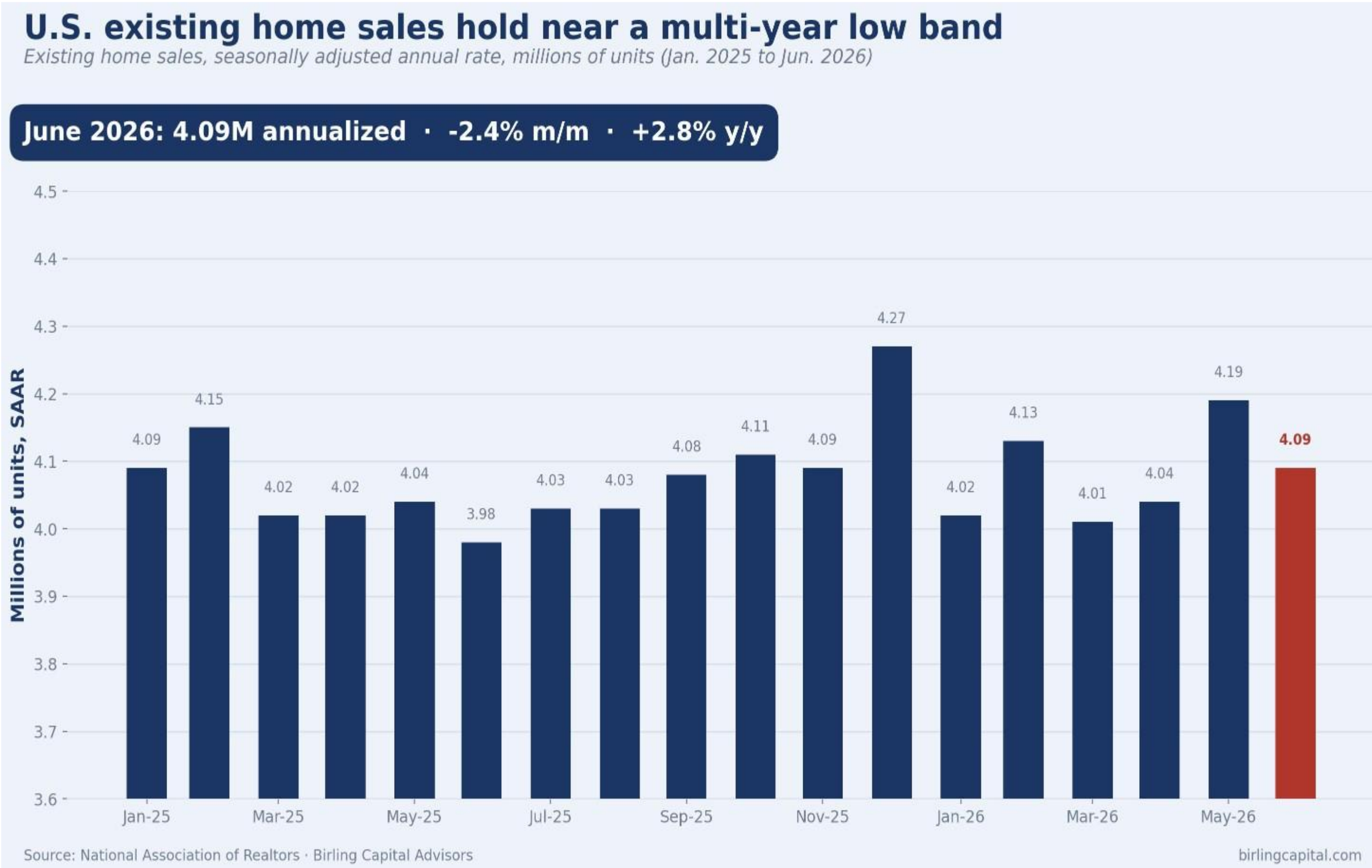
Eurozone Summary:

- **Stoxx 600:** closed at 660.51, up 0.06 points or 0.01%.
- **FTSE 100:** closed at 10,844.19, down 18.31 points or 0.17%.
- **DAX Index:** closed at 26,391.41, up 67.54 points or 0.26%.

Wall Street Summary:

- **Dow Jones Industrial Average:** closed at 53,791.85, down 184.13 points or 0.34%
- **S&P 500:** closed at 7,728.20, down 24.01 points or 0.32%
- **Nasdaq Composite:** closed at 26,445.44, down 159.91 points or 0.60%

- **Birling Capital Puerto Rico Stock Index:** closed at 5,103.39, down 0.10 points or 0.00%
- **Birling Capital U.S. Bank Index:** closed at 10,493.46, up 21.62 points or 0.21%
- **U.S. Treasury 10-year note:** closed at 4.70%.
- **U.S. Treasury 2-year note:** closed at 4.22%.


U.S. existing home sales hold near a multi-year low band
Existing home sales, seasonally adjusted annual rate, millions of units (Jan. 2025 to Jun. 2026)
June 2026: 4.09M annualized · -2.4% m/m · +2.8% y/y
Millions of units, SAAR
4.5
4.4
4.3
4.2
4.1
4.0
3.9
3.8
3.7
3.6
4.09
4.15
4.02
4.02
4.04
3.98
4.03
4.03
4.08
4.11
4.09
4.27
4.02
4.13
4.01
4.04
4.19
4.09
Jan-25
Mar-25
May-25
Jul-25
Sep-25
Nov-25
Jan-26
Mar-26
May-26
Source: National Association of Realtors · Birling Capital Advisors
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Eurozone markets close

Tuesday, August 11, 2026

	Stoxx 600	FTSE 100	DAX Index
Closing Price	660.51	10,844.19	26,391.41
Change	▲ +0.06	▼ -18.31	▲ +67.54
% Change	+0.01%	-0.17%	+0.26%

Source: Birling Capital Advisors

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Wall Street and Birling Capital Indexes Close

Tuesday, August 11, 2026

	Dow Jones Industrial Average	S&P 500	Nasdaq Composite	Birling Capital PR Stock Index	Birling Capital U.S. Bank Index
Closing Price	53,791.85	7,728.20	26,445.44	5,103.39	10,493.46
Change	▼ -184.13	▼ -24.01	▼ -159.91	▼ -0.10	▲ +21.62
% Change	-0.34%	-0.32%	-0.60%	-0.00%	+0.21%

U.S. Treasury 10-Year Note	Spread	U.S. Treasury 2-Year Note
4.70%	0.48%	4.22%

Source: Birling Capital Advisors

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