Markets Rebounded as Chip Stocks Powered Wall Street Higher; Oriental Bank Reported a 13.46% Increase in Net Income as Earnings Took Center Stage

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The U.S. and European stock markets closed higher Tuesday as a broad rebound in semiconductor stocks and better-than-expected corporate earnings helped Wall Street end a three-session losing streak. The Dow Jones Industrial Average gained nearly 400 points, while the S&P 500 and Nasdaq Composite advanced as investors shifted their attention from renewed Middle East tensions toward the strength of second-quarter corporate results. Treasury yields moved higher, with the 10-year U.S. Treasury note closing at 4.63% and the 2-year note at 4.26%, while West Texas Intermediate (WTI) crude oil traded near $85 per barrel amid continued volatility tied to the U.S.-Iran conflict. In Puerto Rico, Oriental Bank's parent, OFG Bancorp, reported a 13.46% year-over-year increase in second-quarter net income, reinforcing the resilience of the island's banking sector.

U.S. Markets

Wall Street closed solidly higher Tuesday as semiconductor stocks rallied, and investors responded favorably to a strong start to the second-quarter earnings season. The Dow Jones Industrial Average rose 385.38 points, or 0.74%, to close at 52,224.64. The S&P 500 advanced 65.92 points, or 0.89%, to 7,509.20, while the Nasdaq Composite gained 329.13 points, or 1.29%, to finish at 25,837.20. All three major averages snapped three-day losing streaks.

Semiconductors provided the strongest lift to the broader market. The VanEck Semiconductor ETF climbed more than 4%, supported by sharp gains in Micron Technology, Intel, Marvell Technology, and Astera Labs. Micron surged approximately 12%, Intel rose about 8%, Marvell gained more than 6%, and Astera Labs advanced roughly 3%, reflecting renewed investor interest in the chip sector following its recent pullback.

Corporate earnings also strengthened market sentiment. Shares of 3M jumped more than 7% after the industrial company delivered better-than-expected second-quarter results, while General Motors rose nearly 5% after exceeding revenue and earnings estimates. With approximately 88% of reporting S&P 500 companies exceeding analysts' earnings expectations, the reporting season has gotten off to a notably strong start.

Despite continued geopolitical uncertainty surrounding the U.S.-Iran conflict, investors largely looked beyond the conflict to focus on earnings. Crude oil remained elevated, with West Texas Intermediate trading near $85 per barrel and Brent crude around $91 per barrel, keeping inflation and global energy security concerns firmly in focus.

European Markets

European markets closed higher on Tuesday, with all three benchmark indices posting gains as investors looked past elevated energy prices and trade uncertainty to focus on improving corporate earnings expectations. The Stoxx 600 closed at 643.39, up 3.59 points, or 0.56%. The FTSE 100 gained 61.15 points, or 0.58%, to finish at 10,585.91, while Germany's DAX Index advanced 164.66 points, or 0.66%, to close at 25,011.35. Broad-based gains across most sectors reflected continued confidence in the region's earnings outlook despite persistent geopolitical and trade-related headwinds.

Trade Policy

The Trump administration announced new 50% tariffs on approximately $20 billion of Canadian imports, primarily targeting automotive products, alcoholic beverages, and dairy products. The tariffs, imposed under Section 338 of the Tariff Act of 1930, are scheduled to take effect on August 19, although the implementation period leaves room for additional negotiations.
The measures exclude oil, natural gas, potash, critical minerals, and several other strategic commodities, limiting their immediate economic impact. Nevertheless, the announcement represents a meaningful escalation in U.S.-Canada trade tensions and could increase costs and supply-chain uncertainty for businesses operating in the affected industries.

Earnings Watch

Attention now turns to the next wave of corporate earnings, with Alphabet, IBM, and Tesla scheduled to report later this week. Investors will closely monitor Alphabet's artificial intelligence monetization strategy, cloud growth, advertising trends, and capital spending plans, while Tesla's results should provide additional insight into electric vehicle demand, pricing, margins, and profitability.
The broader earnings outlook remains constructive. Analysts expect S&P 500 earnings to grow approximately 23% year over year, with energy companies projected to lead profit growth, followed by technology and materials. Ten of the eleven S&P 500 sectors are expected to report year-over-year earnings growth, suggesting this earnings season could broaden market leadership beyond the mega-cap technology companies.

The Final Word

Markets closed Tuesday with renewed optimism as investors weighed encouraging corporate earnings against rising interest rates, escalating trade tensions, and ongoing geopolitical uncertainty. With several market-leading companies scheduled to report over the next two days, corporate earnings are likely to remain the primary catalyst, shaping the market's near-term direction.

Corporate Earnings Parade:

- **OFG Bancorp (OFG):** Reported second-quarter 2026 revenue of **$190.3 million**, up 4.45%, with net income of **$58.8 million**, up 13.46%, and earnings per share of **$1.39**. OFG maintains a Tier 1 Capital Ratio of **14.07%**, and Birling Capital's Stock Price Target remains **$51.00**. Check our report on OFG: OFG Overview

Economic Data:

- **U.S. Retail Gas Price:** Please verify before publication. The figures provided ($3.25 to $3.98) imply an increase of approximately 22.5%, not 1.94%.

Eurozone Summary:

- **Stoxx 600:** closed at 643.39, rose 3.59 points or 0.56%.
- **FTSE 100:** closed at 10,585.91, rose 61.15 points or 0.58%.
- **DAX Index:** closed at 25,011.35, up 164.66 points or 0.66%.

Wall Street Summary:

- **Dow Jones Industrial Average:** closed at 52,224.64, up 385.38 points or 0.74%.
- **S&P 500:** closed at 7,509.20, up 65.92 points or 0.89%.
- **Nasdaq Composite:** closed at 25,837.20, up 329.13 points or 1.29%.
- **Birling Capital Puerto Rico Stock Index:** closed at 4,997.95, up 14.80 points or 0.30%.

- **Birling Capital U.S. Bank Index:** closed at 10,157.35, down 120.39 points or 1.17%.
- **U.S. Treasury 10-year note:** closed at 4.63%.
- **U.S. Treasury 2-year note:** closed at 4.26%.

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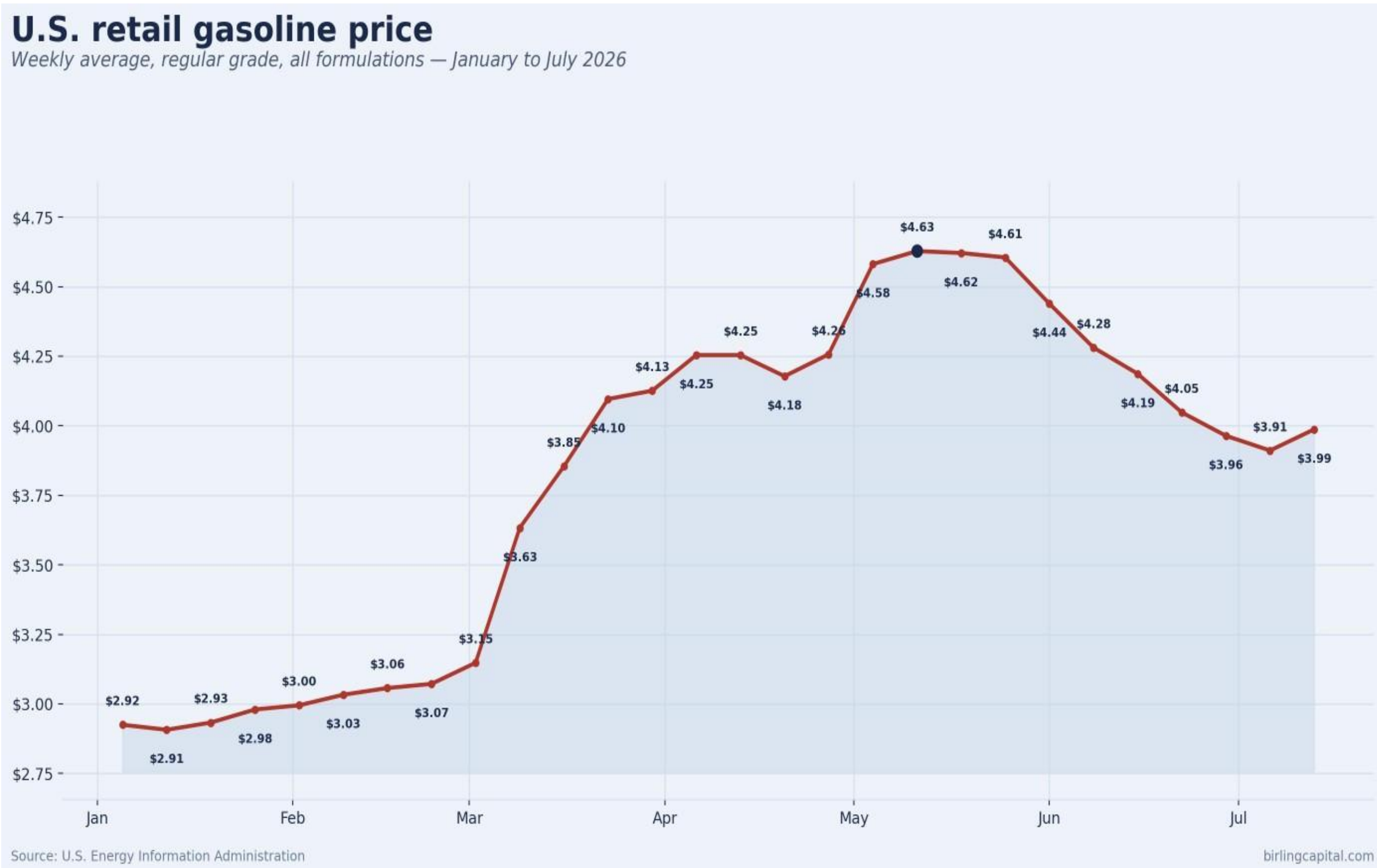

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Eurozone Markets Close

Stoxx 600, FTSE 100 and DAX Index — July 21, 2026

	Stoxx 600	FTSE 100	DAX Index
Closing Price	643.39	10,585.91	25,011.35
Change	▲ +3.59	▲ +61.15	▲ +164.66
% Change	+0.56%	+0.58%	+0.66%

Source: Bloomberg / Birling Capital Advisors

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Wall Street and Birling Capital Indexes Close

July 21, 2026

Dow Jones Industrial Average	S&P 500	Nasdaq Composite	Birling Capital PR Stock Index	Birling Capital U.S. Bank Index
Closing Price	Closing Price	Closing Price	Closing Price	Closing Price
52,224.64	7,509.20	25,837.20	4,997.95	10,157.35
▲ 385.38	▲ 65.92	▲ 329.13	▲ 14.80	▼ 120.39
+0.74%	+0.89%	+1.29%	+0.30%	-1.17%

U.S. Treasury 10-Year Note	Spread	U.S. Treasury 2-Year Note
4.63%	37 bps	4.26%

Source: NYSE, Nasdaq, U.S. Department of the Treasury, Birling Capital Advisors

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Wall Street Recap

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