Dow Advances as Falling Oil Prices Offset Technology Weakness; Investors Await Micron Earnings

June 24, 2026

by Francisco Rodríguez-Castro
frc@birlingcapital.com

The U.S. and European stock markets closed mixed on Wednesday as investors balanced renewed weakness in semiconductor stocks against the positive impact of sharply lower energy prices and declining Treasury yields. While the technology sector remained under pressure for a second consecutive session, broader market sentiment improved as crude oil prices fell to their lowest levels since early March, easing inflation concerns and supporting economically sensitive sectors.

The Dow Jones Industrial Average outperformed, benefiting from gains in industrial, financial, and consumer-oriented companies. At the same time, the Nasdaq Composite extended its pullback as investors reduced exposure to semiconductor and artificial intelligence-related shares ahead of key earnings reports. The decline in oil prices following the reopening of the Strait of Hormuz continued to reshape market leadership, favoring sectors that benefit from lower energy costs while weighing on energy producers.

Treasury yields moved lower alongside crude prices, with the 10-year Treasury yield falling to 4.41%, which provided support for equities and reinforced expectations that inflation pressures could moderate during the second half of the year. Investors also welcomed news that Alphabet will join the Dow Jones Industrial Average later this month, reflecting the growing influence of technology within the broader U.S. economy.

U.S. Markets

U.S. equities finished mixed as a renewed semiconductor sell-off weighed on technology shares while lower energy prices helped lift the broader market. The Dow Jones Industrial Average gained 182.06 points, to close at 51,848.90. The S&P 500 slipped 0.1% to 7,358.22, while the Nasdaq Composite declined 0.43% to 25,476.63.

Technology stocks remained the primary source of weakness. Shares of Micron Technology fell nearly 6% ahead of its closely watched earnings report, extending Tuesday's sharp decline as investors questioned whether the company's extraordinary rally and elevated valuation can be fully justified by continued artificial intelligence demand. Other semiconductor names also came under pressure, with Advanced Micro Devices, Sandisk, and several memory-chip manufacturers posting notable losses.

The technology retreat follows Tuesday's sharp sell-off in semiconductor stocks, with the VanEck Semiconductor ETF down more than 7% as investors reassessed earnings expectations and valuations across the sector. Market participants increasingly view the pullback as a healthy correction after one of the strongest advances in technology shares on record rather than the beginning of a broader downturn.

Meanwhile, falling oil prices weighed heavily on the energy sector. Shares of Exxon Mobil, Chevron, ConocoPhillips, and SLB all declined as crude prices fell more than 3%. The Energy Select Sector SPDR ETF lost nearly 2%, making energy one of the day's weakest-performing sectors.

One of the session's notable gainers was Alphabet, which rose approximately 1% after S&P Dow Jones Indices announced the company would replace Verizon Communications in the Dow Jones

Industrial Average effective June 29. The move further underscores the increasing dominance of technology companies within major U.S. equity benchmarks.
Despite the recent volatility in semiconductor shares, the broader market remains near record highs, supported by resilient economic fundamentals, easing energy prices, and expectations that corporate earnings growth will remain positive through the remainder of 2026.

European Markets

European markets closed mixed on Wednesday as sharply lower energy prices and easing bond yields improved investor sentiment, although performance varied across the region's major indexes.
The pan-European Stoxx Europe 600 edged higher by 0.08% to close at 635.16, supported by gains in industrials, financials, consumer discretionary, and transportation stocks as investors welcomed the prospect of lower energy costs and reduced inflationary pressures.
The United Kingdom's FTSE 100 outperformed its continental peers, rising 0.31% to 10,461.63, benefiting from strength in financials, consumer-related companies, and exporters. In contrast, Germany's DAX declined 0.62% to 24,740.36 as investors took profits in several industrial and technology-related names that had recently led the market higher. Export-oriented companies also faced modest pressure despite improving global risk sentiment.
The continued decline in crude oil prices remained a key market catalyst. With the Strait of Hormuz gradually returning to normal operations and Middle Eastern energy exports recovering, investors are increasingly removing the geopolitical risk premium that had supported energy prices earlier this year. As a result, energy shares lagged the broader market, while sectors that benefit from lower fuel and transportation costs gained favor.
Looking ahead, European investors remain focused on the inflation outlook and the implications for monetary policy. Falling energy costs are expected to provide additional support for household spending, corporate margins, and economic growth across the Eurozone during the second half of 2026, reinforcing expectations that the region's recovery may continue to broaden despite ongoing geopolitical uncertainties.

Energy Markets

Oil prices extended their decline, with West Texas Intermediate crude falling **below $71 per barrel and briefly dipping under $70 intraday — its first close below $70 since March 2.** The reopening of the Strait of Hormuz and the restoration of Gulf energy exports have significantly improved global supply conditions. Increasing tanker traffic through the Strait of Hormuz and progressing peace talks have boosted market confidence, while the IEA estimates UAE oil exports have rebounded to nearly 85% of pre-conflict levels.
The decline in crude oil has now erased most of the geopolitical premium accumulated during the March–April period, with prices down roughly 40% from the wartime peak near $120. Lower gasoline prices are beginning to emerge across the United States, offering relief to consumers ahead of the summer driving season and helping improve the broader inflation outlook. Natural gas prices were also relatively stable, while energy equities lagged the broader market as investors rotated toward growth-oriented sectors.

Economic & Policy Outlook

Attention now shifts to tomorrow's release of the Federal Reserve's preferred inflation gauge, Core Personal Consumption Expenditures (Core PCE).
Economists expect Core PCE inflation to rise modestly to approximately 3.4%, up from 3.3% previously. While such a reading would reinforce the Federal Reserve's cautious stance toward interest rates, the continued decline in energy prices suggests that headline inflation pressures may be approaching a peak.
The combination of resilient employment growth, stable consumer spending, moderating energy prices, and improving supply conditions provides policymakers with greater flexibility to maintain

current interest-rate levels while assessing incoming economic data.
Treasury markets increasingly appear to be pricing a prolonged pause rather than additional near-term rate increases. However, Federal Reserve officials remain focused on ensuring inflation continues its path toward the central bank's long-term target.

The Final Word: Market Perspective

As the first half of 2026 draws to a close, the market narrative is evolving. Leadership is broadening beyond a handful of mega-cap technology companies, volatility is normalizing after an unusually calm period, and investors are increasingly rewarding diversification.
Emerging markets, small-cap stocks, and mid-cap companies have delivered strong contributions alongside technology, creating a healthier and more balanced market structure. While short-term volatility is likely to remain elevated as investors reassess valuations and monetary policy expectations, the fundamental backdrop remains constructive.
With economic growth resilient, corporate earnings continuing to expand, and energy prices moving lower, market pullbacks should continue to be viewed as opportunities for disciplined investors rather than evidence of a broader trend reversal.

Economic Data:

- **US New Single-Family Houses Sold:** fell to 580,000, down from 626,000 last month, a change of -7.35%.

Eurozone Summary:

- **Stoxx 600:** closed at 635.16, up 0.53 points or 0.08%.
- **FTSE 100:** closed at 10,461.63, up 32.78 points or 0.31%.
- **DAX Index:** closed at 24,740.36, down 153.22 points or 0.62%.

Wall Street Summary:

- **Dow Jones Industrial Average:** closed at 51,848.90, up 182.06 points or 0.35%.
- **S&P 500:** closed at 7,358.22, down 7.24 points or 0.10%.
- **Nasdaq Composite:** closed at 25,476.63, down 110.40 points or 0.43%.
- **Birling Capital Puerto Rico Stock Index:** closed at 4,648.42, up 73.01 points or 1.60%.
- **Birling Capital U.S. Bank Index:** closed at 10,374.15, up 1.26 points or 0.01%.
- **U.S. Treasury 10-year note:** closed at 4.41%.
- **U.S. Treasury 2-year note:** closed at 4.11%.

U.S. New Single-Family Houses Sold

Monthly Sales, Seasonally Adjusted Annual Rate (Thousands of Units)

Source: U.S. Census Bureau / Birling Capital Advisors

birlingcapital.com

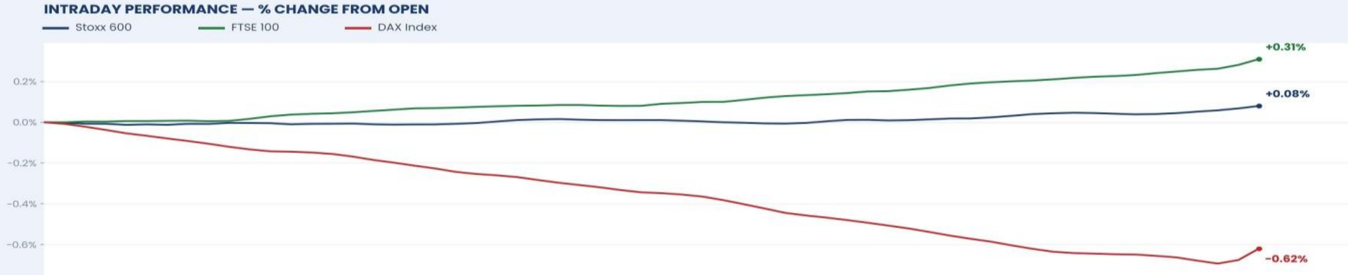
BIRLING
CAPITAL ADVISORS, LLC

Eurozone Markets Close

6/24/26

Stoxx 600	FTSE 100	DAX Index
CLOSING PRICE	CLOSING PRICE	CLOSING PRICE
635.16	10,461.63	24,740.36
▲ +0.53 +0.08%	▲ +32.78 +0.31%	▼ −153.22 −0.62%

INTRADAY PERFORMANCE — % CHANGE FROM OPEN



EUROPEAN MARKETS

European equities closed mixed Wednesday, with the Stoxx 600 at 635.16, up 0.53 points or 0.08%, the FTSE 100 at 10,461.63, up 32.78 points or 0.31%, and the DAX at 24,740.36, down 153.22 points or 0.62%. The DAX underperformed on renewed exporter sensitivity to a firmer dollar and the Fed's hawkish policy path, while the FTSE 100 outpaced peers on its defensive, dollar-earnings-heavy composition. The euro remains pressured near 2026 lows against the dollar, reflecting the widening policy gap between the Fed's hawkish stance and the ECB's still-easing posture.

Source: Bloomberg. Intraday path illustrative.

birlingcapital.com


Wall Street and Birling Capital Indexes Close
June 24, 2026 • Daily Market Close
DJIA
Dow Jones Industrial Average
Closing Price
51,848.90
▲ +182.06 +0.35%
S&P 500
S&P 500
Closing Price
7,358.22
▼ -7.24 -0.10%
NASDAQ
Nasdaq Composite
Closing Price
25,476.63
▼ -110.40 -0.43%
BPRSI
Birling Capital Puerto Rico Stock Index
Closing Price
4,648.42
▲ +73.01 +1.60%
BUSBI
Birling Capital U.S. Bank Index
Closing Price
10,374.15
▲ +1.26 +0.01%
U.S. Treasury 10-Year Note
4.41%
Yield to Maturity
U.S. Treasury 2-Year Note
4.11%
Yield to Maturity
10Y - 2Y Treasury Spread: +0.30 pts
Source: Birling Capital Advisors, LLC
birlingcapital.com