Dow Tops 52,000 for the First Time as Alphabet Joins the Index; Tech Rebound Powers Wall Street Into Quarter's Close

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The U.S. and European stock markets opened the final trading week of the second quarter with a powerful rally, as investors returned to technology shares following last week's sharp AI-driven pullback. The Dow Jones Industrial Average closed above 52,000 for the first time, advancing about 306 points, or 0.59%, helped by the debut of new index member Alphabet, which climbed nearly 5% on its first day as a Dow component. The S&P 500 gained 1.17%, while the Nasdaq Composite jumped 2.07%, outperforming the broader market as semiconductors and software stocks staged a sharp recovery.

Investor sentiment also improved as geopolitical tensions eased following renewed diplomatic engagement between the United States and Iran. The two countries agreed Sunday to pause hostilities and allow commercial vessels to transit the Strait of Hormuz freely, following a weekend of military exchanges that had threatened derail negotiations. Meanwhile, West Texas Intermediate crude rebounded above $70 per barrel, advancing 2.2% to settle at $70.75, while Brent crude climbed 1.6% to $73.15, as traders weighed whether the cease-fire would hold. Treasury yields and the U.S. dollar remained relatively stable, reflecting a balanced risk environment.

U.S. Markets

Wall Street opened the week with broad-based gains, led by technology shares, as investors viewed last week's sell-off as a buying opportunity. The VanEck Semiconductor ETF (SMH) gained more than 3% after falling as much as 3.1% intraday, with Astera Labs, KLA, and Applied Materials each rising more than 11% to lead the turnaround. Financial, industrials, and consumer discretionary stocks also traded higher.

Corporate activity added to the market's positive tone after Comcast announced plans to separate its media assets, including NBCUniversal and Sky, from its cable and broadband operations through a new publicly traded company, with the separation expected to be completed in about a year. Investors welcomed the restructuring, sending Comcast shares 4% higher and underscoring continued demand for corporate actions designed to unlock shareholder value.

Trading takes place this week in a holiday-shortened week, with U.S. markets closed Friday for Independence Day — a setup that some portfolio managers expect could produce bigger-than-expected moves given lighter liquidity, alongside quarter-end window dressing as advisors lock in gains on names that have run up sharply this year.

The second quarter is shaping up to be one of the strongest global equities since 2020. Despite heightened geopolitical uncertainty earlier in the quarter, resilient economic growth, accelerating corporate earnings, and continued investment in artificial intelligence have fueled the market's advance. Forward earnings expectations have risen significantly while valuation multiples have moderated, creating a healthier foundation for equities as the second-quarter earnings season begins in mid-July. Current forecasts call for approximately 12% revenue growth and 22% earnings growth for the S&P 500.

European Markets
European equities traded modestly higher as investors welcomed easing geopolitical risks and followed the recovery in U.S. technology stocks. Technology, industrial, and consumer discretionary shares led gains, while energy companies benefited from crude oil's rebound above $70 per barrel. Investors continue to balance improving corporate fundamentals against expectations that the European Central Bank will maintain a gradual approach toward monetary policy easing during the second half of the year.

Energy Markets
Oil prices stabilized after last week's sharp decline, with West Texas Intermediate crude climbing back above $70 per barrel. The recovery reflects improving investor confidence following renewed diplomatic efforts between Washington and Tehran rather than concerns over immediate supply disruptions. Energy markets remain highly sensitive to geopolitical developments, but traders increasingly believe that both sides have a limited interest in allowing tensions to escalate into a broader conflict.

Economic & Policy Outlook
Attention now shifts to a series of labor market reports that will provide one of the most important assessments of the U.S. economy before the July Federal Reserve meeting. Investors will receive JOLTS job openings on Tuesday, ADP private payrolls on Wednesday, and the June Employment Report on Thursday ahead of the Independence Day holiday.

Economists expect payroll growth to moderate to approximately 113,000 jobs, while the unemployment rate is projected to remain steady at 4.3%. Wage growth near 3.5% would remain consistent with the Federal Reserve's long-term inflation objective, particularly as productivity gains continue to offset labor-cost pressures. Combined with lower energy prices, employment data will help determine whether inflation continues to move toward the Fed's target without materially weakening economic growth.

The Final Word: Market Perspective
The second quarter is ending on a remarkably strong note. Markets have absorbed geopolitical shocks, weathered a meaningful technology correction, and continued to be supported by expanding corporate earnings and resilient economic fundamentals. With earnings season about to begin and labor market conditions remaining healthy, investors now have the opportunity to determine whether strong profit growth can continue to justify record equity valuations during the second half of 2026.

Economic Data:

- **Japan Industrial Production Index MoM:** rose to 0.49%, compared to -0.39% last month.

Eurozone Summary:

- **Stoxx 600:** closed at 636.11, up 0.23 points or 0.04%.
- **FTSE 100:** closed at 10,484.72, down 23.80 points or 0.23%.
- **DAX Index:** closed at 24,626.89, down 44.33 points or 0.18%.

Wall Street Summary:

- **Dow Jones Industrial Average:** closed at 52,182.74, up 306.63 points or 0.59%.
- **S&P 500:** closed at 7,440.43, up 86.41 points or 1.18%.

- **Nasdaq Composite:** closed at 25,820.14, up 522.52 points or 2.07%.
- **Birling Capital Puerto Rico Stock Index:** closed at 4,746.65, up 7.75 points or 0.16%.
- **Birling Capital U.S. Bank Index:** closed at 10,081.72, up 236.09 points or 0.92%.
- **U.S. Treasury 10-year note:** closed at 4.38%.
- **U.S. Treasury 2-year note:** closed at 4.10%.

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CAPITAL ADVISORS, LLC

Wall Street and Birling Capital Indexes Close

Monday, June 29, 2026

Dow Jones Industrial Average	S&P 500	Nasdaq Composite	Birling Capital Puerto Rico Stock Index	Birling Capital U.S. Bank Index
Closing Price	Closing Price	Closing Price	Closing Price	Closing Price
52,182.74	7,440.43	25,820.14	4,746.65	10,081.72
▲ +306.63	▲ +86.41	▲ +522.52	▲ +7.75	▲ +236.09
+0.59%	+1.18%	+2.07%	+0.16%	+0.92%

U.S. Treasury 10-Year Note	2s10s spread +28 bps	U.S. Treasury 2-Year Note
4.38%		4.10%

Source: Birling Capital Advisors, LLC

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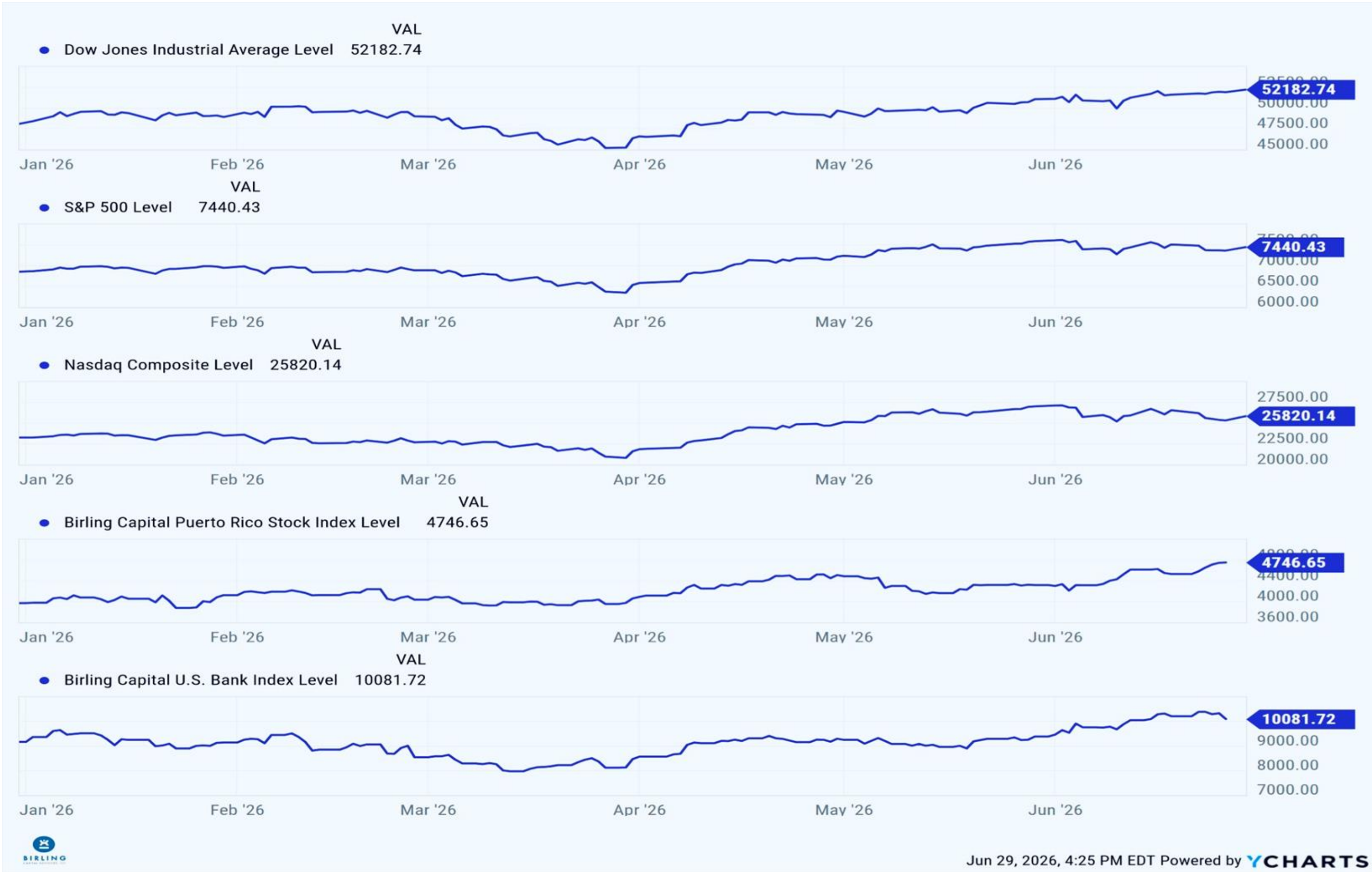

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Apr '26
May '26
Jun '26
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Birling Capital U.S. Bank Index Level 10081.72
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