

GLOBAL MARKET SQUARE



Nasdaq Leads Rebound as Chip Stocks Recover, Oil Retreats, and Markets Look Ahead to Inflation Data

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The U.S. and European stock markets closed mixed Monday as investors returned to technology shares following Friday's sharp selloff, while easing concerns over a broader Middle East conflict helped stabilize energy markets. Semiconductor stocks led the recovery after suffering their worst decline in years, supporting gains in the Nasdaq and S&P 500. Meanwhile, oil prices retreated from session highs after Iran announced it had ended military operations against Israel, helping calm fears of a prolonged disruption to global energy supplies. Investors are now turning their attention to this week's inflation data, which could provide important clues about the Federal Reserve's interest-rate outlook.

U.S. Markets

U.S. equities finished mixed as a strong rebound in semiconductor shares offset lingering concerns about inflation, interest rates, and geopolitical tensions. The S&P 500 gained 0.30% to close at 7,405.73, while the Nasdaq Composite advanced 0.86% to 25,929.66. The Dow Jones Industrial Average slipped 80.77 points, or 0.16%, to end at 50,786.01.

Technology stocks led the advance as investors selectively bought shares that were heavily punished during Friday's selloff. Micron Technology surged 9.9% after falling 13% in the prior session, while Nvidia and Broadcom also posted solid gains. The semiconductor sector staged a significant recovery, with the iShares Semiconductor ETF rising 5% after suffering a 10% decline on Friday, its worst performance in more than six years.

Despite the rebound, investors remain focused on whether the recent pullback represents a healthy consolidation following the sector's extraordinary gains or the beginning of a broader valuation reset. Market participants will closely monitor this week's inflation report and Friday's highly anticipated public offering by SpaceX, both of which could influence investor sentiment and risk appetite in the days ahead.

European Markets

European equity markets closed Monday's session on a cautious, largely directionless note, with the continent's major benchmarks reflecting broader investor hesitation that has characterized trading in recent weeks. The absence of a decisive catalyst — either to the upside or downside — left most indices anchored near flat. However, Germany's DAX stood as a notable exception, bearing the weight of renewed concern over the region's industrial outlook.

The pan-European Stoxx 600, the broadest measure of European equity health, closed at 621.73, shedding just 0.93 points or 0.06% on the day. The near-stationary close is itself a signal — not of stability, but of indecision. Markets hovering at these levels without conviction suggest institutional investors are holding positions rather than making new directional bets, awaiting clearer signals from monetary policy, earnings revisions, or geopolitical developments.

Across the Channel, London's FTSE 100 managed a slim positive close, rising 5.15 points or 0.05% to finish at 10,373.20. While technically a gain, the move is statistically insignificant and should not be interpreted as a vote of confidence in UK equities. The FTSE's mild outperformance relative to its continental peers may reflect the index's historically defensive composition — heavy in energy,

financials, and consumer staples — which tends to provide a modest buffer when growth sentiment sours elsewhere in Europe.

The session's most consequential move came in Frankfurt. The DAX Index closed at 24,616.22, declining 142.83 points or 0.58% — a drop that, while not alarming in isolation, reinforces a pattern of underperformance in German equities that warrants attention. Germany's industrial base remains under structural pressure from weakening export demand, elevated input costs, and the ongoing recalibration of its energy mix. Monday's decline suggests that investors continue to price in these headwinds, and that the DAX's earlier 2026 gains may face a more sustained test in the weeks ahead.

Taken together, Monday's European close paints a picture of a market at an inflection point. The near-flat readings across the Stoxx 600 and FTSE 100, combined with the more pronounced weakness in the DAX, reflect a continent navigating a delicate balance between resilient services activity and a manufacturing sector that has yet to find its footing. For investors with European exposure, the message is one of selective vigilance — the headline numbers are quiet, but the underlying currents are anything but still.

European investors remain focused on developments in global energy markets, given the region's sensitivity to oil and natural gas prices. The prospect of reduced tensions surrounding the Strait of Hormuz helped improve sentiment across industrial, financial, and consumer-oriented sectors.

Energy Markets

Energy markets remained volatile as investors monitored developments in the Middle East. WTI crude oil prices briefly approached \$95 per barrel before retreating into the low \$90 range as concerns about an immediate disruption to oil shipments eased.

Despite the pullback, crude oil remains nearly 60% higher year-to-date, creating renewed inflation concerns and increasing the importance of upcoming economic data releases. Elevated energy prices continue to represent one of the most significant upside risks to inflation and a key variable for both financial markets and central bank policy.

Economic & Policy Outlook

Investor attention now turns to Wednesday's Consumer Price Index report, one of the most important economic releases of the month. Consensus estimates call for headline inflation to rise to 4.2% year-over-year from 3.8% in April, while core inflation is expected to increase to 2.9% from 2.8%.

Should inflation exceed expectations, markets may further reduce the probability of any Federal Reserve rate cuts during 2026. Combined with a labor market that remains resilient and wage growth that continues to support consumer spending, the inflation outlook reinforces the Federal Reserve's cautious stance.

Puerto Rico Economic Update: Three Asymmetrical Economic Outlooks

Puerto Rico's economic outlook remains challenging, as the Puerto Rico Planning Board, the Financial Oversight and Management Board (FOMB), and the Economic Activity Index (EAI) all indicate slowing growth. The Planning Board forecasts Real GNP growth falling to 0.4% in FY2026 and 0.3% in FY2027, while the FOMB projects a -0.8% contraction in FY2025 followed by just 0.1% growth in FY2026. Meanwhile, the EAI has returned to contraction, signaling that the reconstruction-driven recovery is losing momentum.

Despite strong manufacturing investment and record banking profits, domestic economic activity remains weak. The common message from all three indicators is clear: Puerto Rico's economy is decelerating and faces an increasing risk of prolonged low-growth conditions unless structural challenges are addressed.

The Final Word: Market Perspective

Markets demonstrated resilience Monday as investors returned to semiconductor and technology shares following Friday's sharp selloff. While geopolitical tensions and elevated oil prices remain key risks, strong consumer spending, healthy corporate earnings, and continued AI-driven investment continue to support the broader market.

The focus now shifts to Wednesday's inflation report, which could significantly influence expectations for Federal Reserve policy and market direction. A benign inflation reading could extend the rebound, while a hotter-than-expected report may trigger renewed volatility as investors reassess the outlook for interest rates, inflation, and economic growth.

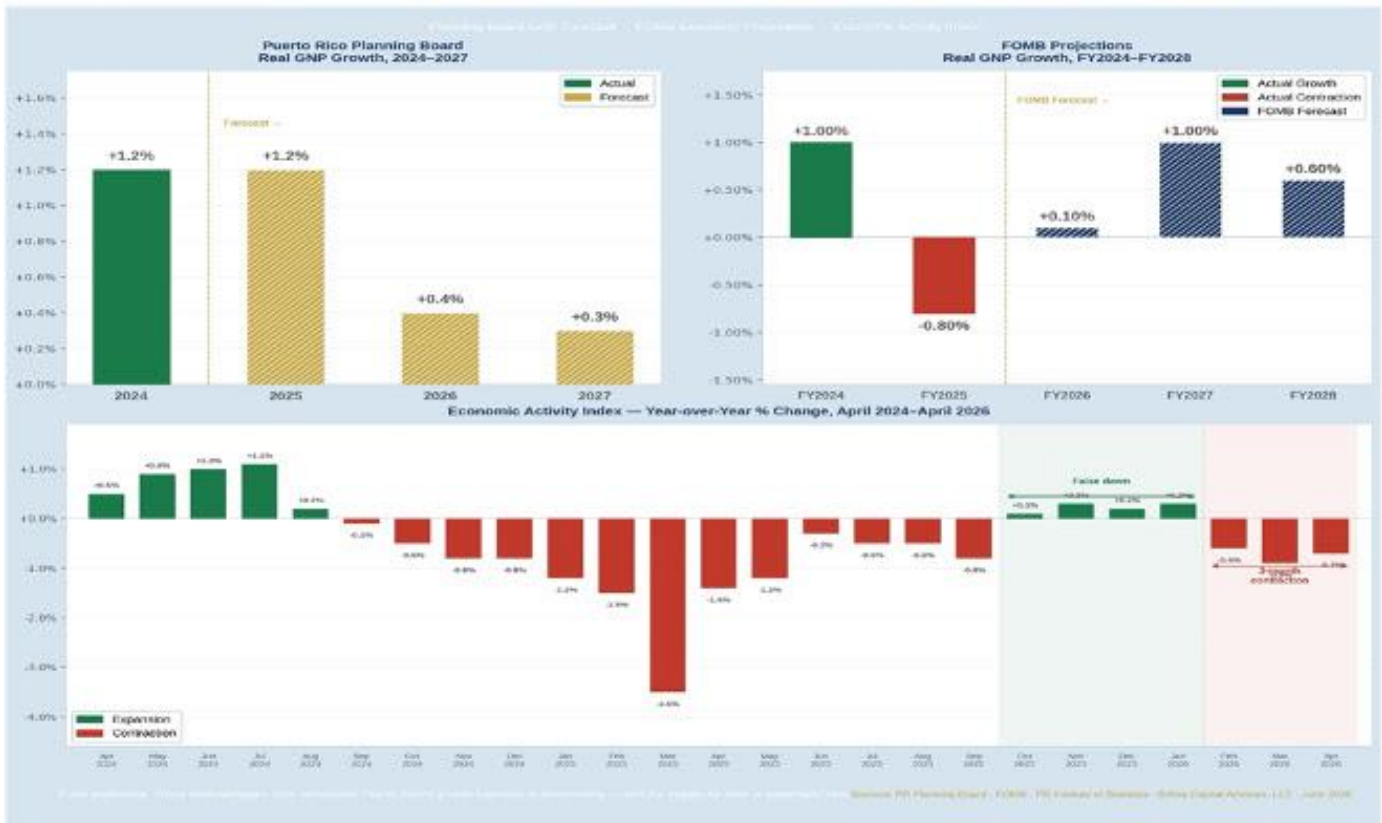
Eurozone Summary:

- **Stoxx 600:** closed at 621.73, down 0.93 points or 0.06%.
- **FTSE 100:** closed at 10,373.20, up 5.15 or 0.05%.
- **DAX Index:** closed at 24,616.22, down 142.83 points or 0.58%

Wall Street Summary:

- **Dow Jones Industrial Average:** closed at 50,786.01, down 80.77 points or 0.16%
- **S&P 500:** closed at 7,405.73, up 21.99 points or 0.30%.
- **Nasdaq Composite:** closed at 25,929.66, up 220.23 points or 0.86%.
- **Birling Capital Puerto Rico Stock Index:** closed at 4,308.30, down -2.73 points or -0.06%.
- **Birling Capital U.S. Bank Index:** closed at 9,745.80, down -151.05 points or -1.53%.
- **U.S. Treasury 10-year note:** closed at 4.56%.
- **U.S. Treasury 2-year note:** closed at 4.15%.

Three Forecasts for Puerto Rico's Economy: PR Planning Board, Financial Oversight and Management Board and Economic Activity Index



European Markets Close

June 8, 2026

Eurozone Summary — Birling Capital Advisors

Stoxx 600

Pan-European

CLOSING PRICE

621.73

▼ -0.93 pts

-0.06%

DAILY TREND



FTSE 100

London Stock Exchange

CLOSING PRICE

10,373.20

▲ +5.15 pts

+0.05%

DAILY TREND



DAX Index

Frankfurt — Xetra

CLOSING PRICE

24,616.22

▼ -142.83 pts

-0.58%

DAILY TREND



Source: Bloomberg / Market Data

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Wall Street and Birling Capital Indexes Close

June 8, 2026

U.S. Equity Markets Summary — Birling Capital Advisors



Source: Bloomberg / Market Data

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Wall Street Recap

June 8, 2026



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