As We Approach The Open... 7/28/26

Roundup of global markets and financial news ahead of the cash opening of US equities including corporate and international updates

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JUL 28, 2026

As we approach the open in NY, US equity indices are mixed with the S&P 500 edging higher but the Nasdaq-100 solidly lower as the selloff in chipmakers discussed in last night's update continued to ripple across the globe with a Bloomberg gauge of semiconductor shares slumping 7.5% in its biggest decline since April 2025.

The MSCI World Semiconductor index has plunged 13% this month to track its worst performance since 2022, although it remains about 33% higher for the year. **South Korea's Kospi sank 11%** on the back of memory giants Samsung Electronics Co. and SK Hynix Inc. each sliding more than 14% (more in the international section), while **shares in US chip and memory companies also slid** with the VanEck Semiconductor ETF (SMH) down around 3%, led by 5% declines in Micron and Western Digital. That said, shares are off the worst levels of the pre-market session.

But other areas were doing better helped by the continued pause in hostilities in the Mid-East which saw Brent crude drop 1.6% to around $87 a barrel helping bond yields soften for a third session. Coca-Cola Co. rose 4% after raising its full-year guidance.. United Parcel Service Inc. saw a smaller gain after boosting its sales guidance for the year.

In terms of the Mid-East, Reuters reports that Oman has presented Iran with a plan backed by Gulf states to manage the Strait of Hormuz, including collecting voluntary fees for using it, a Gulf source and a Western diplomat told Reuters on Tuesday. The plan could serve as a basis to end the disruption to trade through the strait caused by the U.S.-Israeli war on Iran. **Speaking on Monday, Trump expressed optimism for a deal to end the five-month conflict,** while warning that U.S. strikes would resume if negotiations failed to deliver. “I think there’s a good chance that something could happen, and if it does, good, if it doesn’t, we go back to doing what we were doing two days ago.”

In what is a very busy week as discussed in the Week Ahead, US economic data picks up Tuesday. Earlier this morning we got the **ADP weekly report** which continued its softening for a fifth straight week (and 9th in 10) coming in at the slowest since March 7th, and the **June goods trade deficit** which came in larger than expected but down from May with both imports and exports falling.

Later this morning we’ll get the May repeat home buyer price indexes and July consumer confidence from the Conference Board. **Later this afternoon** we’ll get the last of our year Treasury note auctions with 7-years.

[Note the International Update is below the US update]

> Preliminary weekly NER Pulse **hiring report from ADP for the four weeks ending July 11th continued its softening for a fifth straight week (and 9th in 10) coming in at +60k (+15k/wk), the slowest week since March 7th.**
>
> The 4-week moving average is now down to +84.7k, the least since March 21st.
>
> 
>

US Advance Goods Trade Balance (USD) June: -101.5B (est -100.0B; prev -105.8B)
- Advance Goods Imports SA (M/M): -2.6% (prev 3.6%)
- Advance Goods Exports SA (M/M): -1.8% (prev -5.4%

> Note on all charts **the colored lines are daily moving averages** (the average price over the given number of days):
>
> 20 = green
> 50 = purple
> 100 = blue
> 200 = brown
>
> **The middle panel is MACD** = Moving average convergence/divergence line, a measure of momentum that compares longer term and shorter term momentum to gauge if a move is strengthening or weakening. This is probably my favorite individual indicator (it's also the favorite of Katie Stockton, a very fine technician).
>
> **The bottom panel is RSI** = Relative Strength Index (basically what it sounds like) = measures the strength of the move comparing gains to losses over the given lookback window (I use the standard 14 periods).

SPX futures (/ES): SPX futures +0.9%, has fallen under 50-DMA (purple line).

10yr Yield - down for a third session after hitting the highest since January 2025 on Thursday.

DXY US dollar index - A little under the June highs.

US WTI crude - down another -1%.

Gold futures (/GC) - remains beneath the trendline from March high.

US copper futures (/HG) - remains in range since early May.

US natural gas futures (/NG) - least since mid-May.

Bitcoin futures - remain trapped under resistance.


neilksethi created with TradingView.com, Jul 28, 2026 09:09 UTC-4
USD
Bitcoin CME Futures · 1D · CME O64,810 H64,810 L63,035 C63,515 −1,450 (−2.23%) −1,450 (−2.23%)
Daily Lines 63,729 66,150 70,062 79,916
100,000
96,000
92,000
88,000
84,000
79,916
76,000
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68,000
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63,729
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08:00:55
BTCN2026
60,000
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MACD (close, 12, 26, 9) 268 −118 −386
2,000
268
−118
−386
−2,000
−4,000
RSI (14; close) 46.25 50.20
60.00
50.20
46.25
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Apr
May
Jun
Jul

CNBC:

Futures tied to the Nasdaq-100 dropped in early trading Tuesday, as semiconductor names fell once again, with traders weighing the latest deluge of corporate earnings.

Nasdaq-100 futures were down 0.7%. S&P 500 futures were little changed. Dow Jones Industrial Average futures rose by 466 points, or 0.9%, as strong earnings from Sherwin-Williams and Coca-Cola boosted the 30-stock benchmark.

The VanEck Semiconductor ETF (SMH) shed 3%, led by 5% declines in Micron and Western Digital. Seagate Technology and Astera Labs were also down on the day.

Wall Street is coming off a choppy trading session. The Dow advanced more than 260 points while the S&P 500 eked out a slight gain. The Nasdaq Composite fell on Monday as an unwind in semiconductor stocks weighed on the tech-heavy index, which spilled over into Asian markets overnight with South Korea's Kospi temporarily halted after slumping 11%. SMH on Monday dropped 3.3%, marking its third losing session in a row.

The tension in the market reflects uncertainty ahead of a big week for stocks with earnings results from Amazon, Meta Platforms and Microsoft in the calendar. The chip trade hinges on continued spending from the hyperscalers — even as the mega-caps themselves falter. Apple also reports this week.

A Federal Reserve rate decision is due Wednesday. Investors expect that the central bank will remain on hold, but will seek greater clarity on the path forward for monetary policy. Fed funds futures were last pricing in a quarter point hike in September, according to the CME FedWatch Tool.

"Our call is for no change," Padhraic Garvey, regional head of research for the Americas at ING, said in a Tuesday morning note. "We see inflation expectations tame enough for comfort. Also, the structure of the curve does not shape up for a rate hiking cycle. Specifically, the 5yr is rich to the curve."

"It's unusual for the Fed to start a rate hiking cycle with the 5yr rich to the curve. If we're wrong and the Fed does hike (whether at this meeting or the next), the curve structure suggests that any hikes delivered will be subsequently reversed, and the funds rate ends up lower than it is today within a 12-month window."

Traders also monitored oil prices, as Iran held talks with Saudi Arabia and Oman officials to reopen shipping along the Strait of Hormuz. Crude added to its sharp Monday losses, with Brent falling 1.7%% to $86.82 per barrel, while WTI shed 1.6% to $81.31.

BBG:

US stocks fluctuated as a deepening rout in chipmakers was offset by investors rotating into sectors that have posted among the strongest earnings so far this season. Bonds climbed as oil fell.

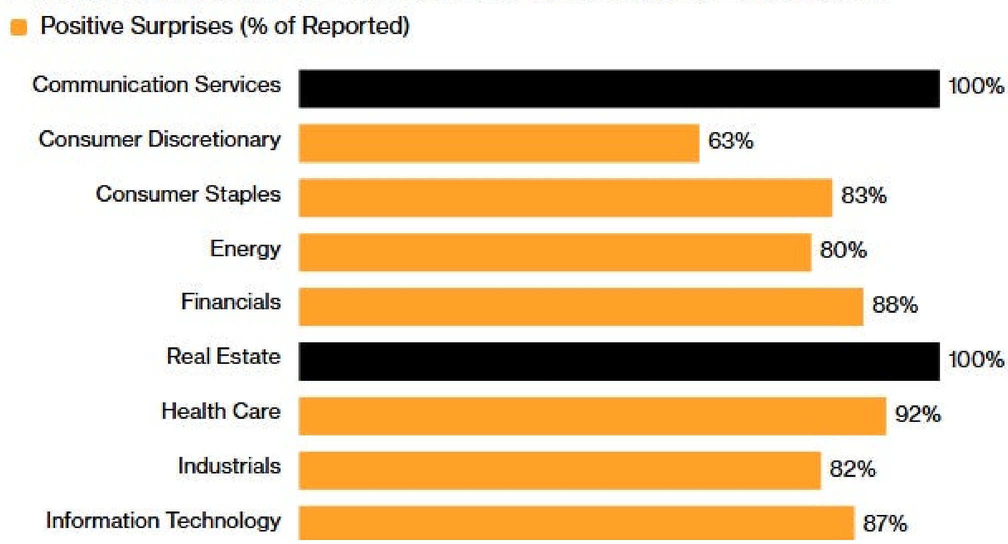
S&P 500 contracts swung between gains and losses. Nasdaq 100 futures slid 0.6%, with the index set for a five-day run of losses for only the second time this year. A closely watched exchange-traded fund tracking semiconductor stocks tumbled 3.6% in premarket trading. ETFs covering health care and materials outperformed.

A similar pattern played out in Europe, where ASML Holding NV extended losses for the week to 11% following the operational progress of a Chinese rival. The Stoxx 600 fluctuated. Advancing stocks outnumbered decliners even as earnings from Barclays Plc, LVMH and Unilever Plc drew a mixed reaction.

While the weekslong volatility in chipmakers is rumbling on amid fresh concerns over artificial intelligence spending and rising competition from China, traders are turning to sectors that have delivered the highest percentage of beats. Real estate, materials and utilities have seen every company top estimates so far, according to data compiled by Bloomberg Intelligence.

Second Quarter Earnings Scorecard

Percentage of positive EPS surprises by sector, S&P 500 Index



Source: Bloomberg Intelligence, Bloomberg

Lower crude prices eased inflationary angst, with Brent dropping 1.6% to around $87 a barrel. The global benchmark is falling for a third straight day as the US and Iran extended their pause in hostilities. Focus will now turn to talks between Tehran and Oman over restarting traffic in the Strait of Hormuz.

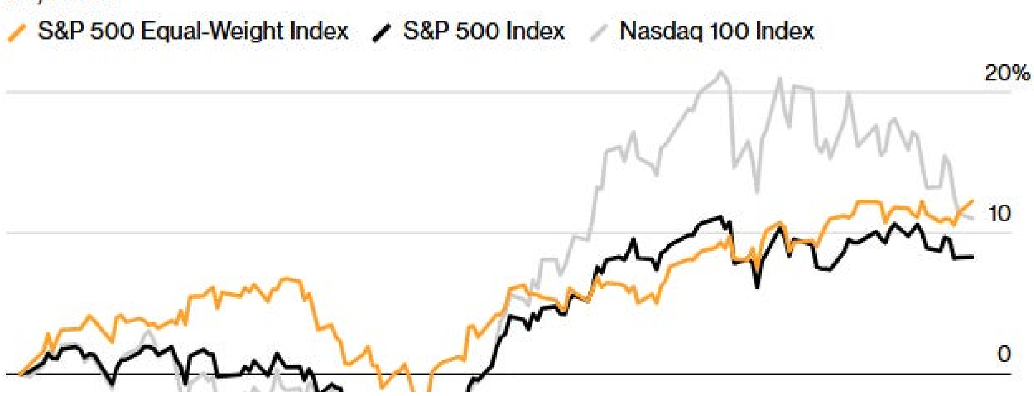
“What’s taking place is a real rotation out of chips where positioning was – and somewhat remains – very heavy,” said Olivier David, a fund manager at Vega Investment Solutions in Paris. “The strength of this earnings season means that investors have options.”

Coca-Cola Co. rose 4% after raising its full-year guidance. KLA Corp. is among a list of other companies scheduled to report on a busy day for earnings, ahead of make-or-break results and spending forecasts from Amazon.com Inc., Meta Platforms Inc. and Microsoft Corp.

Asia bore the brunt of Tuesday’s selling in tech. The regional benchmark headed for a correction after SK Hynix Inc. and Samsung Electronics Co. tumbled more than 13% in Seoul.

US Stocks See Broad Strength

Equal-weight S&P 500 ended Monday at record high. Change since Dec. 31, 2025



Source: Bloomberg

Treasuries extended their rebound ahead of Wednesday's Federal Reserve interest rate decision as investors dialed back their expectations for tighter policy over the next 12 months. Even so, money markets continued to price around a 35% chance of a Fed hike this week as inflation risks remain elevated.

Some pre-market company news from CNBC.

Check out the companies making headlines before the bell:

Coca-Cola — Shares popped 2% after the beverage company topped earnings expectations and hiked its full-year outlook. Coca-Cola posted adjusted earnings per share of 97 cents, more than the 93 cents anticipated by analysts polled by LSEG. Revenue of $13.38 billion also exceeded the $13.16 billion expected.

Sherwin-Williams Company — The paint manufacturer rose nearly 6% after reporting second-quarter results that beat the Street. Sherwin-Williams earned an adjusted $3.70 per share on revenue of $6.79 billion. Analysts polled by FactSet expected a profit of $3.52 per share on revenue of $6.6 billion. The company also hiked its full-year earnings outlook.

Hilton Worldwide Holdings — The hospitality stock dipped 2.7% after Hilton's current quarter guidance missed expectations, though it reported a beat in second quarter earnings and revenue. The company issued guidance of $2.28 to $2.34 earnings per share in the third quarter, missing the FactSet consensus estimate for $2.43 per share.

Johnson & Johnson — The health and pharma giant rose more than 2% after it agreed to settle thousands of lawsuits alleging some of its talc products caused ovarian cancer. J&J will pay a combined $5.5 billion to resolve the lawsuits.

Corning — The glassmaker plunged 16% on a mixed quarterly report. Q2 earnings and revenue were above analyst estimates, but revenue guidance for the current quarter of $4.9 billion to $5 billion was about in line with FactSet consensus.

Cadence Design Systems — Shares rose 3% after the chip design company posted second quarter adjusted earnings of $2.11 per share, beating the LSEG consensus estimate of $2.05 per share. Revenue of $1.58 billion came in line with expectations.

Rambus — Shares slid more than 4%, even after the maker of memory interface chips posted a beat in the second quarter. Rampus reported adjusted earnings of 77 cents per share on revenues of $207 million. Analysts polled by LSEG had expected earnings of 72 cents per share on revenues of $198 million.

Universal Health Services — The hospital and healthcare services provider dropped 3% after the company lowered its full-year guidance. Universal Health Services now expects adjusted earnings in the range of $22.28 to $23.65 per share, down from prior guidance of $22.64 to $24.52 per share, for the year ending December.

Welltower — The senior housing real estate investment trust climbed 4.5% after Welltower raised its full-year guidance. It called for normalized funds from operation in a range of $6.36 to $6.44 per share, topping the FactSet consensus estimate of $6.30.

Happen — The bank formerly known as LendingClub saw shares advance more than 6%. Full-year guidance for earnings of $1.80 to $1.90 per share surpassed the FactSet consensus of $1.74 per share. The company sees loan originations ranging from $12.2 billion to $12.6 billion for the year.

Cincinnati Financial — The stock dipped nearly 2% after the insurer posted disappointing second quarter results. Operating earnings of $1.43 per share missed the FactSet consensus estimate of $1.84 per share. Net premiums of $2.64 billion came in below the $2.66 billion anticipated by analysts.

— *CNBC's Darla Mercado contributed reporting.*

International Update:

Europe's benchmark STOXX 600 as of 8.10 am ET was +0.1% holding in just below its all-time highs despite tech weakness with ASML Holding NV, Infineon Technologies AG, and STMicroelectronics NV down over 2%.

Major European indices also trade in the green.

Germany's DAX: +1.6%, U.K.'s FTSE 100: +0.6%, France's CAC 40: +0.9%, Italy's FTSE MIB: +0.7%, Spain's IBEX 35: +1.5%

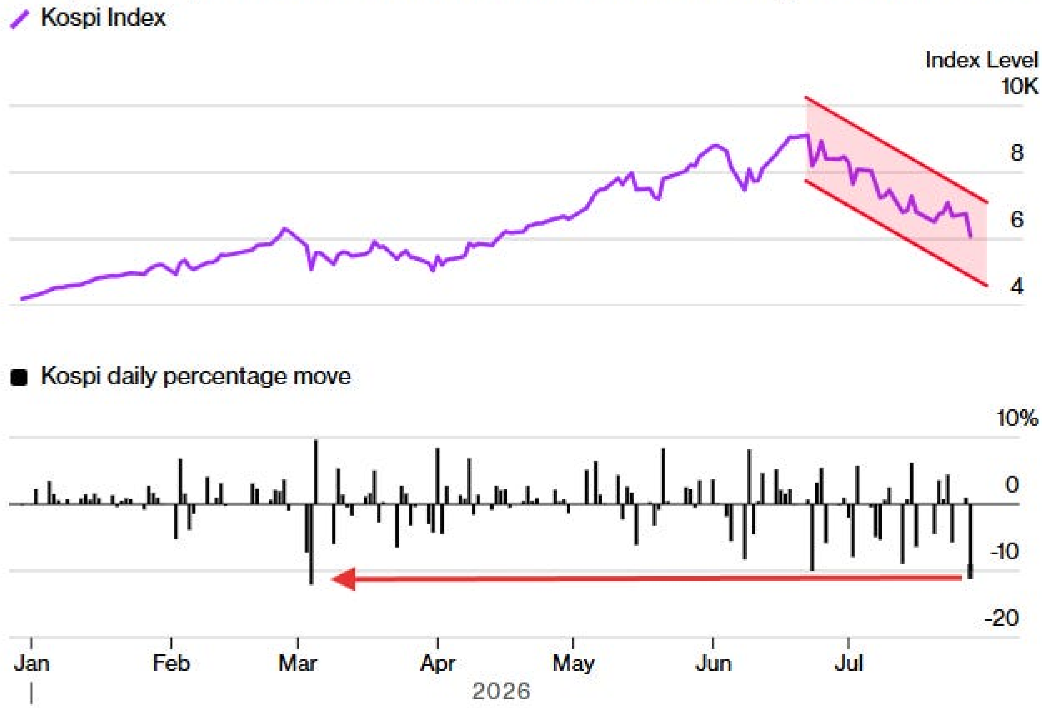
The broad MSCI AC Asia Pacific Index continued its up-down action for a sixth session Monday, dropping 3.4% and entering into correction territory (>10% drop from its 52-week high), the lowest close since May 1st on the back of big drops in South Korea and Japan.

Major equity indices in the Asia-Pacific region were not all lower though with shares in Hong Kong and Australia seeing small gains**.** That was more than offset by the nearly 11% plunge in South Korea's Kospi (with Samsung Electronics Co. and SK Hynix Inc. tumbling over 13% each) and 4% drop in Japan's Nikkei.

Japan’s Nikkei: -4.0%, Hong Kong’s Hang Seng: +0.4%, China’s Shanghai Composite: -1.2%, India’s Sensex: -0.1%, South Korea’s Kospi: -10.8%, Australia’s ASX All Ordinaries: +0.5%.

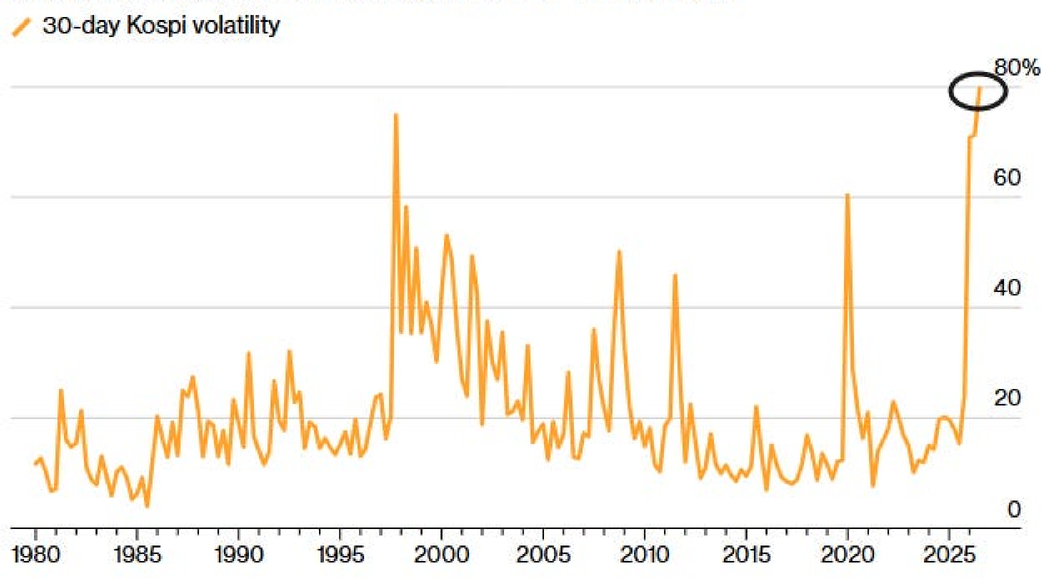
- The **Kospi has fallen more than 30% from its peak about a month ago. The Korea Exchange halted cash trading** in both the Kospi and Kosdaq gauges for 20 minutes each, after earlier suspending program trades as futures plunged. **Of the 14 circuit-breaker trading halts triggered on the Kospi since 2000 eight have occurred this year.** Foreign investors offloaded 5 trillion won ($3.4 billion) of Kospi shares, while retail traders added.

Kospi Slumps More Than 30% From Peak as Chips Stocks Sink



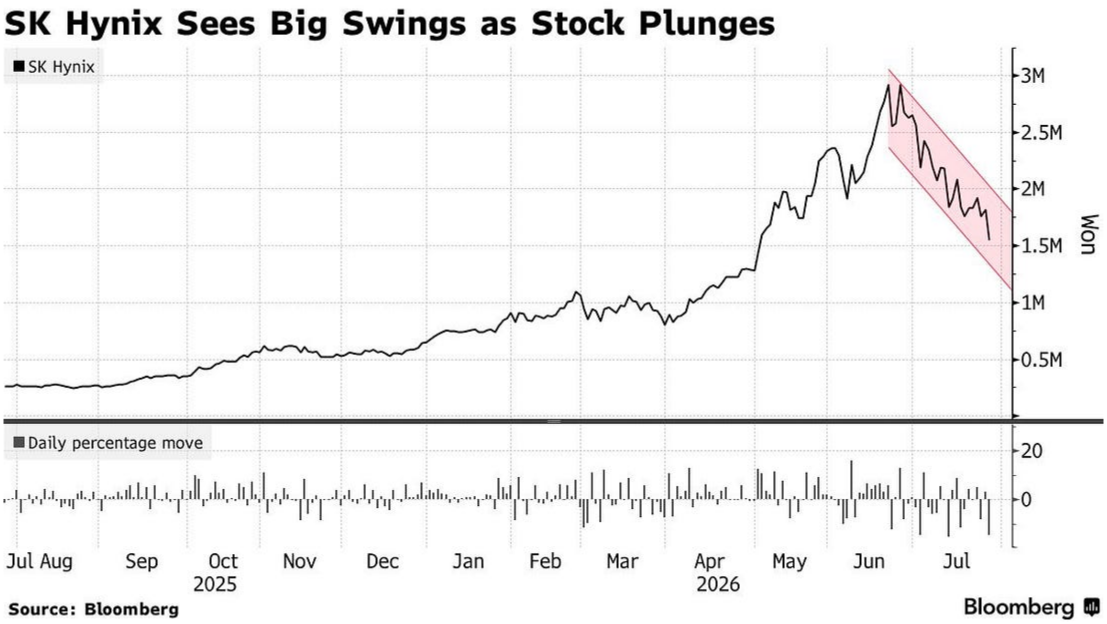
Source: Bloomberg

Kospi's Historical Volatility Hits All-Time High



Source: Bloomberg

- Looking at SK Hynix Inc. a nearly $600 billion rout in just a little over a month has seen shares of the South Korean memory chipmaker have plunged 47% from their all-time high in June. The stock tumbled almost 15% Tuesday after The Information reported on Chinese progress with deep ultraviolet (DUV) lithography machines, fueling concerns over a potential flood of new capacity amid broader worries over the AI rally. While SK Hynix is expected to report another quarter of record earnings on Wednesday as the AI boom drives chip prices higher, investors are turning skittish. The primary fear is that rising memory costs will force customers to reduce usage and turn to cheaper alternatives. SK Hynix shares now trade at 3.7 times forward earnings estimates, halved compared with a month ago and below peer Micron Technology Inc.'s 6.2 times multiple.



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Some ex-US highlights:

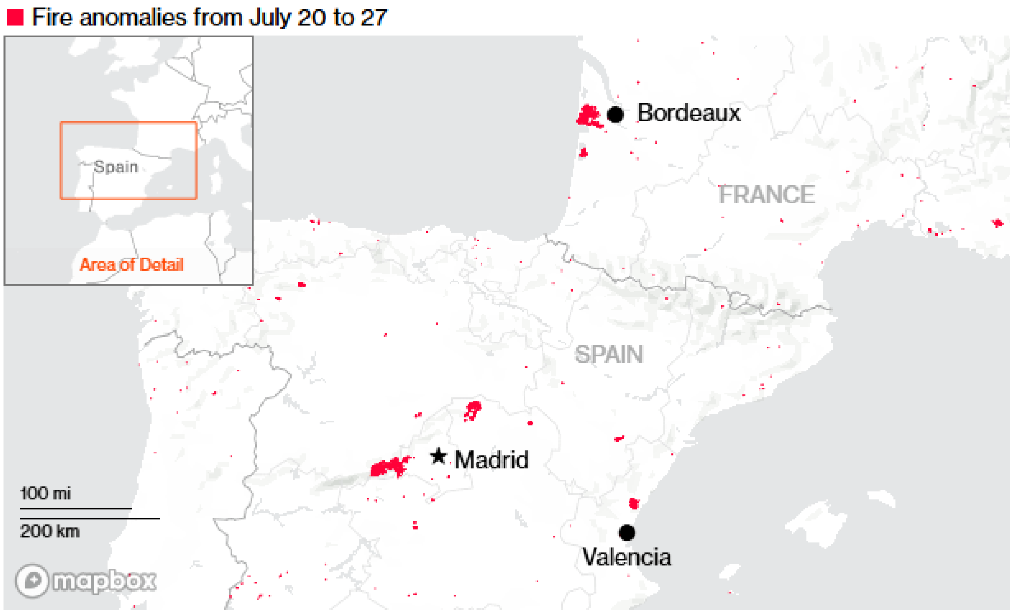
FT - **Volodymyr Zelenskyy will hold talks with Donald Trump at the White House on Tuesday amid growing confidence in Kyiv that the US president has become more supportive of Ukraine's position.**

- The Ukrainian president's advisers and a person close to the Trump administration said the meeting offered Zelenskyy his best chance since Trump began his second term to secure fresh military backing and revive efforts to end Russia's full-scale war.

BBG - **Wildfires in France and Spain that forced the evacuation of more than 300,000 people have stabilized, but the onset of the summer's fourth heat wave means little respite for emergency services.**

- There were no major changes overnight in the fire in Gironde in southwest France, according to the regional government. That blaze had threatened the city of Bordeaux at the weekend. In Spain, authorities reported no significant overnight flare-ups or progression in the huge fires to the south and west of Madrid, but the blazes are yet to be contained.
- European Union countries have joined firefighting efforts in both Spain and France, sending planes and firefighters under the bloc's Civil Protection Mechanism. The weekly area burned by fires reached 180,000 hectares by last Wednesday, the highest for this point of the summer in at least 20 years, according to data from Copernicus.
- In Spain, around 60,000 people have been evacuated from their homes in recent days, while another 30,000 have been ordered to shelter in place, partly to keep roads clear for firefighters and soldiers. In France, about 220,000 people have been evacuated from the Gironde as uncontrolled and erratic wildfires spread through region around Bordeaux.
- Temperatures are forecast to rise to around 40C (104F) in central and southern Spain by Tuesday, with amber heat alerts are in place for a number of regions. Highs in southwest France are expected to peak at 40C to 41C on Wednesday, according to national forecaster Météo-France.

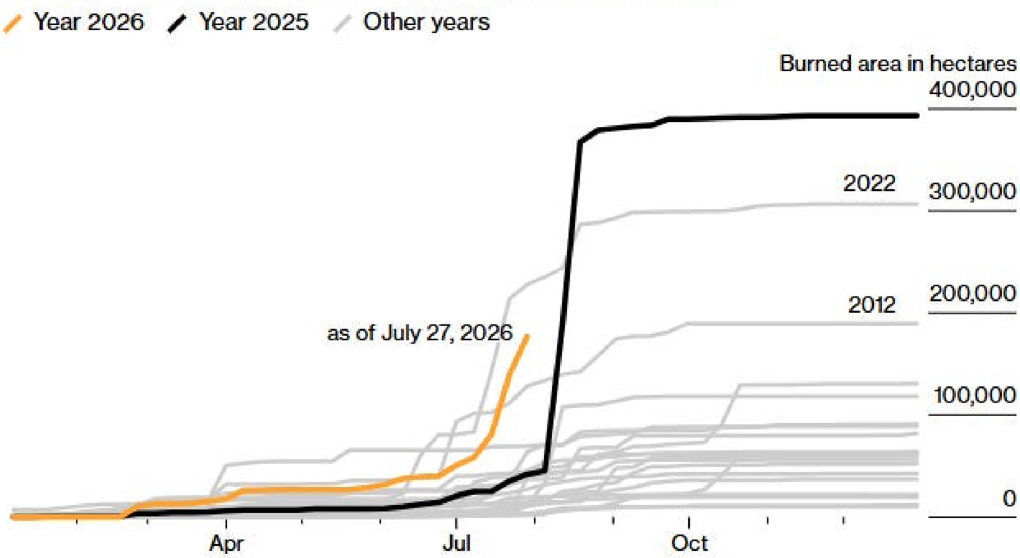
Wildfires Force Major Evacuations in Spain and France



Note: Each dot represents a fire instance between July 20 to 27, 2026
Source: NOAA-21 VIIRS Active Fire C2 (NASA FIRMS)

Spanish Fires Already on Pace to Be Among Most Damaging in 20 Years

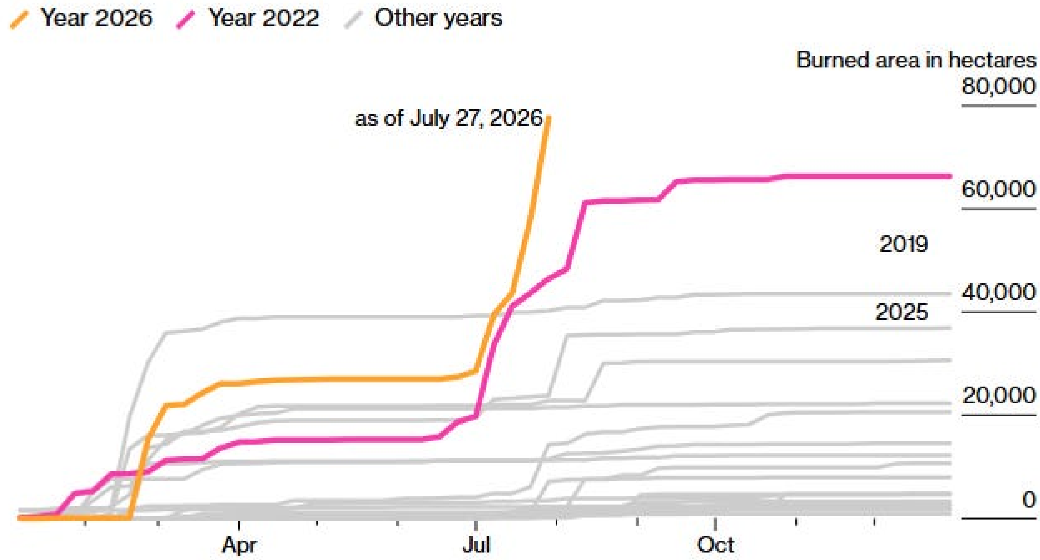
Weekly cumulative burned areas in Spain since 2006



Source: European Forest Fire Information System

French Fires Are Worse This Year Than Any in Past Two Decades

Weekly cumulative burned areas in France since 2006

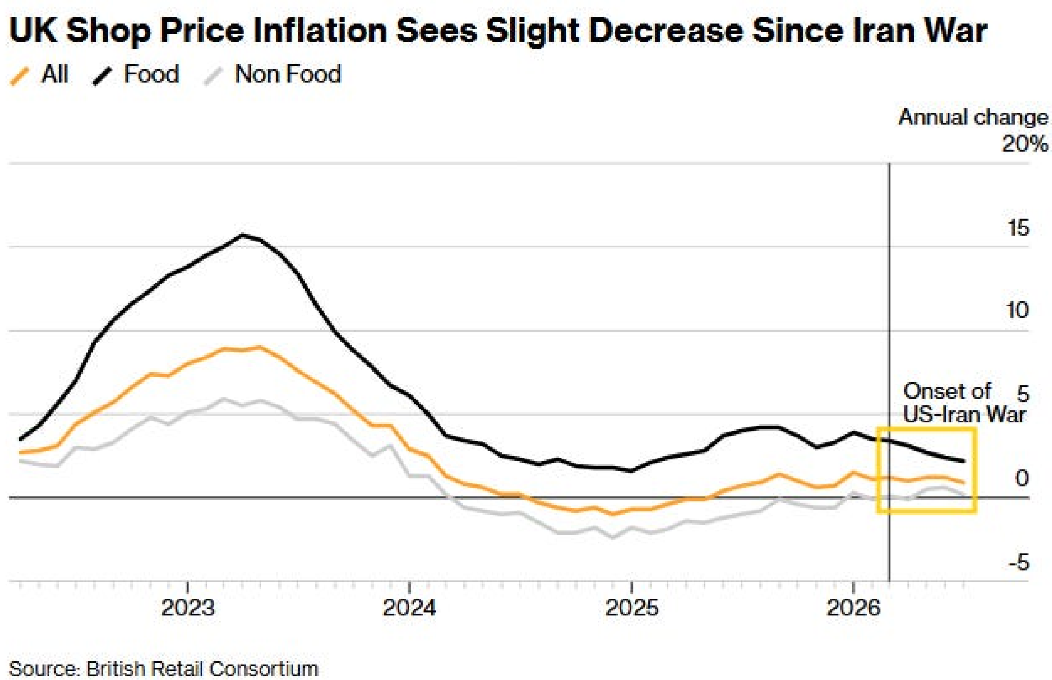


Source: European Forest Fire Information System

BBG - **UK food inflation has fallen for a sixth straight month, a retail trade association said Tuesday, after shops discounted snacks and alcohol to entice millions of fans watching England reach the semi-finals of the World Cup.**

- Food inflation was 2.2% in July, down from June's 2.4%, according to British Retail Consortium data published the week of the Bank of England's latest decision on interest rates. While energy costs have been elevated by conflict in the Middle East, domestic pressures seem relatively subdued. A BOE survey last week said food prices would peak lower than previously thought.
- Overall shop price inflation fell to a six-month low of 0.9%, the BRC said, helped by some stores clearing out summer stocks of clothing and footwear. The only metric that saw an increase was fresh food, where prices rose by 3.1%, up from 2.8% in June.
- Helen Dickinson, chief executive of the BRC, described July's figures as "good news for households" but warned that a range of

factors could push up prices later in the year. “Growing cost pressures remain on the horizon,” said Dickinson. “Higher employment costs and packaging taxes, global instability and climate-related disruption all make it more expensive to get products on to shelves.”



BBG - **French consumer confidence advanced more than expected in July, recovering some lost ground since the start of the Iran war.**

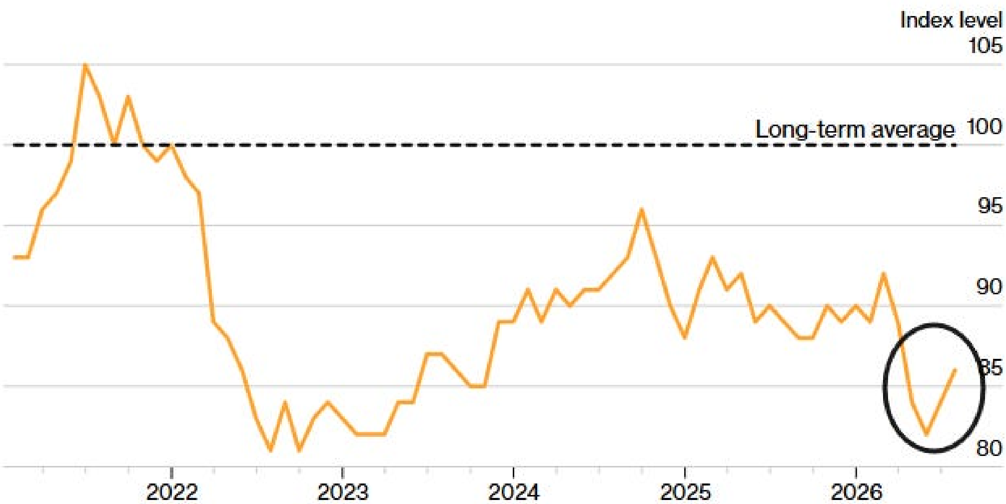
- The monthly measure of household sentiment rose to 86 from 84 as optimism on personal finances and living standards improved, statistics agency Insee said on Tuesday. That’s the highest level since March and one point stronger than the median estimate in a Bloomberg survey of economists. Despite the improvement, the reading remains well short of the indicator’s long-term average of 100.
- Insee’s measure of views on inflation showed the proportion of households who consider prices have risen over the last year declined, and there was a sharp drop in the balance between those

expecting an acceleration and those not foreseeing an acceleration.

French Consumer Confidence Improved in July

Iran war weighed on household sentiment

Consumer confidence



Source: Insee

French Inflation Expectations Ease

Measure of opinions on future prices returns to pre-Iran war levels

Balance of opinions on inflation accelerating or not in next 12 months

Source: Insee

BBG - **Italy approved a temporary tax cut on diesel fuel through Aug. 6 as the government seeks to cushion the impact of surging energy prices following the widening of the conflict in the Middle East.**

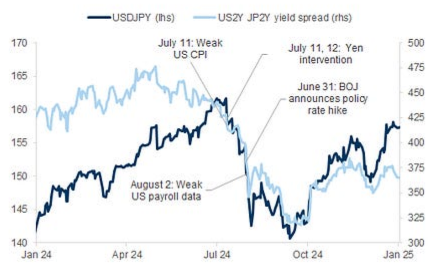
- The measure provides a discount of 17 euro cents a liter on diesel, including excise duties and value-added tax, Finance Minister Giancarlo Giorgetti said after a cabinet meeting on Monday. The package will cost about €125 million (142.3 million), he said.
- The measure marks the latest in a series of government interventions to shield motorists from surging fuel costs as the conflict in the Middle East drives up oil prices. The cabinet will review the measure again at its next meeting on Aug. 4, monitoring developments in the international situation and fuel prices before deciding whether to extend the relief beyond Aug. 6, Giorgetti said.
- Giorgetti also said the government will ask Parliament next week to authorize it to seek an activation of the European Union's national escape clause under the bloc's fiscal rules, a move that would create "significant" additional budgetary room

Goldman: **We remain constructive on the mid-to-long-term outlook for the Japanese equities market, and have recently raised our 3M, 6M and 12M TOPIX targets.**

- Near-term seasonality suggests that the market could remain volatile over the summer months, but we still expect TOPIX to gradually move higher into the end of the year.
- Our view is that a combination of strong earnings momentum, meaningful exposure to the global AI-growth thematic, a structurally weak yen, and a continued top down focus on index-level ROE improvements via Corporate Governance reform measures, make Japan an extremely attractive equities market.
- However, persistent yen weakness and speculation about various government plans to strengthen the Japanese currency (LINK) have

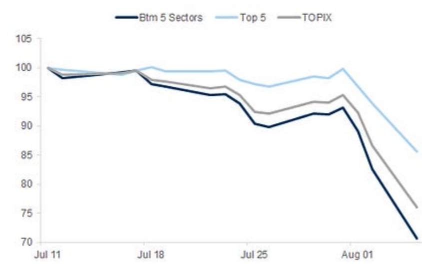
re-focused investor attention on the risks of another July-August 2024-style sell-off. During this correction, TOPIX experienced a peak-to-trough fall from 11 July - 5 August 2024, triggered in part by USDJPY's rapid move from ¥162 to ¥143 during this period (Exhibit 1).

Exhibit 1: USDJPY and US/JP 2Y yield spreads in 2024



Source: FactSet, Data compiled by Goldman Sachs Global Investment Research

Exhibit 2: Top five and Bottom five TOPIX 17 sector performance during market correction



Source: FactSet, Data compiled by Goldman Sachs Global Investment Research

RTRS - **The Reserve Bank of India will keep its key interest rate unchanged at 5.25% in August and for the rest of the year, according to a Reuters poll of economists, as it assesses the impact of the Middle East war on the economy and price pressures.**

- That is a shift from a May Reuters poll, when economists had forecast a rate hike next quarter. Although inflation rose to 4.38% in June, the first reading above the RBI's 4% target since January 2025, many economists have scaled back expectations for an interest rate hike this year after Governor Sanjay Malhotra said it was "premature" to discuss raising them.

BBG - **The Japanese government plans to cut the sales tax on food and drinks to 1% for two years starting next April, according to local media reports, delivering one of Prime Minister Sanae Takaichi's signature election pledges after months of political wrangling.**

- Takaichi is expected to instruct the ruling Liberal Democratic Party as early as Thursday to start putting together the draft legislation needed to implement the measure, the Asahi newspaper reported on Monday evening, citing multiple senior government officials. Reports by TBS and Nikkei also pointed to a reduction to 1%.

Some international corporate highlights:

- GSK Plc's new chief executive officer aims for annual savings of £1.9 billion ($2.5 billion) by 2029, as the drugmaker invests more in its pipeline to replace revenue from the looming patent expiry of an HIV medicine.
- Barclays Plc shares dropped the most in more than a year after its second-quarter earnings showed US consumer banking and investment bank growth had not matched up to the pace set by larger American rivals.
- Mercedes beat expectations but trimmed its guidance. Military contractor Safran raised its guidance for the year while Orange and Barclays beat their quarterly expectations and raised their outlooks. Unilever reported strong volume growth for the quarter.

Europe/Asia economic highlights from Briefing.com:

- France's July Consumer Confidence 86 (expected 85; last 84)
- Italy's non-EU trade surplus EUR2.55 bln (last surplus of EUR3.84 bln)
- Spain's June Retail Sales 0.5% yr/yr (last 1.3%) and Q2 Unemployment Rate 9.87% (expected 10.1%; last 10.8%)
- Japan's May BoJ Core CPI 2.7% yr/yr (last 2.7%)
- South Korea's July Consumer Confidence 106.8 (last 106.6)

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