

S&P 500 and Dow Reach Fresh Record Highs as Strong Labor Demand and AI Optimism Fuel Market Advance

June 2, 2026

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The U.S. and European stock markets closed higher Tuesday as investors welcomed stronger-than-expected labor market data and renewed enthusiasm surrounding artificial intelligence infrastructure spending. The rally pushed both the S&P 500 and Dow Jones Industrial Average to fresh intraday record highs despite continued uncertainty surrounding U.S.-Iran negotiations and elevated oil prices. Investor sentiment improved following the release of April Job Openings and Labor Turnover Survey (JOLTS) data, which showed that labor demand had strengthened considerably. Job openings rose to 7.6 million, the highest level since May 2024 and substantially above market expectations of 6.8 million. The report reinforced the view that the U.S. economy continues to expand at a healthy pace while maintaining a resilient labor market.

Meanwhile, technology shares continued to drive market leadership as investors focused on the accelerating buildout of artificial intelligence infrastructure. Treasury yields remained relatively stable, with the 10-year Treasury at 4.46% and the 2-year Treasury at 4.05%, while oil prices held near recent highs amid ongoing geopolitical uncertainty in the Middle East.

U.S. Markets

U.S. equities advanced Tuesday, with the S&P 500, Nasdaq Composite, and Dow Jones Industrial Average extending their record-setting run as investors responded positively to stronger-than-expected labor market data and continued strength across semiconductor and artificial intelligence-related stocks.

The Dow Jones Industrial Average gained more than 125 points and established a new intraday record, while the S&P 500 and Nasdaq also traded at fresh all-time highs.

Technology stocks once again provided the primary catalyst for gains. Shares of NVIDIA rose following continued investor enthusiasm surrounding artificial intelligence spending, while Marvell Technology surged more than 25% after NVIDIA CEO Jensen Huang suggested the company could eventually become the next trillion-dollar technology enterprise. Connectivity infrastructure providers continue to benefit from expectations that expanding AI workloads will require increasingly sophisticated data-center networking solutions.

Adding to the positive tone, Hewlett Packard Enterprise jumped more than 25% after reporting stronger-than-expected earnings and raising full-year guidance, signaling continued strength in enterprise technology spending.

One notable exception was Alphabet, which traded lower after announcing plans to raise approximately \$80 billion to fund future artificial intelligence investments. While the capital raise underscores management's confidence in long-term AI opportunities, some investors questioned whether the magnitude of future infrastructure spending could pressure near-term returns.

Despite elevated valuations and an extended rally that has now carried the S&P 500 through nine consecutive positive weeks, technical indicators continue to suggest strong underlying momentum. Investors remain encouraged by a combination of resilient earnings growth, improving productivity trends, and accelerating investment in next-generation technologies.

European Markets

European equities rebounded Tuesday as easing oil prices and renewed optimism surrounding potential diplomatic progress between the United States and Iran improved investor sentiment across the region. The recovery followed Monday's decline, which had been driven by concerns that negotiations aimed at reducing tensions in the Middle East had stalled.

The pan-European STOXX Europe 600 Index advanced approximately 0.3%, with most major sectors and regional markets trading higher. Equity benchmarks in London, Paris, Frankfurt, and Milan all posted gains as investors welcomed the retreat in crude oil prices and the possibility that geopolitical risks may begin to moderate.

Energy markets provided an important tailwind for European equities after oil prices eased from recent highs amid reports that Israel and Hezbollah would pause hostilities in Lebanon, helping revive hopes that broader regional tensions could gradually de-escalate. Investors continue to closely monitor developments involving Iran, the Strait of Hormuz, and ongoing diplomatic efforts, recognizing that energy security remains a critical factor for European economic growth.

Economic data released Tuesday showed eurozone inflation rising 3.2% year-over-year in May, matching expectations. The increase was largely driven by a 10.9% surge in energy prices, reinforcing market expectations that the European Central Bank will maintain a cautious stance toward monetary policy at its upcoming meeting.

Corporate news was mixed. Shares of French biotechnology company Abivax fell more than 40% after the company disclosed that several participants in a clinical trial for its ulcerative colitis treatment had developed cancer, creating uncertainty regarding the program's future prospects. The sharp decline weighed on the healthcare sector but had only a limited impact on broader market performance.

Investors also continued monitoring developments in the Russia-Ukraine conflict as the European Union prepares an additional package of sanctions against Russia. Despite ongoing geopolitical uncertainty, improving risk sentiment, easing energy concerns, and signs of economic stabilization helped support European equities during the session.

Energy Markets

Oil prices traded modestly lower as investors weighed conflicting signals regarding negotiations between the United States and Iran and reports of a temporary reduction in hostilities between Israel and Hezbollah in Lebanon.

West Texas Intermediate crude traded near \$92 per barrel, while Brent crude remained above \$95 per barrel. Energy markets remain influenced by uncertainty over the future of the Strait of Hormuz, one of the world's most strategically important oil transportation corridors.

While President Trump indicated that discussions with Iran remain ongoing, uncertainty persists regarding whether negotiations can produce a lasting framework capable of reducing regional tensions and restoring normal energy trade flows. Markets have thus far refrained from pricing in a broader regional conflict, contributing to greater stability across energy markets during Tuesday's session.

Despite the recent pullback, energy remains one of the strongest-performing sectors of 2026, supported by elevated commodity prices and solid earnings expectations.

Employment Data Takes Center Stage

Labor market data moved to the forefront of investor attention Tuesday after the April JOLTS report significantly exceeded expectations. Job openings increased to 7.6 million, representing the highest level in nearly two years and substantially surpassing consensus forecasts of 6.8 million.

The data suggests that labor demand remains stronger than anticipated despite higher interest rates and slower economic growth. While hiring activity moderated during the month, employers continue to seek workers at levels consistent with ongoing economic expansion.

Attention now shifts to Wednesday's ADP Employment Report and Friday's Nonfarm Payrolls release,

which are expected to provide a more comprehensive assessment of labor market conditions. Current forecasts call for approximately 100,000 new jobs and an unemployment rate of 4.3%. The stronger-than-expected JOLTS report supports the view that the labor market remains resilient and continues to provide an important foundation for consumer spending and broader economic growth.

Economic & Policy Outlook

This week's labor market reports are likely to be the primary determinant of near-term market sentiment. Investors are seeking confirmation that employment growth continues to moderate without signaling broader economic weakness.

At the same time, policymakers continue to monitor the balance among economic growth, labor-market resilience, and inflation trends. Current conditions remain consistent with a patient Federal Reserve likely to maintain flexibility as it evaluates incoming economic data.

The combination of healthy labor demand, solid corporate profitability, and improving productivity remains supportive of continued economic expansion during the second half of 2026.

The Final Word: Market Perspective

Markets continue to demonstrate remarkable resilience as strong labor demand, healthy corporate earnings, and accelerating investment in artificial intelligence offset concerns about higher oil prices and geopolitical uncertainty. The latest labor market data reinforces confidence that economic activity remains on solid footing, while continued leadership from technology and semiconductor companies highlights the market's conviction that AI-driven productivity gains will remain a defining investment theme.

Investors will now focus on the remaining employment reports this week to confirm that economic growth remains sustainable without reigniting inflationary pressures. If labor market conditions remain stable and corporate earnings continue to support valuations, the path of least resistance for equities may remain higher despite periodic bouts of volatility.

GDPNow Update:

- The GDPNow for **the second quarter of 2026 fell to 3:00%**, down from 3.80%, a **21.05% decrease**.

Economic Data:

- **US Job Openings: Total Nonfarm:** rose to 7.618M, up from 6.887M last month, a change of 10.61%.
- **US Retail Gas Price:** fell to \$4.605, down from \$4.621 last week, a change of -0.35%.

Eurozone Summary:

- **Stoxx 600:** closed at 625.34, up 4.10 points or 0.33%.
- **FTSE 100:** closed at 10,373.51, up 34.56 or 0.68%.
- **DAX Index:** closed at 25,124.17, up 121.13 points or 0.48%

Wall Street Summary:

- **Dow Jones Industrial Average:** closed at 51,307.79, up 228.91 points or 0.45%
- **S&P 500:** closed at 7,609.78, up 9.82 points or 0.13%.
- **Nasdaq Composite:** closed at 27,093.90, up 7.09 points or 0.03%.

- **Birling Capital Puerto Rico Stock Index:** closed at 4,294.70, down 16.07 points or 0.37%.
- **Birling Capital U.S. Bank Index:** closed at 9,454.50, up 79.70 points or 0.85%
- **U.S. Treasury 10-year note:** closed at 4.46%.
- **U.S. Treasury 2-year note:** closed at 4.05%.



U.S. Job Openings: Total Nonfarm

JOLTS Survey | Bureau of Labor Statistics | Millions | Jan 2023 – Apr 2026



Source: U.S. Bureau of Labor Statistics, Job Openings and Labor Turnover Survey (JOLTS)

Birling Capital Advisors, LLC

U.S. Retail Gasoline Price



European Markets Summary

Birling Capital Advisors, LLC

Major European Equity Indices · Tuesday, June 2, 2026 · All 3 Markets Higher

<p>.STOXX Stoxx Europe 600</p> <p>625.34</p> <p>▲ +4.10 · +0.66%</p>	<p>.FTSE FTSE 100</p> <p>10,373.51</p> <p>▲ +34.56 · +0.33%</p>	<p>.GDAXI Germany DAX</p> <p>25,124.17</p> <p>▲ +121.13 · +0.48%</p>
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Source: Birling Capital Advisors | birlingcapital.com

Think Strategically™



MARKET CLOSE REPORT

Wall Street Summary

Tuesday, June 2, 2026

THINK STRATEGICALLY™
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Dow Jones Industrial Average ▲

CLOSING PRICE
51,307.79

+228.91 pts +0.45%

DAILY TREND

S&P 500 Index ▲

CLOSING PRICE
7,609.78

+9.82 pts +0.13%

DAILY TREND

Nasdaq Composite ▲

CLOSING PRICE
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DAILY TREND

Birling Capital Puerto Rico Stock Index ▼

CLOSING PRICE
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-16.07 pts -0.37%

DAILY TREND

Birling Capital U.S. Bank Index ▲

CLOSING PRICE
9,454.50

+79.70 pts +0.85%

DAILY TREND

U.S. TREASURY YIELDS BELOW

10-YEAR NOTE
U.S. Treasury Yield

4.46%

YIELD SPREAD
+41 bps
10Y minus 2Y

2-YEAR NOTE
U.S. Treasury Yield

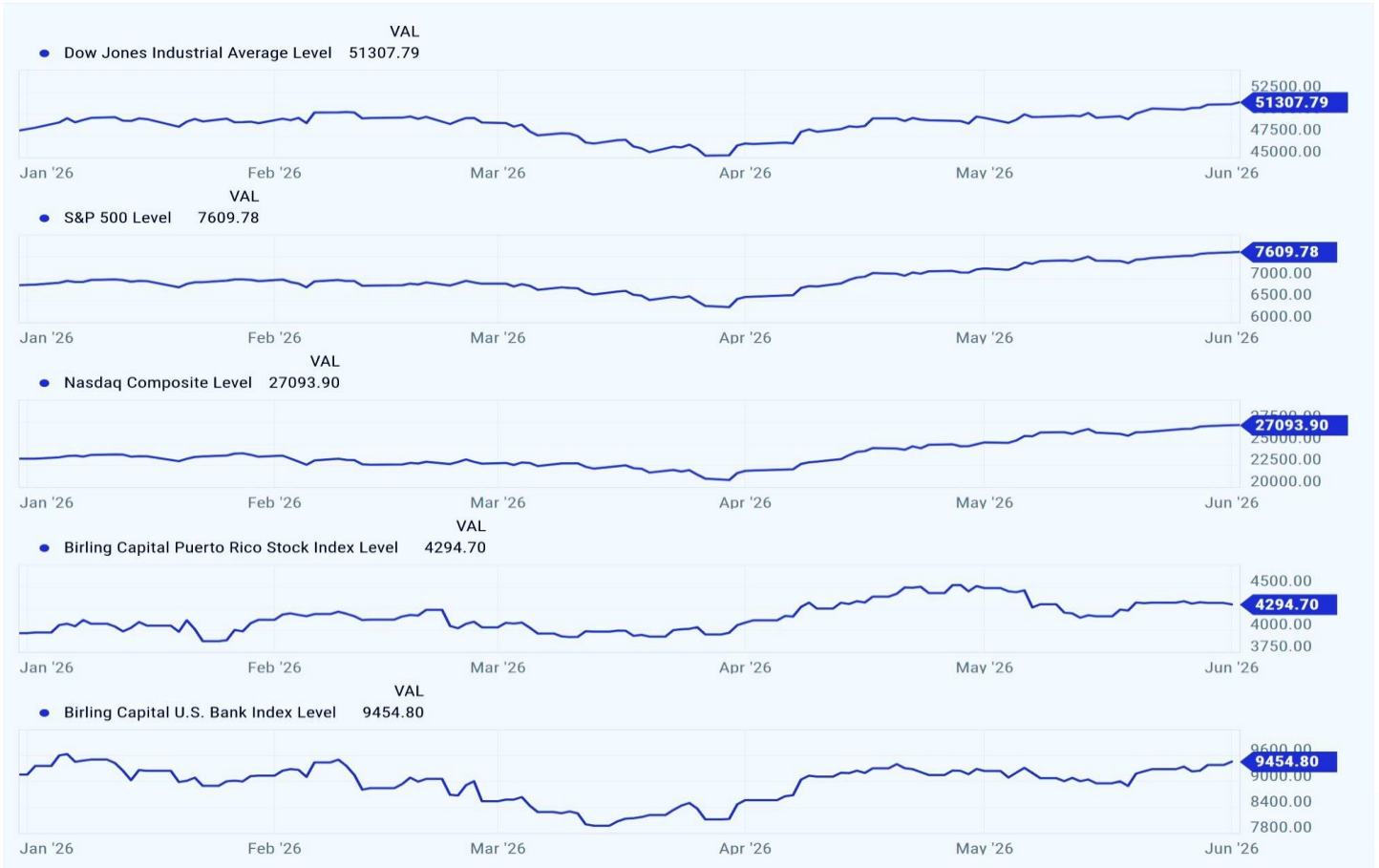
4.05%

Source: Bloomberg | All data as of market close Tuesday, June 2, 2026 | For informational purposes only.



Wall Street Recap

June 2, 2026



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