



GLOBAL MARKET SQUARE



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Dow Tops 50,000 as Falling Oil Sparks Market Rally and NVIDIA Delivers Strong Results with Net Income Up 211%

May 20, 2026

by Francisco Rodríguez-Castro
frc@birlingcapital.com

The U.S. and European stock markets closed sharply higher as easing concerns surrounding energy prices and interest rates ignited a broad-based risk rally across global equities. Investors welcomed a meaningful decline in crude oil prices and Treasury yields as optimism grew that tensions in the Middle East could move toward a diplomatic resolution. The rebound marked a reversal from the pressure that had dominated recent sessions, as surging yields and rising oil prices raised concerns about inflation and economic growth.

The shift in sentiment followed comments from President Trump indicating that negotiations with Iran had entered the “final stages,” reducing fears of prolonged disruptions to energy markets. Lower energy prices immediately eased inflation expectations and helped stabilize bond markets, providing support for growth-oriented sectors that had recently experienced increased pressure from rising discount rates.

U.S. Markets

U.S. equities rallied strongly, with all major indexes posting substantial gains as investors rotated back into technology and growth sectors following several sessions of heightened volatility.

The Dow Jones Industrial Average surged 645.47 points, or 1.31%, closing at 50,009.35. The S&P 500 gained 1.08% to finish at 7,432.97, while the Nasdaq Composite led the advance, rising 1.54% to close at 26,270.36.

The decline in energy prices was a key catalyst for the session. West Texas Intermediate crude dropped 5.66% to settle at \$98.26 per barrel, while Brent crude declined 5.63% to close at \$105.02 per barrel. The move represented a significant retreat from levels above \$109 reached earlier in the week and eased concerns that higher oil prices could reignite inflationary pressures throughout the global economy.

Treasury markets also provided relief after becoming a source of investor anxiety in recent days. The benchmark 10-year Treasury yield declined nine basis points, while the 30-year Treasury yield fell more than six basis points. The pullback followed recent sharp increases that had pushed the 30-year yield to its highest level since 2007 and driven the 10-year Treasury yield toward multi-year highs.

Rising yields had recently generated concern that financial conditions were tightening too rapidly, threatening both economic growth and equity valuations. Investors had increasingly worried that persistent inflation pressures, amplified by higher energy prices, could limit the Federal Reserve's flexibility and potentially force a more restrictive policy stance.

Attention also shifted toward the release of the latest Federal Reserve meeting minutes. The minutes suggested policymakers remain cautious regarding inflation risks and indicated that additional policy tightening could become necessary should inflation remain persistently above target levels, particularly if geopolitical developments continue placing upward pressure on commodity prices. Markets also entered the close awaiting one of the quarter's most anticipated earnings reports from NVIDIA. Investors view the results as a critical gauge of the strength and sustainability of the artificial intelligence investment cycle.

NVIDIA shares rose approximately 1.35% during the session as investors positioned ahead of earnings. Markets focused not only on headline revenue and earnings growth but also on management commentary regarding demand trends, margins, competitive dynamics, China-related sales exposure, and next-generation AI chip deployment; examine the results below.

European Markets

European equities closed sharply higher Wednesday as investors welcomed softer-than-expected U.K. inflation data, a pullback in sovereign bond yields, and improving risk sentiment fueled by lower oil prices and strength in technology shares. The session reflected a notable shift in tone after recent market anxiety surrounding rising borrowing costs and geopolitical uncertainty.

The STOXX Europe 600 Index finished the day up 1.5%, with most sectors and regional markets closing in positive territory. Mining companies, financial institutions, and technology stocks led the advance, while media shares underperformed the broader benchmark.

Bond markets remained a central theme for investors. Although global sovereign yields have recently moved sharply higher and tightened financial conditions, markets found relief as U.S. Treasury yields retreated from Tuesday's elevated levels. The U.S. 30-year Treasury yield had climbed above 5.19%, its highest level since 2007, while the benchmark 10-year Treasury approached 4.69% before easing during Wednesday's session.

Geopolitical developments also remained under close watch. Markets continued to assess the implications of the U.S.–Iran conflict after President Trump indicated that military action had been under active consideration before ultimately postponing a decision for several days. The temporary reduction in immediate escalation concerns contributed to improving sentiment across global equity markets.

The United Kingdom provided an additional catalyst after inflation data surprised to the upside. U.K. consumer prices increased 2.8% in April, below consensus expectations of 3.0% and down from March's 3.3% reading. The moderation was largely driven by adjustments to Ofgem's regulated energy pricing mechanism.

The softer inflation reading helped strengthen expectations that monetary policy pressures could gradually ease. The British pound moved modestly lower against both the U.S. dollar and the euro following the report, while the benchmark 10-year U.K. gilt yield declined by 5 basis points to 5.075%. Corporate earnings also provided support. Experian added to market optimism after announcing a \$1 billion share repurchase program and projecting organic revenue growth between 6% and 8% for fiscal 2027, reinforcing confidence in the resilience of select European corporate sectors.

NVIDIA Earnings Update

Markets received exactly the catalyst investors had been anticipating, as NVIDIA delivered another exceptionally strong quarter, reinforcing its position at the center of the artificial intelligence investment cycle.

NVIDIA reported first-quarter fiscal year 2027 revenue of \$81.615 billion, up 85% year over year, while net income reached \$58.321 billion, up 211% from the comparable period. The company also reported earnings per share of \$2.39, surpassing consensus expectations and extending its streak of significant earnings outperformance.

The results reinforced the market's conviction that AI infrastructure spending remains in a powerful expansion phase, despite broader concerns regarding rising interest rates and global growth risks.

The strength of the quarter suggests that enterprise and hyperscale demand for AI computing capacity continues accelerating, supporting the broader technology ecosystem.

Investors will likely shift their attention beyond the headline figures to forward guidance, specifically commentary on next-generation Rubin chip deployment, margin sustainability, competitive dynamics, and the company's strategy regarding China-related sales exposure.

NVIDIA maintains a stock price target of \$275.83, implying additional upside potential from current

levels and reinforcing its status as one of the market's principal AI bellwethers. The results are likely to strengthen confidence not only in NVIDIA but also in the broader semiconductor, cloud, and artificial intelligence investment theme that has become a primary driver of equity market performance.

Federal Reserve Watch

Markets also continued evaluating the implications of recent Federal Reserve communications. Investors are awaiting additional clarity from the Federal Open Market Committee minutes regarding internal policy discussions and future interest-rate direction.

While inflation pressures have moderated from peak levels, markets increasingly recognize that the path toward lower rates may prove slower than previously anticipated. The resilience of economic activity and the strength of the labor market continue to complicate the policy outlook.

Recent increases in long-term yields have also reinforced the reality that market-driven rates can tighten financial conditions even in the absence of formal Federal Reserve action.

The Final Word

Today's advance marked a return to optimism, supported by lower oil prices, more stable Treasury markets, and expectations for AI-driven earnings momentum. Yet the market remains highly sensitive to catalysts that can rapidly alter sentiment.

As markets move deeper into the second quarter, investors are increasingly shifting from broad enthusiasm toward selective conviction. NVIDIA's results may ultimately determine whether this rebound evolves into another leg higher or becomes merely a pause within a more volatile market environment.

Corporate Earnings Parade:

- **Target Corp. (TGT):** reported first quarter 2027 revenues of \$25,443 billion, up 6.7%, net income of \$781 million, up 24.6%, with an EPS of \$1.72, beating estimates. TGT has a Stock Price Target of \$127.38. To view our report, click here: [TGT Overview](#)
- **The TJX Cos., Inc. (TJX):** reported first quarter 2027 revenues of \$14,339 billion, up 9%, net income of \$1,332 million, up 28%, with an EPS of \$1.72, beating estimates. TJX has a Stock Price Target of \$127.38. To view our report, click here: [TJX Overview](#)
- **NVIDIA Corp. (NVDA):** reported first quarter 2027 revenues of \$81,615 billion, up 85%, net income of \$58,321 billion, up 211%, with an EPS of \$2.39, beating estimates. NVDA has a Stock Price Target of \$275.83. To view our report, click here: [NVDA Overview](#)

Economic Data:

- **US Crude Oil Stocks WoW:** fell by -4.306M, down from -2.313M last week.
- **Japan Machinery Orders YoY:** rose to 24.67%, compared to 13.25% last month.

Eurozone Summary:

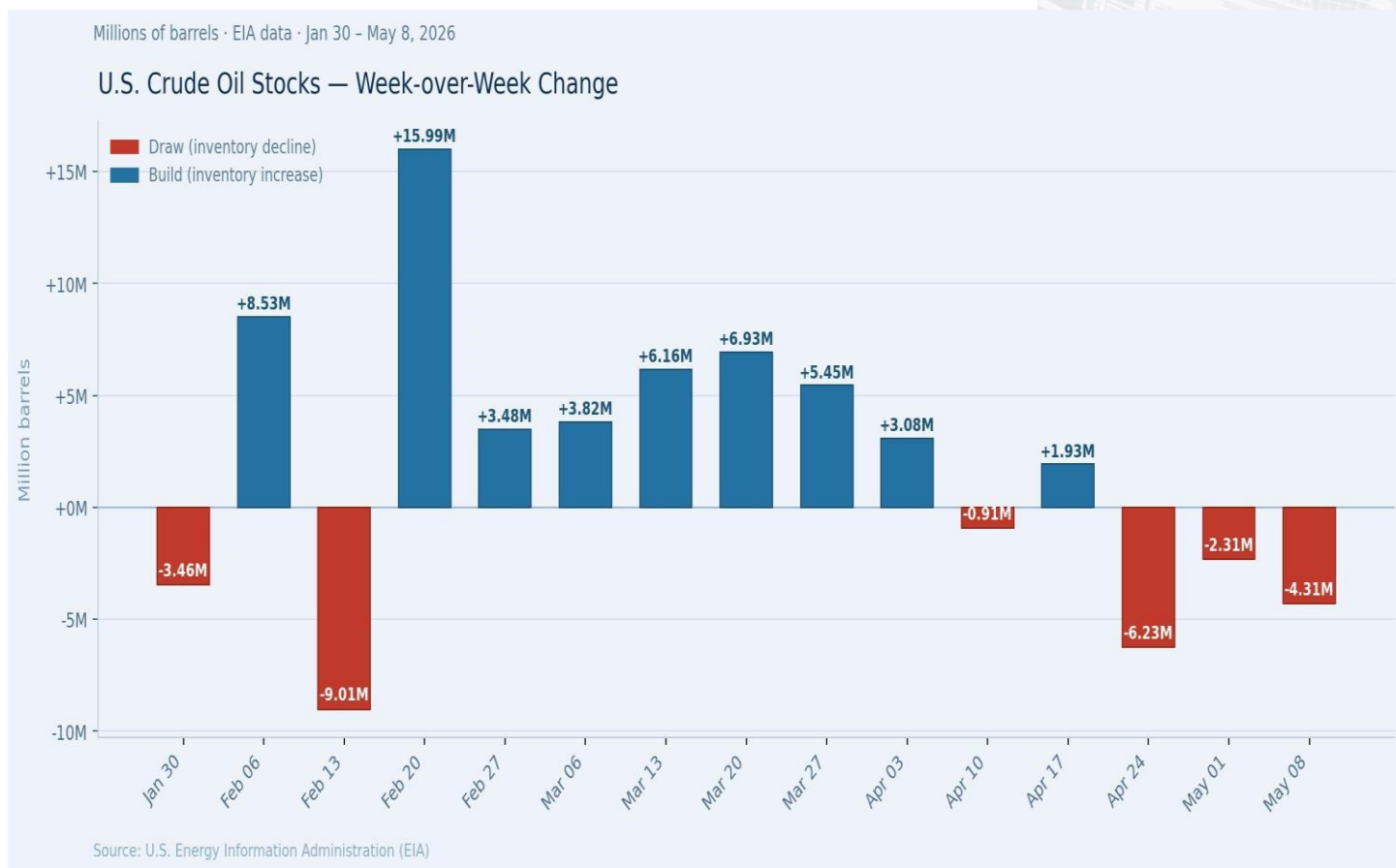
- **Stoxx 600:** closed at 620.29, up 8.95 points or 1.45%.
- **FTSE 100:** closed at 10,432.34, up 101.79 or 0.99%.
- **DAX Index:** closed at 24,751.24, up 336.59 points or 1.38%

Wall Street Summary:

- **Dow Jones Industrial Average:** closed at 50,009.35, up 645.47 points or 1.31%
- **S&P 500:** closed at 7,432.97, up 79.36 points or 1.08%.
- **Nasdaq Composite:** closed at 26,270.36, up 399.65 points or 1.55%.

- **Birling Capital Puerto Rico Stock Index:** closed at 4,223.50, down 10.81 points or 0.26%.
- **Birling Capital U.S. Bank Index:** closed at 8,890.91, down 105.55 points or 1.17%
- **U.S. Treasury 10-year note:** closed at 4.57%.
- **U.S. Treasury 2-year note:** closed at 4.04%.

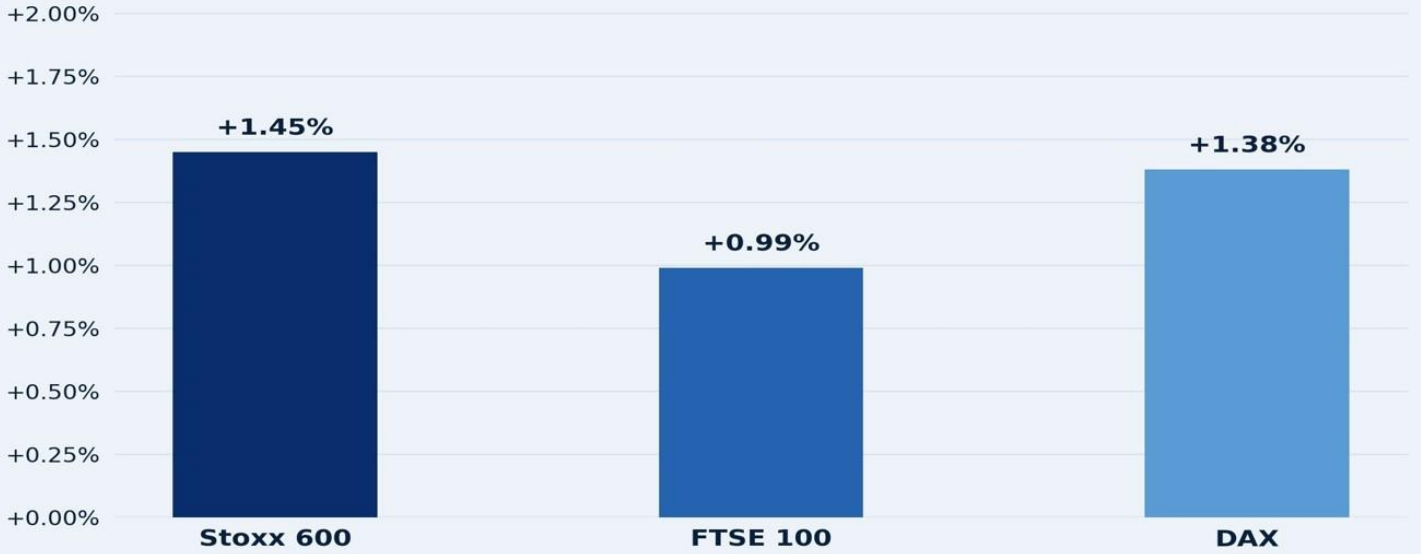
U.S. Crude Oil Stocks – Week-over-Week Change May 20, 2026



European Markets Summary

Wednesday, May 20, 2026 — Close

<p>STOXX 600</p> <p>620.29</p> <p>▲ +8.95 pts (+1.45%)</p>	<p>FTSE 100</p> <p>10,432.34</p> <p>▲ +101.79 pts (+0.99%)</p>	<p>DAX</p> <p>24,751.24</p> <p>▲ +336.59 pts (+1.38%)</p>
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Source: Birling Capital Advisors | birlingcapital.com

Wall Street Summary

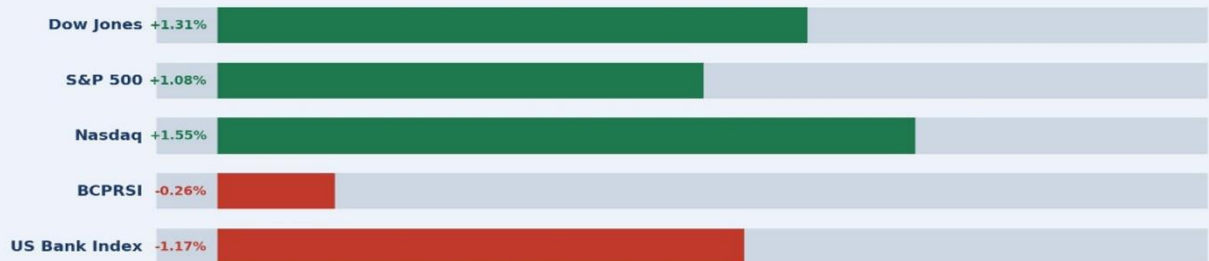
May 20, 2026



Wall Street Summary

May 20, 2026 · Market Close

Dow Jones	S&P 500	Nasdaq	BCPRSI	US Bank Index
<small>U.S. Blue-Chip Index • 30 Companies</small>	<small>Broad U.S. Market • 500 Companies</small>	<small>Technology Heavy Composite</small>	<small>Birling Capital Puerto Rico Stock Index</small>	<small>Birling Capital U.S. Bank Index</small>
50,009.35	7,432.97	26,270.36	4,223.50	8,890.91
▲ +645.47	▲ +79.36	▲ +399.65	▼ -10.81	▼ -105.55
+1.31%	+1.08%	+1.55%	-0.26%	-1.17%
<small>Change · % Change</small>	<small>Change · % Change</small>	<small>Change · % Change</small>	<small>Change · % Change</small>	<small>Change · % Change</small>



Source: Reuters / Bloomberg · Close of May 20, 2026 · U.S. 10Y Treasury: 4.57% · U.S. 2Y Treasury: 4.04%

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Wall Street Recap

May 20, 2026



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