GLOBAL MARKET SQUARE
BIRLING CAPITAL ADVISORS, LLC

Dow Surges Above 50,000 to Record Close as Falling Oil Prices and Easing Yield Pressures Lift Markets

May 21, 2026

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The U.S. and European stock markets closed mixed to higher as investors welcomed a late-session decline in oil prices and Treasury yields, which helped ease inflation concerns and **supported** risk appetite across equities. Investor sentiment improved as markets continued monitoring developments surrounding negotiations with Iran, with optimism increasing that diplomatic efforts could prevent a broader escalation in Middle East tensions.

Markets experienced significant intraday volatility after reports suggested Iran's Supreme Leader ordered that enriched uranium remain inside the country, initially raising concerns that negotiations with the United States could become more complicated. The geopolitical headlines briefly sent oil prices and Treasury yields higher before both reversed courses later in the session, providing support for equities and allowing major indexes to recover momentum.

The retreat in energy prices helped reduce concerns that elevated oil costs could reignite inflationary pressures and delay future monetary easing expectations. West Texas Intermediate crude settled down nearly 2% at $96.35 per barrel, while Brent crude fell more than 2% to close at $102.58, offering relief to investors after recent energy-driven volatility.

U.S. Markets

U.S. equities closed higher, with the Dow Jones Industrial Average reaching another historic milestone as investors rotated into blue-chip and cyclical shares amid declining oil prices and easing pressure in fixed-income markets.

The Dow Jones Industrial Average rose 276.31 points, or 0.55%, to a record close of 50,285.66, crossing the 50,000 threshold for the first time. The S&P 500 advanced 0.17% to 7,445.72, while the Nasdaq Composite added 0.09% to finish at 26,293.10.

Market action throughout the session reflected investors' sensitivity to cross-asset signals. Oil prices initially surged following geopolitical headlines, which in turn pushed Treasury yields higher as investors grew concerned about inflation implications. However, as energy prices retreated later in the day, bond markets stabilized, supporting equity valuations.

The benchmark U.S. 10-Year Treasury yield slipped below earlier highs to close near **4.56%**, while the 30-Year Treasury yield declined to approximately **5.09%**, easing concerns regarding higher financing costs and valuation pressures.

Investors also continued to assess NVIDIA's latest earnings results, which delivered another quarter of exceptionally strong financial performance. The company exceeded Wall Street expectations for revenue and earnings, raised guidance, increased its dividend substantially, and announced an additional share repurchase authorization. However, NVIDIA shares fell 1.8% as markets appeared to price in exceptionally high expectations following the stock's powerful advance during the AI cycle.

Despite NVIDIA's modest decline, broader market sentiment remained constructive. Investors continue to balance concerns surrounding inflation and geopolitical risks against strong corporate earnings, resilient labor market conditions, and continued confidence in artificial intelligence-driven growth trends.

As one market strategist noted, the relatively subdued volatility environment suggests investors remain comfortable with current market conditions despite persistent headline risks. The focus is now increasingly on whether diplomatic progress in the Middle East can sustain lower oil prices and preserve the market's constructive outlook.

European Markets

European equities experienced a volatile session, oscillating between gains and losses before ultimately finishing marginally higher as investors weighed renewed geopolitical risks against corporate earnings developments. Market sentiment shifted after Iran's Supreme Leader stated that the country's near-weapons-grade uranium should remain within Iran, a position that could complicate diplomatic negotiations with the United States and potentially prolong uncertainty surrounding the Middle East conflict.

The pan-European STOXX Europe 600 closed slightly positive, with most major indexes and sectors recovering during afternoon trading despite elevated geopolitical concerns. Rising crude prices remained a key market driver as investors reassessed the probability of prolonged supply risks. West Texas Intermediate crude approached $100 per barrel while Brent crude traded above $106, reinforcing concerns that higher energy costs could reignite inflation pressures across Europe.

Satellite and aerospace-related shares were among the strongest performers in the session. Investors rotated into European space and communications companies ahead of heightened market attention surrounding anticipated space-sector activity. Shares of Eutelsat surged approximately 22%, while SES and OHB SE also recorded strong gains, reflecting renewed investor interest in European alternatives within the satellite and space infrastructure ecosystem.

Elsewhere, corporate earnings delivered a mixed picture. Easy Jet traded modestly higher despite reporting that Middle East tensions had delayed bookings and increased operating costs. Conversely, Ubisoft ended lower after reporting a significant operating loss for fiscal 2026, while BT Group declined after weaker revenue performance offset stronger profit growth.

Economic data from Europe also raised fresh concerns regarding regional growth momentum. Flash PMI readings pointed toward a deterioration in activity, particularly within the services sector. The U.K. composite PMI unexpectedly moved into contraction territory at 48.5, while France's composite PMI fell sharply to 43.5, marking one of its weakest readings in more than five years. The data reinforced concerns that elevated costs, slower demand, and geopolitical uncertainty may continue to pressure European economic growth in the coming months.

IPO Market Activity Returns to Center Stage

Initial public offering activity is beginning to regain momentum and attract investor attention as market conditions improve. High-profile names in artificial intelligence and space technology continue to draw significant market interest, though history suggests investors should maintain discipline, as newly public companies often experience elevated volatility during their first year of trading.

Fixed Income and Commodities

U.S. 10-Year Treasury: **4.60%**
U.S. 2-Year Treasury: **4.10%**
WTI Crude Oil: **Higher**
Brent Crude Oil: **Higher**

Final Word

Markets continue balancing strong corporate earnings against rising oil prices and Treasury yields. NVIDIA reinforced that the AI investment cycle remains a powerful growth driver, while stable labor data supports the broader economic outlook. As earnings season concludes, fundamentals remain constructive, but investors may see a period of consolidation as markets recalibrate around inflation, rates, and geopolitical risks. Long-term opportunities remain supported by resilient earnings and economic stability.

GDPNow Update:

- The GDPNow for the second quarter of 2026 was updated today, rising to **4.30%**, up from 4.00%, a 7.50% increase.

Economic Data:

- **US Initial Claims for Unemployment Insurance:** fell to 209,000, down from 212,000 last week, a change of -1.42%.
- **Kansas City Fed Manufacturing Production Index:** fell to 10.00, down from 11.00 last month.
- **US Housing Starts:** fell to 1.465 million, down from 1.507 million last month, a change of -2.79%.
- **US Building Permits:** rose to 1.442 million, up from 1.363 million last month, a change of 5.80%.
- **30 Year Mortgage Rate:** rose to 6.51%, compared to 6.36% last week.
- **Japan Consumer Price Index YoY:** rose to 1.50%, up from 1.30% last month

Eurozone Summary:

- **Stoxx 600:** closed at 620.56, up 0.27 points or 0.04%.
- **FTSE 100:** closed at 10,443.47, up 11.13 or 0.11%.
- **DAX Index:** closed at 24,606.77, down 130.47 points or 0.53%

Wall Street Summary:

- **Dow Jones Industrial Average:** closed at 50,285.66, up 276.31 points or 0.55%
- **S&P 500:** closed at 7,445.72, up 12.75 points or 0.17%.
- **Nasdaq Composite:** closed at 26,293.10, up 22.74 points or 0.09%.
- **Birling Capital Puerto Rico Stock Index:** closed at 4,316.37, up 92.87 points or 2.20%.
- **Birling Capital U.S. Bank Index:** closed at 9,175.92, up 285.01 points or 3.21%
- **U.S. Treasury 10-year note:** closed at 4.57%.
- **U.S. Treasury 2-year note:** closed at 4.08%.

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GDPNow — 2Q 2026 Real GDP Growth Estimate

As of May 21, 2026

Federal Reserve Bank of Atlanta · Tracking Forecast · Birling Capital Advisors, LLC

CURRENT ESTIMATE	CHANGE VS. INITIAL	LATEST DAILY CHANGE
4.30%	**+0.60 pp**	**+7.50%**
▲ May 21, 2026	+16.22% from 3.70%	May 14 → May 21

Source: Federal Reserve Bank of Atlanta GDPNow Model

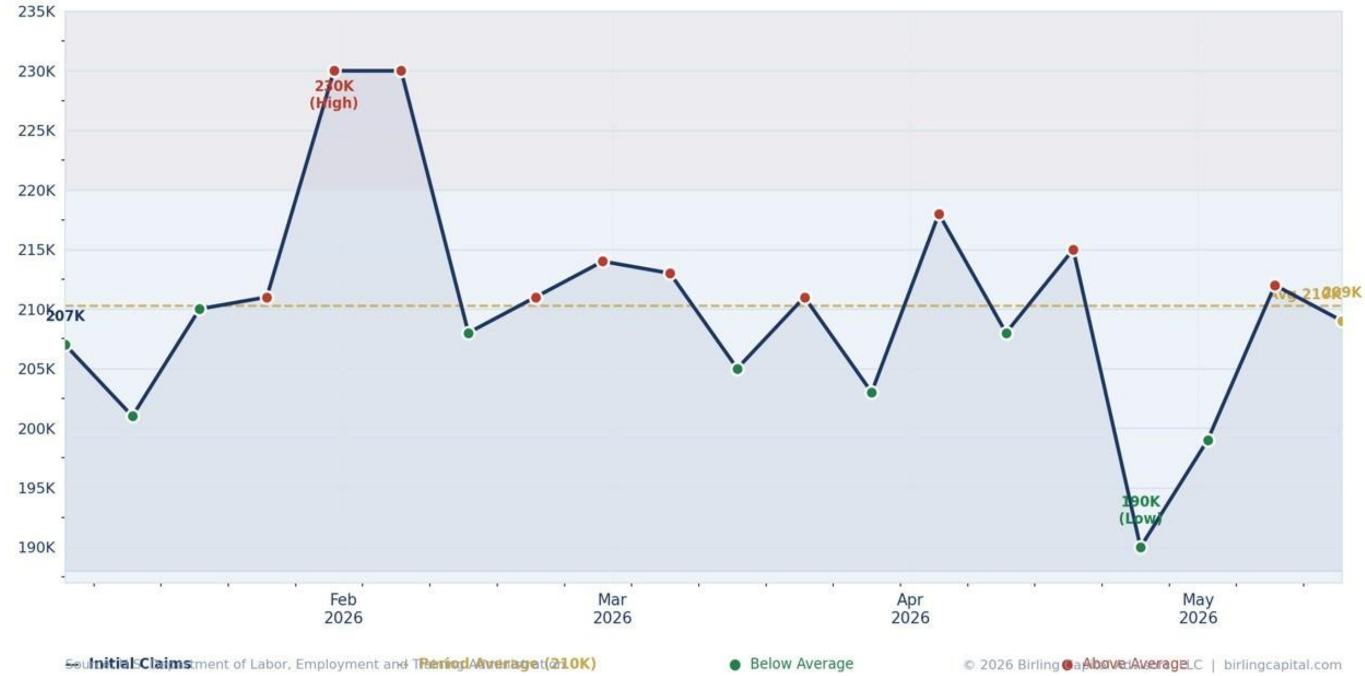
— **GDPNow Estimate Trend** ● Positive Revision ● Negative Revision ● No Change

U.S. Initial Claims for Unemployment Insurance

As of May 21, 2026

Weekly Data · January 3 – May 16, 2026 · Seasonally Adjusted · Birling Capital Advisors, LLC

LATEST (MAY 16)	PERIOD AVERAGE	PERIOD LOW (APR 25)	PERIOD HIGH (JAN 31)
209,000	**210,250**	**190,000**	**230,000**
▼ -3,000 vs Prior Week	Jan 3 – May 16, 2026	Strongest Labor Market	Weakest Labor Market

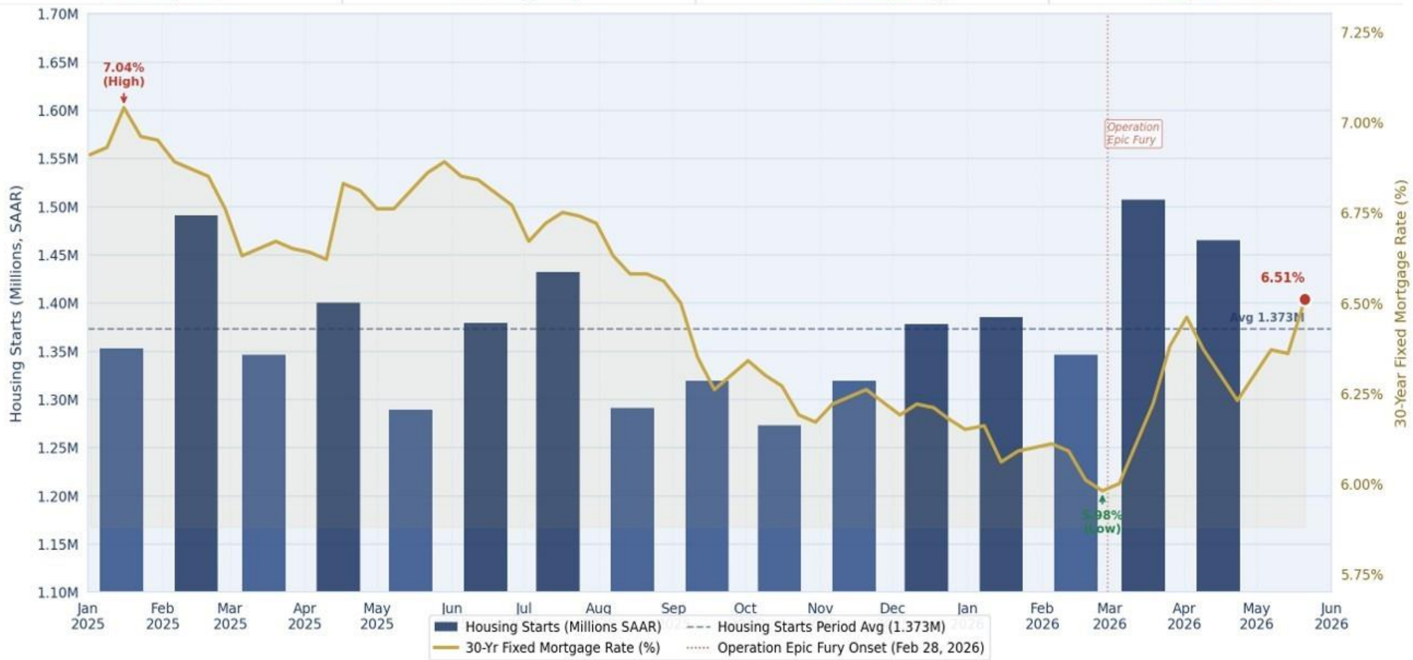


U.S. Housing Starts & 30-Year Mortgage Rate

As of May 21, 2026

Monthly Housing Starts (Left Axis, Millions SAAR) · Weekly 30-Yr Fixed Mortgage Rate (Right Axis, %) · January 2025 – May 2026

LATEST STARTS (APR 2026)	PERIOD HIGH (MAR 2026)	PERIOD LOW (OCT 2025)	LATEST RATE (MAY 21, 2026)
1.465M	**1.507M**	**1.273M**	**6.51%**
▲ Period Avg: 1.373M	Best Housing Activity	Weakest Housing Activity	Range: 5.98% – 7.04%



Sources: U.S. Census Bureau / HUD (Housing Starts); Freddie Mac PMMS (Mortgage Rate)

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European Markets Summary

Thursday, May 21, 2026 — Close

STOXX 600	FTSE 100	DAX
620.56	**10,443.47**	**24,606.77**
▲ +0.27 pts (+0.04%)	▲ +11.13 pts (+0.11%)	▼ -130.47 pts (-0.53%)

VAL
Dow Jones Industrial Average Level 50285.66
50285.66
48000.00
46000.00
44000.00
Jan '26
Feb '26
Mar '26
Apr '26
May '26
VAL
S&P 500 Level 7445.72
7445.72
7000.00
6500.00
6000.00
VAL
Nasdaq Composite Level 26293.10
26293.10
24000.00
22000.00
20000.00
VAL
Birling Capital Puerto Rico Stock Index Level 4316.37
4500.00
4316.37
4000.00
3750.00
VAL
Birling Capital U.S. Bank Index Level 9175.92
9600.00
9175.92
8400.00
7800.00