Wall Street rallies into the holiday bull market continues to advance!

U.S. markets wrapped up the week on a high after the conflict in Middle East subsided, brushing aside fresh geopolitical jitters after President Trump announced a halt to trade discussions with Canada. With a shortened trading week ahead due to the July 4th holiday, investor focus is pivoting squarely toward the upcoming wave of employment data.

The S&P 500 closed at an all-time high, rising 0.5% and building on a streak of gains in three of the past four weeks. With a monthly increase of 4.4%, the benchmark is gaining momentum. Its 50-day moving average is on the verge of overtaking the 200-day, typically a bullish signal for future performance—bringing its year-to-date advance to 5%. However, we should not forget that it experienced a sharp 19% decline from February to early April and all this rebound basically occurred during the last two and half months after 90 days pause in tariffs and a retreat from high levies planned for China.

Tech stocks also flexed, with the Nasdaq Composite climbing 0.5% to a record peak. The index is set to close June with a gain exceeding 6%, confidently trading above key moving averages. It's now up 5% since the start of the year.

Leading the charge, the Dow Jones Industrial Average surged 432 points, or 1%, outperforming its peers. Standout performances from Nike (NKE), Boeing (BA), and Amazon (AMZN) powered the blue-chip index's strength. Small-cap names in Russell 2000 posted slight gains, while high-growth equities struggled—evidenced by a 1.1% drop in the Innovator IBD 50 ETF (FFTY).

Breadth improved across the New York Stock Exchange, where advancing issues outnumbered decliners. However, the Nasdaq saw a reverse pattern. Still, volume increased on both platforms, and with a decline in distribution days for S&P and Nasdaq, market health appears solid. Fueling early optimism were comments from Commerce Secretary Howard Lutnick, who shared that the U.S. had finalized a trade pact with China. Treasury Secretary Scott Bessent added that key trade agreements could be wrapped up by Labor Day.

But the mood briefly shifted when President Trump pulled the plug on Canadian trade talks following Canada's rollout of a digital services tax aimed at U.S. tech giants.

Economic indicators added a dose of complexity: The Personal Consumption Expenditures (PCE) index rose 2.3% year-over-year in May—right on target—but the core PCE figure ticked slightly above forecasts at 2.7%. More concerning was a 0.4% drop in personal income for the month, defying expectations for a modest rise. These indicators led the Fed Chair Powell to maintain the interest rates amid uncertainty about the effect on prices from tariffs, which for the most part haven't hit yet. In fact, Fed and its Chair come under fire by the President who has asked for rate cuts more than once and in fact has expressed his intentions to fire the Fed chief on not meeting his demands for rate cuts.

For the next week, all eyes now turn to the labor market. Job openings data drops Tuesday, the ADP private payrolls report hits Wednesday, and the marquee U.S. jobs report will close out the week on Thursday.

But we should not ignore the bigger picture that market is in a bullish period and July (till Mid-August) is traditionally a strong period both for Tech heavy Nasdaq 100 and S&P 500. Analysts are encouraging investors to maintain high exposure—between 80% and 100%—as confidence grows.

The performance of major US indices during the last week was as follows:

Index	Friday (6/27)	Weekly	Monthly	YTD	1-Year
S&P 500	-0.22%	3.44%	4.25%	1.47%	12.59%
Dow Jones Industrial	1.00%	3.82%	3.48%	3.00%	11.89%
Nasdaq 100	0.39%	4.20%	5.23%	7.24%	13.87%
Nasdaq Composite	0.52%	4.25%	5.60%	4.99%	13.52%
Russell 2000	0.03%	3%	4.03%	-1.99%	7.86%

Sector Check-In: Aggressive sectors sizzle, Energy retreats!

This past week brought a mixed bag for the 11 S&P 500 sector ETFs, with aggressive sectors leading the pack.

Sector	Weekly Change	One-Month Trend
Energy (XLE)	-3.36%	3.98%
Financials (XLF)	3.49%	2.33%
Technology (XLK)	4.43%	8.18%
Communications (XLC)	4.96%	6.01%
Staples (XLP)	0.10%	-1.50%
Real Estate (XLRE)	-0.81%	0.44%
Industrials (XLI)	3.42%	2.74%
Discretionary (XLY)	3.98%	1.01%
Utilities (XLU)	1.38%	0.28%
Materials (XLB)	2.22%	1.30%
Health Care (XLV)	1.49%	1.82%

Energy sector ETF (XLE) took a beating as the crude oil prices plummeted after the cease fire between Iran and Israel. Other defensive sectors like Real Estate (XLRE) and Staples were also in red for the week while Utilities registered modest gains. Aggressive sectors on the other hand outperformed, which led the rallies in all major indices. Technology Sector (XLE) was back in action as AI stocks regained steam while several chip leaders surged to new highs (Nvidia, AVGO, TSM and KLAC for example, equally supported by AMD). Communications and Discretionary sectors also performed very well while Amazon buoyed the Discretionary sector (XLY). Nike surged by 20.5% for the week and other footwear stocks also followed including Crocs and DECKS. Several communication sector stocks like DoorDash (DASH), Spotify (SPOT), Netflix (NFLX), Meta (META) and Alphabet (GOOGL) also registered handsome gains causing a 5% increase in the sector ETF (XLC).

Investors' appetite towards aggressive areas points towards the risk-on mode in the market and a continuation of trend for next 1-1/2 months before a noticeable pullback. However, as these sectors become hot, profit taking could also kick in at times (especially during the Options expiration times) and hence investors should remain cautious in their overall approach as well.

Important Economic events next week:

Several important economic events are planned for the upcoming week:

Monday (06/30): Chicago PMI (Jun)
Tuesday (07/01): Fed Chair Powell speaks, ISM Manufacturing PMI (Jun), ISM Manufacturing Prices (Jun), JOLTS Job Openings (May)
Wednesday (07/02): ADP Nonfarm Employment, Crude Oil Inventories
Thursday (07/03): Average Hourly Earnings (MoM and YoY), Initial Jobless Claims, Nonfarm Payrolls (Jun), Unemployment Rate (Jun), S&P Global Services (PMI), Factory Orders, ISM Non-Manufacturing PMI (Jun), ISM Non-Manufacturing Prices (Jun), Atlanta Fed GDPNow (Q2)
Friday (07/04):

Important Earnings this week:

Not much left for this shortened week as earning season is winding down:

Monday (06/30): Progress Software (PRGS)

Long-Term Stock Picks:

Our long-term stocks are those in which we have the conviction that they have strong business fundamentals and enjoy moats in their respective industries; hence the chances of long-term profits are high.

NVDA:	Nvidia broke out from a buy point of 153.13 on Wednesday. On Friday it rose again to new all-time highs, becoming the largest company by market cap. Our TR indicator shows Nvidia in a strong trend and is actionable at current levels. Nvidia typically performs well in July, and similar results are expected this year. It remains a long-term leader.
COST:	Costco was flat with a modest 0.49% gain for the week. Although Costco remains a long-term leader, we think this is the time to take a pause and wait for a better entry as Costco is likely to catch up with the 50-day EMA line (currently at 929.62)

Interesting new picks for Watchlists:

It is a good time to get aggressive as market is in a bullish trend and breaking out. As mentioned earlier, this bullish period tends to historically last till Mid-August. There are several interesting stocks available to consider:

SAP	The German ERP software has been in a bullish trend since 2022 and just crossed 300. **Actionable** at current prices with a 15-20% gain target while maintaining an 8% stop loss.
AMZN	Amazon has made a breakout on Friday and currently is in **a buy zone** as per our TR indicator. Its prime day is on July 9-10, and it is expected to touch 242.52 (previous high) … Let's see if it holds this buy zone.
AMD	AMD resumed its much-awaited bullish trend, but we think it is getting extended. For the time being, let's put it in a watchlist and wait for a pullback to 20-day or 50-day EMA for a better entry.

Medium- and Short-Term Picks:

These are newly picked stocks which have come out of bases during recent market correction.

AVGO	Picked last week, Broadcom broke out at new highs with a 7.74% increase. Although in a long-term bullish trend, it is approaching the overbought territory and pullback to its 20-day EMA line at which point another entry could be made.
RCL	Picked last week, Royal Caribbean Cruises registered an impressive 13.64% gain as it moved to new highs beyond 300. Hold it for a few weeks to continue the run. A late entry with reduced exposure could also be taken for another 10-15% gain.
AEM	As the market resumed its bullish trend, money started rotating from Gold and related stocks. AEM is no exception and lost another 4% last week. Till the time the gold starts climbing again, let's put it in a watchlist.
CRDO	Credo Technology was picked up two weeks ago and since then it has already gained 26%. It appears overbought, so take some profits and let the rest ride while the trend continues. Caution: These types of stocks are suited only to aggressive investors because of high volatility.
CIBR:	Our favorite Cybersecurity ETF gained another 3.48% last week as it formed new highs. For long-term investors in AI, semiconductors, and cybersecurity, the Cybersecurity ETF CIBR is worth considering at this level.
MELI:	Selected two weeks ago, this Latin American online commerce company gained another 6.50% last week and still seems to be at an ideal place to ***make an entry*** with an 8% suggested stop loss. July and August have historically been strong months for MELI, often called the Amazon of Latin America.
AU:	Anglogold Ashanti lost 8.55% last week and finding support at its 50-day EMA. If it breaches this level in volume, then position should be exited. It was recommended two weeks ago to take some partial profits.

NOW:	ServiceNow found support at its 50-day EMA as mentioned last week, which was an entry point. June-August is also traditionally a strong period for this software company, and it is **actionable at current level.** On the other hand, any dip back to 928 level will also be attractive.
META:	META gained a decent 7.52% last week and is now eyeing previous highs at 739.68. Its long-term trend is still favorable and a pullback to 650-670 level could provide another entry.
TSLA:	Tesla investors focused on 22nd June event of Robotaxi launch in Austin TX. However, due to some safety concerns (even with a safety monitor and teleoperator), it failed to impress bulls. Going forward market will closely watch if Tesla is able to expand this service to other cities while fully going to the self-operated mode. Meanwhile, second quarter Tesla deliveries are in focus (due July 2nd). If Tesla continues to report weak sales and future guidance, then its stock could breach its 50-day EMA which it is currently holding, otherwise, Tesla has a chance to attempt recent highs of 357.54 again. July has been a strong month for Tesla and aggressive investor could attempt an entry at current prices with a stop loss below the 200-day EMA (suggest ½ position size).
MSFT:	Microsoft continued its advance with another 3.88% gain. It is extended at current levels and could face resistance around 500. We should wait for a pullback to get a proper buy point such as 450-461 range.
GOOGL:	Last week, it was mentioned that pullback was expected to 162-165 range which it exactly did when it found support at 162 and rebounded to gain 7.14% during the week. Aggressive investors could still try another alternate entry at current prices with a stop loss below 162.
CVX:	Crude Oil prices suddenly dropped causing a retreat in Oil stocks including Chevron which lost 3.85% last week. We recommended it at 133 seven weeks ago and now advise reducing the position due to declining oil prices. It is not a growth stock and is not likely to move quickly but could provide a solid dividend (4.76%).
ZS:	It was mentioned that ZS was eyeing a 309.19 follow-up entry which it found and rebounded strongly to close with a 4% weekly gain. ZS looks very strong, but we still think that given its ascent during last 12 weeks, it is better to invest in the Cyber Security ETF CIBR instead of one stock which could stage a pullback.

Recently Picked Stocks:

T:	AT&T gained 1.12% last week as it continued to show a bullish flag pattern. The long-term technical are in favor of a bullish trend for this dividend player (3.95%

	annual yield) but it is not a growth stock and moves slowly, though we expect it to stage a breakout from 28.73.
SMH:	Semiconductor ETF gained 6.97% last week amid strong surge in Nvidia, AMD, TSM and other semiconductors. The ETF looks poised to attempt a breakout from 281.92 buy point during the bullish month of July.
ATGE:	ATGE gained another 2.73% last week. Watch a pullback to 117.50 level to find support and a rebound, otherwise a move above 130 could also provide an alternate entry.
GDX:	Gold miners ETF lost another 3% last week as the Gold related stocks retreated. Due to capital rotation from stocks, Gold is likely to recede further hence the positions in GDX (if any) should be closed and reconsidered once the situation for Gold improves.
MPLX/HESM:	MPLX gained 0.45% while HESM gained 0.16% last week besides a drop in energy prices. Long-term investors could buy and hold these stocks for a continuous stream of income at current levels.
BABA:	BABA was flat again with a modest and as mentioned earlier it is finding support at current levels. We think Ali Baba is undervalued and could rise from here to 131.21. Suggested stop loss around 102.98.
GLDM:	As mentioned last week, any peace deal in Middle East was likely to cause a sudden drop in gold prices as it lost another 2.84% last week. While we are bullish on gold, it seems to be consolidating at current prices and further downside to 62 level is expected before any meaningful rebound. Therefore, a pullback is recommended to seek entry into the gold ETF currently for conservative investors.
ETR/NI:	ETR gained 11.86% while NI gained 1.14% last week. Given their good dividend payouts, these two utilities stocks are expected to move forward and test their recent highs at 87.25 and 40.79 respectively while continuing trending in a tight range.

Website:

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