

THE PRE-MARKET

A Sunday Read

A Weekly Sentiment & Event-Driven Brief
Sunday, July 19, 2026 · For the week of July 20 – 24



CONFIDENCE SCORE

8.0+
Strongly Bullish

6.5–7.9
Positive

5.0–6.4
Neutral

3.5–4.9
Cautious ◀

<3.5
Bearish

*“Big Tech takes the stand — Alphabet and Tesla report Wednesday, Intel Thursday.
All three fell last week ahead of their reports.”*

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The Week Ahead



What we're watching · July 20 – 24, 2026

The Nasdaq led last week's losses, surrendering 1.4% on Friday alone. The S&P 500 slipped 1.0%. The Dow gave up 0.8%. The Russell 2000 held firmest at -0.4%. The VIX jumped 12.2% on the week to 18.77. The selling reached well beyond the AI-semiconductor group. It caught this week's reporters, the memory names, chip-design software, IBM, Progressive and the AI data-center complex.

The heavy earnings tape lands mid-week, and the AI-capex story turns on Alphabet's number. Live over the top is an Iran and Strait of Hormuz escalation carried into the weekend, with oil pushing toward \$90. The setup cuts both ways. That tension holds the Confidence Score at 4.2, still inside the Cautious band.

*"GOOGL, TSLA and INTC all report this week.
The task is to get through the reports, not predict them.
Cooling CPI buys room for error, not certainty."*

Two things steady the market. Headline CPI cooled to 3.5% from 4.2% and core CPI eased to 2.6% from 2.9%. Unemployment ticked down to 4.2%. Disinflation is intact, and it gives the Fed room. Nor did the damage reach everything. Apple and Microsoft both closed the week green. PayPal, Lucid and Abbott rose on catalysts of their own. Small caps held up best of the four major indices. That is the profile of positioning ahead of a known event, not fundamentals giving way.

SCORE COMPONENTS

CALENDAR		3.5/ 10	Heavy mega-cap earnings week ahead
SENTIMENT		4.0/ 10	Mega-cap tech fell first; VIX +12.2%
MACRO / FED		5.5/ 10	CPI cooled to 3.5%; disinflation intact
EVENT CATALYST		3.0/ 10	GOOGL / TSLA / INTC all report this week

WHAT MOVES THE SCORE

Neutral (5.0+) on a clean Alphabet beat with 2026 capex confirmed at \$95B or above. Bearish (<3.5) on WTI through \$95 combined with an Alphabet miss.

Composite Confidence Score (CCS) = $0.25 \times \text{Calendar} + 0.25 \times \text{Sentiment} + 0.30 \times \text{Macro} + 0.20 \times \text{Event Catalyst}$. Score interpretation: 8.0+ Strongly Bullish · 6.5–7.9 Positive · 5.0–6.4 Neutral · 3.5–4.9 Cautious · <3.5 Bearish.

II

The Macro Calendar



An earnings gauntlet, not a Fed week

No FOMC this week. Earnings and geopolitics set the direction instead. A cohort of defense and industrial names reports alongside the mega-cap tape. Over all of it sits a live Iran and Strait of Hormuz escalation with oil pushing toward \$90. The week's risk resides in single-name earnings and energy headlines, not a data print.

DAY	RELEASE	IMPORTANCE	THE READ
Tue Jul 21	SCHW / COF / GM / NOC	HIGH	Financials + defense open the week.
Tue Jul 21	MMM / DHR / HAL / IBKR	Moderate	Industrials and energy-services read.
Wed Jul 22	GOOGL / TSLA	HIGH	The week's main event; AI-capex tone-setter.
Wed Jul 22	NOW / TXN / IBM / GEV	Moderate	Supporting mega-cap tech read.
Thu Jul 23	INTC	HIGH	Foundry-turnaround check.
Thu Jul 23	RTX / LMT / TMUS / HON	Moderate	Defense cluster into Iran risk.
Thu Jul 23	Initial Jobless Claims	Moderate	Labor-crack watch.
Fri Jul 24	Flash PMIs	Low	Early read on July activity.

MACRO RISK WATCH · FOUR STRESS POINTS

- **Iran / Strait of Hormuz — live and escalating.**

The US and Iran traded a fresh wave of strikes over the weekend: an Iranian strike in Jordan that killed two US service members, answered by US strikes on Qeshm Island and southern Iran. The White House has reinstated the naval blockade on Iranian shipping through the Strait of Hormuz and has threatened Iranian power infrastructure. No macro risk runs hotter into the week.

- **Energy — oil repriced hard.**

WTI closed Friday at \$81.78 (+3.58% on the day) and Brent at \$88.10 (+4.59%), with Brent's front-month premium over six-month contracts at its widest since June as traders price supply risk. A sustained move toward \$90 would reheat headline inflation just as CPI was cooling, and it presses the multinationals and transports reporting this week. Energy names remain the natural hedge.

- **Tariffs — the calendar is live again.**

The reciprocal-tariff deadline moved to an August 7 effective date, with a China deadline around August 12 and a new executive order setting 10–41% rates across roughly 71 countries. Any escalation headline lands squarely on this week's multinational reporters — GM, 3M, Honeywell, and the broader industrials complex.

- **Rates — the 10-year at 4.54%.**

The level that has capped multiples all year sits at 4.54%. An earnings-driven spike in yields, or an oil-driven inflation scare, is the pressure point to watch as the week unfolds.

III

The Divergence



Mega-cap tech fell harder than small caps.

The selling began at the top: mega-cap tech, not small caps. The Nasdaq Composite closed Friday at 25,520.24, down 1.4% on the day and down on the week — the worst of the four major indices. The S&P 500 fell 1.0% Friday to 7,457.69, the Dow slipped 0.8% to 52,146.42, and the Russell 2000 held up best, off just 0.4% to 2,962.22. Small caps outperforming mega-cap tech is the week's clearest signal.

NVIDIA closed Friday at \$202.81, down 2.2% on the day and 14.3% below its 52-week high of \$236.54. Tesla closed at \$380.84, down 2.6% Friday and well off its \$498.83 high. Both fell into the week their peers report. Whether the tape reads it as caution or a broken thesis is what the next four sessions decide.

WATCH LIST

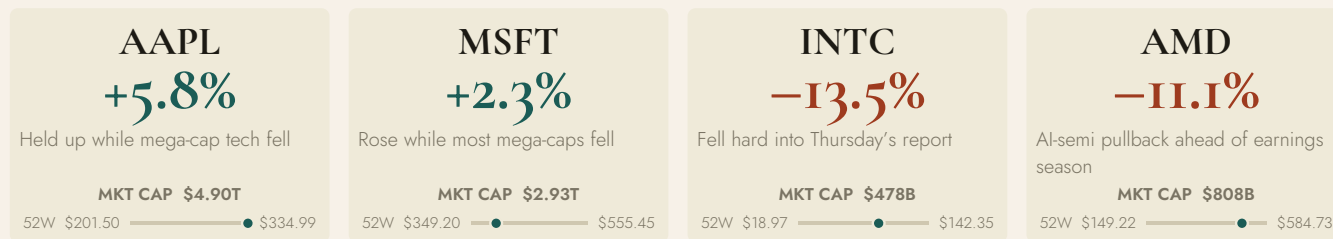
Supporting the setup

- CPI cooled to 3.5% from 4.2% — disinflation intact
- Small caps holding up best — Russell 2000 only -0.4%
- AAPL +5.8%, MSFT +2.3% — both green this week
- Unemployment down to 4.2% — soft landing intact
- Fed funds steady at 3.75% — no hike risk this week

Threats to the setup

- Big earnings week — GOOGL, TSLA and INTC all report
- VIX up 12.2% on the week to 18.77
- Iran / Strait of Hormuz escalation, live over the weekend
- WTI toward \$90 — closed \$81.78, +3.6% Friday
- Tariffs effective Aug 7 — China deadline near Aug 12

THE DIVERGENCE SCOREBOARD · last week's split market



Weekly returns measured July 10 close to July 17 close. Mega-cap tech fell first while small caps held up best. The message is caution into a heavy earnings week, cushioned by a cooling CPI print.

IV

Last Week's Movers



Last week's biggest winners & losers · the why behind the moves

Every major index fell last week (Jul 13 — 17), yet the winners list ran well beyond energy. PayPal drew a takeover bid. Lucid rebounded after its CEO denied bankruptcy rumors. Abbott and J.B. Hunt rallied on their Q2 reports. Refiners gained 9.8% to 10.3%. Weekly returns measured Fri Jul 10 close to Fri Jul 17 close. On each card the rail spans the 52-week range; the shaded segment traces last week's move and the dot marks Friday's close.

THE WEEK'S BIGGEST WINNERS

LCID

Lucid Group

▲ 32.61%

\$5.55 > \$7.36

CATALYST · BANKRUPTCY RUMORS DENIED

52W \$2.37 — ● — \$33.10

Lucid rose 32.6% on the week — the largest gain of any name in this issue — after its CEO called circulating bankruptcy and take-private rumors “completely false” in an SEC filing. Friday alone added 13.9%. Even so, the stock trades near the floor of its 52-week range.

PYPL

PayPal

▲ 22.11%

\$46.32 > \$56.56

CATALYST · TAKEOVER BID

52W \$38.46 — — ● — \$79.50

Reports on Wednesday said Stripe and Advent International had made a joint offer of \$60.50 per share for PayPal — a deal worth more than \$53 billion. The stock jumped 17.2% that day and closed the week up 22.1% at \$56.56, still short of the offer price.

ABT

Abbott Laboratories

▲ 7.19%

\$93.93 > \$100.68

CATALYST · Q2 REPORT THURSDAY MORNING

52W \$81.97 — — ● — \$137.49

Abbott reported second-quarter results before Thursday's open and rose 10.7% that session — the gain that made its 7.2% week. The stock closed at \$100.68. J.B. Hunt and UnitedHealth likewise rose on their own reports the same week.

AAPL

Apple

MKT CAP \$4.90T

▲ 5.84%

\$315.32 > \$333.74

CATALYST · HELD THE LINE ON A RED WEEK

52W \$201.50 — — — ● — \$334.99

Apple rose 5.84% to \$333.74 while the rest of mega-cap tech fell — the standout among the largest names on a week when every major index declined. The close sits at the top of its 52-week range, within \$1.25 of the \$334.99 high. Apple reports in the weeks ahead.

ALSO GREEN LAST WEEK

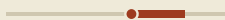
VLO	Valero Energy	\$280.69 > \$309.65	▲ 10.32%
MPC	Marathon Petroleum	\$283.74 > \$312.60	▲ 10.17%
PSX	Phillips 66	\$188.36 > \$206.86	▲ 9.82%
TRV	Travelers	\$338.92 > \$368.98	▲ 8.87%
FANG	Diamondback Energy	\$183.39 > \$195.54	▲ 6.63%
WY	Weyerhaeuser	\$23.45 > \$24.49	▲ 4.43%
JBHT	J.B. Hunt Transport	\$279.96 > \$291.41	▲ 4.09%

IV cont. · Last Week's Movers

THE WEEK'S BIGGEST LOSERS

SNDK *SanDisk*▼ **29.29%**

\$1,915.92 > \$1,354.82

CATALYST · MEMORY TRADE UNWOUND52W \$40.10  \$2,354.39

SanDisk fell 29.3% on the week to \$1,354.82 as the memory-and-storage complex sold off. Micron fell 13.3% the same week. Even after the drop, SanDisk trades far above its 52-week low of \$40.10 — the week gave back part of a very large run.

IBM *IBM* MKT CAP \$200B▼ **26.04%**

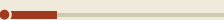
\$287.56 > \$212.67

CATALYST · PROFIT WARNING52W \$204.44  \$332.46

IBM issued a rare profit warning and fell 25.2% on Tuesday alone. The stock closed the week down 26.0% at \$212.67 — just 4.0% above its 52-week low.

ISRG *Intuitive Surgical*▼ **15.08%**

\$406.78 > \$345.42

CATALYST · POST-EARNINGS SELLOFF52W \$344.55  \$603.88

Intuitive Surgical reported second-quarter results after Thursday's close and fell 14.2% on Friday — the steepest single-stock decline of the session. It closed at \$345.42, within a dollar of its 52-week low.

PGR *Progressive*▼ **9.87%**

\$230.72 > \$207.95

CATALYST · JUNE UNDERWRITING DETERIORATION52W \$189.20  \$254.93

Progressive released June and second-quarter results Wednesday. The June combined ratio deteriorated to 90.0 from 86.6 a year earlier, and June net income fell 31% to \$779 million. A JPMorgan downgrade had landed the day before. The stock closed the week down 9.9% at \$207.95.

ALSO RED LAST WEEK

ASTS	<i>AST SpaceMobile</i>	\$73.32 > \$57.80	▼ 21.17%
CDNS	<i>Cadence Design</i>	\$384.17 > \$330.11	▼ 14.07%
SNPS	<i>Synopsys</i>	\$445.50 > \$384.28	▼ 13.74%
INTC	<i>Intel</i>	\$109.84 > \$95.04	▼ 13.47%
ORCL	<i>Oracle</i>	\$140.64 > \$126.41	▼ 10.12%
MRNA	<i>Moderna</i>	\$68.27 > \$61.82	▼ 9.45%
C	<i>Citigroup</i>	\$140.79 > \$129.36	▼ 8.12%
NFLX	<i>Netflix</i>	\$73.37 > \$68.95	▼ 6.02%

The read. The selling ran wider than the AI trade. A profit warning took down IBM. A post-earnings slide took down Intuitive Surgical. An underwriting miss took down Progressive. The memory names, the chip-design software pair and the AI data-center complex all fell double digits in the same week. That breadth is why the score sits at 4.2 and not a point higher.

V

Retail Watch

Reading WallStreetBets · mention velocity & sentiment

Retail attention rotated hard last week. Micron was the most-mentioned ticker on r/wallstreetbets. SpaceX drew heavy chatter in its first full week of trading. SanDisk, Netflix and AST SpaceMobile rounded out the most-discussed list. The tone across the memory names is a dip-buy versus falling-knife argument, not euphoria.

MU

TOP WSB MENTION

The board's most-discussed name — a dip-buy versus falling-knife debate after the selloff.

MKT CAP \$959B

52W \$103.38

\$848.95

▼ 13.31%

SPCX

NEW LISTING

Heavy chatter in its first full week on the Nasdaq — tone skewed bearish into week two.

MKT CAP \$1.62T

52W \$122.12

\$123.99

▼ 14.67%

GME

RETAIL PERENNIAL

Near the top of weekly mention lists again — a flat tape with steady chatter.

MKT CAP \$9.82B

52W \$19.93

\$21.89

▲ 0.97%

ASTS

SATELLITE BROADBAND

Down 21% on the week but up 5.1% Friday — boards split between the drop and the bounce.

MKT CAP \$23.5B

52W \$36.08

\$57.80

▼ 21.17%

WHERE THE CONVERSATION IS CONCENTRATED · r/wallstreetbets, qualitative read

MU		chatter	Climbing
SPCX		chatter	Climbing
SNDK		chatter	Climbing
GME		chatter	Steady
NFLX		chatter	Climbing
ASTS		chatter	Steady

The read. Retail attention converged on the memory trade and the new SpaceX listing — precisely where the week's losses concentrated. Treat this section as a sentiment signal, not a buy list.

VI

Options Radar



Where Friday's bullish flow concentrated, away from the crowd

The obvious clusters get their mention. GOOGL and TSLA weeklies into Wednesday and semis into their prints are all crowded. The edge this week lies in the quieter bullish flow. Positioning is building away from the mega-cap names as the reports draw near.

XLE

Energy / Oil Complex

UPSIDE CALL FLOW · MAJORS, E&P, SERVICES

WTI \$81.78 (+3.58% FRI) · HORMUZ ESCALATION LIVE

Call buying in oil majors, E&P and services names (XLE, HAL, SLB, refiners) as WTI pushes toward \$90 — a geopolitically driven bid the crowd has yet to chase.

CRWV

AI-Infrastructure Mid-Caps

CALL FLOW · PICKS-AND-SHOVELS LAYER

CRWV \$73.21 · APLD \$25.79 · VS. NVDA ITSELF

Call buying in the neocloud and power/optical layer (CRWV, APLD) rather than NVDA directly — a leveraged expression of the same AI-capex thesis, one step removed from the mega-cap name.

MKT CAP \$39.9B

52W \$63.80 — ● — \$153.20

NOC

Defense Cluster

UPSIDE POSITIONING · INTO EARNINGS CLUSTER

NOC TUE 7/21 · RTX / LMT THU 7/23

Positioning ahead of the Northrop Grumman, RTX and Lockheed Martin reports — a direct hedge against the next Iran-escalation headline.

MKT CAP \$74.1B

52W \$493.84 — ● — \$774.00

VIX

Volatility / Downside Hedges

VIX CALLS & INDEX PUTS · INTO EARNINGS WEEK

VIX 18.77 · +12.19% ON THE WEEK

Notable accumulation in VIX calls and index puts into the GOOGL/TSLA/INTC gauntlet — the signature of investors buying protection, not adding exposure.

ALSO ON THE RADAR

- **Alphabet & Tesla (GOOGL / TSLA) — the obvious weeklies.**
Elevated call and put activity clusters around both names' Wednesday expiries, as expected into the reports. This is the crowded side of the trade, not the edge of it.
- **AI-semis into their prints.**
NVDA and AMD options activity tracks the broader AI-semi pullback, with positioning split between dip-buying calls and downside protection ahead of the earnings season that follows.

The read. The non-consensus flow this week points to energy, AI-infrastructure mid-caps and defense — all geared to the same Iran/Hormuz and AI-capex themes running through this issue — alongside a genuine bid for volatility protection into the earnings week. That suits a 4.2 Confidence Score week: lean into specific catalysts and hedge the calendar risk.

VII

Upcoming Earnings

The mega-cap gauntlet on the docket



SCHW
The Charles Schwab Corporation

THIS WEEK
Tue Jul 21 · before open

CURRENT PRICE \$101.56 Jul 17 close MKT CAP \$177B	ANALYST TARGET (avg) \$118.29 n = 14 analysts	IMPLIED UPSIDE ▲ 16.5% 86% bullish rated	TARGET RANGE \$91 – \$137 high · low 52W \$83.96 ————— ● ————— \$107.50
LATEST ACTION · Jul 15 · Piper Sandler maintains Neutral, raises target \$105 > \$112			
THE READ · 12 of 14 analysts bullish — the average target sits 16.5% above Friday’s close.			

MMM
3M Company

THIS WEEK
Tue Jul 21 · before open

CURRENT PRICE \$159.84 Jul 17 close MKT CAP \$83.4B	ANALYST TARGET (avg) \$169.38 n = 8 analysts	IMPLIED UPSIDE ▲ 6.0% 50% bullish rated	TARGET RANGE \$123 – \$190 high · low 52W \$139.34 ————— ● ————— \$177.41
LATEST ACTION · Jul 17 · JP Morgan upgrades to Overweight, raises target \$178 > \$180			
THE READ · A split book — four analysts bullish, four not — with a fresh JP Morgan upgrade on Jul 17.			

GOOGL
Alphabet Inc.

THIS WEEK
Wed Jul 22 · after close

CURRENT PRICE \$346.77 Jul 17 close MKT CAP \$4.19T	ANALYST TARGET (avg) \$426.90 n = 10 analysts	IMPLIED UPSIDE ▲ 23.1% 80% bullish rated	TARGET RANGE \$393 – \$455 high · low 52W \$186.15 ————— ● ————— \$408.61
LATEST ACTION · Jul 17 · BMO maintains Outperform, \$455 target			
THE READ · 8 of 10 analysts bullish; the average target sits 23.1% above Friday’s close.			

TSLA
Tesla, Inc.

THIS WEEK
Wed Jul 22 · after close

CURRENT PRICE \$380.84 Jul 17 close MKT CAP \$1.43T	ANALYST TARGET (avg) \$360.89 n = 10 analysts	IMPLIED UPSIDE ▼ 5.2% 10% bullish rated	TARGET RANGE \$25 – \$500 high · low 52W \$297.82 ————— ● ————— \$498.83
LATEST ACTION · Jul 14 · Morgan Stanley maintains Equal-Weight, \$417 target			
THE READ · Only 1 of 10 analysts bullish; targets span \$25 to \$500 into the print.			

VII cont. · Upcoming Earnings

NOW
ServiceNow, Inc.

THIS WEEK
Wed Jul 22 · after close

CURRENT PRICE \$103.24 Jul 17 close MKT CAP \$106B	ANALYST TARGET (avg) \$138.63 n = 27 analysts	IMPLIED UPSIDE ▲ 34.3% 85% bullish rated	TARGET RANGE \$85 – \$236 high · low
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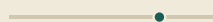
52W \$81.24  \$210.20

LATEST ACTION · Jul 17 · TD Cowen reiterates Buy, \$140 target
THE READ · 23 of 27 analysts bullish — the strongest consensus of Wednesday's reporters.

TXN
Texas Instruments

THIS WEEK
Wed Jul 22 · after close

CURRENT PRICE \$284.02 Jul 17 close MKT CAP \$258B	ANALYST TARGET (avg) \$303.70 n = 20 analysts	IMPLIED UPSIDE ▲ 6.9% 60% bullish rated	TARGET RANGE \$200 – \$390 high · low
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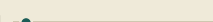
52W \$152.73  \$334.03

LATEST ACTION · Jul 14 · Keybanc maintains Overweight, raises target \$325 › \$390
THE READ · 12 of 20 analysts bullish. The average target sits 6.9% above Friday's close.

IBM
International Business Machines

THIS WEEK
Wed Jul 22 · after close

CURRENT PRICE \$212.67 Jul 17 close MKT CAP \$200B	ANALYST TARGET (avg) \$281.07 n = 14 analysts	IMPLIED UPSIDE ▲ 32.2% 71% bullish rated	TARGET RANGE \$191 – \$350 high · low
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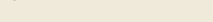
52W \$204.44  \$332.46

LATEST ACTION · Jul 17 · Citigroup maintains Buy, cuts target \$375 › \$255
THE READ · Two target cuts landed Jul 17 — Citi and JP Morgan — with both firms still rated bullish.

GEV
GE Vernova

THIS WEEK
Wed Jul 22 · after close

CURRENT PRICE \$1,057.84 Jul 17 close MKT CAP \$284B	ANALYST TARGET (avg) \$1,071.48 n = 21 analysts	IMPLIED UPSIDE ▲ 1.3% 86% bullish rated	TARGET RANGE \$580 – \$1,400 high · low
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52W \$530.16  \$1,195.94

LATEST ACTION · Jun 11 · Jefferies maintains Buy, trims target \$1,350 › \$1,210
THE READ · 18 of 21 analysts bullish, yet the average target sits just 1.3% above the close.

VII cont. · Upcoming Earnings

RTX RTX Corporation				THIS WEEK Thu Jul 23 · before open
CURRENT PRICE \$193.51 Jul 17 close MKT CAP \$261B	ANALYST TARGET (avg) \$207.90 n = 10 analysts	IMPLIED UPSIDE ▲ 7.4% 70% bullish rated	TARGET RANGE \$168 – \$230 high · low 52W \$143.56 ————— ● ————— \$214.50	
LATEST ACTION · Jun 4 · Jefferies upgrades to Buy, raises target \$210 › \$220				
THE READ · 7 of 10 analysts bullish; the average target sits 7.4% above Friday’s close.				

HON Honeywell International Inc.				THIS WEEK Thu Jul 23 · before open
CURRENT PRICE \$225.02 Jul 17 close MKT CAP \$71.3B	ANALYST TARGET (avg) \$260.00 n = 14 analysts	IMPLIED UPSIDE ▲ 15.5% 71% bullish rated	TARGET RANGE \$245 – \$275 high · low 52W \$195.87 ————— ● ————— \$260.28	
LATEST ACTION · Jul 14 · Morgan Stanley maintains Equal-Weight, cuts target \$490 › \$245				
THE READ · 2026 analyst actions cluster at \$245 – \$275; the trailing average is skewed by stale targets and is not shown.				

INTC Intel Corporation				THIS WEEK Thu Jul 23 · after close
CURRENT PRICE \$95.04 Jul 17 close MKT CAP \$478B	ANALYST TARGET (avg) \$127.40 n = 10 analysts	IMPLIED UPSIDE ▲ 34.0% 20% bullish rated	TARGET RANGE \$100 – \$160 high · low 52W \$18.97 ————— ● ————— \$142.35	
LATEST ACTION · Jul 16 · Susquehanna maintains Neutral, \$115 target				
THE READ · Wide range between bulls and bears — 2 of 10 analysts bullish into the foundry-turnaround check.				

VIII

Deep Dive · AI Capex



Hyperscaler spend, the AI supply chain's swing factor

THE 60-SECOND PRIMER

Hyperscaler capex has been the single largest swing factor for the entire AI supply chain — NVIDIA, the memory names, and power and data-center infrastructure all key off it. Alphabet’s Wednesday print is the first hard number of the season, and it sets the tone for what Microsoft, Amazon and Meta confirm in the weeks that follow.

Beneath that hyperscaler layer sits the “neocloud” complex — CoreWeave and Applied Digital — the purest read on where the capex dollars actually land. Both fell hard on the week even as their underlying numbers improved. That is the deep dive’s central tension: enormous demand set against the risk that hyperscalers simply build the capacity themselves.

THE CAPEX NUMBERS · LAST SIX REPORTED QUARTERS

COMPANY	MAR-QTR CAPEX	YEAR AGO	YOY	TREND · DEC '24 › MAR '26
Alphabet	\$35.67B	\$17.20B	▲ 107.4%	
Microsoft	\$30.88B	\$16.75B	▲ 84.4%	
Amazon	\$44.20B	\$25.02B	▲ 76.7%	
Meta	\$19.00B	\$12.94B	▲ 46.8%	
Combined	\$129.75B	\$71.90B	▲ 80.5%	

Capital expenditures = purchases of property and equipment as reported each quarter, Dec 2024 through Mar 2026. Microsoft figures are its fiscal quarters ending the same months. Each trend bar is one quarter; the rust bar is the March 2026 quarter.

TWO DETAILS INSIDE THAT TABLE

Meta alone among the four spent less than in the prior quarter — \$19.00 billion in the March quarter against \$21.38 billion in December. And Alphabet’s March-quarter capex consumed \$35.67 billion of its \$45.79 billion in operating cash flow — 78 cents of every operating-cash-flow dollar went back into infrastructure, against \$109.90 billion of revenue. That ratio is what Wednesday’s report will update.

NEOCLOUD ECONOMICS · GROWTH VS. SPEND, LATEST REPORTED QUARTER

COMPANY	QTR REVENUE	YOY	QTR CAPEX	CAPEX ÷ REVENUE
CoreWeave (CRWV)	\$2.08B	▲ 111.6%	\$7.70B	3.7×
Applied Digital (APLD)	\$126.6M	▲ 139.3%	\$775.2M	6.1×

CoreWeave quarter ended March 2026; Applied Digital fiscal third quarter ended February 2026. Capex ÷ revenue = capital expenditures divided by revenue in the same quarter.

Both companies more than doubled revenue year over year. Both spent multiples of that revenue on capacity in the same quarter. The gap between those two lines must be financed before the revenue arrives. Last week’s selling repriced the funding question, not the demand.

WHAT MOVED THIS WEEK

- **CoreWeave — the capex number got bigger, the stock got cheaper.**
Guided 2026 capital expenditures to \$31–35 billion and said it has surpassed 1 gigawatt of active AI computing capacity. Fell 17.6% on the week after a report detailed Meta building out its own cloud infrastructure — a direct competitive read on the neocloud model. The stock sits well below its 52-week high of \$153.20.
- **CoreWeave keeps signing power and capacity.**
Leased an additional 260 megawatts at its Galaxy 2 Texas campus and 150 additional megawatts at an Applied Digital facility, extending the footprint behind the 1-gigawatt milestone.
- **Applied Digital — the supplier side of the same story.**
Crossed 1 gigawatt of capacity across four AI Factory campuses and confirmed the 150-megawatt CoreWeave lease. The stock fell double digits on the week regardless, the same capex-anxiety pattern as CoreWeave.
- **The selloff ran through the whole AI data-center complex.**
Cipher Mining fell 20.6%, Nebius 19.1%, IREN 18.3% and TeraWulf 17.3% in the same week — declines at or beyond CoreWeave's, with no earnings reports among them. TeraWulf fell even after announcing a 20-year Kentucky data-center agreement with Anthropic early in the week.

WHERE THEY TRADE · 52-WEEK CONTEXT

NAME		LAST	1W	MKT CAP	52-WEEK RANGE
CRWV	CoreWeave	\$73.21	▼ 17.6%	\$39.9B	52W \$63.80 — \$153.20
APLD	Applied Digital	\$25.79	▼ 17.2%	\$7.37B	52W \$9.79 — \$50.73
CIFR	Cipher Mining	\$17.56	▼ 20.6%	\$7.18B	52W \$4.55 — \$30.14
NBIS	Nebius Group	\$177.71	▼ 19.1%	\$42.7B	52W \$49.00 — \$299.86
IREN	IREN	\$33.62	▼ 18.3%	\$12.0B	52W \$14.72 — \$76.87
WULF	TeraWulf	\$18.16	▼ 17.3%	\$9.00B	52W \$4.64 — \$29.84

The read. The four hyperscalers spent \$129.75 billion on capex in the March quarter, up 80.5% in a year, and Meta alone cut. CoreWeave and Applied Digital more than doubled revenue and still fell double digits — and the rest of the AI data-center complex fell 17% to 21% the same week. The market is not questioning the demand. It is questioning who funds the build, and whether the hyperscalers rent capacity or build their own. Alphabet's Wednesday print is the first hard answer of the season.

IX

Crypto Corner



A brief market note on digital assets · where prices stand

WHERE PRICES STAND

Bitcoin closed Friday at \$63,894, up 0.19% on the day and 49.4% below its 52-week high of \$126,296. Crypto traded quietly against the volatility in equities this week — a rare divergence worth noting given how tightly the two have moved together across 2026.

WHY IT MATTERS

- **A quiet pickup in spot-ETF volume.**

IBIT, the iShares spot bitcoin ETF, traded 56.17 million shares Friday — 54.1% above its trailing 10-day average and its highest daily volume since June 30 — on a day the fund closed just 0.11% lower. Turnover surged while the price barely moved. Watch whether that pattern persists this week.

- **Bitcoin held up while mega-cap tech fell.**

When bitcoin holds firm through a Nasdaq-led selloff, it argues the equity move is a positioning story in a handful of mega-cap names, not a broad risk-off retreat.

The read. Bitcoin's relative calm this week, set against a Nasdaq that broke first, is itself informative — it argues the equity selling is a positioning story in a handful of mega-cap names, not a broad risk-off move. Worth revisiting once GOOGL, TSLA and INTC report.

X

Small-Cap Watchlist



Six speculative small-caps · what they do, where they could go, what could break them

These are stocks small enough that a single contract, filing or capital raise can move the price double digits in a session. Six names: energy and digital infrastructure, geospatial defense, compound semis, battery metals, rare-earth alloys, and lithium.

NUAI

New Era Energy & Digital

ENERGY · DIGITAL INFRA

\$4.08

▼ 7.9% wk

WHAT THEY DO

Energy-generation and digital-infrastructure hybrid — positioned where the power buildout AI capacity demands meets the energy-security theme running through this issue.

THESIS

If AI-driven power demand and energy-security policy both keep tightening, hybrid energy/digital-infra names sit in the crosscurrent of both trades at once.

KEY RISK

52-week range of \$0.32—\$9.45 says it all — extreme volatility, thin float, high single-name blow-up risk.

MKT CAP \$233M

52W \$0.32 ————— \$9.45

SATL

Satellogic

GEOSPATIAL · DEFENSE

\$3.82

▲ 7.0% Fri

WHAT THEY DO

Geospatial and earth-observation satellite operator — sells imagery and analytics to government and defense customers.

THESIS

Each escalation in the Iran/Hormuz or wider geopolitical risk thread raises the value of independent commercial earth-observation — SATL is a direct listed play on that demand.

KEY RISK

52-week range of \$1.25—\$12.00. Government contract timing and capital needs are the standing risks for a satellite operator this size.

MKT CAP \$459M

52W \$1.25 ————— \$12.00

AXTI

AXT, Inc.

COMPOUND SEMI · MATERIALS

\$45.86

▼ 19.8% wk

WHAT THEY DO

Compound-semiconductor substrate maker — indium phosphide and gallium arsenide wafers that feed optical and RF chips.

THESIS

The picks-and-shovels layer under AI optics and data-center networking — substrate demand scales with the same buildout driving this issue's AI-capex deep dive.

KEY RISK

52-week range of \$1.85—\$143.16 — an extraordinarily wide band. Customer concentration and China supply-chain exposure are the principal risks.

MKT CAP \$2.13B

52W \$1.85 ————— \$143.16

ABAT

American Battery Technology

BATTERY METALS · CRITICAL MINERALS

\$2.36

▼ 10.3% wk

WHAT THEY DO

Domestic lithium and battery-materials recycler/producer — a critical-minerals and energy-security play on re-shoring the battery supply chain.

THESIS

Policy support for domestic critical-minerals capacity is a multi-year tailwind; ABAT is one of the few listed pure plays on that specific re-shoring thesis.

KEY RISK

52-week range of \$1.86—\$11.49. Pre-revenue-scale economics mean dilution and project-timeline slippage are the standing risks.

MKT CAP \$248M

52W \$1.86 ————— \$11.49

ALOY

REalloys

RARE EARTH · ALLOYS

\$8.89

▼ 27.6% wk

WHAT THEY DO

Rare-earth and specialty-alloys producer — feeds defense and advanced-manufacturing supply chains that depend on non-China rare-earth sourcing.

THESIS

Rare-earth and specialty-alloy supply chains are a direct extension of the defense and critical-materials re-shoring theme running through this issue.

KEY RISK

Down sharply on the week (-27.6%) and -9.19% Friday alone — 52-week range of \$5.64—\$26.90 reflects real volatility; sizing discipline matters most here.

MKT CAP \$606M

52W \$5.64 ————— \$26.90

LAC

Lithium Americas

LITHIUM · CRITICAL MINERALS

\$2.95

▼ 11.1% wk

WHAT THEY DO

Lithium developer building Thacker Pass in Nevada — Phase 1 is designed for 40,000 tonnes per year of battery-grade lithium carbonate, in a joint venture with General Motors.

THESIS

The largest US lithium project under construction, backed by a \$2.23 billion Department of Energy loan — one node up the same supply-chain re-shoring theme as ABAT. Mechanical completion is targeted for late 2027.

KEY RISK

Pre-revenue, with 2026 Thacker Pass spending guided to \$1.3—\$1.6 billion. A July 10 filing registered 69.42 million shares for resale by existing holders. 52-week range of \$2.47—\$10.52.

MKT CAP \$659M

52W \$2.47 ————— \$10.52

Position sizing note: these are speculative names — asymmetric upside, real single-name blow-up risk. Treat as satellite exposure, not core.

XI

The Tactical Read

One trade, one invalidation, one dissent



THIS WEEK'S TRADE

one setup · one invalidation

THE SETUP

Long energy against a short mega-cap earnings basket. Expressed as XLE long versus an equal-weight GOOGL / TSLA short. The pair carries the Hormuz bid on one side and the widest-dispersion prints of the week on the other.

WHY IT FITS A 4.2 TAPE

Cautious means asymmetric. A defined-risk directional bet with a natural hedge inside the pair: an earnings rip hurts the short leg, but a disinflation-and-oil-cool scenario also compresses XLE. Not a one-way bet on either theme.

SIZE

Half the directional risk you would carry at a 6.0 tape. Sized for a 1% book move on WTI printing \$90. Hedges at full size.

INVALIDATION

A clean Alphabet capex beat with 2026 guide at \$95B or above AND a Hormuz de-escalation headline that takes WTI back through \$76. Either alone trims. Both together closes it.

Not a recommendation — a worked example of the letter's own logic. Your book, your call.

LEVELS · the numbers behind the setup

NAME	FRI JUL 17 CLOSE	IMPLIED MOVE	UPSIDE FAIL LINE	DOWNSIDE BREAK LINE
GOOGL	\$346.77	±\$28 (~8%)	\$375 clears drift high	\$325 loses 50-day
TSLA	\$380.84	±\$34 (~9%)	\$415 reclaims gap fill	\$350 loses 200-day
INTC	\$95.04	±\$10 (~11%)	\$110 clears trend	\$85 opens \$80 gap
WTI	\$81.78 / bbl	n/a (spot)	\$90 reheats headline CPI	\$76 removes Hormuz premium

Levels are markers, not signals. A break through does not itself make a trade — it changes which trade is on.

THE POSTURE · the book heading into the week

No new positions this week, barring a severe drawdown. Wait for the mega-cap prints to land while memory and the neoclouds finish correcting and re-stabilize.

On Iran. Markets have grown desensitized to Hormuz headlines, and reasonably so — every prior escalation has faded within the week. That said, this weekend's strikes read as the most serious escalation the tape has priced so far. Watch it, do not chase it.

Personal book. Trimming higher-beta exposure into the print. No thesis in the letter has broken — this is risk sizing, not a change of view. Alphabet Wednesday sets the cue for everything downstream, not the headlines.

THE DISSENT · the case against the 4.2

A CPI print that keeps disinflation intact into the earnings gauntlet, combined with positioning already de-risked heading in, is the setup for a squeeze — not a break. If Alphabet clears the capex bar and Tesla merely does not implode, shorts built into the week cover into Friday and the tape closes green. The score would look late. The way to be wrong on Cautious this week is to be right about the risks and still watch the tape climb them.

THE PRE-MARKET

Sunday, July 19, 2026 · Week of July 20–24

Analyst consensus and price targets aggregated across sell-side coverage. Retail-attention read is qualitative, drawn from r/wallstreetbets thread activity.

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