

### DELL surges after results; GAP cuts outlook

#### DAY AHEAD:

- **BROKER MOVES:** DELL upgraded at Susquehanna post-earnings; BBY downgraded at UBS. [For the full list, click here.](#)
- **MAJOR MORNING MOVES RECAP:** DELL, ADSK, OKTA, NTAP, GAP, AEO, SNOW. [For the full list, click here.](#)
- **CENTRAL BANKS:** Fed's Bowman (voter), Paulson (2026 voter), Daly (2027 voter) are due today.
- **CRA:** S&P reviews France (A+) and Hungary (BBB-); Morningstar DBRS reviews Spain (A high).
- **ENERGY:** Baker Hughes reports weekly rig counts (prev. oil 428, total 558).

#### NEWS:

#### GEOPOLITICS:

- **US-Iran** - Iranian sources pushed back on reports that a US-Iran memorandum of understanding extending the ceasefire by 60 days had been finalised, saying the text remains unfinished. US VP Vance said proposals on uranium enrichment continue to be exchanged, and that President Trump is not yet prepared to endorse any agreement; White House Deputy Chief of Staff Miller said there is no agreement until all details are finalised. Al Arabiya reported Iran has agreed to international oversight of its nuclear facilities, with enriched uranium to be transferred to China.
- **US-Singapore** - US Defence Secretary Pete Hegseth arrived in Singapore for meetings with regional leaders and security counterparts before a Saturday address at a major Asian security forum. He is set to meet PM Wong and Defence Minister Sing to discuss military asset rotations and training support.
- **US-Brazil** - The US will designate Brazil's Primeiro Comando da Capital and Comando Vermelho as terrorist organisations, Secretary of State Marco Rubio said. The move is likely to reignite tensions with President Lula, whose administration views it as counterproductive and a risk to Brazil's financial system and sovereignty. The designation follows lobbying by Flavio Bolsonaro, who met Trump at the White House this week ahead of Brazil's October election.

#### MACRO:

- **BoJ, JPY** - The BoJ will probably raise rates at its 15-16th June meeting to avoid falling behind inflation, according to former board member Makoto Sakurai. He said Tokyo inflation data were distorted by temporary water-fee cuts, core inflation could exceed 3% later this year, and a June hold could weaken the yen further. Separately, FinMin Katayama said authorities can take bold action if FX volatility or speculative moves occur; Katayama also pledged dialogue with markets on bond issuance as yields rise and an extra budget requires debt.
- **French, Spanish Inflation** - French inflation rose to 2.8% Y/Y in May and Spanish inflation to 3.6% Y/Y, the fastest since 2024. Analysts say the figures support expectations the ECB may raise the deposit rate to 2.25% on 11th June.
- **RBNZ** - RBNZ Assistant Governor Karen Silk said it has not yet seen strong second-round inflation pressures, but is prepared to respond aggressively if it does.

#### TRADE:

- **China Exports** - China's overall export prices rose 5% Y/Y in April, the biggest increase since April 2023. Higher oil prices lifted mineral fuel and fertiliser export prices, while AI-driven chip demand raised electronics prices. Most products still saw price declines, squeezing downstream manufacturers' margins.
- **China-Canada** - Chinese-made EVs, including Tesla (TSLA) cars from Shanghai and Lotus vehicles owned by Zhejiang Geely Holding Group, are entering Canada under a Carney-Xi quota allowing 49K vehicles over 12 months at about 6% tariff, Bloomberg reports. PM Carney said most initial shipments will be Teslas, with broader lower-cost imports later; BYD plans Canadian sales locations.

#### TECH:

- **Dell Technologies (DELL)** - Shares rose 40% in extended US trading after it beat expectations, posted its fastest post-listing sales growth, benefited from strong AI server demand and raised its outlook. Q1 2027 (USD): Adj. EPS 4.86 (exp. 2.96), Revenue 43.8bln (exp. 35.77bln). **Commentary:** Said its record Q1 results reflected strong in-quarter demand and innovation across PCs, compute and storage, with USD 24.4bln of AI orders, USD 16.1bln of AI server revenue and a record USD 51.3bln AI backlog at quarter-end. AI demand remains exceptionally strong and continues to exceed supply, with memory the primary constraint, while pricing discipline and margin stability seen in Q4 and Q1 continue to hold. **Guidance:** Raised FY27 AI server revenue expectations to USD 60bln (prev. 50bln). Q2 adj. EPS 4.80 at the midpoint (exp. 3.01), Revenue 44-45bln (exp.

35.36bln); raised FY27 guidance, sees adj. EPS 17.90 at the midpoint (exp. 13.16; prev. 12.90 at midpoint), sees FY27 revenue 165-169bln (exp. 143.87bln; prev. 138-142bln).

- **IBM (IBM)** - IBM and Red Hat have committed USD 5bln to Project Lightwell, deploying 20,000 engineers supported by AI to secure open-source software supply chains for enterprises. The clearinghouse will identify, test and fix vulnerabilities across open-source code, with capabilities available via commercial subscriptions. Early adopters include Bank of America (BAC), Citi (C), Goldman Sachs (GS), Morgan Stanley (MS), Visa (V) and Wells Fargo (WFC).
- **Samsung (SSNLF)** - Has begun shipping 12-layer HBM4E samples to major clients, after starting mass production of HBM4 in February. The move could strengthen its position in AI memory against SK Hynix (HXSCL), which said in April it targets HBM4E mass production in 2027 and sample shipments in H2 this year, Bloomberg reports.
- **Autodesk (ADSK)** - Agreed to acquire MaintainX in an all-cash transaction valued at about USD 3.6bln. The deal is intended to expand Autodesk Operations Solutions and connect operations workflows with design, make and lifecycle data. Autodesk will fund it with cash and debt, with closing expected later this FY. Autodesk said the planned MaintainX acquisition will support durable long-term growth, with its impact to be included in guidance after closing. Q1 2027 (USD): Adj. EPS 2.99 (exp. 2.84), Revenue 1.93bln (exp. 1.89bln). CFO noted consistent market momentum and a sales reorganisation proceeding as expected, while noting the raised outlook still reflects potential disruption from the restructuring plan set out in February. **Guidance:** Q2 adj. EPS 3.10-3.14 (exp. 3.04), Revenue 2.005-2.015bln (exp. 1.99bln). Raised FY27 guidance; adj. EPS 12.40-12.65 (exp. 12.42; prev. 12.29-12.56), Revenue 8.155-8.215bln (exp. 8.15bln; prev. 8.10-8.17bln), and billings 8.505-8.58bln.
- **Alkami Technology (ALKT)** - Jana Partners is pushing Alkami to restart a sale process after the fintech company hired advisers to explore strategic options, according to Bloomberg citing a source. Jana still sees Alkami as a takeover candidate.
- **Okta (OKTA)** Q1 2026 (USD): Adj. EPS 0.91 (exp. 0.85), Revenue 765mln (exp. 751.79mln). **Guidance:** Q2 adj. EPS 0.95-0.97 (exp. 0.96), Revenue 790-794mln (exp. 791.35mln), Current RPO 2.505-2.515bln. Raised FY27 guidance, sees adj. EPS 3.79-3.87 (exp. 3.79; prev. 3.74-3.82), Revenue 3.185-3.205bln (exp. 3.19bln; prev. 3.17-3.19bln).
- **NetApp (NTAP)** Q4 2026 (USD): Adj. EPS 2.43 (exp. 2.27), Revenue 1.95bln (exp. 1.87bln). **Guidance:** Q1 adj. EPS 2.05-2.15 (exp. 1.84), Revenue 1.75-1.90bln (exp. 1.67bln); FY27 adj. EPS 8.70-8.90 (exp. 8.53), Revenue 7.325-7.575bln (exp. 7.19bln), and operating margin between 29.1-30.1%.
- **MongoDB (MDB)** Q1 2027 (USD): Adj. EPS 1.32 (exp. 1.18), Revenue 687.6mln (exp. 663.79mln). Remaining performance obligations +88% Y/Y to USD 1.46bln, current RPO +69% Y/Y to USD 766.3mln. **Commentary:** CEO noted strong end-market demand across enterprise use cases and emerging AI opportunities. **Guidance:** Q2 adj. EPS 1.58-1.61 (exp. 1.28), Revenue 729-734mln (exp. 699.65mln); raised FY27 guidance, adj. EPS 5.95-6.14 (exp. 5.84; prev. 5.75-5.93), Revenue 2.92-2.96bln (exp. 2.9bln; prev. 2.86-2.9bln).
- **PagerDuty (PD)** Q1 2027 (USD): Adj. EPS 0.32 (exp. 0.25), Revenue 121.0mln (exp. 119.4mln). ARR was flat Y/Y at USD 496mln, customers with ARR over USD 100,000 rose 1% to 860, dollar-based net retention fell to 97% from 104%, and total paid customers increased to 15,380 from 15,247. Announced a USD 100mln share buyback. **Guidance:** Q2 adj. EPS 0.29-0.31 (exp. 0.32), Revenue 122-124mln (exp. 122.6mln). Raised FY27 guidance, adj. EPS 1.27-1.32 (exp. 1.26; prev. 1.23-1.28), and maintained FY27 revenue view 488.5-496.5mln (exp. 493.4mln).
- **Viasat (VSAT)** Q4 2026 (USD): EPS -0.02 (exp. 0.32), Revenue 1.17bln (exp. 1.2bln). Q4 backlog USD 4.07bln. Said FY26 results were largely consistent with expectations despite headwinds from the US government shutdown in the back half of the fiscal year. Viasat said it is exiting the year stronger, supported by record backlog, ongoing multi-orbit fleet expansion, cash-flow improvement, lower net debt relative to LTM adjusted EBITDA, and accelerating growth opportunities in its Defence and Advanced Technologies segment. Sees FY27 revenue up mid-single digits, adjusted EBITDA flat to up slightly, capital expenditures between USD 950mln-1bln, and free cash flow generated of USD 180mln.
- **NVIDIA's (NVDA)** - VR200 reportedly delayed by two months amid cooling challenges, Tech Taiwan reports. Reportedly the problem involves heatsink attachment and integration.

## COMMUNICATIONS:

- **Anthropic, Apollo Global Management (APO), Blackstone (BX), Alphabet (GOOG)** - Apollo and Blackstone are seeking additional investors for a roughly USD 36bln private-credit financing to help Anthropic build AI infrastructure by funding the purchase of Google TPUs, which Anthropic would lease. The deal would be among the largest private-credit and chip-financing transactions, with Broadcom (AVGO) expected to provide residual-value support on the senior A1 and A2 notes, effectively using its investment-grade credit profile to backstop repayment risk if Anthropic defaults and chip resale proceeds are insufficient.
- **Disney (DIS)** - The FCC moved up Disney's licence authorisation expiry for ABC TV stations to 28th May, Bloomberg reports. The commission had previously flagged early station licence reviews over concerns about Disney's DEI programmes, with licences previously set to expire as late as 2031.
- **SiriusXM (SIRI), iHeartMedia (IHRT)** - Put deal talks on ice, NYT reports

## FINANCIALS:

- **US Consumer Credit** - US credit-card balances reached USD 1.25tn in Q1, with 90-day delinquencies rising to 13.12%, the highest in 15 years and the most since the 2008 financial crisis, according to the NY Fed. Average card interest rates rose to 21% in February from 14.6% in February 2022.

## CONSUMER STAPLES:

- **Costco (COST)** Q3 2026 (USD): EPS 4.93 (exp. 4.92), Revenue 70.5bln (exp. 69.61bln). Total same-store sales rose 9.8%,

while adjusted same-store sales increased 6.6% (exp. 6.7%); US same-store sales rose 9.4%, or 6.8% adjusted. On the call, Costco said Q3 volumes were "record-breaking", membership income grew 7% Y/Y, and the supply chain remains generally stable, although it expects further inflation in many non-food categories and is monitoring the Middle East closely. The company also said it expects to receive tariff refunds in the coming months and plans to return a portion of tariff-related costs that had been passed on to members.

## CONSUMER DISCRETIONARY:

- **Tesla (TSLA), Waymo (GOOG)** - Tesla has 42 robotaxis operating in Texas nearly a year after launch, while Alphabet's Waymo has registered 577 automated vehicles there, Bloomberg reports citing Texas DMV data. The figures were submitted under new state rules for commercial automated vehicle operators. Tesla recently expanded to Dallas and Houston, while Waymo operates in Dallas, Houston, San Antonio and Austin.
- **Gap (GAP)** - Shares fell 14% in extended trading after the retailer cut its sales outlook following weaker-than-expected Old Navy performance, with seasonal ranges failing to resonate with shoppers. Q1 2027 (USD): EPS 0.38 (exp. 0.38), Revenue 3.5bn (exp. 3.52bn). Q1 comp sales +2% Y/Y. **Commentary/Guidance:** CEO cited further market-share gains and a standout double-digit comp at Gap brand, one of its strongest performances in more than two decades, while performance across other brands was varied. Sees Q2 revenue flat to down 1% versus USD 3.7bn in Q2 FY25 (exp. 3.8bn), sees Q2 gross margin flat to down 50bps (vs 41.2% Y/Y). Raised FY26 adj. EPS view to 2.30-2.40 (exp. 2.32; prev. 2.20-2.35), lowered FY26 revenue view +1-2% Y/Y (exp. 15.74bn; prev. saw +2-3%), raised net interest income to USD 25mln (prev. saw 10-15mln), and sees reported diluted EPS approximately 2.83-2.93. The outlook assumes a 10% Section 122 tariff rate through July 24, 2026, generating about USD 80mln of net tariff relief, or roughly 50bps of gross and operating margin benefit, concentrated in Q2 and Q3.
- **American Eagle (AEO)** Q1 2026 (USD): EPS 0.14 (exp. 0.11), Q1 revenue USD 1.20bn (exp. 1.18bn). Aerie comparable sales +25% driven by multi-channel growth and the "100% Aerie REAL" campaign, while American Eagle comparable sales -2% amid mixed results, and efforts to reignite the women's business. CEO said it entered 2026 with strong momentum and remains focused on operational excellence and disciplined execution despite consumer and macroeconomic uncertainty. Sees Q2 same-store sales up mid-high single digits, and maintained FY26 same-store sales up mid-single digits.
- **Clorox (CLX)** - CEO Linda Rendle has asked the board to start a CEO search and will step down for health reasons. She will remain Chair and CEO until a successor is appointed, then serve in an advisory role. An independent board committee will lead the search with an executive search firm.

## ENERGY:

- **Arctic O&G Drilling** - Norway is urging the EU to remove its 2021 moratorium on new Arctic oil and gas drilling as the bloc prepares a new Arctic policy by the end of September, Bloomberg reports. Norway says Arctic Barents Sea operations should not be treated differently from southern fields; critics, including asset managers and climate groups, warn expansion risks environmental damage and fossil-fuel lock-in.
- **Trans Mountain Pipeline** - Trans Mountain plans a second open season in July allowing companies to secure around 72,000 BPD of approximately 90,000 BPD of new capacity created via drag-reducing agents, CEO said. A first open season is currently under way, raising long-term contracted capacity from 80% to 90%. The system is expected to be fully utilised in June, with capacity targeted to reach nearly 1.2mln BPD by 2029.

## INDUSTRIALS:

- **SpaceX (SPCX)** - SpaceX is targeting an IPO valuation of at least USD 1.8tn and may raise up to USD 75bn, according to Bloomberg. It is expected to market from 4th June, and price as early as 11th June. BBG notes that SpaceX's revenue was USD 18.7bn in 2025, up from USD 14bn, while losses reached USD 4.94bn.
- **CN (CNI), Union Pacific (UNP), Norfolk Southern (NSC)** - CN welcomed the STB's decision to freeze review of the Union Pacific and Norfolk Southern merger and require more information. It argued the application lacks clarity, detail and a prima facie public-interest case, with unresolved competition concerns, inadequate market-share analysis and remedies it considers insufficient for a deal affecting about 40% of US freight rail traffic.
- **Lockheed Martin (LMT)** - Awarded a USD 200.82mln Navy contract for support services to Surface Combat Systems Training Command under AEGIS Foreign Military Sales cases for Australia, Canada, Japan, Norway, South Korea and Spain. Separately, Lockheed was awarded an undefinitised Army contract for USD 180mln, for international contractor logistics support services.
- **Flowserve (FLS)** - Confirmed recent discussions with Starboard Value and said its board and management remain focused on shareholder value. It cited 860bps of adj. operating margin improvement since 2022, reaffirmed 2026 guidance and 2030 targets, and highlighted the Trillium Flow Technologies valves acquisition plus USD 365mln returned to shareholders in 2025.

## MATERIALS:

- **Codelco** - Codelco's new chairman Bernardo Fontaine signalled a shift toward safe, efficient and profitable output rather than production growth. The board agreed to maximise state contributions without increasing debt, hire an external forensic auditor to review 2024-25 production and headquarters costs, strengthen governance and transparency, and create a committee on the fatal July 2025 El Teniente accident.
- **German Chemicals** - Germany's chemical industry association VCI said chemical production is likely to decline again this

year, with no sector turnaround at the start of the year. Higher prices could support sales, but margins are expected to remain under pressure, it said.

- **Worthington Steel (WS)** - Raised USD 1.4bln in the leveraged-finance market to help fund its USD 2.4bln acquisition of Klockner & Co, pricing USD 700mln of 7yr notes at 7.75%, and a USD 700mln term loan at S+400 issued at 98.5 cents on the dollar, both led by Wells Fargo. The transaction is expected to close on 3rd June 2026.
- **Ramaco Resources (METC), REalloys (ALOY)** - Ramaco entered a non-binding MoU with REalloys to complete due diligence and finalise an offtake agreement supporting the US rare earth and permanent magnet supply chain. Ramaco would supply mixed rare earth carbonate from Wyoming for separation by REalloys in Saskatchewan, and scandium oxide from Brook Mine for alloy metallisation in Ohio.
- **International Flavors & Fragrances (IFF)** - Confirms sale of its food unit to CVC for approximately USD 4.3bln

## HEALTHCARE:

- **Pfizer (PFE), Innovent Biologics (IVBXF)** - Pfizer and Innovent Biologics entered a global licensing and collaboration agreement covering research and development of 12 early-stage and de novo cancer medicines. Innovent will receive USD 650mln upfront and may receive up to USD 9.85bln in milestones, plus royalties. The transaction is expected to close in Q3, subject to regulatory approvals.
- **Regeneron (REGN)** - Regeneron's maftivimab was recommended by the WHO Therapeutics Advisory Group for priority clinical trial evaluation as an investigational treatment for Bundibugyo ebolavirus. WHO is working with DRC and Uganda on research evaluations. Regeneron is coordinating with HHS and preparing existing maftivimab supply, while Inmazeb supply is already in DRC.
- **Johnson & Johnson (JNJ)** - FDA approved a Tremfya label expansion to include evidence for inhibiting progression of structural joint damage in adults with active psoriatic arthritis. In other news, announces US FDA approval of TECVAYLI plus DARZALEX FASPRO for relapsed/refractory multiple myeloma.
- **AstraZeneca (AZN)** - AstraZeneca's Imfinzi, or durvalumab, with BCG induction and maintenance therapy, was approved in the US by the FDA for adults with BCG-naive, high-risk non-muscle-invasive bladder cancer. Approval was based on POTOMAC Phase III data presented at the European Society for Medical Oncology Congress 2025 and published in The Lancet.
- **HealthEquity (HQY) Q1 2027 (USD):** Adj. EPS 1.24 (exp. 1.11), Revenue 354.64mln (exp. 352.17mln). Exec said demand for healthcare financial solutions continues to expand as affordability shifts more responsibility to consumers. Announced an additional USD 1bln of common stock repurchases, with management citing confidence in the durability and long-term cash-generating power of the model. **Guidance:** Raised FY27; adj. EPS 4.66-4.73 (exp. 4.63; prev. 4.56-4.65), maintained FY27 revenue view 1.410-1.420bln (exp. 1.41bln), sees FY27 adj. EBITDA 625-633mln.

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newsquawk.com · +44 20 3582 2778 · info@newsquawk.com