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Good Morning. Futures mixed, with Tech-heavy Nasd -100bps vs. S&P and Russell futures only -10bps… as US markets look to follow an overnight global sell-off in high-momentum Semi / AI stocks. Korea finished -11%, with Memory bellwethers Hynix and Samsung each -15%. Japan finished -4%, with Kioxia -18%. In the pre in the US: SNDK/MU/WDC/STX -7%, AMD/INTC -5%, SPCX -3%, and NVDA/AVGO -1 to -2%.

While most are attributing the continued pullback in global semis to techincals (burning off of pro-momentum trading in May/June, continued deleveraging within levered ETF universe and otherwise, explicit pressure on Momentum factor, equity issuance digestion, reports of credit market saturation, sell-the-news around earnings)…

… the fundamental stories that the market is most focused on over the last week are: reports that China state-backed company was mass-producing chip-manufacturing; rise in global popularity of Chinese open source models; NVDA/OpenAI deal triggering another round of "circular financing" concerns; and Chinese Memory (CMXT) IPO this week.

Micro focus this morning is on: GLW is trading -15% on disappointing Q3 Revenue guidance, and CLS -3.5% despite beat/raise (can now add both GLW and CLS to the long list of AI stocks that have traded poorly around Q2 earnings… a list that includes AMSL, TSM, GOOGL, TXN, and INTC). Elsewhere, CDNS +3% on beat & fy guidance raise.

Pre Market Gainers		
Ticker	% move	Volume
CDNS	3.3%	17,873
WDAY	3.0%	14,096
Z	2.7%	266
TEAM	2.2%	19,569
HUBS	2.2%	1,620
ADBE	2.1%	27,890
JD	2.0%	207,045
PAYC	2.0%	3,310
CRM	1.8%	60,928
ACN	1.8%	8,341

Pre Market Decliners		
Ticker	% move	Volume
GLW	-17.0%	1,186,317
SNDK	-8.3%	803,085
WDC	-7.8%	107,363
STX	-7.6%	52,536
MU	-7.6%	1,403,460
SMTC	-6.4%	11,878
CIEN	-6.4%	15,878
CRDO	-6.0%	73,446
COHR	-5.9%	52,890
LITE	-5.7%	62,873

Macro Monitor				
Futures		% move	Asia	% move
Nasdaq		-1.10%	Shanghai	-1.16%
S&P		-0.14%	Hong Kong	0.41%
Russell		-0.13%	HK Tech	0.61%
Bonds	Yield	bp move	Japan	-3.95%
US 10yr	4.62%	-0.024	Korea	-10.84%
Cmdty / Crncy		% move	Europe	% move
Bitcoin		-2.3%	Europe 600	0.13%
Oil		-1.5%	Euro Tech	-0.77%
Gold		-1.2%		
Dollar		0.1%		

TMT NEWS:

GLW (first take): Quarterly results slightly ahead but F3Q Core Revenue guided below. Call at 8:30am ET. Stock -16% in pre.

2c beat with Revs $4.74bn (vs cons $4.63bn) with Optical Comms revs +32% y/y (vs +36% y/y last qtr). GMs 39.6% vs cons 38.7%. Guides F3Q EPS 85c-89c (vs cons 85c) with core Revs guided $4.9-5.0 bn (+16% y/y, vs cons ~$5.0bn).

CLS: Beat and raise with commentary around accelerating 2027 growth. Call at 8am. Stock -3% in pre.

CLS 2Q26 EPS of $2.54 beat GS/consensus (Visible Alpha) of $2.45/$2.31 with revenue of $4.70 bn beating GS/consensus of $4.49/$4.39 bn with EBIAT of margins of 8.2% beating GS/consensus of 8.1%/8.0%. 3Q26 guidance beat with revenue of $5.25-$5.55 bn (v. Consensus of $4.98 bn), EIBAT margins of 8.4% implying EBIAT of $441-$466 mn (v. Consensus of $404 mn), and EPS of $2.88-$3.08 (v. Consensus of $2.69). 2026 guidance was raised with revenue of $20.5 bn (v. $19.0 bn prior), EBIAT of 8.4% (v. Consensus of 8.1%), EPS of $11.30 (v. $10.15 prior), and FCF of $600 mn (v. $500 mn prior). In addition, 2027 revenue growth was upgraded to an accelerating rate v. 65% yoy growth in 2026E, implying at least $33.825 bn revenue (65% growth off of 2026E guidance of $20.5 bn). Management also noted that they expect adjusted EPS to grow at a faster rate than revenue in 2027, driven by higher expected adjusted operating margin, implying at least $19.65 EPS (assuming an 8.5% EBIAT margins; +10 bps yoy and a 20% tax rate). GIR first take.

CDNS: Solid quarter with strong margins and 2026 guidance raised. Stock +3% in pre.

Quarterly revenue results in line with the Street, with stronger margins: Cadence reported revenue of $1.58 bn, in line with GS at $1.59 bn and the Street (Visible Alpha) at $1.58 bn, while operating margin of 45.5% was just above GS and the Street at 45.0%. Non-GAAP EPS (excl. SBC) of $2.11 was above GS and the Street at $2.05. Core EDA revenue of $1.08 mn was in line with GS and the Street at $1.10 bn, IP revenue of $238 mn was well above GS at $209 mn and the Street at

$216 mn, and System Design and Analysis revenue of $269 mn was below GS at $290 mn and in line with the Street at $268 mn. Backlog at the end of the quarter was up to $8.1 bn (from $8.0 bn last quarter). *2026 guidance raised*. Cadence raised its 2026 guidance and EPS outlook. Revenue was guided to a range of $6.26 to $6.34 bn or $6.30 bn at the midpoint (vs. $6.125 to $6.225 bn prior, including the Hexagon acquisition which closed on Feb. 23), which is above GS at $6.24 bn and above the Street at $6.21 bn. Operating margin was guided to a range of 43.75% to 44.75% or 44.25% at the midpoint (vs. 43.5% to 44.5% prior), which is below GS at 45.4% but above the Street at 44.1%. EPS guidance was guided to a range of $8.05 - $8.15 or $7.90 at the midpoint (vs. $7.85 - $7.95 prior, including Hexagon dilution), which is above GS at $8.00 but below the Street at $7.95. GIR full note.

AMZN: Amazon overhauls its AI strategy, winding down most flagship models – Business Insider

Amazon is overhauling its AI strategy, winding down many in-house models, reorganizing teams, and focusing engineers on a new strategy to compete at the frontier, according to people familiar with the matter. The changes follow layoffs in Amazon's Artificial General Intelligence, or AGI, organization last week and the shutdown of AGI Lab, a research group it created in 2024 after hiring most of the team behind AI startup Adept. The restructuring suggests Amazon is refocusing its AI strategy. Rather than investing across a number of text, image, and video models, the company is concentrating engineering talent and scarce computing resources on its highest priorities.

Anthropic's Amodei Rejects Open Model Ban, Calls for Testing

In a blog post released Monday, Amodei sought to dispel claims that Anthropic supports a ban on open-weight models, which allow users to download and customize the technology. At the same time, he called for the US to adopt policy interventions to slow China's AI development and said that all models — both open and closed — should go through mandatory safety testing before release. "Let me state it clearly so that there is no doubt: Anthropic has never advocated for a ban on open-weights models," Amodei wrote, qualifying that these models pose risks because it is "difficult to apply guardrails" or "monitor their usage." As the Trump administration and Congress grapple with how to respond to a new open-weight model from Chinese startup Moonshot AI called Kimi K3 that rivals offerings from Anthropic and OpenAI, tech leaders are planting their policy flags. Dozens of tech companies — including Anthropic's main competitor OpenAI — have banded together to urge Washington to shy away from curbs on open-source models. In a missive signed on Friday, tech industry leaders, including Nvidia Chief Executive Officer Huang and Microsoft Corp. CEO Satya Nadella, said that open systems help "make advanced AI more accessible, adaptable and widely available."

MACRO:

S&P 500 futures -0.17%, Nasdaq futures -0.96%, Russell futures -0.23%, US 10-year yields

-2.6bps @ 4.62%, US 2-year yields -2.2bps @ 4.29%, WTI -1.83% @ $81.10, VIX @ 19.01. The dominant story is a global semiconductor rout (SOXX -3.75% in pre) driven by China chipmaking competition fears and AI capex sustainability concerns, triggering circuit breakers in Korea and sending the MSCI Asia Pacific into correction territory. The Fed's two-day meeting begins today, with swaps pricing ~40% odds of a hike Wednesday. Oil extends its collapse on US-Iran talks optimism, providing a partial offset via lower yields and energy cost relief.

Overnight, Asia broadly lower, led by Korea (Kospi -10.8%, circuit breakers triggered twice on both Kospi and Kosdaq // fourth-largest drop on record and worst July session ever with Samsung -13.4% and SK Hynix -15%), Japan (Nikkei -4.6%, Topix -2.4%), Taiwan (Taiex -4.4%), with MSCI Asia Pacific entering correction territory (-10% from June 22 peak). Europe trades higher ex-tech (Stoxx 600 +0.1–0.4%, FTSE 100 +0.2%, CAC broadly flat to slightly positive).

TRADING:

Most Active High Touch: INTC, CMCSA, APLD, MU, T, DASH, PSKY, RBLX, STX

Sector/Basket Performance:

GS TMT BASKETS MONITOR (reach out for Bloomberg Access)						
Market	**1d**	**5d**	**1mo**	**YTD**	**RSI**	**BBG Ticker**
Russell 2000	0.62%	0.19%	-2.06%	18.78%	45	RTY
S&P 500	0.02%	-0.40%	0.80%	8.29%	45	SPX
Nasdaq 100	-0.32%	-1.98%	-3.71%	11.05%	39	NDX

TMT Industry Groups	**1d**	**5d**	**1mo**	**YTD**	**RSI**	**BBG Ticker**
US Internet	4.35%	-1.13%	2.42%	-13.13%	39	GSTMTINT
China Internet	2.76%	-1.66%	10.25%	-23.36%	47	GSGLITCH
Software	2.52%	-2.97%	3.34%	-18.33%	40	S5SOFT
Payments	2.48%	0.91%	9.73%	-0.51%	59	GSTMTPAY
Media	2.01%	0.17%	-0.57%	6.56%	45	GSTMTMED
Telecom	1.22%	4.13%	2.16%	-1.40%	57	S5TELSX
Semi & Semi Equip	-2.23%	-1.61%	-12.49%	63.13%	43	SOX
Hardware & Storage	-2.27%	-0.23%	-12.66%	58.29%	42	GSTMTHRW

TMT Topical Baskets	**1d**	**5d**	**1mo**	**YTD**	**RSI**	**BBG Ticker**
TMT AI at Risk	4.49%	0.86%	13.27%	-11.81%	54	GSTMTAIR
Expensive Software	3.51%	-2.79%	7.55%	-0.53%	47	GSCBSF8X
TMT Quality Growth	2.41%	-0.73%	5.99%	-10.39%	47	GSTMTQUA
Non Profitable Tech	1.73%	-3.21%	-11.93%	26.50%	33	GSXUNPTC
MegaCap Tech	-0.10%	-4.18%	4.83%	0.70%	43	GSTMTMEG
AI "Power Up America"	-1.29%	-0.31%	-8.11%	15.40%	42	GSENEPOW
TMT AI Levered	-1.66%	-0.62%	-9.98%	27.66%	41	GSTMTAIP
AI Data Center	-1.83%	-1.43%	-14.53%	71.01%	40	GSTMTDAT
Optical Networking	-2.18%	-4.28%	-22.62%	54.32%	37	GSXUOPTI
Bitcoin Exposed	-2.20%	0.62%	-15.63%	23.01%	46	GSCBBTC1
Memory Exposed	-3.77%	-0.66%	-22.96%	151.21%	43	GSTMTMEM

TMT Factor Pairs	**1d**	**5d**	**1mo**	**YTD**	**RSI**	**BBG Ticker**
TMT Short Interest	1.99%	0.98%	-4.04%	-7.52%	29	GSTMSHRT
TMT HF Crowding	0.78%	0.28%	2.55%	-5.11%	55	GSTMCRWD
TMT Residual Volatility	0.61%	-1.24%	-2.63%	-4.14%	32	GSTMRSVL
TMT Beta	0.34%	1.42%	-8.34%	30.31%	40	GSTMBETA
TMT Size	-1.04%	1.16%	0.71%	-13.89%	54	GSTMSIZE
TMT Momentum	-3.39%	-2.01%	-11.03%	8.40%	42	GSTMMOMO

Market Factors & Pairs	**1d**	**5d**	**1mo**	**YTD**	**RSI**	**BBG Ticker**
HF L / S Pair	-2.29%	0.79%	3.20%	-17.78%	60	GSPRHVMS
> HF VIP Long	-0.74%	-1.75%	-5.94%	9.82%	40	GSTHHVIP
> HF Most Rolling Short	1.54%	-2.64%	-9.11%	27.56%	36	GSCBMSAL
Momentum Pair	-7.27%	-2.86%	-23.72%	11.65%	42	GSPRHIMO
> GS Momentum Long	-2.69%	-2.09%	-17.60%	28.22%	40	GSCBHMOM
> GS Momentum Short	4.59%	0.18%	6.62%	10.05%	47	GSCBLMOM

Singles:

Single Stock Movers			
Gainers	1d	Decliners	1d
ASAN	13.0%	SNDK	-11.0%
W	12.3%	LITE	-6.7%
RNG	11.2%	ASML	-5.8%
TEAM	10.3%	AMD	-5.2%
WDAY	9.0%	NVDA	-5.0%
HUBS	8.8%	LRCX	-4.5%
PCOR	8.8%	TER	-4.3%
AI	8.2%	LSCC	-4.3%
KVYO US	8.1%	WDC	-4.2%
GWRE	8.0%	STX	-4.1%

Single Stock Excess Volume			
Ticker	Volume	Δ % vs. 10d	1d Move
FFIV	1,577,246	210%	4.0%
TCOM	6,291,694	145%	2.6%
IGV	25,904,133	130%	3.3%
TME	11,604,663	122%	5.3%
RNG	5,484,082	114%	11.2%
BZ	5,025,378	90%	2.0%
INFY	47,792,330	85%	5.3%
ASAN	9,154,194	84%	13.0%
CVLT	983,022	83%	5.0%
WDAY	6,865,817	82%	9.0%

GS Advertised Volume		
Ticker	GS Advertised	Total Volume
NVDA	5,793,660	153,200,744
INTC	2,534,293	132,074,883
UBER	1,336,899	25,366,552
TSM	1,127,077	17,881,119
STM	1,056,106	14,744,355
AMD	1,053,369	31,585,111
QCOM	1,032,264	12,460,491
AMZN	984,130	34,713,257
GOOG	953,422	21,333,581
MU	951,749	47,024,531

RESEARCH:

Amkor Technology Inc. (AMKR): Solid guidance with significant margin uplift driven by improving mix and 2.5D packaging ramp Link

Key stock takeaways: We expect the stock to be range bound following a strong quarter with revenue guidance that was just below the Street with significantly stronger margins, set against elevated expectations heading into the print. We believe investor positioning was bullish ahead of the quarter, mainly driven by optimism around the company's CoWoS/2.5D-related product ramp and its recently announced partnership with Nvidia. Amkor continues to execute well on its advanced packaging roadmap, with strong momentum in both Computing and Auto/Industrial segments. We are Neutral rated as we expect Amkor to benefit from AI/HPC-driven advanced packaging tailwinds; however, we would prefer to see stronger evidence of sustained operating leverage and improving cash flow before being more constructive on the stock at current levels.

STREET ACTIONS:

Downgrades: **INTU** (Hold, TD Cowen)

Initiations: **CRWD** (Buy, Loop Capital)

EVENTS:

Tue 7/28

- Earnings**:** Pre: **AMT**, CTS**, CVLT, GLW,** Hilton**, PYPL,** RCL**, SCREEN, SPGI, TRU;** // Post: **ASM Int'l,** BE**, CSGP,** ENPH**,** EXLS**,** Ford**, Hynix, Logitech, KLAC, MANH, NXPI, OMC,** QRVO**,** ROG**, STX,** SWKS**, TER, V,** VRNS;
- GS Hosting 'expert' webinars re: **Fiber Optics Outlook** (7am) and **Korea Memory** (8:30am)
- Design Automation Conference
- **MSFT**: *Halo Campaign Evolved* release date

Wed 7/29: FOMC meeting

- Earnings**:** Pre: **Advantest, APH,** ADP**, CTSH,** DBD**, FLEX, FVRR,** GRMN**, UMC, V**
  Post: **ARM, AKAM, ALKT, BHE,** CVNA, CMPR, COUR, **EQIX,** FICO**, FTNT, HOOD**
  META, MSFT, PI, PCOR, PLXS, PTC, QCOM, QTWO**, Samsung, ST, SONO, TENE**
  WAY;



- GS Hosts: **Keyence** (6861 JP)
- Design Automation Conference
-

Thu 7/30 US Core PCE + EU Q2 GDP + BoJ Rate Decision

- Earnings**:** Pre: ADT, **ALGM, Aixtron, BDC, Capgem, CCC, CNK, CHKP,** Hyatt**, MA,** OWL**, PLXS,** SIRI**, SPHR;** // Post: **AAPL, AMZN, AXTI,** COIN**, DXC,** FSLR**, GDDY, INGM, IREN, LYV, MPWR, MTZ, OLED, RBLX, RDDT,** RIVN**, Tokyo Electron, UMG, WU;**
- GS Hosts: **ACN** (London)

Fri 7/31: UoM Sentiment

- Earnings**:** Pre: **MediaTek, Murata, NVT, PAYP, Renesas, Sony**;
- GS Hosts**: Disco** (6164 JP)
- **Sony**: *Spider-Man: Brand New Day* release
