OpenArc

Weekly Market Brief

NOTABLE MARKET EVENTS

Macroeconomic Data: The ISM Manufacturing PMI rose to 55.5 in October from 54.5, beating the 54.5 estimate, as production climbed to its highest level since November 2021 and the prices index posted its largest monthly decline. The ISM Services PMI fell to 54.5, its lowest in three months and just below the 54.8 estimate, as business activity and new orders cooled. September job openings unexpectedly rose to 7.523 million, well above the 7.164 million consensus and a four month high, while quits also increased. ADP private payrolls rose +86,000 in October, ahead of the 67,000 estimate, with base pay up +3.2% from a year ago. Initial jobless claims fell to 189,000 for the week ending October 31, below the 196,000 estimate and matching a 57 year low.

Economic Policy: Cleveland Fed President Beth Hammack said Thursday, speaking at an event in Zurich, that she expects policy will need to move into restrictive territory to bring inflation back to 2% in a timely manner. Richmond Fed President Thomas Barkin struck a similar tone, saying inflation remains "too high" and that a "gradual" approach to rate hikes makes sense. As of Thursday's close, markets price a ~65% probability of a hike at the December meeting.

Business: The election drove the biggest moves this week, and by Thursday the tone had turned risk off. Tech sold off broadly, with hyperscalers falling alongside semis and the Nasdaq 100 had its worst day since April 2025. Notable earnings this week include: 1) Apple (AAPL) fell –1.9% on Tuesday after guiding December quarter gross margin to 45% to 46%, below analyst estimates, as rising memory chip prices and Siri AI costs weigh on profitability. Revenue of $114.5 billion rose 12% and beat expectations; 2) AMD (AMD) rose +1% on Wednesday after a record quarter with revenue above the high end of guidance, as data center sales nearly doubled from a year ago. Management said its fourth quarter outlook reflects accelerating revenue and earnings growth; 3) Unity Software (U) rose roughly +15% on Thursday after a big beat and a fourth quarter outlook well above expectations, driven by surging demand for its AI powered ad system; 4) AppLovin (APP) rose +31% on Thursday after beating estimates, guiding above expectations, and raising its buyback authorization; 5) Qualcomm (QCOM) fell about –10% on Thursday despite strong data center momentum, as its earnings outlook came in below estimates amid a soft smartphone market and margin headwinds; and 6) Arm (ARM) fell about –13% on Thursday as a royalty revenue miss overshadowed an earnings beat.

Markets: Commodities finished the week mixed. Precious metals led, with spot gold and silver both up +5.5% as the dollar and Treasury yields fell after the election. WTI crude oil fell nearly –13% as the Democratic sweep eased fears of a prolonged conflict with Iran. Bitcoin fell –1.3%, moving in step with equities, and the dollar slipped –0.3% as yields finished the week lower.

SUMMARY

Stocks fell sharply this week, with the S&P 500 down –4.75%, the Nasdaq down –7.14%, and the Dow down –1.57%, as markets turned risk off after the midterm elections and concerns around AI regulation and buildout spending. Furthermore, economic data was solid. The ISM Manufacturing PMI rose to 55.5, with production at its highest since November 2021, while the ISM Services PMI fell to 54.5. September job openings rose to 7.52 million above market forecasts, ADP private payrolls rose +86,000, and initial jobless claims fell to 189,000, matching a 57 year low. Cleveland Fed President Beth Hammack said policy will need to move into restrictive territory, and Richmond Fed President Thomas Barkin called inflation "too high" and favored a gradual approach to hikes. Markets price a ~65% chance of a December hike. In corporate news, tech sold off broadly on Thursday, with hyperscalers falling alongside semis. Notable earnings this week include: 1) Apple **(AAPL)** fell –1.9% on weaker margin guidance tied to rising memory costs; 2) AMD **(AMD)** rose +1% after a record quarter; 3) AppLovin **(APP)** rose +31%; 4) Unity Software (U) rose roughly +15% on strong beats and raised guidance; 5) Arm **(ARM)** fell about –13% on a royalty miss; 6) Qualcomm **(QCOM)** fell about –10% on a weak earnings outlook. Gold and silver both rose +5.5% as the dollar and yields fell, while WTI crude dropped nearly –13% as the Democratic sweep eased fears of a prolonged conflict with Iran. The 10 year yield fell -11 bps to 4.83%, Bitcoin fell –1.3%, and the dollar slipped –0.3%.

ETF	Description	1 Week	YTD
XLY	Cons Disc	+1.24%	-1.48%
XLP	Cons Stap	+3.48%	+17.47%
XLE	Energy	-10.30%	+37.84%
XLF	Financials	+0.98%	+4.98%
XLV	Health Care	+0.47%	+19.45%
XLI	Industrials	-4.50%	+4.74%
XLB	Materials	-0.38%	+15.39%
XLRE	Real Estate	+2.88%	+9.79%
XLK	Technology	-13.97%	+12.79%
XLC	Comm Services	+3.09%	-11.37%
XLU	Utilities	+0.37%	+1.43%
SMH	Semis	-20.29%	+24.32%

10-YEAR TREASURY YIELD

Current Rate: 4.83% (as of November 5, 2026)

Week-to-Date Movement: -11bps (from 4.94% on October 29, 2026)

MAJOR U.S. EQUITY INDICES PERFORMANCE

S&P 500: 7,720.39 → 7,353.73 (-4.75% WTD)

Dow Jones Industrial Avg: 52,342.56 → 51,523.06 (-1.57% WTD)

Nasdaq Composite: 26,184.72 → 24,315.00 (-7.14% WTD)

All performance figures and market events are sourced from Bloomberg as of market close 11/05/26 using the prior Friday's market open as the start date.

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