WEEKLY MARKET REVIEW

Activest **Weekly**

Week ending Friday, October 23, 2026

Activest WEALTH MANAGEMENT

The Week in Brief

Meta plans to issue non-voting shares to help pay for its artificial intelligence (AI) buildout, and that brought back the question hanging over this year's rally: how the industry will fund its data centers. Chipmakers and data-center contractors sold off, and investors moved into Treasuries, pulling the 10-year yield down 11 basis points to 4.99%. The S&P 500 ended the week little changed, as strong earnings lifted shares elsewhere.

Oil added a second source of pressure. Houthi attacks in Saudi Arabia lifted Brent crude, and fuel costs have already pushed inflation higher. The Federal Reserve (Fed) meets next week weighing another increase, although Thursday's bond rally reduced bets on a move. Equity returns now depend on whether AI spending pays off, and energy keeps the risk of higher rates alive.

Three Things That Mattered

AI's funding bill is back in focus Meta's capital-raising plan showed that the AI buildout is starting to need outside money. Because index gains rest on a handful of big spenders, that question now sets the tone for equities.

Treasuries cushioned the sell-off Government bonds gained as AI-linked stocks fell, and the 10-year yield dropped 11 basis points. Balanced portfolios felt far less of the technology sell-off than the Nasdaq did.

Oil keeps inflation in play Attacks on Saudi Arabia pushed crude higher, so fuel costs stay high just as the Fed decides whether its September increase was enough.

Market Dashboard

INDEX / ASSET	LEVEL	WEEKLY	YTD
S&P 500	7,653.61	-0.1%	+11.8%
Nasdaq Composite	26,088.02	-0.2%	+12.2%
Dow Jones Industrial Avg.	52,349.81	+0.7%	+8.9%
Russell 2000	2,764.68	+1.6%	+11.4%
Nikkei 225 JPY	62,693.16	-4.0%	+24.5%
STOXX Europe 600 EUR	633.52	-1.7%	+6.9%
Hang Seng HKD	23,093.37	-4.5%	-9.9%
U.S. 10-Yr Treasury Yield	4.99	-11 bps	+83 bps
Brent Crude	111.34	+1.3%	+83.0%
Gold	4,018.20	-3.9%	-7.4%
VIX	19.55	-0.44	+4.60

Weekly and YTD are price returns and exclude dividends. All figures are index and asset returns, not the performance of any strategy or client account. Yields in basis points, VIX in index points. Levels and returns in US dollars unless the row is marked with another currency; international indices are quoted in their own currency, so a US dollar result will differ with exchange-rate moves. Levels as at 11:00 AM New York, Friday, October 23, 2026; changes for markets still open then are not final, and closed markets are at their close. A dash means the figure could not be verified. Source: exchange and index-provider data; Cboe for Treasury yields.

The Fed meets with hike bets pared The Federal Open Market Committee (FOMC) meets next week with its target range at 3.75% to 4.00%. A unanimous vote in September put it there, the first increase in three years. Most economists in a Reuters poll published on Tuesday expect no move this month and a hike in December, and Thursday's rush into Treasuries pushed market pricing further toward a pause. The difficulty is inflation. Consumer prices rose 3.7% in the year to September, driven largely by fuel, according to the Bureau of Labor Statistics. The personal consumption expenditures (PCE) price index, the Fed's preferred gauge, is due next week.

Layoffs stay rare while hiring slows Initial claims for unemployment benefits fell to 194,000, the Labor Department said on Thursday, a sign that employers are still keeping their staff. Hiring is the weaker part of the labor market: the Bureau of Labor Statistics counted only 29,000 jobs added in September. A market with few layoffs and slow hiring keeps household income growing, which supports spending but also gives the Fed less reason to hold back. The October employment report is the next test, and a pickup in hiring would strengthen the case for a December increase.

Housing slips further Housing starts fell 5.2% in September, the Census Bureau reported on Tuesday. Building permits for single-family homes also declined. Housing has been the economy's clearest weak spot this year, because mortgage rates track the 10-year Treasury yield and that yield has spent the autumn near 5%. Equifax said on Tuesday that its mortgage revenue had grown despite what it called a much weaker mortgage market. A sustained fall in long-term yields would ease borrowing costs for buyers. New home sales, due on Tuesday, will show whether demand is weakening further.

Rates Check

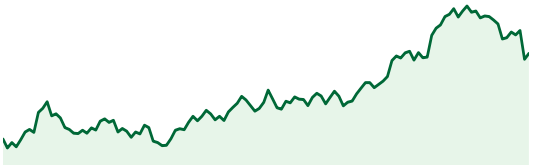
10-year: 4.99%
The 10-year yield finished at 4.99%, 11 basis points lower on the week. Investors bought Treasuries as AI-linked shares sold off, and markets trimmed bets on a further Fed increase.

30-year: 5.31%
The 30-year yield stood at 5.31%, the top of the curve. That level reflects the extra compensation investors demand for lending over three decades while inflation is still running above the Fed's goal.

CHART OF THE WEEK

The 10-year yield, just under 5%

U.S. 10-Year Treasury yield, percent



May 2026 **4.99%** Oct 2026

Demand for safe assets after Meta's results drove the weekly decline, leaving the benchmark that mortgage rates follow at 4.99%.

Source: Cboe Global Markets, Cboe 10-Year Treasury Note Yield Index (TNX), via Yahoo Finance.

Meta reopens the AI funding question Meta Platforms reported its first cash outflow in more than a decade and plans to issue non-voting shares to fund AI spending. Chipmakers fell with Meta's shares: Lam Research lost 12.5% on the week, and the Nasdaq Composite slipped 0.2%.

Earnings lift a broader set of names Away from AI, Hasbro rose 18.1%, the largest gain in the S&P 500, after raising its full-year outlook and doubling its share repurchase target, the company said. Roper Technologies jumped 9.7% on Thursday after increasing its earnings guidance.

Carriers and contractors give ground Communication services fell 3.4%, the weakest S&P 500 sector, on Meta's drop and a Bloomberg report that SpaceX seeks cell sites nationwide, a step toward a fourth wireless carrier. Data-center contractor Comfort Systems lost 19.8% on results without forward guidance.

The defensive side of the week

The Dow Jones Industrial Average rose 0.7% and the Russell 2000 gained 1.6%. Both hold less technology than the Nasdaq.

Procter & Gamble rose 5.6% on Thursday after keeping its guidance, and the S&P 500's household and personal products group gained 4.5%.

Health care and energy led S&P 500 sectors, rising 1.6% each. Energy tracked crude; health care drew investors seeking steadier earnings.

MOVERS OF THE WEEK

GAINED			DECLINED		
HAS	Hasbro	**+18.1%**	**FIX**	Comfort Systems USA	**-19.8%**
CRL	Charles River Laboratories	**+14.2%**	**HWM**	Howmet Aerospace	**-15.4%**
ROP	Roper Technologies	**+14.2%**	**FLEX**	Flex Ltd.	**-15.4%**
ALLE	Allegion	**+14.2%**	**PWR**	Quanta Services	**-13.0%**
EFX	Equifax	**+13.4%**	**LRCX**	Lam Research	**-12.5%**

Largest weekly moves across 501 index members, by price return.

THE BOTTOM LINE Treasuries cushioned client portfolios this week. Index returns still lean on a few AI spenders; Microsoft, Alphabet and Amazon report next week, and a hot PCE reading would strengthen the case for higher rates.

International

Nikkei 225: down 4.0% The sell-off in AI-linked shares spread through Asia's technology-heavy markets, and higher oil added to inflation concerns in Tokyo. The dollar slipped 0.9% against the yen, which softened the loss for dollar-based holders of Japanese shares.

Hang Seng: down 4.5% The global technology sell-off coincided with new regulatory scrutiny of China's largest internet companies. Hong Kong is now down 9.9% this year, the opposite of the double-digit gains in New York and Tokyo.

STOXX Europe 600: down 1.7% French government bonds fell on Monday after a weekend of violent protests over the cost of living, as the government tries to pass a cost-cutting budget. S&P Global's flash eurozone composite purchasing managers' index fell to 51.9 in October, a four-month low.

Commodities

Brent crude: $111.34, up 1.3% Houthi attacks in Saudi Arabia revived concern about Gulf supply, with the war with Iran unresolved. The International Energy Agency said earlier this month that Gulf exports had neared pre-war levels in September, but warned that renewed attacks threatened that recovery.

Gold: $4,018.20, down 3.9% Gold fell with equities in Thursday's sell-off. Higher oil prices also strengthened the case for interest rates staying high, which raises the cost of holding a metal that pays no income. Silver fell more steeply.

The Week Ahead

Tuesday, Oct 27	The Federal Open Market Committee begins its two-day meeting. The Census Bureau releases new home sales.
Wednesday, Oct 28	The FOMC announces its rate decision, followed by Chair Kevin Warsh's press conference. Alphabet and Microsoft report after the close.
Thursday, Oct 29	The Bureau of Economic Analysis releases its first estimate of third-quarter gross domestic product and the personal income and outlays report, which includes PCE inflation. Amazon reports after the close.
Friday, Oct 30	The Bureau of Labor Statistics publishes the third-quarter Employment Cost Index.

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