WEEKLY MARKET REVIEW

Activest **Weekly**

Week ending Friday, November 6, 2026

Activest WEALTH MANAGEMENT

The Week in Brief

Democrats won majorities in both the House and the Senate on Tuesday, and investors quickly priced in a threat to the build-out of artificial intelligence (AI) data centers. Chipmakers and memory makers took the brunt of the selling, while hospital operators and Medicaid-focused insurers rallied. The S&P 500 fell 2.1% on the week, and the losses were heavier still in Tokyo's chip-heavy market.

Oil moved on the same result, as traders bet it would hasten an end to the US-Israeli war with Iran. Brent crude fell 17.5%. Friday's October jobs report came in strong, which keeps a December rate increase on the table. The election has made politics a factor in the market's leading trade, but inflation still decides the path of rates, and October's figures arrive on Tuesday.

Three Things That Mattered

Politics has reached the AI trade Investors now treat data-center permits and possible moratoriums as a policy risk for AI hardware makers. Next week's results from a major chip-equipment supplier will give the first read on orders since the vote.

Oil now depends on diplomacy Crude's slide rests on hopes of a negotiated end to the war with Iran. If talks stall, the relief that lower fuel prices are giving headline inflation could reverse.

The December decision is open October's hiring gives the Federal Reserve (Fed) room to keep tightening. Tuesday's inflation report is the next test of whether it will.

Market Dashboard

INDEX / ASSET	LEVEL	WEEKLY	YTD
S&P 500	7,422.54	-2.1%	+8.4%
Nasdaq Composite	24,718.40	-2.8%	+6.4%
Dow Jones Industrial Avg.	51,580.41	-0.4%	+7.3%
Russell 2000	2,736.26	-2.7%	+10.2%
Nikkei 225 JPY	57,434.77	-9.3%	+14.1%
STOXX Europe 600 EUR	646.10	-0.1%	+9.0%
Hang Seng HKD	24,481.86	+5.1%	-4.5%
U.S. 10-Yr Treasury Yield	4.86	-7 bps	+69 bps
Brent Crude	97.10	-17.5%	+59.6%
Gold	4,060.40	+4.1%	-6.5%
VIX	24.67	+5.25	+9.72

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, November 6, 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.

A referendum on data centers Investors read Tuesday's congressional sweep, together with several state races, as a check on AI infrastructure. In Texas, a major hub for planned data centers, governor-elect Gina Hinojosa campaigned on a moratorium on new construction and defeated Governor Greg Abbott. Senator Bernie Sanders renewed his call for a national pause. The S&P 500 fell 2.1% and the Nasdaq Composite 2.8%, with the damage concentrated among hardware suppliers. Bills and state permitting decisions will show how much of the projected spending actually slows.

Hiring picks up Employers added 165,000 jobs in October, according to the Bureau of Labor Statistics, far more than economists had expected. The unemployment rate edged down to 4.1%. The report came at an awkward moment for anyone hoping for an early end to tightening: a firmer labor market takes away one of the Fed's reasons to wait, and traders added to bets on a December rate increase once the figures were out. A soft October inflation reading would ease that pressure; a firm one would make a hike hard to resist.

Inflation still sets the agenda The Federal Open Market Committee (FOMC) left the federal funds target range at 3.75% to 4.00% in late October, after raising it in September, with two members dissenting in favor of another increase. One of those dissenters, Cleveland Fed President Beth Hammack, said on Thursday that policy needs to become restrictive and that she would prefer smaller, more frequent steps. The latest Consumer Price Index (CPI), for September, put prices 3.7% above a year earlier, pushed up by fuel costs since the war with Iran began in late February.

Rates Check

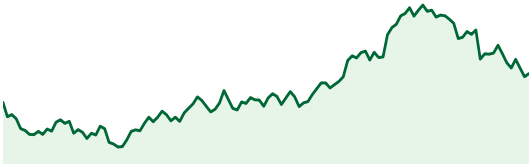
10-year: 4.86%
The 10-year yield ended the week at 4.86%. Treasuries attracted buyers as equities sold off and oil prices fell.

30-year: 5.26%
The 30-year yield closed at 5.26%, which keeps long-term borrowing costs for the government and for mortgage markets high. Tuesday's CPI report is its next test.

IN FOCUS: THE 10-YEAR TREASURY

The 10-year eases as equities sell off

U.S. 10-year Treasury yield, %



May 2026 **4.86%** Nov 2026

The yield fell 7 basis points on the week as investors moved out of AI-linked stocks and into Treasuries, and as lower crude prices took some pressure off inflation expectations. Friday's strong jobs report revived the case for a December increase. Even after the decline, the yield is 69 basis points higher than it was at the start of the year.

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

AI hardware takes the hit Technology fell 7.7%, the S&P 500's second-weakest sector, as investors sold the companies that supply AI data centers. Memory and storage makers fell hardest: Seagate Technology lost 28.0%, with Western Digital and Sandisk close behind.

A merger investors rejected On Monday, Marvell Technology agreed to buy Lumentum, a maker of optical components for AI networks, in an all-stock deal. According to news reports, investors in both companies objected to the terms. Lumentum fell 36.2%, the worst performance in the S&P 500, and Marvell fell 29.3%.

Oil and Medicaid reshuffle sectors Energy was the weakest S&P 500 sector, down 11.4% as crude prices fell. On Wednesday, hospital operators and Medicaid-focused insurers rallied on expectations that a Democratic Congress could delay Medicaid cuts. An equal-weighted measure of the S&P 500's Health Care Equipment & Services group rose 5.2% that day.

Earnings that cut through

AppLovin rose 66.7%, the best performance in the S&P 500. The company reported third-quarter revenue up 55% from a year earlier.

Idexx Laboratories jumped 21.8% on Monday after it beat forecasts and raised its full-year guidance. Fiserv gained 25.2% on the week after doubling its cost-savings target.

Fidelity National Information Services moved the other way. It fell 23.7% on Wednesday after cutting its full-year outlook, a contrast with Fiserv, another payments processor.

MOVERS OF THE WEEK

GAINED			DECLINED		
APP	AppLovin	**+66.7%**	**LITE**	Lumentum	**-36.2%**
FISV	Fiserv	**+25.2%**	**MRVL**	Marvell Technology	**-29.3%**
MOS	Mosaic Company (The)	**+23.8%**	**STX**	Seagate Technology	**-28.0%**
IDXX	Idexx Laboratories	**+21.7%**	**WDC**	Western Digital	**-27.5%**
MRNA	Moderna	**+17.1%**	**SNDK**	Sandisk	**-26.5%**

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

THE BOTTOM LINE

For client portfolios, the week showed AI hardware now carries political risk, while Treasuries softened an equity drawdown. That balance would change if Tuesday's inflation report pushes the Fed toward a December increase, which would weigh on stocks and bonds.

International

Tokyo follows chips lower The Nikkei 225 fell 9.3% as chipmakers and AI-linked shares, which make up a large share of the index, followed Wall Street lower. Markets in Seoul and Taipei also fell sharply. The yen weakened slightly, and the dollar ended up 0.3% against it.

Hong Kong gains from the rotation The Hang Seng rose 5.1% as investors moved money out of hardware stocks and into discounted Chinese internet platforms, led by Alibaba and Tencent. Tencent added to the interest by releasing a new version of its Hunyuan AI model, which can now interpret images.

London tightens On Thursday the Bank of England raised interest rates for the first time in more than three years, on an 8-1 vote, and Governor Andrew Bailey pointed to energy prices. The STOXX Europe 600 ended little changed. Britain's third-quarter growth figures are due on Thursday.

Commodities

Brent falls on peace hopes Brent crude fell 17.5% to $97.10 a barrel on hopes that the election would hasten an end to the US-Israeli war with Iran, as Qatar stepped up its mediation. A senior Iranian official told Reuters that the two sides remained far from a deal.

Gold gains with Treasuries Gold rose 4.1% to $4,060.40 an ounce, gaining alongside Treasuries as equities fell. On Friday Goldman Sachs cut its year-end forecast for the metal, citing the Fed's shift toward higher rates. A December increase would make it more costly to hold an asset that pays no income.

The Week Ahead

Tuesday, Nov 10	Consumer Price Index for October. Fed Governor Christopher Waller and Vice Chair for Supervision Michelle Bowman speak on the economic outlook.
Wednesday, Nov 11	U.S. bond markets are closed for Veterans Day; stock markets are open.
Thursday, Nov 12	First estimate of UK third-quarter gross domestic product. Applied Materials and Cisco Systems report earnings after the close.
Friday, Nov 13	Producer Price Index for October. Fed Vice Chair Philip Jefferson speaks on productivity.

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