# Nasdaq Slides for a Third Day as Nvidia Weighs on the AI Trade; Dow Drops 1.41%

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The U.S. stock markets closed sharply lower on Monday, while European stocks ended modestly lower, as the troubles at Nvidia spread through the technology sector. The Nasdaq Composite fell 2.49%, its third consecutive decline, the S&P 500 lost 1.92%, and the Dow Jones Industrial Average gave up 739.38 points, or 1.41%. Selling that began in semiconductors widened to banks as the session went on. The 10-year Treasury yield closed at 5.12%, the dollar firmed, oil slipped, and bitcoin fell to a three-month low. Investors now look to Nvidia's results after Tuesday's close and Anthropic's IPO pricing on Wednesday, with trading starting Thursday.

**U.S. Markets**

Nvidia fell more than 4% and led the decline. Three developments hit the stock at once. A person familiar with the matter said its board is not considering a return for Jensen Huang, who resigned last week. Treasury Secretary Scott Bessent urged the board to look outside the company for its next CEO. The Commerce Department also moved to close a loophole that lets Chinese companies rent Nvidia computing power located abroad. Nvidia shares fell 13% last week, their worst weekly drop since April 2025.

The pressure spread across the AI group. Micron and Intel each lost about 7%, Advanced Micro Devices fell 5%, Sandisk about 8%, Dell Technologies 7%, and Oracle 5%. Later in the day the selling reached financials. Morgan Stanley and Goldman Sachs each lost nearly 3%, and JPMorgan Chase more than 2%.

Analysts expect Nvidia to report earnings per share of about $2.48, up 91% from a year ago, on revenue of about $109 billion. Those numbers are unlikely to be the deciding factor. Investors want to know whether a company that has had one CEO for 33 years can keep its momentum, and its guidance, without him.

The Nasdaq Composite fell 2.49% to 24,509.75, the S&P 500 fell 1.92% to 7,416.59, and the Dow Jones Industrial Average fell 739.38 points, or 1.41%, to 51,608.17. The Birling Capital Puerto Rico Stock Index and Birling Capital U.S. Bank Index both bucked the decline, rising 0.58% and 0.57%.

**European Markets**

European stocks ended Monday slightly lower as investors held back ahead of Nvidia's earnings and Anthropic's debut this week. All three indexes we follow finished in the red, though the losses were modest. The DAX was the weakest, giving up 151.31 points, or 0.57%. Its heavy weighting in industrial and technology-linked companies leaves it most exposed to the pullback in U.S. chip stocks. The FTSE 100 and the pan-European Stoxx 600 held up better, with losses of 0.19% and 0.28%. Their larger weightings in energy, financials, and defensive sectors cushioned the decline. Lower oil prices and easier bond yields limited the damage, but neither was enough to bring in buyers before the week's key events. The three indexes we follow closed lower: Stoxx 600, down 1.83 points; FTSE 100, down 21.01 points; and DAX Index, down 151.31 points.

**Two Tests for the AI Trade**
Nvidia and Anthropic ask the same question from two directions. Nvidia shows whether AI spending is still producing earnings, now under new interim leadership. Anthropic shows whether public investors will pay up for direct exposure to the theme. Anthropic is expected to raise up to $80 billion at a valuation of $1.4 trillion to $1.5 trillion, with shares priced between $70 and $78.
The index effect should be smaller than the headline value suggests. Anthropic is unlikely to qualify for the S&P 500 before late 2027. It should be added to other indexes sooner after listing, but index weights follow publicly available, float-adjusted shares, not total market value. Only a small part of the company will trade at first.

**The Earnings Backdrop Remains Firm**
Third-quarter earnings season is nearly complete, and the results are strong. With 91% of S&P 500 companies reporting, 84% have beaten estimates, with an average upside surprise of 3.3%. Expected third-quarter earnings growth has risen to 30.1%, from 26.6% at quarter-end. Energy leads, followed by technology and materials, and all 11 sectors are on track for year-over-year growth. This breadth matters to us. Today's selloff reflects uncertainty about leadership and policy at one company, not a break in corporate profits. Profit growth that reaches beyond a handful of market leaders supports more balanced market performance and strengthens the case for diversification.

**Energy Markets**
WTI crude traded near $87 a barrel, lower after the International Energy Agency projected that global oil production will outpace demand in the fourth quarter of 2026. Brent traded near $93. A supply cushion helps ease inflation pressure, but Middle East headlines remain the main risk to the price.

**Economic & Policy Outlook**
Rates and policy now matter as much as earnings. The 10-year Treasury yield closed at 5.12% and the 2-year at 4.83%, a gap of 29 basis points. Ten Federal Reserve speakers are on this week's calendar, including Chair Kevin Warsh on Monday, and with yields above 5%, any change in tone on inflation or further rate increases could quickly affect growth stocks. The Commerce Department's move on chip access and the Treasury Secretary's public call for change at Nvidia show that Washington has become a direct influence on the AI trade. A firmer dollar adds to the cautious backdrop.

**The Final Word**
Monday showed how quickly sentiment can turn when a market leader meets leadership, policy, and valuation questions at the same time. The decline began in AI-linked stocks and then spread to banks, which is the kind of broadening that deserves attention. Nvidia's results and Anthropic's debut will show this week whether the AI trade still has support. Meanwhile, the Birling Capital Puerto Rico Stock Index and U.S. Bank Index finished higher, a reminder of why diversification, not concentration in a handful of leaders, remains the most reliable response to days like this.

**Economic Update:**

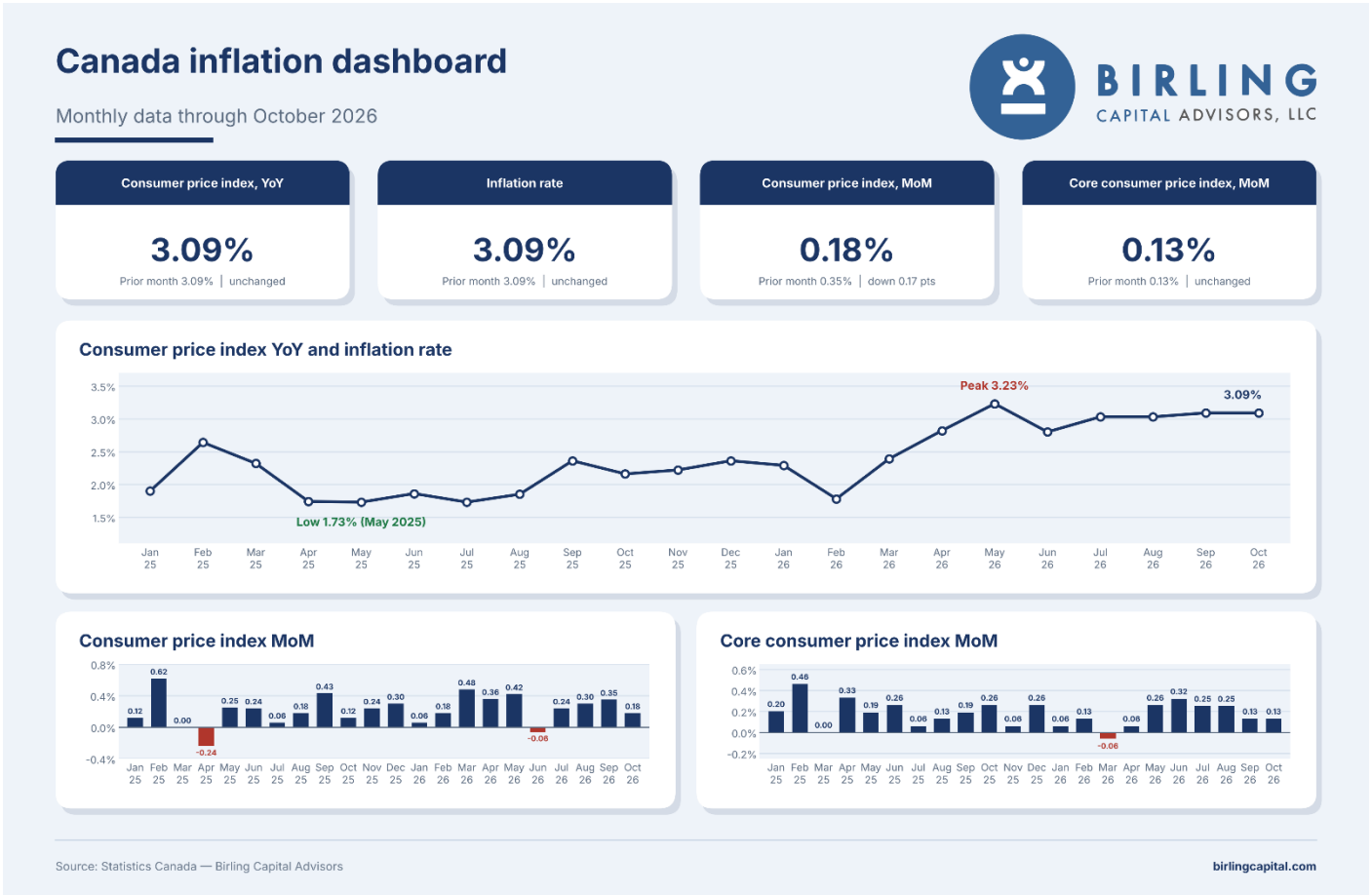
- **Canada Consumer Price Index YoY:** is unchanged at 3.09%, compared to 3.09% last month.
- **Canada Consumer Price Index MoM:** fell to 0.18%, compared to 0.35% last month.
- **Canada Core Consumer Price Index MoM:** is unchanged at 0.13%, compared to 0.13% last month.
- **Canada Inflation Rate:** is unchanged at 3.09%, compared to 3.09% last month.

**Eurozone Summary:**

- **Stoxx 600:** Closed at 664.14, up 0.13 points, or 0.02%.
- **FTSE 100:** Closed at 10,902.56, up 39.47 points, or 0.36%.
- **DAX Index:** Closed at 26,749.95, down 21.93 points, or 0.08%.

**Wall Street Summary:**

- **Dow Jones Industrial Average:** Closed at 51,608.17, down 739.38 points, or 1.41%.
- **S&P 500:** Closed at 7,416.59, down 145.08 points, or 1.92%.
- **Nasdaq Composite:** Closed at 24,509.75, down 626.51 points, or 2.49%.
- **Birling Capital Puerto Rico Stock Index:** Closed at 4,962.50, up 28.77 points or 0.58%.
- **Birling Capital U.S. Bank Index:** Closed at 9,548.68, up 53.66 points or 0.57%.
- **U.S. Treasury 10-year note:** Closed at 5.12%.
- **U.S. Treasury 2-year note:** Closed at 4.83%



## European indexes close

Monday, November 16, 2026

BIRLING CAPITAL ADVISORS, LLC

| Stoxx 600 | FTSE 100 | DAX Index |
|---|---|---|
| Closing price | Closing price | Closing price |
| 662.31 | 10,881.55 | 26,598.64 |
| ▼ 1.83 points | ▼ 21.01 points | ▼ 151.31 points |
| 0.28% | 0.19% | 0.57% |

Source: Bloomberg, LSEG — Birling Capital Advisors

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## Wall Street and Birling Capital indexes close

Monday, November 16, 2026

BIRLING CAPITAL ADVISORS, LLC

| Dow Jones Industrial Average | S&P 500 | Nasdaq Composite |
|---|---|---|
| Closing price | Closing price | Closing price |
| 51,608.17 | 7,416.59 | 24,509.75 |
| ▼ 739.38 points | ▼ 145.08 points | ▼ 626.51 points |
| 1.41% | 1.92% | 2.49% |

| Birling Capital Puerto Rico Stock Index | Birling Capital U.S. Bank Index |
|---|---|
| Closing price | Closing price |
| 4,962.50 | 9,548.68 |
| ▲ 28.77 points | ▲ 53.66 points |
| 0.58% | 0.57% |

| U.S. Treasury 10-year note | U.S. Treasury 2-year note |
|---|---|
| 5.12% | 4.83% |

Source: Bloomberg, LSEG — Birling Capital Advisors

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