Tech Slips Again to Open November as Industrial Stocks Lift the Dow

November 2, 2026

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The U.S. and European stock markets ended the first session of November with different results on Monday. In the U.S., the Nasdaq Composite fell 1.07%, and the S&P 500 lost 0.51% as investors kept moving out of technology. Meanwhile, the Dow Jones Industrial Average rose 213.67 points, or 0.41%, on strength in industrial and housing-related stocks. European indexes closed higher as lower oil prices and falling bond yields supported risk appetite.
Wall Street gave back early gains, with the Nasdaq and the S&P 500 up as much as 1.4% and 1.1% in the morning before sellers in the largest growth stocks took control. With midterm elections on Tuesday, few investors were willing to take on risk.

U.S. Markets
Among the technology leaders, Nvidia slipped 0.5%, and Meta Platforms eased 0.7%.
Deal and financing news added to the pressure. Marvell Technology agreed to acquire Lumentum in a transaction valued at roughly $115 billion. Marvell shares fell about 12%, and Oracle declined 8% after announcing plans to raise $10 billion by selling common stock and another $10 billion through a bond offering to fund its AI buildout. Both stories point to the same question investors have been asking for two weeks: how the AI buildout will be paid for, and what it will earn.
Industrial and consumer-related names carried the Dow. Sherwin-Williams gained 5.6%, and Home Depot rose 3.3%, while Honeywell International, 3M and Boeing each advanced more than 2%. Leadership continues to move away from a few mega-cap technology stocks and toward companies with steadier earnings.
The Nasdaq Composite fell 1.07% to 25,164.32, the S&P 500 fell 0.51% to 7,541.40, and the Dow Jones Industrial Average rose 213.67 points, or 0.41%, to 51,983.98.

European Markets
European stocks closed higher on Monday as lower oil prices and falling bond yields supported risk appetite ahead of Tuesday's U.S. midterm elections, while softer sentiment readings kept buyers selective. Germany's ZEW economic sentiment indicator fell to 28.10 in October from 34.70 in September, the second monthly decline after a strong summer run. The European Union's economic sentiment indicator slipped to 96.90 from 97.50, and consumer confidence weakened to -17.30 from -16.10. Households and forecasters in Europe remain more cautious than the improving factory data suggests.
The three indexes we follow closed higher: the Stoxx 600, up 2.69 points; the FTSE 100, up 31.55 points; and the DAX Index, up 162.88 points.

The Rotation Out of Technology
The move out of technology followed a losing October for the Nasdaq and the S&P 500, with the Nasdaq posting its steepest monthly decline since March 2025 as investors questioned how much AI-related spending will return. The Dow gained nearly 2% for the month as money moved into defensive areas such as health care. Some strategists argue that the long-term bullish case is intact and that the real problem has been short-term momentum, which keeps getting interrupted by oil

spikes, AI spending worries, inflation, and geopolitics. The market's ability to bend without breaking is encouraging, but this week brings new sources of volatility.

Global Manufacturing Finds Its Footing

From 2023 through 2025, the world's factories mostly went sideways. High inflation and tight monetary policy weighed on the goods-producing, interest-rate-sensitive side of the economy, and the S&P Global World Manufacturing PMI averaged 49.83 over that stretch, below 50 and below its 20-year average of 51.

The U.S. data show how sharply that has changed. The ISM Manufacturing PMI stayed below 50 every month from March through December 2025, bottoming at 47.90 in December. It jumped to 52.60 in January, has not dropped below 50 since, and reached 55.50 in October after peaking at 55.60 in July. Manufacturing PMIs in Japan, the eurozone and the United Kingdom also remain in expansion territory.

Manufacturing is a modest share of output, but because it reacts early to turns in the business cycle, it serves as an advance indicator of the broader economy. In our view, a recovery that is now spread across several regions is an encouraging sign for global growth.

Energy Markets

Oil prices fell sharply on Monday as hopes grew that Washington and Tehran could return to the negotiating table. Brent crude dropped 7.63% to close at $104.77 a barrel, and West Texas Intermediate fell 7.36% to settle at $96.46. Over the weekend, the administration signaled that it has not decided to attack Iran and would prefer a peaceful resolution, while Iranian officials said a deal is possible if the United States shows goodwill. Lower energy prices ease pressure on inflation and on consumers, and they helped support stocks in Europe, where all three major indexes closed higher.

Economic & Policy Outlook

Tomorrow's midterm election results arrive amid a busy calendar. We believe the economy and corporate earnings, not political outcomes, are what ultimately drive asset prices, but history is mildly encouraging for the weeks that follow. Across the 14 midterm cycles since 1970, the S&P 500 returned an average of 1.7% in the month after Election Day and was higher 79% of the time. Over the following six months, it averaged a 15.5% gain and rose in all 14 cases. History offers no guarantee, and we would not invest in politics.

The economic backdrop remains firm. The lower limit of the Federal Reserve's target range stands at 3.75%, unchanged over the past month. Initial jobless claims fell to 194,000, down 12.22% from a year ago, and the consumer price index is up 3.72% over the past 12 months. The labor market is cooling, though, with payrolls adding 29,000 jobs in September, down from 133,000 in August. The 30-year mortgage rate eased to 7.24% from 7.28% a month earlier but remains about 17% above its level a year ago.

This week's calendar includes the Bank of Canada's rate decision on Tuesday at 8:30 a.m. ET and, on Friday, European producer prices and retail sales, Canada's unemployment rate and Ivey PMI, and the rig count.

The Final Word

Monday's slide in technology does not settle the question investors raised last week about what AI spending will earn. The stronger case rests on a manufacturing recovery that is finally broadening and an economy that is still growing. With elections tomorrow and a full week of data ahead, the right response is a steady, diversified plan tied to goals and risk tolerance.

GDPNow Update:

- The **GDPNow** for the fourth quarter of 2026 was updated on 11/2/2026 and rose to **3.70%**, up from 3.20%.

Economic Update:

- **US ISM Manufacturing PMI:** rose to 55.50, up from 54.50 last month, an increase of 1.83%.
- **US Construction Spending MoM:** fell to -1.85%, compared to 1.98% last month.

Eurozone Summary:

- **Stoxx 600:** Closed at 649.44, up 2.69 points, or 0.42%.
- **FTSE 100:** Closed at 10,761.33, up 31.55 points, or 0.29%.
- **DAX Index:** Closed at 25,981.09, up 162.88 points, or 0.63%.

Wall Street Summary:

- **Dow Jones Industrial Average:** Closed at 51,983.98, up 213.67 points, or 0.41%.
- **S&P 500:** Closed at 7,541.40, down 38.67 points, or 0.51%.
- **Nasdaq Composite:** Closed at 25,164.32, down 272.68 points, or 1.07%.
- **Birling Capital Puerto Rico Stock Index:** Closed at 4,868.41, down 45.49 points, or 0.92%.
- **Birling Capital US Bank Index:** Closed at 9,299.15, down 225.26 points, or 2.37%.
- **U.S. Treasury 10-year note:** Closed at 4.91%.
- **U.S. Treasury 2-year note:** Closed at 4.59%.

Economic Update: US

Week of November 2 through November 8, 2026

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Major US Indicators Review

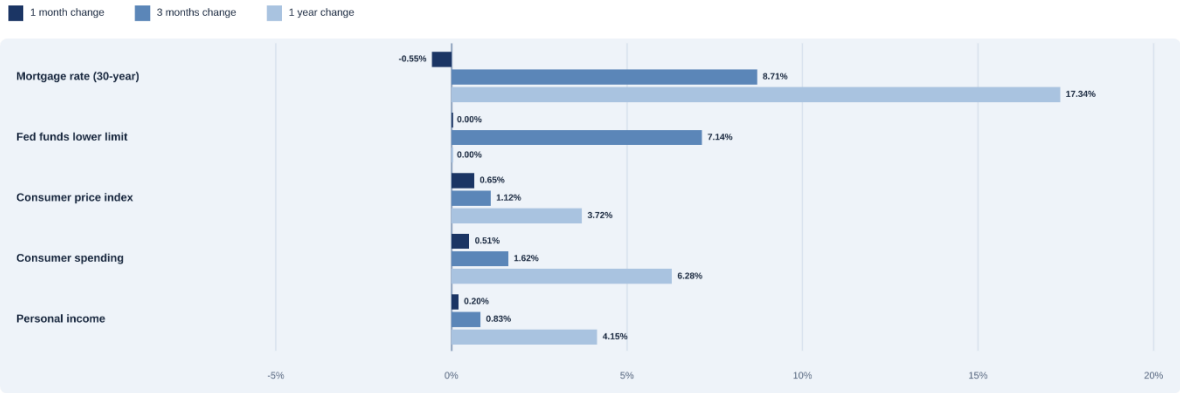
Latest readings with one-month, three-month and one-year comparisons. Arrows and color show direction, not whether a change is good news.

30-year mortgage rate	Fed funds rate, lower limit	Initial jobless claims	Nonfarm payrolls (monthly)	Consumer price index
7.24%	3.75%	194,000	29.00	336.30
▲ 17.34%	▲ 7.14%	▼ -12.22%	▼ -78.20%	▲ 3.72%
vs 1 year ago	vs 3 months ago	vs 1 year ago	vs 1 month ago	vs 1 year ago

Indicator	Date	Latest value	1 month ago	3 months ago	1 year ago	1 month change	3 months change	1 year change
30 Year Mortgage Rate	10/29/26	7.24%	7.28%	6.66%	6.17%	▼ -0.55%	▲ 8.71%	▲ 17.34%
Target Federal Funds Rate Lower Limit	10/28/26	3.75%	3.75%	3.50%	3.75%	0.00%	▲ 7.14%	0.00%
US Consumer Price Index	09/30/26	336.30	334.13	332.57	324.25	▲ 0.65%	▲ 1.12%	▲ 3.72%
US Initial Claims for Unemployment Insurance	10/24/26	194,000	199,000	198,000	221,000	▼ -2.51%	▼ -2.02%	▼ -12.22%
US Nonfarm Payrolls MoM	09/30/26	29.00	133.00	31.00	76.00	▼ -78.20%	▼ -6.45%	▼ -61.84%
US Personal Consumption Expenditures	09/30/26	22.45T	22.34T	22.10T	21.13T	▲ 0.51%	▲ 1.62%	▲ 6.28%
US Personal Income	09/30/26	27.71T	27.65T	27.48T	26.60T	▲ 0.20%	▲ 0.83%	▲ 4.15%
US Total Nonfarm Payrolls	09/30/26	159.04M	159.02M	158.89M	158.55M	▲ 0.02%	▲ 0.10%	▲ 0.31%

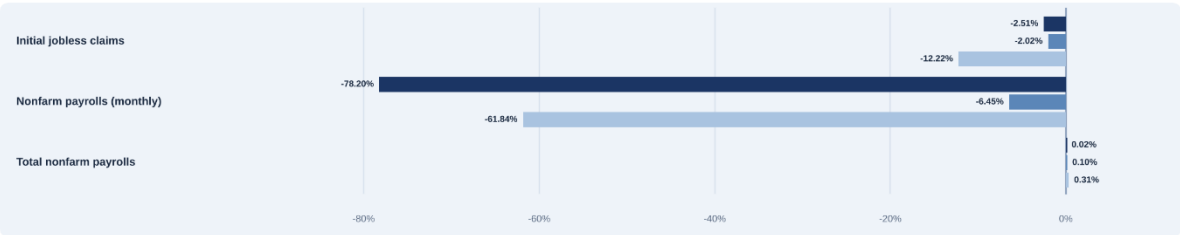
US Indicators: Rates, Prices and Income

Percent change over one month, three months and one year.



US Indicators: Labor Market

Percent change over one month, three months and one year. Nonfarm payrolls (monthly) is the change in jobs added, so it moves far more than the rest.



Source: Birling Capital Advisors, figures as supplied for the week of November 2 through November 8, 2026

Economic Update: World

Week of November 2 through November 8, 2026

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Major World Indicators Events Calendar

Releases scheduled for November 2 through November 8, 2026, with the change recorded at each of the last three releases.

Indicator	Latest value	Next release	Time (Eastern)	Frequency	1 release ago	2 releases ago	3 releases ago
Canada Bank Rate	2.75%	11/03/2026	8:30 a.m.	Market daily	▲ 10.00%	0.00%	0.00%
European Union Producer Price Index	130.00	11/06/2026	5:00 a.m.	Monthly	▲ 1.40%	▲ 1.26%	▼ -0.16%
European Union Retail Trade YoY	1.20%	11/06/2026	5:00 a.m.	Monthly	▲ 33.33%	▼ -47.06%	▼ -15.00%
Canada Unemployment Rate	6.50%	11/06/2026	8:30 a.m.	Monthly	▲ 1.56%	0.00%	▼ -1.54%
Canada Ivey PMI	58.20	11/06/2026	10:00 a.m.	Monthly	▼ -9.49%	▲ 16.70%	▼ -1.96%
World Rig Count	1919.25	11/06/2026	1:00 p.m.	Monthly	▲ 0.65%	▲ 1.49%	▲ 3.12%
Foreign Total Rig Count	1122.00	11/06/2026	1:00 p.m.	Monthly	▲ 1.81%	▲ 0.55%	▲ 2.14%

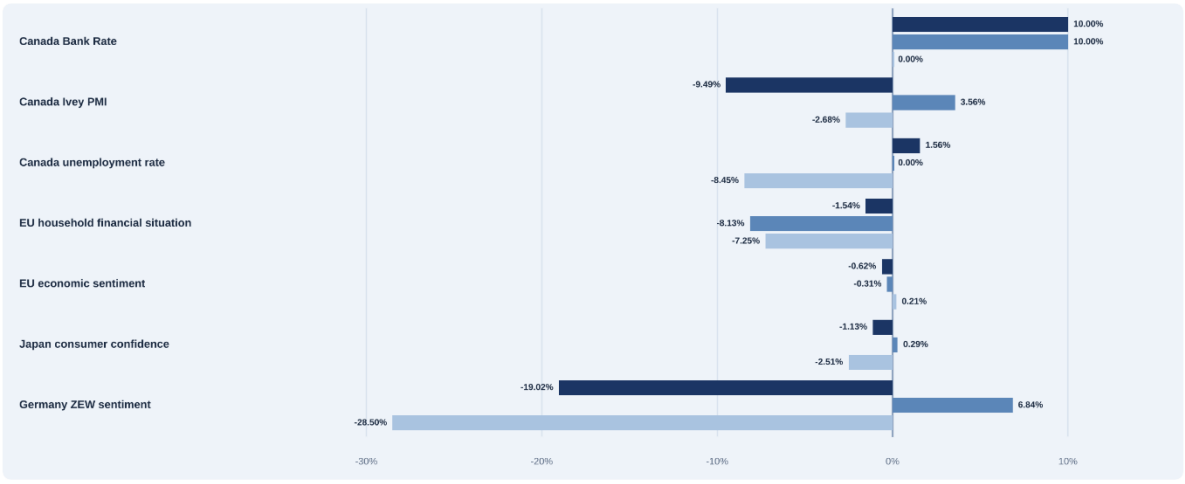
Major World Indicators Review

Canada, the European Union, Japan and Germany. A dash means no figure was reported.

Indicator	Date	Latest value	1 month ago	3 months ago	1 year ago	1 month change	3 months change	1 year change
Canada Bank Rate	10/29/26	2.75%	2.50%	2.50%	2.75%	▲ 10.00%	▲ 10.00%	0.00%
Canada Ivey PMI	09/30/26	58.20	64.30	56.20	59.80	▼ -9.49%	▲ 3.56%	▼ -2.68%
Canada Unemployment Rate	09/30/26	6.50%	6.40%	6.50%	7.10%	▲ 1.56%	0.00%	▼ -8.45%
European Union Consumer Confidence Indicator	10/31/26	-17.30	-16.10	-15.20	-12.70	--	--	--
European Union Consumer Financial Situation of Household	10/31/26	19.20	19.50	20.90	20.70	▼ -1.54%	▼ -8.13%	▼ -7.25%
European Union Economic Sentiment Indicator	10/31/26	96.90	97.50	97.20	96.70	▼ -0.62%	▼ -0.31%	▲ 0.21%
Japan Consumer Confidence Index	10/31/26	35.00	35.40	34.90	35.90	▼ -1.13%	▲ 0.29%	▼ -2.51%
ZEW Indicator of Economic Sentiment for Germany	10/31/26	28.10	34.70	26.30	39.30	▼ -19.02%	▲ 6.84%	▼ -28.50%

World Indicators: Percent Change

How each world indicator moved over one month, three months and one year.



European Union consumer confidence is left out: no changes were reported or supplied.

Source: Birling Capital Advisors, figures as supplied for the week of November 2 through November 8, 2026

GDPNow 4Q26 and U.S. Real GDP Results

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Quarterly annualized growth, as of November 2, 2026

GDPNow 4Q26 estimates

Federal Reserve Bank of Atlanta



Latest estimate, November 2

3.70%

▲ 0.50 points vs initial

Initial forecast, October 29 **3.20%**

Real GDP results, 1Q26 to 3Q26

U.S. Bureau of Economic Analysis



Source: U.S. Bureau of Economic Analysis, Federal Reserve Bank of Atlanta GDPNow — Birling Capital Advisors

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US ISM Manufacturing PMI

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Monthly readings, January 2025 through October 2026

Latest reading	Change from September	Change from a year ago
55.50	▲ 1.00 points	▲ 6.80 points
October 2026	September 2026 was 54.50	October 2025 was 48.70

Monthly Readings

A reading above 50 signals that manufacturing activity is expanding; below 50, that it is contracting.



Source: Birling Capital Advisors, figures as supplied

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US Construction Spending MoM

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Monthly readings, January 2025 through September 2026

Latest reading	Previous month	Declines in the past 12 months
▼ -1.85%	▲ 1.98%	8 of 12
September 2026	August 2026	October 2025 through September 2026

Monthly Percent Change

Month-over-month change in US construction spending. Green bars are increases; red bars are decreases.



Source: Birling Capital Advisors, figures as supplied

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Eurozone indexes close

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Monday, November 2, 2026

Stoxx 600	FTSE 100	DAX Index
Closing price	Closing price	Closing price
649.44	10,761.33	25,981.09
▲ +2.69 points +0.42%	▲ +31.55 points +0.29%	▲ +162.88 points +0.63%

Source: Bloomberg, LSEG — Birling Capital Advisors

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Wall Street and Birling Capital indexes close

BIRLING CAPITAL ADVISORS, LLC

Monday, November 2, 2026

Dow Jones	S&P 500	Nasdaq	Birling Capital PR Stock Index	Birling Capital US Bank Index
Closing price	Closing price	Closing price	Closing price	Closing price
51,983.98	7,541.40	25,164.32	4,868.41	9,299.15
▲ +213.67 points +0.41%	▼ -38.67 points -0.51%	▼ -272.68 points -1.07%	▼ -45.49 points -0.92%	▼ -225.26 points -2.37%

U.S. Treasury 10-year note	U.S. Treasury 2-year note
4.91%	4.59%

Source: Bloomberg, LSEG — Birling Capital Advisors

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