



Soft Jobs Data Sends the Dow Higher and Nvidia Powers the Nasdaq to an Intraday Record as Oil Retreats

October 2, 2026

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U.S. and European markets entered October's first Friday as investors reassessed the outlook for interest rates, inflation, and corporate earnings. In the United States, a much weaker-than-expected September jobs report raised hopes that the Federal Reserve will hold rates steady in October, and the Dow Jones Industrial Average closed up 0.51% while the S&P 500 finished essentially flat and the Nasdaq Composite slipped 0.28%. Nvidia and other technology leaders reached record highs during the session, and falling crude prices offered additional relief from the energy pressures that had unsettled markets throughout the week. However, Treasury yields reversed their initial decline, pulling stocks off their highs and underscoring that inflation concerns remained unresolved.

U.S. Markets

Wall Street rose early Friday after September's employment report showed the economy added just 29,000 jobs, with the unemployment rate climbing to 4.2%. Economists had expected stronger hiring and a steady unemployment rate. Investors read the weakness as a reason for the Federal Reserve to hold rates steady at its October meeting, and CME FedWatch futures pointed to roughly a 77% chance of no change.

Technology led the early rally. Nvidia reached an all-time high for the first time since May, although it closed below its prior record close, while CrowdStrike, Palo Alto Networks, and AMD also touched record highs. The Nasdaq set its own all-time high during the session before pulling back. Treasury yields, which initially fell after the report, rebounded and pushed the major averages off their session highs, although all three major averages still closed higher. For the week, the Dow fell about 1.3% and the S&P 500 about 0.3%, while the Nasdaq gained 0.6%, its third straight daily advance. The 10-year note closed at 5.28% and the 2-year note at 4.83%.

Market strategists viewed the report as a favorable middle ground. Phil Blancato of Osaic described it as a reading that was neither alarming nor a sign of labor market deterioration, while Saira Malik of Nuveen said it could support stocks ahead of what she expects to be a very strong earnings season, and suggested it might mark the start of a year-end rally.

Oil prices also pulled back after a report that European countries were considering releases of strategic fuel reserves following pressure from the Trump administration, which supported equities. Corporate developments reminded investors that company fundamentals still mattered. Nike shares fell more than 5% after disappointing guidance raised concerns about its sales outlook and the pace of its turnaround.

The three indexes we follow closed higher: Dow Jones Industrial Average, up 250.43 points; S&P 500, up 36.27 points; and Nasdaq Composite, up 319.26 points.

While the employment report improved the immediate policy backdrop for stocks. Still, the fade from session highs suggests the rally's durability will depend on Treasury yields, earnings delivery, and whether energy costs continue to retreat.

European Markets

European equities closed higher on Friday as lower crude prices offered a potentially favorable development for households, manufacturers, and transportation companies. Reports that European countries discussed releasing emergency diesel inventories helped ease concerns about fuel availability and elevated energy costs.

Discussions about reserve releases provided near-term relief, while a durable improvement would require more reliable supplies and progress toward resolving the Middle East conflict. European markets also remained sensitive to global interest rates and the implications of a less aggressive Federal Reserve policy path.

The three indexes we follow closed higher: Stoxx 600, up 4.70 points; FTSE 100, up 33.68 points; and DAX Index, up 291.85 points.

Energy Markets

Crude prices fell about 4% during the morning, with West Texas Intermediate dropping below \$90 per barrel and Brent slipping below \$100. Reports that European countries were weighing emergency inventory releases helped drive the pullback.

If sustained, lower oil prices would ease pressure on transportation, manufacturing, and consumer spending. Diesel remained especially important because of its role in freight, agriculture, and construction.

In our view, reserve releases could help manage immediate shortages, but their economic benefit would depend on the volume released, the timing of implementation, and the stability of underlying supply.

Economic & Policy Outlook

The U.S. economy added **29,000 jobs in September**, below expectations for **90,000**, while payroll gains for the previous two months were revised downward by a combined **60,000**. The unemployment rate rose to **4.2% from 4.1%**, alongside greater labor force participation. Annual wage growth slowed to **3.0%**, below the latest **3.4%** headline inflation reading. That combination suggested reduced wage pressure but also continued strain on household purchasing power.

The report supported a more patient approach to monetary policy. However, modest hiring and downward revisions warranted caution about describing the labor market as unequivocally strong. As the fourth quarter began, earnings remained central to the investment outlook. The approaching third-quarter reporting season, beginning with major banks in mid-October, would provide a clearer assessment of credit quality, financing costs, consumer demand, and corporate margins. Strong technology performance continued to support the major indexes, but broader participation would strengthen confidence in the market's advance.

The Final Word: Relief Must Translate Into Results

Softer hiring and lower oil prices gave investors breathing room. For the recovery to endure, inflation must continue easing, borrowing costs must stabilize, and corporate earnings must justify valuations.

Economic Data:

- **US Nonfarm Payrolls MoM:** fell to 29.00, down from 133.00 last month.
- **US Unemployment Rate:** rose to 4.20%, compared to 4.10% last month.
- **US Labor Force Participation Rate:** rose to 61.80%, compared to 61.60% last month

Eurozone Summary:

- **Stoxx 600:** Closed at 631.35, up 4.70 points or 0.75%.
- **FTSE 100:** Closed at 10,461.95, up 33.68 or 0.32%.
- **DAX Index:** Closed at 25,231.20, up 291.85 points or 1.17%.

Wall Street Summary:

- **Dow Jones Industrial Average:** closed at 51,176.95, up 250.43 points or 0.49%.
- **S&P 500:** closed at 7,722.72, up 36.27 points or 0.73%.
- **Nasdaq Composite:** closed at 27,190.86, up 319.26 points or 1.19%.
- **Birling Capital Puerto Rico Stock Index:** closed at 4,765.83, up 54.51 points or 1.16%.
- **Birling Capital U.S. Bank Index:** closed at 9,396.52, down 42.29 points or 0.45%.
- **U.S. Treasury 10-year note:** closed at 5.28%.
- **U.S. Treasury 2-year note:** closed at 4.83%.



US Labor Market Dashboard

January 2025 to September 2026

Nonfarm Payrolls, Month Over Month (Thousands)



Unemployment Rate (%)



Labor Force Participation Rate (%)

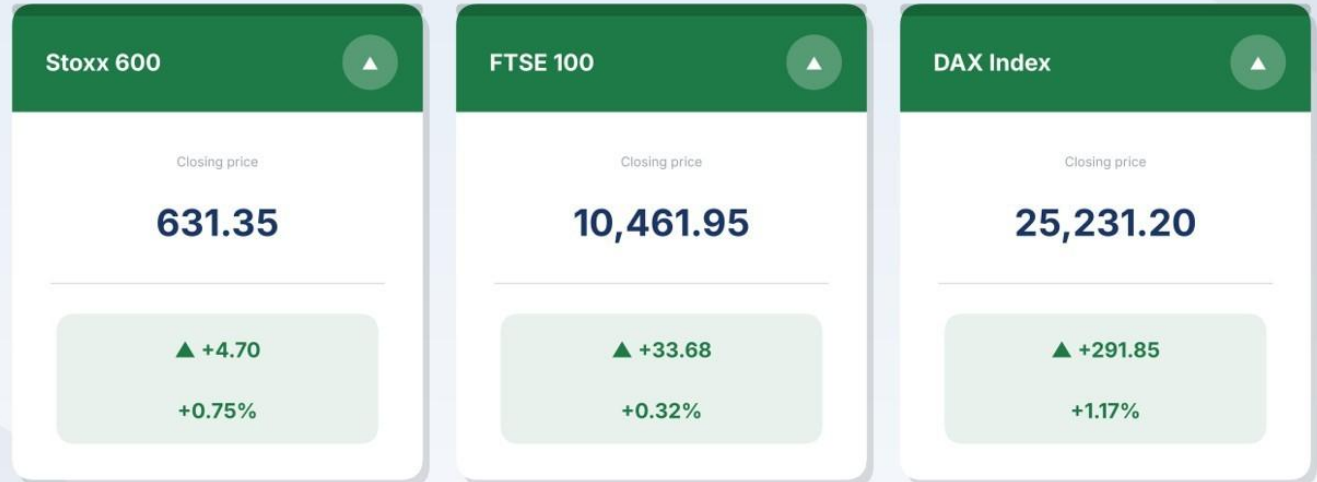


Source: Bureau of Labor Statistics — Birling Capital Advisors. October 2025 (light marker) carried forward from September 2025.

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European stock indexes close

Friday, October 2, 2026

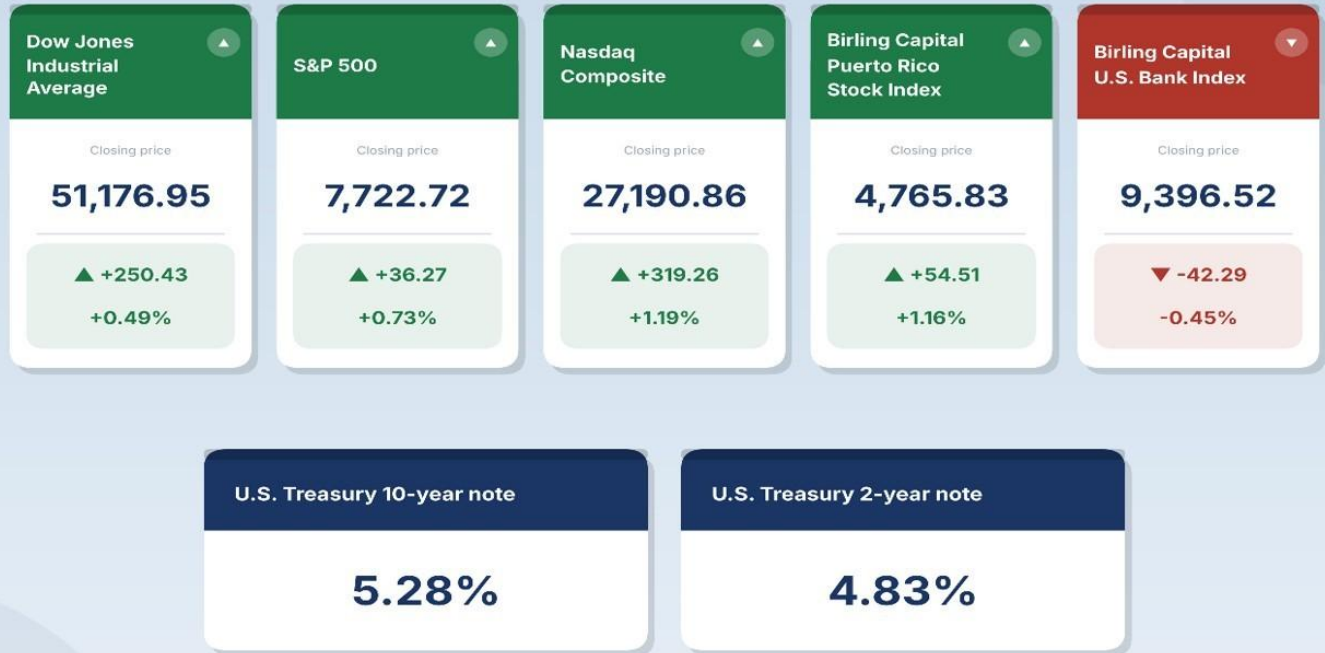


Source: Bloomberg, LSEG — Birling Capital Advisors

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Wall Street and Birling Capital indexes close

Friday, October 2, 2026



Source: Bloomberg, LSEG — Birling Capital Advisors

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Wall Street Recap

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