



Nasdaq Sets Fresh Closing Record as Technology Momentum Outweighs Rising Treasury Yields

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Wall Street advanced on Monday as enthusiasm for artificial intelligence and technology earnings overshadowed another increase in Treasury yields. The Nasdaq finished at a fresh record, leading the major indexes higher, while the S&P 500 gained ground and the Dow posted a more modest advance.

The session highlighted competing forces shaping investor sentiment: confidence in corporate growth supported equities, while elevated borrowing costs continued to pressure valuations. Lower oil prices provided additional relief, and September's services report showed that economic activity remained in expanded despite some moderation.

U.S. Markets

Technology drove Monday's advance, with the Nasdaq gaining **1.05%** and reaching a high of **27,477.31**. The S&P 500 rose 0.66%, while the Dow added **90.94 points**.

Meta, Microsoft, Nvidia, and Tesla participated in the rally, reinforcing the influence of large technology companies on the major benchmarks. Investors continued to favor businesses positioned to benefit from spending on computing capacity, cloud services, and artificial intelligence. The sector's appeal rested on its earnings potential and the financial flexibility of its largest companies. Strong cash generation can help these businesses fund expansion despite higher financing costs. Nevertheless, rising yields still matter: even companies with limited borrowing needs face greater valuation pressure when investors can earn more from bonds.

The **10-year Treasury yield reached 5.31%**, while the **2-year yield closed at 4.84%**. The advance underscored persistent inflation concerns and the possibility that monetary policy would remain restrictive longer.

September's **ISM Services PMI registered 54.9**, below August's **55.4** but comfortably above the 50-point expansion threshold. The report pointed to continued growth rather than an abrupt deterioration, although it offered limited reassurance that inflation pressures had fully subsided. Attention now turns to the minutes of the Federal Reserve's September meeting. Investors will examine the discussion behind the quarter-point rate increase and assess how policymakers weighed inflation risks against moderating employment growth.

Lower crude prices helped offset some of the pressure from higher yields. During the session, **Brent traded near \$101.51 per barrel**, while **WTI stood around \$88.53**. Sustained energy relief would support household purchasing power and corporate margins.

We assess that Monday's advance reflected confidence in technology earnings rather than the disappearance of macroeconomic risks. For the rally to become more durable, profit growth must justify valuations, and participation must broaden beyond the companies leading the indexes.

European Markets

European equities closed higher on Monday, although gains remained modest and uneven. The **Stoxx 600 advanced 0.36%**, while the **FTSE 100 rose 0.34%** and Germany's **DAX edged up 0.09%**.

Lower crude prices offered a favorable backdrop for households and businesses facing elevated energy costs. However, rising global bond yields and geopolitical uncertainty continued to temper investor confidence, leaving European markets with a measured advance.

Energy Markets

WTI crude fell below \$90 per barrel in early trading, providing a measure of relief after the recent volatility in energy markets.

A sustained decline would help moderate transportation and production costs while reducing pressure on household budgets. However, one session's retreat does not establish a durable trend. Supply conditions and geopolitical developments remained central to the energy outlook.

Economic & Policy Outlook

September's ISM Services PMI registered **54.9**, down from **55.4** in August but comfortably above the **50-point expansion threshold**. The reading pointed to continued growth across the largest part of the U.S. economy, although at a somewhat slower pace.

Manufacturing also remained in expansion. September's ISM Manufacturing PMI stood at **54.5**, slightly below August's **54.6**. Its continued strength suggested that the recovery in goods-producing activity remained intact.

Consumer demand provided another pillar of support. Inflation-adjusted household spending rose **0.6% in August** and **2.6% from a year earlier**, indicating that consumers continued to spend despite higher financing costs.

Employment growth, meanwhile, moderate. The supplied figures showed average payroll gains of approximately **68,000 per month** this year. That slower pace warrants attention, particularly alongside changes in labor-force participation; it should not be interpreted as evidence of either economic weakness or strength in isolation.

In our view, the economy continued to demonstrate resilience, but that resilience did not eliminate the risks from restrictive monetary policy, elevated borrowing costs, and geopolitical uncertainty. Stronger activity can support corporate revenues while also limiting the scope for interest-rate relief.

The Final Word: Earnings Must Carry the Next Advance

Wall Street entered the fourth quarter with meaningful gains, but momentum alone will not determine what comes next. Seasonal patterns offer context; earnings, interest rates, and market breadth will provide the stronger test.

Our view remains constructive but selective: resilient demand supports the outlook, while higher Treasury yields raise the standard companies must meet to justify their valuations.

Eurozone Summary:

- **Stoxx 600:** Closed at 632.26, up 2.27 points, or 0.36%.
- **FTSE 100:** Closed at 10,497.54, up 35.99 points, or 0.34%.
- **DAX Index:** Closed at 25,254.21, up 23.01 points, or 0.09%.

Wall Street Summary:

- **Dow Jones Industrial Average:** closed at 51,267.90, up 90.94 points or 0.18%.
- **S&P 500:** closed at 7,773.95, up 51.23 points or 0.66%.
- **Nasdaq Composite:** closed at a record 27,477.31, up 286.49 points or 1.05%.
- **Birling Capital Puerto Rico Stock Index:** closed at 4,806.92, up 41.09 points or 0.86%.
- **Birling Capital U.S. Bank Index:** closed at 9,444.97, up 48.46 points or 0.52%
- **U.S. Treasury 10-year note:** closed at 5.31%.
- **U.S. Treasury 2-year note:** closed at 4.84%.

Eurozone indexes close

Monday, October 5, 2026

Stoxx 600	FTSE 100	DAX Index
Closing price 632.26 ▲ 2.27 points +0.36%	Closing price 10,497.54 ▲ 35.99 points +0.34%	Closing price 25,254.21 ▲ 23.01 points +0.09%

Source: Bloomberg, LSEG — Birling Capital Advisors

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Wall Street and Birling Capital indexes close

Monday, October 5, 2026

Dow Jones Industrial Average

Closing price

51,267.90

▲ 90.94 points
+0.18%

S&P 500

Closing price

7,773.95

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Nasdaq Composite

Record closing price

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Birling Capital Puerto Rico Stock Index

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Birling Capital U.S. Bank Index

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U.S. Treasury 10-year note

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U.S. Treasury 2-year note

4.84%

Source: Bloomberg, LSEG — Birling Capital Advisors

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Wall Street Recap October 5, 2026



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