

Nasdaq sets a fresh record as oil slides for a fifth day, and the Dow gives ground

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The U.S. and European stock markets drifted through a cautious Tuesday session, with gains in technology offset by weakness in blue chips as investors weighed diplomatic signals from Washington, Tehran, and Beijing. In the U.S., the Nasdaq Composite pushed to a new all-time intraday high, extending Monday's record close. The S&P 500 finished essentially unchanged, and the Dow Jones Industrial Average slipped about 185 points, or 0.4%. In Europe, markets closed mixed: the Stoxx 600 and DAX edged fractionally higher, while London's FTSE 100 gave back 0.29% as falling crude weighed on its energy-heavy lineup. The common thread on both sides of the Atlantic was oil. Crude declined for a fifth consecutive session on growing hopes that the Strait of Hormuz could soon return to normal traffic.

U.S. Markets

Wall Street spent Tuesday consolidating after Monday's surge, when the S&P 500 posted its best session since August 4, and the Nasdaq set its first closing record since June. Technology again did the heavy lifting. The Nasdaq added roughly 0.5%, led by a 7% jump in Sandisk after Rosenblatt issued a bullish call to the memory maker. The Dow lagged, weighed down by financials and insurers. The S&P 500 ended flat, balanced between the two.

The energy picture moved in the market's favor. President Trump described a roughly three-hour meeting between U.S. officials and Iran's delegation as productive, and reports circulated that Iran had offered to reopen the Strait of Hormuz within seven days, although those reports have not been independently confirmed. Saudi Arabia is also reportedly preparing to restart its East-West pipeline as early as this week. Against that backdrop, Brent crude settled down 1.09% at \$99.25 a barrel, and U.S. crude fell 1.24% to settle at \$94.59.

Still, the geopolitical message was far from settled. In his address to the United Nations General Assembly, Trump framed the choice on Iran as a decision between a negotiated deal and overwhelming military action. He also suggested that Tehran may be waiting for the outcome of the midterm elections before committing to an agreement. That ambiguity kept investors from chasing Monday's rally further.

The bond market remains the key constraint. The 10-year Treasury yield edged back up to about 4.955%, close to the 5% threshold that has repeatedly unsettled equities. Yields were rising even before last week's quarter-point Fed hike, driven by heavy federal borrowing, elevated energy prices, and sticky inflation. RBC Wealth Management's Tom Garretson cautioned that investors may be underestimating what a sustained hiking cycle means for markets. He sees a meaningful risk of at least two more Fed increases, possibly pushing the policy rate toward 5% by early 2027, which could send the 10-year above 5%.

Attention now shifts to Washington, where President Trump hosts Chinese leader Xi Jinping later this week. Artificial intelligence, the Iran conflict, tariffs, and rare earth metals are expected to lead the agenda. Treasury Secretary Scott Bessent laid the groundwork in talks with Chinese Vice Premier He Lifeng ahead of Xi's arrival.

European Markets

European equities ended Tuesday essentially flat. The region's three major benchmarks finished within a third of a percentage point of unchanged, as investors balanced cheaper energy against caution after Monday's global rally. Lower crude prices and the overnight strength in Asian technology shares, led by South Korea and Taiwan, gave continental markets a supportive backdrop. However, buyers showed little conviction ahead of this week's Trump–Xi meeting. The pan-European Stoxx 600 managed a fractional gain, and Germany's DAX was virtually unchanged. London's FTSE 100 lagged, slipping 0.29%. That fits the index's heavy weighting in energy producers, which tend to struggle when oil falls, so the market's weakness does not signal broader risk aversion.

Labor market: Firmer, not overheated

The employment backdrop continues to improve at a measured pace. According to ADP, private employers added an average of 20,000 jobs per week in the four weeks ending September 5, up from 16,750 in the prior report. That is the third straight report showing faster hiring. We read the labor market as broadly balanced.

Unemployment is steady at 4.1%, and 7.3 million job openings still exceed the 7.0 million people looking for work. That combination points to healthy labor demand without the wage-driven overheating that would complicate the Federal Reserve's task. Steady job and wage growth supports household income, which in turn supports consumer spending, the largest engine of the U.S. economy.

Energy Markets

Crude oil fell for a fifth consecutive session on Tuesday, as signs of diplomatic progress eased fears of a prolonged disruption to Persian Gulf supply. Brent crude, the global benchmark, settled 1.09% lower at \$99.25 a barrel, just below the \$100 mark. U.S. crude (WTI) fell 1.24% to settle at \$94.59.

Three developments drove the decline. First, President Trump described a roughly three-hour meeting between U.S. officials and Iran's delegation as productive. Second, reports circulated that Iran had offered to reopen the Strait of Hormuz within seven days, although those reports have not been independently confirmed. Third, Saudi Arabia is reportedly preparing to restart its East-West pipeline as early as this week, and it has already been moving additional barrels through the Strait. Together, these point to meaningful supply coming back to market.

However, the relief has not yet reached consumers. The U.S. average retail price of regular gasoline rose to \$4.455 per gallon in the week of September 14, up 48.7% from \$2.995 in early February. It has climbed for three straight weeks and sits only about 17 cents below the May peak of \$4.628. Pump prices are typically trailing crude by several weeks. If oil holds at current levels, households should begin to see modest relief at the pump into October.

The outlook remains highly sensitive to headlines. President Trump's remarks at the United Nations, where he framed the choice in Iran as a deal or overwhelming force, are a reminder that the path to lower energy prices is not assured. A verified reopening of Hormuz would likely push Brent decisively below \$100 and ease inflation expectations further.

Economic & Policy Outlook

The bond market is following oil lower. The 10-year Treasury yield eased to about 4.95%, and much of the move appears to come from falling inflation expectations. Market-implied 10-year breakevens in the TIPS market have declined roughly 5 to 10 basis points (0.05% to 0.10%) over the past week. In our view, this also suggests the Federal Reserve's recent rate hike and its insistence on price stability are rebuilding its inflation-fighting credibility.

If expectations stay anchored, long-term yields should face less upward pressure. That matters for mortgage rates, corporate borrowing costs, and equity valuations. The risk is that a renewed spike in energy prices could quickly reverse this progress. Morgan Stanley has warned that the S&P 500 could fall as much as 7% if energy prices climb further and the 10-year yield stays near 5%.

The Final Word

Tuesday's split session carried an important message. The market is not rallying on everything. It is rewarding earnings momentum in semiconductors and AI infrastructure and penalizing balance-sheet surprises in financials, which is a healthier dynamic than indiscriminate buying. The macro backdrop has also improved marginally. Oil is lower, inflation expectations are easing, and the labor market is firm without overheating. The two variables to watch this week are the Trump–Xi meeting and whether crude holds below \$100. If both cooperate, the case for equities broadening beyond technology gets stronger. If either falter, yields near 5% leave little margin for error. Investors should stay disciplined, favor quality, and let the data lead.

Economic Update:

- **US Retail Gas Price:** rose to \$4.455, up from \$4.295 last week, an increase of 3.73%.

Eurozone Summary:

- **Stoxx 600:** closed at 642.78, up 0.85 points or 0.13%.
- **FTSE 100:** closed at 10,708.33, down 30.68 points or 0.29%.
- **DAX Index:** closed at 25,578.85, up 3.84 points or 0.02%.

Wall Street Summary:

- **Dow Jones Industrial Average:** closed at 51,863.69, down 185.14 points or 0.36%.
- **S&P 500:** closed at 7,764.64, down 0.06 points or 0.00%.
- **Nasdaq Composite:** closed at a record 27,244.27, up 122.18 points or 0.45%.
- **Birling Capital Puerto Rico Stock Index:** closed at 4,898.18, down 1.99 points or 0.04%.
- **Birling Capital U.S. Bank Index:** closed at 10,086.86, up 126.96 points or 1.27%.
- **U.S. Treasury 10-year note:** closed at 4.96%.
- **U.S. Treasury 2-year note:** closed at 4.71%

U.S. Retail Gasoline Price Up Nearly 49% Since February

Weekly regular gasoline, all formulations, January 5 - September 14, 2026

▲ **+48.7%**

Since February 2, 2026

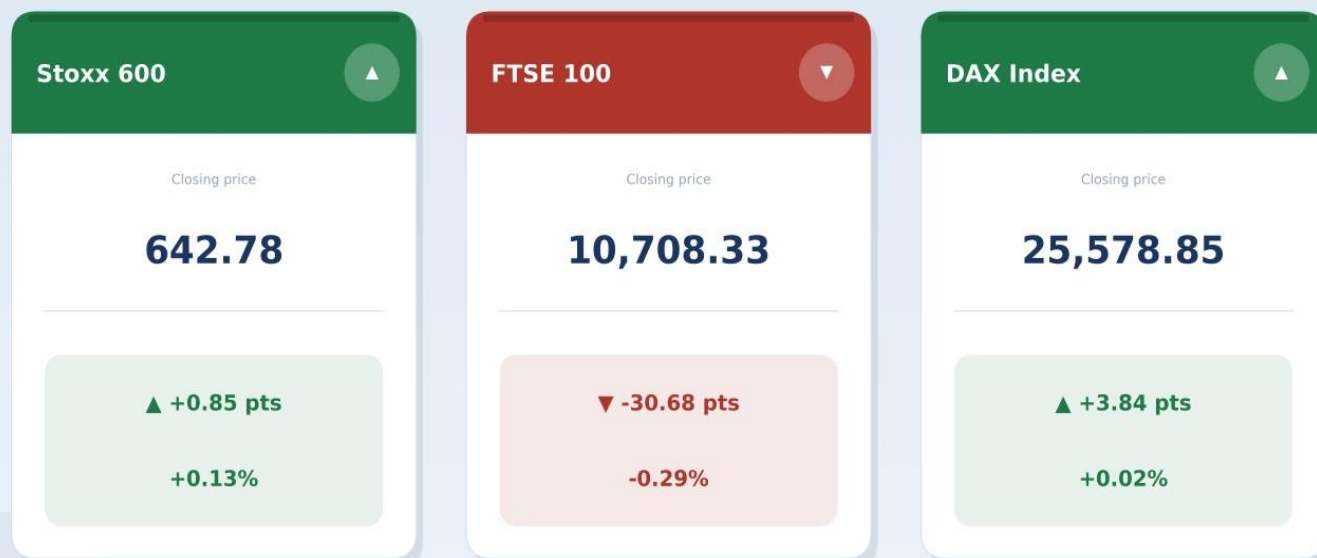


Source: U.S. Energy Information Administration — Birling Capital Advisors

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Eurozone indexes close

Tuesday, September 22, 2026



Source: Bloomberg, LSEG — Birling Capital Advisors

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Wall Street and Birling Capital indexes close

Tuesday, September 22, 2026



Source: Bloomberg, LSEG — Birling Capital Advisors

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Wall Street Recap

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