

Global Cross-Asset Tape

THE TAPE IS WAITING FOR THREE EVENTS: THE FED ON WEDNESDAY, THE ECB AND Q3 GDP ON THURSDAY, AND THE BIG TECH CAPEX PRINTS IN BETWEEN. THE 10-YEAR HOLDS AT 5.00%, THE S&P IS 1.8% UNDER ITS RECORD, AND DECEMBER BRENT AT \$115.81 IS THE PRICE EVERY ONE OF THEM HAS TO LIVE WITH.

US RATES — 26 OCT CLOSE; CHG DAY / WEEK

ASSET	LAST	CHG
UST 2y	4.68%	-1bp / -9bp
UST 5y	4.84%	+2bp / -10bp
UST 10y	5.00%	0bp / -15bp
UST 30y	5.31%	-2bp / -17bp
10y real / BE	2.66% / 2.34%	real 23 Oct; BE 26 Oct

US EQUITIES, VOL, CREDIT — DAY / WEEK

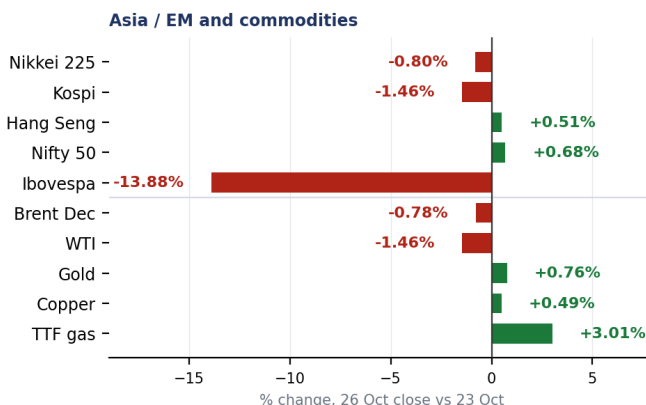
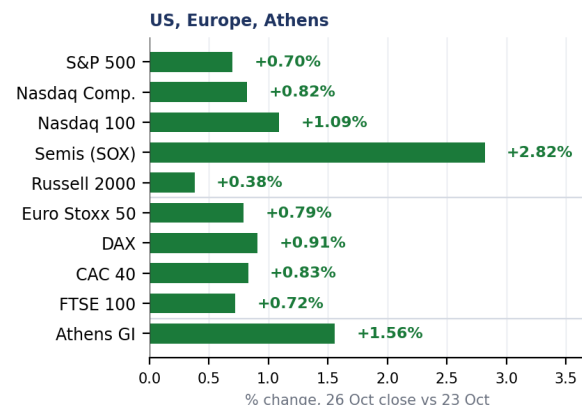
ASSET	LAST	CHG
S&P 500	7,676.77	+0.70% / -0.18%
Nasdaq Comp.	26,169.38	+0.82% / -0.99%
Nasdaq 100 / Russell 2000	29,273 / 2,786	+1.1% / +0.4% (day)
VIX	18.39	-1.06 / -0.05
HY / IG OAS	338 / 91bp	23 Oct; +9 / +4bp vs 19 Oct

EUROPE, ATHENS, ASIA, BRAZIL — DAY / WEEK

ASSET	LAST	CHG
Euro Stoxx 50	6,116.23	+0.79% / -0.47%
Athens GI	2,569.82	+1.56% / -1.29%
Nikkei 225 (27 Oct)	63,124	+1.5% intraday
Kospi (27 Oct)	5,650	+3.3% intraday
Ibovespa	176,608	-13.88% (day)

COMMODITIES & FX — DAY / WEEK

ASSET	LAST	CHG
Brent Dec (ICE)	\$115.81	-0.78% / +5.7%
Brent cal-27 strip / 12th	\$96.37 / \$88.16	26 Oct; front-12th \$27.65
WTI / TTF	\$101.76 / €96.68	-1.5% / +3.0% (day)
Gold (Dec fut.)	\$4,038.4	+0.76% / -2.93%
EUR/USD / USD/JPY	1.1169 / 157.71	27 Oct early; -0.4% / +0.6%



Monday 26 Oct session moves, completed closes vs the 23 Oct close. Brent is the December contract (ICE settlement \$115.81 vs \$116.72); the vendor front-month rolled to January on 27 Oct (\$109.84-109.93), which is the next contract after the roll and not a decline. Asia 27 Oct is intraday and not charted. Source: Delphic markets-radar store, yfinance daily bars, house Brent series.

Read. A Monday of relief with the Fed, Big Tech and oil all still ahead. The S&P gained **0.70% to 7,676.77** and the Nasdaq Composite **0.82% to 26,169.38**, recovering the 22-23 October drop; semiconductors rose **2.8%** (Philadelphia index 11,083) but are still **12.2% lower** in October, and the Nasdaq 100 is **-0.9%** on the week while the Russell 2000 is **+2.1%**. VIX **18.39**. The 10-year closed at **5.00%** on the official par curve (4.98% on the market print), unchanged on the day and **15bp lower** than 19 October after Thursday's **17bp** fall, the biggest one-day drop in almost four years (CNBC); the 30-year is **5.31%** and 2s30s **63bp**. Europe added **0.8-0.9%** (Euro Stoxx 50 **6,116.23**, DAX **25,410.84**) and Athens **+1.56% to 2,569.82**, its first rise after two lower closes. The dollar firmed overnight (DXY **102.08**, EUR/USD **1.1169**, USD/JPY **157.71**) and gold fell to **\$4,038.4**, **2.9%** lower on the week. **Oil: the number to use is the December contract.** Brent December settled **\$115.81 (-0.78%)** after **\$116.72** on Friday, the highest close since 29 April, and is **5.7% higher** on the week. The January contract that vendors now show as front-month, **\$109.84-109.93**, is a different delivery month, not a fall; the gap between the two, and the **\$27.65** spread to the 12th contract (**\$88.16**), is the shape of a market paying for prompt barrels. European gas followed: TTF **€96.68/MWh**, up **3.0%** on the day, the highest since late 2022. **Tactical read:** the bounce is a relief, not a trend. The S&P sits below its 20-day (7,727) and 50-day (7,697) and above the 100-day (7,605); nothing is added into a negative tactical read, and nothing is sold in a market with the Fed, ECB and three hyperscaler prints inside four sessions. Own the 2-year, hold the 30-year receiver, keep the equity overweight, and do not buy gold on this dollar and this real yield (**2.66%** on 23 October).

Session Read

Four threads: a US rally led by chips and by the AI funding news (Anthropic's listing filing, Meta's equity raise); a Europe that followed while Brazil broke; Athens' first up-close after a banking selloff, with the sovereign affirmed; and an Asia that opens higher on the same AI bid while oil waits on Tehran.

United States — chips rebound, the funding chain is the story

The rally was narrow in leadership and broad in participation. Technology, consumer discretionary and industrials led; communications, staples and health care, which had been at 52-week highs, gave a little back (Hammerstone Markets). Nvidia rose **2.4%**, Tesla **5.2%**, the Dow **0.28% to 52,361.58** and the Russell 2000 **0.38%**. **The headlines were about who pays for AI.** Anthropic filed publicly for a Nasdaq listing under the ticker ANT (press reports; TradingKey); Meta announced an underwritten equity sale of about **\$35bn** (\$22.5bn common, \$12.5bn mandatory convertible preferred) with a further roughly \$60bn at-the-market programme to follow, about **\$95bn** in all, and fell **1.9%**; SpaceX agreed about **\$40bn** of GPU lease financing with Apollo-managed entities (TradingKey). Elon Musk's warning of "guppy-level death and consolidation" among neoclouds without non-AI revenue kept CoreWeave volatile (-5.5% intraday, closing +1.8%). **Applying the house AI view:** the earnings engine is confirmed and the avoid list is the debt-financed tail. A **\$95bn** equity programme from a core hyperscaler is the opposite of a debt-financed tail; it moves the cost of the build onto shareholders, which is the funding-chain risk the house credit tripwires were built to watch (T1 primary accident armed, T2 spread derivative firing in the tail). **Rates and the Fed:** the 2-year auction (**\$69bn**) cleared 0.3bp above the when-issued level, the 10-year is **5.00%** and the Fed decision is Wednesday. Futures price a hold (CME FedWatch about 88% per press) and about an **80%** chance of a December hike (Reuters). That is the house path, one more 25bp in December, with October at **25%** in the house against a market about 88% for a hold.

Europe and Athens — Europe followed, Brazil broke, Athens bounced

Europe rose on the Wall Street lead and lower oil. The STOXX 600 closed **+0.77%** (640.66), Euro Stoxx 50 **+0.79%**, DAX **+0.91%**, CAC 40 **+0.83%**, FTSE 100 **+0.72%**; the euro-area rally was a relief on the 22-23 October bank drawdown rather than a re-rating, and the Euro Stoxx 50 is still **0.5%** lower on the week. **Brazil is the exogenous shock.** Lula's re-election over Flávio Bolsonaro closed Brazil's exchange on a circuit breaker; the Ibovespa fell **13.88% to 176,608** and the real plunged (Reuters), with the MSCI emerging markets index down **0.96%** and Asia-Pacific ex-Japan **0.15%**. Spanish names with large Brazilian profits (Santander, Telefónica) fell sharply in Madrid, yet the IBEX closed **+0.23%**: the contagion is a stock-specific hit, not a euro-area bank signal. The house holds Brazil at neutral; one day of a 14% fall is a fiscal-risk re-pricing, not a basis to chase either way. **Athens rose 1.56% to 2,569.82** after the 22-23 October drop of **-4.3%** over two sessions (2,643.62 to 2,530.46); S&P affirmed Greece at **BBB, stable** after the 23 October close (GreekReporter; ATHEX tactical). Greek bank closes for 26 October are not on our feed and none is quoted. The index sits **0.5% under its 100-day (2,582)**, with the 20-day (2,618) and 50-day (2,650) overhead: tactical negative, book held. Athens is closed on Wednesday 28 October for the national holiday and reopens into the ECB on Thursday; the systemic banks' Q3 prints start on 30 October. **The ECB path holds:** deposit rate 2.50%, 29 October live but not modal, 2.75% in December; markets price a hold on Thursday and a December move (Reuters/LSEG).

Asia / EM — chips lead the open; Korea hits the sidecar

Monday in Asia was soft; Tuesday opens on the AI bid. On 26 October the Nikkei fell **0.80% to 62,189.65** and the Kospi **1.46% to 5,469.47**; the Hang Seng rose **0.51%** and the Nifty **0.68%**. This morning, intraday and not closes: the Nikkei is about **+1.5% at 63,124**, with AP reporting Advantest up **8.8%**; the Kospi is about **+3.3% at 5,650**, SK Hynix **+7%** and Samsung **+4.8%**, with the Korea Exchange pausing programme buying on a sidecar (AP; press reports); the Hang Seng is **-0.6%** and the ASX 200 **+0.5%**. US index futures are flat to lower (S&P Dec **-0.07%**, Nasdaq 100 **-0.37%** against the 26 October settlements). The yen leg stays the cost in the house Japan overweight: USD/JPY **157.71** against a house year-end of 152. The Bank of Japan decides on Friday 30 October. The Kospi and Nikkei moves are a semiconductor-supply story; the house keeps Korea at a half-unit and Taiwan small because they are one AI-semis risk.

Regime & Technical Radar

The house regime, a tightening-dominant late cycle with an energy cost shock, is **CONFIRMED** on the tape, not changed: the long end rallied through the CPI week on real yields, oil kept rising, and the equity tactical read is negative while the strategic call stays overweight.

MARKET REGIME		TECHNICAL RADAR	
Archetype	Tightening-dominant late cycle with an energy cost shock; NOT Goldilocks, NOT a demand crack (house, 21 Oct)	S&P 500	7,676.77 — below the 20-day (7,727) and 50-day (7,697), above the 100-day (7,605); tactical NEGATIVE , add signal off
Monetary / Liquidity	Real 10y 2.66% (23 Oct) from 2.77% (20 Oct); 10y 5.00%, 15bp under 19 Oct	the record	7,818.93 (6 Oct close), 1.8% away; a close over the 50-day (0.3% above spot) returns the read to neutral
Growth	Copper \$6.51, -0.5% on the week; global manufacturing PMI 53.0 (house)	Athens GI	2,569.82 — under the 20-day (2,618), 50-day (2,650) and 100-day (2,582); 200-day 2,412; tactical NEGATIVE , book held
Inflation	Breakeven 2.34%, 5y5y 2.21% (26 Oct) while Brent December is +5.7% on the week — oil is not in the curve	next line	A close back over the 100-day (2,582) is the first repair; under it the 200-day (2,412) is the line
Risk / Stress	VIX 18.39; HY 338bp and IG 91bp (23 Oct), wider than 329 / 87bp on 19 Oct		

Read. The week tests the weeklies; the first day does not change them. The late-cycle read is refuted by a long end that keeps falling while earnings turn down. Today the long end is lower and the AI complex is the funding source, as on 22 October; nothing on 26 October contradicts it. New York needs 0.3% to return to neutral; Athens needs the 100-day back.

Theme of the Day

THE AI BUILD HAS MOVED FROM THE BOND MARKET TO THE EQUITY MARKET: \$95BN FROM META, \$40BN OF GPU LEASES FROM SPACEX, AND AN ANTHROPIC LISTING ALL LANDED ON MONDAY, BEFORE THE FED AND THREE CAPEX PRINTS.

Capex is the test, and this week the market gets three answers and a bill. Microsoft and Alphabet report after the close on Wednesday, Amazon on Thursday (company schedules per press previews). The house carries 2027 hyperscaler capex at a **~\$820bn** base until these prints, with **~\$1.2tn** as the named upside case; no hyperscaler has guided 2027 yet. **The funding side moved first.** Meta's **\$35bn** underwritten equity sale plus a roughly **\$60bn** at-the-market programme (TradingKey; Investrade) puts a core hyperscaler's build on shareholders, not bondholders, and the stock fell **1.9%**; SpaceX's **\$40bn** GPU lease line and Anthropic's public listing filing add supply of AI paper in the same week. **What the house reads:** the earnings engine is intact (Micron 30 Sep, ASML 14 Oct) and the stress is in how the build is financed. Equity issuance by the core is the benign form of that stress; the tail (CoreWeave and the neocloud tier) is where credit breaks, and the T2 spread derivative is still firing there. **Oil is the second input, and it can overrule the first.** Applying the **Forever War premium:** December Brent at **\$115.81** against a house base of about \$84 plus the Hormuz premium is the premium in plain view, and the calendar-2027 strip at **\$96.37** is above the ECB adverse-case line (~\$92) that decides the ECB's terminal rate. Applying **Trump Optionality:** CNN reports US forces could launch a major operation within 96 hours of an order, with the order judged more likely after the 3 November midterms; Washington keeps both exits open. **Hormuz as re-marked this morning (D241):** Strait monitor Phase 2 held, base 37 / bear 48 / bull 15; five-way DEAL 15 / STRIKE 31 / SIEGE 37 / SALVO 9 / PROXY 8, resolution probability 24; strike risk about 12 before 3 November and about 19 after.

Cross-asset implications

- Rates — overweight the 2-year, hold the 30-year receiver, no curve trade.** The 2-year is **4.68%**; the Fed path (one more 25bp in December, then 4.25% through 2027) is the house and the September FOMC median. 2s30s is **63bp**; the steepener stopped out on 20 October.
- Equities — overweight, conviction 2; AI silicon and earnings compounders over bond proxies.** Own NVDA, TSM, MU, GOOGL; avoid the debt-financed froth; underweight ORCL.
- Credit and inflation — HY underweight, IG neutral for carry, TIPS overweight.** HY **338bp** (23 Oct) is 9bp wider than 19 October; the breakeven at **2.34%** still under-prices the Persistence Wedge and Brent December at \$115.81.
- FX and gold — USD underweight strategically, spot against us.** EUR/USD **1.1169** and USD/JPY **157.71** sit away from the house year-end (1.15 / 152); the re-score test (Sep-27 strip still 3+ hikes AND US-German 2-year gap at or above 178bp) is read at the 29 Oct ECB. Gold stays underweight: **\$4,038.4** on a real yield of 2.66%.

Catalyst Watch

TUESDAY 27 OCTOBER

- **Israel votes today** (120 Knesset seats; results from tonight, official confirmation 4 November). Defence minister Katz says there is "absolutely no intention" of striking Iran before the vote (D241 AM, citing Gulf News).
- **FOMC meeting opens** (decision Wednesday). US data: durable goods (September), Conference Board consumer confidence (October), new home sales and Case-Shiller (Vanderbilt Report; times not listed).
- **Earnings** — before the open: Coca-Cola, Boeing, UPS (also Novartis, HSBC in Europe); after the close: Visa, Robinhood, Seagate, NXP, Enphase.
- **Tehran** — a US reply to the Pakistani compromise text (four possible guarantors: Saudi Arabia, Pakistan, Turkey, Qatar, per Reuters) would move DEAL; silence through the vote leaves the strike path its weight.

THIS WEEK AND THE RUN TO THE MIDTERMS

- **Wed 28 Oct** — **FOMC 14:00 ET**, Chair Warsh press conference 14:30; **Alphabet and Microsoft after the close**; Bank of Canada; UK Budget. **Athens closed** (national holiday).
- **Thu 29 Oct** — **ECB 14:15 CET** (house: hold, 2.75% in December); **Q3 GDP advance and September PCE** 08:30 ET (press consensus GDP 3.2% saar, core PCE 3.1% y/y; house core PCE 3.1% for December y/y); **Amazon**, Intel, Coinbase after the close.
- **Fri 30 Oct** — **Bank of Japan**; US Employment Cost Index (Q3); euro-area Q3 flash GDP and October inflation for France, Germany, Spain and Italy; Exxon, Chevron. **ECB oil-strip test read at the close**: October average \$92.60 over 18 sessions against the ~\$92 line (calendar-2027 strip \$96.37 on 26 Oct); the last four sessions need about \$89.3, a roughly 7% fall, to pull it below. In effect triggered; the bear branch is a 3.25-3.50% terminal. Greek systemic bank Q3 prints from 30 October.
- **Sun 1 Nov** — OPEC+ meets (it held November output at 31.01 mb/d on 4 October; a hold again is our inference, not a reported expectation). **Tue 3 Nov** — US midterms; France PLF revenue vote (house timing gate for the OAT call). **Fri 6 Nov** — Fitch on Greece.

Risks to the Call

- **Oil breaks higher.** A US order after the vote, a laden-tanker sinking (none in 241 days) or the Houthi campaign reaching Yanbu pushes December Brent and TTF through their highs and the ECB to its bear branch; Iran's armed-forces chief declared the Strait "completely closed" to non-compliant ships on 26 October while the US-run corridor keeps moving.
- **A hawkish Fed.** Bank of America expects a quarter-point hike on Wednesday (press reports); the house puts October at 25%. A hike or a December guide above one move re-opens the 5% 10-year and removes the 2-year carry cushion.
- **The AI funding chain.** A guide-down on 2027 capex on Wednesday or Thursday, or a neocloud spread break, turns the funding story into a demand story; breadth and semis (-12.2% in October) are already soft.
- **Brazil and EM.** A 14% one-day fall and a plunging real can reach EM credit and bank earnings; MSCI EM fell 0.96% on the day.

Synthesis

THE CALL — hold the house book into the week. Own the 2-year, hold the receiver, equities overweight at conviction 2 with the tactical read negative and nothing added, HY underweight, USD underweight with spot against us. The inputs are three: the Fed, the capex prints and December Brent.

The information of the session is who funds the build. Anthropic's filing, Meta's \$95bn equity plan and SpaceX's \$40bn lease line moved the cost of AI from the credit market to the equity market in a single day, and the S&P still rose 0.70%. **On rates:** a 10-year at 5.00% and a 2-year at 4.68% price a Fed that hikes once more; the house path is one more 25bp in December, then 4.25% through 2027; October stays at 25%. **On equities:** overweight, conviction 2 the tactical read is negative until the 50-day (7,697) is regained, and the capex prints decide the next leg. **On Europe:** the ECB holds on Thursday on the house path (2.75% in December, 3.00% by March); the strip test reads on 30 October and, with the October average at \$92.60 against the ~\$92 line, the bear branch (3.25-3.50%) is the case to price, not the exception. France is the value call, timed to the 3 November PLF vote. **On Greece:** overweight, the sovereign affirmed BBB stable, a tactical negative on three lost lines; Athens reopens on Thursday into the ECB and the first bank print. **On oil, FX and credit:** Brent December at \$115.81 with a calendar-2027 strip at \$96.37 is the Forever War premium on display and the ECB's bear-branch trigger; Hormuz Phase 2 is held (base 37 / bear 48 / bull 15; DEAL 15 / STRIKE 31 / SIEGE 37 / SALVO 9 / PROXY 8; resolution probability 24) with the decision after 3 November. USD underweight with the re-score read at the 29 October ECB; HY underweight, IG for carry. **Radar cross-check:** late cycle, CONFIRMED. Recession odds 15%, growth 2.4% / 1.8% — held.