Eagle Strategies LLC

EAGLE FOCUS

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MARKET PERFORMANCE RECAP

WEEK ENDING
October 30, 2026

INDEX	LAST FRIDAY'S CLOSE	% CHANGE YTD
S&P 500	7580.07	10.73%
Dow Jones Industrial Average	51770.31	7.71%
Nasdaq Composite	25437.0	9.44%
S&P MidCap 400	3662.22	10.8%
Russell 2000	2817.95	13.29%

Real GDP grew at a robust 3.4% annualized rate in Q3, exceeding expectations and accelerating from 2.2% in Q2. Growth was fueled by strong domestic demand, with final sales to domestic purchasers surging 5.0%, their fastest pace since the post-pandemic reopening. The Federal Reserve's preferred measure of demand, final sales to private domestic purchasers, rose 4.9%, highlighting solid underlying economic momentum. Through the first three quarters of 2026, GDP has expanded at a 2.7% annual rate. (Source: Haver Analytics)

The Federal Reserve kept interest rates unchanged, signaling a wait-and-see approach as policymakers assess whether further tightening is needed to bring inflation back to target. Two officials, Beth Hammack and Lisa Cook, dissented in favor of a 25-basis-point rate hike, strengthening market expectations for a December increase. Chair Kevin Warsh reiterated the Fed's commitment to its 2% inflation goal, while noting the central bank will reduce its annual meeting schedule beginning in 2027. (Source: Semafor)

Consumer spending increased 0.5% in September, but much of the gain reflected higher prices, particularly for gasoline, travel, and home heating as energy costs climbed. While spending on discretionary items such as restaurants and hotels remained solid, personal income and wages rose just 0.2%, trailing inflation. The data suggest consumers are still spending, but rising energy costs remain a key risk to the otherwise resilient U.S. economy. (Source: MarketWatch)

U.S. debt held by the public reached 100.0% of GDP in fiscal 2026, marking the first time the debt burden has hit triple digits since 1946. Publicly held federal debt totaled $32.2 trillion at the end of September, up from 99.4% of GDP a year earlier, though slightly below earlier budget projections. The milestone underscores the nation's steadily rising debt load, which is approaching the post-World War II record of 106% of GDP. (Source: Wall Street Journal)

Higher mortgage rates and growing economic uncertainty are weighing on the housing market, leading to softer home prices and slower sales activity. According to Redfin, the median U.S. home sale price declined 0.1% year over year in late October, marking the first annual drop in more than three years. Meanwhile, elevated borrowing costs have pushed monthly mortgage payments near record highs, and pending home sales fell to their lowest level in 25 years, highlighting the ongoing slowdown in housing demand. (Source: CNBC)

New unemployment claims fell by 6,000 to 194,000, remaining at or below 200,000 for six consecutive weeks and highlighting the strength of the labor market. Continuing claims rose modestly by 25,000 to 1.728 million but remained historically low. The data suggest layoffs are still limited, supported by strong domestic demand, healthy corporate profits, and a tighter labor supply, while showing little impact from higher energy prices on employment. (Source: Reuters)

Over the past three months, advisor recruiting activity has been led by employee firms, which attracted 15 teams managing at least $33.2 billion in assets, according to Winthrop & Co.. Between July 23 and Oct. 22, 38 advisor teams with more than $1 billion in assets changed firms, representing at least $78 billion in client assets. (Source: Wealth Management)

While 83% of workers expect workplace retirement plans to provide retirement income, only 45% of retirees say they currently rely on them. Many retirees roll 401(k) assets into IRAs, which may explain part of the gap. Among Vanguard participants age 65 and older, the median 401(k) balance is about $103,000, enough to generate roughly $4,100 annually under the 4% withdrawal rule, making it more of a supplement than a primary income source. (Source: Yahoo Finance)

Trend-following hedge funds posted their worst weekly performance in two years as volatility surged across stocks and bonds amid growing concerns over the returns from heavy AI spending.

The Nasdaq 100 fell 5.5%, led in part by a 10% drop in Meta shares after the company signaled higher capital spending on AI. According to Goldman Sachs, systematic hedge funds lost 2% for the week, while investors pulled back from equities, contributing to roughly $20 billion in tech stock selling over the past two weeks. (Source: Reuters)

Inflation accelerated in September, with the Fed's preferred PCE price index rising 0.5% for the month and 3.6% from a year earlier. Core PCE, which excludes food and energy, increased 0.3% monthly and 3.1% annually, highlighting persistent underlying inflation pressures even as economic growth remained stronger than expected. (Source: CNBC)

Private-equity firms are rushing to extend or refinance debt ahead of a roughly $300 billion maturity wall coming due in 2028 and 2029. Higher interest rates have made refinancing more costly, raising default risks for heavily indebted portfolio companies, particularly software firms facing growing competition from AI-focused rivals. Firms that fail to secure extensions could see lenders take control of their businesses and wipe out equity investments. (Source: Wall Street Journal)

The New York Stock Exchange is set to launch binary return options, a new all-or-nothing contract that lets investors wager on whether a stock or ETF will finish above or below a specified price. The move comes amid strong growth in options and event-driven trading, as investors seek more targeted ways to express market views and manage risk. Initial contracts will cover securities and the SPDR S&P 500 ETF Trust, while the exchange is also awaiting approval for options tied to corporate earnings metrics. (Source: Reuters)

According to Preply's Progress Report, 92% of Gen Z respondents use AI, the highest of any generation, yet 71% say they feel busy learning without making real progress. The report suggests that while AI can improve efficiency, it may not always build lasting skills. Still, learners aren't rejecting the technology, with 90% saying they want AI to support their learning rather than lead it. (Source: Axios)

The phrase "spitting image" has roots that stretch back more than 400 years. In the late 1500s, people described a child who strongly resembled a parent as having been "spit out of their mouth," a colorful way of emphasizing an exact likeness. Over time, the expression evolved from "the spit of" someone to "spit and image," then "spitten image," before finally becoming "spitting image" by the late 1800s. (Source: Word Smarts)

On November 2, Howard Hughes piloted the gigantic Hughes Flying Boat, better known as the "Spruce Goose," on its first and only flight. Built largely from wood due to wartime material restrictions, the aircraft was the largest airplane ever constructed at the time, with a wingspan longer than a football field and a design capacity of more than 700 troops. The flight capped the aviation achievements of Hughes, who had already set transcontinental and around-the-world speed records in the 1930s. (Source: History.com)

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