# Ivinskas Daily Brief

Tuesday, October 27, 2026 | Cards · BNPL · Fintech

| 4.74% | ~91% | 73% | $21.3B |
|---|---|---|---|
| 2-YR TREASURY | FED HOLD ODDS | DEC. HIKE ODDS | HOLIDAY BNPL (ADOBE) |
| +2.4 bp pre-open | decision Wed 2pm ET | vs 42% a month ago | Nov-Dec online, +6.6% |

**TOP LINE** The Fed's two-day meeting starts today, with futures pricing a ~91% chance of a hold tomorrow but a 73% chance of a hike in December (up from 42% a month ago). That would mean higher funding costs for card lenders. Ten minutes into trading, semis lead again (SOXX +2.4%), Affirm is up 2.2% and Citi 1.4%. In cards, Citi is refreshing its American Airlines co-brand with a $150 fee, and New Jersey has introduced a BNPL licensing bill. Visa reports after today's close.

## Market recap as of 7:40 AM MT, Oct 27 (10 min after the open)

**EQUITIES**

| | | |
|---|---|---|
| S&P 500 (Mon close) | 7,676.77 | — |
| Nasdaq (Mon close) | 26,169.38 | — |
| QQQ | $717.85 | +0.79% |
| Dow (DIA) | $522.82 | -0.03% |
| Russell 2000 (IWM) | $277.97 | +0.35% |
| Semis (SOXX) | $503.84 | +2.44% |
| VIX | 17.90 | -2.66% |

**RATES & ALTERNATIVES**

| | | |
|---|---|---|
| 2-yr Treasury | 4.74% | +2.4 bp |
| 10-yr Treasury | 5.00% | +0.9 bp |
| TLT (20+ yr) | $81.58 | -0.12% |
| SGOV (T-bills) | $100.69 | +0.02% |
| Gold (GLD) | $369.51 | +0.46% |
| Bitcoin | $80,178 | +0.36% |

**BANKS & CARD**

| | | |
|---|---|---|
| JPMorgan (JPM) | $335.01 | +0.29% |
| Regional (KRE) | $72.45 | -0.38% |
| Synchrony (SYF) | $74.69 | -0.19% |
| BFH | $102.58 | +0.85% |
| Capital One | $201.86 | -0.24% |
| Amex (AXP) | $314.20 | -0.27% |
| Citi (C) | $122.76 | +1.42% |
| Affirm (AFRM) | $71.00 | +2.17% |
| Block (XYZ) | $74.59 | +0.05% |
| PayPal (PYPL) | $55.29 | +0.55% |
| Klarna (KLAR) | $12.60 | -0.16% |

*The S&P 500 and Nasdaq indices show Monday's close because the delayed index feed had not updated yet. QQQ and DIA give today's direction. VIX and the 10-yr are as of 7:24 AM MT. 2-yr is the pre-open level (Kiplinger live blog, CME/Treasury data). Bitcoin change is vs 24h. Source: Interactive Brokers unless noted.*

## Co-brand / private label

### Citi / American Airlines

Citi is refreshing the Citi / AAdvantage Platinum Select and Business cards, effective **Jan 24, 2027**. The annual fee rises from **$99 to $150**, with the $0 first-year fee kept. New earn: 3x on AAdvantage Hotels & Cars, plus 2x on streaming and rides/rail for Platinum Select, or a chosen business category for the Business card. Both get up to $100/yr in inflight credits (replacing the 25% discount) and a Global Entry/TSA PreCheck credit. Platinum Select also adds Walmart+, and both add new travel protections. It's another mid-tier co-brand moving to a higher fee with more credits, the same pattern as the premium tier.

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## BNPL & installments

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|---|---|
| **Klarna** | Monness, Crespi, Hardt started coverage at **Buy, with a $20 target** (stock ~$12.81) on Oct 26. The firm sees margin conversion rising from ~18% in FY26 to 31% in FY28, and FY27/28 adjusted operating income 6-8.5% above consensus. It calls KLAR cheap at a PEG of 0.14 vs Affirm's 0.52. |
| **Affirm holiday push** | In an Oct 26 commentary, Affirm cited Adobe's forecast of **$21.3B** in US online BNPL spend for Nov-Dec (+6.6% YoY). It put 30+ day delinquencies at 2.7% of monthly installment balances, and said 96% of transactions come from repeat users. It is positioning Pay in 4 (0% APR) directly against holiday card balances. |
| **New Jersey bill** | Assemblyman Onyema introduced A5664 (Oct 26). It would require a state license for BNPL lenders, cap fees and interest rates, and require clearer disclosures, responsible-lending standards and dispute procedures. It's another state moving toward New York-style BNPL regulation, a day after our deep dive on the EU's CCD2. |

## Banking

| | |
|---|---|
| **Fed meeting begins** | The FOMC meets today and tomorrow, with the decision at 2pm ET Wednesday. Markets price a ~91% chance of a hold at 3.75-4.00%, but a **73% chance of a December hike**, up from 42% a month ago. The 2-yr is 4.74% and the 10-yr ~5.00% before the open. Higher-for-longer keeps deposit and ABS costs elevated for card and installment lenders. |
| **Bank M&A** | HomeTrust Bancshares agreed on Oct 26 to acquire Virginia's Blue Ridge Bankshares for about **$448M**. That adds to a busy October for community-bank deals, with regulators speeding up merger reviews. |
| **Regional Q3 results** | Q3 results kept coming on Oct 26 from C&F Financial, Five Star Bancorp and Capital Bancorp (CBNK). CBNK, which runs a credit-card business through OpenSky, reported strong revenue growth and positive operating leverage. |

## Week ahead

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|---|---|
| **Tue Oct 27** | Visa fiscal Q4 results after the close. They're the first read on US card spend heading into the holidays. |
| **Wed Oct 28** | The Fed decision is at 2pm ET, with Chair commentary on the December path. |
| **Thu Oct 29** | Q3 GDP and September PCE (expected 3.7% YoY headline). Mastercard also reports this week. |

**Sources:** The Points Guy: Citi / AAdvantage refresh (Oct 27) · Investing.com: Monness initiates Klarna (Oct 26) · Affirm: holiday credit (Oct 26) · New Jersey Globe: BNPL bill (Oct 26) · Kiplinger: Fed meeting live (Oct 27) · GuruFocus: HomeTrust / Blue Ridge (Oct 26) · GlobeNewswire: CBNK Q3 · Visa: Q4 results date

Compiled automatically from public sources. Grey italic text is dated background, not new news. Check figures against the original filings before relying on them.