Morning Interest

Your morning track through cards, credit and capital

Saturday, October 31, 2026 | Cards · BNPL · Fintech

CURATED BY
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TOP 3 if you read nothing else

1. Stocks closed October with a steep sell-off on Friday: the S&P 500 fell 1.8% and the Nasdaq 2.9% as Amazon, Alphabet and Intel results revived worries about AI spending, leaving the Nasdaq down about 5% for the month.[1][2]
2. St. Louis Fed President Musalem said "additional firming of monetary policy will be necessary, and soon," adding to market bets on a December hike from the current 3.75%-4.00% range.[3]
3. Card and consumer-lending stocks fell harder than banks overall on Friday, with OneMain and Atlanticus down nearly 5% and Citi, Capital One and Synchrony down 2-3%.[1]

MARKET OPEN US markets are closed for the weekend; these are Friday's closing moves. The S&P 500 fell 1.8% to 7,580 and the Nasdaq 2.9% to 25,437, with chips (SOXX) down 7.7% after Intel's outlook sent its shares down about 30%. The VIX rose 13% to 19.4, while the 2-yr Treasury yield fell to 4.56% and the 10-yr to about 4.93%. Gold fell about 3% to a one-year low.

-1.8%	-5.2%	4.56%	3.75-4.00%
S&P 500, FRIDAY	NASDAQ IN OCTOBER	2-YR TREASURY	FED FUNDS RANGE
Nasdaq -2.9%	worst month since Mar 2025	Oct 30 close, -5 bp	Dec 8-9 hike expected

TOP LINE A tech-led sell-off closed out October, with the Nasdaq down about 5% for the month. A Fed official said rate hikes are needed soon, and card lenders lagged banks on Friday. Visa and Mastercard's plan to drop the honor-all-cards rule is drawing doubts that merchants will actually turn premium cards away.

BANKING

Fed: hikes "soon"

St. Louis Fed President Alberto Musalem told the Shadow Open Market Committee on Oct 30: "I judge that additional firming of monetary policy will be necessary, and soon." The Fed held at **3.75%-4.00%** this week after raising in September, with two members dissenting for a hike; markets expect a move at the **Dec 8-9** meeting.[3]

Card lenders lag

In Friday's sell-off, bank ETFs fell about 1% (KBE -1.1%, KRE -1.2%), but consumer lenders fell harder: OneMain **-4.7%**, Atlanticus **-4.8%**, Citi -3.1%, Synchrony -2.1%, Capital One -2.1%. Fintech lenders were weaker still, with SoFi -4.8% and Upstart -7.2% (Interactive Brokers late-Friday quotes; see recap).[1]

CARDS & PAYMENTS

Honor-all-cards

Visa and Mastercard's proposed settlement of roughly 20 years of merchant litigation would drop the rule that merchants accepting one of their cards must accept all, including higher-fee premium cards, and give more room to surcharge them. It still needs a judge's final approval. Some merchants and advisers call it an "empty benefit" because premium cardholders tend to spend more; Amex, not a party, responded "Good luck."[4]

Paze at Elavon

U.S. Bank's Elavon says the bank-owned Paze wallet is "ready to do pilots" with merchants, as Early Warning pushes Paze to the largest US merchants first.[5]

UNDERWRITING & FRAUD TECH

Overwatch Data

Raised a **$15M Series A** led by Mouro Capital, with Visa Ventures and Capital One Ventures investing strategically, for AI-driven fraud and risk intelligence.[6]

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WEEK AHEAD

Affirm earnings Nov 5	Affirm reports fiscal Q1 on Nov 5, its first print since the Sam's Club deal and the Walmart loss to Klarna; Affirm shares fell 1.7% Friday.[7]
FOMC Dec 8-9	Markets expect a hike at the next meeting after Musalem's comments and two hawkish dissents this week.[3]

MARKET RECAP as of Friday close, Oct 30

RATES & ALTERNATIVES	LAST	DAY	30D	1Y
2-yr Treasury	4.56%	-5 bp	-25 bp	+108 bp
10-yr Treasury	4.93%	-6.0 bp	-28 bp	+95 bp
2s/10s curve	+37 bp	-6 bp	-3 bp	-13 bp
TLT (20+ yr)	$81.31	+0.20%	+3.3%	-11.5%
SGOV (T-bills)	$100.40	+0.02%	-0.3%	-0.3%
Inv. grade (LQD)	$103.85	-0.36%	+1.3%	-8.0%
High yield (HYG)	$77.03	-0.71%	-0.7%	-5.1%
Dollar (UUP)	$29.05	+0.03%	+1.2%	+4.1%
Gold (GLD)	$356.15	-3.37%	-6.3%	-1.6%
WTI oil (USO)	$169.08	+0.53%	+11.3%	+135.5%
Bitcoin	$77,374	+0.77%	-7.9%	-32.7%

BANKS & CARD	LAST	DAY	30D	1Y
Financials (XLF)	$56.58	-0.63%	+3.5%	+7.9%
Banks (KBE)	$65.70	-1.14%	+0.8%	+15.1%
Regional (KRE)	$72.00	-1.18%	+0.8%	+17.8%
JPMorgan (JPM)	$337.64	-1.73%	-1.3%	+10.7%
Citi (C)	$121.87	-3.09%	-8.8%	+20.6%
Capital One	$204.44	-2.06%	+2.5%	-8.4%
Amex (AXP)	$319.42	-1.33%	+3.8%	-11.6%
Synchrony (SYF)	$75.35	-2.10%	+4.1%	+0.5%
BFH	$103.41	-2.13%	+1.2%	+55.4%
Atlanticus (ATLC)	$93.46	-4.78%	+1.6%	+60.0%
OneMain (OMF)	$56.55	-4.70%	-0.5%	-1.3%

FINTECH & BNPL	LAST	DAY	30D	1Y
Fintech (FINX)	$23.91	-1.40%	-4.9%	-30.5%
Fintech (ARKF)	$42.14	-5.00%	-8.9%	-27.4%
Payments (IPAY)	$49.09	+0.37%	+3.3%	-12.6%
Affirm (AFRM)	$73.54	-1.74%	+4.9%	-4.6%
Block (XYZ)	$76.45	-0.65%	+1.5%	-4.6%
PayPal (PYPL)	$56.87	-0.14%	+4.6%	-25.4%
Klarna (KLAR)	$13.29	-2.64%	+5.3%	-66.5%
SoFi (SOFI)	$16.77	-4.77%	+2.8%	-46.8%
Upstart (UPST)	$23.05	-7.21%	-1.6%	-54.3%
Sezzle (SEZL)	$134.88	+0.76%	+22.1%	+87.4%

EQUITIES	LAST	DAY	30D	1Y
S&P 500	7,580.07	-1.82%	-1.8%	+9.9%
SPY	$757.12	-1.59%	-1.5%	+10.2%
Nasdaq Comp.	25,437.00	-2.86%	-5.6%	+7.0%
QQQ	$692.74	-3.16%	-6.4%	+9.9%
Dow (DIA)	$517.65	-0.97%	+0.7%	+8.1%
Russell 2000 (IWM)	$279.82	-1.48%	-0.2%	+12.2%
Semis (SOXX)	$474.50	-7.66%	-16.6%	+56.4%
Cons. disc. (XLY)	$115.50	-0.60%	+5.4%	-4.1%
Retail (XRT)	$88.72	-0.33%	+8.1%	+4.6%
VIX	19.42	+12.91%	+20.2%	+21.8%

Markets closed for the weekend. Interactive Brokers late-Friday quotes (Oct 30) for ETFs and stocks; S&P 500, Nasdaq and VIX are Friday closes from Yahoo Finance (1). Day change is vs Thursday's close. 30D/1Y compare with the weekly open nearest Sep 28, 2026 and late Oct 2025, price only. 2-yr is the Treasury close of Oct 30 (8). Dollar via UUP, WTI via USO; Bitcoin vs 24h.

Sources

(1) Yahoo Finance: October closes with brutal sell-off (Oct 30)
(2) Yahoo Finance: tech sell-off, Intel, gold and bitcoin (Oct 30)
(3) Reuters via 93.3: Fed's Musalem says a rate hike is needed soon (Oct 30)
(4) Payments Dive: Will ditching the honor-all-cards rule matter? (Oct 29)
(5) Payments Dive: Elavon pursues Paze, agentic commerce (Oct 29)
(6) FinTech Global: weekly funding round-up (Oct 30)
(7) Affirm earnings Nov 5
(8) U.S. Treasury: daily par yields

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