Morning Interest

Your morning track through cards, credit and capital

Wednesday, November 4, 2026 | Issue No. 12 · 6 min read

CURATED BY

Paul Ivinskas

TOP 3 *Lead story: what a Democratic Congress means for card issuers, plus a strong but cautious night of fintech earnings.*

1. Democrats swept both chambers of Congress, putting Sen. Elizabeth Warren in line for the Senate Banking gavel and Rep. Maxine Waters in line to chair House Financial Services, and setting card issuers up for two years of bank oversight, CFPB hearings and rate-cap pressure, though a Republican White House makes major new laws unlikely.[1][2][3][4]
2. Stocks rallied on the result, led by banks, but card lenders fell: by mid-morning SPY was up 1.4%, the Dow ETF 2.5% and JPMorgan 3.7%, while Capital One and Synchrony lost more than 2% on rate-cap worries.[5][6]
3. Fintech lenders posted strong growth with a cautious edge: Block raised its 2026 outlook as lending originations rose 40% to $19.0 billion, while Upstart grew originations 44% but cut its profit outlook, citing macro pressure.[7][8][9]

MARKET OPEN Stocks rallied after the Democratic sweep, with banks and retailers out front but card lenders lower. As of 9:08 a.m. MT, SPY was up 1.4%, the Nasdaq Composite 1.7% and the Dow (DIA) 2.5%; small caps (IWM) rose 0.8%, mid caps (MDY) slipped 0.3%, semis (SOXX) fell 4.3% and the VIX dropped 15% to about 17.7. KBE rose 2.0% and KRE 2.1%, but Capital One fell 2.6% and Synchrony 2.5% on rate-cap worries. Block jumped 14% on its results, Sezzle rose 7.3%, Affirm 6.3% and Upstart 5.8%. The 10-yr yield eased about 3 bp to 4.92%, gold rose 3.2% and oil (USO) fell 4.6%.

+1.4%	-2.6%	$19.0B	10.6%
SPY	CAPITAL ONE	BLOCK LENDING	OPORTUN CHARGE-OFFS
9:08 a.m. MT	mid-morning, rate-cap worries	Q3 originations, +40%	Q3, down from 11.8%

WHAT IT MEANS: DEMOCRATS TAKE CONGRESS

The result	Democrats swept both chambers: The AP called the Senate for Democrats late Tuesday and the House early Wednesday. Democrats had won 53 Senate contests to Republicans' 41 when Maine was called, with Sherrod Brown taking Ohio, Troy Jackson unseating Sen. Susan Collins in Maine and a Democrat winning a Kansas Senate seat for the first time in nearly a century.[1][2]
Oversight, not new law	Expect aggressive oversight rather than sweeping legislation: Republicans keep the White House for two more years, Democrats lack the veto-proof and filibuster-proof votes for major bills, and American Banker expects bold legislation to stall. That means a return of bank CEO hearings, with any narrow wins on credit cards or small-bank relief riding on must-pass budget or defense bills.[2]
New chairs	Warren is expected to take the Senate Banking gavel from Sen. Tim Scott, and Waters is likely to chair House Financial Services again, which gives both a direct line to issuers' fees, rates and practices. Chairs set hearings, pick most witnesses, issue subpoenas and can block nominees.[2][3]
CFPB in the spotlight	The CFPB moves to the center of the oversight fight: Democrats can call agency heads, especially the CFPB's, to testify and push for bipartisan picks on boards such as the FDIC's. Waters told acting CFPB Director Russell Vought in July, "we're not done with you," after her motion to subpoena his records failed; as chair, she could issue subpoenas herself.[2][10]
Rate caps	A 10% card rate cap is back in play: bipartisan bills in both chambers would cap rates at 10%, average card APRs sit above 20%, nearly double a decade ago, and a May Harvard CAPS/Harris poll found 72% support for a one-year cap. The White House has backed away from the idea and JPMorgan's Jamie Dimon calls it an "economic disaster," but American Banker lists credit cards among the few areas where a narrow deal could ride on a must-pass bill.[2][4]

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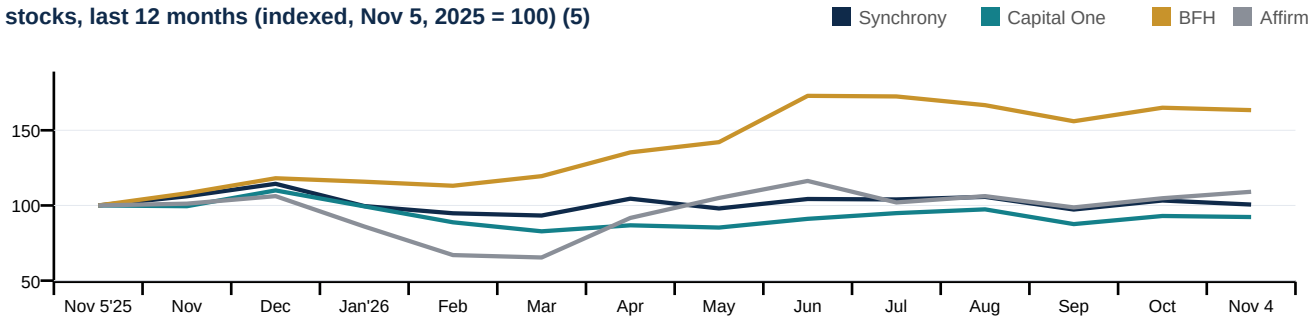
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The Fed	A Democratic Senate makes it harder for President Trump to place allies at the Fed, and Warren plans to press Chair Kevin Warsh, whose policymakers have been raising rates to fight inflation. Reuters adds that Democratic control could complicate Vice Chair for Supervision Michelle Bowman's plan to consolidate bank supervision and the GENIUS Act stablecoin rules.[3]
Market read	Markets took the sweep as gridlock, which strategists described as historically good for stocks: Nasdaq-100 futures fell as much as 2.4% overnight, then recovered as investors bought. "Markets prefer that to one party having too much power," said Andrew Slimmon of Morgan Stanley Investment Management.[11][12]

BANKING

FIS	Fidelity National Information Services shares fell about 17% before the open; the company, a top processor for banks and card issuers, paused buybacks to pay down debt from its issuer-processing purchase, now FIS Total Issuing Solutions, and CFO James Kehoe steps down Nov. 5. Third-quarter adjusted EPS of $1.61 on about $3.5 billion in revenue was in line with forecasts.[13][14]
Truist	Truist expanded its merchant tools, adding faster merchant onboarding, new business insights, more Clover point-of-sale tools and the Paze wallet at online checkout, and payments head Chris Ward said merchant services can lead clients to deposit, treasury and lending products.[15]
Bank stocks	Banks held their gains by mid-morning, with KBE up 2.0%, KRE up 2.1% and JPMorgan up 3.7%, and Amex rose 2.2%. Card lenders went the other way: Capital One fell 2.6% and Synchrony 2.5%, which Reuters tied to rate-cap worries; TD Cowen expects any final cap to land closer to 36% than 10% and says it could hit fintechs harder than banks. Strategists read the result as gridlock, and American Banker expects bold financial legislation to stall.[2][5][6]

Card stocks, last 12 months (indexed, Nov 5, 2025 = 100) (5)



Month-end closes from Interactive Brokers, indexed to the Nov 5, 2025 open; last point is today's price at 9:08 a.m. MT. Price only, excluding dividends.

COMPETITOR WATCH

Block	Block raised its 2026 gross profit guidance to $12.626 billion and adjusted EPS to $4.15, and shares rose 14% by mid-morning Wednesday. Gross profit rose 22% to $3.24 billion, with Cash App up 27% and Square up 14%, and consumer lending originations, led by Borrow and Afterpay, rose 40% to $19.0 billion while losses rose 66% to $601.7 million.[5][7]
Upstart	Upstart cut its adjusted EBITDA outlook to about $260 million from about $294 million, citing macro pressure on its near-term view, even as it raised its fee revenue outlook to about $1.32 billion. Revenue rose 34% to $370.5 million and originations 44% to $4.1 billion, though conversion slipped to 18.6% from 19.4%.[8][9]
Oportun	Oportun's credit improved, an encouraging read on the near-prime borrower: 30-day delinquencies eased to 4.1% from 4.7% and annualized net charge-offs fell to 10.6% from 11.8%, while originations rose 12% to $571.8 million. The near-prime lender raised its 2026 revenue and adjusted EPS outlook.[16]

LendingTree	LendingTree's consumer segment, which includes credit cards and personal loans, grew revenue 2% to $67.2 million while segment profit fell 16% to $29.6 million. The loan marketplace's total revenue rose 12% to $343.6 million on insurance and home equity.[17]

BNPL & INSTALLMENTS

Cash App Borrow	Block stretched Cash App Borrow from four-week loans with a 5% fee to six-week loans with a 7.5% fee and raised Borrow's target variable profit margin to 2.8% from 2%. The change came because "customers were asking for more time and payment flexibility," credit head Juan Hernandez said.[18]
Afterpay	Afterpay post-purchase originations more than tripled from a year earlier as Block pushes Afterpay into the Cash App Card, CFO Amrita Ahuja said. Hernandez said the card is running at more than 20 times Borrow's origination volume at the same stage.[18]
Holiday demand	In an Electronic Transactions Association and TSG survey of 1,099 consumers, 20% expect to use BNPL more this holiday season and 47% don't plan to use it at all. Among non-users, 73% said they dislike taking on debt, and 21% of all respondents use BNPL regularly.[19]

EARNINGS CALL QUOTES

Upstart	"Macro is putting pressure on our near-term outlook," CEO Paul Gu said in the results release. "Macro comes and goes, but alpha compounds."[8]
Block	"Returns on our lending products continue to be strong in the third quarter," CFO Amrita Ahuja said, adding that variable profit margins held steady "even on a much larger base."[18]
Oportun	CEO Doug Bland pointed to growth "while maintaining a disciplined credit posture."[16]

CARDS & PAYMENTS

Fiserv	Fiserv is shopping non-core businesses and doubled its savings target to $1 billion: the company is "in conversations with multiple parties" to sell businesses outside its core strategy, CEO Takis Georgakopoulos said. It took a $6.45 billion goodwill charge, and revenue fell 1% to $5.2 billion.[20]
Toast	Toast raised its full-year adjusted EBITDA outlook to $840 million to $850 million, days after the FTC and eight states sued it over fees. Payment volume rose 20% to $61.8 billion and net income rose to $169 million.[21][22]
Google wallet	Google is pushing its wallet into the post-purchase moment: it plans to add receipts, order tracking, refunds and merchant offers, and has built ways to give AI shopping agents limited credentials, payments chief Stavan Parikh told Payments Dive. A wallet that owns the post-purchase moment could pull cardholder engagement away from issuer apps.[23]
Mastercard	Mastercard's U.S. gross dollar volume rose 6% to $867 billion in the third quarter, trailing 8% growth to $2.08 trillion outside the U.S. It also expanded its HDFC Bank partnership in India with a small-business deal that could add up to 3 million cards.[24]

WORTH A READ

Wise and AML	Jason Mikula's Fintech Business Weekly argues growth-first fintechs push compliance costs onto customers, drawing on Wise restricting his and other EU businesses' accounts without notice, which he ties to anti-money laundering remediation. It also covers the Eighth Circuit ruling against the Fed's debit fee cap.[25]
Fed guardrails	Reuters' Howard Schneider walks through how a Democratic Senate changes the fight over the Fed's independence, from confirmations to the effort to remove Governor Lisa Cook.[3]

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MARKET RECAP as of 9:08 a.m. MT, Nov 4

RATES & ALTERNATIVES	LAST	DAY	30D	1Y
2-yr Treasury	4.61%	+2 bp	-20 bp	+113 bp
10-yr Treasury	4.92%	-3.1 bp	-30 bp	+93 bp
2s/10s curve	+31 bp	-5 bp	-10 bp	-20 bp
TLT (20+ yr)	$81.48	+0.46%	+3.4%	-11.4%
SGOV (T-bills)	$100.44	+0.00%	-0.3%	-0.3%
Inv. grade (LQD)	$104.25	+0.51%	+1.7%	-7.7%
High yield (HYG)	$77.35	+0.48%	-0.3%	-4.7%
Dollar (UUP)	$28.90	-0.38%	+0.6%	+3.6%
Gold (GLD)	$370.89	+3.24%	-2.4%	+2.4%
WTI oil (USO)	$150.84	-4.63%	-0.7%	+110.1%
Bitcoin	$80,465	+3.46%	-4.2%	-30.1%

FINTECH & BNPL	LAST	DAY	30D	1Y
Fintech (FINX)	$24.94	+2.63%	-0.8%	-27.6%
Fintech (ARKF)	$43.90	+3.71%	-5.1%	-24.3%
Payments (IPAY)	$51.33	+2.27%	+7.9%	-8.7%
Affirm (AFRM)	$76.48	+6.27%	+9.1%	-0.8%
Block (XYZ)	$86.82	+14.24%	+15.4%	+8.4%
PayPal (PYPL)	$60.52	+3.97%	+11.3%	-20.5%
Klarna (KLAR)	$13.93	+5.37%	+10.5%	-64.8%
SoFi (SOFI)	$17.42	+3.88%	+6.8%	-44.7%
Upstart (UPST)	$22.61	+5.80%	-3.4%	-55.1%
Sezzle (SEZL)	$131.41	+7.33%	+19.0%	+82.5%
LendingClub (HAPN)	$16.20	+3.91%	+8.9%	-12.8%

BANKS & CARD	LAST	DAY	30D	1Y
Financials (XLF)	$58.74	+2.71%	+7.4%	+12.0%
Banks (KBE)	$67.91	+1.98%	+4.2%	+19.0%
Regional (KRE)	$74.42	+2.11%	+4.2%	+21.7%
JPMorgan (JPM)	$350.47	+3.70%	+2.5%	+14.9%
Citi (C)	$125.40	+2.19%	-6.2%	+24.1%
Capital One	$203.26	-2.61%	+1.9%	-8.9%
Amex (AXP)	$332.67	+2.20%	+8.1%	-7.9%
Synchrony (SYF)	$73.33	-2.46%	+1.3%	-2.2%
BFH	$102.38	-3.65%	+0.2%	+53.8%
Atlanticus (ATLC)	$93.86	+1.48%	+2.0%	+60.6%
OneMain (OMF)	$56.82	+0.42%	-0.1%	-0.8%

EQUITIES	LAST	DAY	30D	1Y
SPY	$764.81	+1.39%	-0.6%	+11.2%
QQQ	$691.32	+0.88%	-6.6%	+9.7%
Dow (DIA)	$530.12	+2.53%	+3.1%	+10.6%
Russell 2000 (IWM)	$282.11	+0.83%	+0.6%	+13.1%
Mid caps (MDY)	$674.53	-0.25%	+1.9%	+14.8%
Equal-wt S&P (RSP)	$222.14	+1.31%	+5.7%	+19.3%
Semis (SOXX)	$445.11	-4.28%	-21.8%	+46.7%
Cons. disc. (XLY)	$121.59	+3.63%	+11.0%	+1.1%
Cons. staples (XLP)	$92.26	+3.72%	+12.7%	+21.6%
Retail (XRT)	$93.19	+4.94%	+13.6%	+9.9%
VIX	17.65	-15.27%	+9.2%	+10.7%

IBKR quotes 9:08 a.m. MT (VIX, 10-yr delayed 15 min). 30D/1Y price only. 2-yr: Treasury close Nov 3. UUP, USO proxies.

Sources

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(2) American Banker: Democrats sweep Congress, setting up years of oversight for banks (Nov 4)
(3) Reuters: Election stiffens the Fed's guardrails, but independence risks remain (Nov 4)
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(5) Interactive Brokers: market data, 9:08 a.m. MT, Nov 4
(6) Reuters via Boursorama: Credit card companies fall as Democrats win Congress (Nov 4)
(7) Block: Q3 2026 shareholder letter, SEC 8-K (Nov 3)
(8) Upstart: Q3 2026 results, SEC 8-K (Nov 3)
(9) Motley Fool: Upstart beats expectations in a challenging macro environment (Nov 3)
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(11) Yahoo Finance: Wall Street futures plunged after Democrats swept Congress, then investors started buying (Nov 4)
(12) Stock Titan: Stock market today live, Nov 4
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(14) Investing.com: Why is Fidelity National Information Services stock plunging today? (Nov 4)
(15) Banking Dive: Truist expands merchant tools (Nov 3)
(16) Oportun: Q3 2026 results, SEC 8-K (Nov 3)
(17) LendingTree: Third quarter 2026 results (Nov 3)
(18) Investing.com: Block Q3 2026 earnings call transcript (Nov 3)
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(20) Payments Dive: Fiserv talks to potential asset buyers (Nov 3)
(21) Toast: Q3 2026 results, SEC 8-K (Nov 3)
(22) Payments Dive: FTC, states sue Toast over fees (Oct 30)
(23) Payments Dive: Google makes big plans for its wallet (Nov 3)
(24) Payments Dive: Mastercard scales in India (Nov 2)
(25) Fintech Business Weekly (Jason Mikula): I never thought it would happen to me (Nov 1)

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