Morning Interest

Your morning track through cards, credit and capital

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TOP 3 *Thursday's 4.4% drop left the S&P 500 down 2.7% on the week, while October payrolls more than doubled forecasts and Block and Sezzle raised guidance.*

1. The S&P 500 fell 4.4% on Thursday as the Nasdaq had its steepest one-day drop in 19 months and slid into a correction, and the index ended the week down 2.7% at 7,376.86.[1][2]
2. Employers added 165,000 jobs in October, more than double forecasts, as unemployment fell to 4.1% and the odds of a December Fed rate hike climbed to 78%.[3][4][5]
3. Democrats won the Senate on Tuesday and appear poised to take the House, setting up years of oversight for banks while bipartisan 10% card rate cap bills remain in play.[6][7]

STATEMENT SUMMARY The S&P 500 ended Friday at 7,376.86, up 0.3% on the day and down 2.7% for the week. The Nasdaq Composite closed at 24,579.42 and the Dow at 51,285.73, down 3.4% and 0.9% for the week. The VIX dropped 9% Friday to 25.64, and the 2-yr and 10-yr Treasury yields finished at 4.51% and 4.86% after the jobs report. Among card and fintech names, Block gained 12.1% for the week and Sezzle 10.8%, while Affirm lost 7.3%, Synchrony 2.1% and Capital One 1.5%.

-2.7%	165K	4.86%	+12.1%
S&P 500, WEEK	OCTOBER JOBS	10-YR, FRI CLOSE	BLOCK, WEEK
close 7,376.86	vs. ~70K expected	2-yr at 4.51%	after raising guidance

OPENING BALANCE

Where it began — The S&P 500 opened the week at 7,580.07 and the Nasdaq Composite at 25,436.99, based on Friday's closes and the weekly losses reported by AP.[1]

The calendar — The week packed in midterm elections on Tuesday, fintech earnings from Block, Upstart and Oportun that evening, Sezzle and Affirm on Wednesday, and the October jobs report on Friday. Economists surveyed by Bloomberg expected about 70,000 new jobs.[4][8][9][10][11][12]

Carried over — Sen. Elizabeth Warren had asked the Justice Department to open a criminal probe of Bank of America over its $1.21 billion anti-money laundering penalty, with a reply requested by Nov. 12. The Fed could seek a rehearing within 45 days after the Eighth Circuit vacated its 21-cent debit interchange cap on Oct. 26, and the FTC and eight states had sued Toast over hidden fees.[13][14][15]

CHARGES

Thursday's rout — The S&P 500 dropped 4.4% to 7,353.73 on Thursday and the Nasdaq slid 5.5% into correction territory, with all 11 S&P sectors lower and the VIX up 69.7% to 28.18. The Philadelphia semiconductor index lost more than 12%.[2]

Block's settlement — Block reached a tentative agreement to pay $764 million, net of $200 million in credit for earlier settlements, to resolve Justice Department charges over Bank Secrecy Act and anti-money laundering failures. The charges are deferred for three years, and the company warned that losses could exceed what it has set aside.[16]

Rate caps return — Bipartisan bills in both chambers would cap card rates at 10%, against average APRs above 20%, and Democratic gains put Warren in line to lead the Senate Banking Committee and Rep. Maxine Waters the House Financial Services Committee. Synchrony lost 2.1% for the week and Capital One 1.5%.[6][7][17]

Affirm's slide	Affirm lost 7.3% for the week despite beating forecasts and raising its fiscal 2027 GMV outlook to more than $65.25 billion. Truist flagged "concerns around the credit allowance" and a holiday-quarter GMV guide of $17.9 billion to $18.2 billion that it called "more conservative than usual."[12][17]
Hike risk	Traders raised the odds of a December rate hike to 78% from 70% after Friday's jobs data, Reuters reported. The 2-yr yield ended the week at 4.51% and the 10-yr at 4.86%.[5][18]

CREDITS

Hiring surge	Employers added 165,000 jobs in October and unemployment ticked down to 4.1%. Revisions added a combined 84,000 jobs to August and September, and average hourly earnings rose 0.4% to $38.00, up 3.1% from a year earlier.[3][4]
Fintech results	Block lifted its 2026 gross profit guidance to $12.626 billion as consumer lending originations, led by Cash App Borrow and Afterpay, climbed 40% to $19.0 billion; its shares gained 12.1% for the week. Sezzle raised its 2026 revenue growth forecast to about 42.5% after third-quarter revenue grew 42.6%, and its shares rose 10.8%.[8][11][17]
Near-prime credit	Oportun's 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. Upstart grew originations 44% to $4.1 billion, but CEO Paul Gu said "Macro is putting pressure on our near-term outlook."[9][10]
Mood lifts	The University of Michigan's preliminary November consumer sentiment index climbed to 51.0 from 48.0 in October, a gain of about 6%, though it remains 10% below February. Year-ahead inflation expectations eased to 4.3% from 4.7%.[19]
Swipe-fee bill stalls	The Credit Card Competition Act loses both of its lead Senate sponsors next year, with Sen. Roger Marshall defeated and Sen. Dick Durbin retiring. Backers may try to attach it to lame-duck spending bills, but the odds look long.[20]

INTEREST EARNED

Installments everywhere	Pay-over-time is moving from fintech apps into banks: equipifi forecasts that bank and credit union BNPL volume will rise 75% from a year earlier between Nov. 1 and Dec. 31, with users up 60%. The forecast draws on more than 100 institutions and 4 million households.[21]
Merchant-paid 0%	About one million products in the Affirm app now carry brand-funded promotions, and CEO Max Levchin expects 0% volume to grow as Affirm builds tools for AI shopping agents. Average Affirm loan terms run under 98 days.[22]
Charters, both ways	Sezzle applied in October for a national bank charter as Sezzle Bank, N.A., while OppFi withdrew its regulatory applications to buy Arizona's BNC National Bank, citing a "lack of clearly articulated standards," though its merger agreement remains in effect.[11][23]

CLOSING BALANCE

Tuesday, Nov. 10	The Labor Department releases the October consumer price index at 8:30 a.m. ET, the next test for a December hike. At 11:00 a.m. ET the New York Fed publishes its third-quarter Household Debt and Credit Report, alongside a Liberty Street Economics post on newly delinquent card borrowers.[24][25]
Midweek	U.S. stock markets stay open Wednesday for Veterans Day, though the BLS has no releases scheduled that day. Weekly jobless claims and October existing-home sales follow on Thursday, and Nu Holdings is expected to report.[26]
Friday, Nov. 13	The October producer price index arrives at 8:30 a.m. ET, and Japan's three megabanks, Mitsubishi UFJ, Sumitomo Mitsui and Mizuho, report results.[26]

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In Washington — Warren wants the Justice Department's reply on Bank of America by Nov. 12, and CFPB nominee Brian Johnson still needs a Senate floor vote before Congress adjourns. Wells Fargo's Fernando Rivas expects a dealmaking rush through 2027 as companies try to use what they see as a regulatory window.[13][27][28]

WORTH A READ

Seven themes — Marc Rubinstein boils more than 300 Net Interest posts down to seven themes, from AI as a financing story to banks that keep lending while consumer sentiment sits near record lows. A compact map of where finance is heading.[29]

Who sets card APRs — In a New York Fed Liberty Street Economics post, Kyle Herkenhoff and Juan M. Morelli study about 14 million new card accounts and find that lenders with large local market shares pass less of a drop in funding costs through to offer rates. After the Fed's surprise cut in January 2008, pass-through was about 20% lower in a lender's high-share markets.[30]

MARKET RECAP as of last trade, Fri Nov 6

RATES & ALTERNATIVES	LAST	DAY	30D	1Y
2-yr Treasury	4.51%	+5 bp	-30 bp	+103 bp
10-yr Treasury	4.86%	+2 bp	-37 bp	+87 bp
2s/10s curve	+35 bp	-3 bp	-7 bp	-16 bp
TLT (20+ yr)	$81.85	-0.10%	+3.9%	-11.0%
SGOV (T-bills)	$100.49	+0.04%	-0.3%	-0.3%
Inv. grade (LQD)	$104.53	-0.12%	+2.0%	-7.4%
High yield (HYG)	$77.20	-0.10%	-0.6%	-5.0%
Dollar (UUP)	$28.95	+0.10%	+0.8%	+3.8%
Gold (GLD)	$373.37	-0.56%	-1.7%	+3.0%
WTI oil (USO)	$148.21	+0.00%	-2.4%	+106.5%
Bitcoin	$75,800	+0.03%	-9.8%	-34.2%

FINTECH & BNPL	LAST	DAY	30D	1Y
Fintech (FINX)	$24.18	-0.04%	-3.9%	-29.8%
Fintech (ARKF)	$41.55	+0.58%	-10.2%	-28.3%
Payments (IPAY)	$50.39	+0.06%	+6.0%	-10.4%
Affirm (AFRM)	$68.37	-1.85%	-2.4%	-11.3%
Block (XYZ)	$85.33	+1.53%	+13.5%	+6.6%
PayPal (PYPL)	$59.03	+0.12%	+8.6%	-22.5%
Klarna (KLAR)	$13.60	+0.52%	+7.9%	-65.7%
SoFi (SOFI)	$16.22	+1.12%	-0.5%	-48.4%
Upstart (UPST)	$21.78	-1.63%	-6.9%	-56.8%
Sezzle (SEZL)	$150.00	-3.23%	+35.8%	+108.3%
LendingClub (HAPN)	$16.00	-1.11%	+7.5%	-13.8%

BANKS & CARD	LAST	DAY	30D	1Y
Financials (XLF)	$57.11	-0.68%	+4.4%	+8.9%
Banks (KBE)	$65.89	-0.50%	+1.1%	+15.5%
Regional (KRE)	$72.02	-0.40%	+0.9%	+17.8%
JPMorgan (JPM)	$335.38	-0.58%	-1.9%	+9.9%
Citi (C)	$119.19	+0.62%	-10.8%	+18.0%
Capital One	$202.14	-0.83%	+1.4%	-9.4%
Amex (AXP)	$321.40	-1.10%	+4.4%	-11.1%
Synchrony (SYF)	$73.74	-0.45%	+1.8%	-1.7%
BFH	$101.83	-0.72%	-0.3%	+53.0%
Atlanticus (ATLC)	$91.30	-5.34%	-0.8%	+56.1%
OneMain (OMF)	$55.27	-2.75%	-2.8%	-3.5%

EQUITIES	LAST	DAY	30D	1Y
SPY	$736.53	+0.48%	-4.3%	+7.1%
QQQ	$657.50	+1.62%	-11.1%	+4.3%
Dow (DIA)	$512.52	-0.34%	-0.3%	+6.9%
Russell 2000 (IWM)	$273.75	+1.02%	-2.4%	+9.7%
Mid caps (MDY)	$657.79	+0.63%	-0.7%	+12.0%
Equal-wt S&P (RSP)	$216.03	-0.39%	+2.7%	+16.0%
Semis (SOXX)	$137.20	+4.02%	-29.8%	+34.9%
Cons. disc. (XLY)	$117.87	+0.20%	+7.6%	-1.9%
Cons. staples (XLP)	$89.90	-1.48%	+9.8%	+18.5%
Retail (XRT)	$89.51	-1.71%	+9.2%	+5.6%
VIX	25.64	-9.01%	+58.7%	+60.9%

IBKR last trades, Fri Nov 6 (indices and VIX at the close, 15-min delay; some stocks include after-hours to 8 p.m. ET); day change vs Thursday. Yields: Treasury par, Nov 6. UUP, USO proxies; Bitcoin 7:54 a.m. ET Sat. Price only; SOXX split-adjusted.

Sources

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(2) Zacks via Yahoo Finance: Stock market news for Nov 6, 2026 (Nov 6)
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(4) Yahoo Finance: The US added 165,000 jobs in October, blowing past expectations (Nov 6)
(5) Reuters via Investing.com: Strong October jobs report sends yields higher (Nov 6)
(6) American Banker: Democrats sweep Congress, setting up years of oversight for banks (Nov 4)
(7) Bloomberg via The Star: The issue of high credit card rates in America (Nov 2)
(8) Block: Q3 2026 shareholder letter, SEC 8-K (Nov 3)

(9) Upstart: Q3 2026 results, SEC 8-K (Nov 3)
(10) Oportun: Q3 2026 results, SEC 8-K (Nov 3)
(11) Sezzle: Third quarter 2026 results (Nov 4)
(12) Investing.com: Affirm beats, raises full-year GMV outlook (Nov 6)
(13) Banking Dive: Warren urges DOJ to probe BofA's AML issues (Oct 30)
(14) Bank Policy Institute: BPInsights (Oct 31)
(15) Payments Dive: FTC, states sue Toast over fees (Oct 29)
(16) Payments Dive: Block reaches $964M DOJ pact (Nov 4)
(17) Interactive Brokers: daily closes, Oct. 30 to Nov. 6, 2026
(18) U.S. Treasury: Daily par yield curve rates, November 2026
(19) University of Michigan Surveys of Consumers: November 2026 preliminary (Nov 6)
(20) Payments Dive: Will a 'blue wave' push the CCCA? (Nov 5)
(21) equipifi: Holiday BNPL volume forecast (Nov 5)
(22) GuruFocus via Yahoo Finance: Affirm Q1 fiscal 2027 earnings call highlights (Nov 5)
(23) Banking Dive: OppFi withdraws regulatory applications to buy bank (Nov 4)
(24) BLS: Consumer Price Index release schedule
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(27) Banking Dive: Midterm results may curb bank-friendly legislation (Nov 4)
(28) Banking Dive: Wells Fargo exec sees 'now or never' M&A attitude (Nov 5)
(29) Net Interest (Marc Rubinstein): Follow the Money (Oct 30)
(30) NY Fed Liberty Street Economics: How market position shapes credit card interest rates (Nov 4)

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