



US Weekly · Week 40, 2026 (Sep 28–Oct 2)

S&P 500 down 0.3%; Nasdaq 100 up 0.7% Long-end yields reach a 2002 high as weak payrolls lower October hike expectations

Long-dated Treasury yields continued to rise this week. The 10-year yield touched 5.34% intraday on Thursday, the highest since 2002, and the 30-year yield reached 5.61%. September nonfarm payrolls, released on Friday, rose only 29,000 and the unemployment rate increased to 4.2%; the market-implied probability of an October rate increase fell from roughly 50% at the start of the week to around 20%. The S&P 500 declined 0.3% and the Dow 1.3%, while the Nasdaq 100 rose 0.7% on gains in semiconductors and software.

S&P 500 -0.3% closed at 7,722.72	Nasdaq 100 +0.7% closed at 30,807.93	Russell 2000 -0.2% closed at 2,832.90	10-year Treasury 5.24% +7bp	VIX 15.31 +0.44 on the week
WTI crude -1.4% closed at 91.11				

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Key themes this week

The 10-year Treasury yield reaches its highest level since 2002 as the curve steepens further

The 10-year Treasury yield touched 5.34% intraday on Thursday, above the 2007 peak and the highest since 2002; the 30-year yield reached 5.61%, a 24-year high. On FRED closing data through October 1, the 10-year yield rose 7 basis points on the week to 5.24% and the 30-year 12 basis points, while the 2-year yield declined 3 basis points to 4.78%. The 10-year/2-year spread widened 9 basis points to 0.45 percentage point. The 10-year closed at about 5.28% in Friday trading.

By component, the 10-year real yield rose 5 basis points to 2.88% and breakeven inflation 2 basis points to 2.36%, so real yields continued to account for most of the increase. The move was part of a global sell-off in government bonds: the UK 30-year gilt yield rose above 6% for the first time since 1998, the French 10-year yield reached its highest since 2002 and the Japanese 10-year yield its highest since the mid-1990s. Reports cited higher oil prices linked to the Middle East conflict, government financing needs and capital demand from AI infrastructure investment. The ISM manufacturing prices-paid index rose from 71.1 to 77.9 in September, adding to inflation concerns.

Bond market volatility rose markedly alongside long-end yields: the MOVE index increased 11.3 points to 107.3 and reached 110.5 on Wednesday, while the VIX rose only 0.44 to 15.3. High-yield spreads widened 31 basis points to 3.24%, a second consecutive weekly increase.

September payrolls rise 29,000 and October rate-hike expectations decline

The Bureau of Labor Statistics reported on Friday that nonfarm payrolls rose 29,000 in September, below the Dow Jones consensus of 84,000. The unemployment rate increased from 4.1% to 4.2%, and average hourly earnings rose 0.1% on the month and 3.0% on the year, below CPI inflation of 3.4%. July and August were revised down by a combined 60,000, with July revised from a gain of 21,000 to a loss of 10,000.

The 10-year yield initially fell about 6 basis points to 5.18% after the release before recovering. **The futures-implied probability of an October rate increase fell from about 51% on September 29 to about 17% (CME FedWatch; Friday quotes ranged from 17% to 25%), although markets continue to assign a high probability to a December increase.** The Fed raised its policy rate by 25 basis points to 3.75%–4.00% on September 16; the next meeting is on October 27–28. Michael Feroli, chief US economist at JPMorgan, said it would now take a very strong CPI reading to make the October meeting live.

Other data this week were mixed. The August PCE price index rose 3.4% year on year and core PCE 3.0%, both lower than in the prior month, while the Conference Board consumer confidence index fell from 89.4 to 81.9 in September. Equities responded positively to the payrolls data: on Friday the S&P 500 rose 0.73%, the Nasdaq Composite 1.19% and the Russell 2000 0.94%, which did not fully offset the declines from Monday to Wednesday.

Indices decline overall as gains concentrate in semiconductors and software

The S&P 500 declined 0.3% this week and the Dow 1.3%, while the Nasdaq 100 rose 0.7%. The equal-weight S&P 500 fell 0.7% and 8 of the 11 sectors were lower, while the semiconductor ETF (SMH) and the software ETF (IGV) rose 4.0% and 2.3%, respectively.

Semiconductor performance was led by Nvidia and Micron. Micron reported fiscal fourth-quarter revenue of \$54.23 billion and adjusted EPS of \$33.42 on September 30, both above estimates, and guided next-quarter revenue above consensus. Nvidia's board added \$150 billion to its share repurchase authorization, and the stock reached \$237.88 intraday on Friday, its first record since May, for a market value of about \$5.7 trillion; Nvidia rose 3.9% on the week.

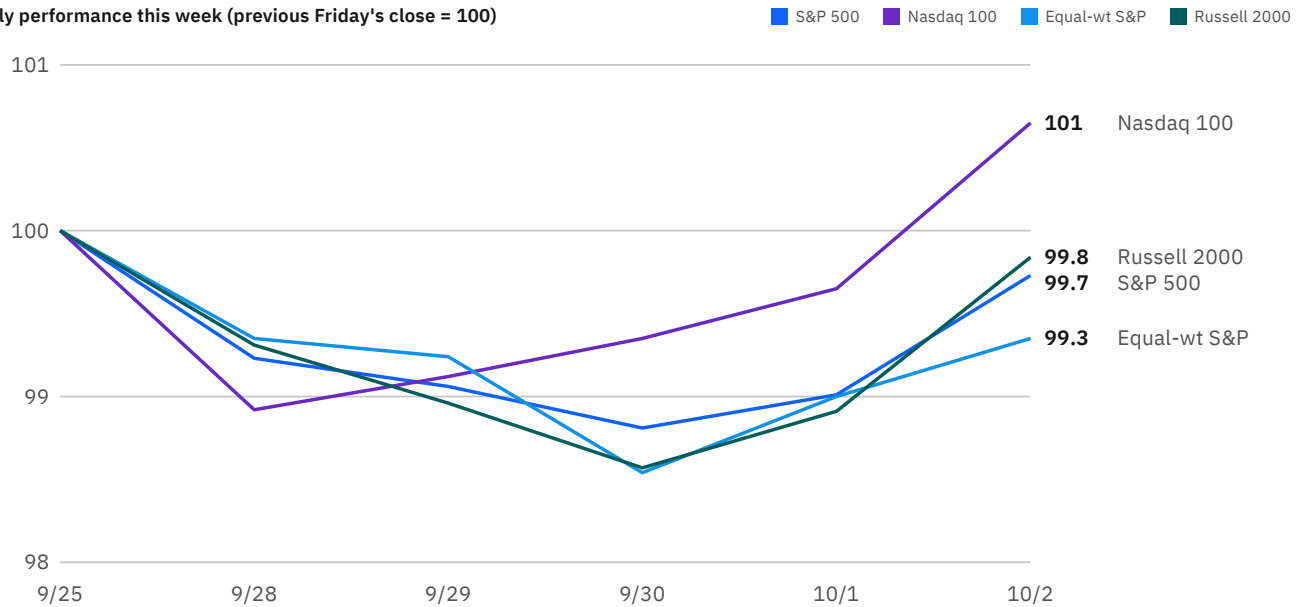
Performance among megacaps diverged: Amazon rose 0.7% and Microsoft 0.3%, while Apple fell 2.2% and Meta 3.1%. Apple's decline followed a Bank of America note that AI agents, including Meta's Muse, could divert online spending away from its ecosystem. Tesla reported third-quarter deliveries of 486,532 vehicles on Friday, above the consensus of about 464,000; the shares rose about 5% on the day, narrowing the weekly decline to 0.4%.

Long-end yields reflect a higher term premium driven by inflation, fiscal supply and capital demand, while policy-rate expectations have declined with weaker employment data; the two are moving in opposite directions.

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Market performance

Daily performance this week (previous Friday's close = 100)



Weekly performance of the 11 sectors (SPDR sector ETFs)

Technology +1.8% YTD +39.3%	Energy +1.3% YTD +43.3%	Utilities +0.8% YTD -4.8%	Industrials -0.3% YTD +10.4%	Consumer discretionary -0.5% YTD -7.3%	Real estate -1.8% YTD +3.6%
Consumer staples -1.9% YTD +5.7%	Materials -1.9% YTD +9.1%	Communication services -2.3% YTD -5.4%	Financials -2.5% YTD -1.1%	Health care -2.6% YTD +8.7%	

Styles and themes

Semiconductors +4.0% YTD +75.1%	Software +2.3% YTD +2.6%	Momentum +1.4% YTD +29.5%	Growth (Russell 1000 Growth) +0.6% YTD +7.7%	Quality +0.4% YTD +13.7%	Low volatility -0.1% YTD +5.4%
Value (Russell 1000 Value) -1.0% YTD +19.8%					

Megacaps	Week	1M	YTD	Close
Nvidia	+3.9%	+4.4%	+25.7%	\$233.95
Amazon	+0.7%	-1.4%	+9.0%	\$251.52
Broadcom	+0.7%	-3.1%	+3.2%	\$355.14
Microsoft	+0.3%	+4.2%	+7.7%	\$517.53
Alphabet	-0.1%	+2.0%	+10.0%	\$343.50
Tesla	-0.4%	+3.8%	-17.6%	\$370.59
Apple	-2.2%	+2.7%	+23.1%	\$333.69
Meta	-3.1%	+22.9%	+10.6%	\$728.08

Only technology (+1.8%), energy (+1.3%) and utilities (+0.8%) advanced among the 11 sectors, while health care (-2.6%), financials (-2.5%) and communication services (-2.3%) declined the most, a spread of 4.5 percentage points between the strongest and weakest sectors. Friday's broad rebound narrowed the weekly declines in industrials (-0.3%) and consumer discretionary (-0.5%). By style, growth rose 0.6%, value fell 1.0%, momentum rose 1.4% and low volatility fell 0.1%; among thematic ETFs, semiconductors rose 4.0% and software 2.3%. At the index level, the cap-weighted Nasdaq 100 rose 0.7% and the equal-weight S&P 500 fell 0.7%, indicating that market breadth remained narrow, as in the previous week.

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Rates and credit markets

Measure	Week close	Week	YTD
2-year Treasury	4.78%	-3bp	+131bp
10-year Treasury	5.24%	+7bp	+106bp
30-year Treasury	5.61%	+12bp	+77bp
10y minus 2y spread	0.45%	+9bp	-26bp
10-year real yield (TIPS)	2.88%	+5bp	+95bp
10-year breakeven inflation	2.36%	+2bp	+11bp
High-yield spread	3.24%	+31bp	+43bp
Investment-grade spread	0.86%	+5bp	+7bp
Effective fed funds rate	3.88%	+0bp	+24bp

Source: FRED (St. Louis Fed), last trading day with data this week. Spreads are option-adjusted (ICE BofA).

VIX 15.31 +0.44 on the week	MOVE (Treasury volatility) 107.29 +11.29 on the week	US Dollar Index 101.93 +0.96 on the week
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On FRED data through October 1, the 2-year yield fell 3 basis points to 4.78%, the 10-year rose 7 basis points to 5.24% and the 30-year 12 basis points to 5.61%, a bear steepening; the 10-year/2-year spread widened to 0.45 percentage point (October 2). Friday market quotes put the 2-year and 10-year yields at about 4.84% and 5.28%, respectively, so the curve also steepened relative to the previous Friday. The front end responded modestly to the employment data and policy expectations, while the long end was driven by a higher term premium (inference).

In credit, high-yield spreads widened 31 basis points to 3.24% and investment-grade spreads 5 basis points to 0.86%. The MOVE index rose to 107.3 and the VIX stood at 15.3; the US Dollar Index rose 0.96 to 101.9. The effective fed funds rate remained at 3.88%.

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Cross-asset performance

Asset	Last	Week	YTD
Nikkei 225	68,309.46	+2.9%	+35.7%

Asset	Last	Week	YTD
Bitcoin	84,497.21	+0.0%	-3.4%
USD/CNY	6.70	-0.1%	-4.2%
USD/JPY	157.93	-0.6%	+1.0%
Ether	2,668.15	-0.7%	-10.1%
Euro Stoxx 50	6,238.50	-1.0%	+7.6%
EUR/USD	1.13	-1.0%	-4.2%
Shanghai Composite	3,842.20	-1.2%	-3.2%
WTI crude	91.11	-1.4%	+58.7%
Brent crude	102.25	-2.0%	+68.0%
Hang Seng	23,972.29	-2.2%	-6.5%
Copper	6.49	-3.0%	+15.3%
Gold	4,162.30	-3.7%	-4.1%
Natural gas	3.04	-5.0%	-17.7%
Silver	59.98	-6.6%	-14.5%

FX changes follow the quote convention: a rise in USD/JPY indicates a stronger dollar. Oil and natural gas are front-month futures.

Higher real yields and a stronger dollar weighed on precious metals: gold fell 3.7% to \$4,162 per ounce, its second consecutive weekly decline, silver 6.6% and copper 3.0%. Oil declined modestly. Prices rose on Monday after the US rejected an Iranian peace proposal; on Friday the G7 announced a release of up to 100 million barrels of crude and diesel over four months, coordinated through the IEA. WTI fell 1.4% on the week to \$91.11 and Brent 2.0% to \$102.25. The US Dollar Index rose 0.96, EUR/USD fell 1.0% and USD/JPY fell 0.6%. Abroad, the Nikkei 225 rose 2.9%, the Euro Stoxx 50 fell 1.0% and the Hang Seng 2.2% (closed on October 1); the Shanghai Composite, which traded only through September 30 ahead of the National Day holiday, fell 1.2%. Bitcoin was little changed and Ether fell 0.7%.

Covered stocks

Ticker	Our rating	Week	vs S&P	YTD
NVDA	Buy	+3.9%	+4.2%	+25.7%
8031.T	Neutral	-2.0%	-1.7%	+8.1%
MSFT	Neutral	+0.3%	+0.5%	+7.7%
MCD	Buy	-1.9%	-1.7%	-22.6%
KO	Buy	-2.5%	-2.2%	+24.9%
TSLA	Buy	-0.4%	-0.1%	-17.6%
AAPL	Buy	-2.2%	-1.9%	+23.1%

Nvidia rose 3.9% this week, outperforming the S&P 500 by 4.2 percentage points, the best performer among covered stocks, and set a record high on Friday; our rating is Buy. Microsoft rose 0.3% (Neutral). Apple fell 2.2%, and Tesla, which rebounded on Friday after its delivery report, fell 0.4% on the week; both are rated Buy. Coca-Cola fell 2.5%, McDonald's 1.9% and Mitsui & Co. 2.0%. See the reports on Nvidia, Tesla, Apple, Microsoft, McDonald's, Coca-Cola and Mitsui & Co.

Week ahead

Date	Event	Significance
Oct 5	ISM services PMI (September)	August was 55.4 and consensus
Oct 7	Minutes of the September FOMC meeting; remarks by Williams, Bowman, Logan and Musalem (Oct 6–8)	The September decision was a u
Oct 7	10-year note reopening auction (Oct 7) and 30-year bond reopening auction (Oct 8); 3-year auction on Oct 6	With long-end yields at their high
Oct 8	PepsiCo third-quarter results (before the open)	Consensus EPS is \$2.30 on reve
Oct 9	University of Michigan consumer sentiment, preliminary October	The September final reading was
Oct 13	The following week: JPMorgan third-quarter results (Oct 13) open earnings season; September CPI (Oct 14)	August CPI rose 3.4% year on ye

Methodology and sources

Weekly change = last close of this week ÷ last close of the previous week – 1 (2026-09-28 to 2026-10-02); indices and ETFs use adjusted closes.

Prices, FX, commodities, crypto and calendars from Yahoo Finance (delayed); Treasury yields, real yields, breakevens, credit spreads and fed funds from FRED.

Sectors are SPDR sector ETFs; styles are iShares Russell 1000 Growth/Value, MTUM, QUAL, USMV; themes are SMH (semiconductors) and IGV (software).

Sources cited this week

Friday close and the market response to payrolls: Yahoo Finance, Oct 2, TheStreet, Oct 2

September employment report: BLS, Yahoo Finance

Treasury yields: Bloomberg via Yahoo Finance, Oct 1, Yahoo Finance, Oct 2, CNBC, Oct 2, CNBC, Sep 28

Rate expectations: CNBC, Oct 2, BNN Bloomberg, Oct 2, Seoul Economic Daily, Oct 2

ISM manufacturing: ISM / PR Newswire, Quartz

Micron and Nvidia: CNBC, Sep 30, Bloomberg, Oct 2

Apple and Tesla: Yahoo Finance, CNBC, Oct 2

Oil and gold: TheStreet, Sep 28, Washington Post, Oct 2, Yahoo Finance

Week-ahead calendar: Newsquawk, ISM August services, US Treasury auction schedule,

PepsiCo, JPMorgan, BLS CPI, CNBC on August CPI, University of Michigan, September

Data notes

FRED Treasury yields, real yields, credit spreads and the fed funds rate run through October 1 (the 10-year/2-year spread and breakeven inflation through October 2); Friday closing yields are taken from CNBC.

The Shanghai Composite runs through September 30 because of the National Day holiday; the Hang Seng was closed on October 1.

This report is a research publication based on public market data and is intended for a general audience. It does not take into account any individual's financial circumstances and does not constitute investment advice. Data are delayed; original sources prevail.

Data as of 2026-10-02 · 雅虎财经（行情、汇率、商品、日历）；FRED（美债收益率、信用利差、政策利率）

AlphaScope · alphascope.cc/en/reports/us-weekly-2026-w40 · Generated 2026-10-03

Financial data are taken from original SEC EDGAR filings. Market data are delayed, and the sources are stated in each report.

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