DAILY DEBRIEF 2 (02/10/2026)

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Breadth-led rotation: equal-weight and Dow at records as the market tilts defensive and broadens away from megacap/AI infra into housing, building products, utilities, chemicals, media, paper/packaging, and hotels (MAR). Big tech, AI infrastructure, banks/IBs, advisors, biotech and retail-favorite beta lag on AI-disruption fears (Altruist) and softer growth reads. Rates bid with curve flattening on weak Dec retail/control group and NFP "talk-down"; 3Y auction strong. Earnings drive sharp dispersion (SPOT/DDOG/CRDO/ICHR/ENTG/HAS strong vs UPWK/SPGI/SCHW/XYL/INCY/BP weak) as focus turns to Wed NFP and Fri CPI.

Stocks

USA	Europe	APAC
S&P 500 -0.33%	**DAX** -0.11%	**Hang Seng** +0.58%
NASDAQ -0.59%	**Euro Stoxx 50** -0.20%	**Nikkei 225** +2.20%
Dow Jones +0.10%	**FTSE 100** -0.31%	**CSI 300** +0.11%

As of 4:00 PM ET

Commodities

Energy	Metals	Agriculture
WTI Crude -0.08%	**Spot Gold** -0.56%	**Corn** 0.00%
Brent Crude +0.10%	**Spot Silver** -3.00%	**Coffee** -1.07%
HH Nat Gas -0.22%		**Cotton** -0.03%

As of 4:15 PM ET

Market Overview

U.S. equities finished mixed after failing to hold early gains, but the broader tape stayed constructive: breadth was positive and equal-weight leadership persisted, with the equal-weight S&P and Dow setting record closes. The session marked a continued rotation away from megacap tech/AI infrastructure and toward defensives and domestic cyclicals, as rates rallied on softer data and pre-NFP positioning. Risk sentiment cooled into the close amid geopolitical headlines and White House efforts to temper expectations for Wednesday's jobs report.

Equities

Leadership skewed decisively away from big tech, with AI infrastructure, banks/IBs, advisors, financial data/exchanges, biotech, A&D, industrial metals, discounters, and retail-favorite beta all lagging. Financial advisory stocks were a notable pressure point following AI tax-planning competition concerns. In contrast, housing and housing-adjacent groups (homebuilders, building products, housing retail) led, alongside utilities, chemicals, media, paper/packaging, multis, HPCs, and hotels (MAR)—consistent with a defensive tilt layered on top of a still-broadening trade. Software continued to claw back some recent losses but ended well off highs, underscoring selective rather than wholesale risk-on. Earnings drove sharp single-stock dispersion, with strong beats/guides rewarded and guidance risk punished.

Macro & Rates

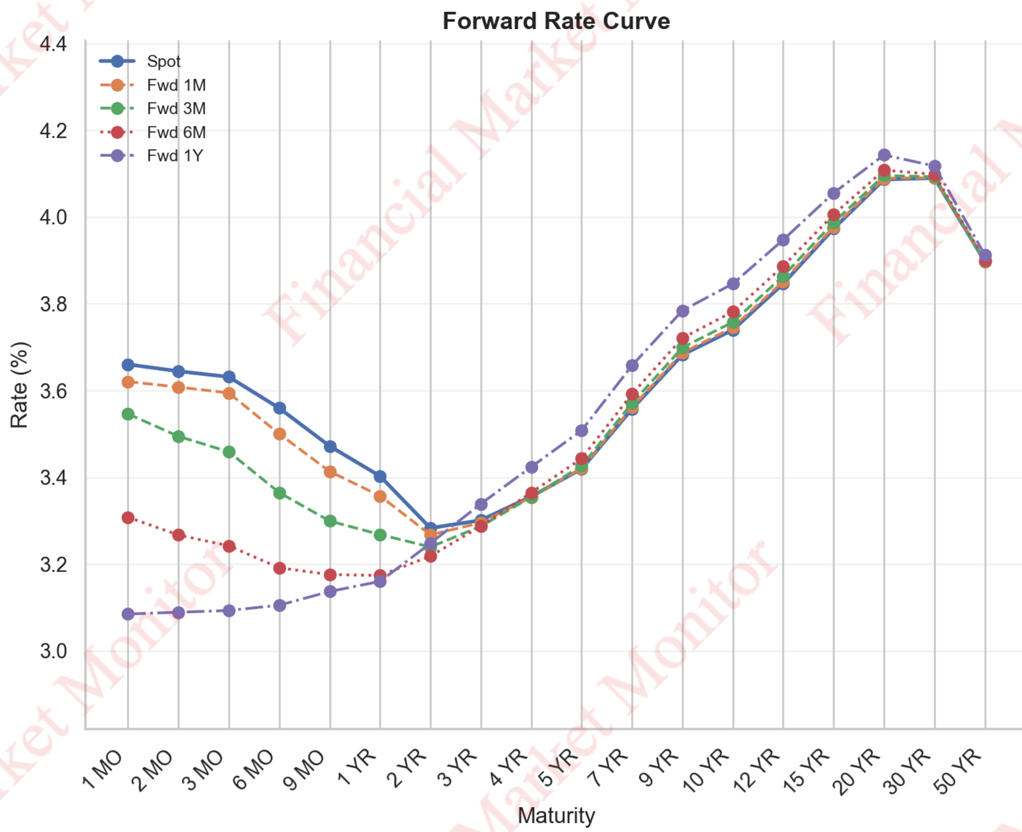
Rates rallied and the curve flattened, led by the long end, following flat December retail sales and a weaker control group, reinforcing slowdown chatter ahead of NFP. Fed speak leaned cautious: Hammack emphasized patience and a potentially extended hold; Logan reiterated policy near neutral with easing contingent on labor cooling. Treasury supply was well absorbed—the 3Y auction stopped through with solid demand—helping keep yields contained. Focus now turns to Wednesday's NFP, followed by CPI on Friday and continued heavy Treasury issuance.

FX & Commodities

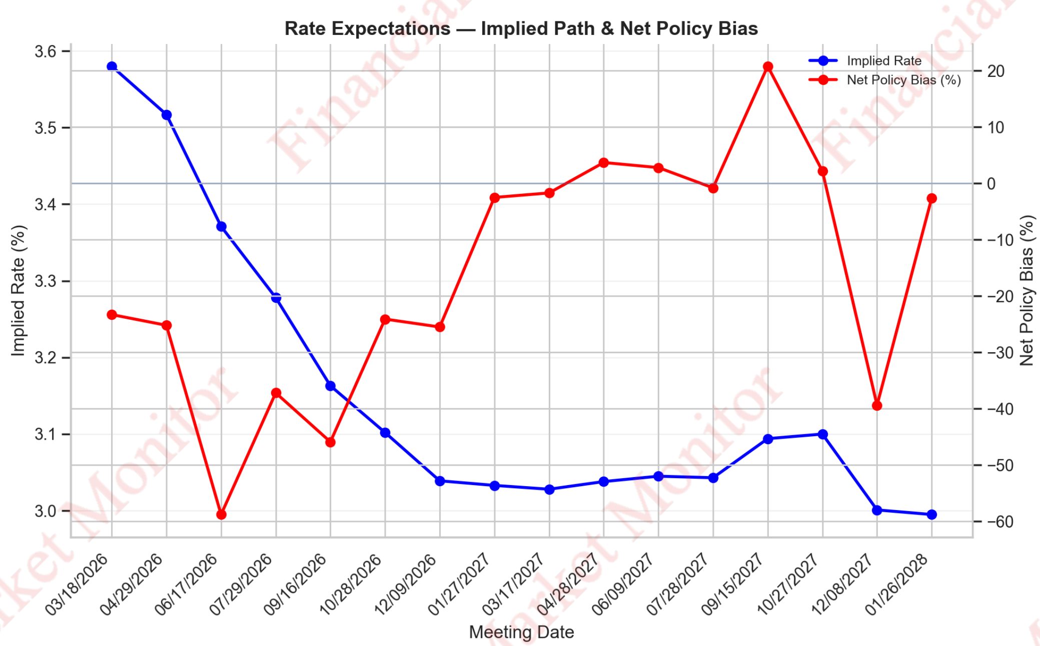
FX was relatively quiet overall, with yen strength again the standout. Commodities softened on the day, consistent with the defensive equity tilt and rate rally backdrop, while crypto finished lower but off worst levels.

Geopolitics

Geopolitical risk remained a background but persistent overhang, highlighted by renewed Middle East rhetoric. Headlines contributed to defensiveness and reinforced the market's preference for quality, domestic cyclicals, and rate-sensitive leadership into key macro catalysts.



Forward Rate Curve
Spot
Fwd 1M
Fwd 3M
Fwd 6M
Fwd 1Y
Rate (%)
Maturity
1 MO
2 MO
3 MO
6 MO
9 MO
1 YR
2 YR
3 YR
4 YR
5 YR
7 YR
9 YR
10 YR
12 YR
15 YR
20 YR
30 YR
50 YR



Rate Expectations — Implied Path & Net Policy Bias
Implied Rate
Net Policy Bias (%)
Implied Rate (%)
Net Policy Bias (%)
Meeting Date
03/18/2026
04/29/2026
06/17/2026
07/29/2026
09/16/2026
10/28/2026
12/09/2026
01/27/2027
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