MORNING EDITION · BASIC · WEDNESDAY, OCTOBER 21, 2026

Calm tape, loaded evening.

The S&P 500 closed Tuesday back above its 50-day average, futures are a touch higher, and five of the names we cover report after tonight's close.

DECISION BLOCK

DEGEN RISK

85 · Transition

A conditions gauge, not a crash predictor

TODAY'S #1 CATALYST

After the close

Meta, Tesla, IBM, Lam Research and Texas Instruments report

MARKETS

S&P futures +0.24% · Nasdaq futures +0.71% · Dow futures +0.01% · VIX −0.81% · Oil +1.49% · Gold −0.32% · Bitcoin −0.29%

ENGINE PICKS

No Engine List name meets the Engine star bar today · ★ AMZN — Screeners Pick (on both screened lists) · $262.63, +0.07% Tue

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The story: calm tape, loaded evening

Calm tape, loaded evening. The S&P 500 closed Tuesday back above its 50-day average, futures are a touch higher, and five of the names we cover report after tonight's close.

The brief

What: Whether the market can sit still until 4:00 PM. The S&P 500 closed Tuesday just 0.11% above its 50-day average, and S&P futures are up 0.24% as of 4:07 AM ET, with Nasdaq futures up 0.71%. Netflix beat on earnings Tuesday night yet trades 6.00% lower in early premarket (4:17 AM ET).

Why: Tonight is the first big read on AI spending from the companies spending on it and the ones supplying it: Meta, Tesla, IBM, Lam Research and Texas Instruments all report in about an hour after the bell. Rates are still the backdrop: the 10-year yield is higher than a month ago, and high-yield bonds closed 5.5% under their 52-week high. Calm on the surface, tight underneath.

When: 7:00 AM ET: weekly mortgage rates. 10:30 AM ET: weekly crude oil inventories. After the close: Meta, Tesla, IBM, Lam Research and Texas Instruments. Thursday 8:30 AM ET: initial jobless claims (expected 200,000). The Fed decides Wed Oct 28.

The market story in plain words

- **Tuesday was a rotation day, not a rally day.** The Dow rose 1.02%, the S&P 500 added 0.28% and closed back above its 50-day average, and the Nasdaq Composite slipped 0.02%.
- **Housing showed what high rates cost.** Housing starts, pending home sales and the builders' mood index all missed, with the 10-year yield still high.
- **Tesla reports after the close.** Stocks may drift until five big reports land after the close: Meta, Tesla, IBM, Lam Research and Texas Instruments. Netflix's beat that still slipped sets the bar.

Macro strip

S&P futures +0.24% · Nasdaq futures +0.71% · Dow futures +0.01% · VIX −0.81% · Oil +1.49% · Gold −0.32% · Bitcoin −0.29%

Market health

GAUGE	READING	NOTE
Degen Risk	85 · Transition	A conditions gauge, not a crash predictor
Today's #1 catalyst	After the close	Meta, Tesla, IBM, Lam Research and Texas Instruments report

• Stress is mild: the VIX is below the three-month VIX, and the S&P 500 closed 0.1% above its 50-day. Rates run hot: the 10-year yield is higher than 20 sessions ago. Credit is the heavy weight: high-yield bonds closed 5.5% under their 52-week high.

• Translation: calmer on the surface, but high yields and soft credit keep the gauge orange into tonight's big earnings.

Breadth in our universe

21 of 49 names in our universe closed Tuesday above their 50-day average: 42.9%.

Last night's earnings

COMPANY	RESULT	PREMARKET
Netflix (NFLX)	Beat: $0.87 a share vs $0.82 expected	−6.00% (4:17 AM ET)

A beat that still slipped sets a tough bar for tonight's five reporters.

News that may affect the market

- **Musk says Tesla and SpaceX are exploring a merger.** Committees have formed to discuss a possible combination; Musk said a deal is not a certainty. Tesla reports tonight.
- **Big Chinese tech firms line up for Nvidia chips.** Reports said ByteDance, Alibaba and Tencent ordered more than $35 billion of Nvidia chips; Nvidia is up 2.01% in early premarket (4:02 AM ET).
- **Housing had a rough two days.** September housing starts came in at 1.221 million against 1.30 million expected, pending home sales fell 7.3% in a month, and the builders' mood index slid. Permits held near forecast at 1.400 million.

Earnings today

WHEN	WHO
Before the open	Abbott Labs, AT&T, CME Group, Danaher, Elevance Health, Moody's, NextEra Energy, Philip Morris, Thermo Fisher
After the close	Meta, Tesla, IBM, Lam Research, Texas Instruments, SAP, United Rentals, CSX, Kinder Morgan

Screeners Pick

No Engine List name meets the Engine star bar today; the one star is the Screeners Pick.

★ Screeners Pick: AMZN, the one name on both of this morning's screened lists.

The Engine List

SYMBOL	TUE CLOSE	TUE	VS 50-DAY
NVDA	$216.47	−0.29%	−2.9%
ENB	$47.89	+1.63%	−1.6%
★ AMZN	$262.63	+0.07%	+2.4%
AAPL	$339.50	−1.00%	+3.9%
FTNT	$170.93	−0.33%	+0.7%
PLTR	$192.60	−0.80%	+5.0%
SNOW	$319.61	+1.35%	−3.9%

7 names, 1 star (AMZN, Screeners Pick). Close and change are Tuesday 10-20; the last column is how far Tuesday's close sat above or below the 50-day average.

Watch list teaser

The full list of the names we keep an eye on, with every setup, is in the Pro.

The question into the close

QUESTION INTO THE CLOSE: Does the S&P 500 close today above its 50-day average? It closed Tuesday 0.11% above it. Yes if the official close today is above Tuesday's 50-day average; no otherwise. Tonight's Final Hour prints the answer.

Print quote of the day

“Risk comes from not knowing what you're doing.”

— Warren Buffett, Omaha World-Herald, Jan 2, 1994

WHY IT FITS: Five big reports in one evening. Knowing what's on the calendar, and what each report has to show, is the preparation.

MEMBERSHIP

> LEAPS NAMES TODAY
> NVDA Nvidia · ENB Enbridge · AMZN Amazon · AAPL Apple · FTNT Fortinet · PLTR Palantir · SNOW Snowflake · QCOM Qualcomm · AVGO Broadcom · TSLA Tesla · GOOGL Alphabet · SNDK SanDisk · MU Micron
>
> Full LEAPS setups are in the Pro.

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