MORNING EDITION · BASIC · THURSDAY, OCTOBER 22, 2026

Beats, red futures.

Texas Instruments, IBM and Lam Research beat on earnings last night, yet S&P futures are down 1.02% and Nasdaq futures 1.77% as of 4:13 AM ET.

DECISION BLOCK

REGIME	DEGEN RISK	TODAY'S #1 CATALYST
Risk-Off	**90**	**8:30 AM ET**
A borderline reading	A conditions gauge, not a crash predictor	Initial jobless claims (expected 200,000)

MARKETS

S&P futures −1.02% · Nasdaq futures −1.77% · Dow futures −0.66% · VIX +10.85% · Oil +1.98% · Dollar −0.18% · Gold −0.95% · Bitcoin −1.98%

ENGINE PICKS

No Engine List name meets the star bar today · Full Engine List and Screeners Pick in the Pro

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The story: beats, red futures

Beats, red futures. Texas Instruments, IBM and Lam Research beat on earnings last night, yet S&P futures are down 1.02% and Nasdaq futures 1.77% as of 4:13 AM ET.

The brief

What: Whether Wednesday's relief rally survives a rough night. The S&P 500 closed Wednesday 0.68% above its 50-day average, and S&P futures are down 1.02% as of 4:13 AM ET, a drop that would put the open just under that line. Nasdaq futures are off 1.77%, and Texas Instruments, IBM and Lam Research all trade lower in early premarket.

Why: Two things hit at once. A report Wednesday said the U.S. and Israel have drawn up plans for renewed strikes on Iran after the November 3 midterms, and oil is up 1.98% (2:57 AM ET). And the bar for AI earnings is so high that a beat is not enough. Rates and credit are still the backdrop: the 10-year yield is higher than a month ago, and high-yield bonds closed 5.3% under their 52-week high.

When: 8:30 AM ET: initial jobless claims (expected 200,000; prior 199,000). 10:00 AM ET: leading economic index. 10:30 AM ET: natural gas storage. 11:00 AM ET: Kansas City Fed factory index. After the close: Western Digital and Newmont. Friday 9:45 AM ET: flash factory and services surveys. The Fed decides Wed Oct 28.

Macro strip

S&P futures −1.02% · Nasdaq futures −1.77% · Dow futures −0.66% · VIX +10.85% · Oil +1.98% · Dollar −0.18% · Gold −0.95% · Bitcoin −1.98%

Futures as of 4:13 AM ET, VIX 4:08 AM ET, dollar 4:23 AM ET, oil and gold 2:57 AM ET, bitcoin 3:07 AM ET. The 10-year yield has no Thursday print before the open.

The market story in plain words

- **Wednesday was a relief rally led by tech.** The Nasdaq Composite gained 1.05%, the S&P 500 rose 0.58% and closed 0.68% above its 50-day average, and the Dow added 0.69%.
- **Single stocks did the moving.** IBM rose 3.94% into its report, while Netflix fell 5.31% in its first session after earnings.
- **Energy data came in tight.** U.S. crude stocks fell 3.1 million barrels against an expected 0.8 million, the second weekly draw in a row. The 30-year mortgage rate eased, but mortgage applications still fell 5.3%.

What matters today: the night undid part of that rally. Jobless claims at 8:30 AM ET are the only top-tier number, and the open decides whether the S&P 500 holds above its 50-day average.

Market health

GAUGE	READING	NOTE
Regime	Risk-Off	A borderline reading
Degen Risk	90	A conditions gauge, not a crash predictor
Today's #1 catalyst	8:30 AM ET	Initial jobless claims (expected 200,000)

• Stress picked up overnight: the VIX is up 10.85% from Wednesday's close and almost level with the three-month VIX, even though the S&P 500 closed 0.7% 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 5.3% under their 52-week high.

• Translation: most of the move into the red comes from the overnight VIX jump. A calmer VIX at the open would put the gauge back in Transition; until then, high yields and soft credit leave little cushion.

Breadth in our universe

24 of 49 names in our universe closed Wednesday above their 50-day average: 49.0%.

The other 25 closed below it, so our universe sits almost exactly split going into a red open.

Last night's earnings

COMPANY	RESULT	PREMARKET
Texas Instruments (TXN)	Beat: $2.62 vs $2.42 expected	−0.58% (4:15 AM ET)
IBM (IBM)	Beat: $2.95 vs $2.87 expected	−5.71% (4:28 AM ET)
Lam Research (LRCX)	Beat: $2.20 vs $2.18 expected	−8.77% (4:23 AM ET)

Texas Instruments, IBM and Lam Research all beat, and each trades lower in early premarket. Earnings per share, company-confirmed; reaction vs Wednesday's close.

News that may affect the market

- **Iran strike plans knock futures lower.** A report Wednesday said U.S. and Israeli military planners have drawn up plans for renewed strikes on Iran after the November 3 midterm elections; a White House official declined to discuss them.
- **Lam Research beat but flagged supply limits.** Lam posted record results but said its December-quarter outlook would have been higher without supply-chain constraints that push some shipments into March, and it expects China's share of its sales to fall in December. Chip-equipment and memory names are slipping with it.
- **Asia slid with chips.** Japan's Nikkei closed down 2.65%, with memory-chip names leading a broader Asian decline.
- **Oil climbs on Gulf risk.** Oil is up 1.98% (2:57 AM ET). Wednesday's weekly data already showed U.S. crude stocks falling for a second straight week.

Earnings today

WHEN	WHO
Before the open	Procter & Gamble, Union Pacific, Lockheed Martin, Honeywell, Blackstone, Comcast, American Airlines, Dow Inc., Valero Energy, Nasdaq Inc.
After the close	Western Digital, Newmont, Deckers, Omnicom, VeriSign, Robert Half, Comfort Systems, Boston Beer

No company on our covered list reports today. After the bell, Western Digital is the first read on storage demand since last night's chip reports.

Screeners Pick

No Engine List name meets the star bar today. The Screeners Pick is in the Pro.

The Engine List

The full Engine List, with a page for every name, is in the Pro.

Watch list teaser

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

The question into the close

WEDNESDAY'S ANSWER: Yes. The S&P 500 closed Wednesday 0.68% above its 50-day average.

QUESTION INTO THE CLOSE: Does the S&P 500 close today above its 50-day average? It closed Wednesday 0.68% above it, and S&P futures (−1.02% at 4:13 AM ET) point to an open just under the line. Yes if the official close today is above Wednesday's 50-day average; no otherwise. Tonight's Final Hour prints the answer.

Print quote of the day

“The investor who permits himself to be stampeded or unduly worried by unjustified market declines in his holdings is perversely transforming his basic advantage into a basic disadvantage.”

— Benjamin Graham, The Intelligent Investor, Chapter 8

WHY IT FITS: Red futures after a night of earnings beats is the kind of morning that invites a stampede. Knowing what moved, and why, is the advantage.

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