

Market Quick Take - Stocks slip as the ten-year hits a 2007 high - 24 September 2026

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Market drivers and catalysts

- Macro: Strong US PMIs drive dollar and bond yields higher, stocks lower on renewed Fed tightening risk
- Equities: Higher yields and firmer crude knocked shares back with energy the only refuge
- Volatility: The volatility move landed in bonds rather than in equities as rate swings widened
- Digital Assets: Crypto drifted lower while an early derivatives venue closed its doors for good
- Commodities: Crude snapped a five-session slide while precious metals fell amid surging bond yields
- Fixed Income: US long-dated treasuries spike to new post-GFC highs.
- Currencies: US dollar follows US treasury yield higher.

Macro

- US business activity is expanding at its fastest pace in more than five years. The S&P Global flash composite PMI rose to 58.4 in September, with the services measure at 58.7, the strongest in over five years and above expectations, on strong domestic demand; backlogs and employment climbed toward record levels even as input costs rose with fuel and transport, export orders weakened and business confidence stayed below trend. The manufacturing PMI jumped to 57.0 from 53.9, far above expectations and the strongest since May 2022, with production, new orders, employment, inventories and delivery times all improving. Bond yields jumped after the data boosted expectations of further Federal Reserve tightening. Germany's flash composite PMI rose to 53.8, an eleven-month high, as services rebounded and hiring increased despite fuel-driven cost pressure.
- Iran's President Masoud Pezeshkian told the United Nations that Tehran will keep pursuing nuclear technology for economic use and may restrict Strait of Hormuz shipping while sanctions and a US blockade persist. US officials have separately described a productive meeting with Iranian envoys, with further talks planned, and Saudi Arabia is preparing to restart exports through its East-West pipeline, a route that bypasses Hormuz. On refined products, Energy Secretary Chris Wright said the administration is seeking voluntary diesel export cuts from refiners rather than a formal ban.
- Xi Jinping is visiting the US for the first time in eleven years and has stated he is "confident" the trip would produce "fruitful results". Ahead of the meeting, the US and China have sealed a two-month extension to their trade truce, according to Treasury Secretary Scott Bessent. Overall, expectations for major breakthroughs have been low, with the US yet to be satisfied with China's offer on rare earths and possibly other issues.

More in our Macro Analysis & Macroeconomic News

Macro calendar highlights (times in GMT)

- 0730 – Switzerland Rate Decision
- 0730 – Sweden Rate Decision
- 0800 – Germany September IFO Business Climate
- 0800 – Norway Rate Decision
- 1400 – US August New Home Sales

Fed speakers: Williams (0810), Barkin (1230), Hammack (1250), Paulson (1410)

Earnings events

- Thursday: Costco, H&M Hennes & Mauritz

For all macro, earnings, and dividend events check Saxo's calendar.

Equities

- US. Equities fell on Wednesday as surging Treasury yields and firmer crude coincided with renewed inflation concern. The S&P 500 slid 0.75% to 7,706.03, the Nasdaq 100 fell 0.85% to 30,470.29 and the Dow lost 0.68% to 51,517.16, while the Russell 2000 dropped 1.77%, the weakest of the majors. Energy was the only sector to close higher, the XLE sector ETF up 0.96% and the XOP exploration and production ETF 0.57%. Rate-sensitive corners took the brunt: the XBI biotechnology ETF fell 4.12%, the GDX gold miners ETF 4.36% and GDXJ 5.23%, with utilities and real estate down 1.92% and 1.55%. Among large caps, Alphabet dropped 3.80% to 337.83, Amazon 2.24% and Broadcom 2.62%, while Meta Platforms bucked the trend, rising 1.02% to 744.10, and Microsoft added 0.52%. Blackstone was a notable underperformer in financials after an intra-quarter update pointing to continued monetisation challenges.

- Europe. European shares fell, with Brent's return above USD 100 a barrel and rising bond yields cited as outweighing better-than-expected PMI data. The Stoxx Europe 600 dropped 0.44% to 639.93 and the DAX fell 0.66% to 25,410.63, while the CAC 40 lost 0.39% to 8,123.41 and the FTSE 100 was broadly flat. The BEL 20 was the weakest major at 1.24% lower and the SMI eased 0.23%. Allianz was the largest single drag on the Stoxx 600, declining 4.0%, with insurance and autos the worst-performing sectors, a pattern consistent with the move higher in yields.

- Asia. Japan's Nikkei 225 has returned from the Silver Week holiday 1.01% higher at 65,674.51, though the overnight US equity decline and Treasury selloff may temper the catch-up. The Kospi gained 0.90% to 7,080.92 on Wednesday ahead of the Chuseok holiday, with investors turning cautious. The Hang Seng is 0.52% lower at 24,704.75 and the Hang Seng Tech index 1.11% lower, while the CSI 300 is down 1.29% and Australia's ASX 200 0.76%. Healthcare names have attracted renewed interest, with a rotation away from artificial intelligence exposure cited as the driver. SoftBank priced one of the largest junk-bond offerings on record at USD 11.1 billion to fund its artificial intelligence ambitions, its depositary receipts gaining about 4% during the holiday break.

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Volatility

VIX 15.18 | VIX FUTURES: 17.80 | TERM STRUCTURE: CONTANGO | SKEW: ELEVATED (146.15) | MARKET REGIME: Low Vol Bull | AS OF ~06:00 CET

- A surge in Treasury yields coincided with a broad lift in volatility. The VIX rose 6.8% to 15.18, while VIX1D jumped 21.3% to 10.71 and VIX9D 10.9% to 13.45. VVIX firmed 6.5% to 88.60, the front VIX future little changed at 17.80.
- The larger move was in rates rather than equities: MOVE surged 21.5% to 95.45 and long-bond implied volatility 12.1% to 13.61. The cash curve held contango, VIX3M at 18.11, and SKEW firmed to 146.15. SPXW pricing implies about 37 points, 0.48%, today and 54 points, 0.70%, into Friday.

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Digital Assets

BITCOIN ~83,867 -0.61% | ETHEREUM ~2,674 -0.37% | IBIT 47.88 -1.95% | ETHA 20.21 -2.65% | AS OF ~06:00 CET

- Crypto drifted lower alongside the move higher in real yields. Crypto-linked equities fell further than spot: Strategy dropped 3.07%, CleanSpark 4.49%, Cipher 3.88%, Iren 3.09% and Bitmine 4.52%, while Coinbase eased 1.46% and Circle 3.03%. Both large US spot ETFs lost ground.
- BitMEX shut down permanently on 23 September, ending an eleven-year run for the venue that introduced the perpetual swap and once dominated crypto derivatives; it closed holding roughly 0.08% of that market. Deribit's DVOL edged up to 36.18.

Commodities

- Oil. Brent settled around USD 103 a barrel on Wednesday, ending a five-session losing streak and reclaiming the USD 100 handle, while the front November contract trades at USD 102.30 this morning, down 0.8%. Concerns about a US diesel export ban eased after Energy Secretary Wright said voluntary export cuts were being sought instead, sending diesel futures sharply lower. WTI trades at USD 91.46, down 0.8%, leaving the Brent premium near USD 11. Meanwhile, conflicting signals continue to emerge from the Strait of Hormuz, where attacks on vessels persist despite Treasury Secretary Bessent saying that oil flows through the waterway have at times reached 17 million barrels per day.
- Metals. Precious metals fell on Wednesday, weighed down by a stronger dollar and renewed weakness in US Treasuries after robust PMI data and a weak five-year debt auction pushed yields to multi-year highs. Spot gold slipped below USD 4,300, while silver fell harder, dropping 4% on the day. Mining stocks bore the brunt of the broader equity-market weakness, with GDX down 4.36% and GDXJ 5.23%. Copper, meanwhile, held steady, supported by robust underlying demand fundamentals.
- Agriculture: Wheat futures fell to a one-month low on hopes of easing Black Sea tensions, following diplomatic developments on the sidelines of the UN General Assembly as Russia flagged talks with mediator Turkey about ending strikes on grain vessels. Chicago wheat dropped as much as 1.5% and corn 1.4%. The market remains highly sensitive to the Black Sea conflict after an escalation since July disrupted the vital grain corridor, briefly driving wheat close to USD 8 per bushel and a three-year high, before prices retreated to around USD 7.06.

More in our Commodity News, Analysis & Commentary

Fixed Income

- The entire US Treasury yield curve lifted aggressively on Wednesday. The benchmark 2-year treasury yield rose almost twenty basis points Wednesday before settling back five basis points lower to 4.89%, a new cycle high close since 2024, while 5-year and longer-date yields all set new post-GFC highs, including the benchmark 10-year yield closing fifteen basis points higher and above 5.11%. An auction of 5-year US Treasury notes saw the weakest bidding metrics since late 2018.
- Government bond yields lifted sharply to new cycle highs elsewhere including in Europe, where the benchmark German 2-year Schatz yield rose over ten basis points to close at 3.33% and the benchmark 10-year Bund yield rose nine basis points to above 3.555%, a new high close, if slightly below the intraday high from last week. The Germany-France 10-year yield spread widened over five basis points to over 110 basis points, the widest since 2012, during the Eurozone sovereign debt crisis.

Currencies

- The US dollar rose across the board on Wednesday, setting local high water mark against other major currencies as US treasury yields spiked to new cycle highs. EURUSD traded as low as 1.1369 before finding support as it eyes the range lows since early 2025 near 1.1325, GBPUSD traded as low as 1.3223 and AUDUSD as low as 0.7018, right near its 200-day moving average.
- USDJPY squeezed as high as 158.40 on Wednesday, just shy of its 200-day moving average. But the JPY firmed across the board early Thursday with Japan back from its holiday, as USDJPY dipped back below 158.00 and EURJPY below 180.00. Japan's Finance Minister Katayama said early Friday that she would refrain from commenting on FX levels early Friday and that "the principles of coordinated intervention are still alive".

More on currencies in our dedicated section: [Forex Trading News & Analysis](#)

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