

MORNING DECK

Friday, October 23, 2026 · 16 views · the hedge came back

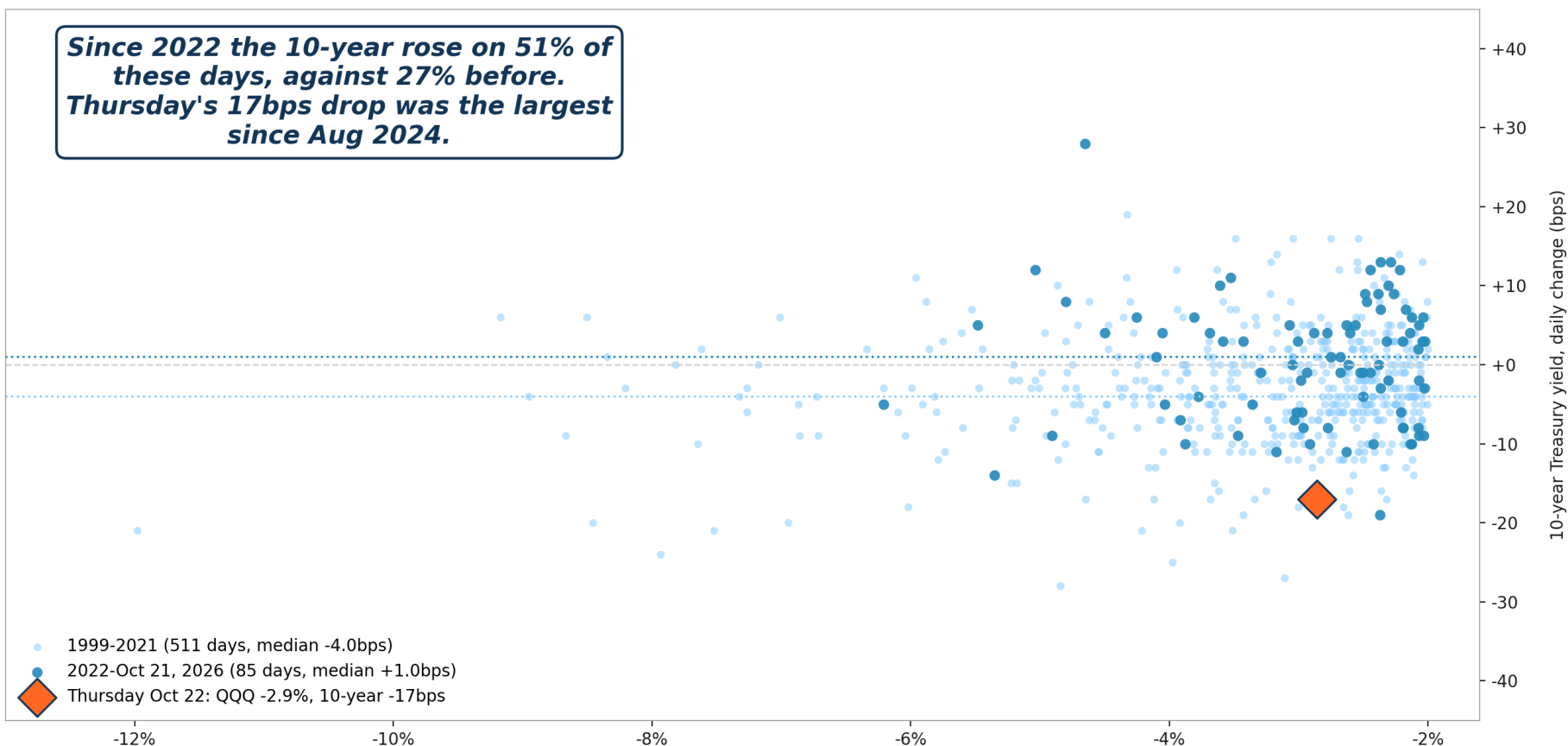
Lighthouse Macro · 16 views · MACRO, ILLUMINATED.



Treasuries Hedged a Nasdaq Rout Thursday: 10-Year -17bps, the Most Since Aug 2024

Every day QQQ fell 2% or more, Mar 1999-Oct 22, 2026 (597 days): QQQ return (x) vs change in the 10-year yield, bps (y); dotted lines = era medians

Since 2022 the 10-year rose on 51% of these days, against 27% before. Thursday's 17bps drop was the largest since Aug 2024.



Lighthouse Macro | Treasury (H.15, daily par yield curve), NYSE Arca via Lighthouse Master DB | Data through October 2026

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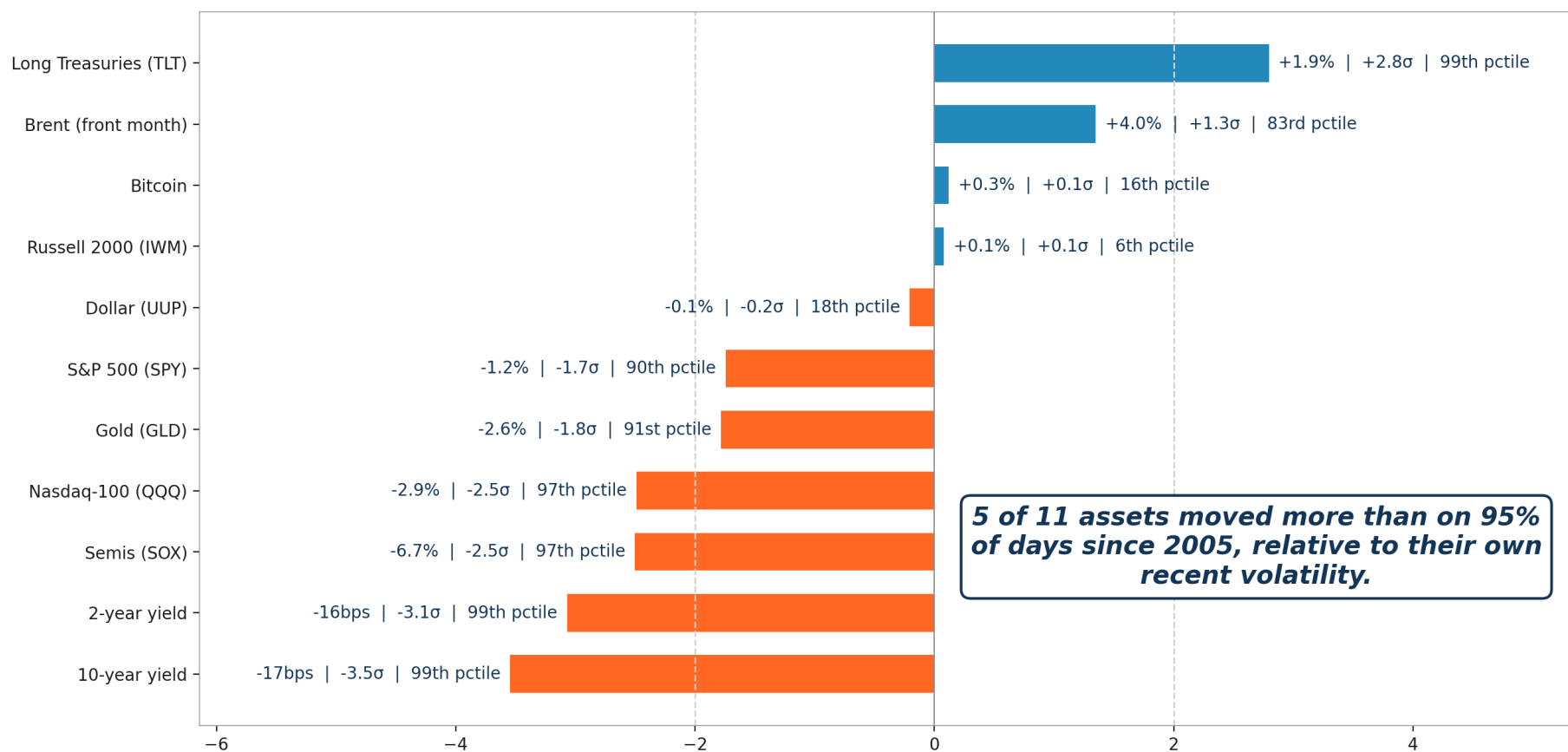
QQQ fell 2.9% Thursday and the 10-year yield fell 17bps, its biggest drop on a 2%+ Nasdaq selloff since Aug 2, 2024 (-19bps). On the 85 such days from 2022 the yield rose 51% of the time (median +1.0bps); 1999-2021: 27%, median -4.0bps.



October 23, 2026

Thursday in Sigmas: The 10-Year's Drop (-3.5σ) Was a Bigger Shock Than the Chip Rout (-2.5σ)

Oct 22, 2026 daily move (% or bps) / std. dev. of the prior 63 sessions (σ , x-axis); pctl = share of days since 2005 with a smaller absolute σ move



Lighthouse Macro | Treasury, Cboe/Nasdaq via Yahoo Finance, ICE Brent futures, Lighthouse Master DB | Data through October 2026

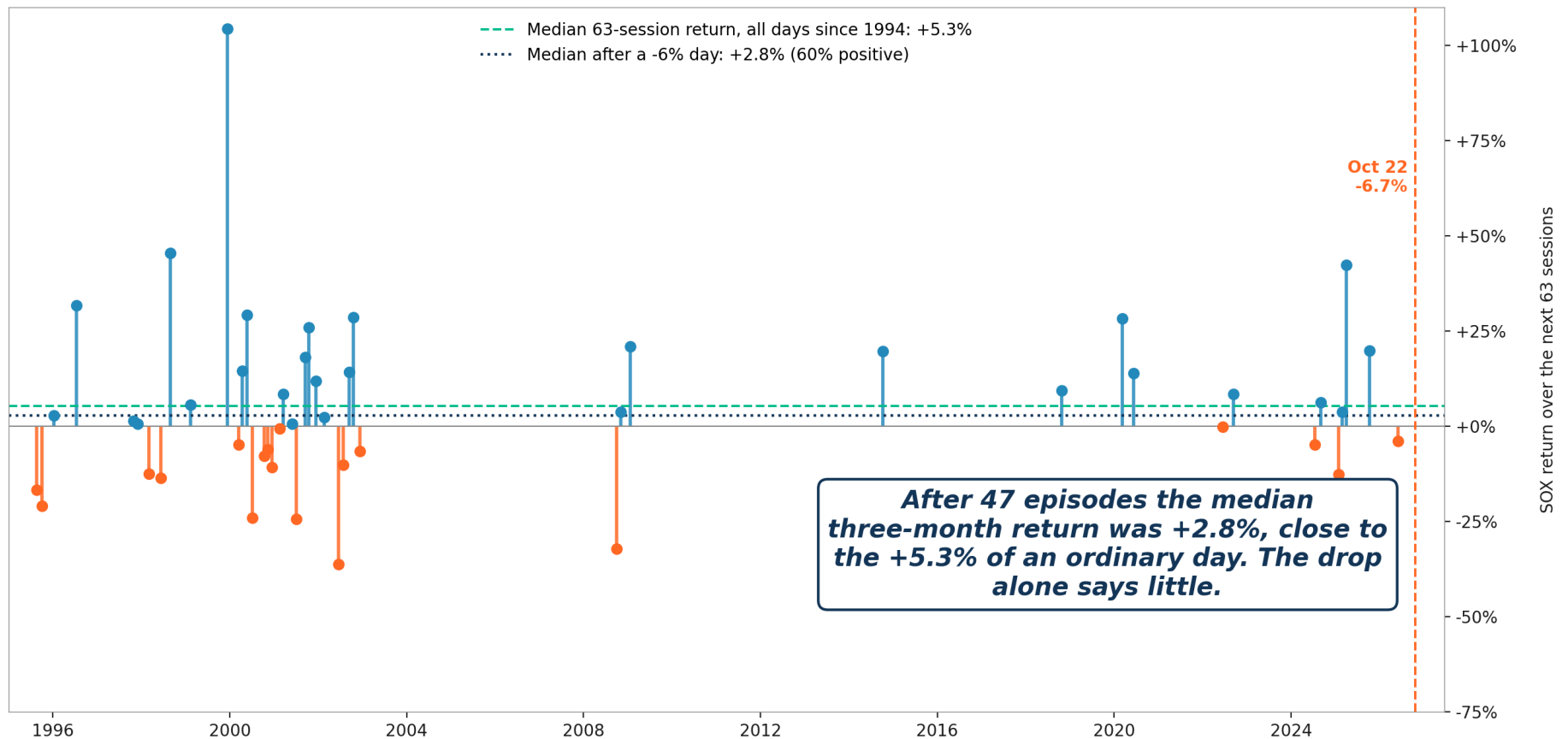
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Thursday scaled by each market's own recent vol: SOX -6.7% (-2.5σ , 97th pctl since 2005), 10-year -17bps (-3.5σ), gold -2.6% (-1.8σ), Brent +4.0%. Bitcoin moved +0.3%, +0.1 σ .



Semis Fell 6.7% Thursday; After Past -6% Days the Next Three Months Looked Ordinary

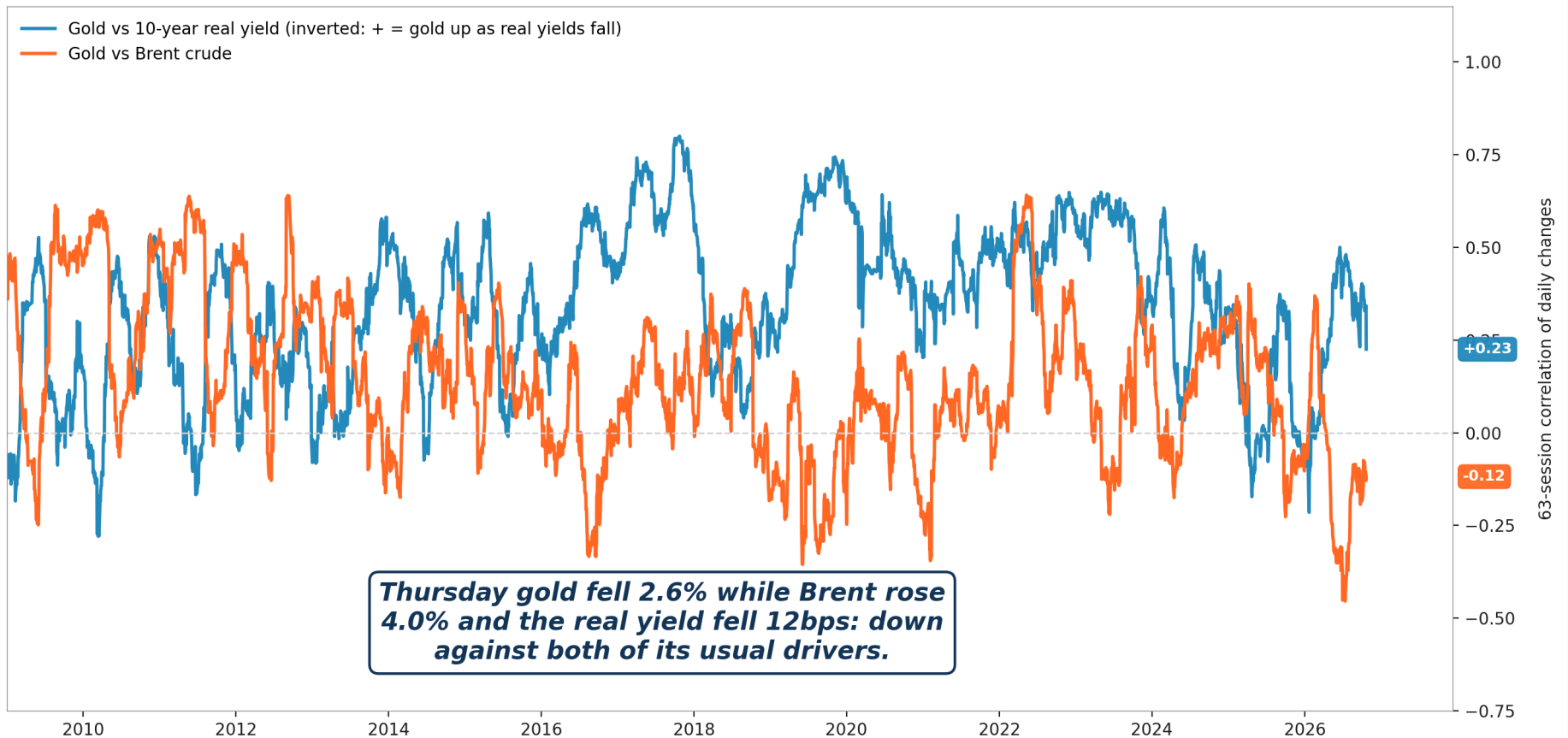
Philadelphia Semiconductor Index, return over the 63 sessions after each -6% day (first in any 21-session cluster), 47 completed episodes, 1995-2026



The SOX fell 6.7% Thursday, its 4th -6% day of 2026 and 98 since 1994. Across 47 prior episodes the median 63-session return was +2.8% (60% positive), against +5.3% (65%) for all days. History gives no strong signal either way.

Gold Fell Against Both of Its Usual Drivers Thursday, and Its Oil Link Sits at the 10th Percentile

63-session correlation of GLD daily returns with Brent front-month changes and with 10-year TIPS yield changes (sign flipped), daily 2009-Oct 22, 2026



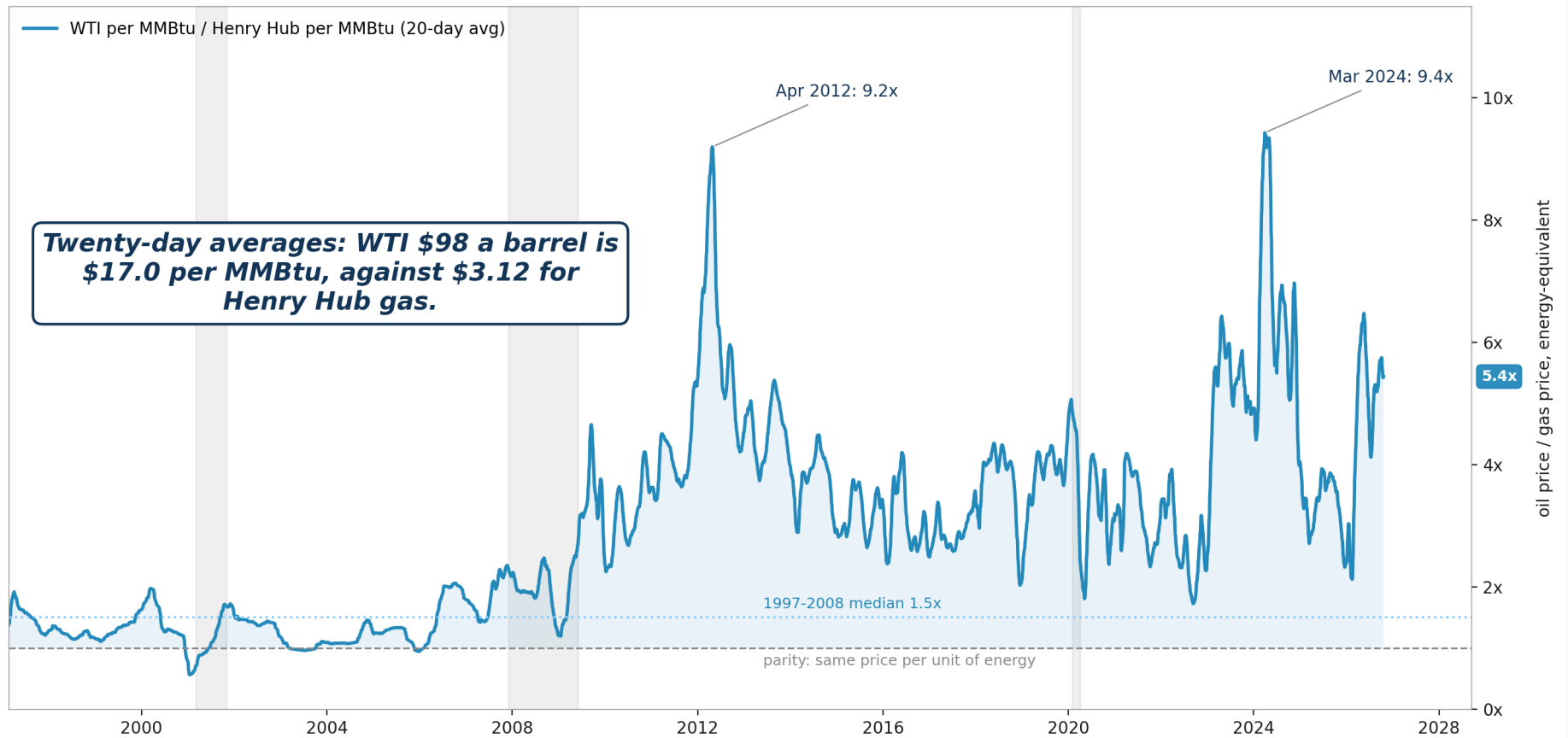
Lighthouse Macro | Treasury (real yield curve), ICE Brent futures via Yahoo Finance, Lighthouse Master DB | Data through October 2026

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Gold's 63-day correlation with Brent is -0.12, the 10th percentile since 2009, and with falling real yields +0.23 (29th pctile; +0.11 a year ago). Thursday GLD fell 2.6% as Brent rose 4.0% and the 10-year real yield fell 12bps.

A Unit of Energy From Oil Costs 5.4x the Same Energy From US Gas

WTI spot / 5.8 MMBtu per barrel, divided by Henry Hub spot (\$/MMBtu), 20-day average, daily 1997-Oct 20, 2026; 90th percentile



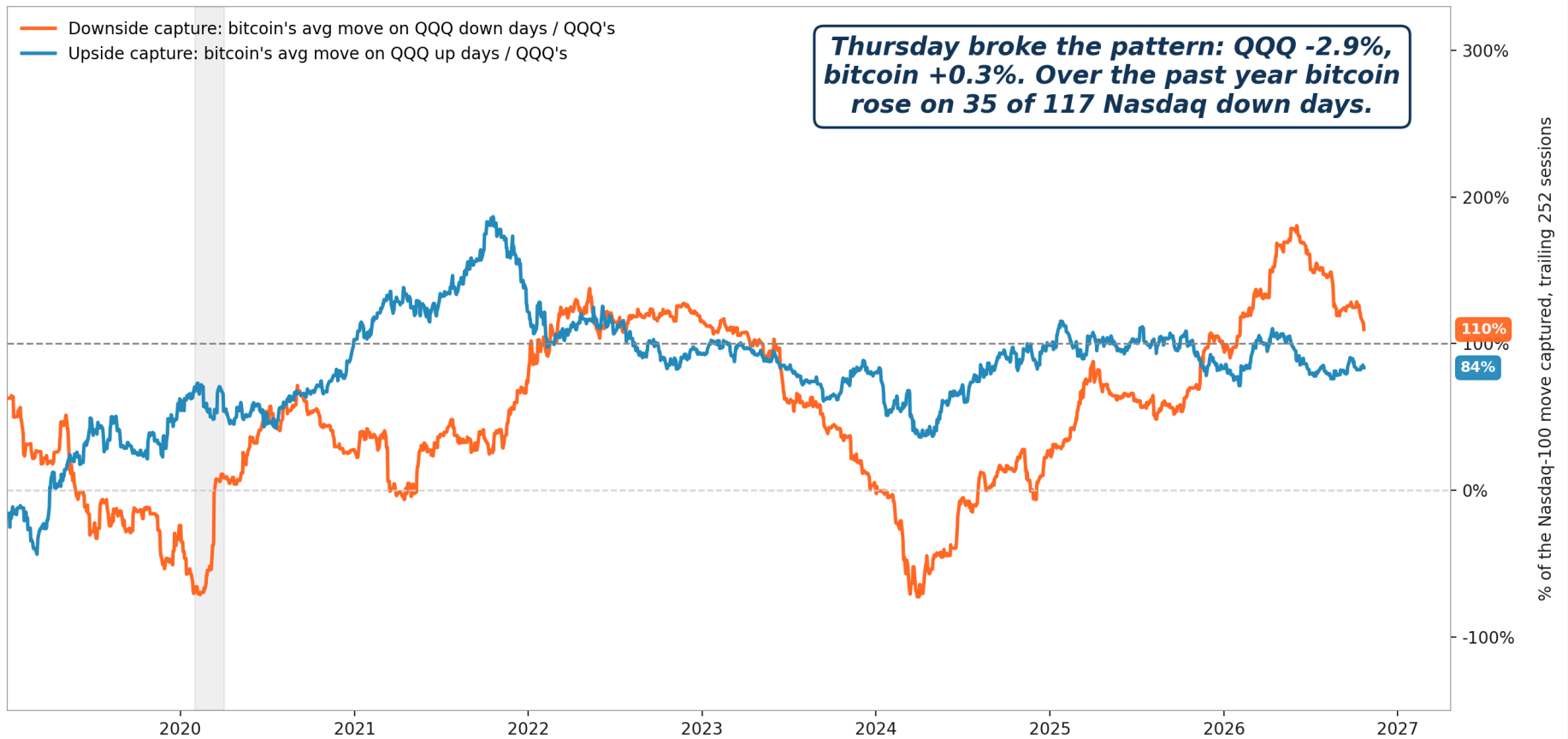
Lighthouse Macro | EIA via FRED (DCOILWTICO, DHHNGSP) | Data through October 2026

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Per unit of energy, oil cost 5.4x US natural gas over the 20 days to Oct 20: WTI \$98 (\$17.0/MMBtu) vs Henry Hub \$3.12. That is the 90th percentile since 1997 and 3.5x a year ago; the 1997-2008 median was 1.5x.

Bitcoin Has Caught 110% of the Nasdaq's Down Days and 84% of Its Up Days

Bitcoin vs Nasdaq-100 ETF (QQQ), equity trading days: average bitcoin return on QQQ down (up) days / average QQQ return on those days, rolling 252 sessions, 2019-Oct 22, 2026



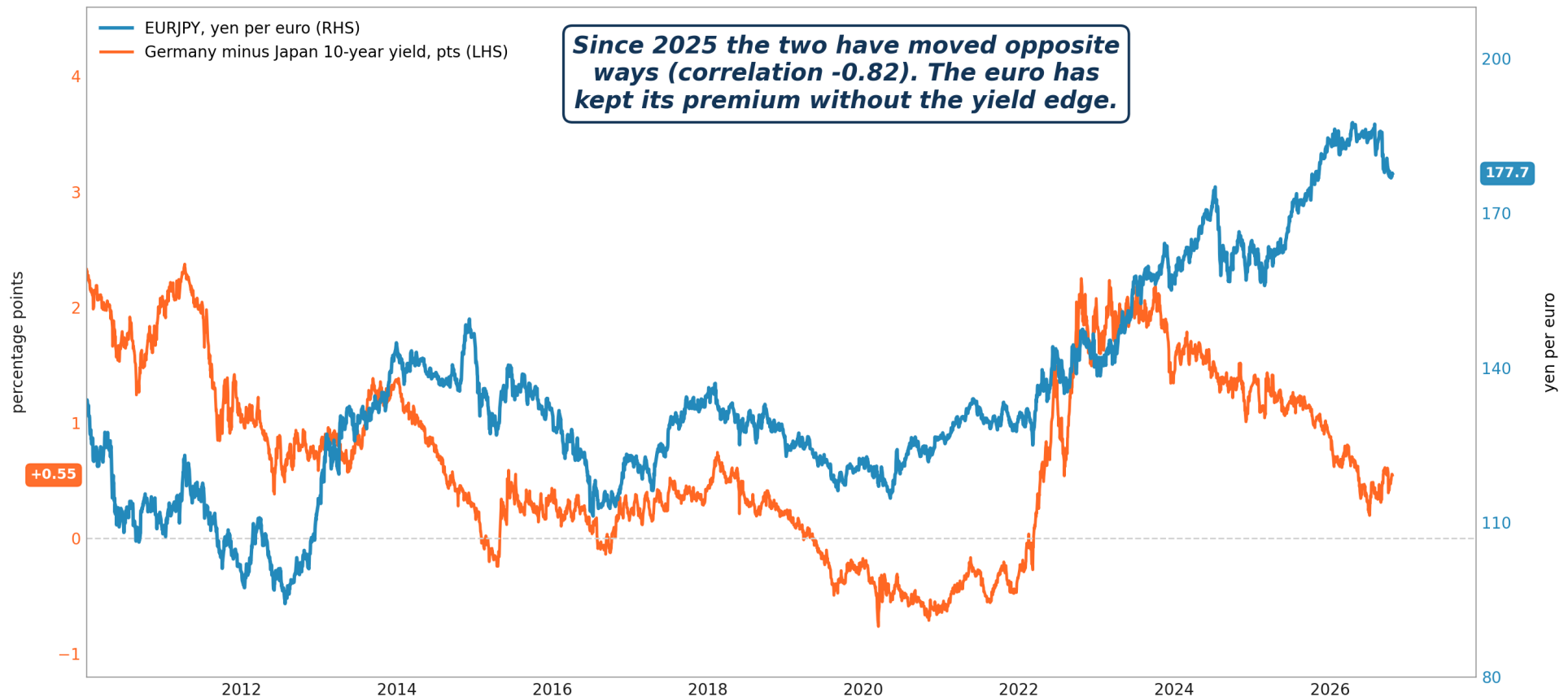
Lighthouse Macro | CoinGecko/Yahoo Finance via Lighthouse Master DB, NYSE Arca | Data through October 2026

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Over the past 252 sessions bitcoin moved 110% as much as the Nasdaq 100 on its down days and 84% on its up days (70% and 99% a year ago). Thursday it went the other way: QQQ -2.9%, bitcoin +0.3%.

The Euro Still Buys 178 Yen With Bunds Paying Just 0.55 Points Over JGBs

EURJPY (RHS) vs Bundesbank 10-year federal yield minus Japan MOF 10-year JGB yield (LHS), daily 2010-Oct 21, 2026; EURJPY 95th pctile, gap 47th



Lighthouse Macro | Deutsche Bundesbank, Japan Ministry of Finance, Yahoo Finance | Data through October 2026

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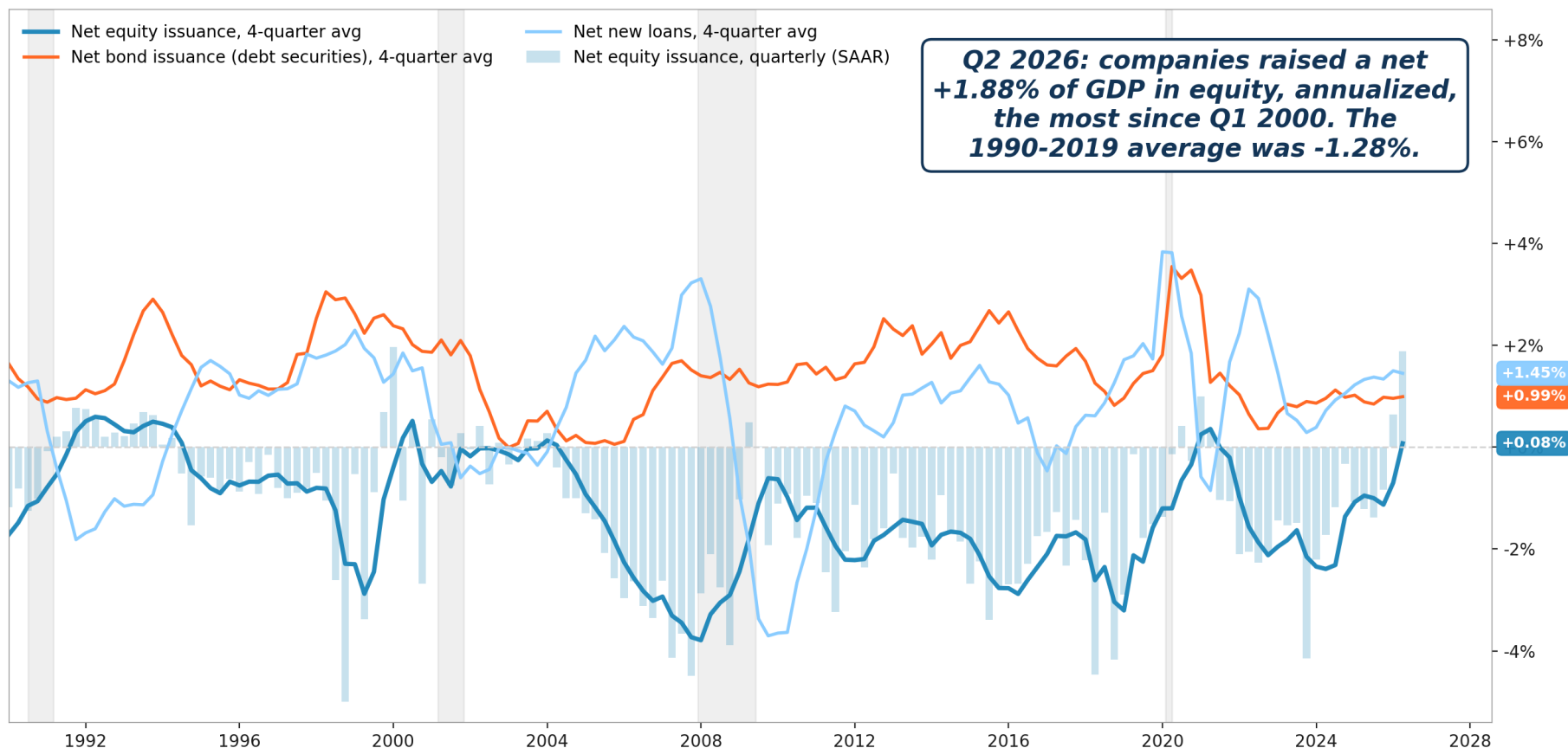
The euro bought 177.7 yen on Oct 21, the 95th percentile since 2010 and 9.9 below the Apr 2026 high, while Germany's 10-year paid 0.55 points over Japan's, from 2.25 in Oct 2022. Since 2025 the level correlation is -0.82.



October 23, 2026

Corporate America Is Issuing Stock Again: +1.9% of GDP in Q2 2026, the Most Since 2000

US nonfinancial corporations, net issuance (issuance minus buybacks and cash takeovers) of equity, bonds and loans, % of GDP, quarterly SAAR, 1990-Q2 2026



Lighthouse Macro | Federal Reserve Z.1 Financial Accounts (F.103), BEA | Data through June 2026

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Fed Z.1: US nonfinancial companies were net issuers of stock for a second straight quarter, +1.88% of GDP annualized in Q2 2026, the most since Q1 2000, after decades of net buybacks (1990-2019 average -1.28%).

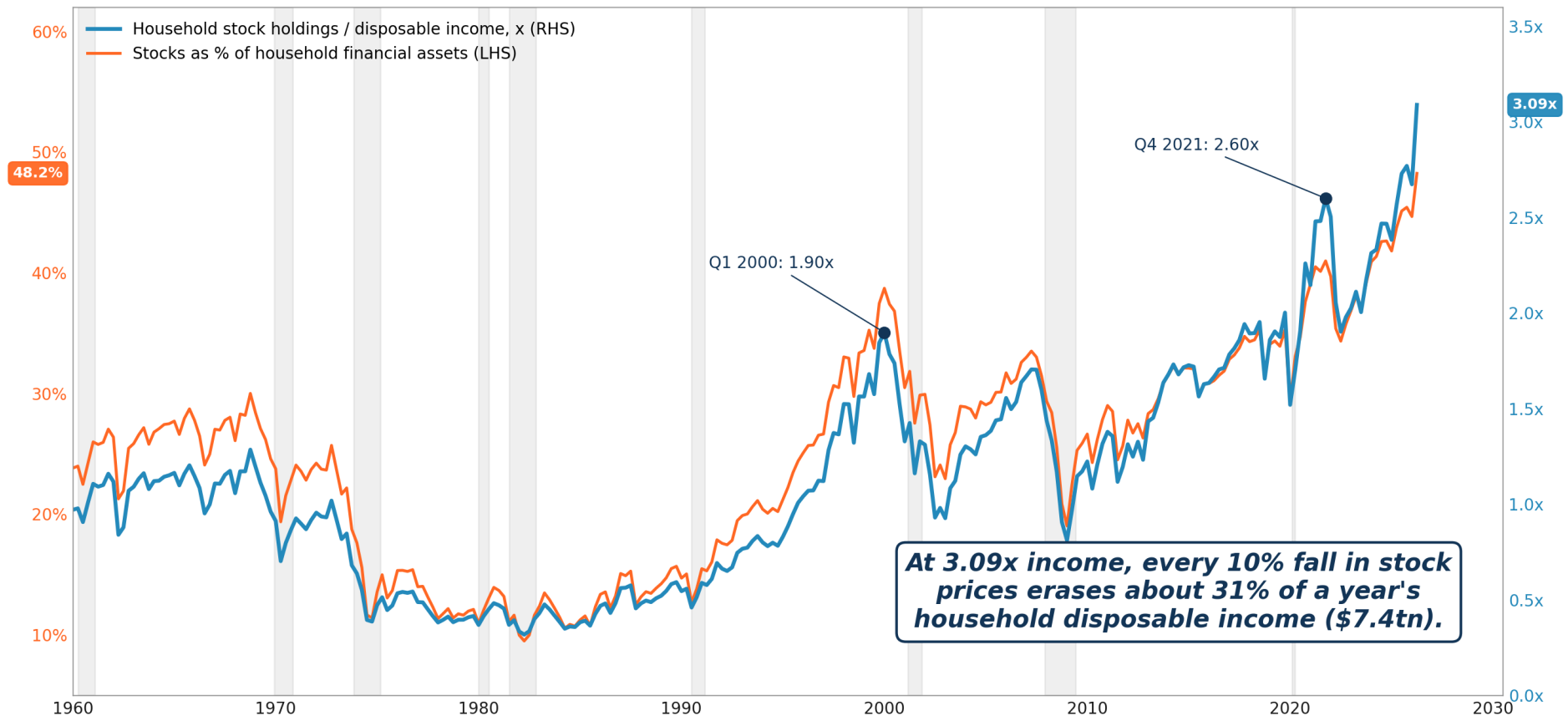
Private raises count; the data carry no split by firm.



October 23, 2026

Households Hold 3.09 Years of Income in Stocks, a Record: Each 10% Drop Costs 31% of a Year's Income

Household and nonprofit stocks, held directly and via funds and pensions: multiple of disposable income and % of financial assets, quarterly, 1960-Q2 2026



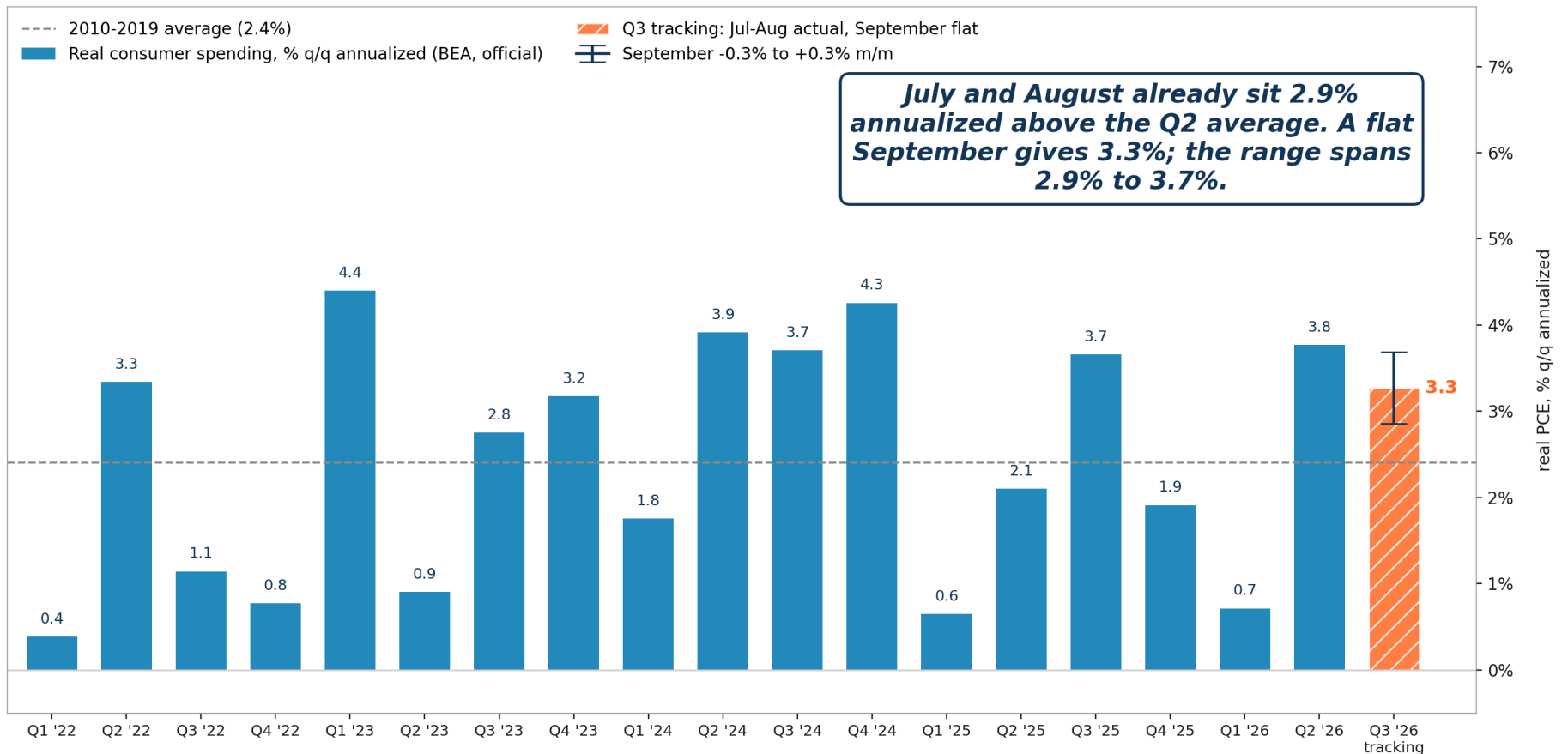
Lighthouse Macro | Federal Reserve Z.1 Financial Accounts (B.101.e), BEA | Data through June 2026

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Fed Z.1, Q2 2026: households held \$74.0tn of stocks, 3.09x disposable income and 48.2% of financial assets, both records (2000 peak 1.90x, 2021 2.60x). A 10% equity drawdown now takes about 31% of a year's income off household balance sheets.

Consumers Bring a 3.3% Q3 Into Next Thursday's GDP if September Is Merely Flat

Real personal consumption expenditures, % q/q annualized, Q1 2022-Q2 2026 official; Q3 2026 from monthly real PCE through August (Sep: -0.3%, 0, +0.3% m/m)



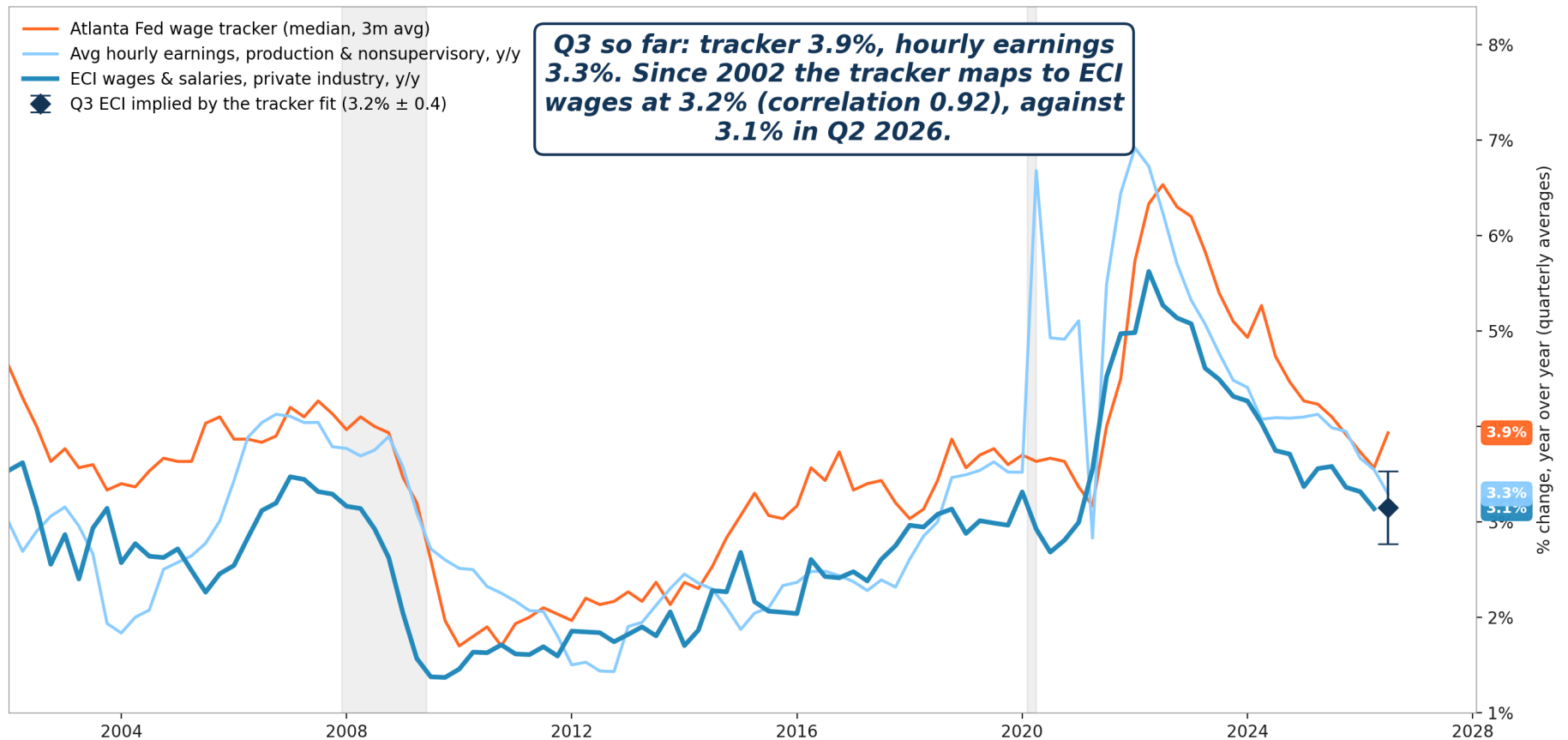
Lighthouse Macro | BEA NIPA (PCECC96 monthly, PCECC96 quarterly); scenarios are arithmetic, not a forecast | Data through August 2026

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Real consumer spending rose 0.6% in August. Jul-Aug sit 2.9% annualized above the Q2 average, so a flat September puts Q3 consumption near 3.3% (2.9% to 3.7% for a 0.3% miss either way), against 3.8% in Q2 and a 2010-19 average of 2.4%.

Wage Gauges Point to ECI Pay Near 3.2% Next Friday, Against 3.0% in 2019

Private wage growth, quarterly, 2002-2026: ECI wages y/y to Q2 2026; Atlanta Fed tracker and production-worker AHE to Q3; fit = OLS of ECI on tracker



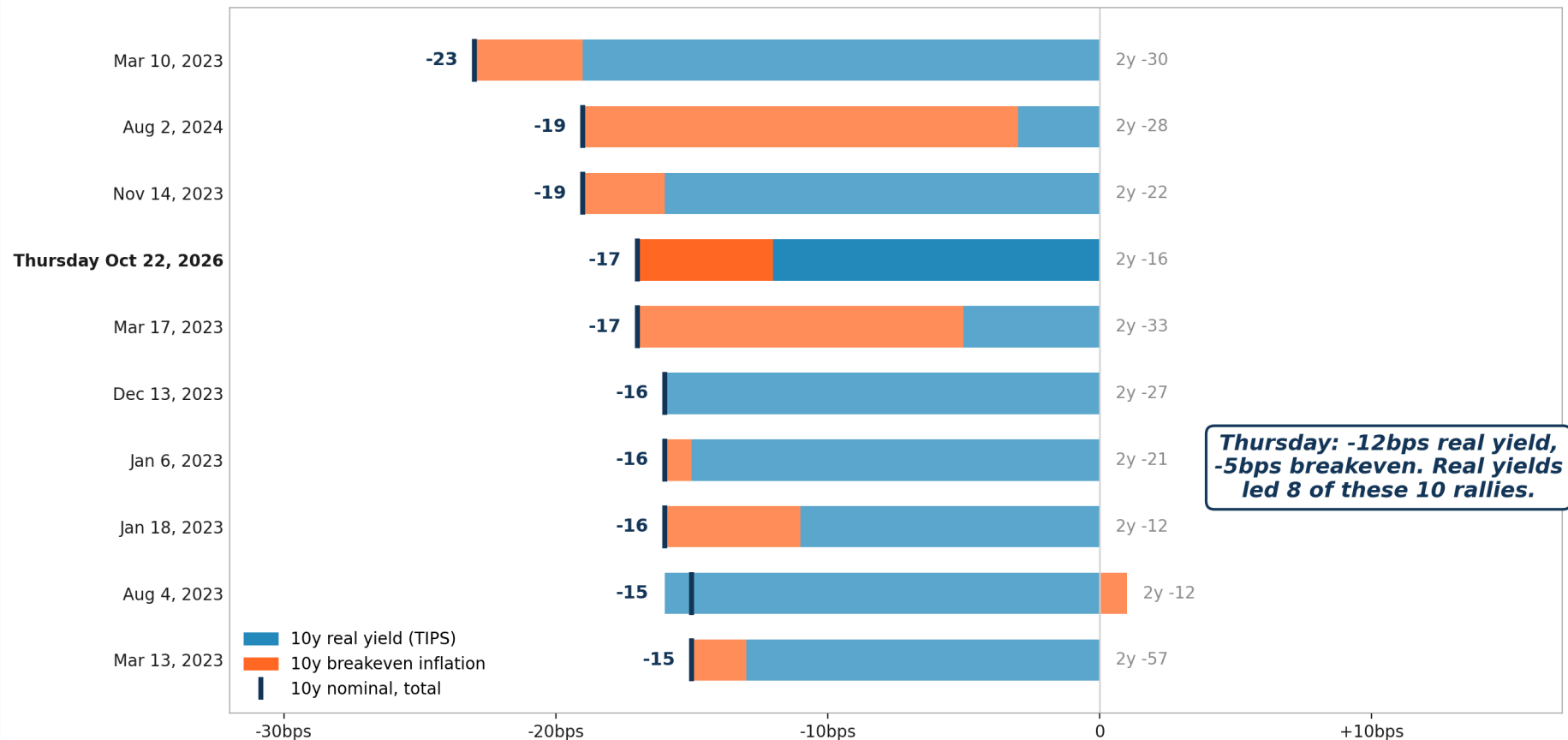
Lighthouse Macro | BLS ECI and CES, Federal Reserve Bank of Atlanta Wage Growth Tracker; fit is statistical, not a forecast | Data through September 2026

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Into next Friday's Q3 ECI: the Atlanta Fed wage tracker averaged 3.9% in Q3 and production-worker hourly earnings 3.3% y/y. ECI private wages ran 3.1% in Q2 2026; the tracker fit points near 3.2%, still above the 3.0% of 2019.

Thursday's 17bps 10-Year Rally Was 71% Real Yield

Ten largest one-day falls in the 10-year Treasury yield since Jan 2023, split into TIPS real yield and breakeven; 2y change at right; biggest since Aug 2, 2024



Lighthouse Macro | U.S. Treasury daily par and real yield curves; FRED (DGS10, DFII10, DGS2) | Data through October 2026

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The 10-year fell 17bps Thursday to 4.96%, the biggest one-day drop since Aug 2, 2024. 12bps came from the TIPS real yield, 5bps from breakevens, with Brent higher. The 2-year fell 16bps. That reads more like a growth repricing than an inflation one.

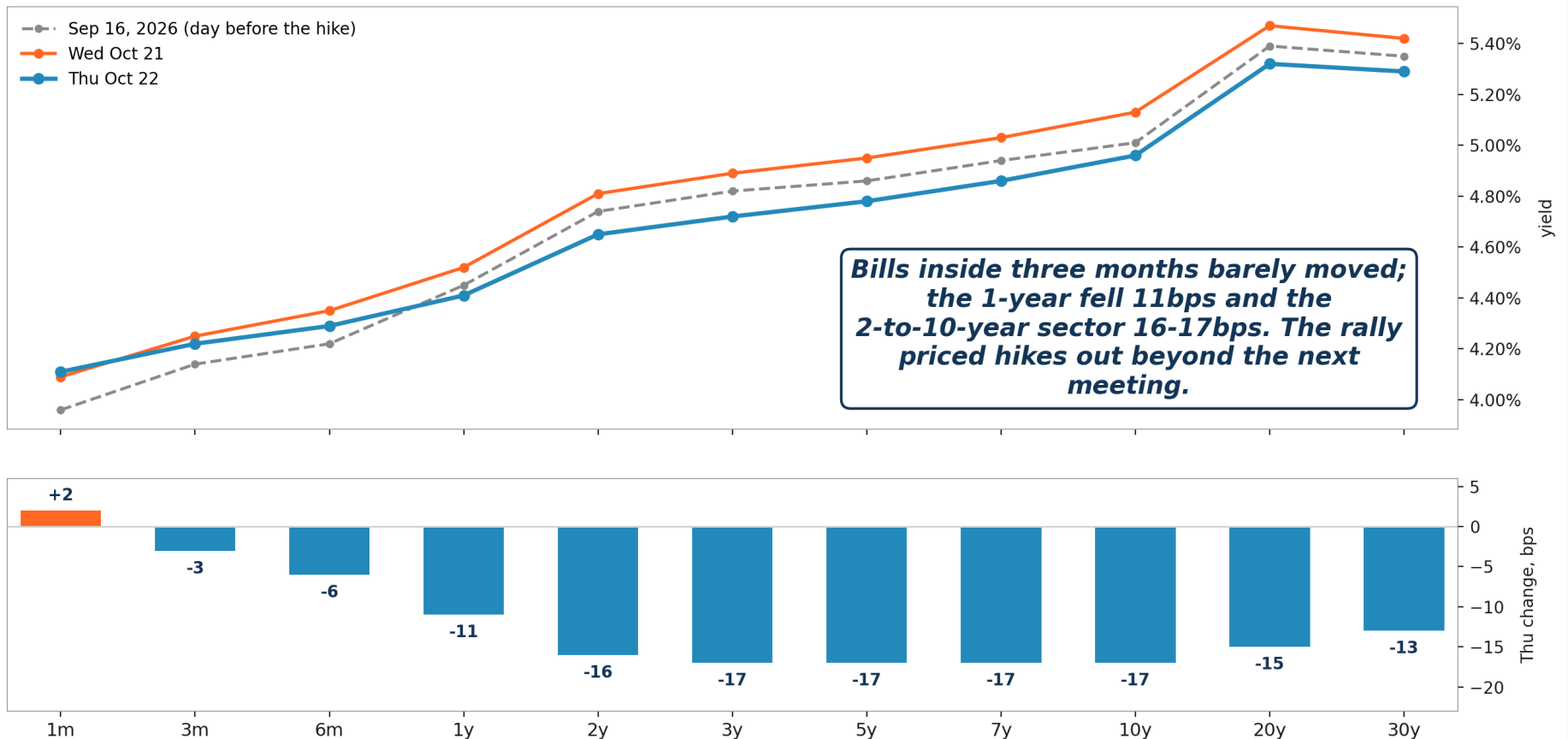


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October 23, 2026

The Rally Ran From the 1-Year Out: Thursday Took 16bps Off the 2-Year

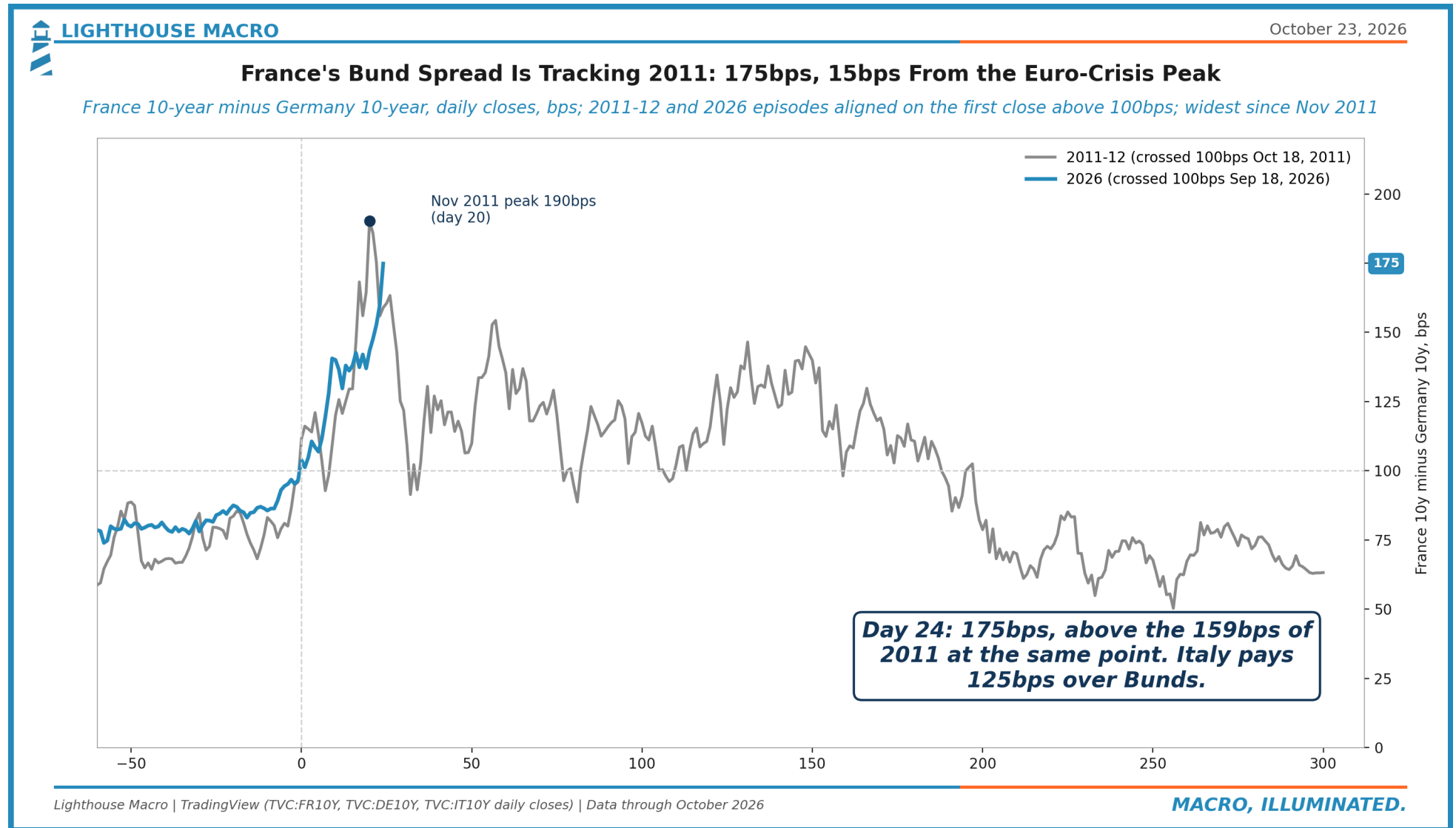
U.S. Treasury par yield curve, 1-month to 30-year: Oct 22 close vs Oct 21 and Sep 16, 2026; bottom: one-day change by tenor, bps



Lighthouse Macro | U.S. Treasury daily par yield curve rates | Data through October 2026

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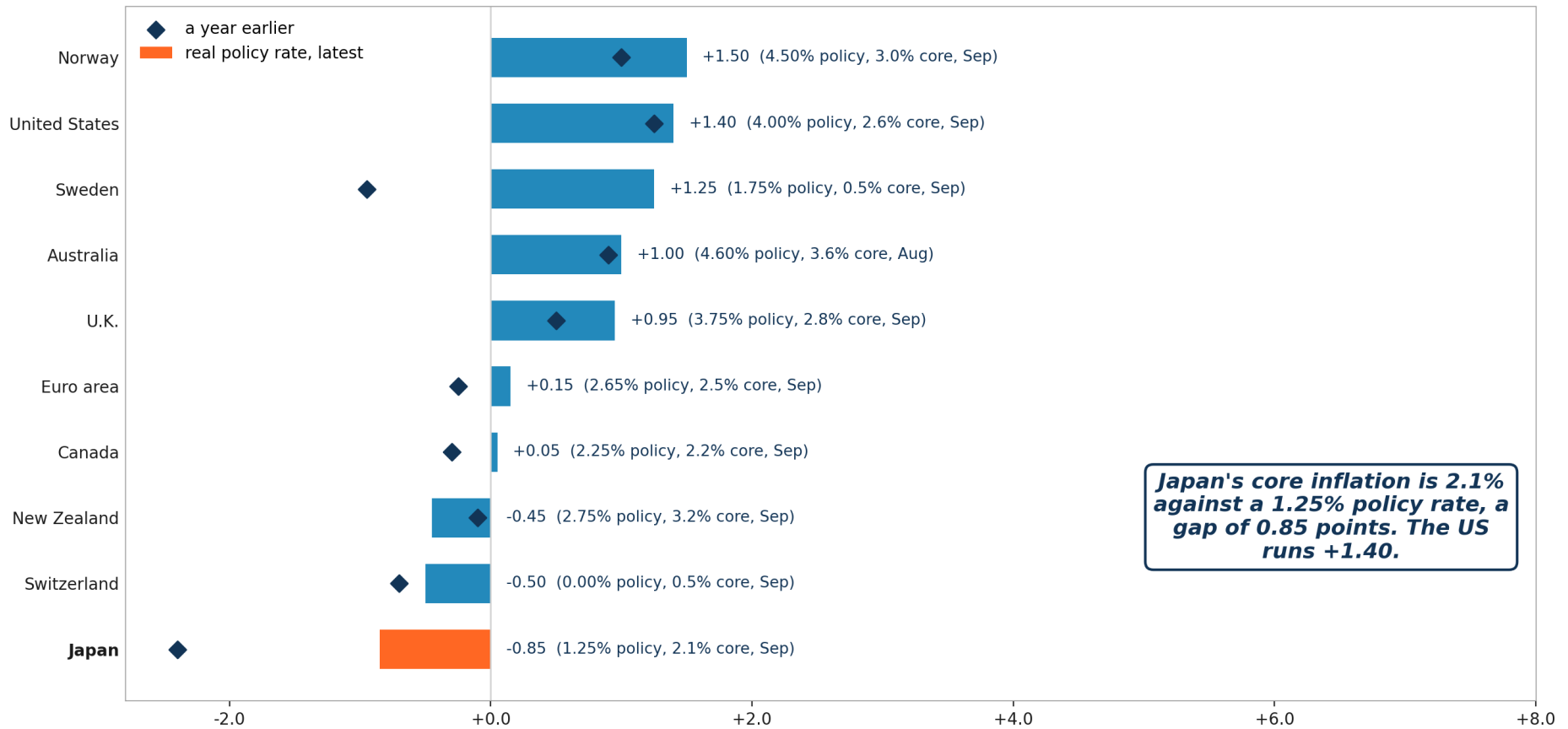
Thursday's Treasury curve vs Wednesday: 3-month -3bps, 1-year -11bps, 2-year -16bps, 10-year -17bps, 30-year -13bps. The 2-year is now -9bps from the day before the Sep 17 hike. The repricing sat in hikes beyond the next meeting.



France's 10-year spread over Bunds widened 15bps Thursday to 175bps as Bunds rallied and OATs did not, the widest since Nov 2011. 24 trading days after crossing 100bps it sits above the 2011 path; that episode peaked at 190bps.

Japan Runs the Most Negative Real Policy Rate of Ten Economies: -0.85 Points

Headline policy rate minus core CPI inflation y/y (latest print, month shown), percentage points; diamonds: a year earlier. Fed: upper bound; ECB: main refi rate



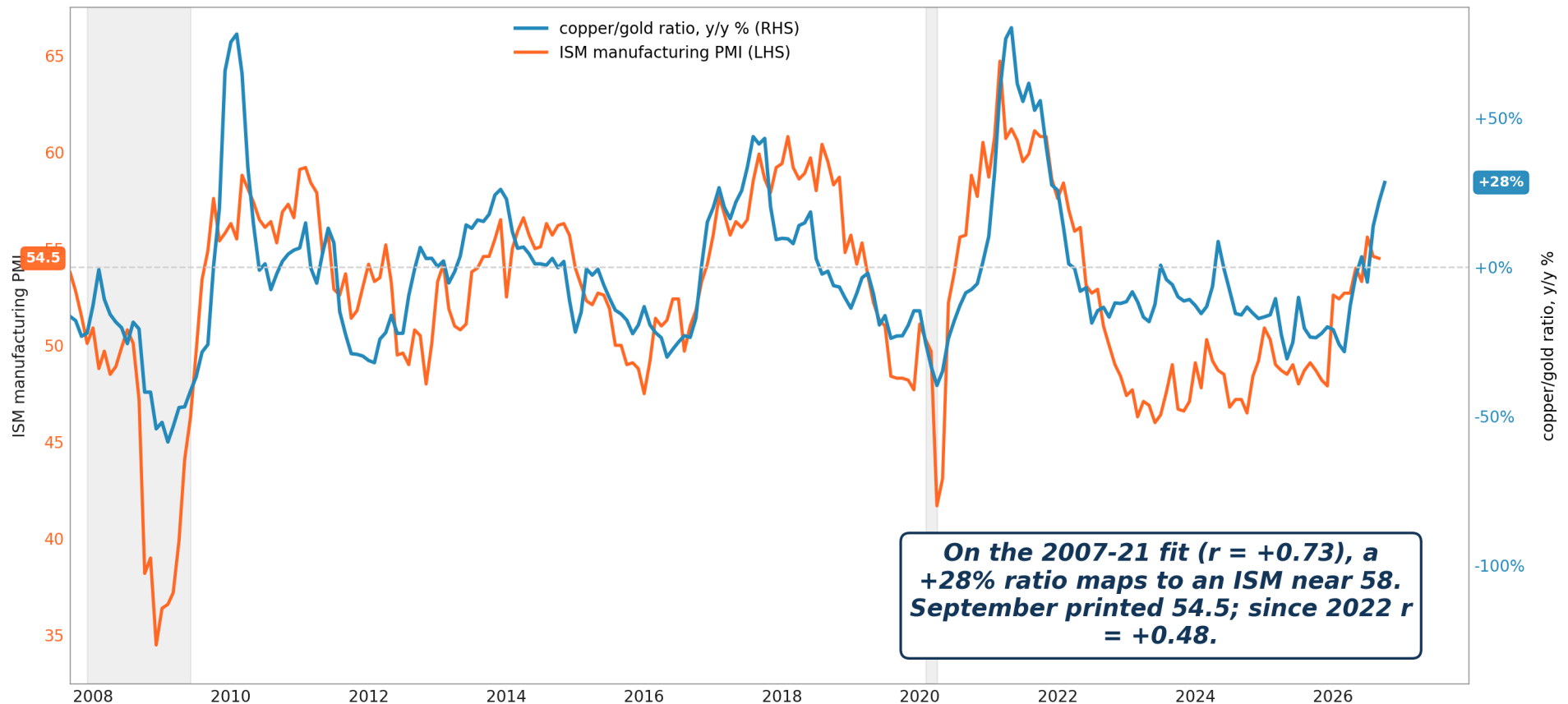
Lighthouse Macro | TradingView ECONOMICS (national central banks and statistics offices) | Data through September 2026

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Japan's core CPI is 2.1% against a 1.25% policy rate, a real policy rate of -0.85 points, from -2.40 a year earlier. Next lowest: Switzerland at -0.50. The U.S. sits at +1.40. The BoJ meets Oct 30.

Copper Is Outrunning Gold: The Ratio Is Up 28% in a Year, the Fastest Since 2021

Copper (lb)/gold(oz), monthly avg, y/y % (Oct to date) vs ISM manufacturing PMI, 2007-2026; axes aligned on the 2007-21 fit; ratio level: 12th pctile since 2006



Lighthouse Macro | COMEX copper, gold spot, ISM (TradingView) | Data through October 2026

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Copper/gold is up 28% from a year ago on October's average to date, the fastest since Nov 2021, even with the level in the 12th percentile since 2006. On the 2007-21 fit that y/y pace maps to an ISM near 58; September's PMI was 54.5.