Weekly Market & Strategy Update

Week Ending November 14, 2026

"Markets staged their best week since August as the post-midterm washout reversed; Nvidia's CEO resignation and hotter CPI added late-week volatility but did not derail the rebound."

John Edwards, CFA, Portfolio Manager, Infrastructure PLUS Strategy

Dear Valued Clients, Friends, and Acquaintances,

I hope this update finds you well. Below is our recap of market action for the week ended November 14, 2026, along with thoughts on strategy positioning and the outlook ahead.

The week began with a sharp relief rally as investors bought the prior week's election-driven washout in AI infrastructure names. Monday delivered the strongest single-day gains in months. The rebound was tested mid-week by a hotter-than-expected October CPI report that pushed the 10-year yield above 5% and by the sudden resignation of Nvidia CEO Jensen Huang. Despite those shocks, the major indexes finished solidly higher for the week—the best weekly performance since early August—and snapped multi-week losing streaks. For the week the S&P 500 advanced +2.75%, the Nasdaq Composite gained +2.27% (its first weekly gain in five weeks), the Dow Jones Industrials added +2.07%, and the Russell 2000 climbed +1.32%.

Crude oil eased further, with WTI settling near $89. The U.S. 10-year yield finished the week near 5.15%, up sharply from the mid-4.80s. The macro backdrop remains orderly aside from the inflation and leadership-driven volatility in the AI complex.

Nvidia Leadership Transition, Hot CPI and Upcoming Anthropic IPO Dominated the Tape

The dominant story of the second half of the week was Jensen Huang's resignation as Nvidia's President, CEO, and board member, effective immediately. The board named longtime CFO Colette Kress as interim CEO while it conducts a search for a permanent successor and appointed Harvey C. Jones as the company's first independent Chair. The move followed Huang's admission of extramarital affairs and reports of a relationship with a woman U.S. authorities have linked to Chinese intelligence. Nvidia shares fell roughly 12–13% for the week and dragged the broader semiconductor complex lower on Thursday and Friday after an earlier rebound. Markets are now focused on succession, continuity of

customer commitments, the product roadmap, and the upcoming earnings report (scheduled for this week). Still, hiring back Jensen Huang ranks as the third most likely outcome behind the CEO of Arm Holdings, Rene Haas, and Ian Buck, the Nvidia VP of Hyperscale and the co-creator of Nvidia's CUDA software package. Furthermore, petitions are circulating with over 200,000 signatures in support of bringing back Mr. Huang reports are now circulating. The FT reported that that a "war room" of tech executives pushing for his rehire and are lobbying the White House in support. Nvidia shares are heavily discounting the disruption as they trade at just 10x estimated 2027 earnings per share and 9x estimated 2028 earnings per share.

Separately, SpaceX announced a $74B AI data center expansion in Texas and Arizona. SpaceX plans to invest $24B at its Starbase site in the Rig Grande Valley in Texas on top of the $15billion already committed to Starship and infrastructure projects at Starbase. Electricity will be self-generated behind the meter and $220mm is expected to be invested in water infrastructure in Brownsville. SpaceX plans $50B of investments in Cochise County, Arizona and it looks to strengthen local infrastructure and renewable resources and generate revenue for local schools and public services.

On the economic front, the October CPI report showed a 0.4% month-over-month increase (above the 0.3% consensus), reinforcing expectations for a Federal Reserve rate hike in December. The 10-year yield rose approximately 29 basis points for the week. Despite the rise in yields, equities held their weekly gains, with all eleven S&P 500 sectors finishing higher. Energy led, followed by Industrials and Communication Services.

AI Infrastructure Fundamentals Remain Intact

While political and leadership noise continues, underlying demand signals stayed strong:

- **CoreWeave** reported third-quarter revenue of $3.66 billion (+168% year-over-year), beat estimates, and raised full-year 2026 revenue guidance to $13.0–13.3 billion. Revenue backlog stood at approximately $132.5 billion. Management highlighted that capacity remains largely sold out throughout next year with demand running roughly ten times available supply.
- **AAON** surged roughly for the week after reporting record third-quarter results driven by data-center cooling demand (BASX sales more than tripled) and raising its 2026 sales-growth outlook to 72–75%. The company's backlog rose more than 40% year-over-year.

- Broader cooling, power, and electrical suppliers participated in the early-week rebound after the prior week's extreme selling. The market continues to distinguish between timing risk (geographic reallocation of some 2028 projects) and demand destruction. No major hyperscaler has revised its capital-spending plans lower.

Near-term (2026–27) capacity additions remain largely locked in. The 2028 window is still the primary variable, but the evidence continues to point to a timing and geographic shift rather than a reduction in total compute capacity required.

Index Performance:

- **S&P 500:** Roughly +2.5% | Best week since August; snapped a four-week losing streak.
- **Nasdaq Composite:** Roughly +2.3% | First weekly gain in five weeks; late-week Nvidia-related selling trimmed earlier gains.
- **Dow Jones Industrial Average:** Roughly +2.1% | Relative outperformer.
- **Russell 2000:** Roughly +1.3%.
- **US 10 year:** ~5.15% | Up ~29 bps week-over-week.
- **Crude Oil:** WTI ~$89/bbl (down modestly for the week).

Market Technicals

Friday's session was a modest give-back day, but the week showed constructive breadth overall. The prior week's extreme washout (decliners outnumbering advancers by roughly 5:1 or worse) was followed by a strong rebound. We also noted that we had confirmation of the attempted rally last week on a follow-through day on Wednesday as the Nasdaq gained +1.5% on higher volume exceeding the requirements for a rally confirmation (at least +1.25% on higher day/day volume on day 4 or later). As such we will gradually put cash to work and are mindful of the external shock involving the Nivida situation increasing the risk of rally failure. In addition, the major averages remain below key intermediate-term moving averages, so the setup is still constructive rather than fully resolved. Valuation is attractive as the S&P500 trades at 18.3x estimated forward earnings 1.5 standard deviations below the 20.8 P/E it has averaged over the last 5 years as stock performance has continued to lag earnings growth over the last year.

Week Ahead – Nvidia Earnings and Anthropic IPO

Key items include Nvidia's earnings (Tuesday) and the Anthropic (ANT) IPO. The price range is now estimated in the $70-$78 range implying a valuation in the $1.4trillion range on a fully diluted basis and which would be considered constructive from the perspective of the AI rally continuing. Pricing is expected Wednesday with trading beginning on Thursday, Nov 19. The offering is massively oversubscribed roughly 6x the shares available. Given the strong demand the pricing could take valuation above $1.5trillion. We and analysts will continue to monitor post-election policy signals/announcements in key data-center states, and further economic data that will influence Federal Reserve rate expectations. Near-term focus will be whether Nvidia's results and commentary can stabilize the semiconductor complex and whether additional data-center suppliers continue to report strong backlog and capacity-constraint language.

Last week's action was driven by a relief rally after the midterm washout, a hotter-than-expected CPI report, and the unexpected resignation of Nvidia's longtime CEO. The tailwind remains contracted capital spending on AI and the physical infrastructure that supports it, reinforced by continued tight-supply commentary. The headwinds now include leadership uncertainty at the largest AI chip supplier, a higher 10-year yield, and residual geographic/timing risk around 2028 capacity additions. I expect choppy conditions to continue while the underlying AI infrastructure thesis stays intact.

As always, this letter is for informational purposes only and does not constitute investment advice. Please reach out with any questions.

Best regards,

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