Markets Update - 8/17/26

A look at what happened today (beginning US early, Treasury, and Interbank commodity markets), and what to watch for tomorrow

Mike Wilson
Mar 17, 2026

Quick Summary:

- US equity indices closed Monday mixed, with mid-cap stocks (Russell) higher but tech/semis lower following Citrini shakeout and a hawkish Powell speech; Russell 2000 +0.5%, Nasdaq -0.3%, Dow +0.1%. Treasury bond futures fell (yields rose) on a strong Fed tone and a jump in oil prices; crude prices spiked on Iran tensions.
- Gold futures rose to a record high above the US $4,900 mark, hitting the 100-day moving average for the first time since late 2024. Silver also rose, and the precious metals sector (GDX) gained 2.5%.
- Crude Oil futures (Nymex) rose to $96.2/bbl, and the US 10-year Treasury Bond yield (Nymex) rose to 4.2%. Cryptocurrencies fell to a 7-month low, with Bitcoin (Coinbase) falling to $60,000 (-3.5%) and Ethereum (Coinbase) also dropping by 3.5%. Bitcoin's drop was attributed to a "Citrini Shakeout" in tech/AI stocks, which had previously been a safe haven for crypto investors.
- Tomorrow's attention turns to a Bank of Canada rate decision.

US equity futures (ES/NQ/YM/RTY) are up slightly in the early Asian session (Sun 8pm ET), and US and EUROPE futures are both mixed (US futures are slightly higher, while European futures are down).

Some market commentary:

US Equities:

- "The consensus is too strong with opposite positions, institutional investors, particularly in some volume strategy are strategic, and so US equities and Treasuries are trading lower." Jeffrey Sherman, portfolio manager at Fort Washington Investment Advisors.
- "Any signs of stress in the markets (from consumer companies this week), would be a potential catalyst for the Fed to become more dovish, given the underlying weakening in the economy." Jack Ablin, portfolio manager/ investment strategist and head of macro research at Newton.
- "This is the first time in a month or two that we have seen a real bid for the Russell 2000 and small caps, and it's interesting that it's happening on a day when nearly a dozen other groups are lower, or had all three, strong underperformance." Jeffrey Sherman, Fort Washington Investment Advisors.
- "The bond market is selling off, and that's putting pressure on the equity market." Jack Ablin.
- "The bond yield spike." Francois Rhedaye, Rhedaye Advisors. Note: (Yes, it is positive signal that the market had a bid for the Russell 2000 and small caps, but the overall market is still down, and the reason why is because of the bond market selloff, which is being driven by a combination of a hawkish Fed and higher energy prices, which is being driven by the Iran war, which is being driven by the Strait of Hormuz closure

While the squad weighed 30% also slays back after pure strategy on +150 Fellow.

Tinith now across the vain again Monday with another stronger more successors on the Impact with.

Pro Case Tomorrow, yields slightly a large point in S&P's. This covers 10 have Tuesday, Wednesday and also Friday. Check out the Bonus Round on Friday, pays 10x.

Plus, on +22 Home points also the Alliance Fort Rawlin met last last, continuing to call to take Alex.

CNBC: **Former St. Louis Fed President Jim Bullard said Monday that he wouldn't be surprised if the Fed cut rates.**

Bullard said the Fed "doesn't need to wait" until the economy is suffering and then take its rates or signaling to the market that the Federal Reserve Tomorrow's business school said on CNBC's "Squawk Box" TV show. He said the Fed "doesn't need to wait" until the economy is suffering and then take its rates or signal to the market that the Fed is ready to ease. Bullard, who is a voting member of the Federal Reserve's rate-setting panel, said

Bullard's average price points to a December hike. However, Bullard thinks the market might also take that as a sign of increasing concerns in the US inflation target, and "That's really a problem for the" Federal Open Market Committee.

Bullard was scheduled to sit for the FOMC participants that a potential date as the June meeting is planned Friday in 2016, as confirmed at the Fed's meeting 8-5 at the 10 strong FOMC members left into the group.

Also from **Mr. Bullard, Fed's Bullard: Fed's Bullard, with three weeks left before the June meeting, says he wouldn't be surprised if the Fed cuts rates soon, after jobs and inflation data, if it hard to see any of the doves shifting toward hikes**

Therefore, **a bite at the September meeting has become very unlikely, Bullard said Friday in a CNBC interview. Bullard said he wouldn't be surprised if the Fed cuts rates soon.**

Bullard said Friday, **the Fed needs more data, but the inflation outlook is more than just a "blip" and the Fed needs to see more data before it can be sure that the inflation outlook is not just a blip.**

Bullard, who is a voting member of the Federal Reserve's rate-setting panel, said Friday, **pinning Friday afternoon's statements to a 25 bp probability of a cut in the June meeting, Bullard said he wouldn't be surprised if the Fed cuts rates soon, according to the CNBC broadcast.**

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Goldman: **Jan Hatzius, Goldman Sachs: Fed's Bullard, with three weeks left before the June meeting, says he wouldn't be surprised if the Fed cuts rates soon, after jobs and inflation data, if it hard to see any of the doves shifting toward hikes**

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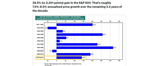

Misc:

If you follow markets you've probably heard of Mandelbrot's fractal geometry, the mathematics of coastlines and chaotic systems. Less known is his work on cotton prices. Mandelbrot spent years studying cotton futures for a company in Geneva, and he found something that shouldn't exist.

Price changes in cotton futures fit the Pareto-Levy distribution, a family of stable distributions with infinite variance. Mandelbrot proved that the standard deviation of cotton price changes was meaningless. The bell curve, the tool everyone in finance uses to measure risk, didn't apply. Not approximately. Not in some edge cases. Never.

Mandelbrot's work on cotton prices was published in the 1960s. Fifty years later, the rest of the world is still pretending the bell curve works.

Nassim Taleb's Black Swan argument is that most financial crises happen because people use Gaussian tools on non-Gaussian markets. Taleb's Antifragile goes further: some systems don't just survive chaos, they need it. Mandelbrot's cotton market needed speculators, hedgers, and noise traders to function. Remove any one group and the market stops pricing cotton correctly.

Markets are not machines that occasionally malfunction. They are ecosystems that always contain chaos, and they work because no single participant understands the whole thing.

Bitcoin's Volatility Is Dying. Its Fans Say Stablecoins Are Next

Bitcoin's 90-day volatility has fallen from 80% to 20% in two years. Stablecoin transaction volume hit $2.5 trillion last year. The pitch: stablecoins will do what Bitcoin couldn't, become money people actually use. Bitcoin's volatility was the feature that made it a speculative asset. Stablecoins need to be the opposite. Whether that trade works is the most interesting question in crypto right now.

Gold Hits Record, Silver Rises Over 5% as Iran Tensions Lift Safe Haven Demand

Gold hit a record $5,598 per ounce on Friday, up 1.6% on the day. Silver rose 5.3% to $92.50. Brent crude fell 1.2% to $72.40. Iran tensions are the stated reason. Gold's 52-week range is $2,800 to $5,598. Silver's is $28 to $92.50. Gold has been the safer bet for 18 months. Silver has been the trade that pays more when it moves.

Bitcoin Miners Hit Record Profitability Ahead of Halving

Bitcoin's next halving is roughly 100 days away. The last three halvings each preceded a 300% rally. Miners are at record profitability. Hashrate is near all-time highs. The setup looks familiar. Whether it plays out the same way is the question everyone is asking.

Bitcoin Miners Sold $1.1 Billion in Bitcoin in Q4 as Hashprice Hits Record Low

Public bitcoin miners sold $1.1 billion in bitcoin in Q4 to fund operations. Hashprice hit a record low. Miner revenue per terahash fell below operating costs for many facilities. Miners are selling their production because the machines are losing money to run. Hashprice recovered in January. The question is how many miners can survive a year like that.

Bitcoin Hashrate Falls 30% Since Peak, Miners Capitulate

Bitcoin hashrate has fallen roughly 30% from its October peak. Miners are shutting machines off because the price they receive for bitcoin doesn't cover electricity costs. Difficulty adjustments will follow. Smaller miners are gone first. Public miners with balance sheets can wait longer. The network will get harder to attack as the weakest miners exit.

Bitcoin Miners Pivot to AI as Halving Squeeze Hits Profitability

Bitcoin miners are selling their data centers to AI companies. Hashprice is near record lows. Several miners have announced pivots to GPU hosting. The halving squeeze is the reason. The pivot is the response. Whether the AI business works is a different question.

Bitcoin Miners Pivot to AI and Data Centers as Halving Squeeze Hits

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8:15a	ADP Employment (NER Pulse) *weekly*	+8,250/wk	—	—	—	—
8:30a	Housing Starts *Jul*	1,427k	1,350k	1,375k	1,310k	1,313k†
8:30a	Building Permits *Jul (P)*	1,374k	1,375k	1,350k	1,370k	—
8:30a	Import Prices, MoM *Jul*	+0.3%	+0.1%	0.0%	−0.5%	—
8:30a	Import Prices ex-Petroleum, MoM *Jul*	+0.5%	—	+0.2%	—	—
9:15a	Industrial Production, MoM *Jul*	+0.1%	+0.3%	+0.3%	+0.3%	+0.5%
9:15a	Manufacturing Production, MoM *Jul*	0.0%	+0.2%	+0.1%	—	+0.4%
9:15a	Capacity Utilization *Jul*	76.1%	76.3%	76.3%	76.2%	76.2%
10:00a	Pending Home Sales, MoM *Jul*	−5.4%	+0.5%	+0.5%	+0.6%	0.0%

Source: BofA Global Research; J.P. Morgan; Goldman Sachs; consensus per Bloomberg Finance L.P.

Cons. = Bloomberg median (via J.P. Morgan); houses cite marginally different consensus snapshots. Pending home sales shown at +0.5% (BofA and Goldman); J.P. Morgan's snapshot had 0.0%.

BofA, J.P. Morgan and Goldman Sachs figures are house forecasts; times Eastern. A dash (—) = no published estimate.

† Goldman quotes housing starts as −8.0% m/m; shown as a derived level (1,313k) off the 1,427k prior.

ADP shown is the weekly NER Pulse (4-wk-avg private jobs/wk), not forecast — prior only; the monthly ADP report is due Sep 2.

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Ticker	Name	Next Earnings Date	Market Cap
HD	Home Depot, Inc. (The)	Aug 18, 2026	337.88B
KEYS	Keysight Technologies, Inc.	Aug 18, 2026	61.15B
JKHY	Jack Henry & Associates, Inc.	Aug 18, 2026	10.89B

Tuesday August 18

Data: US August New York Fed services business activity, July industrial production, import price index, export price index, housing starts, building permits, capacity utilisation, pending home sales, UK June average weekly earnings, unemployment rate, July jobless claims change, Germany August Zew survey, Eurozone August Zew survey, Canada July existing home sales, housing starts

Central banks: ECB's Lane speaks

Earnings: Home Depot, Baidu

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