Morning Market Intelligence Brief

Friday November 13 2026 | Morning edition | FINAL v1.0.0
Evidence cutoff 6:15 AM EST | Outlook horizon November 13 to December 11 2026

Executive synthesis

The leading scenario changes because financing pressure is gaining operating confirmation. The independent outlook is now Base 43%, Bull 8%, Bear 49%, versus the approved November 12 outlook of 47/8/45. Bear moves from two points behind Base to six points ahead. This is a meaningful change in the balance of risk, not a finding that a broad contraction has already begun. Higher rates, weak home transactions and an explicit cloud-capacity delay make yesterday's concern about turning orders into cash more concrete. [S01, S06-S10]

The new information is specific: the 10-year Treasury par yield reached 5.10%; October home sales fell to a 3.75 million annual pace; NVIDIA disclosed an immediate leadership transition; and Nebius moved a revenue milestone into February. Against this, layoffs remain low and Applied Materials, Cisco and Cerebras reported substantial realized sales. Those offsets are why the independent assessment stops at 49% Bear rather than adopting the research proposal of 51%. [S01, S03-S10]

Evidence closes at 6:15 AM EST on November 13, or 11:15 UTC. Thursday November 12 supplies the latest completed U.S. trading session. October PPI is scheduled for 8:30 AM EST today, two hours and fifteen minutes after cutoff: its result contributes nothing to this edition. The economic horizon rolls to November 13-December 11; the scenario definitions remain unchanged. [S25]

Current signal board

Area	Signal	What the evidence says
Financial conditions	**BORROWING PRESSURE RISES**	Nov 12 par yields: 10-year 5.10%, 2-year 4.86%; +12bp/+13bp versus Nov 10. [S01]
Energy / physical flows	**DAMAGE VERIFIED; FLOW LOSS UNKNOWN**	Nov 11 tanker hit, reported Nov 12; Nov 6 crude stocks +4.7m barrels; Nov 12 WCI −2%. [S11, S12, S15]
Electronics / PCB / EMS	**SALES STRONG; DELIVERY UNEVEN**	Nov 12 AMAT/Cisco revenue growth; Nebius milestone delayed. September EMS shipments −10.8%. [S04-S08, S22]
Consumer / labor	**HOUSING WEAK; LAYOFFS LOW**	October home sales −5.5% monthly; initial claims 200k week Nov 7, continuing 1.697m week Oct 31. [S09, S10]
Autos / embedded	**FUNDING DISPUTE ESCALATES**	Nov 12 Ottawa default notice reported; October Michigan orders +9, production +13 diffusion indexes. [S16, S17]
Global breadth / trade	**EXPANSION WITH COST FRICTION**	Q3 UK GDP +0.7%; October China PPI +5.7% annual; Nov 9 Canada relief has product exceptions. [S18-S21]

Key developments

1 Higher borrowing costs now have a housing counterpart

Treasury's indicative daily par curve shows the 10-year at 5.10% on November 12, up from 4.98% on November 10, and the 2-year at 4.86%, up from 4.73%. The comparison crosses the Veterans Day cash-market holiday; it is not a November 11 bond close. These are modeled par yields from market quotations, rather than an individual bond's final trade. The rate move is real, but 5% is not a mechanical recession threshold. [S01]

RTTNews reports the November 12 30-year auction at a 5.441% high yield and 2.36 bid-to-cover, versus 2.54 in October. Softer coverage adds evidence of difficult financing conditions; it does not establish an inability to fund the Treasury. Reuters also reports a $404 billion October deficit, $285 billion after calendar adjustment. A monthly budget shortfall is not an identical amount of bonds newly offered that afternoon. Auction, fiscal supply and yields are related evidence, not three independent shocks. [S02, S31]

The transmission channel matters more than a round yield number. Costlier mortgages constrain home transactions; costlier working capital makes materials, payroll and unfinished projects more expensive to carry. October home sales fell 5.5% monthly to 3.75 million at an annual rate, the slowest since August 2010. The release arrived Thursday; the activity occurred in October and was not caused by Thursday's yield move. Together they show an existing rate-sensitive weakness facing a fresh increase in financing costs. [S01, S09]

2 NVIDIA moves from reported deliberation to an actual succession

The SEC filing confirms that the board accepted Jensen Huang's resignation as president, CEO and director on November 11, effective immediately, and appointed Colette Kress interim CEO while she continues as CFO. The November 12 disclosure is new to this morning-to-morning comparison even though the corporate action took place the day before. Yesterday's approved report knew of deliberations, not this confirmed result. [S03]

Inference: succession can interrupt decisions at a platform connecting suppliers, customers and finance, particularly ahead of November 17 results. An experienced interim leader also supplies continuity. The filing does not establish canceled orders, failed financing or an intelligence finding; unproven personal and legal allegations receive no probability weight. Operating commitments, customer acceptance and the permanent succession process are the economic tests. [S03, S26]

3 AI demand strengthens while the delivery timetable slips

Applied Materials reported fiscal Q4 revenue of $10.41 billion, up 53% annually, and next-quarter revenue guidance of $11.1 billion plus or minus $0.5 billion. Cisco reported fiscal Q1 revenue of $18.5 billion, up 24%, raised its full-year outlook and increased its hyperscaler AI infrastructure revenue target to $9 billion. These November 12 results provide fresh evidence across equipment and networking, not just another retelling of one chip company's backlog. [S04, S05]

Cerebras reported Q3 GAAP revenue of $210.8 million and non-GAAP core revenue of $230.9 million, with full-year core guidance of $940-960 million. Its 700 megawatts of contracted data-center capacity are for delivery by end-2027, not capacity already producing today. Growth supports the expansion case while future facilities still require construction and customer utilization. [S08]

Nebius provides the counter-test. Q3 revenue reached $980.8 million, up 571%, yet management guided 2026 revenue to the low end of $3.0-3.4 billion and moved an annualized revenue milestone previously expected in December to above $7 billion in February. It raised 2026 capital spending to about $27 billion. That milestone is a monthly revenue run rate, not a full year of recognized sales. Management's delay and higher spending demonstrate how strong demand can coexist with a longer, more expensive path to revenue. [S06, S07]

4 The factory evidence still separates bookings from shipments

September North American EMS shipments fell 10.8% annually while bookings rose 41.7%; PCB shipments fell 6.4% while bookings rose 229.4%. The industry association identifies foil, resin and electronic glass bottlenecks for advanced boards. These are September survey results published in October, already included yesterday, and receive no new downgrade merely because a cloud company now illustrates the same mechanism. [S22, S23]

Inference: procurement reservations can rise while deliveries lag. A longer queue requires more cash before billing and can defer downstream production. Confirmation comes from qualified inputs, repeated shipments and customer payments. Neither the booking jump nor a data-center construction plan is a direct measure of final consumer demand. Broad improvement would require this physical conversion to strengthen alongside the equipment sales. [S22, S23]

5 Energy contains confirmed vessel damage and uncertain wider consequences

UKMTO Warning 204-26 reports a November 11 projectile strike in a tanker's engine room northwest of Ras al Khaimah, with crew evacuation and firefighting. This corrects an overly broad reading of the research file that no attack had been corroborated: one specific damaged-vessel report is independently established. It does not verify every other attack claim, a new Strait closure or a quantified reduction in exports. No vessel count is converted into barrels lost. [S12]

The November 12 EIA release, for the week ended November 6, shows crude stocks up 4.7 million barrels to 414.4 million and distillates up 4.1 million, though distillates remain 8% below their five-year seasonal average. Drewry's November 12 container index fell 2% to $4,305 per forty-foot box. AP reports Brent at $95.82, up about 3.3% on Thursday. An oil risk premium, U.S. inventory data and container freight measure different things. [S11, S13, S15]

Inference: higher fuel and insurance costs can tighten household and supplier budgets before an export loss is proven. Inventory and freight relief also constrain a one-way crisis interpretation. Energy risk remains relevant, but no separate numerical downgrade is assigned for an unverified new flow shutdown. Watch vessel movements, export loadings, refinery operations and delivered diesel costs. [S11, S12, S15]

6 Household transactions weaken while jobs remain a cushion

October's existing-home median price was $416,700, up 0.4% annually, and inventory represented 5.1 months at the current sales pace. Falling transaction volumes alongside relatively firm prices describe an affordability and turnover squeeze, not proof of a generalized forced-sale

wave. Fewer transactions can reduce demand for moving, furnishings and associated services. That spillover is an inference to monitor, not a measured decline in every category. [S09]

The November 12 Labor Department release shows initial claims of 200,000 for the week ended November 7, versus a revised 191,000; the four-week mean is unchanged at 195,250. Continuing claims fell to 1.697 million for the week ended October 31. These data oppose a claim that broad layoffs already confirm Bear. October CPI, released November 10, remains +0.4% monthly with core +0.3%; that inflation evidence was already known yesterday. Housing deterioration and low firing must be held in the same assessment. [S10, S24]

7 Michigan and Canada test whether planned activity becomes production

GVSU's October West Michigan survey shows orders at +9 versus +18, production +13 versus +18, employment unchanged at +6 and lead times +47 versus +30. These diffusion indexes describe the balance of firms improving or weakening; they are not percentage production-growth rates. Positive activity remains, with slower momentum and longer waits. This is continuity evidence, not a new Friday collapse. [S16]

AP reports that Ottawa issued Stellantis a notice alleging breaches of its funding agreement, with 30 days to remedy, and that Thursday's four-party meeting ended without resolution. This advances the dispute beyond yesterday's conditional Brampton asset-sale announcement. A default notice is not a court judgment, and a union official's description of a sale does not independently establish the transaction's legal closing. For the Michigan sensor, the important checks are cross-border supplier schedules, funded production and actual employment, rather than assuming a new industrial use has already replaced auto output. [S17]

8 Global breadth and healthcare keep the scan wider than AI

The UK's November 12 release shows September GDP growth of 0.2% monthly and Q3 growth of 0.7%; quarterly services grew 0.9% while construction fell 0.7%. China's November 9 release shows October consumer prices up 0.7% annually and producer prices up 5.7%. The Bank of Japan's October meeting opinions, released November 10, describe moderate recovery with AI support and energy pressure. These prior-cutoff observations preserve a picture of uneven expansion rather than a synchronized global downturn. [S18-S20]

Finance Canada's November 9 relief extension runs to June 30, 2028, but removes relief for certain trailers on December 1 and selected other products later. The extension therefore cannot be read as blanket relief for every Michigan-Canada supply chain; the December trailer exception is inside this forecast horizon. Check the covered goods before assigning benefit. [S21]

The discovery scan also finds execution risk outside technology: Candel now plans its prostate-cancer BLA for mid-2027 pending FDA dialogue and assay refinements, while NeuroPace reported Q3 revenue of $23.1 million and revised its annual revenue outlook to $91-92 million. These issuer disclosures concern regulatory timing and commercial execution, not proof that a therapy failed or that healthcare as a whole is contracting. Neither receives a separate macro probability point. [S29, S30]

The broader pattern

Yesterday's central question was whether real demand would become dependable output and collected cash. Thursday supplied new evidence that the financing bridge is getting harder to cross: higher yields, weak home turnover, a cloud timetable pushed back and a confirmed succession at a central supplier. These channels interact. Expensive money is more troublesome when a project must carry costs for longer before it can bill. [S01, S03, S07, S09]

Why the leading outlook changed: two Base points move to Bear for the combined rates-and-housing transmission, one for incremental succession risk beyond yesterday's deliberations, and one for the newly disclosed cloud delivery/capital-spending mismatch. This is an editorial attribution of a four-point net judgment, not an estimated causal model. The categories are grouped to avoid separately counting yields, auctions, housing and small-cap performance as independent shocks.

Why the change stops here: claims still show low firing, while new equipment, networking and inference-cloud results verify substantial demand. Existing inflation and PCB bottlenecks were already counted. There is no verified broad credit seizure, employment break or new quantified energy-export loss in this evidence set. Bull stays at 8% because stronger investment demand preserves a route to relief, but does not itself establish cheaper finance or broad purchasing-power gains. [S04-S12, S22-S24]

Prior 2 to 4 weeks what the market is confirming

The independent sequence is 49/8/43 on November 11, 47/8/45 in the approved November 12 edition, and now 43/8/49. The earlier two-point downgrade addressed reported board deliberations. Today's four points address the confirmed succession and newly available operating/financing evidence; the same uncertainty is not charged twice in full. Earlier sales and financing disclosures remain part of the baseline.

Thursday's S&P 500 close was 7,592.40, down 26.98 points or 0.35%; the Russell 2000 closed at 2,799.06, down 47.20 or 1.66%. The much weaker small-cap result is consistent with strain beyond the largest technology names, but one session cannot identify its sole cause. The recent rebound has not demonstrated easier credit or repaired September shipment gaps. The price comparison excludes dividends and is not a four-week total-return scorecard. [S14, S22, S23]

The apparent dramatic shift is chiefly a change in which near-tied case leads: Base led by two points yesterday; Bear leads by six today, an eight-point swing in their spread. Bear itself rises four percentage points, not eight. Base plus Bull falls from 55% to 51%, so avoiding the defined broad retrenchment still has slightly more combined weight. Bear at 49% is the largest individual case, not a majority probability and not a 49% forecast of a stock-market fall.

2 to 4 week market outlook

Base case 43%	Bull case 8%	Bear case 49%
Selective expansion continues with expensive finance and uneven delivery. Support: realized equipment and network sales, low claims and positive service output. Confirm: stable jobs, funded schedules, collected cash and orderly succession. Invalidate: spreading cancellations or funding failures; broad durable cost relief instead favors Bull.	Energy, input costs and finance improve together, broadening profitable activity. Support: strong investment demand and scope for freight relief. Confirm: reliable cargo, easier finance and stronger real demand across sectors. Invalidate: persistent inflation, renewed disruption or retrenchment. One strong earnings report is insufficient.	Supply and financing pressure spreads into output, employment and credit. Support: housing weakness, higher yields and explicit capacity delays. Confirm: repeated cancellations, failed funding, attributable delivery losses and weaker employment. Invalidate: orderly continuity, recovering delivery and stronger cash conversion despite higher costs.

One judgmental economic outlook covers November 13-December 11. Definitions remain those approved November 12; the rolling end date advances one day. Probabilities describe economic scenarios, not calibrated frequencies or asset returns. Another forecaster's numeric yield thresholds are not substituted for these definitions.

Independent comparison: 43/8/49 versus Muse's 42/7/51 proposal. Operating resilience and fresh demand justify one more point each to Base and Bull, and two fewer to Bear. A broad jobs/credit break remains unconfirmed. Muse's November 12 baseline was 46/9/45; our approved baseline was 47/8/45. These separate histories must not be mixed.

Near term catalysts

Fri Nov 13, 8:30 AM EST - October PPI. After the 6:15 cutoff; no result or unverified consensus is inserted. Watch whether pressure broadens beyond energy. [S25]

Tue Nov 17, 8:30 AM EST - October import/export prices; approximately 4:20 PM results and 5:00 PM call - NVIDIA. Separate cost transmission from operating continuity. [S25, S26]

Fri Nov 20, 10:00 AM EST - October state employment; assess regional manufacturing exposure rather than extrapolating national claims. [S25]

Tue Dec 1 - Canada removes horizontal tariff relief for certain trailers. Check product coverage and supplier cost exposure. [S21]

Fri Dec 4, 8:30 AM EST - November employment; Dec 8-9 - FOMC; Thu Dec 10, 8:30 AM EST - November CPI. Scheduled tests within the horizon, not known outcomes. [S27, S28]

Standing operating checks - actual capacity commissioning, customer payments, Gulf exports, supplier schedules and resolution of the Brampton funding dispute.

Watchlist

Labor and households: repeated claims increases, hours, real spending and housing-linked activity; distinguish low firing from vigorous hiring.

Finance and AI: funding completion, delivery milestones, utilization and succession; backlog, contracted power and annualized run rates are different measures.

Energy and logistics: export volumes, vessel traffic, diesel and insurance alongside inventories; no assumption of a new route closure.

Electronics and autos: qualified materials, repeat shipments, Brampton remedy/closing status and Detroit-Windsor schedules.

Global and policy: product-specific tariff coverage, December trailer exception, services strength and factory-cost transmission. Healthcare timing remains issuer-specific.

Curated Reading List

[S01] Treasury daily par yield curve

[S03] NVIDIA SEC Form 8-K

[S04] Applied Materials fiscal Q4 results

[S07] Nebius Q3 shareholder letter

[S09] NAR October existing-home sales

[S10] DOL weekly unemployment claims

[S12] UKMTO Warning 204-26

[S21] Finance Canada tariff relief changes

Sources

[S01] Treasury daily par yield curve (2026-11-12).
[S02] RTTNews 30-year auction report (2026-11-12).
[S03] NVIDIA SEC Form 8-K (2026-11-12).
[S04] Applied Materials fiscal Q4 results (2026-11-12).
[S05] Cisco fiscal Q1 results (2026-11-12).
[S06] Nebius Q3 results (2026-11-12).
[S07] Nebius Q3 shareholder letter (2026-11-12).
[S08] Cerebras Q3 results (2026-11-12).
[S09] NAR October existing-home sales (2026-11-12).
[S10] DOL weekly unemployment claims (2026-11-12).
[S11] EIA archived weekly petroleum summary (2026-11-12).
[S12] UKMTO Warning 204-26 (2026-11-12).
[S13] Associated Press November 12 markets (2026-11-12).
[S14] Associated Press index close table (2026-11-12).
[S15] Drewry World Container Index (2026-11-12).
[S16] GVSU West Michigan industry survey (2026-11-10).
[S17] Associated Press Stellantis funding dispute (2026-11-12).
[S18] ONS September UK GDP (2026-11-12).
[S19] China NBS October price interpretation (2026-11-09).
[S20] BOJ October meeting opinions (2026-11-10).
[S21] Finance Canada tariff relief changes (2026-11-09).
[S22] Global Electronics Association September EMS (2026-10-28).
[S23] Global Electronics Association September PCB (2026-10-26).
[S24] BLS October CPI archive (2026-11-10).
[S25] BLS November release calendar (2026-11-03).
[S26] NVIDIA results-call announcement (2026-10-28).
[S27] BLS December release calendar (2026-11-09).
[S28] Federal Reserve FOMC calendar (2026-11-12).
[S29] Candel Q3 corporate update (2026-11-12).
[S30] NeuroPace SEC earnings exhibit (2026-11-12).
[S31] Reuters October fiscal deficit report (2026-11-12).

Evidence cutoff: 6:15 AM EST November 13, 2026 (11:15 UTC). Data periods differ and are labeled above. The accompanying source/QA register records primary versus indexed verification, retrieval limits, exclusions and release checks.

Conclusion

The independent 43/8/49 outlook makes deterioration the leading individual scenario because financial pressure now has additional operating evidence. It does not declare that a broad downturn has arrived. The decisive next step is whether strains spread into credit, cancellations and jobs, or whether verified demand, orderly succession and better deliveries stabilize activity. The forecast changes for new evidence; existing risks are not counted again simply to make the downgrade larger.

Purpose of the Intelligence Report

This report connects economically consequential intelligence from globally linked automotive, electronics, technology, manufacturing, trade and physical-economy activity. It separates verified facts from inference and develops a probability-based 2-4 week outlook independent of personal portfolio holdings. It provides information and education, not personalized investment advice.