Morning Market Intelligence Brief

Thursday November 26, 2026 | Morning edition | DRAFT v0.1.0
Evidence cutoff 6:15 AM EST | Outlook horizon November 26 to December 24, 2026

Executive synthesis

The economy grew faster than first reported in the third quarter, while households bought slightly less in October after inflation. Real GDP was revised up to 4.3% at an annual rate. October core PCE inflation was 0.3% for the month and 3.3% from a year earlier. Real disposable income rose 0.5%, giving households more buying power, but real spending edged down. This puts the holiday focus on actual units and prices. A larger bill can lift retailers' dollar sales even when customers take home less. [S01,S02,S16,S17]

The independent two-to-four-week outlook moves to **40% Base, 4% Bull and 56% Bear**, compared with Wednesday's approved **42/5/53**. The 0.3% monthly core reading fell between the prior research thresholds and produces no automatic move. Higher annual core inflation, softer real outlays and the fresh trade-policy uncertainty make it harder for firms to plan new orders. Low national claims and the recovery from Wednesday's market lows limit the adjustment. [S01–S08,S24]

Current Signal Board

Area and data vintage	Signal	What the evidence says
U.S. demand | October outlays, Q3 GDP	**STRONG Q3, FLATTER OCTOBER**	Real GDP revised to +4.3% annualized. October real spending edged down. [S01,S02]
Prices and credit | October prices, Nov 25 curve	**CORE PRICES STILL FIRM**	Core PCE +0.3% monthly and +3.3% yearly. Ten-year par yield 4.85%. [S01,S07]
Michigan | November claims and Fed contacts	**CONTINUING CLAIMS RETRACE**	Unadjusted continuing claims 46,315 vs. revised 69,232. Initial claims little changed. [S04,S05,S18]
RVs and electronics | October shipments and issuer quarters	**UNEVEN ORDERS AND COSTS**	RV wholesale units –22.9% yearly. HP revenue rose while operating margin declined. [S09,S11]
Global trade | Europe, Canada, Mexico, Korea	**DEMAND AND POLICY DIVERGE**	Germany's factories soften, British retail volumes rise, and Chile's mining output weighs on GDP. [S28,S32,S34]
U.S. markets | November 25 close, holiday hours	**STOCKS MIXED; SHORT SESSION NEXT**	S&P 500 –0.25%. NYSE equities reopen Friday and close at 1 p.m. Eastern. [S06,S15]

Key developments

1. Strong summer growth gives way to a tougher October spending test

BEA raised third-quarter real GDP growth from 3.4% to 4.3% annualized. Real final sales to private domestic purchasers rose 5.8% annualized. That measure combines household spending and private fixed investment, leaving out inventory accumulation, government and net exports. It confirms that domestic private demand was strong over July through September. The revision improves the historical baseline for orders and profits. [S02]

October paints a narrower picture. Personal income rose 0.7% and real disposable income rose 0.5%, while nominal spending increased 0.3% and real spending fell by less than 0.1%. The saving rate was 4.1%. The monthly core inflation reading is in the middle of the research comparison range, while the annual rate rose to 3.3%. The combination matters for employers and households: income can support demand later, but sticky prices and expensive financing make it harder to convert that income into more purchases today. Track real spending across goods and services and look for fresh evidence on selling prices. [S01,S03]

2. Labor holds nationally while Michigan contacts describe more selective spending

National initial claims fell to 189,000 from a revised 202,000, and continuing claims fell to 1.697 million in the earlier week they measure. The national figures are a reason to avoid reading flat real spending as an immediate broad employment contraction. Michigan's unadjusted continuing claims fell to 46,315 for the week ended November 14 from a revised 69,232, while initial claims edged down to 8,318 from 8,414 the next week. The continuing-claims decline reversed part of the earlier jump during the benefits-system change. Reporting timing remains a plausible contributor. Repeat claims and paid hours are needed before drawing a conclusion about Michigan hiring. [S05,S18,S19,S24]

The Federal Reserve's Beige Book describes modest overall activity and little change in consumer spending. Contacts reported input costs rising faster than selling prices, an exposure for businesses that must preserve volume. One commercial furniture business in Michigan's Upper Peninsula described buyers emphasizing affordability. That is a local observation, but it shows how a supplier can keep customers by moving them into lower-priced products while taking pressure on margins. Watch the mix of actual sales and whether the next wave of orders reaches suppliers. [S03,S04]

3. RV shipments fall as electronics suppliers face a different constraint

RVIA reported 23,309 wholesale RV shipments in October, down 22.9% from a year earlier. Towables fell 24.6%, while motorhomes fell 8.5%. The two comparisons alongside September's 23,320 units show why it matters to specify the baseline. October's factory volume was near September's, but the year-earlier October comparison was much stronger. The RVBusiness dealer sample reported October sales down 10.2% while service held nearly flat. A dealer can keep its bays active while reducing orders for new units. Watch inventory turnover, registrations and dealer orders before assuming assembly schedules have stabilized. [S09,S10,S25,S27]

Electronics shows a different split. Dell's earlier quarter recorded $22 billion of AI-optimized server revenue. HP Inc. reported higher overall revenue while operating margin fell. Demand can support hardware shipments, while more expensive memory and storage can limit margins or lift the prices buyers face. Adobe's forecast of $275.1 billion in holiday online spending is in dollars. How many devices sell, the depth of discounts and whether mix shifts toward cheaper configurations will tell us more about physical demand. [S11,S12,S17]

4. Trade uncertainty grows as demand diverges across economies

USTR announced findings on structural excess capacity in 14 economies and proposed measures under Section 301, with written comments due January 5 and hearings starting January 25. The announcement begins a process. It gives purchasing teams a reason to check product exposure, contract terms and the timing of possible changes before resetting orders. China's separate extension for certain U.S.-bound mineral shipments eased an immediate deadline. Taken together, the announcements reduce one near-term supply risk while leaving a wider set of import costs in question. [S08,S13]

Germany's ifo business climate index rose to 90.6 from 90.1 in November, but manufacturers' expectations slipped back into negative territory. Canada's advance estimate pointed to a 1.5% drop in October retail sales, subject to revision. Mexico's real GDP rose 0.9% from the prior quarter, a quarterly rate rather than the U.S. annualized figure. These are different measures. For Great Lakes businesses, they point to different questions about factory orders and cross-border consumer demand. [S28–S30]

In France, November household confidence edged up to 82, well below its long-run average of 100. Great Britain's October retail volumes rose 0.7% from September, with food helping. India's industrial production grew 6.7% year over year in September, with electrical equipment among the stronger categories. Chile's third-quarter real GDP fell 1.1% year over year, led by mining weakness. The European reports are complementary reads on confidence and what shoppers actually bought. India and Chile show different developments on the production side, from equipment demand to supply of mining output. [S31–S34]

5. The next U.S. market check comes in a shortened session

Wednesday's S&P 500 recovered much of its intraday loss and ended down 0.25% at 7,182.78, while the Dow rose 0.33% and the Nasdaq fell 0.62%. Expected equity volatility rose as the VIX closed at 28.29, even after the broad market recovered much of its losses. The official 10-year Treasury par yield fell to 4.85% from 4.91%. A lower benchmark can help if borrower spreads and lending terms improve as well. In Asia, the Bank of Korea raised its policy rate to 3.25% on Thursday in Seoul. Its decision reflects domestic inflation and financial conditions, and creates a distinct borrowing backdrop for Korean households and suppliers. U.S. stocks are closed for Thanksgiving, so watch Friday's shortened session and the next regular-volume sessions for follow-through. [S06,S07,S14,S15,S22,S23]

The broader pattern

Strong demand can keep work in the pipeline while affordability limits the next order. Yesterday's GDP revision reinforces the first part of that story. October real spending, RV shipments and district reports show where the second is already visible. The question over the next few weeks is whether steady employment and rising real income can support purchases while companies manage costs and changes in trade policy.

Prior 2–4 weeks — what markets and the economy are confirming

In mid-November the electronics industry reported 16–20 week lead times or longer for some high-layer circuit boards, even as retail and leisure data showed pressure in other categories. The week began with a broad recovery in stock prices after Friday's selloff. Chip shares reversed Tuesday, and Wednesday's broad indexes recovered much of their intraday weakness. Over the same period company earnings and confidence pointed to customer demand, while dealer and shipment data identified pressure in larger discretionary purchases. The releases since Wednesday's cutoff add a split by time period: strong third-quarter domestic demand, little October growth in real consumption and low recent claims. Hold these differences in view when judging the holiday data. [S01–S06,S09–S12,S24,S26]

Base / Bull / Bear — one two-to-four-week outlook

Base · 40% | IF income and jobs sustain selective demand	Bull · 4% | IF prices cool and demand broadens	Bear · 56% | IF costs squeeze real demand and shifts
Households use recent real income gains and companies keep filling funded orders. Confirm with real sales volume, steady paid hours and manageable delivery costs.	Lower input costs reach buyers and borrowers while orders and volumes rise across industries. Look for softer underlying inflation and more durable credit improvement.	Sticky prices, expensive financing and uncertain import costs lead to smaller orders or shorter hours. Confirmation would include real spending weakness and delayed projects across sectors.

Forecast bridge. Use Wednesday's approved 42/5/53. Higher annual core inflation and slightly lower real spending move two points into Bear, one from Base and one from Bull. The new tariff proposal and the market's uneven recovery count together for one further point from Base to Bear. Stronger historical GDP, real income and low new claims limit the change and are weighed once. The monthly core PCE reading of 0.3% was between the research thresholds and received no separate points. Muse is at 41/7/52. This report assigns four more points to Bear because an early recovery in stock prices, stronger prior-quarter output and low claims leave current volumes and margins unresolved. [S01–S08,S24]

Near-term catalyst calendar

Friday, November 27. NYSE equities close at 1 p.m. Eastern. Track holiday transactions and discounts as data arrive. Retail forecasts measure nominal spending. RV dealers and suppliers need registrations and restocking, which can lag weekend traffic. [S09,S10,S15–S17]

December 4 and December 8–9. The scheduled U.S. jobs report and Fed meeting can clarify whether labor is holding while inflation puts pressure on policy. Also watch import proposals as businesses prepare January comments. [S08,S20,S21]

Watchlist

Compare holiday volumes with receipts, and compare RV retail registrations with factory orders. Follow paid hours, borrower spreads, and electronics shipment dates and margins. Give the short Friday session less weight than repeat changes under regular trading conditions.

Curated Reading List

[S01] U.S. Bureau of Economic Analysis — October personal income and outlays
[S02] U.S. Bureau of Economic Analysis — Third-quarter GDP second estimate and profits
[S04] Federal Reserve — November Beige Book district detail
[S05] U.S. Department of Labor — November 25 unemployment insurance claims release
[S08] U.S. Trade Representative — Section 301 determinations and proposed action
[S09] RV Industry Association — October wholesale RV shipments by type
[S14] Bank of Korea — Monetary policy decision and opening remarks
[S28] ifo Institute — German business climate and manufacturing expectations
[S29] Statistics Canada — September retail trade and October advance estimate
[S31] INSEE — November French household confidence survey
[S32] UK Office for National Statistics — Great Britain retail sales volumes
[S33] India Ministry of Statistics and Programme Implementation — September industrial production
[S34] Central Bank of Chile — Third-quarter national accounts
[S15] NYSE — NYSE trading holidays and early closes
[S27] RVBusiness — October wholesale report from RVIA

Sources

[S01] U.S. Bureau of Economic Analysis — October personal income and outlays
[S02] U.S. Bureau of Economic Analysis — Third-quarter GDP second estimate and profits
[S03] Federal Reserve — November Beige Book national summary
[S04] Federal Reserve — November Beige Book district detail
[S05] U.S. Department of Labor — November 25 unemployment insurance claims release
[S06] Associated Press — November 25 U.S. cash-market closes
[S07] U.S. Treasury — November official Treasury par yields
[S08] U.S. Trade Representative — Section 301 determinations and proposed action
[S09] RV Industry Association — October wholesale RV shipments by type
[S10] Lightspeed via RVBusiness — October dealer sales and service
[S11] HP Inc. — Fourth-quarter fiscal 2026 results
[S12] Dell Technologies — Third-quarter fiscal 2027 results
[S13] Reuters — China extends a temporary suspension covering specified minerals
[S14] Bank of Korea — Monetary policy decision and opening remarks
[S15] NYSE — NYSE trading holidays and early closes
[S16] National Retail Federation — Holiday retail sales forecast
[S17] Adobe — U.S. holiday online shopping forecast
[S18] Michigan Unemployment Insurance Agency — MiUI transition and certification dates
[S19] U.S. Department of Labor — November 19 unemployment insurance release
[S20] Bureau of Labor Statistics — Employment situation release dates
[S21] Federal Reserve — FOMC meeting dates
[S22] Cboe via YCharts — VIX daily close history
[S23] Yonhap News Agency — Bank of Korea statement and announcement timing
[S24] Associated Press — National weekly jobless claims
[S25] RV Industry Association — September wholesale RV shipment release
[S26] Global Electronics Association — High-layer printed circuit board lead times
[S27] RVBusiness — October wholesale report from RVIA
[S28] ifo Institute — German business climate and manufacturing expectations
[S29] Statistics Canada — September retail trade and October advance estimate
[S30] INEGI — Mexico third-quarter real GDP
[S31] INSEE — November French household confidence survey
[S32] UK Office for National Statistics — Great Britain retail sales volumes
[S33] India Ministry of Statistics and Programme Implementation — September industrial production
[S34] Central Bank of Chile — Third-quarter national accounts

Conclusion

The stronger GDP revision and low claims give demand room to hold up. October real spending and sharper weakness in RV shipments leave a clear test for the holiday period: how much people bought, what they paid and whether sellers place replacement orders.

Purpose of the Intelligence Report

Market Intelligence connects economic developments to the decisions they affect and identifies the observations readers can use to test the outlook.