

Alphabet's 12.6% Plunge Pulls the Nasdaq Down 1.36% as AI Spending Fears Return

Data as of: 2026-10-29 4:26 PM ET (index closes per Reuters; stock closes are regular-session closes; after-hours moves per Reuters shortly after the releases)

Key takeaways

1. Alphabet fell 12.64% to \$283.82 after its revenue miss and cash burn, dragging the Nasdaq down 1.36% to 26,188.08.
2. After the bell, Intel fell more than 20% on a weak fourth-quarter guide and Amazon more than 7% as quarterly capex hit \$77.3 billion.
3. Next: Friday's 8:30 AM employment cost index, the Bank of Japan decision overnight, and Apple's results on Monday.

Today's key news

Wall Street delivered its verdict on Alphabet today, and it was one of the harshest in the company's two decades as a public stock.

Alphabet fell 12.64% after revenue and advertising missed estimates and more than \$51 billion of quarterly capital spending pushed free cash flow negative. AP said it was heading for its worst day since it began trading more than 20 years ago. The Nasdaq lost 1.36%, while the S&P 500 slipped only 0.31% because health care, financials and small caps rose.

After the bell the pressure moved to two more AI spenders. Intel fell more than 20% when its fourth-quarter guide came in entirely below estimates, and Amazon dropped more than 7% even though AWS grew 39%. Friday's open will show whether investors keep separating AI spending that pays from spending that only burns cash.

-12.64%

Alphabet regular session

Close \$283.82; 30.5% below its 52-week high

\$77.3B

Amazon Q3 capital spending

From \$35.1B a year ago; shares down more than 7% after hours

\$15.0B-16.0B

Intel Q4 revenue guide

LSEG estimate \$17.07B; shares down more than 20% after hours

What matters today

The market punished Alphabet's cash burn, not AI itself

Alphabet's slide was the session. Its revenue of \$127.6 billion and advertising sales trailed estimates, and capex above \$51 billion turned free cash flow negative for a second straight quarter (AP). The stock closed at \$283.82, down 12.64%, on volume 5.3 times its normal level.

The selling was narrow. Reuters said investors were sorting companies that can fund AI from their own cash flow from those that need to borrow or burn cash, and its preliminary data showed the Russell 2000 posting a solid gain. Microsoft, which showed contracted demand behind its spending, closed nearly flat at \$530.14 (-0.16%), and Meta rose 1.96%.

Why it matters: the AI trade now has a test investors can measure each quarter: capex divided by cash flow. **WMR data:** Alphabet is down 12.46% over one week and 30.5% below its 52-week high, deeper than any other Big Tech name we track; see [Alphabet](#) and the [U.S. Stock Screener](#).

Money rotated into health care and defensives

Health care was the best of the 11 sector funds, up 2.4%, led by Eli Lilly's 6.57% jump to \$1,373.00 after it lifted its full-year revenue outlook. Real estate, consumer staples and utilities each rose more than 1.5%. Communication services fell 1.87% and technology 1.18%, the only two sectors that lost ground.

Software took a second blow. ServiceNow closed down 26.95% and Fortinet 20.09% after their outlooks, and Salesforce fell 4.63% in sympathy. Chip stocks ended a four-day winning streak (Reuters): the Philadelphia Semiconductor Index lost 1.42%, Marvell 13.24% on reports that it is in advanced talks to buy Lumentum, and Micron 4.98%.

U.S. sector ETFs 1D performance

Computed from raw prices · U.S. close of 2026-10-29



Name	Last	1D	1W	1M	6M	1Y
Tech (XLK)	188.74	-1.2%	+3.5%	-3.6%	+18.3%	+25.0%
Comm. (XLC)	101.21	-1.9%	-5.8%	-8.8%	-13.1%	-13.2%
Cons. Disc. (XLY)	116.20	+0.8%	+1.0%	+6.8%	-1.8%	-3.6%
Financials (XLF)	56.91	+1.4%	+0.5%	+6.6%	+9.2%	+7.4%
Health Care (XLV)	184.04	+2.4%	+1.5%	+9.3%	+26.1%	+26.5%
Energy (XLE)	68.71	+0.4%	+1.7%	+11.7%	+15.2%	+57.3%
Industrials (XLI)	170.13	+1.0%	+2.0%	+1.9%	-2.5%	+10.0%
Materials (XLB)	52.53	+1.3%	+1.6%	+7.9%	+2.1%	+17.9%
Utilities (XLU)	43.14	+1.5%	+0.6%	+9.4%	-7.9%	-4.3%
Cons. Staples (XLP)	88.18	+1.5%	-2.0%	+9.4%	+4.6%	+12.4%
Real Estate (XLRE)	43.06	+2.2%	+1.3%	+5.3%	-3.0%	+3.0%

Intel's guide and Amazon's capex set up Friday

Intel's third quarter beat: revenue rose 21% to \$16.5 billion and non-GAAP EPS of \$0.52 topped LSEG's \$0.40 (Reuters). But PC chip sales fell 5% to \$8.1 billion, below the \$8.98 billion estimate, and the fourth-quarter guide of \$15.0 billion to \$16.0 billion sits entirely below the \$17.07 billion consensus. Shares had closed at \$92.07 (-3.62%) before falling more than 20% in extended trading.

Amazon's AWS grew 39% to \$46.0 billion, ahead of the \$45.61 billion LSEG estimate, and operating income rose to \$28.1 billion from \$17.4 billion. The concern is cash: capex reached \$77.3 billion in the quarter, trailing free cash flow swung to an outflow of \$42.4 billion, and the fourth-quarter sales guide's midpoint of \$243.5 billion is below the \$244.51 billion estimate (Reuters). Andy Jassy said he expects AWS revenue to grow more than 40% in both 2027 and 2028.

WMR data: Amazon had already fallen 4.25% in the regular session to \$243.79 and sits 15.1% below its 52-week high; see [Amazon](#) and the [Earnings Calendar](#).

After-hours earnings

Company	Results	Outlook	Stock
Amazon (AMZN) Q3	Net sales \$201.9B (+12%); AWS \$46.0B (+39%); GAAP EPS \$1.89 vs. \$1.95 a year ago	Q4 net sales \$240.0B-247.0B; operating income \$28.5B-33.5B; 2026 cash capex about \$220B	down more than 7% after hours
Intel (INTC) Q3	Revenue \$16.5B (+21%); non-GAAP EPS \$0.52 (GAAP \$0.60); non-GAAP gross margin 44.1%	Q4 revenue \$15.0B-16.0B; non-GAAP EPS \$0.25; gross margin 38.0%	down more than 20% after hours
Gilead (GILD) Q3	Revenue \$8.30B (+7%); non-GAAP EPS \$2.55 (GAAP \$1.94); HIV sales \$6.25B (+18%)	2026 product sales raised to \$31.0B-31.3B	After-hours and next-day reaction in the morning report

Results come from the companies' releases and SEC filings; estimates from LSEG as reported by Reuters. Amazon's year-ago EPS included \$9.5 billion of pre-tax gains on its Anthropic stake, which is why EPS fell while operating income rose 61%. Intel's GAAP EPS includes a \$1.0 billion mark-to-market gain that non-GAAP excludes. Starbucks, Reddit and Sandisk also reported after the close; their numbers will be in the morning report.

Our last calls: how they played out

What we flagged	What happened	Market reaction
Q3 GDP and PCE at 8:30 AM	GDP grew 3.4%, above the 3.2% Reuters poll; September PCE prices 3.6% and core 3.1%, in line (BEA, Fox Business)	10-year yield fell to 4.99%
Whether Alphabet's selling would spread	It stayed narrow: Alphabet -12.64%, Amazon -4.25%, Meta +1.96%, Microsoft -0.16%	S&P 500 -0.31%, Nasdaq -1.36%
Amazon's AWS growth vs. capex	AWS +39% beat, but capex of \$77.3B and a soft guide midpoint weighed	Down more than 7% after hours

Of the six calls due today, five hit and one missed. Hits: the Nasdaq closed below 26,549.85, ServiceNow fell more than 5%, Eli Lilly and Alphabet moved in the expected directions, and the ECB held at 2.50%. Miss: Microsoft closed at \$530.14, just under the \$531.01 line, after its premarket gain faded. Details are on the [track record](#).

What to watch

Time (ET)	Event
Overnight	Bank of Japan decision; our call is a hold at 1.25%

Time (ET)	Event
Fri 8:30 AM	Q3 employment cost index (BLS)
Fri 9:30 AM	Intel and Amazon open after their after-hours drops
Mon 11/2, after the close	Apple fiscal Q4 results
Tue 11/3	U.S. midterm elections; AMD reports after the close

If-then scenarios

- **If** Intel's after-hours drop holds into the open → check: whether other PC and server chip names (AMD, Nvidia) follow, or the selling stays specific to Intel's guide
- **If** Amazon recovers part of its after-hours loss → check: whether investors weigh the 40%-plus AWS growth target over the \$42.4B cash outflow
- **If** the employment cost index runs hot → check: the 2-year yield and December hike odds, now 79.6% on CME FedWatch

Not a forecast — what to check depending on the outcome.

Our calls for Friday (logged on the track record before the results): Intel closes Oct 30 below Thursday's \$92.07; Amazon closes Oct 30 below Thursday's \$243.79.

Market data

Close (10/29)

Index	Close	Day
S&P 500	7,721.02	-22.96 (-0.31%)
Dow Jones Industrial Average	52,345.80	-129.30 (-0.25%)
Nasdaq Composite	26,188.08	-361.77 (-1.36%)

Rates, dollar and commodities	Level	Day
10-year Treasury yield	4.99%	-0.06 point
U.S. Dollar Index	101.99	-0.20%
WTI crude futures	\$102.95	+0.17%
Gold futures	\$4,037.10	-0.36%
VIX	16.45	-2.72%

Index closes are Reuters' preliminary figures. Rates, dollar, commodities and the VIX are late-session prices from our price data. LSEG data showed 81% of the 253 S&P 500 companies that have reported beat estimates, with third-quarter earnings growth expected at 31.0% (Reuters).

U.S. markets at a glance — last 12 months

Computed from raw prices · U.S. close of 2026-10-29

S&P 500 1Y +12.0%

7,720 · 1W +0.7%



Nasdaq 1Y +9.9%

26,185 · 1W +0.7%



Dow 1Y +9.7%

52,343 · 1W -1.0%



PHLX Semis 1Y +60.1%

11,518 · 1W +7.3%



VIX 1Y -2.7%

16.45 · 1W -13.6%



US 10Y 1Y +1.01p

4.989% · 1W +0.036p



Dollar Idx 1Y +3.3%

101.99 · 1W +0.4%



Gold 1Y +1.4%

4,037 · 1W -0.6%



WTI Crude 1Y +71.2%

102.95 · 1W +3.5%



Name	Last	1D	1W	1M	6M	1Y
S&P 500	7,720	-0.3%	+0.7%	+0.9%	+7.1%	+12.0%
Nasdaq	26,185	-1.4%	+0.7%	-2.5%	+5.2%	+9.9%
Dow	52,343	-0.2%	-1.0%	+2.8%	+5.4%	+9.7%
PHLX Semis	11,518	-1.4%	+7.3%	-8.8%	+9.7%	+60.1%
VIX	16.45	-2.7%	-13.6%	+0.7%	-10.1%	-2.7%
US 10Y	4.989%	-0.056p	+0.036p	-0.304p	+0.599p	+1.006p
Dollar Idx	101.99	-0.2%	+0.4%	+0.5%	+4.0%	+3.3%
Gold	4,037	-0.4%	-0.6%	-3.6%	-12.8%	+1.4%
WTI Crude	102.95	+0.2%	+3.5%	+13.9%	-2.0%	+71.2%

Big Tech and chips

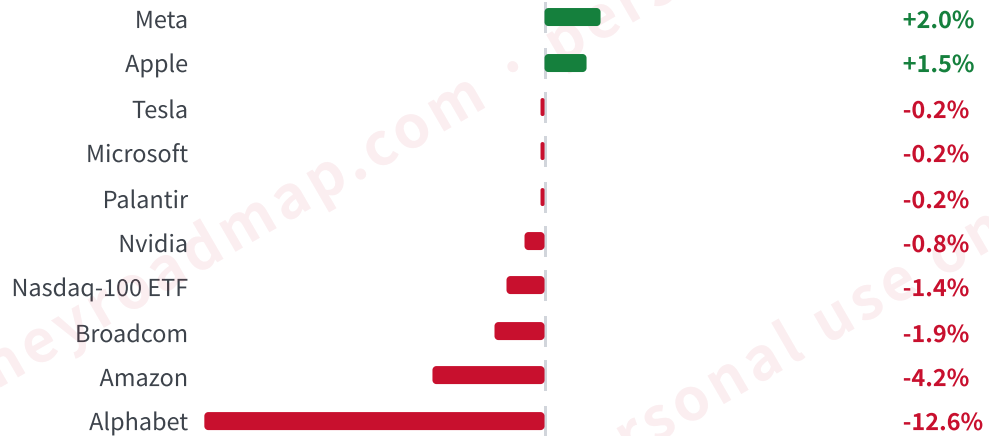
Stock	Close (10/29)	Day
Meta (META)	\$624.52	+1.96%
Apple (AAPL)	\$348.91	+1.48%
Microsoft (MSFT)	\$530.14	-0.16%
Tesla (TSLA)	\$403.30	-0.23%
Nvidia (NVDA)	\$213.66	-0.80%
Broadcom (AVGO)	\$345.00	-1.94%
AMD (AMD)	\$566.42	-2.08%
Intel (INTC)	\$92.07	-3.62%
Amazon (AMZN)	\$243.79	-4.25%

Stock	Close (10/29)	Day
Micron (MU)	\$934.27	-4.98%
Alphabet (GOOGL)	\$283.82	-12.64%

Regular-session closes; after-hours moves are not included.

Big Tech 1D performance

Computed from raw prices · U.S. close of 2026-10-29



Name	Close	1D	1W	1M	6M	1Y	YTD	vs 1Y high	Volume vs 20D avg
Nvidia (NVDA)	\$213.66	-0.8%	+0.7%	-6.0%	+7.3%	+3.4%	+14.8%	-10.7%	0.7x
Tesla (TSLA)	\$403.30	-0.2%	+7.7%	+14.3%	+5.7%	-12.6%	-10.3%	-17.7%	0.6x
Alphabet (GOOGL)	\$283.82	-12.6%	-12.5%	-16.7%	-26.2%	+3.6%	-9.1%	-29.4%	5.3x
Apple (AAPL)	\$348.91	+1.5%	+0.2%	+5.9%	+28.8%	+29.8%	+28.7%	+0.0%	1.1x
Microsoft (MSFT)	\$530.14	-0.2%	+1.7%	+4.2%	+30.5%	-1.3%	+10.3%	-2.4%	1.9x
Amazon (AMZN)	\$243.79	-4.2%	-2.6%	-1.2%	-8.0%	+5.9%	+5.6%	-14.2%	2.0x
Meta (META)	\$624.52	+2.0%	-3.7%	-15.5%	+2.2%	-16.6%	-5.1%	-19.7%	1.4x
Broadcom (AVGO)	\$345.00	-1.9%	+6.7%	-2.8%	-17.1%	-10.0%	+0.2%	-28.1%	0.8x
Palantir (PLTR)	\$196.42	-0.2%	+0.1%	+5.1%	+41.2%	-1.2%	+10.5%	-6.0%	0.9x
Nasdaq-100 ETF (QQQ)	\$715.34	-1.4%	+1.5%	-3.1%	+7.4%	+13.0%	+16.8%	-5.8%	1.0x

Nvidia 1Y +3.4%
213.66 · 1W +0.7%



Tesla 1Y -12.6%
403.30 · 1W +7.7%



Alphabet 1Y +3.6%
283.82 · 1W -12.5%



Apple 1Y +29.8%
348.91 · 1W +0.2%



Microsoft 1Y -1.3%
530.14 · 1W +1.7%



Amazon 1Y +5.9%
243.79 · 1W -2.6%



Meta 1Y -16.6%
624.52 · 1W -3.7%



Broadcom 1Y -10.0%
345.00 · 1W +6.7%



Palantir 1Y -1.2%
196.42 · 1W +0.1%



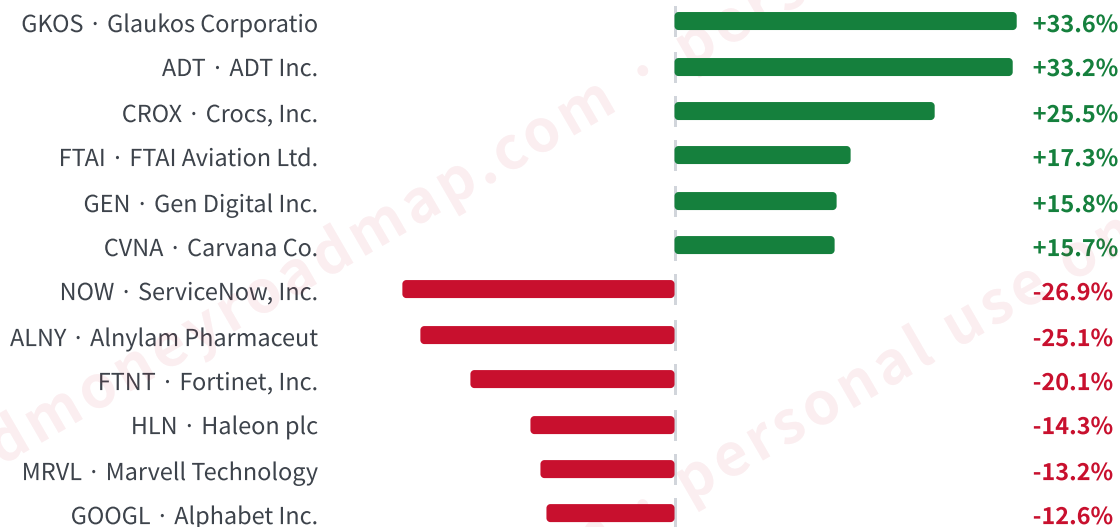
Biggest movers

Company	Close	Day	Reason
Eli Lilly (LLY)	\$1,373.00	+6.57%	Raised full-year revenue outlook on weight-loss drug sales
KLA (KLAC)	\$167.43	+5.45%	Profit above expectations; strong December-quarter guide
Mastercard (MA)	\$635.70	+4.16%	Q3 revenue +14%, profit beat
Caterpillar (CAT)	\$647.39	-9.25%	Beat on profit but kept growth targets unchanged
Marvell (MRVL)	\$218.34	-13.24%	Reports of advanced talks to buy Lumentum
Fortinet (FTNT)	\$139.10	-20.09%	Q3 results and outlook disappointed
Sprouts (SFM)	\$48.00	-22.58%	Q3 missed; Q4 comparable sales guided down 2%-4%
ServiceNow (NOW)	\$109.67	-26.95%	Profit missed; Q4 cRPO growth guide slowed to 18.5%

Reasons as reported by Reuters, AP and the companies. DoorDash rose after agreeing to buy Instacart in a deal valued at about \$17 billion (AP). Unusual-volume names are on the [U.S. Stock Screener](#).

Biggest U.S. movers (market cap \$5B+)

Computed from raw prices · U.S. close of 2026-10-29



Name	1D	Close	Mkt cap	Volume vs 20D avg
GKOS · Glaukos Corporation	+33.6%	\$242.48	\$14.3B	6.1x
ADT · ADT Inc.	+33.2%	\$9.87	\$7.2B	21.4x
CROX · Crocs, Inc.	+25.5%	\$150.26	\$7.2B	4.5x
FTAI · FTAI Aviation Ltd.	+17.3%	\$196.01	\$20.1B	2.2x
GEN · Gen Digital Inc.	+15.8%	\$28.20	\$16.9B	1.4x
CVNA · Carvana Co.	+15.7%	\$68.31	\$75.7B	2.6x
NOW · ServiceNow, Inc.	-26.9%	\$109.67	\$113.4B	5.0x
ALNY · Alnylam Pharmaceuticals, Inc	-25.1%	\$174.00	\$23.3B	6.7x
FTNT · Fortinet, Inc.	-20.1%	\$139.10	\$102.1B	3.9x
HLN · Haleon plc	-14.3%	\$8.57	\$37.7B	3.8x
MRVL · Marvell Technology, Inc.	-13.2%	\$218.34	\$196.2B	1.9x
GOOGL · Alphabet Inc.	-12.6%	\$283.82	\$3,471B	5.3x

Economy and central banks

Release	Actual	Note
Q3 GDP, advance (annualized)	3.4%	Q2 2.2%; Reuters poll 3.2%
September PCE prices, year over year	3.6%	Core 3.1%; both in line with LSEG
Initial jobless claims (week to Oct 24)	194,000	Reuters poll 199,000
ECB deposit rate	2.50%	Unchanged

Business investment outside housing grew 12.7% in the quarter, with information-processing equipment up 37.4% (AP). The ECB also said Christine Lagarde will step down on Feb 7, 2027, about nine months before her term ends (Euronews).

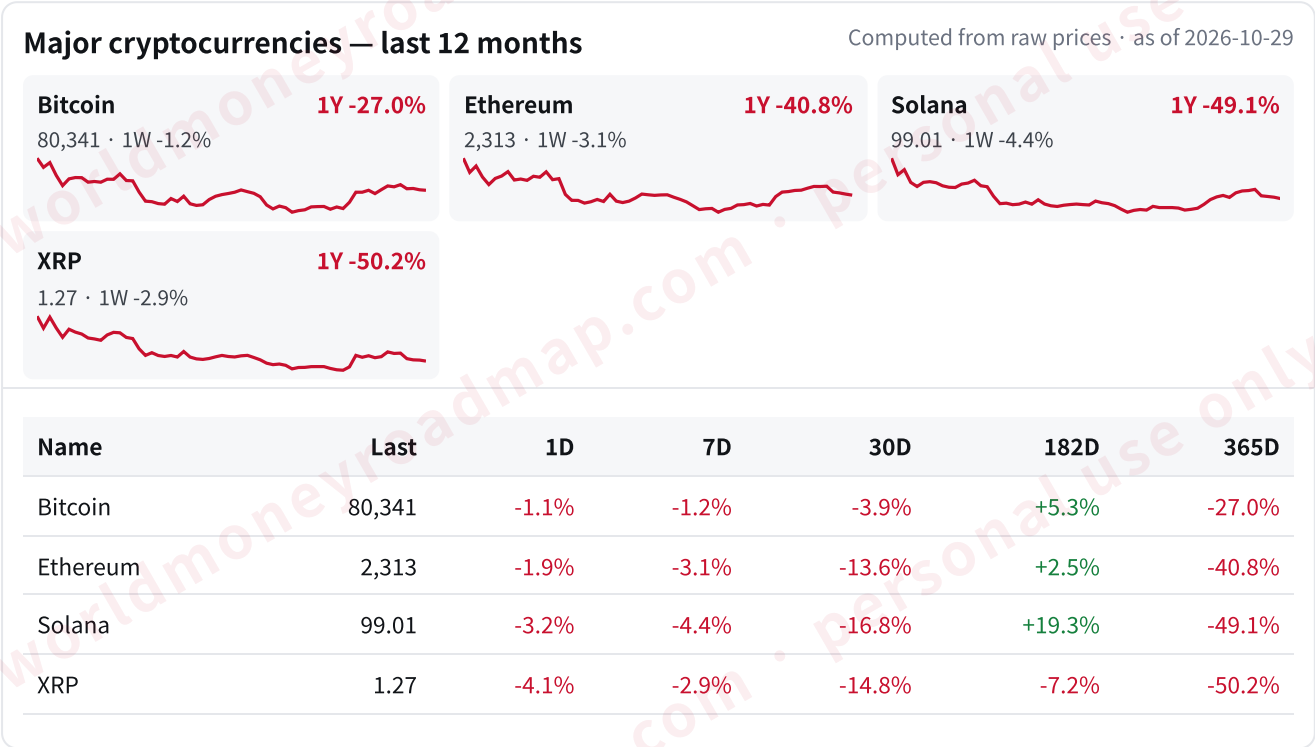
In focus

- **Marvell and Lumentum:** Bloomberg reported that Marvell is in advanced talks to buy the optical-component maker, which would be one of the largest chip deals of the AI cycle. Neither company had confirmed a deal by the close.
- **Nvidia (NVDA):** the Justice Department is examining Nvidia's \$12.9 billion purchase of Hugging Face, which is expected to close in the first half of 2027 (Reuters, CNBC). Nvidia says the platform will remain neutral across chips and clouds.
- **Gilead (GILD):** raised its full-year product sales outlook, but widened its GAAP loss-per-share guide to reflect acquired research charges (company release).

Crypto

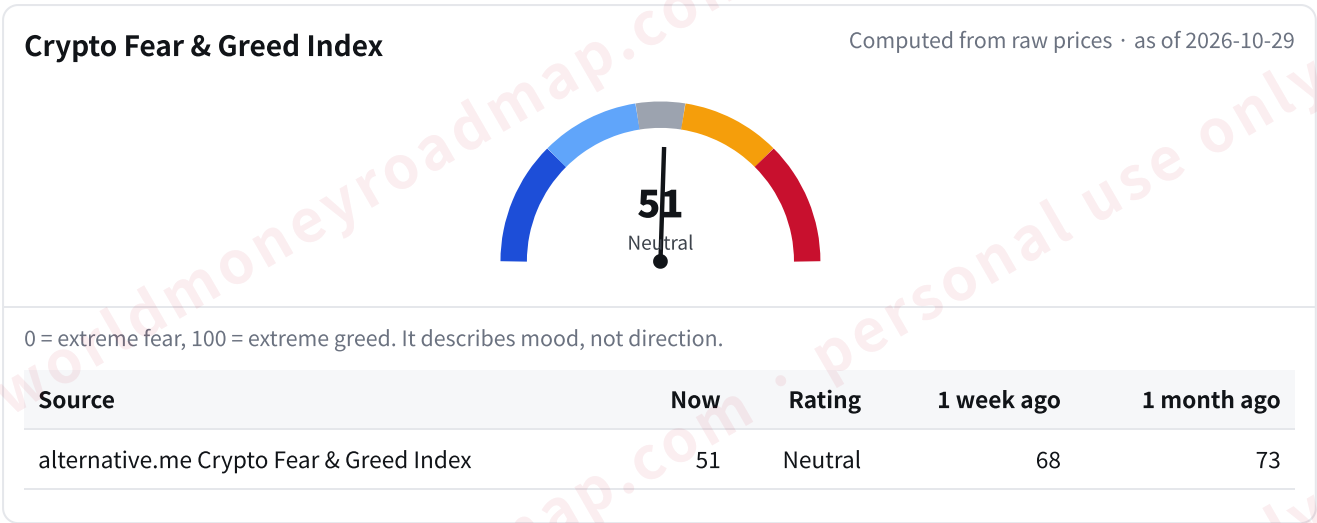
Coin	Price (late session)	24h
Bitcoin	\$80,341	-1.14%
Ether	\$2,312.77	-1.90%
Solana	\$99.01	-3.22%
XRP	\$1.27	-4.12%

Bitcoin slipped below \$80,000 earlier in the day as tech risk aversion and the Fed's hawkish hold weighed, with about \$356 million of futures positions liquidated in 24 hours (CoinDesk). More on [Crypto Market](#).



Asian chipmakers

Samsung Electronics fell 4.1% in Seoul on Thursday as its shareholder-return plan disappointed, while SK Hynix rose 2.6% (AP). Memory pricing remains the link to Micron, which fell 4.98% today.



Charts are computed directly from raw prices; each shows its own data date. In this edition the charts use today's (Oct 29) regular-session close, so they can differ slightly from Reuters' preliminary index figures in the text. On the web, tap a chart for the detailed table.

After-hours moves are early readings reported shortly after the releases and can change through the evening and Friday's open. Reddit buzz and the unusual-volume screen are on [Reddit Buzz](#) and [U.S. Stock Screener](#).

This report is for information only and is not investment advice.

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