WEEKLY MARKET COMMENTS – FEBRUARY 9, 2026 – DONALD M. SELKIN – EXTERNAL - The U.S. stock market roared back on Friday, as technology stocks recovered much of their losses from earlier in the week and bitcoin halted its plunge, at least for now.

The S&P 500 rallied by 134 points to 6932 for its best day since May 12th.. The Dow Jones Industrial Average soared 1,206 points and topped the 50,000 level for the first time, while the Nasdaq composite leaped by 490 points to 23,031.

Chip companies helped drive the widespread rally and NVDA jumped by 14 to 185 to trim its loss for the week, which came into the day at just over 10%. AVGO climbed by 22 points to 333 and erased its drop for the week.

They were the two strongest forces lifting the S&P while such immense spending, similar to what AMZN announced a day earlier, is creating concerns of its own, though. The question is whether all those dollars will create big enough profits to make the investments worth it. With doubt remaining about that, this stock declined by 5.6% for the week.

Even with Friday's surge, the S&P still fell to its third losing week in the last four. Besides worries about spending by Big Tech companies, which are perhaps the most influential stocks, concerns about AI potentially stealing customers from software companies also hurt the market. Software stocks got hit particularly hard after AI firm Anthropic released free tools to automate things like legal services. The Nasdaq is off for four straight weeks in a row.

Bitcoin, meanwhile, steadied following a weekslong plunge that had sent it more than halfway below its record price set in October. It climbed back above $70,000 after briefly dropping close to $60,000 late Thursday, its lowest since October 2024.

The market shifting back to more traditional stocks was seen in some Dow members, such as CAT and 3M. In addition, old-time stocks such as PEP, MRK, JNJ, MCD, DE and ithers if tis type sounds like we are back to 1980 while after the three lower days on Tuesday, Wednesday and Thursday the market plunged to its lowest level in three years, before Friday's dramatic upside reversal.

Prices in the metals market also calmed a bit following their own wild swings. Gold rose to settle at $4,979.80 per ounce, while silver added $3.50 to 70.20. Their prices suddenly ran out of momentum last week following jaw-dropping rallies, which were driven by investors clamoring for something safe to own amid worries about political turmoil, a U.S. stock market that critics called expensive and huge debt loads for governments worldwide. By January, prices for gold and silver were surging so quickly that critics called it unsustainable.

Stocks of smaller U.S. companies also helped lead the market, along with companies whose profits depend on U.S. households spending more money. They benefited from potentially encouraging data on how U.S. consumers are feeling. The Russell 2000 Index rose by 56 points to 2670.

A preliminary report from the University of Michigan suggested sentiment among U.S. consumers is improving slightly, when economists were expecting to see a drop. The improvement was strongest among households that own stocks, which are benefiting from the S&P 500 setting a record late last month.

To be sure, sentiment remained at dismal levels for consumers without stock holdings, according to Surveys of Consumers Director Joanne Hsu.

That was even though STLA lost a quarter of its value after saying it would take a charge of 22 billion euros, or $26 billion, as it dials back its electric vehicle production. The automaker acknowledged “over-estimating the pace of the energy transition” and said it was resetting its business “to align the company with the real-world preferences of its customers.”

In the bond market, Treasury yields held relatively steady. The yield on the 10-year Treasury edged down to 4.20% from 4.21% late Thursday.

This week sees the following earnings: Tuesday – Dow component KO plus F and CVS; Wednesday – Dow components CSCO and NCD plus TMUS; Thursday – ABNB, AMAT and ANET.

Economic reports will have Wednesday – January jobs report, which is supposed to show a gain of 70,000, up from 50,000 the prior month and the jobless rate remaining at 4.4%; Friday – January CPI for a 2.5% gain and the core CPI, up 2.5% which would be the lowest since March 2021.

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