

Tech's Timeout: When Wall Street Hit Reset

This week, Silicon Valley's biggest names reminded investors that even giants can stumble. Big Tech took a heavy hit, dragging Nasdaq into the red and leaving the rest of Wall Street scrambling to regain its balance.

By Friday, however, the mood shifted. Hopes for an end to the government shutdown gave traders a reason to breathe again after Senate Minority Leader Chuck Schumer hinted at a deal linked to healthcare tax credits. Optimism trickled back into the market, turning what began as a gloomy session into a cautious comeback.

The Nasdaq Composite fell as much as 2.1% before recovering to end down just 0.2%, with lighter trading volume. Still, the index logged a 3% weekly loss—it's steepest since April, which traders still recall as "Liberation Day." Despite the rough week, market breadth improved by day's end, a sign that buyers weren't entirely gone.

The semiconductor sector also caught some shrapnel. The VanEck Semiconductor ETF (SMH) slipped nearly 1% as chipmakers stumbled. Arm Holdings (ARM) fell 3.7% on Friday, capping a 10% weekly decline despite posting strong earnings. Lam Research (LRCX) dipped 2% but remained above its 21-day line, showing surprising stability. Broadcom (AVGO) slid 1.7% to hover just above its 50-day line, while Nvidia (NVDA) pulled off a late-day reversal into positive territory. Still, no one escaped unscathed—Microsoft dropped 4.1%, and Tesla plunged 5.9%.

Meanwhile, smaller names showed surprising grit. The Russell 2000 clawed back 0.6% after an early slide, and the S&P 500 managed to eke out a 0.1% gain. Both indexes defended their 50-day moving averages, signaling that the market's backbone is still intact. For the week, the Russell lost 1.9%, the S&P slipped 1.6%, and the Dow fell 1.2%.

What caused the drop? Some pointed to data from Challenger, Gray & Christmas revealing a surge in October layoffs, a worrying sign in an already jittery market. With official jobs data delayed by the shutdown, traders latched onto the report as a reason to hit "sell." Others simply saw a chance to take profits, particularly on richly valued names like Palantir, which trades at an eye-popping 248 times forward earnings despite CEO Alex Karp's lofty claim that the company delivered "arguably the best results any software company has ever produced."

Yet beneath the tech wreck, the rest of the market looked surprisingly steady. The Invesco S&P 500 Equal Weight ETF dipped only 0.8%—proof that the average stock outperformed its mega-cap counterparts. That makes sense: the equal-weight index is cheaper, trading at 16.7 times forward earnings versus the S&P 500's 22.6, a 26% discount that's wider than the five-year norm.

And here's the twist—earnings growth isn't just a tech story anymore. Analysts expect the equal-weighted S&P 500 to notch 5% sales growth and 11% earnings growth in 2026, nearly matching the standard index's 13%. With the economy holding firm and the Fed likely to keep trimming rates in response to weaker job data, the environment for earnings expansion remains solid.

That's why financials may be the next stars of the show. The Financial Select Sector SPDR ETF barely moved this week, signaling that investors aren't overly worried about the economy. The sector trades at just under 16 times earnings—a steep discount to the market average—and has multiple tailwinds: steady loan demand, rising M&A activity, and improving profit margins fueled by AI-driven efficiency.

In short, tech's slump may feel dramatic, but it's far from disastrous. Market rotations like this are a natural part of long-term bull runs. Even the strongest sectors need a breather, and right now, technology is simply catching its breath. The key is to watch for any breaks in critical price support—so far, none have appeared.

As the dust settles, new opportunities emerge across the board. Whether you see the market as half full or half empty depends on your outlook—but for now, this looks less like a collapse and more like a pit stop in a still-powerful bull market.

Market Scorecard

Index	Friday Close	Weekly	Monthly	YTD	1-Year
S&P 500	+0.13%	-1.63%	+0.21%	+14.40%	+12.65%
Dow Jones	+0.16%	-1.21%	+0.82%	+10.44%	+7.45%
Nasdaq 100	-0.28%	-3.09%	+0.88%	+19.26%	+18.76%
Nasdaq Composite	-0.21%	-3.04%	+0.95%	+19.13%	+19.38%
Russell 2000	+0.52%	-1.88%	-1.04%	+10.21%	+3.32%

Sector Pulse

Sector	Weekly Change	One-Month Trend
Health Care (XLV)	+1.31%	+1.32%
Materials (XLB)	+0.18%	-4.03%
Industrials (XLI)	-1.12%	-0.60%
Real Estate (XLRE)	+0.90%	-0.63%
Financials (XLF)	+0.78%	-1.84%
Communications (XLC)	-2.35%	-3.40%
Energy (XLE)	+1.60%	+0.06%
Discretionary (XLY)	-1.70%	+0.07%
Utilities (XLU)	+0.66%	-0.54%
Staples (XLP)	+0.56%	-1.88%
Technology (XLK)	-4.16%	+0.87%

Reviewing the sectors' performance last week, it reveals that all three aggressive sectors (Technology, Discretionary, and Communications) were at the bottom of the list week while

defensive sectors like Staples, Real Estate, Utilities and Healthcare ended the week in the green zone. Energy (XLE), which has been a laggard so far this year, was the best performer while Financials (XLF) and Materials (XLB) also performed well. This clearly shows a capital rotation for the time being as money is not going out of the stock market as a whole rather rotating into other areas which were ignored largely in favor of the aggressive sectors of the market in this bull cycle. Gold is trying to make a come back but it is too early to say that it has found support and will resume its trend next week.

Going to the industry group level, best performing industry groups for the last week and last month are Marine Transportation, Drug Retailers, Renewable Energy, Medical Supplies, Delivery Services, Hotels, Aluminum and Furnishings. Once again this leads to the same underlying phenomenon of capital rotation talked about earlier.

Important Economic events next week:

Not many economic events are scheduled for next week:

Thursday (11/13): Core CPI (MoM) and (YoY), Initial Jobless Claims, Nonfarm Productivity. Fed's Balance Sheet

Friday (11/14): Atlanta Fed GDPNow (Q4)

Important Earnings this week:

Some important earnings scheduled for next week are:

Monday, November 10, 2025: AST SpaceMobile (ASTS), Rigetti Computing (RGTI)

Tuesday, November 11, 2025: AngloGold Ashanti (AU), Oklo (OKLO)

Thursday, November 13, 2025: Applied Materials (AMAT), Disney (DIS), Macy's (M), Ross Stores (ROST), Williams-Sonoma (WSM)

Long-Term Stock Picks:

Our long-term stocks are those in which we have the conviction that they have strong business fundamentals and enjoy moats in their respective industries; hence the chances of long-term profits are high.

NVDA	<p>Nvidia pulled back last week and lost the 200 level as it tested its 50-day EMA and still in a buy zone starting from 184.48.</p> <p>Nvidia is likely to maintain this support as November has been traditionally a strong month for Nvidia with 100% gains over the last five years. On the downside any decisive break below 165 could push the stock further down to 154 level. Nvidia is still a long-term player and enjoys support from investors on every pullback.</p>
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AAPL	Our long-term leader Apple took a pause last week with a 0.70% decline. Apple has increased for last five months in a row and although long-term indicators fully remain in favor of a bullish trend, it appears to consolidate in near future and further pullback to its means is expected hence no further entries currently. Apple is already up 17% from our August call hence it might also be a time to make some profits.
AVGO	Broadcom lost 5.5% for the week but found support at its 50-days EMA. It still offers entry at this level but any close below 326 should trigger an exit. Nov-Dec historically has been a bullish period for this stock and hopefully it will provide new opportunities

Interesting new picks:

Keep any eye on following stocks for potential breakouts. All of them are currently in their respective buy zones, however, new entries only if the market resumes its bullish trend:

1. NBIX: Neurocrine Biosciences, stop loss below 140. Could give a try to a biotech stock this time.
2. NET: Cloudflare, currently in a buy zone, stop loss below 50-day EMA
3. MDB: MongoDB, currently at the top of a buy zone. Stop loss below 344.85

Medium- and Short-Term Picks:

ZM	ZM selected last week is down by 6.35% and hence is being removed again from the list as it is stuck b/w a 60-92 range and multiple attempts to cross this level have failed. The stock has been moved to a watchlist for any action in future.
AMZN	Amazon was flat last week but still in a buy zone and offers a suitable entry for medium to long-term investors with a stop loss below 211.
XPO	Although XPO lost 2.15% last week but it gained 3.1% on Friday and looks prime to come out of current consolidation. November has traditionally been a good month for this transportation stock which is eyeing 161 breakout level.
FTI	TechnipFMC gained another 3.63% last week, justifying its selection two weeks ago. It is a leading manufacturer and supplier of products, services and fully integrated technology solutions for the energy industry. For trend investors, it is still in a buy zone as per the TR indicator weekly charts.
SNOW	Snowflake lost 4.37% last week as it has pulled back into a buy zone from an ascending base and found support at its 21-day moving average. It provides cloud-based data-warehousing that allows corporate users to store and analyze data.
IBM	IBM was flat again last week with a modest 0.34% loss. IBM is still in a buy zone with a stop loss below its recent low of 263.56. Given IBM's last two years' performance, it could be given even a wider stoploss amid market enthusiasm behind its recent move.

ZS	Zscaler lost 3.36% during the week. This cyber security stock is still in a buy zone with a cup base entry at 318.5. It has good gross profit margins, and 21 analysts have revised their earnings upwards for the upcoming period. However, caution is recommended because if the market continues to pull back, then it can further pull it down, hence long entries are suggested only if market continues to recover.
ALNY	Picked three weeks ago, ALNY was down another 2.93% last week. As mentioned last week, since it touched 436.51 hence the position is closed for the time being.
WDC	<p>WDC continued its astonishing run with another 8.5% gain last week after its earnings on 10/30. It is up 29% since its selection on 10/20. If some profits are not taken yet, then it could be taken while let the rest of the position run.</p> <p>The stock is somewhat extended at current prices but any short-term pullback to its rising 9-day EMA could provide another entry to his winner.</p>
ATAT	ATAT gained 0.74% last week and is still in the upper range of a buy zone . It has gained 50% this year and hit a new high on Nov 3. Please note that sharp pullbacks are common in Chinese stocks, and it went as low as 36.63 before bouncing back and close at 38.96. If it moves beyond 40.58 in volumes, then it will provide it another entry for this Chinese operator of hotels.
AMD	<p>It was mentioned last week that a pullback was due, and this is exactly what AMD registered last week with an 8.82% loss. AMD is currently at an aggressive support and if it loses 224.62 then there is a possibility of getting closer to 200 level. Long-term indicators are still in its favor but in the short-term further pullback is also possible.</p> <p>Traders need to make profits accordingly as it is still significantly up from our earlier calls in June and August.</p>
CCJ	CCJ missed estimates as its sales fell 16%. Shares also tumbled Existing position should be closed if not yet now and stock is moved to a watchlist.
PWR	Quanta Services lost 1% last week after making new highs last week. As mentioned last week, it tested its 20-day EMA at 438.49. Any further pullback to its 50-day EMA at 420.96 could provide new entries.
CDNS	CDNS found support at its 200-day EMA as it lost 4 during the last week. November has been historically good for this stock and if it closes above 357.52 then it could be another short-term opportunity. Otherwise, no new entry.
GEV	GEV lost 1.71% last week as it found support at 20-week EMA. Since it is still below the 50-day EMA at 581, it is still likely to roll over or consolidate. Any close above 600 will signal strength and a possible new entry in the stock. Till then no new entry.
FIX	Comfort Systems lost another 1% last week. If some profits are not made yet, then position size should be reduced to secure some profits while let the rest run. No new entries as the stock is extended currently.

MU	MU gained 6.32% last week, soaring to new highs. The stock has had a 100% run during last three months and a 34% return during the month of October. If you haven't made profits yet, now is an ideal opportunity to do so before a pullback happens, since the market is currently overbought.
TSLA	Tesla lost 5.92% last after Tesla boards approved a \$1 Trillion USD package for its found Elon Musk. It has been trading in a sideways range since September setting up for another move. Aggressive investors could take a chance at existing levels with a stop loss below 410, targeting recent highs at 474. Note: Tesla is a volatile stock and could require a wider stop as mentioned.
MSFT	Microsoft lost another 4% last week but found support at its 10-week line. As mentioned last week, profits should have been taken at 15% level as those are being eroded. No new entries for the time being as the existing position is being closed to protect the profits.
GOOGL	Alphabet incurred modest losses (0.84%) last week after three consecutive gains. Although long term indicators fully support a continuation of the trend, but it is in overbought territory and could initiate a trend reversal to catch up with the means. Therefore, no new entry currently. It is notable that Alphabet has show relative strength besides an overall drop in the market showing strength of stock.
MPLX	MPLX gained 3.16% last week and closed very close to its recent highs (51.71). This pipeline operator has increased its dividend yield recently and now offers a handsome 9.56% annual dividend at current prices. Ideal for dividend seekers.
GLDM	Gold was flat last week and this is noticeable that even besides a drop in aggressive market areas, Gold did not gain as it should have under normal circumstances. It appears that gold is trying to consolidate at current levels however, a pullback to its 50-day EMA (76.8) is not off the table and could provide a turning point to resume rally in the previous metal. We do not think that gold trade is over yet.

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