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Up 1,500, down 1,800: Wall Street's wildest week since the 2025 tariff crash

The midterm rally lasted one day. Then the AI trade cracked, and it spread around the world.

By **Manasee Kurlekar** | November 7, 2026



Tuesday night, America voted. Wednesday, Wall Street celebrated. Thursday, it panicked. Friday, it blinked.

At first the Democratic sweep looked like good news for markets: a clean result, divided government and fewer policy surprises.

The Dow surged 1,569 points on Wednesday. On Thursday the S&P 500 sank 334.89 points (-4.36%) to 7,353.73, the Nasdaq Composite plunged 1,421.51 points (-5.52%) to 24,414.99, and the Dow fell 1,833.06 points, while the Philadelphia Semiconductor Index fell 12.25%.

Japan’s Nikkei 225 slid 6%, South Korea’s Kospi dropped as much as 8.8%, triggering a circuit breaker, and Taiwan’s key index closed down 4.5%, entering a bear market. For the week, the Dow fell 0.94%, the S&P 500 lost 2.68% and the Nasdaq dropped 3.37%.

Then traders looked at the map. Several of the winners in Texas, Georgia and other key data-center states had campaigned on scrutinising or pausing data-center construction. Within six minutes of Thursday’s open, the Nasdaq had erased Wednesday’s entire rally. It closed down 5.5%, a record 1,422-point drop. Chip stocks lost 12% in a single session, and the data-center trade went down with them.

The sell-off reached Asia overnight. Japan’s Nikkei fell into a bear market, Korea halted trading and Taiwan followed.

Friday’s 1% tech bounce was relief, not recovery. The S&P 500 still had its worst week since the April 2025 tariff crash.

The takeaway: AI is now a political trade, and markets are pricing that risk in real time.

Read online: https://worldbusinesswatch.com/market-signals/28/381/up-1500-down-1800-wall-streets-wildest-week-since-the-2025-tariff-crash.html

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