

THE PROJECT HERALD

THE PROJECT HERALD NEWSPAPER

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THIS WEEK, VOL. 1: TECH EARNINGS · TESLA CAPEX CUT · TESLA-SPACEX MERGER · UK PORTS SALE · FED HIKE ODDS · GENIUS ACT RULES



GLOBAL INTELLIGENCE / TECHNOLOGY & DIGITAL INFRASTRUCTURE

AI Trade Wobbles: Meta Gains While Lam Research and Tesla Slide

United States — October 22, 2026

Technology earnings pulled markets in opposite directions this week. On Wednesday, US stocks rose for a third straight session, led by tech: the S&P 500 gained 0.58% to 7,757.17, the Dow added 0.69% to 52,856.09 and the Nasdaq climbed 1.05% to 26,702.86. After the close, Meta reported third-quarter revenue of about \$64.6 billion, up 26%, and its shares rose roughly 4% in extended trading even though it narrowed its 2026 capital-spending guidance to \$135-145 billion.

By Thursday morning the mood had turned. A slate of tech results fell short of elevated expectations, and escalating Middle East hostilities pushed oil higher. Nasdaq 100 futures fell 1.7%, threatening to erase much of the index's 2.2% gain for the week, and S&P 500 futures fell 1%. Chip-equipment maker Lam Research dropped more than 7% in early trading on a disappointing outlook, and Tesla fell 3.8% after cutting spending plans. Separately, Vertiv and Dassault Systèmes said they will design and validate NVIDIA AI factories in virtual twins before construction, and Walmart launched tools for AI agents to shop on behalf of customers.

Commercial Implications

Meta's capex range shows hyperscale AI spending is still enormous but now being managed more tightly. A weak outlook from a chip-equipment supplier is a read-through on how fast the global data-centre build-out is expected to grow.

Designing AI facilities in virtual twins before construction may shorten build schedules and reduce rework. That is relevant to any region planning data centres, where power, cooling and equipment lead times drive cost.

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Africa side: no direct linkage reported; watch for effects on the pace and cost of African data-centre and cloud investment. **Global-investor side:** the question is whether AI capex is still rewarded or now punished. **Confidence:** Reported; Thursday moves are pre-market and intraday.

Tesla Cuts 2026 Capex to \$20 Billion and Pushes Robotaxi Revenue to 2027

United States — October 21, 2026

Tesla lowered its 2026 capital-expenditure forecast to about \$20 billion from more than \$25 billion, a figure it had reaffirmed in July when it said spending would keep growing over the next two to three years. The company reported positive free cash flow, but operating profit fell 56% from a year earlier. Shares dipped about 2% after hours and fell 3.8% on Thursday.

Tesla said it has started early Optimus humanoid-robot production in Fremont and expects some customer-owned cars to join its robotaxi fleet around the second quarter of 2027. Elon Musk said robotaxi revenue should arrive in mid-to-late 2027. Separately, industry body ACEA reported that Tesla's September registrations in the EU-area market rose 72.5% to 68,776, against 10.2% growth for the overall market.

Commercial Implications

A lower spending ceiling suggests Tesla is prioritising cash discipline over speed, and a later robotaxi revenue timeline resets expectations for its autonomy business. Strong European registrations show the core vehicle business is still growing.

Tesla's plans for batteries, vehicles and robots draw on global supplies of battery metals. A smaller capex budget may soften some of that demand growth, though the reports reviewed do not quantify it.

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Africa side: no direct linkage reported; the indirect channel to watch is battery-metal demand from African producers. **Global-investor side:** margins and cash flow now matter more than spending scale.

Confidence: Reported.

Tesla and SpaceX Reportedly Target a Merger Announcement in 2027

United States — October 22, 2026

Bloomberg reported late on October 21 that Tesla and SpaceX are targeting a merger announcement in the first half of 2027. Neither company had confirmed the plan in the sources reviewed, and an earlier Bloomberg report noted the two could still decide to stay separate.

The report builds on months of speculation. SpaceX listed publicly in June, and analysts including Wedbush's Dan Ives have forecast a combination in the first half of 2027. The two companies already collaborate on projects such as the Terafab chip plant, and Musk earlier merged xAI into SpaceX. Any deal would need shareholder approval and regulatory scrutiny.

Commercial Implications

A combined company would span electric vehicles, robotics, AI, satellite communications and launch services, concentrating very large capital budgets under one governance structure.

SpaceX's satellite-internet business has expanded in parts of Africa, so ownership and capital-allocation changes at the parent could matter to connectivity plans and to operators and governments that rely on it.

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Africa side: indirect only; watch satellite-connectivity partnerships and licensing. **Global-investor side:** governance, valuation and regulatory review are the key tests. **Confidence:** Reported; no company confirmation.

IFM Investors to Buy Majority of Associated British Ports in £10 Billion Deal

United Kingdom — October 21, 2026

A fund managed by Australia's IFM Investors has agreed to buy a combined 63.9% stake in Associated British Ports (ABP), the UK's largest port operator, from two Canadian pension investors. Canada Pension Plan Investment Board is selling its 33.9% holding and OMERS its 30.0%. The parties did not disclose financial terms, but Bloomberg reported a valuation of about £10 billion. Completion is expected in the first half of 2027, subject to shareholder and regulatory approvals.

ABP operates 19 ports, including Southampton, Immingham and Hull, and handles roughly a quarter of UK seaborne trade, according to company-sourced reporting. It also supports a large share of the country's offshore wind capacity. The Financial Times reported that IFM beat bids from KKR and Apollo, and India's Adani Group had also been reported as interested. Remaining shareholders include Singapore's GIC (20%), Kuwait Investment Authority's Wren House (10%) and Hermes (about 6%). IFM, owned by Australian pension funds and the UK's Nest, already holds ports in Poland and Turkey among about \$96 billion of infrastructure investments.

Commercial Implications

The deal confirms deep institutional appetite for scaled, cash-generating port assets with energy-transition exposure, even at a time of high interest rates. A £10 billion price narrowed the field to a handful of buyers able to write cheques of this size.

For port owners and governments elsewhere, it sets a pricing reference for mature, well-run port platforms and shows that long-term pension capital will pay for stable trade gateways.

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Africa side: Adani Ports, a reported suitor, already operates in Tanzania, so competition between global port investors may shape bidding for African terminals. **Global-investor side:** pension-fund infrastructure money is still chasing ports at scale. **Confidence:** Confirmed for the agreement and stakes; Reported for the £10 billion valuation.

Markets Price a Fed Hold in October and a Hike by December

United States — October 22, 2026

Fed funds futures implied only about a 13% chance of a quarter-point rate hike at the October 27-28 meeting as of late Wednesday, down from about 17% at Tuesday's close. The same pricing put a hike by the December 9 meeting at about 89%, so markets expect a pause next week followed by another increase.

The backdrop is a Fed that raised rates on September 16 to 3.75%-4.00%, its first increase since 2023, and a September CPI reading of 3.7%. On Thursday the 10-year Treasury yield was about 5.15%, the dollar index near 101.7, and Brent crude near \$110. Flash PMIs are due Friday, ahead of the FOMC meeting.

Commercial Implications

A likely December hike keeps dollar borrowing costs elevated into year-end. Issuers and project sponsors planning dollar bonds or floating-rate loans may find the window narrowing as the December meeting approaches.

High oil prices add to the inflation pressure that is driving the hawkish pricing, linking energy markets directly to financing conditions.

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Africa side: higher US yields raise the cost of Eurobond issuance and dollar-linked project debt for African borrowers. **Global-investor side:** hold in October, hike in December is the consensus path. **Confidence:** Estimated; probabilities come from futures pricing and move daily.

US Regulator Announces Final Stablecoin Rules Under the GENIUS Act

United States — October 22, 2026

The US Office of the Comptroller of the Currency announced the final implementation rules for the GENIUS Act, the federal law creating the first comprehensive framework for payment stablecoins. The announcement came slightly ahead of schedule: Comptroller Jonathan Gould had said on October 15 that he expected the final rule by October 31, earlier than the November target he gave in August. The full text was not reviewed for this report.

The OCC proposed a 376-page rule in February covering reserves, capital, audits and supervision of permitted payment stablecoin issuers, and a registration process for foreign issuers. Anti-money-laundering and sanctions requirements are being handled in a separate rulemaking with Treasury. The Act takes effect on the earlier of January 18, 2027 or 120 days after final regulations are issued, and Gould has said the OCC could begin processing applications in 2027.

Commercial Implications

Final rules give banks and non-bank firms a clearer path to issue or custody dollar stablecoins under federal supervision. Reserve backing, redemption rights and compliance obligations become concrete requirements rather than proposals.

The foreign-issuer registration route matters for stablecoin providers outside the US that want access to the US market. Payment firms, exchanges and custodians serving cross-border flows will need to map their products to the final text.

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Africa side: African fintechs and payment firms that use dollar stablecoins for settlement may be affected by the compliance standards of US-regulated issuers. **Global-investor side:** clearer rules ahead of the January 2027 effective date reduce regulatory uncertainty. **Confidence:** Reported; final text not yet reviewed.