

THE DAILY PULSE

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PAYMENTS • BANKING • LENDING



📅 MONDAY, OCTOBER 19, 2026

COVERAGE WINDOW: OCTOBER 12–19, 2026

THIS WEEK IN BRIEF



Bank dealmaking stirred back to life as Regions and M&T signaled renewed appetite for acquisitions and Pinnacle Bancorp pushed deeper into Texas, while rising rates dragged third-quarter mortgage earnings and cooled new-home lending. In payments, Visa and Mastercard pressed for final approval of their swipe-fee settlement, Stripe's agentic commerce accelerated, and Circle moved to scale USDC across 40 new markets.

📄 PAYMENTS & STABLECOINS

[Stripe agentic commerce revs up](#)

Payments Dive · Oct 15

Stripe's agentic commerce activity rose sharply starting in September, President John Collison said on his Cheeky Pint podcast alongside Meta CEO Mark Zuckerberg, per Payments Dive. Collison called the trend "vertical" and said "it really feels like computer use was the last big unlock that we needed to make it happen," though he gave no specific figures. The remarks followed Stripe's \$7.5 billion August acquisition of OpenRouter, a gateway to many AI models, and came as Amazon recently blocked Meta's Muse shopping agent from its site.

📍 WHY IT MATTERS

Agentic commerce—AI agents making purchases on a consumer's behalf—is moving from demo to live transactions, and infrastructure players like Stripe are positioning to own the rails. Amazon's move to block Meta's agent previews the platform fights ahead over who controls agent-driven checkout.

📄 PAYMENTS & STABLECOINS

[Circle Targets 40 New Markets to Capture Surging Stablecoin Demand](#)

PYMNTS · Oct 16

Circle plans to expand into 40 new markets to meet rising stablecoin demand, CEO Jeremy Allaire told Reuters, per PYMNTS, citing growth from individuals and businesses in Southeast Asia, Latin America and the Middle East. Allaire said the market is "moving from the early adopter phase of blockchain technology into the mainstream scaling phase." The push follows Circle's planned acquisition of Singapore cross-border firm Tazapay and a five-year agreement under which Binance is investing \$100 million and will promote USDC.

📍 WHY IT MATTERS

Circle is racing to entrench USDC as global distribution infrastructure before banks and rival issuers scale their own dollar tokens under the new U.S. stablecoin regime. The Binance and Tazapay moves show the competitive front has expanded from issuance to emerging-market distribution.

BANKING & REGULATION

[Regions drops hint that it may be open to M&A in 2027](#)

American Banker · Oct 16

Regions Financial CEO John Turner signaled the Birmingham, Alabama bank may consider an acquisition in 2027, after first appearing to rule it out on its third-quarter earnings call, American Banker reported. Turner tied any deal to the completion of a multiyear core-deposit platform upgrade slated for mid-2027 and said “if we were interested, we probably would be most focused on creating more density in markets that we were in.” Regions, with \$163.2 billion in assets, reported Q3 net income of \$611 million, up 11.5% year over year with charge-offs down 47%, while M&T Bank's CFO separately said his bank is “actively talking” with potential sellers.

WHY IT MATTERS

After a years-long lull, large regional banks are signaling renewed appetite for bank M&A once internal projects clear—a shift that could reopen consolidation among Southeast and super-regional franchises. Strong asset quality and improving efficiency give would-be acquirers like Regions and M&T the currency to move when they choose to.

BANKING & REGULATION

[With rates sky-high, mortgages drag down banks' earnings](#)

American Banker · Oct 15

Rising interest rates weighed on big banks' third-quarter mortgage results, American Banker reported, after the Federal Reserve raised rates in Q3 for the first time in three years and the average 30-year mortgage rate topped 7% by late September. Wells Fargo's home-lending earnings fell 15% year over year, U.S. Bancorp's mortgage-banking revenue dropped nearly 14%, and PNC's mortgage-related noninterest income fell 16%. First Horizon said it is selling about \$4.5 billion of lower-yielding residential mortgages, with CEO Bryan Jordan noting “it became clear that we're in a cycle of rising interest rates.”

WHY IT MATTERS

A backdrop of rising rather than falling rates inverts the usual refinancing playbook and pushes banks toward balance-sheet cleanup and fee income. Expect more loan-portfolio sales and a tilt toward commercial and multifamily lending if residential origination economics stay compressed.

LENDING & CREDIT

[MBA: September New Home Purchase Mortgage Applications Decreased 8.3%](#)

MBA NewsLink · Oct 15

New-home purchase mortgage applications fell 8.3% year over year in September and were down 8% from August, according to the Mortgage Bankers Association's Builder Application Survey. MBA estimated new single-family home sales at a 584,000 seasonally adjusted annual pace, down 12% from August and the weakest since April 2020, while the average loan size edged up to \$374,724. MBA's Joel Kan said “the increase in mortgage rates in September had a chilling effect for new home purchase activity,” adding that higher rates hit first-time buyers hardest.



WHY IT MATTERS

The data confirms September's rate jump is throttling new-home demand at the point of sale, not just at the refinance window. Interest rate increases are doing their job of slowing demand, but higher for longer rates can have a major dampening impact on the housing and mortgage markets. A sales pace last seen in the early-pandemic shock is a warning sign for homebuilders and the construction-lending pipeline heading into year-end.



WHAT TO WATCH

[Illinois swipe fee case enters the appeals phase](#)

American Banker · Oct 15

Stay ahead of what's moving markets, regulation, and the business of banking.
