

Markets

The Global Bond Rout Catches Up With Wall Street's Risk Rally



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May 15, 2026 at 3:30 PM CDT



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The S&P 500 fell more than 1% Friday, led by technology shares, as a global bond selloff drove Treasury 10-year yields above 4.5%, pushed Japan's 30-year borrowing costs to 4% for the first time and sent yields on UK long bonds to a 28-year high. Oil climbed above \$105 a barrel after a Trump-Xi summit in Beijing produced no breakthrough over the Strait of Hormuz standoff.

For months now, investors have brushed off these kinds of threats: Middle East flare-ups, inflation scares and supply-side disruptions. US equities have pushed to records. Corporate credit spreads have stayed tight. Retail enthusiasm for speculative trades – from AI-linked stocks to digital assets – has shown little sign of fading.