NEWSLETTER – JUNE 2026

Period covered: 01 – 30 June 2026

Six Arrows Consultancy
Plan Your Future

June 2026 — At a Glance

S&P 500 (JUN)	NASDAQ (JUN)	BRENT CRUDE	GOLD (SPOT)
~–1.7%	~–3.2%	~$79/bbl	~$4,063
Closed 7,449 — best Q2 since 2020	Closed 26,214 — +12.8% YTD	–13% in Jun; Hormuz recovery	8-month low; hike risk repriced

US CPI (MAY)	FED FUNDS RATE	ECB RATE	BITCOIN (BTC)
4.2% YoY	3.50–3.75%	2.25%	~$60,100
3-yr high; energy drove 60%+	Hold; dot plot signals hike risk	First ECB hike since 2023	–18% in Jun; 8-month low

Sources: TheStreet, CNBC, BLS, Federal Reserve, ECB, Capital.com, LiteFinance, Yahoo Finance, Trading Economics — all as of 30 June 2026.

1) Macro Summary

Global context: June 2026 was defined by a new regime shift at the U.S. Federal Reserve and an accelerating recovery in energy markets — but the combination produced more anxiety than relief. Kevin Warsh chaired his first FOMC meeting on June 16–17, delivering a unanimously held 3.50%–3.75% rate alongside a dramatically overhauled communication approach: the policy statement was cut from 341 words to just 130, forward guidance was abolished, and — crucially — the updated dot plot signalled that nine of eighteen committee members expect a rate *hike* before year-end, reversing the prior median forecast of one cut. Warsh described the committee as "unanimous and unambiguous" in its commitment to delivering price stability — mentioning "price stability" twelve times during a shorter-than-usual press conference. Markets sold off: the Dow fell 507 points, the S&P 500 dropped 1.21%, and 2-year Treasury yields surged 16 basis points to 4.21% on the day. The month closed with the S&P 500 down approximately 1.7% for June but up a remarkable 9.55% year-to-date — marking the best Q2 for U.S. equities since 2020.

Brent crude continued its multi-month decline, falling a further 13% in June to approximately $79/bbl as Saudi Arabia's crude exports recovered to 6.3 million bpd (90% of pre-war levels) and commercial shipping through the Strait of Hormuz gradually resumed. The physical reopening of Hormuz — in contrast to May's sentiment-driven price drop — provided fresh downward momentum. May CPI printed 4.2% year-over-year (highest since April 2023), with energy accounting for over 60% of the monthly gain. Yet core CPI rose only 0.2% for the month (2.9% annually), indicating the energy shock was not yet broadly feeding into underlying prices. The ECB delivered the first rate hike in three years on June 11, raising its deposit rate by 25bp to 2.25%, citing the Middle East energy shock. The Bank of England held at 3.75% in a 7-2 vote on June 18, with two members voting to hike to 4.0%.

Regional focus (UAE, UK, Turkey, U.S.): The UAE's oil export capacity continued recovering via pipeline alternatives, and the Hormuz reopening — however gradual — began reducing the humanitarian logistics pressure on GCC food imports. The Bank of England's June 18 decision (7-2, two voting to hike) showed the MPC is moving closer to the ECB's hawkish stance. UK CPI in May stood at 2.8%, below the U.S. level but still above target, with the BoE projecting CPI of "a little under 3%" in Q3. Turkey's CBRT held rates at 37% for a third consecutive meeting on June 11, with no signal of imminent resumption of cuts. Turkey's May CPI will be released in early July and is expected to show some deceleration following the fall in energy prices. Bitcoin fell approximately 18% in June — one of its sharpest monthly declines in years — closing near $60,100 as the Warsh hike signals and sticky inflation suppressed risk appetite across all speculative assets.

2) Key Economic Indicators (snapshot as of 30 June 2026)

Indicator	Value / Latest	Notes
U.S. CPI (May 2026)	4.2% (YoY); +0.5% (MoM)	Released June 10, 2026 (BLS). Highest annual rate since April 2023 — the third consecutive monthly acceleration. Monthly gain of 0.5% met consensus (0.5% expected). Core CPI +0.2% MoM / +2.9% YoY — annual rate in line with forecast; monthly below the 0.3% estimate, and notably softer than April's 0.4% MoM — offering a modest relief signal. Energy prices rose 3.9% MoM and 23.5% YoY, accounting for over 60% of the monthly CPI gain. Gasoline +7% MoM / +40.5% YoY. Shelter rose 0.3% MoM (down from 0.6% in April — a clear slowdown). Food +0.2% MoM / +3.1% YoY. Core goods prices fell for the first time in 14 months (EY analysis), suggesting bulk of tariff passthrough is behind us. Transportation services fell 0.6% — a potential early sign that energy costs are not fully flowing into services. Key takeaway: energy is driving headline inflation; core remains relatively contained for now. (Source: BLS; CNBC; EY; Fox Business)
U.S. PCE Inflation (May 2026)	Headline 4.1% (YoY); Core 3.4% (YoY)	Released June 25, 2026 (BEA). Headline PCE at 4.1% YoY — the highest since April 2023. Core PCE edged up to 3.4%, in line with consensus and confirming that the Fed's preferred measure is well above the 2% target. Energy was the primary driver. Despite the firm headline print, gold recovered from ~$3,980 back above $4,000 on the release date as the data offered no fresh upside surprise beyond what markets had already priced. The June 25 PCE represents the last major inflation data point before the summer economic outlook crystallises. (Source: BEA; Capital.com; CNBC)
U.S. Labour Market (May/June 2026)	May payrolls ~117K avg; June payrolls 57K (sharply below 110K forecast)	Private employers added an average of ~117,000 jobs per month through May 2026 (U.S. Bank). The June non-farm payrolls report (released July 3, brought forward before the July 4 holiday) showed only 57,000 jobs added in June — the fewest in four months, well below the 110,000 forecast — with leisure and hospitality shedding 61,000 jobs. The unemployment rate fell to 4.2% as workers left the labour force; wage growth edged up to 3.5% YoY. The weak June jobs data immediately repriced Fed rate hike expectations: CME FedWatch probability of a September hike fell to ~50% from 67%; gold rallied toward $4,170. (Source: BLS; Trading Economics; Capital.com)
U.S. ISM Manufacturing (May)	54.0 (above 53.2 consensus)	Released June 1. U.S. factory activity stronger than expected in May, boosted by gains in new orders, imports, and employment, according to the ISM Manufacturing Index. The index hit 54.0 — up 1.3 points from April and above the Dow Jones consensus of 53.2. New orders rose 2.7 points to 56.8; imports increased 2.7 points; employment rose 2.2 points (though still below the 50-growth threshold at 48.6). The prices index showed some easing (down 2.5 points but still well above 80), consistent with the CPI picture. (Source: ISM; CNBC)
UK CPI (May 2026) & BoE Projections	2.8% (YoY); BoE projects ~3% in Q3 2026	UK CPI for May 2026 came in at 2.8% year-over-year — above the 2% target but materially lower than U.S. levels. The BoE's June 18 MPC statement projected CPI to be "a little under 3% in Q3 2026" and "a little over 3¼% in Q4" — lower than expected in the April MPR, partly reflecting the ongoing oil price decline. The BoE also noted it was completing QT reduction, cutting its asset purchase programme from £895bn to £523bn on June 10. Two MPC members voted for a 25bp hike to 4.0%, signalling the committee is moving gradually toward tighter policy. (Source: House of Commons Library; BoE; MoneySavingExpert)

Indicator	Value / Latest	Notes
Turkey CPI (May 2026)	~30% range (YoY); energy fall beginning to help	Turkey's May 2026 CPI data (released early June) showed annual inflation in the approximately 30%–31% range, broadly stable from April's 32.37% surge, with the fall in energy prices beginning to provide some relief to transport and utility cost components. The CBRT's Q2 Inflation Report revision (year-end 24%–30%, midpoint 27%) is beginning to look more credible if oil stays near $75–85/bbl. Analysts at Tacirler and Kuveyt Türk are now cautiously re-pencilling July rate cuts, conditional on continued energy price declines. The lira stabilised in June as the energy import bill declined, Turkey's current account deficit improved, and market confidence in the CBRT's pause strategy firmed. (Source: TurkStat; P.A. Turkey; Trading Economics)
Eurozone Economy	GDP 0.1% in Q1; ECB hikes to 2.25%	The eurozone economy expanded by just 0.1% in Q1 2026 — near stagnation — as the Iran war energy shock compressed real household incomes and business confidence. The ECB's June 11 decision to hike rates by 25bp to 2.25% — its first hike since 2023 — was described as "hiking into weakness." The ECB revised 2026 eurozone inflation to 3.0% average and cut GDP growth projections to 0.8% for 2026. This stagflationary backdrop mirrors the UK and U.S., though the ECB's policy tightening is more aggressive given the eurozone's greater energy import dependency. (Source: ECB; Traders Agency)
UAE / GCC Energy Recovery	Saudi exports at 90% pre-war levels; Hormuz gradually reopening	Saudi Arabia's crude exports recovered to 6.3 million bpd — approximately 90% of pre-war levels — in the six days through late June. UAE and GCC overland pipeline alternatives (Petroline, ADCO) provided supplementary capacity throughout the month. The gradual Hormuz reopening has accelerated since the ceasefire, with commercial tanker traffic resuming progressively. With Brent at ~$79/bbl and falling, UAE fiscal revenues remain strong but declining from April's wartime peak of $126/bbl. The CBUAE maintained its Fed-aligned hold. Dubai and Abu Dhabi financial markets broadly tracked the global equities weakness in June, though the energy and financials sectors provided some support. (Source: Barchart; CNBC; Fortune)

3) Market Performance & Dynamics (focus: June 2026)

Equities

- **S&P 500 — ~–1.7% in June (closed 7,449):** A weaker month following April and May's spectacular gains. The index pulled back as the Warsh FOMC meeting (June 16–17) triggered a 1.21% single-session decline, while AI mega-cap uncertainty (OpenAI IPO delay, Mag7 price increases) created headwinds mid-month. The S&P nonetheless closed June 30 at 7,449.36, up 9.55% year-to-date — marking the best Q2 since 2020. A strong final session on June 30 (S&P +0.79%) was powered by technology stocks recovering. (Source: TheStreet; CNBC; Yahoo Finance)
- **Nasdaq — ~–3.2% in June (closed 26,214):** Underperformed the S&P as AI-heavy tech sold off on multiple catalysts: a reported OpenAI IPO delay (June 26), Apple and Microsoft announcing price increases on iPhone and Xbox (June 25 — Mag7 fell as consumers balked), and rate-hike fears from the Warsh FOMC. Year-to-date +12.79%. SpaceX was announced as joining the Nasdaq-100 index effective July 7, lifting the index on June 30. HPE surged after beating earnings on June 2. (Source: TheStreet; CNBC)

Fixed Income & Rates

- **U.S. Treasuries — yield spike on FOMC day:** 2-year Treasury yield surged 16 basis points to 4.21% on June 17 — the largest single-day move in over a year — as the dot plot signalled nine of eighteen Fed members expect a rate hike before year-end. 10-year yields rose alongside. The U.S. dollar index gained ~1%, its best single day in nearly a year. Month-end saw a partial recovery in bond prices as the weak June payrolls data (57K jobs, released July 3) retroactively reduced hike probabilities. (Source: CNN; CNBC; Capital.com)
- **Fed dot plot — hike is the base case for 9 members:** The most dramatic shift in the dot plot since the 2022 tightening cycle. The new dot plot removed the prior indication of one 2026 cut and replaced it with: nine members projecting a hike, six projecting two hikes, and only one projecting a cut. PCE inflation forecast raised to 3.6% for year-end 2026 (from 2.7% in March); GDP now projected at 2.2%; unemployment 4.3%. Warsh did not submit his own dot, citing scepticism about forward guidance. (Source: Fox Business; CNBC; NPR)

- **Dow Jones — +0.26% in June (closed 52,319):** Outperformed the Nasdaq sharply. The Dow closed June 30 at its second consecutive record close of 52,319.20, up 8.85% year-to-date. The Dow's relative strength reflects its lower tech weighting and greater exposure to industrials, financials, and energy — all of which benefited from the Hormuz recovery narrative. IBM, Salesforce, and Microsoft led the final session. (Source: TheStreet; CNBC)
- **Russell 2000 — outperformed in June:** The small-cap index closed June at 3,024.37 — a new all-time milestone. Small-caps outperformed large-caps in June, reflecting the broadening of market participation that characterised the best-quarter-since-2020 narrative. Lower oil prices benefit small domestic businesses more directly than multinationals. (Source: TheStreet)
- **Key corporate events:** SpaceX added to Nasdaq-100 (effective July 7), the most significant index addition of the year. HPE surged on earnings. OpenAI IPO reported delayed. Apple and Microsoft price hikes triggered a consumer backlash sell-off on June 25. AI "shift from data centres to individual computers" narrative emerged (Nvidia PC chips). Hewlett Packard Enterprise and Marvell led the chip sector on June 2. (Source: TheStreet; CNBC)
- **UK Gilts:** Yields rose modestly on the BoE's 7-2 hold (two voting to hike). The BoE's QT programme reached £523bn on June 10. Gilt markets pricing approximately one 25bp hike by year-end following June's hawkish dissents. (Source: House of Commons Library; BoE)
- **ECB impact on eurozone bonds:** The 25bp ECB hike to 2.25% drove modest selloff in European government bonds, though markets had priced ~100% probability of the move. Lagarde's growth warning (0.8% GDP 2026 forecast) partially offset the hawkish signal. (Source: ECB; Traders Agency)
- **Corporate credit:** High-yield spreads widened moderately on rate-hike fears and Bitcoin's collapse (often a risk-sentiment barometer). Investment-grade more resilient given falling oil prices improved corporate cash flows in energy-sensitive sectors. (Source: CNBC)

Commodities

- **Gold — ~–6% in June; closed ~$4,063:** Gold fell sharply to an eight-month low as the Warsh dot plot signalled rate hikes — historically gold's most direct negative catalyst. The spot low was $3,959.33 on June 24, before recovering to $4,062.84 by June 29. The gold/silver ratio rose sharply to 63.9 (silver cheapened relative to gold). JPMorgan described gold as "stuck in technical no-man's land — above the 200-day MA at $4,340 and capped below the 50-day MA at $4,730." Goldman Sachs year-end target: $4,900; JPMorgan: $6,000 (conditional on ceasefire-driven rate cuts). Central banks remain net buyers: China +8 tonnes (18th consecutive month); Poland +14 tonnes. (Source: Capital.com; JPMorgan; Goldman Sachs; Trading Economics)

Energy

- **Oil — physical reopening drives second consecutive monthly decline:** Brent crude fell a further ~13% in June — from ~$92 at the start to ~$79 by month-end — as Saudi exports recovered to 6.3 mb/d (90% of pre-war levels) and Hormuz tanker traffic progressively resumed. Brent briefly traded at $79.25 on June 22 (Fortune). This was not a sentiment-driven move like May's decline: actual crude loadings improved materially. Brent is now down approximately 37% from its April wartime high of $126/bbl. (Source: Barchart; Fortune; CNBC)
- **WTI and gasoline:** WTI also fell to the low $70s. U.S. gasoline prices began declining from their $4.50/gallon peak — a meaningful consumer relief signal that could feed into July and August CPI prints. EIA storage data showed inventory rebuilding for the first time since February. (Source: EIA; Fortune)

Currencies & Crypto

- **U.S. Dollar (DXY):** Dollar strengthened significantly on June 17 (the Warsh FOMC day) — up ~1% for its best single session in nearly a year — as the hike-signal repriced rate differentials. Dollar broadly firmer through the second half of June. DXY ~100–101 range at month-end. Stronger dollar was a headwind for gold and EM currencies. (Source: CNN; Investing.com)
- **Turkish Lira (TRY):** Lira showed relative stability in June as the fall in oil prices provided meaningful structural relief — Turkey's oil import bill fell materially, improving the current account. Analysts began re-pricing the likelihood of July CBRT rate cuts. USD/TRY range 45–47, broadly stable. Finance Minister Şimşek reiterated commitment to the disinflation programme. (Source: P.A. Turkey; Trading Economics)

- **Silver:** Gold/silver ratio at 63.9 — silver ~$65/oz area — representing relative value vs. gold. Silver underperformed as the monetary engine (rate expectations) overrode the industrial engine (AI infrastructure, solar). The Silver Institute deficit thesis (6th consecutive annual deficit, ~67M oz) remains structurally supportive. Silver should outperform gold when rate-hike fears fade and the Hormuz reopening boosts global industrial activity. (Source: GoldSilver.com; Silver Institute)
- **Base metals:** Copper broadly stable on AI infrastructure demand. Aluminium normalised after earlier Iranian-attack-driven spikes. The Nvidia AI PC chip announcement (June 1) sustained data-centre construction demand, supporting copper and industrial metals broadly. (Source: CNBC; TheStreet)

- **Outlook:** Goldman Sachs lowered its Brent Q3 average forecast to $72/bbl and year-end to $65/bbl, assuming full Hormuz reopening by August. JPMorgan targets $70/bbl by year-end. Saudi Arabia and UAE confirmed OPEC+ will begin adding production volume from July. The key risk: Iran hardliners opposing the ceasefire's terms could trigger a partial re-closure. (Source: Goldman Sachs; JPMorgan; OPEC+)

- **Bitcoin (BTC) — ~–18% in June; closed ~$60,100:** One of Bitcoin's sharpest monthly declines since the Iran war began. BTC opened June near $73,674 and closed at approximately $60,128–$60,238 — a monthly loss of ~18.4%. Key drivers: the Warsh rate-hike dot plot (June 17), CoinShares reporting $1.73bn in digital-asset fund outflows (of which $1.09bn from Bitcoin-linked products), MicroStrategy selling 32 BTC sparking fears of deeper correction, and ETF net outflows of $2.4bn for May (worst period of the year). BTC/ETF assets under management fell from $107.8bn to $94.2bn in the period. BTC traded between $58,115 (monthly low) and $74,092 (monthly high). (Source: CoinDCX; Polymarket; BanklessTimes; CoinMarketCap)

4) Long-Term Trends Shaping the Investment Outlook

- **The Warsh Fed — "regime change" in practice:** Kevin Warsh's June 17 debut as Federal Reserve Chair was the most consequential FOMC meeting since the first post-COVID rate hike in March 2022. Key changes he introduced: a 130-word policy statement (vs. 341 words previously), abolition of forward guidance, five task forces to review Fed operations, and — most significantly — no personal dot plot submission. Nine of eighteen committee members now project a rate hike before year-end 2026. Warsh's statement that "the commitment to deliver is strong, unanimous, and unambiguous" on price stability — and his acknowledgement that the Fed had "missed it for five years" — signals a hawkish posture that markets must now price against a backdrop of falling oil prices. The critical question for the second half of 2026: if oil continues declining toward $65–70/bbl and headline CPI peaks in Q2 (as EY and Goldman Sachs project), will Warsh use the opening to pivot back toward cuts — or will he hike pre-emptively to establish credibility? The June payrolls miss (57K) has already reduced the September hike probability. (Source: CNBC; CNN; Fox Business; NPR; U.S. Bank)
- **The "Reverse Shock" — from energy crisis to energy relief:** The Iran war's energy shock peaked in April (Brent $126/bbl) and is now unwinding faster than most analysts predicted. With Brent at $79/bbl in late June and Saudi exports at 90% of pre-war levels, Goldman Sachs is projecting Brent at $65/bbl by year-end. The implications of this reversal are profound and multi-directional: (1) U.S. CPI is expected to peak in Q2 2026 and decelerate sharply in Q3–Q4 as the energy base effect reverses; (2) the Fed may not need to hike if inflation falls back toward 2.5%–3.0% by September; (3) BoE and ECB may resume cutting rates sooner than their latest projections imply; (4) Turkey's CBRT gains room to restart its rate cut cycle as the import bill shrinks; (5) gold could re-establish its structural uptrend once hike risk fades. The pace of Hormuz normalisation is the single most important variable for all of the above. (Source: Goldman Sachs; EY; Barchart)
- **AI "from data centres to devices" — Nvidia's PC chip moment:** Nvidia's June 1 announcement of a new processor for personal computers — and the resulting 6% single-session share price jump — marked a significant milestone: the AI revolution moving beyond hyperscale data centres into consumer computing. Dell (+10%), HP Inc (+8%), and the broader PC ecosystem rallied. This is the third phase of AI monetisation: after the infrastructure layer (servers, GPUs — 2023–2025) and the application layer (Alphabet, Snowflake — 2026 H1), AI is now entering the device layer. The AI PC market could represent a significant multi-year upgrade cycle, as hundreds of millions of existing PCs will need hardware refreshes to run on-device AI models. The Philadelphia Semiconductor Index (+60% YTD as of early June) reflects the market's confidence in this trajectory. For investors: the shift from centralised cloud AI to edge/device AI has significant implications for semiconductor supply chains, consumer electronics demand, and the power grid. (Source: CNBC; TheStreet)

- **SpaceX and the next frontier of index investing:** SpaceX's announcement as a Nasdaq-100 addition (effective July 7) is a milestone event. SpaceX — previously accessible only to institutional and accredited investors — will now be indirectly owned by every ETF tracking the Nasdaq-100, including $QQQ (nearly $300bn in AUM). This has several implications: it dramatically broadens retail exposure to the space economy; it raises index concentration in a single founder's vision (Elon Musk); and it validates the trend of pre-IPO mega-companies entering index funds before traditional public listings. The NASA and DRAM ETFs (flagged by BanklessTimes) gaining assets on SpaceX/space-economy enthusiasm further illustrates how institutional framing of new sectors drives capital flows. (Source: TheStreet; BanklessTimes)
- **Gold's corrective phase — structural thesis intact, near-term constrained:** Gold's fall to an eight-month low of $3,959 on June 24 reflects a specific and temporary set of conditions: the Warsh rate-hike signal, dollar strength, and the market's initial hawkish overreaction to the dot plot. The structural bull case — central bank buying (244 tonnes in Q1 2026 alone), U.S. fiscal concerns ($1 trillion+ net interest expense), de-dollarisation, and dollar weakness — remains completely intact. The June 29 PCE data (headline 4.1%, core 3.4%) triggered no fresh downside for gold precisely because it matched expectations. The weak June payrolls (57K), released July 3, pushed gold back toward $4,170 as rate-hike probability fell. JPMorgan's description of gold as being in "technical no-man's land" is appropriate: bounded below by the 200-day MA (~$4,340) and above by the 50-day (~$4,730). A confirmed Hormuz normalisation and oil price stability in the $65–80 range would reignite the gold structural uptrend. Goldman Sachs year-end target: $4,900; JPMorgan: $6,000. (Source: JPMorgan; Goldman Sachs; Capital.com; Trading Economics)
- **Bitcoin — testing structural support as macro headwinds intensify:** Bitcoin's ~18% June decline (to ~$60,100) brought it to its lowest level since late 2025. BTC is now down approximately 52% from its October 2025 all-time high of $126,173. At ~$60,000, Bitcoin is trading near its 100-month exponential moving average ($40,322) support structure — breaking that level would be a significant bearish signal. The fundamental drivers of the current weakness are macro: rate-hike fears, dollar strength, ETF outflows ($1.09bn from BTC-linked products in one week), and the rotation into equities and AI stocks. But the institutional accumulation narrative has not disappeared: China's Metaplanet added 2,823 BTC in July (raising holdings to 43,000), and BTC's MuSig2 protocol was upgraded (June 30) to fix a privacy flaw. The setup for a recovery: oil price continuing to fall → CPI decelerating → Fed rate hike probability declining → risk appetite returning. The July 14 CPI release (June data) is the next key catalyst. (Source: CoinDCX; LiteFinance; CoinMarketCap; BanklessTimes)

Refer to JPMorgan Asset Management "Guide to the Markets" Q3 2026, BlackRock Investment Institute Mid-Year Outlook 2026, Goldman Sachs Global Economics Weekly (June 2026), EY CPI report analysis (June 2026), Vanguard Economic Outlook, Fidelity Investments, Charles Schwab Market Perspective (June/July 2026), and U.S. Bank Federal Reserve Monetary Policy analysis for comprehensive thematic coverage.

5) Central-Bank Decisions/Signals (focus: US, UK, UAE, Türkiye)

Bank	Decision / Signal	Date	Notes
Federal Reserve (U.S.) — Warsh's first meeting	Held at 3.50%–3.75%; unanimous 12-0 vote. Dot plot: 9 of 18 members signal rate hike. Forward guidance abolished. Statement cut to 130 words.	17 Jun 2026	The most consequential FOMC meeting in years. Unanimous 12-0 hold, but the dot plot was the real story: nine members project a rate hike before year-end 2026, six project two hikes, only one projects a cut — a complete reversal from March's median of one cut. PCE inflation forecast revised up to 3.6% for 2026 (from 2.7%); GDP 2.2%; unemployment 4.3%. Warsh's statement was just 130 words — stripped of forward guidance, hedges, and nuance. Key phrase: "Economic activity is expanding at a solid pace despite elevated uncertainty that owes, in part, to the conflict in the Middle East." Warsh established five task forces to review Fed communications, balance sheet policy, inflation framework, data sources, and the labour market. He declined to submit his own dot plot. Immediate market reaction: Dow –507 points (–0.98%), S&P 500 –1.21%, Nasdaq –1.34%. 2-year yields +16bp to 4.21%. DXY +1% (best day in nearly a year). Warsh's quote: "I am pleased to report that members of the FOMC are unambiguous and unanimous — this committee will deliver price stability." Next FOMC: July 29, 2026. (Source: CNBC; CNN; Fox Business; NPR; U.S. Bank)

Bank	Decision / Signal	Date	Notes
Bank of England (UK)	Held Bank Rate at 3.75%; 7-2 vote — two members voting to hike to 4.0%.	18 Jun 2026	The MPC voted 7-2 to hold, with two members preferring a 25bp increase. This is a marked shift from April's 8-1 hold (one member voting to hike): the hawkish camp expanded. The BoE statement projected CPI "a little under 3% in Q3 2026" and "a little over 3¼% in Q4" — lower than the April MPR projections, reflecting falling oil prices. The BoE simultaneously completed a significant milestone in its QT programme: its asset purchase portfolio was reduced to £523bn on June 10 (from a peak of £895bn). Governor Bailey acknowledged that the conflict in the Middle East "remains the dominant uncertainty" and that the Bank will "stand ready to act as necessary." Rate-hike risk is now meaningfully embedded in market pricing, though the energy price decline provides a natural easing of the inflationary impulse. Next MPC meeting: July 30, 2026. (Source: House of Commons Library; BoE; MoneySavingExpert)
CBUAE (UAE)	No independent policy action. AED-USD peg maintained.	–	CBUAE continued mirroring the Fed's pause. With the Hormuz gradually reopening and oil at $79/bbl (down from $126/bbl peak), the UAE's fiscal picture remains strong but less exceptional than during the April wartime high. Abu Dhabi sovereign funds (ADIA, Mubadala) reoriented toward global equities and AI infrastructure as oil revenues became more predictable. The dirham peg remains fully backed by substantial FX reserves. The CBUAE's next rate action is entirely contingent on the Fed's July 29 decision — which, following the weak June payrolls (57K), is now almost certainly a hold. UAE banking system stable; credit growth solid. (Source: CBUAE; CNBC; Barchart)
CBRT (Türkiye)	Held one-week repo rate at 37%. Third consecutive pause.	11 Jun 2026	The CBRT held for a third straight meeting, with the policy statement acknowledging that "the underlying trend of inflation has begun to improve" — a modest positive signal — but noting that "global energy price developments continue to pose upside risks." No forward guidance on timing of rate cuts was offered. The fall in Brent from $114 to $79 during June significantly improves the CBRT's room to manoeuvre: Turkey's annual fuel import cost falls by approximately $8–10bn for every $10/bbl decline in Brent. Finance Minister Şimşek reiterated the programme's commitment to disinflation, and lira stability improved through the month. Market consensus (Tacirler, Kuveyt Türk) has moved toward a July 23 rate cut of 100bp (to 36%) as the base case, conditional on May CPI (to be released July 3) showing deceleration. Next CBRT meeting: July 23, 2026. (Source: CBRT; P.A. Turkey; Trading Economics; Tacirler)
ECB (Eurozone)	Raised deposit rate 25bp to 2.25% — first ECB hike since 2023. GDP forecast cut to 0.8% for 2026.	11 Jun 2026	The ECB's Governing Council raised all three key interest rates by 25bp — the first hike since the post-COVID tightening cycle ended in 2023. The deposit rate moves to 2.25%, the main refinancing rate to 2.40%, and the marginal lending facility to 2.65%. Markets had priced ~100% probability of this move. Revised ECB projections: headline inflation 3.0% in 2026, 2.3% in 2027, reaching the 2% target only in 2028. GDP: 0.8% in 2026 (sharply downgraded), 1.2% in 2027. Lagarde: "The war in the Middle East is generating inflation pressures, and the decision to raise rates is robust across a range of scenarios." The ECB is "hiking into weakness" — GDP near stagnation while inflation remains above target, a textbook stagflation policy dilemma. The ECB noted the Transmission Protection Instrument (TPI) remains available if bond market fragmentation risk emerges. Next ECB meeting: July 23, 2026. (Source: ECB; Traders Agency)

6) High-Impact Events Scheduled – *July 2026 & near-term*

Date	Event	Why it matters
Jul 3, 2026	U.S. Non-Farm Payrolls (June 2026) — already released	June payrolls came in at just 57,000 — the fewest in four months, well below the 110,000 forecast. Leisure and hospitality shed 61,000 jobs. Unemployment fell to 4.2% as workers left the labour force; wages +3.5% YoY. This weak print immediately reduced the probability of a September rate hike from 67% to ~50% and sparked a gold rally toward $4,170. July CPI (released July 14) is the next critical inflation data point. (Source: BLS; Trading Economics; Capital.com)
Jul 7, 2026	SpaceX joins the Nasdaq-100 Index	SpaceX — previously accessible only to institutional and accredited investors — enters the Nasdaq-100 before the market opens. This is the most significant index addition of the year and will immediately be held by the $QQQ ETF and hundreds of other Nasdaq-tracking vehicles. It broadens retail exposure to the space economy and raises the Nasdaq-100's concentration in Elon Musk-linked assets. Near-term, it provides a structural bid for SpaceX shares and related space-economy ETFs (NASA). (Source: TheStreet; BanklessTimes)
Jul 14, 2026	U.S. CPI (June 2026)	The single most important data point for Q3 macro sentiment. June CPI will be the first report showing the full impact of falling oil prices (Brent from $92 to $79 in June). EY projects June headline CPI could decelerate below 4%; core CPI expected to remain near 2.9%. A meaningful downside surprise (below 3.5% headline, below 2.8% core) would rapidly reprice the probability of a September Fed hike from ~50% and potentially trigger a significant rally in bonds, gold, and equities. A flat or hot print would reestablish hike risk. (Source: BLS; EY; Goldman Sachs)
Jul 23, 2026	CBRT MPC Meeting (Türkiye)	The critical June rate decision. With Brent at $79 and falling, Turkey's inflation outlook has materially improved since April's crisis peak. Tacirler and Kuveyt Türk now expect a 100bp cut to 36% at this meeting — the first rate reduction since February. Decision depends on: (1) May CPI released July 3; (2) continued energy price decline; (3) lira stability. A successful cut would be a significant positive signal for Turkish equities and bonds. A surprise hold would disappoint markets. (Source: P.A. Turkey; Tacirler; Kuveyt Türk)
Jul 23, 2026	ECB Rate Decision (Eurozone)	The ECB's next meeting, six weeks after the historic June hike to 2.25%. With oil prices falling and Hormuz reopening, eurozone inflation pressures are easing. A hold is the base case, but the ECB may signal the end of its hiking cycle if energy prices continue declining. Lagarde's tone on the growth vs. inflation trade-off will be closely watched for signals on whether the June hike was a one-and-done or the start of a new tightening cycle. (Source: ECB; Morningstar)
Jul 29, 2026	Federal Reserve FOMC Meeting	The second FOMC meeting under Warsh — and the first since the shock 57K June payrolls report. The June jobs miss dramatically reduced hike probability at this meeting (now near zero per CME FedWatch). But if July 14 CPI surprises to the downside and payrolls remain soft, Warsh could use the July meeting to signal a shift in tone — potentially foreshadowing a September cut rather than hike. The July meeting also includes no dot plot, so communication will centre entirely on the 130-word statement and the press conference. (Source: Federal Reserve; CME FedWatch; Capital.com)
Jul 30, 2026	Bank of England MPC Meeting & Quarterly MPR	The BoE's quarterly Monetary Policy Report — its first since April — will update projections with the benefit of three months of energy price declines. If Brent stays near $70–80/bbl through July, the BoE's CPI path will be revised materially lower, potentially below 2.5% for 2026. This would shift the vote distribution back from the current 7-2 (two hawkish) toward a potential cut majority — opening the door for the first BoE rate cut since December 2025 at the July or September meeting. (Source: BoE; MoneySavingExpert)

Date	Event	Why it matters
Ongoing	Iran–U.S. Peace Talks & Hormuz Normalisation	The Hormuz is physically reopening — but Iranian hardliners remain a risk. Saudi exports at 90% of pre-war levels and tanker traffic recovering are the most important positive developments of June. Full normalisation (OPEC+ adding July volume, QatarEnergy lifting force majeure on LNG contracts) would push Brent toward $65–70/bbl, triggering a cascade: CPI falls below 3%, Fed and BoE resume cutting, CBRT accelerates cuts, gold recovers, Bitcoin rebounds. Monitor: peace negotiation developments, IEA monthly report (July), and OPEC+ July meeting outcome. (Source: Barchart; CNBC; Goldman Sachs)

All dates from official central bank calendars and BLS/BEA release schedules. Timing subject to change based on geopolitical and economic developments.

7) Other Notable Trends/Highlights

- **Warsh's "shorter, curt" statement — a communication revolution at the Fed:** Jerome Powell's final statements routinely ran to 341 words across dense paragraphs. Warsh's inaugural statement checked in at 130 words — a 62% reduction — and explicitly dropped forward guidance. He said the statement "gives you the facts, as best we can judge it" and described his news conference approach as deliberately less expansive: "I've got nothing more to say than the statement itself." He also hinted at fewer future press conferences. This is not merely stylistic — it reflects a philosophical shift in how the Fed communicates. For investors, the practical implication is critical: the pre-meeting period of parsing Fed language for policy signals has been largely eliminated. Markets must now rely on hard economic data rather than central bank communication, increasing the volatility impact of key data releases (CPI, payrolls, PCE). The five Warsh task forces will deliver recommendations by year-end and may fundamentally reshape Fed communications — potentially ending the quarterly dot plot. (Source: CNN; CNBC; NPR; Fox Business)
- **OpenAI IPO delay and AI sentiment reset:** The reported delay of the OpenAI IPO (TheStreet, June 26) created a meaningful headwind for AI sentiment in the final week of June. OpenAI had been widely expected to pursue a public listing in 2026; the delay — attributed to ongoing governance discussions and regulatory uncertainty — removed a key catalyst for the broader AI ecosystem. The Nasdaq and S&P 500 "tread water" on June 26 amid the OpenAI news, while tech names sold off. However, the AI PC chip narrative (Nvidia, Dell, HP) provided a positive counterweight. The contrast between enterprise AI (data-centre focused — suffering from capex concerns) and consumer AI (device-level — receiving new enthusiasm) is becoming the defining investment debate of H2 2026. (Source: TheStreet)
- **Apple and Microsoft price hikes — AI costs pass through to consumers:** Apple announced iPhone price increases and Microsoft raised Xbox pricing on June 25, citing higher production costs, component expenses, and AI integration investments. The Mag7 fell sharply on the day as markets worried about consumer pushback. This episode has a dual significance: (1) it is the first clear evidence of AI-related cost increases passing through to consumer technology pricing, which will appear in future CPI reports; (2) it raises questions about whether premium consumer technology can sustain pricing power in a high-inflation, high-rate environment. Companies that can pass through higher AI costs will outperform; those that cannot face margin compression. (Source: TheStreet; CNBC)
- **The World Cup effect on June economic data:** The FIFA World Cup (hosted across multiple countries in summer 2026) contributed to temporary increases in travel, lodging, and leisure-related spending in June — likely boosting airline fares, hotel prices, and food-away-from-home categories. EY explicitly flagged the World Cup as a contributor to near-term CPI in June–July. For UAE-based clients, the World Cup is a direct economic positive — Dubai and Abu Dhabi host significant spectator volumes, boosting hospitality, retail, and transport revenue. The 57,000 June payrolls figure showed leisure and hospitality shedding 61,000 jobs, however, suggesting the World Cup boost was not evenly distributed. (Source: EY; TheStreet; BLS)
- **Q2 2026 — the best quarter since 2020:** Despite June's equity weakness, the full Q2 2026 (April–June) delivered the best quarterly performance for U.S. indices since Q4 2020. S&P 500 +9.55% YTD; Nasdaq +12.79% YTD; Dow +8.85% YTD; Russell 2000 at new all-time highs above 3,000. This extraordinary outperformance — achieved against a backdrop of 4%+ CPI, an active Middle East war, a hawkish new Fed Chair, and the highest oil prices in four years — reflects the power of AI-driven earnings momentum and equity markets' remarkable capacity to look through near-term macro challenges. The Q2 corporate earnings season (reporting in July) will be the first test of whether AI-driven revenue growth can continue to justify historically elevated valuations. (Source: TheStreet; Yahoo Finance; CNBC)

- **UAE as the intersection of peace dividend and AI boom:** If the Iran ceasefire holds and Hormuz fully reopens (as the trajectory suggests), the UAE is uniquely positioned to benefit from both the energy-price normalisation and the AI investment supercycle. Lower oil prices reduce import costs for manufacturing and logistics; higher AI investment flows support Dubai's financial services and data infrastructure ambitions. ADIA and Mubadala have been among the most active sovereign wealth funds in AI infrastructure globally — their returns in 2026 have been exceptional. For UAE-based investors, the combination of energy income (still elevated), currency peg stability, zero personal income tax, and proximity to the AI infrastructure investment wave creates an unusually favourable backdrop for wealth preservation and growth. (Source: CNBC; TheStreet; Al Jazeera)

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