



May 2026 — At a Glance

S&P 500 (MAY)

+5.0%

Closed at 7,580 — new ATH

NASDAQ (MAY)

+8.1%

Closed at 26,973 — new ATH

BRENT CRUDE

~\$92/bbl

-19% in May on ceasefire hopes

GOLD (SPOT)

~\$4,540

19% below Jan 2026 ATH

US CPI (APR)

3.8% YoY

Highest since May 2023

US PPI (APR)

6.0% YoY

Highest since Dec 2022

FED FUNDS RATE

3.50–3.75%

Warsh era begins May 15

BITCOIN (BTC)

~\$73,900

Range: \$73K–\$83K in May

Sources: CNBC, BLS, BEA, Federal Reserve, Trading Economics, Yahoo Finance, LiteFinance — all as of 30 May 2026.

1) Macro Summary

Global context: May 2026 was shaped by two overarching narratives that pulled markets in opposite directions: a historic leadership change at the U.S. Federal Reserve — with Kevin Warsh confirmed 54-45 and sworn in on May 22 — and a dramatic collapse in oil prices driven by growing optimism over a potential U.S.–Iran ceasefire and the reopening of the Strait of Hormuz. Brent crude plunged nearly 19% in May, its worst monthly performance since the COVID-19 pandemic, from ~\$114/bbl to approximately \$92/bbl as the U.S. and Iran were reported to have "mostly agreed" on a 60-day memorandum of understanding to extend the ceasefire. Equities rallied strongly in response: the S&P 500 gained 5.0% and closed at a new all-time high of 7,580.06 on May 29, while the Nasdaq surged 8.1% to a record 26,972.62. The Dow Jones gained 3% to close at 51,032.46 — its first-ever close above 51,000. Technology stocks resumed leadership, with AI-driven infrastructure names leading the charge as the oil-price-driven inflation narrative faded.

The macro backdrop remained complex. April CPI printed at 3.8% year-over-year — the highest since May 2023 — and April PPI came in at 6.0% year-over-year, the highest since December 2022, driven overwhelmingly by the energy shock. However, the ceasefire optimism and falling Brent prices in the second half of May gave markets confidence that the worst of the energy-driven inflation surge might be behind them. New Fed Chair Warsh inherited a deeply divided FOMC, elevated inflation, and an economy growing at 2.0% — with markets pricing 97% odds of no rate change at his inaugural FOMC meeting scheduled for June 16–17. Dell Technologies surged 33% on May 30 on stellar AI-driven earnings, encapsulating the month's defining theme: the AI infrastructure buildout reasserting itself as a structural market driver once energy-shock fears receded.

Regional focus (UAE, UK, Turkey, U.S.): The UAE's energy revenue windfall continued as Brent averaged well above \$100/bbl through mid-month before the ceasefire-driven sell-off; by month-end Brent had settled near \$92/bbl, still materially above pre-war levels. The Bank of England had no scheduled meeting in May; its next decision is June 18, 2026. UK inflation remains above the 2% target, and the BoE's three-scenario framework (from its April MPR) continues to shape expectations. Turkey's CBRT released its Q2 Inflation Report on May 14, raising the year-end inflation forecast to 24%–30% (midpoint 27%) — a significant upward revision from the previous 15%–21% band — reflecting the energy shock, lira pressure, and rapid passthrough of transport and food costs. The CBRT's next rate meeting is June 11. Turkey's April CPI surprised to the upside at 32.37% year-over-year (+4.18% monthly), the highest since October 2025, complicating the path toward resumed rate cuts.

2) Key Economic Indicators (snapshot as of 31 May 2026)

Indicator	Value / Latest	Notes
U.S. CPI (April 2026)	3.8% (YoY); +0.6% (MoM)	Released May 13, 2026 (BLS). Highest annual rate since May 2023, up 0.5 percentage points from March's 3.3%. Monthly gain of 0.6% met forecasts but annual rate came in 0.1pp above the Dow Jones consensus of 3.7%. Energy prices jumped 3.8% MoM and 17.9% YoY; gasoline +28.4% annually. Core CPI (ex-food and energy) rose 0.4% MoM and 2.8% YoY — the monthly rate was the highest since January 2025. Shelter costs surged 0.6% MoM, the largest monthly increase since September 2023. Airline fares +20.7% YoY. Food at home +0.7% MoM, the biggest monthly gain since August 2022. Real average hourly wages slipped 0.5% for the month and fell 0.3% annually — a real purchasing power squeeze for workers. (Source: BLS; CNBC; Kiplinger)
U.S. PPI (April 2026)	6.0% (YoY); highest since Dec 2022	Released May 15, 2026. April PPI at 6.0% year-over-year was the highest reading since December 2022 — a significant acceleration from the March level. Energy led the surge, consistent with the CPI composition. The hot PPI arrived on the same day Kevin Warsh was confirmed as Fed Chair (54-45 Senate vote), amplifying market concerns about the inflationary challenge facing the new chair. Markets repriced: Polymarket raised the probability of zero Fed rate cuts in 2026 to approximately 62%; hike probability rose to 39%. 10-year Treasury yield rose above 4.459%; the 30-year bond yield touched 5.023%. (Source: 247wallst.com; BLS; CNBC)
U.S. Labour Market (April 2026)	Payrolls below trend; unemployment range-bound 4.3–4.5%	April non-farm payrolls released early May 2026. Hiring continued to slow — described by the Fed as "job gains remained low, on average." Unemployment remained in the 4.3%–4.5% range it has occupied for nine consecutive months. Layoffs have remained low, creating the characteristic "low-hire, low-fire" labour market dynamic. Fed Chair Warsh at his Senate hearing cited the slowing labour market as a key reason why the Fed is not cutting rates despite political pressure — rate cuts require confidence in both inflation returning to 2% AND a weakening economy that needs support, and only the latter is partially in view. (Source: BLS; Chase Bank Warsh analysis; Bitcoin News)
U.S. Oil Price & Ceasefire Impact	Brent –19% in May; \$92.56 at month-end	The dominant macro development in May was the collapse in oil prices as the U.S.–Iran ceasefire gained credibility. Brent crude fell from ~\$114/bbl at the start of May to \$92.56 by May 29, its worst monthly performance since the COVID-19 pandemic. WTI fell 16.5% to ~\$87.18. Reports circulated that the U.S. and Iran had "mostly agreed" on a 60-day MOU to extend the ceasefire. However, UBS noted "little evidence of any short-term improvement in vessel traffic" through Hormuz — crude loadings inside the Gulf remained "extremely low," and Iranian forces continued sporadic attacks (including ballistic missiles at Kuwait and attack drones toward the Strait) even during the reported ceasefire period. The price response was sentiment-driven ahead of the physical reopening. (Source: CNBC; UBS via CNBC)
UK Economic Context	No BoE meeting in May; next decision Jun 18	The Bank of England had no scheduled meeting in May. UK CPI data for April will be released mid-May 2026 (typically the third Wednesday). With Brent down 19% from its April peak by month-end, UK diesel pump prices fell from their March highs, offering some relief to the domestic inflation picture. Markets shifted from pricing a possible rate hike back toward a potential cut in H2 2026, depending on whether the ceasefire holds. The BoE's April MPR Scenario A (short conflict, quick Hormuz reopening and oil normalisation) has gained probability. Governor Bailey is expected to reassess at the June 18 MPC meeting. Mortgage lenders began modestly trimming rates following the oil price drop. (Source: BoE; MoneySavingExpert)
Turkey CPI (April 2026)	32.37% (YoY); +4.18% (MoM) — highest since Oct 2025	Released May 3, 2026 (TurkStat). Annual inflation jumped to 32.37% from 30.87% in March, surpassing market expectations of 31.25%. Monthly print of 4.18% was substantially above the preliminary forecasts of 3.2%–3.5%. Food and non-alcoholic beverages: 34.55% YoY. Transport: significant acceleration driven by fuel costs. The upside surprise was broad-based across sub-indices. This confirmed the worst fears about energy passthrough and essentially ruled out any CBRT rate cut before the summer at the earliest. Analysts revised year-end CPI forecasts to 28%–35%. The CBRT Q2 Inflation Report (May 14) revised the year-end forecast band upward to 24%–30% (midpoint 27%) from the prior 15%–21%. (Source: Trading Economics; TurkStat; P.A. Turkey)

Indicator	Value / Latest	Notes
CBRT Q2 Inflation Report (Turkey)	Year-end forecast revised to 24%–30% (midpoint 27%)	Released May 14, 2026. The CBRT raised its 2026 year-end inflation forecast band significantly — from 15%–21% to 24%–30% — acknowledging the persistent effects of the Iran war energy shock on domestic prices. Governor Karahan described the revision as reflecting "global commodity price developments following geopolitical tensions in the Middle East" and stressed the bank remains committed to its disinflation strategy over the medium term. Tacirler Investment noted the revised band is still below market consensus of 28%–35%, suggesting the market continues to view the official target with scepticism. The Report signalled rate cuts could resume in Q3 2026 at the earliest, conditional on a durable energy price decline. (Source: CBRT; P.A. Turkey; Tacirler)
UAE / GCC Context	Energy revenue stabilising; ceasefire relief emerging	With Brent averaging approximately \$100–110/bbl for most of May before the month-end sell-off to \$92, Abu Dhabi's fiscal position remained extremely strong. ADIA and Mubadala sovereign funds benefited from both elevated energy revenues and the global equity rally. The ADX and DFM equity indices tracked global markets higher as AI and tech stocks led the recovery. The 60-day ceasefire MOU, if formalised, would substantially ease the GCC's food import logistics crisis. Saudi Arabia and UAE have maintained engagement with OPEC+ on supply management. The UAE government began signalling greater optimism about Hormuz reopening timelines. (Source: CNBC; Al Jazeera)

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

Equities

- **S&P 500 — +5.0% in May:** Closed at a new all-time high of 7,580.06 on May 29. The rally was led by technology resuming leadership, with AI infrastructure names powering the advance. On May 27 (Tuesday, after Memorial Day), the index hit 7,519.12 on Iran deal hopes. On May 28, it closed at 7,563.63. May 29's final close at 7,580 set the month-end record. All sectors participated in the rally, with Tech, Communication Services, and Industrials leading. (Source: CNBC; Yahoo Finance; Trading Economics)
- **Nasdaq — +8.1% in May (closed 26,973):** Best monthly performance since April 2026's extraordinary 15.3% surge. Closed at a record 26,972.62 on May 29. Key drivers: Snowflake earnings beat revived AI cloud enthusiasm; Dell Technologies surged 33% on May 29 (its best day on record) after reporting a Q1 beat on both top and bottom lines and raising full-year guidance; Micron Technology +5% and Qualcomm +3% in the final session. The Philadelphia Semiconductor Index (SOX) surged 60% year-to-date — its strongest period in years. (Source: CNBC; Trading Economics)
- **Dow Jones — +3% in May (closed 51,032):** First-ever close above 51,000 on May 29. IBM +12.9% and Salesforce +8.5% led on the final session. Microsoft +5.5%. Gains were broad across the 30 Dow components. Walmart -2.6%, J&J -2.4%, and Nike -2.4% were among the only meaningful laggards. (Source: CNBC; Yahoo Finance; Trading Economics)
- **Russell 2000:** Closed at 2,919.34 on May 29. Small-caps slightly underperformed large-caps in May as the technology/AI concentration benefited large-cap indices disproportionately. The rotation dynamic of March and April modestly reversed as mega-cap AI names regained momentum. (Source: Yahoo Finance)
- **Global markets:** European indices broadly positive. Asian markets mixed — China's CSI 300 +0.12%, Hang Seng -1.27%, India's Nifty flat. Australia's S&P/ASX 200 -1.43% on May 28. The AI rally and oil price decline were more U.S.-centric; EM markets generally underperformed given mixed commodity signals. (Source: CNBC)

Fixed Income & Rates

- **U.S. Treasury yields — elevated then declining:** The month began with yields spiking after the April CPI (3.8%) and PPI (6.0%) data. The 10-year yield touched 4.459% and the 30-year reached 5.023% following the April PPI release on May 15. As oil prices fell sharply through late May on ceasefire hopes, yields retreated — the market pricing out some future inflation risk. By month-end, the 10-year was back around 4.3%–4.4%, a meaningful pull-back from the month's highs. The 2-year yield, most sensitive to near-term Fed policy, settled near 3.85%. (Source: 247wallst.com; Investing.com)
- **Fed rate expectations — zero cuts priced in 2026:** Post-CPI and PPI data, Polymarket raised the probability of zero Fed rate cuts in 2026 to 62%; rate hike probability reached 39% — an extraordinary repricing. However, by month-end, as Brent fell 19% in May, rate cut expectations for 2026 were partially restored. CME FedWatch shows approximately 93–97% probability of a hold at the June 16–17 FOMC meeting. Warsh's first meeting will be closely watched for any change in tone or language. (Source: CME FedWatch; Polymarket; Bitcoin News)
- **Corporate credit:** Investment-grade and high-yield spreads tightened modestly as the equity rally and oil price decline improved risk sentiment. Blue Owl rebounded from its year-to-date lows as the private credit narrative softened somewhat, though it remains materially below its 2025 highs. (Source: TheStreet; CNBC)
- **UK Gilts and BoE expectations:** UK gilts rallied in late May as oil price falls reduced near-term UK inflation fears. The probability of a BoE hike (as reflected by the single April dissenter's vote) receded; markets began pricing a possible Q4 2026 cut if Hormuz reopens and energy prices continue declining. (Source: BoE; MoneySavingExpert)

Commodities

- **Gold:** Gold closed May at approximately \$4,540/oz (LiteFinance data: \$4,540.42 as of May 30). The ceasefire news and related risk-on rally, combined with falling oil reducing inflation fears (and thus improving the case for future Fed cuts, which would traditionally support gold), created a mixed picture. When the ceasefire was first announced in early April, gold surged ~2% to \$4,790 before giving back gains as risk appetite returned. In May, gold's range was broadly \$4,420–\$4,800 as markets digested the energy shock and the Warsh transition. Gold remains approximately 19% below its January ATH of \$5,595 but is still up around 42% year-over-year. State Street's May 2026 Gold Monitor noted volatility across gold, silver, and Bitcoin "compressed in April" — mean-reverting from Q1 peaks. (Source: LiteFinance; State Street Gold Monitor May 2026; Trading Economics)
- **Silver:** Silver followed gold broadly, maintaining the \$65–75/oz range through May. The physical deficit (Silver Institute: 6th consecutive annual deficit ~67M oz in 2026) provides structural support. Industrial demand recovery prospects from ceasefire-driven industrial output hopes provide incremental support. Silver remains well below its January high of ~\$119 but is structurally supported. (Source: Silver Institute; Investing.com)
- **Base metals:** Copper broadly supportive on AI infrastructure demand. Dell's 33% single-day surge on AI-driven guidance highlights the continued buildout of data centres — a major copper demand driver. Aluminium stabilised after its Iranian-attack-driven surges. Bloomberg Commodity Index broadly stable in May after the dramatic gains of March. (Source: CNBC; Trading Economics)

Energy

- **Oil — worst month since COVID pandemic:** Brent fell ~19% in May to \$92.56 — its worst monthly performance since the COVID-19 pandemic. WTI fell 16.5% to \$87.18. The driver: growing market confidence in a 60-day ceasefire MOU between the U.S. and Iran, which would unlock Strait of Hormuz shipping. However, UBS analysts warned that actual crude loadings inside the Gulf remain "extremely low" despite the optimism — the physical improvement lags the sentiment-driven price move. Iranian forces continued sporadic military activities (ballistic missiles at Kuwait, drone attacks toward the Strait) even during the ceasefire, underscoring the fragility of the deal. Goldman Sachs estimates Q2 global oil demand may remain 3.6 million bpd below pre-war levels concentrated in jet fuel and petrochemicals. (Source: CNBC; UBS; Goldman Sachs)
- **Natural gas / LNG:** QatarEnergy's force majeure on LNG contracts remained in effect through most of May. With the ceasefire narrative gaining traction, LNG spot prices in Europe fell from their peaks, though remain elevated vs. pre-war levels. A formal Hormuz reopening would be the most significant single event for LNG markets in years. (Source: Al Jazeera; Reuters)
- **Outlook:** JPMorgan forecasts Brent at \$80–90/bbl through Q3 if the ceasefire holds and Hormuz gradually reopens. If the deal collapses, a return to \$110–\$130/bbl is the base case. Goldman Sachs revised its 2026 Brent average to \$95/bbl from \$110, reflecting partial ceasefire probability weighting. (Source: JPMorgan; Goldman Sachs)

Currencies & Crypto

- **U.S. Dollar (DXY):** Dollar weakened as oil prices fell and risk appetite improved. The DXY retreated from ~100 toward the high-90s by month-end. A weaker dollar supports gold and EM assets. The Warsh confirmation created some short-term USD strength on hawkish expectations but this faded as the oil-inflation narrative softened. (Source: Investing.com)
- **Turkish Lira (TRY):** The lira stabilised in May after the record-low streak of March and April. The CBRT's upward revision of its year-end inflation forecast in the Q2 Inflation Report removed some uncertainty. The ceasefire-driven oil price fall is materially positive for Turkey — as a major oil importer, lower energy costs ease the trade deficit and inflation simultaneously. Markets began pricing a possible resumption of CBRT rate cuts in July if energy prices stay down. USD/TRY remained around 45–47 range through May. (Source: Trading Economics; P.A. Turkey)
- **Bitcoin (BTC):** BTC traded in a \$73K–\$83K range during May. Early May saw positive momentum: on May 4, BlackRock's IBIT ETF recorded \$269.3M in daily inflows (its biggest day since early March), and all 12 U.S. spot BTC ETFs pulled in \$532.19M in net inflows. BTC briefly touched \$81,000 — its highest since late January. However, the hot April CPI (3.8%) on May 13 and PPI (6.0%) on May 15 pressured BTC back toward \$73,000–\$76,000. By May 30, BTC was ~\$73,884 (Yahoo Finance). BTC remains ~40% below its October 2025 ATH of \$126,173. Ethereum ~\$2,100 range. (Source: Yahoo Finance; CryptoSignalApp; Medium/Coinmonks; Bitcoin Foundation)

4) Long-Term Trends Shaping the Investment Outlook

- **The Warsh era: a new chapter in Fed policy — with profound uncertainty:** Kevin Warsh was confirmed 54-45 (closest in modern history), sworn in on May 22, and faces his first FOMC meeting on June 16–17. He inherits an economy with 3.8% CPI, 6.0% PPI, a "low-hire low-fire" labour market, and a deeply divided committee where three members oppose any easing bias. His "QT-for-cuts" framework — outlined in his November 2025 WSJ op-ed — proposes shrinking the Fed's \$6.5 trillion balance sheet through active mortgage-backed securities sales while potentially cutting the fed funds rate to 3.0%–3.25%. This combination of balance sheet reduction alongside rate cuts is historically unprecedented and could create unique market dynamics: rate-sensitive assets might rally on cuts while longer-duration bonds face continued pressure from QT. Trump's public demand that Warsh cut rates "right away" — and his joke about suing Warsh if he doesn't — establishes a political pressure backdrop the markets will monitor closely at every subsequent meeting. (Source: Chase Bank; 247wallst.com; CNBC; Bitcoin News)

- AI infrastructure supercycle — reasserting itself post-oil shock:** Dell's 33% single-session surge on May 29 (best day in company history) after raising AI-driven guidance was the most visible signal that the AI infrastructure investment cycle is accelerating, not pausing. The Philadelphia Semiconductor Index +60% year-to-date. Snowflake's strong earnings revived AI cloud enthusiasm. Robinhood launched "Agentic Trading" and an "Agentic Credit Card" — allowing AI assistants to execute investing strategies with minimal human input — with Mizuho raising its price target by \$5 to \$115. The convergence of AI hardware (Dell, Micron, Qualcomm), AI cloud (Snowflake, Alphabet), and AI consumer finance (Robinhood) tells a consistent story: the second wave of AI monetisation is now in full force, rewarding the application layer on top of the infrastructure. Investors who rotated out of AI in March and early April (following Meta's capex shock) faced significant opportunity cost in May. (Source: CNBC; Mizuho via CNBC)
- The Iran war — from price shock to negotiated resolution?:** May 2026 may prove to be the pivot month for the Iran war. The ceasefire MOU, if formalised into a 60-day extension and eventually a permanent deal, would be the most consequential single event for global markets since the war began on February 28. The knock-on effects of a full Hormuz reopening would include: Brent returning toward \$65–75/bbl; global CPI declining 1–2% over 6 months; Fed cutting rates by Q4 2026 or Q1 2027; EM currencies (including TRY) strengthening; gold potentially retracing to \$4,000–\$4,500 before resuming its structural uptrend; and airline, shipping, and logistics stocks recovering. However, UBS's warning that vessel traffic through Hormuz remains near zero despite the MOU talks underscores that markets may be running ahead of the physical reality. The war trade is not over — it is in its most volatile and uncertain phase. (Source: CNBC; UBS; Al Jazeera)
- Gold: structural bull market navigating a transitional phase:** Gold at \$4,540 as of May 30 is in a complex phase: it has fallen 19% from its January ATH, yet is still up ~42% year-on-year and ~80% since the start of 2025. The structural case — central bank buying (~800 tonnes/year), de-dollarisation, \$348 trillion global debt, U.S. net interest expense approaching \$1 trillion annually — remains entirely intact. State Street's May 2026 Gold Monitor noted volatility across gold "compressed in April," suggesting the extreme Q1 dislocations are mean-reverting. The near-term headwind is the ceasefire-driven fall in oil prices, which reduced energy-inflation concerns and thus the urgency of gold as an inflation hedge. If the ceasefire holds and oil stays near \$80–90/bbl, gold may consolidate in the \$4,200–\$4,700 range before its next structural leg higher. The longer-term catalysts — Warsh's QT-for-cuts approach, U.S. fiscal sustainability, and dollar weakness — remain supportive for gold's multi-year uptrend. (Source: State Street; LiteFinance; JPMorgan; Goldman Sachs)
- Turkey: a potential inflection point — energy relief vs. structural fragility:** Turkey stands at a genuine crossroads in May 2026. The CBRT's Q2 Inflation Report (revised year-end forecast to 27% midpoint) signals transparent acknowledgement of the energy shock's impact. But the 19% fall in Brent in May — if sustained — is structurally transformative for Turkey: as a major oil and gas importer, every \$10/bbl fall in Brent reduces Turkey's annual import bill by approximately \$8–10 billion, eases the current account deficit, reduces inflationary pressure, and creates room for CBRT rate cuts. Analysts at Kuveyt Türk and Tacirler continue to forecast rate cuts resuming in July 2026 — but only if the ceasefire holds. The lira's stabilisation in May (vs. the March–April record lows) is a positive leading indicator. The June 11 CBRT meeting is now the most important near-term event for Turkish financial markets. (Source: P.A. Turkey; Trading Economics; Kuveyt Türk; Tacirler)
- The "Sell in May" seasonal pattern — definitively failed in 2026:** The old Wall Street adage "Sell in May and Go Away" was flagged by multiple analysts heading into May given high valuations, sticky inflation, and war risk. The S&P 500 instead gained 5.0%, the Nasdaq 8.1%, and the Dow 3%. This was not the result of a random walk — it reflected genuine fundamental catalysts: AI earnings, ceasefire optimism, Dell's historic surge, and Snowflake's guidance reviving cloud AI demand. The failure of "Sell in May" in 2026 reinforces the lesson that seasonal patterns can be overwhelmed by structural catalysts. For investors: the next seasonal concern is "Sell in September" — but by then, the Iran war outcome, Warsh's first rate decision, and the Q2 earnings season will have further shaped the fundamental picture. (Source: CNBC; Bitget News; Trading Economics)

Refer to JPMorgan Asset Management "Guide to the Markets" Q2 2026, BlackRock Investment Institute Mid-Year Outlook 2026, Goldman Sachs Global Economics Weekly, Vanguard Economic and Market Outlook 2026, Fidelity Investments Mid-Year 2026, Charles Schwab Market Perspective (May/June 2026), and State Street Monthly Gold Monitor May 2026 for comprehensive thematic analysis.

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

Bank	Decision / Signal	Date	Notes
Federal Reserve (U.S.) — Powell's final months and Warsh transition	No scheduled FOMC meeting in May. Warsh confirmed 54-45 (May 13) and sworn in May 22.	13 May (confirmed); 22 May (sworn in)	The Senate confirmed Kevin Warsh as the 17th Federal Reserve Chair in a 54-45 vote — the closest confirmation margin in modern history. He was officially sworn in on May 22, 2026 at a White House ceremony. Jerome Powell remains on the Board of Governors through 2028. Warsh's first FOMC meeting is June 16–17. His "QT-for-Cuts" framework — outlined in his November 2025 WSJ op-ed — proposes active balance sheet reduction (including MBS sales) alongside potential rate cuts to 3.0%–3.25%. Markets price 97% probability of a hold at the June meeting. Warsh declined at his Senate hearing to promise any rate timeline: "The president never asked me to predetermine, commit, fix, decide on any interest rate decision in any of our discussions, nor would I ever agree to do so." Trump publicly said he'd be "disappointed if Warsh doesn't cut rates right away." The June 16–17 meeting will be the most-watched Fed decision in years — not for the rate outcome (near-certain hold) but for the language and the new dot plot. April PPI at 6.0% — highest since December 2022 — gives Warsh minimal room to appear accommodative. (Source: CNBC; Chase Bank; 247wallst.com; Bitcoin News; BelnCrypto)
Bank of England (UK)	No scheduled MPC meeting in May. Next decision: June 18, 2026.	–	The BoE had no scheduled meeting in May. The 8-1 vote at the April 30 MPC meeting (one member voting to hike to 4%) set the backdrop. With Brent falling ~19% in May, the near-term inflation outlook for the UK improved materially vs. the April MPR projections. If this oil price decline holds, UK CPI may peak below the April MPR Scenario B projections. Markets began partially pricing a rate cut at the June 18 meeting — or at latest Q3 2026 — back into expectations. Governor Bailey is expected to deliver a public speech in early June to frame the BoE's view of the changing energy landscape before the June MPC. The BoE's three-scenario framework gives it maximum flexibility: if the ceasefire holds and energy prices remain lower, Scenario A (benign) opens the path to resuming cuts as early as June. (Source: BoE; MoneySavingExpert; Bank of England April 2026 MPR)
CBUAE (UAE)	No independent policy action. AED-USD peg maintained.	–	The CBUAE continued mirroring the Fed's pause throughout May. The UAE's economic position remains exceptionally strong: elevated oil revenues (despite the month-end decline), resilient non-oil growth, strong FDI inflows, and robust tourism. The dirham peg's stability is reinforced by large FX reserves. UAE financial markets tracked global equities higher as the AI recovery and ceasefire optimism benefited risk assets broadly. The CBUAE's next rate adjustment remains entirely contingent on a Fed move — which now appears unlikely before Q1 2027 at the earliest given the sticky inflation environment. (Source: CBUAE; CNBC)
CBRT (Türkiye)	No meeting in May. Q2 Inflation Report released: year-end forecast raised to 24%–30% (midpoint 27%). Next meeting: June 11, 2026.	14 May 2026 (Inflation Report)	The CBRT's Q2 Inflation Report, released May 14, was the key Turkey event in May. The year-end CPI forecast band was raised from 15%–21% to 24%–30% (midpoint 27%), reflecting energy shock passthrough and food price acceleration. Governor Karahan stressed that the medium-term disinflation commitment remains intact, contingent on energy price normalisation. The ceasefire-driven fall in Brent through May is the most significant positive development for Turkey's inflation path in months: if sustained at \$85–95/bbl, analysts expect the CBRT to begin cautious 100bp rate cuts from July 2026. The June 11 meeting is therefore critical: a hold is almost certain, but the accompanying statement language — particularly any reference to the ceasefire's impact on the inflation outlook — will signal whether July cuts are on the table. Tacirler maintains year-end policy rate forecast of 35%; Kuveyt Türk at 32%. (Source: CBRT; P.A. Turkey; Trading Economics; Tacirler; Kuveyt Türk)

Bank	Decision / Signal	Date	Notes
ECB (Eurozone)	No scheduled meeting in May. Next decision: June 5, 2026.	–	The ECB held its deposit facility rate at 2.0% at the April 30 meeting. With Brent falling sharply in May, eurozone inflation expectations declined and the probability of resumed ECB rate cuts in June increased. Lagarde is expected to signal a potential cut at the June 5 meeting if energy prices remain subdued. The ECB's April projections (CPI 2.6% for 2026, GDP 0.9%) were already reflecting Middle East energy shock pessimism — falling oil through May provides upside to the growth forecast and downside to the inflation forecast, creating room for a dovish surprise. Relevant for UAE/Turkey-based clients with EUR exposures. (Source: ECB; Kraken Blog; Morningstar)

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

Date	Event	Why it matters
Jun 5, 2026	ECB Rate Decision (Eurozone)	The ECB's first meeting since the oil price fall accelerated in May. A 25bp cut back to 1.75% is widely expected if energy prices remain subdued. Lagarde's framing of the ceasefire's impact on the eurozone inflation outlook will influence EUR/USD and broader EM FX dynamics. Relevant for UAE/Turkey/UK clients with European asset exposure. (Source: ECB; Morningstar)
Jun 11, 2026	CBRT MPC Meeting (Türkiye)	The most pivotal Turkey rate meeting of 2026. Three consecutive holds (March, April, June) have built expectations for a July restart. The June 11 statement will determine whether the CBRT signals the July restart explicitly. Key inputs: Turkey's April CPI (32.37%), the Q2 Inflation Report (year-end forecast 27%), and Brent's May decline to \$92 (which, if sustained, creates room for disinflation resumption). A hold is fully priced; investors will focus entirely on forward guidance language. A 100bp cut to 36% is possible if the CBRT is confident of the ceasefire's durability. (Source: CBRT; P.A. Turkey; Tacirler)
Jun 11, 2026	U.S. CPI (May 2026)	The inflation data input for Warsh's inaugural FOMC dot plot. Cleveland Fed nowcasts projected May CPI at approximately 4.18% YoY — which would be the highest in nearly three years. If correct, the June CPI will significantly constrain any dovish language from Warsh. If energy prices' May decline feeds through faster than expected, a downside surprise is possible. This is the single most important data point before the June 16–17 FOMC meeting. (Source: Cleveland Fed; UnboxFuture; BLS)
Jun 16–17, 2026	Federal Reserve FOMC Meeting (Warsh's first as Chair)	The most consequential FOMC meeting in years. Warsh's debut includes an updated Summary of Economic Projections (dot plot) and press conference. Markets price 97% probability of no rate change. What matters: (1) Will the dot plot shift from one 2026 cut to zero? (2) Will the easing-bias language be removed? (3) Will Warsh signal his QT-for-cuts framework explicitly? (4) His tone on Fed independence from White House pressure. Any shift toward acknowledging that rate hikes could be warranted would be a historic hawkish pivot with major market implications. (Source: Federal Reserve; CME FedWatch; Bitcoin News; Chase Bank)
Jun 18, 2026	Bank of England MPC Meeting	The BoE's first rate decision after the May oil price collapse. If Brent remains near \$85–95/bbl through the June meeting and UK inflation data shows early improvement, the probability of a 25bp cut to 3.50% is meaningful — reviving the rate cut cycle that was expected before the Iran war began. The April MPR's three-scenario framework will guide the vote. Governor Bailey's pre-meeting communications (expected in early June) will signal the direction. A unanimous hold remains possible if the ceasefire shows signs of fragility. (Source: BoE; MoneySavingExpert)
Jun 18, 2026	U.S. PPI (May 2026)	Producer price data for May will reflect the first month with the oil price fall fully embedded. If May PPI decelerates sharply from April's 6.0% reading, it would be a significant disinflationary signal — potentially opening the door for forward guidance changes at subsequent FOMC meetings. A hot reading would compound the inflation challenge. (Source: BLS)

Date	Event	Why it matters
Jun 23, 2026	U.S. NFP — June Payrolls (for May 2026)	The first payrolls report under the Warsh era's new communication framework. Labour market data is critical for the second leg of the Fed's dual mandate. If payrolls continue the "low-hire, low-fire" pattern with unemployment near 4.4%, the case for rate cuts weakens further. A sharp deterioration in payrolls (below 100K) combined with a June CPI surprise to the downside could rapidly restitch the case for a 2026 cut and trigger a significant bond and equity rally. (Source: BLS; Chase Bank)
Ongoing	Iran–U.S. Ceasefire — 60-Day MOU formalisation	The most critical near-term market variable. The reported 60-day MOU between the U.S. and Iran still awaited formal sign-off from President Trump as of May 29. If formalised and Hormuz gradually reopens: Brent could fall toward \$70–80/bbl; UK and European CPI would decline materially; the BoE and ECB would resume cutting; Turkey's CBRT would accelerate rate cuts; gold may consolidate before resuming its structural uptrend; equities would have a further tailwind. If it collapses: energy prices spike back above \$110/bbl, inflation re-accelerates, and the cycle of March's market dynamics repeats. Monitor: official Trump statement, OPEC+ emergency meeting signals, and tanker transit data through the Strait. (Source: CNBC; UBS; Al Jazeera)

All dates from official central bank calendars and BLS/BEA release schedules. Timing subject to change.

7) Other Notable Trends/Highlights

- Dell's historic 33% single-day surge — the AI second wave in full force:** Dell Technologies' May 29 earnings — beating both revenue and EPS estimates and raising full-year guidance — triggered a 33% single-session gain, the company's best day on record. The key signal: Dell's AI-driven server and infrastructure business is experiencing demand far above prior forecasts, validating that the physical AI buildout (servers, storage, networking) is now generating real revenue — not just capex spending. This is the "second wave" of AI monetisation: after 2023–2025's software/model layer, 2026 is seeing the hardware and infrastructure layer reporting tangible earnings. Snowflake's strong guidance earlier in the week had already revived AI cloud sentiment; Dell's report completed the narrative reset from April's Meta-capex concerns. The Philadelphia Semiconductor Index at +60% YTD tells the full story. (Source: CNBC; Trading Economics)
- Robinhood's "Agentic Trading" — AI meets retail finance:** Robinhood launched two landmark products in May: "Agentic Trading" (allowing third-party AI assistants to execute investing strategies on behalf of users with minimal human oversight) and an "Agentic Credit Card" (allowing AI to make spending decisions). Mizuho raised Robinhood's price target to \$115 (+36% upside), describing it as capturing the "family occasion" segment and validating AI-driven personal finance. This development represents the consumer-facing frontier of the AI financial revolution — moving from institutional algorithmic trading to retail AI-driven autonomous investing. For UAE-based clients, where Robinhood is not directly accessible, the implications are structural: global brokerages and robo-advisors will face competitive pressure to incorporate similar capabilities, reshaping the wealth management and retail investing landscape. (Source: CNBC; Mizuho)
- FedEx Freight spin-off — supply chain normalisation signal:** FedEx completed the spin-off of FedEx Freight, with the newly independent company scheduled to start trading on the NYSE on June 1 under the ticker "FDXF." FedEx Freight will also replace American Airlines Group in the Dow Jones Transportation Average. This corporate restructuring — separating the freight trucking business from the broader FedEx logistics empire — reflects the company's view that freight markets have normalised sufficiently post-COVID and post-Iran war disruption to stand independently. The inclusion of FDXF in the Dow Transport index will raise its weighting in freight economics-sensitive indices — a useful early indicator of supply chain normalisation if the ceasefire holds and Hormuz reopens. (Source: CNBC)
- Turkey's inflation inflection — a genuine window in 2026 H2?:** The combination of the CBRT's upwardly revised but more realistic inflation report (midpoint 27%), the ceasefire-driven oil price fall (–19% Brent in May), and lira stabilisation creates the most constructive backdrop for Turkey's disinflation path since the Iran war began. If Brent stays near \$85–95/bbl through June and July, Turkey's import bill will fall materially, transport CPI will decelerate, and the CBRT's path to resuming rate cuts becomes more credible. ING Turkey forecasts year-end 2026 inflation at approximately 22% if the ceasefire holds. The risk is that the ceasefire collapses and oil spikes back above \$110/bbl, reversing these gains immediately. Turkish equities and bonds represent one of the highest-beta plays on the ceasefire outcome. (Source: P.A. Turkey; ING Think; Trading Economics)
- UAE real estate and financial services — sustained structural momentum:** Despite the Hormuz disruption, Dubai's real estate market has continued performing strongly. Luxury property demand from European, CIS, and Asian HNW investors has not materially abated. Abu Dhabi's ADX is benefiting from elevated energy revenues (even at \$92/bbl Brent, still well above the UAE's \$65–75/bbl fiscal breakeven). The UAE's non-oil growth sectors — financial services, logistics, technology, and tourism — have demonstrated resilience. With the ceasefire MOU gaining traction, UAE-based investors are now in an unusual position: exposed to a potential peace dividend (lower local costs, Hormuz reopening) while also positioned to benefit from the global AI and equity rally. (Source: CNBC; Al Jazeera)

- **Bitcoin's macro correlation — watching the June 11 CPI print:** Bitcoin's May range of \$73K–\$83K reflected a crypto market caught between two forces: improving institutional ETF demand (BlackRock IBIT: \$269.3M single-day inflow on May 4; total U.S. spot BTC ETF inflows of \$532.19M on May 4) and the inflation shock narrative suppressing risk appetite. BTC's 40% decline from its October 2025 ATH of \$126,173 has brought it to MVRV-Z fair value territory (0.77 per Medium/Coinmonks analysis). The next catalyst: the June 11 CPI print. A downside surprise (below 4.0% headline given the oil price decline) would immediately reprice rate cut probabilities and likely trigger a sharp BTC breakout above \$83K resistance toward \$90K–\$100K. A hot reading above 4.2% would pressure BTC back toward \$70K support. Strategy (MSTR) holds 713,502 BTC at fair value — its Q1 earnings report (May 5) confirmed accumulation intent remains active. (Source: Yahoo Finance; BlackRock; CryptoSignalApp; Medium/Coinmonks)

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