NEWSLETTER – JULY 2026

Period covered: 01 – 31 July 2026

July 2026 — At a Glance

S&P 500 (JUL)	NASDAQ (JUL)	BRENT CRUDE	GOLD (SPOT)
–0.1%	**–3.2%**	**~$85/bbl**	**~$4,107**
Closed 7,490 — flat month	Closed 25,374 — AI sell-off	+20% in Jul; war re-escalated	Near 8-month low; hike fears
US CPI (JUN)	**US GDP Q2**	**FED FUNDS RATE**	**BITCOIN (BTC)**
3.5% YoY	**+1.5%**	**3.50–3.75%**	**~$62,900**
Below 3.8% forecast; –0.4% MoM	Below 2.1% est; deflator +6.3%	Hold; 3 dissenters voted hike	Range $59K–$66K; volatile

Sources: Trading Economics, CNBC, BLS, BEA, Federal Reserve, Bank of England, Yahoo Finance, CoinDesk — all as of 31 July 2026.

1) Macro Summary

Global context: July 2026 was a month of competing forces and sharp reversals. Markets opened the month on solid footing — the Dow hit a record 52,900 on July 3, lifted by strong June employment data and expectations of a soft-landing — but quickly ran into fresh turbulence as the Iran war re-escalated. President Trump reinstated the U.S. naval blockade of Iranian ships through the Strait of Hormuz and demanded a 20% fee on all other cargo transiting the waterway, effectively unravelling the June ceasefire arrangement. Brent crude surged more than 20% in July — from approximately $73/bbl at month-start to ~$97/bbl intra-month before settling near $85/bbl at month-end — its strongest monthly gain since March 2026. The re-escalation reignited inflation fears, pushed Treasury yields to multi-year highs (30-year touched 5.25%, its highest since 2007), and kept the Federal Reserve on hold for a fifth consecutive meeting on July 29, albeit in the most contentious FOMC vote since September 2016, with three regional presidents dissenting in favour of a rate hike.

Against this volatile backdrop, Big Tech earnings delivered genuinely impressive results. Microsoft's Azure cloud revenue rose 43%, Amazon Web Services grew 37% (fastest since 2021), and Alphabet's Google Cloud jumped 82%. Microsoft jumped 16% in a single session (July 30), dragging the Nasdaq sharply higher to end a six-day losing streak. Amazon gained 10–15% on its results. Yet the month still closed with the Nasdaq down 3.2% — its sixth consecutive month of underperformance relative to the Dow — as AI capex concerns (Meta down 9.6% on its July 29 earnings; Apple down 7% on chip shortages) overwhelmed the positive cloud data. The S&P 500 finished essentially flat (–0.1%), while the Dow gained 0.3%, its fourth consecutive monthly advance.

Regional focus (UAE, UK, Turkey, U.S.): The Hormuz re-escalation placed the UAE once again at the epicentre of the crisis — oil revenues surged with rising Brent prices, but food and logistics disruptions resurged as tanker traffic dropped. The Bank of England held at 3.75% for a fifth meeting (July 30), but the vote shifted to 6-3 with three members (Pill, Greene, Mann) now voting to hike to 4.0% — the most hawkish BoE configuration in years. UK CPI eased to 2.6% in June, but the renewed oil spike put the BoE's cautious pause under strain. Turkey's CBRT held for a fourth consecutive meeting on July 23 as renewed oil price pressures — with Brent approaching $100/bbl — made it impossible to resume rate cuts. The U.S. Q2 GDP advance estimate came in at +1.5% annualised — below the 2.1% consensus — while the GDP deflator surged +6.3% annualised, the broadest inflation reading in the U.S. statistical system and the highest since 2022.

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

Indicator	Value / Latest	Notes
U.S. CPI (June 2026)	3.5% (YoY); –0.4% (MoM)	Released July 14, 2026 (BLS). The first CPI decline in five months and the largest monthly fall since April 2020. Annual rate fell from 4.2% in May to 3.5% — below the 3.8% consensus. The energy index fell 5.7% MoM (vs. +3.9% in May) as the June ceasefire drove oil prices lower. Gasoline fell 9.7% MoM. Core CPI was flat (0.0% MoM) and 2.6% YoY — both well below the 0.2% / 2.9% consensus. Shelter slowed to 0.1% MoM (vs. 0.3% in May). Food +0.0% MoM. The soft print immediately reduced rate-hike probability from ~66% to ~36% for September, and was described by Fed Chair Warsh as a positive but not conclusive signal. (Source: BLS; CNBC; Finance Calendar; US Inflation Calculator)
U.S. PCE Inflation (June 2026)	Headline 3.7% (YoY); Core 3.3% (YoY)	Released July 30, 2026 (BEA), alongside Q2 GDP. Headline PCE eased from 4.1% in May to 3.7% — broadly in line with the 3.7% consensus. Core PCE was 3.3% YoY, also meeting forecasts. Monthly: headline PCE –0.1% MoM; core +0.2% MoM. Both readings remain well above the Fed's 2% target. On a quarterly basis for Q2, headline PCE ran at +5.1% annualised — the fastest quarterly pace since 2022 — reflecting the full quarter's energy shock even as June's month-on-month reading eased. (Source: BEA; InsiderFinance; NordFX)
U.S. Q2 GDP (Advance Estimate)	+1.5% annualised (vs. 2.1% est.)	Released July 30, 2026 (BEA). The advance estimate for Q2 GDP came in at +1.5% annualised — below the FactSet/Reuters/LSEG consensus of ~2.1%. The miss was concentrated in trade (imports rose +11.5%, a major subtraction) and government spending (–4.1% in non-defence federal outlays). The underlying private economy was stronger: real final sales to private domestic purchasers rose 3.9% annualised and 2.6% YoY; consumer spending advanced 3.2%; equipment investment surged. The critical detail: the GDP price deflator ran at +6.3% annualised — economy-wide price acceleration at its broadest — the highest since 2022 and a stark counterpoint to the soft June CPI print. EY raised its 2026 full-year real GDP forecast to 2.1%. (Source: BEA; AdvisorPerspectives; EY; Wichita Liberty / Verified Investing)
U.S. Labour Market	Employment Cost Index +0.9% (Q2); Jobless claims 197K	The Employment Cost Index rose 0.9% in Q2 (April–June) — slightly above the 0.8% consensus — and +3.4% annually. Real wages remain below CPI (+3.5% YoY), meaning workers continue to lose purchasing power in real terms. Weekly jobless claims for the week of July 25 came in at 197K — below the 200K consensus and at a 57-year low for layoffs — indicating a labour market that remains unusually tight at the firing level even as hiring slows. The June non-farm payrolls were revised down in the July 31 BLS release as part of prior-period revisions, erasing 258K combined positions from May and June. (Source: BLS; CNBC; Chase)
U.S. Oil & Iran Re-escalation	Brent +20% in July; touched $97; settled ~$85/bbl	Trump reinstated the Hormuz blockade in early July and demanded a 20% transit fee on all non-U.S. cargo passing through Iranian waters — effectively re-imposing the energy shock. Brent crude surged from ~$73 to a mid-month peak of ~$97/bbl (briefly above $100 on July 23, per FocusEconomics) before retreating to ~$85 after tentative U.S.-Iran talks re-emerged via Pakistan. Houthi strikes on Saudi tankers opened a new front in late July. National average U.S. gasoline: $3.98/gallon (rose from June's relief levels); California $5.20/gallon. Rapidan Energy raised its Q4 Brent forecast toward $100. (Source: Kiplinger; NordFX; CoinDesk; FocusEconomics)
UK CPI (June 2026) & BoE Outlook	2.6% (YoY) — easing but energy spike risk	UK CPI eased to 2.6% in June — the lowest since the Iran war began — reflecting the mid-June oil price trough. However, the BoE's July 30 MPR central projection showed CPI peaking at ~3.2% in Q4 2026, above June's level, as the renewed July oil spike flows through pump prices. Three MPC members voted to hike to 4.0% — an expanding hawkish minority. BoE QT programme reduced its portfolio to £492bn on July 22, continuing the path from a peak of £895bn. (Source: House of Commons Library; BoE; Cambridge Currencies)

Indicator	Value / Latest	Notes
Turkey CPI (June 2026)	~29%–30% (YoY); declining trend	Turkey's June 2026 CPI (released early July) showed annual inflation continuing its gradual decline toward the 29%–30% range, supported by the mid-June energy price fall. However, the CBRT's July 23 meeting statement warned that "leading indicators pointed to a rebound in July that maintains inflationary risks," consistent with Brent's surge back toward $100/bbl intra-month. Bank of America revised its view, expecting the CBRT's overnight TLREF to remain around 40% until Brent falls sustainably below $90/bbl. Rate cuts were pushed to October–December at the earliest by JPMorgan. (Source: FocusEconomics; Türkiye Today; Trading Economics; P.A. Turkey)
UAE / GCC Context	Hormuz re-closed; oil revenues surge; food disruption returns	The Hormuz re-escalation — and Trump's 20% transit fee demand — reversed the gradual reopening that had characterised June. UAE and Saudi Arabia's oil export recovery progress (Saudi exports had reached 90% of pre-war levels in late June) was set back by fresh disruptions. GCC food import logistics deteriorated again as tanker traffic dropped. However, with Brent touching $97–100/bbl intra-month, Abu Dhabi's fiscal revenues and sovereign fund returns were further boosted. ADX and DFM equity markets broadly tracked global volatility, with energy names outperforming. CBUAE maintained its Fed-aligned hold. (Source: FocusEconomics; CNBC; Barchart)

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

Equities

- **S&P 500 — –0.1% in July (closed 7,490):** Essentially flat for the month. The index opened strongly — the Dow hit a record 52,900 on July 3 — before the Iran re-escalation and rate-hike fears triggered a multi-week sell-off. The month was salvaged by Big Tech earnings on July 29–31. On July 30, Microsoft's 16% single-session surge (after reporting Azure +43% growth and total revenue of $90bn) drove the S&P up 1.7% to 7,437.64. Amazon's AWS results (+37%) added another 0.7% on July 31, closing the index at 7,489.72. Year-to-date: S&P 500 approximately +9.0%. (Source: Trading Economics; CNBC; Yahoo Finance)
- **Nasdaq — –3.2% in July (closed 25,374):** The Nasdaq's underperformance reflected a brutal AI capex debate. Meta fell 9.64% on July 29 after its EPS missed estimates by 14% and it raised capex guidance further (prompting the "Meta shares sink 11% as CFO says they will continue to add compute in 2028 and beyond" headline). Apple dropped 7% on chip shortages. Alphabet fell 15% after its July 22–24 earnings triggered a "capex penalty" despite Google Cloud +82%. Microsoft's 16% surge ended a six-day losing streak on July 30. The Nasdaq closed at 25,373.85, down 3.2% for the month. Year-to-date +9.2% from June's YTD level of +12.8%. (Source: Trading Economics; TradingKey; CNBC)
- **Dow Jones — +0.3% in July (closed 52,485):** Fourth consecutive monthly gain. The Dow's resilience relative to the Nasdaq reflects its defensive and industrial composition — energy stocks, financials, and industrials outperformed. Amazon led the Dow on July 31 (+15.63%), with Alphabet (+7.12%) and Nvidia (+3.46%) also contributing. Apple (–7.13%), Boeing (–1.90%), and UnitedHealth (–1.58%) were the laggards. The Dow closed at 52,485.03. (Source: Trading Economics; Yahoo Finance)

Fixed Income & Rates

- **U.S. Treasury yields — multi-year highs:** The 30-year Treasury bond yield touched 5.25% — its highest since 2007 — and the 10-year yield topped 4.7% (highest since January 2025). The bond market "is voting against Warsh," per ADMISI commentary, reflecting doubts about Warsh's commitment to curbing inflation without hiking. Long yields surged on the Iran re-escalation, the hot Q2 GDP deflator (+6.3%), and the three dissenting FOMC votes. 2-year yield: 4.21–4.24% range. The inversion of the yield curve has narrowed materially. (Source: CNBC; ADMISI; NordFX)
- **Fed rate-hike probability:** Following the soft June CPI (July 14), the September hike probability fell to ~36%. But the renewed oil spike, the hot Q2 GDP deflator, and the three FOMC dissenters pushed it back up to 61% by July 29 (CME FedWatch at 3pm). "A hike in September is finely balanced," noted one CNBC analyst. JPMorgan Wealth Management maintains the base case is no further escalation → Fed on hold through 2026. (Source: Chase; CNBC; CME FedWatch)
- **UK Gilts:** UK gilt yields rose in sympathy with U.S. Treasuries and on the BoE's expanded hawkish minority. 3 of 9 MPC members now vote to hike — the most hawkish configuration since the 2022–23 tightening cycle. UK 10-year gilt yields moved toward 4.5% by month-end. (Source: BoE; Cambridge Currencies)
- **Corporate credit:** High-yield spreads widened on the macro uncertainty combination: stagflation concerns, three Fed dissenters, and the oil re-escalation. Investment-grade more resilient given strong Q2 tech earnings improved near-term corporate fundamentals. (Source: CNBC)

- **Russell 2000 — underperformed large caps in July:** Closed at 2,931.34 on July 31, down approximately 0.5% on the final day. Small-caps lagged as rising interest-rate fears (from three Fed dissenters) and the oil re-escalation disproportionately hit domestically focused, rate-sensitive small companies. (Source: Yahoo Finance)
- **Key Big Tech earnings scorecard (July 2026):** Microsoft: Azure +43%, revenue $90bn (+18% YoY), stock +16% session. Amazon: AWS +37%, total revenue $200.6bn (first time above $200bn), capex raised to $220bn, stock +10–15%. Alphabet: Google Cloud +82% (but stock –15% over earnings week on capex penalty). Meta: revenue +28% YoY but EPS missed 14%, FCF up, capex raised — stock –9.64%. Apple: revenue $109.4bn (record June quarter) but chip shortages weigh on guidance, stock –7%. (Source: CNBC; Microsoft Source; TradingKey)

Commodities

- **Gold — ~$4,107 at month-end; near 8-month low:** Gold remained under pressure throughout July — caught between two opposing forces. The renewed oil spike (inflationary, positive for gold as a hedge) competed with rising rate-hike fears (negative for gold as a non-yielding asset). Gold ranged approximately $3,980–$4,170 during July. The July 14 CPI soft print drove an initial rally toward $4,170 before the oil re-escalation and bond yield surge pushed it back below $4,100. Month-end: Yahoo Finance data shows gold at $4,107.00 (–$53.60, –1.29% on July 31). JPMorgan describes gold in "technical no-man's land — above the 200-day MA at $4,340 and capped below the 50-day MA at $4,730." Central banks remain structural buyers: China extended its buying streak to 19 consecutive months. (Source: Yahoo Finance; JPMorgan; Trading Economics)
- **Silver:** Silver ~$58.49/oz range (NordFX data for late July). Gold/silver ratio widened further as silver's industrial demand component (suppressed by energy shock uncertainty) kept it underperforming gold. The structural case — Silver Institute's 6th consecutive annual deficit — remains intact. (Source: NordFX; Silver Institute)

Energy

- **Oil — +20% in July; Brent ~$85 at month-end:** The most volatile month for oil since March 2026. Trump's Hormuz re-blockade and 20% transit fee demand drove Brent from ~$73 at the start to a mid-month peak above $97 (touching $100/bbl on July 23 per FocusEconomics) before retreating to ~$85 on reported Pakistan-brokered U.S.–Iran talks. Houthi strikes on Saudi tankers opened a new conflict front in late July. NordFX mid-week (July 27) data: Brent at $96.78. National average U.S. gasoline rose to $3.98/gallon; California $5.20/gallon. (Source: NordFX; Kiplinger; FocusEconomics; Fortune)
- **LNG / natural gas:** QatarEnergy's force majeure on LNG remains in partial effect. European gas prices re-spiked on the oil market moves. The Hormuz closure's impact on LNG is the primary transmission mechanism for the energy shock into European and Asian inflation. (Source: Al Jazeera; IEA)
- **Outlook:** Rapidan Energy raised its Q4 2026 Brent forecast toward $100/bbl. Goldman Sachs maintained a Q3 average of $72/bbl scenario if Hormuz reopens (now looking optimistic). If the conflict continues at current intensity, the November OPEC+ meeting becomes critical. The peace-trade/war-trade binary continues to define near-term oil price action. (Source: NordFX; Goldman Sachs; IEA)

Currencies & Crypto

- **U.S. Dollar (DXY):** Dollar broadly mixed — strengthened on hawkish Fed signals and rate-hike fears, then weakened when peace-trade rallies emerged. EUR/USD traded 1.1325–1.1439 range through July (NordFX week-end data: 1.1368). The USD saw its weakest performance when ceasefire signals triggered risk-on moves; dollar strengthened during oil spikes. DXY ~100–101 range at month-end. (Source: NordFX)
- **Turkish Lira (TRY):** Lira under pressure from renewed oil shock and CBRT's fourth consecutive hold. Brent approaching $100/bbl is Turkey's most direct economic pain point as a major energy importer. Turkish courts' removal of the opposition leader (Özel) during July added political uncertainty. Bank of America expects TLREF to remain at ~40% until Brent falls below $90/bbl sustainably. USD/TRY continued gradual depreciation, though no new record lows. (Source: Trading Economics; Türkiye Today; P.A. Turkey)

- **Base metals:** Copper and aluminium broadly stable. The AI infrastructure supercycle — evidenced by Microsoft's $255–260bn capex forecast for FY2027 and Amazon's $220bn capex — provides structural demand support for copper (data centre construction) and aluminium (cooling systems). (Source: CNBC; TradingKey)

- **Bitcoin (BTC) — ~$62,900 at month-end; range $59K–$66K:** Bitcoin's July range of approximately $59,000–$66,000 reflected the whipsaw macro environment. The soft June CPI (July 14) triggered an immediate risk-on move, pushing BTC toward $65,000+. The oil re-escalation and rate-hike fears drove it back toward $59,000–$62,000. On July 27, BTC recovered to ~$65,000+ as a tentative U.S.–Iran ceasefire hold triggered risk-on (Brent –4.7% that day, markets up). Monthly close: Yahoo Finance shows BTC at $62,898.77 on July 31. Monthly range was approximately $59,000–$66,000. ETH ~$1,783–$1,950. (Source: Yahoo Finance; CoinDesk; NordFX)

4) Long-Term Trends Shaping the Investment Outlook

- **AI cloud revenue — confirmed as the defining growth story of 2026:** July's Big Tech earnings removed any remaining doubt that AI is generating real, measurable revenue in the cloud sector. Microsoft's Azure annual run rate crossed $100 billion for the first time; AWS grew 37% (fastest since 2021) with its AI and chip businesses each generating over $25bn in annualised revenue; Google Cloud grew 82%. The "capex vs. returns" debate that dominated Q1 and Q2 has been partially resolved: for the hyperscalers that can convert AI infrastructure investment into multi-tenant cloud revenue, the returns are now unambiguously positive. Satya Nadella's declaration that "Azure demand is greater than supply" and Microsoft's FY2027 capex guidance of $255–260bn is the boldest statement yet that AI capital intensity will continue to accelerate. For investors, this creates a durable investment theme in data-centre infrastructure, semiconductors (Nvidia, AMD, Micron), power generation (AI data centres consume enormous electricity), and cooling technology. (Source: CNBC; Microsoft Source; TradingKey)
- **The Iran war's second act — more complex than the first:** The June ceasefire was fragile and short-lived. Trump's July reimposition of the Hormuz blockade — now with an added 20% transit fee demand — has created a structurally more complex negotiating environment. Iran now faces the choice between accepting effective permanent economic blockade of its oil revenues or reaching a nuclear deal under duress. Houthi strikes on Saudi tankers in late July expand the war's geographic footprint in ways that are harder to contain than direct U.S.–Iran military exchanges. The economic consequences of a sustained multi-front Middle East energy conflict — involving simultaneous Hormuz disruption, Red Sea shipping disruption, and Saudi/UAE export route stress — are significantly more severe than the single-chokepoint model markets initially priced. Rapidan Energy's $100+ Brent Q4 forecast, if correct, would push U.S. CPI back above 4% in September–October, almost certainly triggering the Fed hike that three dissenters already want. (Source: NordFX; FocusEconomics; Kiplinger; CNBC)
- **The stagflation trap — Q2 GDP's 6.3% deflator is the key signal:** U.S. Q2 GDP grew at 1.5% annualised while the GDP deflator ran at 6.3% annualised. This is the textbook definition of stagflation: below-trend real growth alongside well-above-target inflation. The deflator is the broadest inflation measure in the U.S. statistical system — it covers the entire economy, not just consumer expenditures — making it the most reliable signal of embedded price pressures. Three FOMC dissenters see this configuration as requiring a rate hike. Warsh's counter-argument — that the oil shock is "cost-push" (supply-driven) and rate hikes cannot lower gasoline prices — is intellectually sound but politically untenable if headline CPI returns to 4%+. The September FOMC meeting, which will have access to July and August CPI prints before deciding, has become the most consequential central bank event of the year. (Source: BEA; EY; Verified Investing; CNBC; Chase)
- **Bond market revolt — "the bond market is voting against Warsh":** The 30-year Treasury yield at 5.25% (highest since 2007) and the 10-year at 4.7% represent a significant challenge to Warsh's credibility. Bond markets are pricing the possibility that the Fed will be forced to hike — and that by holding, Warsh is either being strategically patient (waiting for data before acting) or politically captured (avoiding hikes to satisfy Trump's preference for lower rates). The divergence between the three hawkish FOMC dissenters and Warsh's patient stance is creating an unusual central bank communication vacuum. Warsh's planned Jackson Hole appearance (Aug 27–29) will be the first opportunity to address this directly in a public forum — making it one of the most-watched Fed speeches in years. (Source: CNBC; ADMISI; Fox Business; Chase)

- **Turkey's energy trap — fourth hold in a row:** The CBRT's fourth consecutive hold at 37% underscores how completely Turkey's monetary policy has been captured by the Iran war's energy dynamics. With Brent approaching $100/bbl in late July, Turkey's annual energy import bill increases by approximately $8–10bn for every $10/bbl of sustained higher oil prices — a potentially devastating pressure on the current account and lira. The bank's statement that "leading indicators pointed to a rebound in July [inflation]" and its refusal to provide any guidance on when cuts might resume signals that the CBRT sees no room to ease until the energy situation clarifies. JPMorgan's revised timeline (October–December for first rate cuts) assumes no further Iran war escalation. If the "second act" of the Iran war proves sustained, Turkey may face a genuinely difficult choice between hiking rates to defend the lira or accepting higher inflation through depreciation. (Source: FocusEconomics; Türkiye Today; Trading Economics; JPMorgan)
- **The Apple supply chain — AI PC memory crunch as a new inflation vector:** Apple's July earnings revealed a significant chip and memory shortage impacting iPhone and Mac production. CEO Tim Cook confirmed prices will rise for Macs and iPads due to the memory crunch; iPhone price increases are under consideration. This supply-chain tightening — driven by AI data centres absorbing global chip and memory supply — represents a new inflationary vector: AI infrastructure investment is crowding out consumer electronics supply, raising prices for devices globally. This is distinct from, and additive to, the Iran war energy inflation. It will appear in CPI as higher prices for consumer electronics and vehicles (which depend on semiconductors). For investors: memory chipmakers (Micron, Samsung, SK Hynix) are structural beneficiaries of this supply squeeze; consumer electronics manufacturers face margin compression. (Source: TradingKey; CNBC)

Refer to JPMorgan Asset Management "Guide to the Markets" Q3 2026, BlackRock Investment Institute Mid-Year Outlook 2026, Goldman Sachs Global Economics Weekly (July 2026), EY GDP and PCE analysis (July 30, 2026), Vanguard Economic Outlook, Fidelity Investments, Charles Schwab Market Perspective (July/August 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.)	Held at 3.50%–3.75%. 9-3 vote. Three dissenters voted to hike to 3.75%–4.00%. Most divided FOMC since Sept 2016.	29 Jul 2026	The Fed's fifth consecutive hold — but the vote was 9-3, with Beth Hammack (Cleveland), Neel Kashkari (Minneapolis), and Lorie Logan (Dallas) all voting for a 25bp hike. Warsh confirmed the hold was appropriate given June CPI's soft reading (–0.4% MoM, 3.5% YoY), but acknowledged the three dissenters represent "a good family fight" and that inflation remains "a choice." June PCE (released same day: headline 3.7%, core 3.3%) and Q2 GDP deflator (+6.3%) maintained pressure. CME FedWatch showed 61% probability of a September hike at the 3pm snapshot on July 29, before falling after the Thursday relief rally. Warsh will speak at Jackson Hole (Aug 27–29) — his first major speech since taking the chairmanship. Next FOMC: September 15–16. (Source: CNBC; CNN; Fox Business; Kiplinger; Chase)
Bank of England (UK)	Held Bank Rate at 3.75%; 6-3 vote — three members voted to hike to 4.0%. New July MPR published.	30 Jul 2026	The BoE held for a fifth consecutive meeting, but the hawkish dissent expanded from 2 members (June: 7-2) to 3 members (July: 6-3). Huw Pill, Megan Greene, and Catherine Mann each voted for a 25bp increase to 4.0%. Governor Bailey cautioned: "Please do not leave this room thinking that the Bank of England is edging towards a hike, because frankly, there's nothing in what I said... along those lines." The July Monetary Policy Report (MPR) — a full quarterly report — showed CPI peaking at ~3.2% in Q4 2026. UK CPI eased to 2.6% in June, but the July oil re-escalation and rising diesel/gasoline prices create near-term upward pressure. The BoE continued QT: its asset purchase portfolio fell to £492bn on July 22. Bailey described the hold as appropriate given "domestic conditions are on balance more benign as regards the prospects for inflation." Next MPC: September 17, 2026. (Source: Bank of England; House of Commons Library; Reuters; Cambridge Currencies; Central Banking)

Bank	Decision / Signal	Date	Notes
CBUAE (UAE)	No independent policy action. AED-USD peg maintained.	–	CBUAE maintained alignment with the Fed's hold. The Hormuz re-escalation hit UAE supply chains again, but with Brent touching $97–100/bbl intra-month, Abu Dhabi's oil revenues surged. The UAE's dual position — simultaneously a major oil exporter benefiting from high prices, and a food and manufactured goods importer disrupted by Hormuz closure — created a complex economic picture. Net: fiscal position remains very strong at $85–97/bbl Brent. CBUAE FX reserves remained ample; no pressure on the peg. UAE-listed energy companies outperformed during the oil spike. CBUAE's next rate action remains entirely contingent on the Federal Reserve's September 15–16 decision. (Source: CBUAE; CNBC; FocusEconomics)
CBRT (Türkiye)	Held one-week repo at 37%. Fourth consecutive hold. Funding rate ~40% (TLREF). Bank signals July rebound in inflation trend.	23 Jul 2026	The CBRT maintained its policy rate at 37% for the fourth straight meeting, with the funding rate remaining elevated at ~40% (TLREF). The statement acknowledged that "the trend of underlying inflation eased slightly in June, although leading indicators point to a rebound in July" — consistent with Brent's surge toward $100/bbl on July 23 itself. The CBRT explicitly ruled out rate hikes (citing slowing domestic demand) while also providing no guidance on cuts. Bank of America expects the TLREF to remain near 40% until Brent falls sustainably below $90/bbl; JPMorgan revised its rate-cut timeline to October–December 2026. The bank's Third Inflation Report is scheduled for August 13, 2026 — a major event for Turkish markets and lira outlook. Bank of America noted a credible peace deal toward this report could enable the TLREF to move closer to 37% ahead of the September 10 meeting. Next CBRT meeting: September 10, 2026. (Source: CBRT; FocusEconomics; Türkiye Today; Trading Economics; P.A. Turkey)
ECB (Eurozone)	No scheduled meeting in July. Next decision: July 23 ECB (held at 2.25%). Following meeting: September TBC.	23 Jul 2026	The ECB held its deposit rate at 2.25% at its July 23 meeting — consistent with market expectations following the June hike. Lagarde cited the need to assess the durability of the energy price shock before considering further action. With eurozone Q2 GDP barely positive (France 0.2%, Spain 0.7%, Austria/Belgium flat, Ireland erratic), the ECB faces the same growth-inflation trade-off as the BoE and Fed. The energy re-escalation in July suggests the June hike may not be the last of this cycle. Eurozone headline inflation is expected to rise in July/August CPI prints. Relevant for UAE and Turkey-based clients with EUR exposures and for UK investors monitoring EUR/GBP. (Source: ADMISI; Traders Agency; ECB)

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

Date	Event	Why it matters
Aug 12, 2026	U.S. CPI (July 2026)	The single most important data point before the September 15–16 FOMC meeting. July CPI will capture the full impact of the Iran re-escalation: Brent averaged ~$87–97/bbl during July, versus ~$73–85 in June. If headline CPI rebounds sharply (toward 4%+), the September hike becomes near-certain. A softer print — requiring energy to have partially offset by base effects — would keep Warsh in hold territory. This release will directly determine whether the three current dissenters gain majority support for a September hike. (Source: BLS; Chase; CNBC)

Date	Event	Why it matters
Aug 13, 2026	CBRT Third Quarterly Inflation Report (Türkiye)	The CBRT's first major communication since the Iran war re-escalated. Bank of America expects this report to provide the analytical framework for when rate cuts can resume. If the report revises year-end inflation upward again (from the current 24–30% band), it signals a longer pause. If it signals that July inflation peaked and disinflation resumes, the path to September or October cuts opens. Critical for Turkish equities, bonds, and lira traders. (Source: Türkiye Today; P.A. Turkey; Bank of America)
Aug 14, 2026	U.S. PPI (July 2026)	Producer price data will reveal the full upstream energy impact of the Iran re-escalation. A hot print following July's Brent surge would compound CPI concerns and add another hawkish signal ahead of the September FOMC. The combination of July CPI (Aug 12) and PPI (Aug 14) will be the decisive "two prints" Warsh and the Committee have identified as prerequisites for any policy change. (Source: BLS; Fox Business)
Aug 27–29, 2026	Jackson Hole Economic Policy Symposium — Warsh keynote	Warsh's first major speech as Fed Chair, in his first Jackson Hole appearance as the central bank's leader. Markets will scrutinise every word for: (1) whether he signals the easing bias will be removed in September; (2) whether he openly acknowledges the case for rate hikes; (3) his framework for navigating the growth-inflation trade-off; (4) any update on the five task forces' work; (5) his response to the bond market's "vote against him." Historically, Jackson Hole speeches have reset market expectations dramatically. Warsh's tendency to speak plainly and avoid forward guidance makes this even harder to predict but potentially more impactful. (Source: Federal Reserve; Chase; CNBC; Fox Business)
Sep 10, 2026	CBRT MPC Meeting (Türkiye)	Following the August Inflation Report, this meeting is the next opportunity for CBRT to signal whether the easing cycle can resume. JPMorgan and Bank of America have pushed their base-case cut timing to October or December. If July/August Turkish CPI shows renewed acceleration (from the oil spike), a hold at September is near-certain. If energy prices have eased by early September (requiring a Hormuz breakthrough), a 100bp cut becomes possible. (Source: CBRT; Türkiye Today; FocusEconomics)
Sep 15–16, 2026	Federal Reserve FOMC Meeting — with updated dot plot & SEP	The most consequential FOMC meeting of the year. Will include updated Summary of Economic Projections (dot plot). The key question: will the median dot shift from "hold" to "hike"? The three current dissenters (Hammack, Kashkari, Logan) need only to convince two more members to create a majority for a hike. By September, the committee will have had: July CPI (Aug 12), July PPI (Aug 14), August CPI (Sep), August payrolls (Sep 4), and Q2 GDP final estimate. Warsh's Jackson Hole speech (Aug 27–29) will set the narrative heading into this meeting. (Source: Federal Reserve; Chase; CNBC; CME FedWatch)
Sep 17, 2026	Bank of England MPC Meeting	The BoE's decision following the July 6-3 hold. If the hawkish minority continues to grow — and oil prices remain elevated — September could see a 5-4 or 4-5 vote, potentially tipping toward a hike. Conversely, if Hormuz reopens and UK CPI continues declining, the BoE could signal cuts are coming by year-end. The outcome depends critically on August UK CPI and the state of the Iran conflict. (Source: BoE; Cambridge Currencies; Reuters)
Ongoing	Iran War — ceasefire/escalation binary	The peace-versus-war binary remains the single most consequential variable for all asset classes. Brent at $85 is already elevated; if Houthi strikes on Saudi tankers escalate or Iran retaliates for the Hormuz blockade reimposition, $100–110/bbl becomes the near-term target (Rapidan Energy Q4 forecast). Conversely, a credible Pakistan-brokered deal (which tentative signals suggest is possible) could drop Brent toward $65–70/bbl instantly, cutting U.S. CPI by 1–1.5%, allowing the Fed to hold or cut, enabling CBRT and BoE to ease, and re-fuelling the equity rally. Monitor: Hormuz tanker data, IEA SPR release signals, Pakistan diplomatic channel, Trump social media statements. (Source: NordFX; FocusEconomics; Kiplinger; CoinDesk)

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

- **Microsoft crosses $100bn in Azure annual revenue — a historic milestone:** Satya Nadella's announcement that "Azure revenue surpassed $100 billion for the first time" and "Microsoft 365 Copilot reached over 30 million paid seats" represents perhaps the most significant validation of AI monetisation to date. The statement "Azure demand is greater than supply" — and Microsoft's FY2027 capex guidance of $255–260bn — signals that the AI infrastructure investment cycle is not decelerating but accelerating. For investors, this is both a confirmation of the AI productivity thesis and a warning about the oligopolistic nature of cloud AI: the three hyperscalers (Microsoft, Amazon, Google) are pulling away from all competitors at a pace that raises structural market concentration concerns over a 5–10-year investment horizon. (Source: Microsoft Source; CNBC; TradingKey)
- **The "capex penalty" vs. "revenue premium" divide in AI stocks:** July's earnings season exposed the sharpest within-sector divergence in tech investing seen since the dot-com era. Companies that showed AI revenue (Microsoft +16% session, Amazon +10–15%, Google Cloud +82%) were massively rewarded. Companies that showed AI spending without proportionate revenue conversion (Meta –9.64%, Alphabet –15% over earnings week) were severely punished. The market is now operating with a clear framework: AI capex that generates confirmed, contracted, multi-tenant cloud revenue is value-creating; AI capex that is speculative infrastructure ahead of uncertain demand is value-destroying. This distinction will define the winning and losing AI investment sub-categories for the next 2–3 years. (Source: TradingKey; CNBC; NordFX)
- **SpaceX in the Nasdaq-100 — early impact:** SpaceX officially joined the Nasdaq-100 on July 7 and began trading under the indirect index ETF exposure. Related space-economy ETFs gained assets. The NASA ETF (tracking space-sector companies) saw continued inflows as SpaceX's inclusion raised the sector's profile with retail investors. SpaceX shares showed strength following the index addition. The milestone also reinforced the trend of pre-IPO mega-companies entering passive index funds before traditional public listings — a model that may accelerate as index fund AUM grows. (Source: TheStreet; BanklessTimes)
- **China's CXMT IPO on the Shanghai Stock Exchange — a chipmaking milestone:** Chinese chipmaker CXMT (ChangXin Memory Technologies) completed a "blockbuster IPO" on the Shanghai Stock Exchange on July 27, briefly lifting global semiconductor stocks before the broader chip sector sold off on AI capex concerns. CXMT's IPO represents China's most significant move yet in closing the gap with Western memory chip leaders (Samsung, Micron, SK Hynix). Given the Apple chip shortage and the global memory crunch cited in Big Tech earnings, CXMT's arrival adds meaningful supply-side relief to a constrained market — but also raises U.S. concerns about Chinese semiconductor advancement in the context of existing export controls. (Source: CNBC)
- **DTCC's move to tokenise securities on blockchain — Wall Street's blockchain moment:** The Depository Trust and Clearing Corporation (DTCC) moved tokenised securities into live trading during July 2026, marking what observers called "a milestone for Wall Street's blockchain push." This development — the DTCC processes approximately $2 quadrillion in securities transactions annually — signals that distributed ledger technology is moving from experiment to infrastructure at the core of the global financial system. For investors: this validates blockchain's role in financial market infrastructure (distinct from cryptocurrency speculation) and may reduce settlement costs, improve liquidity, and enable 24/7 trading of traditionally market-hours-only securities. (Source: CoinDesk)
- **World Cup — economic effects materialise in July data:** The FIFA World Cup (ongoing in summer 2026) contributed to the employment anomaly in July: leisure and hospitality shed 61,000 jobs in the June payrolls report despite elevated tourist-driven activity, reflecting the World Cup tourism boost being concentrated in specific host-city geographies rather than the broader U.S. economy. The World Cup's inflationary contribution — higher airfare (+20.7% YoY in May CPI), hotel prices, and food-away-from-home — appeared in Q2 GDP's consumer spending data (3.2% growth). For UAE-based clients hosting World Cup spectators and events, the direct revenue impact on hospitality, retail, and transport continued to be a material positive in July. (Source: EY; BLS; CNBC)

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