Mosaic Capital
RESEARCH

WEEKLY MARKET BRIEFING // GLOBAL // MONDAY 2026-06-08

Records, then the first crack.

Many pieces. One picture of the week.

The week opened at all-time highs on a near U.S.-Iran deal and strong Dell earnings, then turned: Broadcom's miss and renewed Iran escalation cracked the chip trade midweek, and a hot jobs report on Friday triggered the worst session since the October tariff scare. The nine-week winning streak ended.

DATE	Monday 8 June 2026
COVERS	Week of Mon 1 - Fri 5 June 2026
SCOPE	US · UK · Europe · Asia · Rates
DESK	Cross-Asset Strategy

Multiple Strategies. One Goal.

01 — SUMMARY

Records, then the turn.

The week began euphoric and ended ugly. Monday and Tuesday set fresh all-time highs on hopes of a U.S.-Iran deal and strong Dell earnings. Then Broadcom's miss, renewed Iran escalation and a hot jobs report broke the run.

Market snapshot – week-end (Friday 5 June)

INSTRUMENT	LEVEL	MOVE / CONTEXT
S&P 500	7,383.74	Fri close; -2.1% on week, first losing week in 10; record 7,610 hit Tuesday
Nasdaq Comp.	25,709.43	-4.18% Friday, worst day since April 2025; closed above 27K Monday
Dow Jones	50,866.78	-1.35% Friday; had set an all-time intraday high on Tuesday
FTSE 100	~8,830	Outperformer; roughly flat to -0.4% as energy weighting cushioned
Stoxx 600	-0.7% week	DAX -1.4%, CAC +0.4%, FTSE MIB -0.3%; ECB hike chatter building
Brent crude	~$93/bbl	Rising into Friday on Iran escalation; WTI settled ~$90
US 10y Treasury	~4.51%	+12bp Friday on the hot jobs print; 2y ~4.08%, 30y ~4.96%
UK 10y gilt	~4.88%	Elevated; Starmer political crisis adding a risk premium
Bitcoin	<$70,000	Broke below $70k Tuesday, first time since April, as sentiment turned
Fed funds rate	3.50-3.75%	On hold; odds of a 2026 HIKE rose to ~70% after Friday's jobs data

How the week unfolded

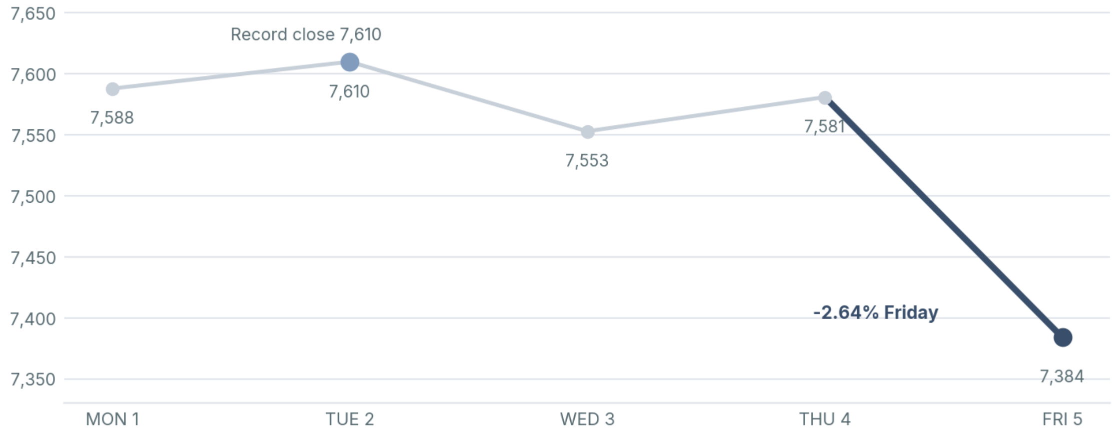
- Mon-Tue: records. The S&P 500 first closed above 7,600 and notched its ninth straight up week to start June; the Nasdaq cleared 27,000 for the first time. Dell's earnings, AI server optimism and a near 60-day U.S.-Iran ceasefire extension drove the melt-up, with FedEx, Morgan Stanley, IBM, Broadcom and CrowdStrike all hitting record or multi-decade highs.
- Wed: the first crack. Iran launched missiles at Kuwait and Bahrain and Trump signalled negotiations were taking 'too long', threatening more action. Oil rose, Treasuries rallied, and the indices snapped a nine-day winning streak (Dow -1.2%, S&P -0.7%, Nasdaq -0.9%). Broadcom's narrow revenue miss after the bell, with no raise to its AI outlook, set up the chip sector for trouble.
- Fri: the rout. A much hotter than expected May jobs report (+172k vs ~80k forecast, unemployment 4.3%) sent the 10y yield up ~12bp to ~4.51% and pushed odds of a 2026 Fed hike to ~70%. That lit a violent chip selloff: the Nasdaq fell 4.18%, its worst day since the April 2025 tariff turmoil, and the S&P's 2.64% drop was its biggest since October. The nine-week winning streak was over.

The market spent two months pricing perfection. This week it learned that an AI miss, an oil shock and a hot labour print can arrive in the same five days.

02 — EQUITIES

From record highs to a rout.

S&P 500 DAILY CLOSE — RECORD TUESDAY, COLLAPSE FRIDAY



Source: CNBC, TheStreet, Washington Post; index closes 1-5 June 2026.

What turned the week

- The set-up was stretched. The Nasdaq was up more than 8% since the end of April and the S&P's forward P/E sat around 21.2, well above its 5 and 10-year averages. With Q1 earnings season essentially done (97% reported, blended growth ~28.6%), there was no fresh fundamental catalyst left to justify new highs, only headlines to disappoint. JPMorgan's Jamie Dimon had warned at the Reagan forum on 29 May that risks looked underpriced in an 'exuberant' market.
- Broadcom lit the fuse. Wednesday-night results showed revenue of $22.19bn, a narrow miss versus the $22.27bn estimate, with no raise to the AI chip outlook the market had priced in. The chip sector, on an 'absolute roll' for weeks, lost ground Thursday and then sold off violently on Friday. The VIX had been flagging the risk: a SOX reversal was telegraphed by rising volatility before the move.
- The exchanges shock. Separately, regulatory approval of perpetual bitcoin futures hammered the exchange operators on fears of a new competitive threat: Cboe plunged ~16% on the week, CME fell ~9% over two days, Nasdaq Inc. dropped 6%+ and ICE slid. Both CME and Cboe paced their largest weekly declines since 2020. A reminder that single-name, structural stories ran alongside the macro.

The AI question, reframed

- Valuation, not demand. With earnings now in the background, analysts spent the week warning that AI-linked names had simply become too expensive. The Broadcom reaction showed how little tolerance remained for anything short of a beat-and-raise. The debate that would dominate the following week, capex payback and margins, started here.
- Rates did the damage. Friday's jobs report pushed the 10y up ~12bp and revived hike fears, compressing the present value of long-duration tech. Strategists noted the irony: the report had few inflationary threats, yet the strength alone was enough to keep the Fed sidelined and unsettle equities.
- Seasonality and positioning. June is historically the worst month for stocks in a midterm election year, and investors had flagged the risk of short-term consolidation after a near-vertical April-May run. Friday delivered exactly that.

Key single-stock and group movers

WINNERS	WHY	LOSERS	WHY
Dell ~+7%	Strong earnings powered Monday's record close; AI server demand cited; hit all-time highs	Cboe Global Mkts -16%	Exchange stocks routed after regulators approved perpetual bitcoin futures, seen as an existential threat to incumbents
Morgan Stanley	All-time highs, back to the 1997 Dean Witter merger; broad financials strength early week	CME Group -9%	Same perpetual-futures shock; worst weekly drop since 2020
FedEx, IBM, HPE	Notched record or multi-decade highs Monday alongside the tech-led melt-up	Nasdaq Inc. -6%+	Exchange-operator selloff dragged the stock red on the week
CrowdStrike	Joined the Monday record list before the midweek risk-off	Broadcom ~-8%	Narrow revenue miss and no raise to the AI outlook lit the fuse for the chip rout
Energy names	BP, Shell and US majors bid as oil rose on Iran escalation	Chips broadly	Marvell, AMD, Micron, Nvidia all swept lower in Friday's violent de-risking

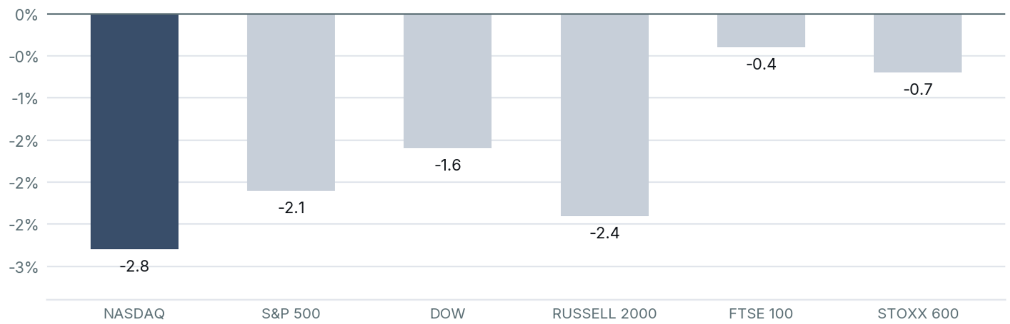
03 — REGIONAL ROUNDUP

Four regions, one turn.

United States

- A week of two halves. Monday and Tuesday delivered fresh records across all three major indices on AI optimism, Dell's earnings and U.S.-Iran deal hopes; 24 S&P names hit 52-week highs on Monday alone. By Friday the S&P had fallen 2.1% on the week, its first losing week in 10, with the Nasdaq off more than 2.8% and the Russell 2000 down 2.4% as small caps led the de-risking.
- The macro driver was Friday's jobs report: +172k payrolls against a ~80k consensus, unemployment 4.3%, average hourly earnings +3.4% y/y (the slowest since 2021). Strong enough to keep the Fed sidelined, soft on wages; CME FedWatch odds of a 2026 hike jumped to ~70%. Bitcoin broke below $70,000 on Tuesday for the first time since April as risk sentiment soured.

INDEX PERFORMANCE ON THE WEEK — US TECH LED THE TURN



Source: CNBC, Fortune, T. Rowe Price weekly update; approximate weekly moves to 5 June 2026.

United Kingdom

- The relative outperformer. The FTSE 100 held up far better than Wall Street, broadly flat to modestly lower on the week, as its heavy energy weighting (BP, Shell) benefited from rising oil while the index carries little of the AI-chip complex that drove the US selloff.
- Politics was the domestic story: Prime Minister Keir Starmer's position came under acute pressure, with more than 70 Labour lawmakers calling for him to resign or set a departure timetable after poor local election results. Starmer told cabinet he would not resign and would 'get on with governing'. The uncertainty added a risk premium to gilts, with the 10y elevated near 4.88%.

Europe

- Mixed and directionless. Germany's DAX closed the week lower (around -1.4%), France's CAC eked out a small gain, and Italy's FTSE MIB slipped slightly. Markets weighed the odds of a U.S.-Iran resolution against fresh tariff threats from Washington (10-12.5% on many countries).
- The hawkish surprise came from the ECB: board member Isabel Schnabel called for a June rate rise even if the conflict resolved quickly, and Villeroy said the ECB 'will do what is necessary' on inflation. The euro curve moved to reflect expectations of multiple hikes, an unusually hawkish pivot. Final Eurostat data confirmed the eurozone economy shrank 0.2% in Q1, a downward revision.

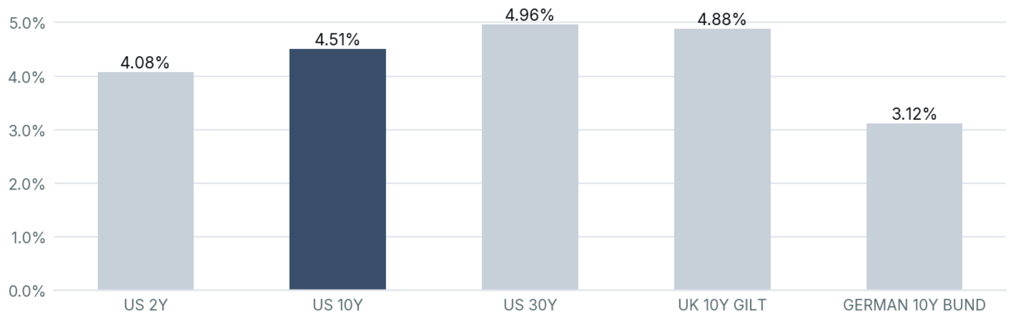
Asia

- Caught in the crossfire of the Wall Street turn and regional politics. Chinese and Hong Kong markets fell after Beijing penalised three brokerages for offering mainland investors unlicensed access to overseas stocks, denting sentiment. Broader Asia traded mixed early week before following US tech lower into the weekend.
- Oil sensitivity dominated: as a large net energy importer, the region is most exposed to the Strait of Hormuz risk premium, and the move higher in crude through the week weighed on the import-heavy North Asian economies. Gold edged up towards $4,510/oz as a hedge against the escalation.

04 — FIXED INCOME

Yields jump, cuts vanish.

BENCHMARK GOVERNMENT BOND YIELDS — WEEK-END, 5 JUNE



Source: Trading Economics, CNBC, Moody's commentary, 5 June 2026. US 10y highlighted: the week's mover, +12bp on Friday.

- Treasuries: a midweek rally, then a sharp reversal. Yields fell early in the week as oil eased and Iran-deal hopes built, supporting the equity melt-up. Wednesday saw a flight to safety as Iran escalated. Then Friday's jobs report flipped the picture: the 10y jumped ~12bp to ~4.51%, the 2y to ~4.08%, and the 30y towards ~4.96%, as a strong labour print extinguished rate-cut hopes.
- The Fed, repriced. Funds rate held at 3.50-3.75%. The standout shift was the move from pricing cuts to pricing a possible hike: CME FedWatch put the odds of a 2026 rate increase at ~70% after Friday. Morgan Stanley's Ellen Zentner framed it as the Fed watching and waiting, with the soft wage data at least quieting the loudest hike chatter.
- Gilts. The UK 10y sat elevated near 4.88%, carrying both the global inflation impulse and a domestic political risk premium as the Starmer crisis unfolded. The energy sensitivity that helped FTSE equities worked against gilts.
- Europe. Bunds around 3.12% but with a hawkish tilt: Schnabel's call for a June hike and a euro curve moving to price multiple increases marked a clear divergence from the ECB-on-hold consensus that had prevailed.
- The week's rates story in one line. Bond and stock markets spent four days betting on a soft landing and a near-term peace deal, then had both assumptions challenged in a single Friday session. The 30y back near 5% reflects war, deficits and sticky inflation priced together.

05 — THE WEEK AHEAD

What to watch next.

After a week that ended in a rout, the next five sessions are dense with catalysts that will decide whether Friday's repricing hardens or fades. CPI and Oracle on Wednesday are the marquee events; the ECB follows on Thursday.

The week ahead (w/c 8 June)

WHEN	WHAT	WHY IT MATTERS
Tue 9 June	Renewed Iran headlines in focus	Trump's threats of further attacks kept oil and the safe-haven bid live into the new week
Wed 10 June	US May CPI	The marquee print: expected to show energy pushing headline inflation to a multi-year high; the test of whether Friday's hike fears harden
Wed 10 June	Oracle Q4 earnings (after close)	The next read on AI demand and, crucially, margins, after Broadcom set a nervous tone
Thu 11 June	ECB rate decision	After Schnabel's hawkish call, markets lean towards a 25bp hike; guidance is the swing factor
Thu 11 June	US PPI + jobless claims	Pipeline inflation check following the hot jobs data

The week after (w/c 15 June)

WHEN	WHAT	WHY IT MATTERS
Tue 16-Wed 17	FOMC meeting + projections	First meeting under new Chair Kevin Warsh; a fresh dot plot lands into a market that has just priced out cuts
Wed 17 June	UK CPI (May)	Last major inflation input before the Bank of England
Thu 18 June	Bank of England decision	Held at 3.75% since December; with pricing flipping from cuts to possible hikes, the vote split matters
Fri 19 June	Juneteenth — US markets closed	Thin liquidity into a geopolitically charged weekend
Ongoing	World Cup begins 11 June (US)	Cited by several firms as a possible distortion in the strong May payroll figure

06 — THE BOTTOM LINE

One picture.

This was the week the perfect run met reality. Records on Monday and Tuesday gave way to an AI miss, an oil shock and a hot jobs print, ending a nine-week winning streak. None of the three shocks was individually fatal; arriving together, they reset the risk calculus for the month ahead.

Watch, in order: next week's US CPI and Oracle earnings for whether the inflation-and-AI fears harden; the ECB's response to Schnabel's hawkish call; and UK politics, which has become a live driver of gilts. The Warsh FOMC the following week is the bigger event.

SIGN-OFF

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SOURCES AND DISCLOSURES

Sources: CNBC, TheStreet, Washington Post, Fortune, Reuters, Trading Economics, T. Rowe Price, Euronews, IndexBox, NBC News, Wells Fargo Investment Institute, Morgan Stanley Wealth Management commentary as reported. Levels are approximate week-end or most recent published figures for the week ending Friday 5 June 2026 (UK time) and move quickly in current conditions. Calendar items reflect the schedule as understood at the time of writing and should be verified against the official calendar. This document is market commentary compiled from public reporting. It is not investment research within the meaning of applicable regulation, contains no recommendation, and is not investment advice.