Mosaic Capital
RESEARCH

WEEKLY MARKET BRIEFING // GLOBAL // MONDAY 2026-06-15

The streak breaks on a hot CPI.

Many pieces. One picture of the week.

The nine-week winning streak ended. A May CPI at a three-year high, Oracle's capex shock and renewed Iran strikes broke the melt-up; the chip selloff that began the week before deepened. The ECB hiked. All eyes now turn to the Warsh Fed and a wall of central-bank decisions in the week ahead.

DATE	Monday 15 June 2026
COVERS	Week of Mon 8 - Fri 12 June 2026
SCOPE	US · UK · Europe · Asia · Rates
DESK	Cross-Asset Strategy

Multiple Strategies. One Goal.

01 — SUMMARY

The streak breaks.

After nine straight weekly gains, the rally finally cracked. A May CPI at a three-year high, Oracle's capex blowout and fresh US strikes on Iran combined to extend the chip selloff and end the longest winning streak since 2023. The ECB hiked.

Market snapshot – week-end (Friday 12 June)

INSTRUMENT	LEVEL	MOVE / CONTEXT
S&P 500	~7,549	Down on the week; first losing week in ten, then a fragile stabilisation
Nasdaq Comp.	~25,950	Chip selloff deepened early week before a partial recovery
Dow Jones	~50,900	Choppy; dragged by the AI-infrastructure repricing
FTSE 100	~8,810	Relative outperformer; energy weighting cushioned the falls
Stoxx 600	mixed	ECB hiked 25bp Thursday; first increase since September 2023
Brent crude	~$96/bbl	Elevated on renewed Iran strikes; Hormuz risk premium intact
US 10y Treasury	~4.55%	Rose after hot CPI; 2y ~4.18%, 30y ~5.02%
UK 10y gilt	~4.93%	Elevated alongside the global inflation impulse
Bitcoin	~$72,000	Softer as risk appetite cooled with the AI complex
Fed funds rate	3.50-3.75%	On hold; hike odds for 2026 climbed toward ~50% post-CPI

How the week unfolded

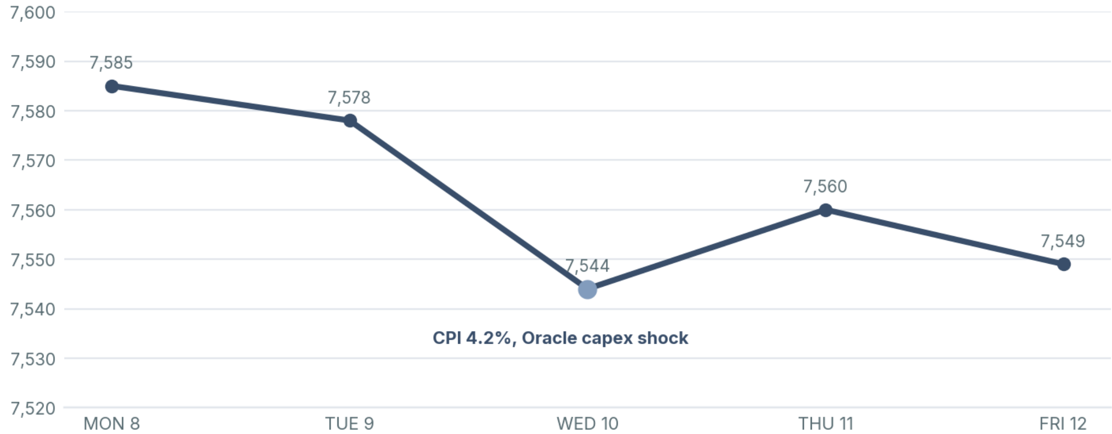
- Mon-Tue: the chip selloff lingered. Markets opened on the back foot, still digesting the prior Friday's hot jobs report and the violent semiconductor rout. A rotation out of high-multiple AI names continued, with no relief rally; sentiment was cautious ahead of a pivotal inflation print and Oracle's results.
- Wed: CPI and Oracle, a double blow. May CPI came in around 4.2% y/y, the highest in three years, confirming the energy-driven inflation impulse. After the close, Oracle posted record revenue of $19.2bn and a stunning $638bn RPO backlog, but full-year capex blew out to $55.7bn against $50bn guided; the stock fell ~7% after hours as investors balked at the cost of the AI build-out. Overnight US strikes on Iranian air defences added a geopolitical risk-off layer.
- Thu-Fri: the ECB hikes, a fragile floor. The ECB raised rates 25bp on Thursday, its first hike since September 2023, lifting the deposit rate to 2.25% on energy-driven inflation. Adobe's solid results offered a rare bright spot. Equities stabilised into Friday but still booked their first losing week in ten.

The AI trade is no longer about demand but about the cost of capacity. Oracle's backlog is enormous; so is its capex. The market has started to ask who pays, and when it pays back.

02 — EQUITIES

The AI bill arrives.

S&P 500 DAILY CLOSE — CPI AND ORACLE BREAK THE RALLY



Source: CNBC, TheStreet, Trading Economics; index closes 8-12 June 2026.

What broke the streak

- Oracle reframed the AI debate. The headline numbers were spectacular: record $19.2bn quarterly revenue, cloud infrastructure up 93%, and a remaining-performance-obligation backlog that leapt to $638bn, almost all from large AI contracts. But FY26 capex hit $55.7bn against $50bn guided, and the stock fell ~7% after hours. The market's question has shifted decisively from 'how big is AI demand' to 'what does the capacity cost, and when does it pay back'.
- CPI confirmed the inflation impulse. May headline CPI near 4.2% y/y, a three-year high, validated the energy-driven price pressure that the prior week's jobs report had hinted at. Treasury yields rose, the 10y back to ~4.55%, and rate-hike odds for 2026 climbed toward 50%, compressing the valuations of exactly the long-duration tech names that had led the melt-up.
- The selloff broadened. Super Micro fell ~12%, Broadcom and Marvell kept bleeding from the prior Friday, and an IDC warning that global smartphone volumes could drop 13% in 2026 hit the broader chip complex. Money rotated into defensives, utilities, staples and gold miners, a classic late-cycle signal.

Where the support held

- Adobe and software. Adobe's solid Thursday beat (~+6%) showed that profitable, cash-generative software can still work when the market is punishing capital-intensive AI infrastructure. The dispersion between 'asset-light' and 'capex-heavy' AI names widened.
- Energy and the conflict bid. BP and Shell gained as oil stayed elevated on renewed US-Iran strikes. The energy complex remained the natural hedge against the very inflation that was unsettling the rest of the market.
- Valuations still stretched. Even after the pullback, the S&P's forward multiple sat above 21x and analysts flagged that stretched positioning left little cushion into the week's central-bank gauntlet. The selloff looked like a repricing, not yet a capitulation.

Key single-stock and group movers

WINNERS	WHY	LOSERS	WHY
Adobe ~+6%	Beat on Q2 earnings (Thu) and steady AI-product traction lifted the stock against a weak tape	Super Micro ~-12%	AI-server names dumped as the capex-payback debate intensified
BP / Shell ~+2%	Integrated majors bid as oil stayed elevated on the renewed Iran strikes	Oracle ~-7%	Record revenue, but FY26 capex blew out to $55.7bn vs $50bn guided, spooking investors
Defensives	Utilities and staples outperformed as money rotated out of high-multiple tech	Chewy ~-8%	Soft guidance compounded the broad risk-off in consumer names
Gold miners	Bid as a hedge against the inflation-and-conflict backdrop	Smartphone chips ~-5%	IDC warned global smartphone volumes could fall 13% in 2026, a decade low
—		Broadcom / Marvell	Continued to bleed after the prior Friday's selloff; no relief rally materialised

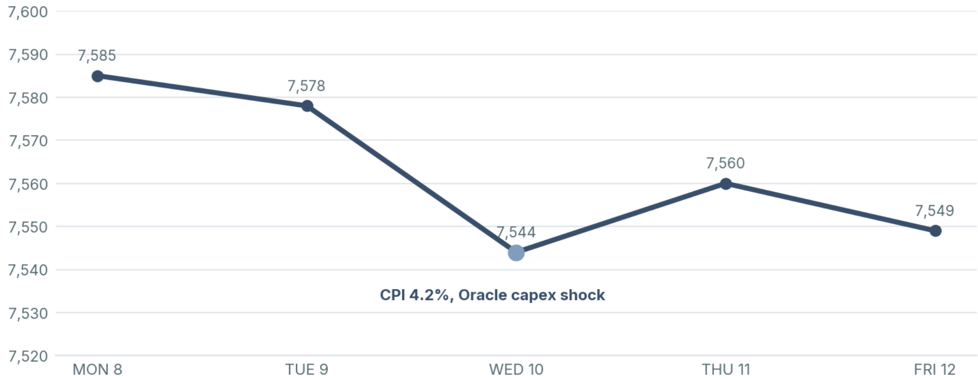
03 — REGIONAL ROUNDUP

A hot print, a hawkish ECB.

United States

- The week the rally cracked. The S&P booked its first losing week in ten as May CPI near 4.2% y/y, a three-year high, met Oracle's capex shock and renewed Iran strikes. The Nasdaq bore the brunt as the chip selloff that began the prior Friday deepened, before a fragile stabilisation into the weekend.
- The data hardened the rate narrative: with headline inflation at a three-year high and energy still elevated, market-implied odds of a 2026 Fed hike climbed toward 50%, setting up a tense FOMC the following week. The University of Michigan survey's inflation-expectations component was watched closely for second-round signals.

S&P 500 DAILY PATH — A CHOPPY, LOWER WEEK



Source: CNBC, TheStreet; index closes 8-12 June 2026.

United Kingdom

- The FTSE 100 was a relative outperformer, slipping less than Wall Street as its heavy energy weighting (BP, Shell) benefited from elevated oil while it carries little of the AI-chip complex driving the US selloff.
- Gilts stayed elevated, the 10y near 4.93%, tracking the global inflation impulse ahead of the Bank of England's own decision the following week. UK May CPI, due 17 June, loomed as the key domestic catalyst.

Europe

- The ECB delivered the week's main central-bank event, raising rates 25bp on Thursday, its first hike since September 2023, taking the deposit rate to 2.25%. The Bank cited the energy shock's upside inflation risks, confirming the hawkish turn that board members had signalled.
- Equity markets were mixed: the hike was largely expected, but the confirmation that Europe had joined the global pivot from cutting to hiking weighed on rate-sensitive sectors. Bund yields firmed toward 3.20%.

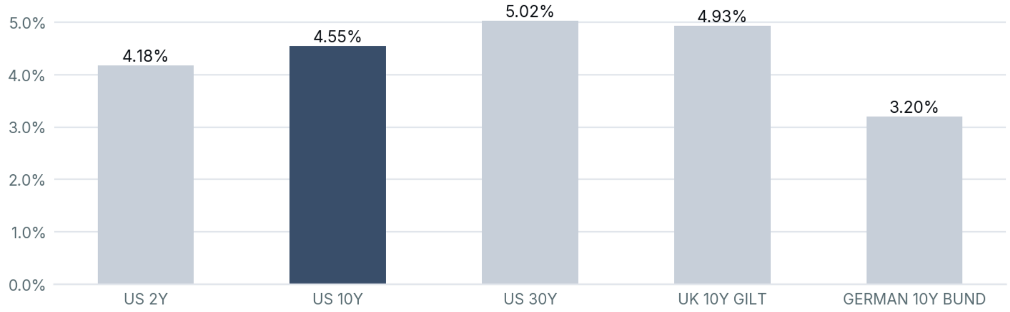
Asia

- SpaceX's blockbuster IPO on 12 June, the largest in Nasdaq history, dominated headlines and underscored insatiable appetite for AI-and-frontier-tech listings even as the established AI names sold off. The read-across to Asian tech sentiment was mixed.
- Regional markets tracked the global risk-off in chips, with memory and AI-hardware names giving back some of their spectacular May gains. The persistent Hormuz risk premium in oil weighed on the energy-importing North Asian economies.

04 — FIXED INCOME

Hot CPI lifts yields.

BENCHMARK GOVERNMENT BOND YIELDS — WEEK-END, 12 JUNE



Source: Trading Economics, CNBC, ECB, 12 June 2026. US 10y highlighted as the global benchmark.

- Treasuries: the inflation print did the work. The May CPI at a three-year high pushed yields higher across the curve, the 10y to ~4.55%, the 2y to ~4.18%, and the 30y back toward ~5.02%. With energy elevated and a hawkish Fed meeting looming, the market moved to price a real chance of a 2026 hike, roughly a coin-flip by week-end.
- The Fed, into a live meeting. Funds rate held at 3.50-3.75%, but the CPI print set up the 16-17 June FOMC, the first under new Chair Kevin Warsh, as genuinely consequential. The question was no longer whether the Fed would cut, but whether its dot plot would formally signal a hike.
- The ECB hiked. Thursday's 25bp increase to a 2.25% deposit rate, the first hike since 2023, confirmed Europe had joined the global tightening pivot. Bunds firmed toward 3.20%; the euro-area curve repriced higher.
- Gilts. The UK 10y held near 4.93%, carrying the global inflation impulse into its own data-heavy week ahead (UK CPI on 17 June, BoE on 18 June).
- The week's rates story in one line. Inflation, not growth, is now driving the curve; a three-year-high CPI and a hiking ECB left bonds pricing higher-for-longer just as the AI trade was learning the cost of its own ambition.

05 — THE WEEK AHEAD

Central-bank gauntlet.

A pivotal week: the first Warsh FOMC, the Bank of England, UK CPI and a clutch of other decisions land into a market freshly worried about inflation. A breaking weekend development, a reported US-Iran peace framework, could pull oil sharply lower and reframe the entire inflation debate just as the Fed meets.

The week ahead (w/c 15 June)

WHEN	WHAT	WHY IT MATTERS
Sun 14 (late)	Reported US-Iran peace framework	A breaking development as we publish: a credible deal would send oil sharply lower and could undercut the inflation fears that drove this week's selloff. The single biggest swing factor
Tue-Wed 16-17	FOMC meeting + projections	The marquee event. First meeting under Chair Warsh; with CPI at a three-year high, watch whether the dot plot formally flips to signal a 2026 hike
Wed 17 June	UK May CPI	The last major inflation input before the BoE; a soft print would give the MPC room to hold comfortably
Thu 18 June	Bank of England decision	Held at 3.75% since December; the vote split is the story, with at least one hawkish dissent likely given the energy-driven inflation
Fri 19 June	Juneteenth — US markets closed	Thin liquidity to end the week; positioning likely trimmed on Thursday

Our call: where the risks lie

- The peace deal is the swing factor. If the reported framework holds and Iran moves to reopen Hormuz, Brent could fall from the mid-$90s toward the high-$70s, pulling the inflation narrative down with it. That would be unambiguously risk-positive and could spark a sharp relief rally, especially in the beaten-up chip and growth names.
- But the Fed could spoil it. Even with oil falling, a hawkish Warsh dot plot that pencils in a 2026 hike would lift the front end and cap any equity rebound. The tension between a dovish oil shock and a hawkish Fed is the week's defining cross-current; expect volatility around Wednesday afternoon.
- UK: a hawkish hold. We expect the BoE to hold at 3.75% with a widening hawkish dissent. A softer UK CPI on Wednesday would help the doves, but the energy-driven profile argues for caution. Sterling and gilts hinge on the vote split.

The week after (w/c 22 June)

WHEN	WHAT	WHY IT MATTERS
Wed 24 June	Micron (MU) earnings	The next big AI-memory read after Micron's spectacular run; a test of whether HBM demand justifies the valuation
Thu 25 June	US May PCE; Q1 GDP final	The Fed's preferred inflation gauge; after a hot CPI, a hot PCE would harden hike expectations further
Tue-Wed	Carnival, FedEx earnings	Cyclical reads on the consumer and freight as the quarter closes

06 — THE BOTTOM LINE

One picture.

Nine weeks of gains gave way to the first losing week in ten, as a three-year-high CPI and Oracle's capex shock forced a reckoning with the cost of the AI build-out. The selloff is a repricing, not yet a capitulation. The week ahead will decide which it becomes.

Watch, in order: the reported US-Iran peace framework and what it does to oil; the Warsh FOMC dot plot for whether a 2026 hike becomes the base case; UK CPI and the BoE vote split; and Oracle's capex as the template for how the market will judge every AI-infrastructure name from here. A falling-oil, hawkish-Fed combination is the most likely path, an unusually two-sided setup.

SIGN-OFF

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SOURCES AND DISCLOSURES

Sources: CNBC, TheStreet, Trading Economics, CMC Markets, TradingKey, Yahoo Finance, ECB, US Bureau of Labor Statistics commentary as reported. Levels are approximate week-end or most recent published figures for the week ending Friday 12 June 2026 (UK time) and move quickly in current conditions. The week-ahead section reflects the calendar and our views as understood at the time of writing (Sunday 14 June 2026); calendar items should be verified against the official schedule. 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.