Mosaic Capital
RESEARCH

WEEKLY MARKET BRIEFING // GLOBAL // MONDAY 2026-06-22

Peace breaks out, the Fed turns hawk.

Many pieces. One picture of the week.

A US-Iran peace deal sent oil tumbling into the mid-$70s, easing the inflation fears that had gripped markets all year. But the first Warsh Fed turned hawkish, its dot plot flipping to signal a 2026 hike. Stocks whipsawed and still finished the week higher; the BoE held 7-2, and SpaceX's mega-IPO round-tripped.

DATE	Monday 22 June 2026
COVERS	Week of Mon 15 - Fri 19 June 2026
SCOPE	US · UK · Europe · Asia · Rates
DESK	Cross-Asset Strategy

Multiple Strategies. One Goal.

01 — SUMMARY

Peace, then a hawk.

Two huge forces collided. A US-Iran peace deal sent oil tumbling from ~$100 into the mid-$70s, lifting the inflation cloud that had hung over markets all year. Days later, the first Warsh Fed turned hawkish, its dot plot flipping to signal a 2026 hike. Stocks whipsawed and still rose.

Market snapshot – week-end (Thursday 18 June)

INSTRUMENT	LEVEL	MOVE / CONTEXT
S&P 500	7,500.58	+0.93% on the week despite the Fed-day drop; closed Thu (Juneteenth Fri)
Nasdaq Comp.	26,517.93	+2.43% on the week; tech and chips led the Thursday recovery
Dow Jones	51,564.70	Set a fresh record Tuesday before the Fed-day reversal
FTSE 100	~8,860	Firm as falling oil eased the inflation overhang
Stoxx 600	+ on week	Helped by the peace deal and lower energy prices
Brent crude	~$79/bbl	Tumbled from ~$100 on the US-Iran deal; mid-$70s intra-week
US 10y Treasury	~4.48%	2y +16bp on the hawkish dots to ~4.22%; curve flattened
UK 10y gilt	~4.80%	Eased as the peace deal pulled the energy premium lower
US dollar (DXY)	~100.7	Highest since May 2025 on the hawkish Fed; USD/JPY ~160.9
Fed funds rate	3.50-3.75%	Held 12-0; dot plot flipped, 2026 median up to 3.8% (a hike)

How the week unfolded

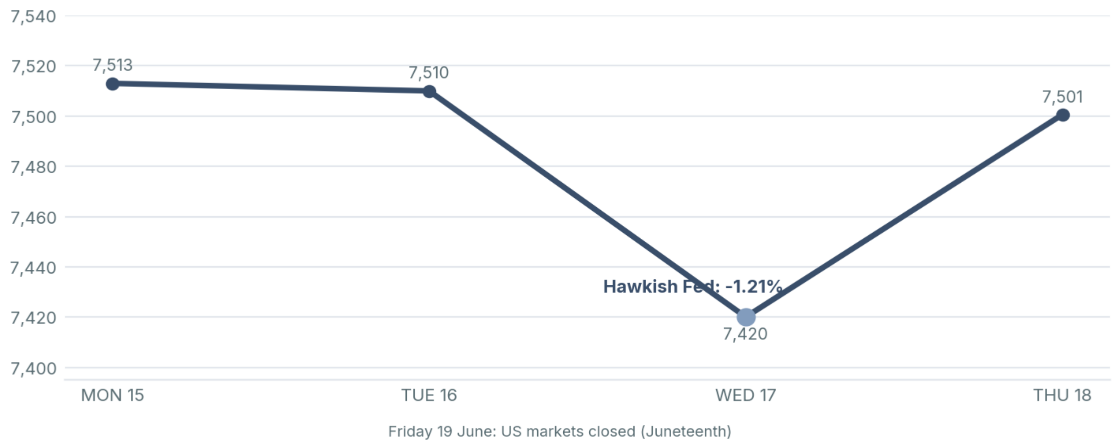
- Mon-Tue: the peace pop, then a record. A US-Iran interim deal to extend the ceasefire and reopen the Strait of Hormuz was announced, and oil plunged toward the mid-$70s for the first time since March. The relief rally lifted equities; the Dow set a fresh all-time high on Tuesday, its third record in the run, as the inflation fears that had driven the prior fortnight's selloff began to ease.
- Wed: the Warsh Fed surprises hawkish. The FOMC held 12-0 at 3.50-3.75%, but the dot plot flipped: the 2026 median rose to 3.8%, implying a hike, with nine of eighteen officials seeing at least one increase this year. The 2y yield jumped 16bp, the Dow gave back an intraday record to close down ~1%, and mega-cap tech led the S&P 1.21% lower. Warsh dropped forward guidance entirely in a terse 130-word statement.
- Thu-Fri: a tech-led rebound, then a holiday. Stocks roared back Thursday (S&P +1.08%, Nasdaq +1.91%), led by Intel (+10.6% on a reported Apple chip partnership) and a chip rebound. UK CPI held at 2.8% and the BoE held 7-2. Markets closed Friday for Juneteenth, leaving the S&P +0.93% and the Nasdaq +2.43% on the week.

The oil cloud lifted just as the Fed clouded over. Lower energy is a genuine tailwind for inflation; a Fed pencilling in hikes is a genuine headwind for valuations. The market spent the week trading the tension between the two.

02 — EQUITIES

Whipsawed, but higher.

S&P 500 DAILY CLOSE — A RECORD, A FED DROP, A REBOUND



Source: CNBC, TheStreet; index closes 15-18 June 2026. Friday 19 June was the Juneteenth holiday.

What drove the week

- The peace deal was the macro story. The US-Iran interim agreement to reopen Hormuz pulled Brent from ~$100 into the mid-$70s, the lowest since the conflict began in February. Lower oil eased the energy-driven inflation impulse that had broken the rally, and the immediate read was risk-positive: cruise lines, airlines and consumer names rallied on the fuel-cost relief.
- The Fed was the rates story. Warsh's first meeting delivered a hawkish surprise: a 12-0 hold, but a dot plot with the 2026 median at 3.8% (a hike) and 17 of 18 officials seeing upside inflation risks. The 2y jumped 16bp, the dollar hit its highest since May 2025, and mega-cap tech sold off Wednesday before recovering. Warsh's decision to drop forward guidance injected fresh uncertainty about the path.
- Intel and the Thursday rebound. Intel surged ~10.6% after President Trump said it would design and build chips in the US with Apple; the read-across lifted Nvidia (~+3%) and Micron (~+8.8% into its earnings). Falling oil plus a chip rebound powered a broad Thursday recovery that rescued the week.

Under the surface

- SpaceX round-tripped. After the largest IPO in Nasdaq history on 12 June, SpaceX gave back nearly all its post-debut surge, falling to around its IPO VWAP by Thursday, the average post-IPO buyer near break-even. A cautionary signal for the $3.6tn AI-and-frontier-tech listing pipeline that includes OpenAI and Anthropic.
- Accenture's warning. The consultancy tumbled ~13.4% on a $4.2bn acquisition spree, a reminder that even in a recovering tape the market is unforgiving of capital allocation it doesn't understand, the same instinct that punished Oracle's capex the week before.
- Near all-time highs again. Despite the Fed scare, the indices closed just shy of records, aided by a large quadruple-witching expiration. The resilience leaned heavily on the oil relief holding.

Key single-stock and group movers

WINNERS	WHY	LOSERS	WHY
Intel ~+10.6%	Surged Thursday after Trump said it would design and build chips in the US with Apple	Accenture ~-13.4%	Tumbled on a $4.2bn acquisition spree (runZero, Netrise, Dragos stake) that spooked investors
Micron ~+8.8%	Rallied into its 24 June earnings on relentless AI-memory demand	SpaceX ~-6% (Thu)	Post-IPO round-trip: nearly all the debut surge erased; average buyer near break-even
Cruise lines ~+2%	Carnival, Royal Caribbean, Norwegian rose as falling oil cut fuel costs	Mega-cap tech (Wed)	Microsoft, Meta, Alphabet, Amazon all fell on the hawkish Fed before Thursday's bounce
Nvidia ~+3% / energy importers	Nvidia recovered with the chip rebound; airlines, transports and consumer names bid on the oil drop	—	

03 — REGIONAL ROUNDUP

Oil down, rates up.

United States

- A volatile but winning week. The S&P rose 0.93% and the Nasdaq 2.43%, recovering from a sharp Fed-day drop. The Dow set a record Tuesday, fell ~1% Wednesday on the hawkish dot plot, then the market rebounded Thursday on falling oil and an Intel-led chip rally before closing for Juneteenth on Friday.
- The defining tension: the peace deal cut the inflation tail risk, but Warsh's Fed leaned hawkish, with nine of eighteen officials now penciling a 2026 hike. The dollar surged to its highest since May 2025 and the 2y yield jumped 16bp, even as equities ultimately looked through it to the energy relief.

BRENT CRUDE — THE PEACE DEAL PULLED OIL SHARPLY LOWER

Source: Bank of England, TheStreet, Financial Synergies; Brent levels, approximate.

United Kingdom

- UK CPI held at 2.8% in May (17 June), below the 3.0% markets expected, helped by falling food prices. The next day the BoE held Bank Rate at 3.75% in a 7-2 vote, with Megan Greene and Huw Pill dissenting for a hike to 4.0% on second-round-effect concerns, one more hawkish dissenter than April.
- The Bank revised its inflation path lower after the ceasefire, now seeing CPI a little under 3% in Q3 and a little over 3.25% in Q4. Governor Bailey framed tolerating temporarily above-target inflation as 'an appropriate way to approach the trade-off'. Gilts eased and sterling firmed; the market debate shifted to when the BoE resumes cutting, not whether it hikes.

Europe

- European equities were firm, helped by the oil drop and the receding conflict premium. After the prior week's ECB hike to a 2.25% deposit rate, attention turned to whether the energy relief would let the Bank pause; its next decision is 23 July.
- The peace deal was an unambiguous positive for the energy-importing euro area, easing both the inflation and the growth drag from high energy costs. Bund yields held around 3.15%.

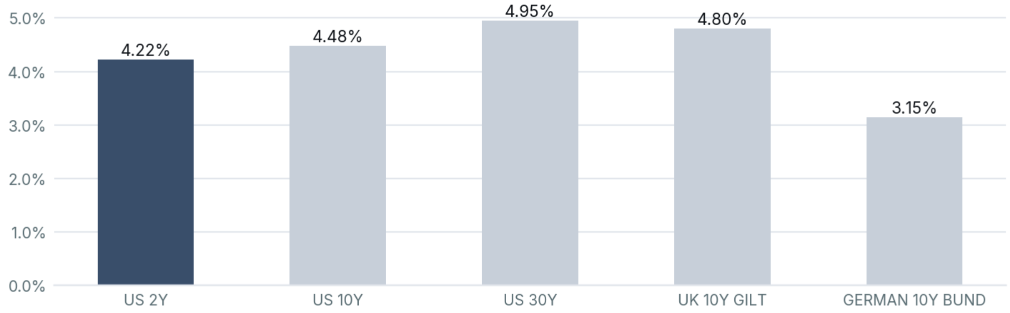
Asia

- Japan's Nikkei pushed toward and above 70,000, underpinned by bullish AI-and-semiconductor sentiment (Advantest, Tokyo Electron, Lasertec, Kioxia), though with rising overheating concerns and an elevated RSI. The hawkish Fed lifted the dollar to ~160.9 yen, its strongest since July 2024, a tailwind for Japanese exporters but a watch-point for the BoJ.
- Falling oil was a clear positive for the energy-importing Asian economies. The reopening of Hormuz, if it holds, removes a major overhang for the region's trade and inflation outlook.

04 — FIXED INCOME

The dots flip to a hike.

BENCHMARK GOVERNMENT BOND YIELDS — WEEK-END, 19 JUNE



Source: Trading Economics, Federal Reserve, Bank of England, 19 June 2026. US 2y highlighted: the week's mover on the hawkish dots.

- Treasuries: a hawkish-Fed flattening. The front end did the work: the 2y jumped ~16bp to ~4.22% as the dot plot turned, while the 10y held near 4.48%, flattening the curve. The market read the message clearly, a Fed now more worried about inflation than growth, even with oil falling. Fed-funds futures began pricing a possible hike as early as September.
- The Fed, in detail. A 12-0 hold, but the 2026 dot median rose to 3.8% from 3.4% in March, and 17 of 18 participants saw upside inflation risks. Warsh abstained from submitting a dot and dropped forward guidance, calling the dot plot a flawed communication tool. The 130-word statement and his repeated emphasis on 'price stability' signalled a genuine regime change in Fed communication.
- The dollar surged. DXY hit ~100.7, its highest since May 2025, and USD/JPY reached ~160.9, the strongest since July 2024, as the rate differential widened. A stronger dollar is a tightening of global financial conditions in its own right.
- Gilts and bunds eased. The peace deal and the BoE's lower inflation path pulled the UK 10y toward 4.80%; the BoE's 7-2 hold confirmed a hawkish-hold bias. Bunds held ~3.15% as the ECB weighed the energy relief.
- The week's rates story in one line. Falling oil should ease inflation, but the Fed chose to lean against it pre-emptively; the result is a flatter curve, a stronger dollar, and a market now pricing hikes rather than cuts.

05 — THE WEEK AHEAD

PCE meets the peace.

A quieter calendar after the central-bank gauntlet, but Thursday's PCE is the pivotal print. With the Fed having just turned hawkish, a hot core PCE would harden hike expectations, while the oil drop argues the other way. Micron's earnings test the AI-memory thesis. And over the weekend, early signs that the Iran-Switzerland talks may be fraying bear close watching.

The week ahead (w/c 22 June)

WHEN	WHAT	WHY IT MATTERS
Mon 22 June	Quiet open; Iran-talks headlines	No major data. Watch the durability of the ceasefire: reported obstacles to the Switzerland talks and any Hormuz re-closing risk could reverse the oil relief that powered last week
Tue 23 June	S&P flash PMIs; Carnival, FedEx earnings	PMIs gauge whether growth is slowing; FedEx is a bellwether for freight and the broader economy
Wed 24 June	Micron (MU) earnings; new home sales	The marquee report. Micron has rallied ~15% into this; AI-memory demand (DRAM, HBM) and margin guidance will set the tone for the whole chip complex
Thu 25 June	US May PCE; Q1 GDP final; durable orders	The week's pivot. Consensus sees headline PCE +0.5% m/m, lifting the annual rate toward 4.1%; core ~3.4%. A hot print validates the Fed's hawkish turn and could lift yields
Fri 26 June	Quiet close	No major data or earnings; positioning into quarter- and half-year-end

Our call: where the risks lie

- PCE is the swing factor. The Fed has just told us it is more worried about inflation than growth. A core PCE at or above the ~3.4% consensus would confirm that fear and likely lift the front end and the dollar further, pressuring the high-multiple names that just rebounded. A soft surprise would be a powerful all-clear given the oil relief.
- The oil relief is not yet secure. The entire bull case rests on the ceasefire holding and Hormuz reopening. Reported friction in the Switzerland talks over the weekend is the clearest near-term risk: any re-escalation would send oil back up and re-impose the inflation overhang just as PCE lands. We would not assume the energy tailwind is permanent.
- Micron carries the chip tape. After a ~15% run into the print and with Nvidia still the sector bellwether, Micron's HBM and DRAM guidance will either validate the AI-memory thesis or trigger a 'priced for perfection' pullback, the same trap that caught Oracle and Broadcom this month.

The week after (w/c 29 June)

WHEN	WHAT	WHY IT MATTERS
Tue 30 June	Quarter-end; BoE meeting 30 July in view	Half-year-end rebalancing flows; attention turns to the 30 July BoE Super Thursday with a new Monetary Policy Report
Wed-Fri	June jobs report week begins	The next payrolls print, the data that started this whole repricing, comes back into focus
Ongoing	ECB (23 July), earnings season (mid-July)	Q2 earnings season opens with the big banks in mid-July; the next major test of the AI-capex narrative

06 — THE BOTTOM LINE

One picture.

The week handed markets a gift and a warning in equal measure: oil fell hard on the peace deal, lifting the inflation cloud, but the first Warsh Fed pre-emptively flipped its dots to a hike. Equities chose to celebrate the oil and look through the Fed, finishing higher and near records. Whether that optimism survives depends on Thursday's PCE and the durability of the ceasefire.

Watch, in order: PCE on Thursday for whether the Fed's inflation fear is vindicated; the Iran-Switzerland talks for whether the oil relief holds; Micron for the health of the AI-memory trade; and the dollar, whose surge to a one-year high is quietly tightening global conditions. The set-up is finely balanced, a dovish oil shock against a hawkish Fed, and PCE will likely break the tie.

SIGN-OFF

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SOURCES AND DISCLOSURES

Sources: CNBC, TheStreet, Schwab, Kiplinger, moomoo, Trading Economics, Federal Reserve, Bank of England, Financial Synergies, Reuters commentary as reported. Levels are approximate week-end or most recent published figures for the week ending Thursday 18 June 2026 (UK time; US markets closed Friday 19 June for Juneteenth) and move quickly in current conditions. The week-ahead section reflects the calendar and our views as understood at the time of writing (Sunday 21 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.