WEDNESDAY, JUNE 24, 2026 · 06:00 SGT

Macro Morning Brief

Tech did the damage. The Nasdaq 100 fell 3.29% to 29, 347 and the S&P 500 dropped 1.44% to 7, 365, with the technology sector off 4.14% as the AI trade came under pressure that started in Asia. South Korea hit a circuit breaker after a report that SK Hynix may slow AI memory expansion, and Hynix and Samsung both fell more than 10%. The tell is what did not happen elsewhere: oil kept falling (Brent 76.50, WTI 72.69) and the front end gave a little back, the conditions equities usually ask for, yet stocks broke anyway. Real yields are the constraint now. The 10-year TIPS yield rose 7bp to 2.28%, holding above 2%, while breakevens fell (5-year down 4bp to 2.24%), a combination that lifts the discount rate on long-duration equity without any growth comfort. Money moved to defensives rather than out of the market: staples, healthcare, real estate and utilities all finished higher. The dollar sat near its strongest level of the year (DXY 101.48) even as Treasuries found buyers, and gold, silver, copper and bitcoin all fell, a pattern that reads as global de-risking, not a friendly loosening. Equity vol jumped (VIX up 12.79% to 19.5) while rate vol stayed asleep (MOVE down 7.46% to 65, the 9th percentile of five years) and credit barely moved, so this *is a positioning and valuation event inside equities, not a systemic one.*

CROSS-ASSET WRAP

DOLLAR

The dollar index held at 101.48, up only 0.07% on the day but close to its high for the year after a 1.95% weekly gain. The moves underneath were larger and one-sided: AUD/USD fell 1.17% to 0.69 as the clearest risk proxy, USD/MXN rose 1.15% to 17.56, and EUR/USD slipped 0.52% to 1.14 even with euro-area PMIs beating. A firm dollar alongside a Treasury bid is the signature of de-risking rather than easing, and the carry-sensitive currencies took the brunt.

RATES

Yields rose 4bp to 7bp across the curve, with the 2-year up 5bp to 4.24% and the 10-year up 5bp to 4.51%. Real yields led: the 10-year TIPS yield climbed 7bp to 2.28% and the 5-year real yield reached 2.01%, both back above 2%, while breakevens fell (5-year down 4bp to 2.24%, down 16bp on the week). That is the market tightening on its own, lifting the cost of duration without lifting inflation compensation. The 2s10s steepened 7bp to 0.34%. Fed funds sits unchanged at 3.50% to 3.75%.

EQUITIES

A tech-led drawdown with a defensive core. The S&P 500 lost 1.44% to 7, 365 and the Nasdaq 100 fell 3.29% to 29, 347, dragged by technology (down 4.14%), industrials (down 2.01%) and materials (down 1.45%). The counterweight was textbook risk-off rotation: staples up 1.87%, healthcare and real estate each up 1.41%, utilities up 0.78%. Asia set the tone, with the Nikkei down 1.46% and South Korea halted by a circuit

COMMODITIES

Metals and energy both gave ground. Silver fell 1.37% to 61.17 and is down 12.49% on the week, the standout unwind. Gold slipped 1.16% to about 4, 082 and screens rich against its real-yield model. Copper eased 0.49% and is off 5.83% over five sessions, an unhelpful signal for global growth. Crude kept bleeding the geopolitical premium, Brent down 0.75% to 76.50 and WTI down 0.71% to 72.69, even as US-Iran talks in Switzerland fractured.

breaker after the SK Hynix memory-capex report knocked Hynix and Samsung more than 10% each.

VOLATILITY

A clean split. The VIX jumped 12.79% to 19.5, the 63rd percentile of five years, while the 3-month VIX fell 5.09%, so the curve kinked at the front. Rate vol went the other way: the MOVE index dropped 7.46% to 65, the 9th percentile, and credit barely flinched with high-yield OAS at 265bp, 56bp tighter than its three-year average. Equity protection got bid, rates and credit stayed calm.

01 The constraint moved inside the AI trade

For weeks the worry was that high oil and a hawkish front end were squeezing equities from the outside. That logic broke on Tuesday. Crude fell, the front end gave a little back, and technology sold off anyway, with the Nasdaq 100 down 3.29% and the tech sector off 4.14%. The pressure is no longer coming from rates or energy. It is coming from inside the AI complex, from valuation, positioning and the returns assumed on the next dollar of capital expenditure. South Korea was the sharpest expression: the Kospi had tripled over the past year on memory names, and a single local report that SK Hynix might slow AI memory expansion and redirect spend toward commodity DRAM was enough to drop Hynix and Samsung more than 10% and trigger a circuit breaker. The literal read may be too bearish, since traditional memory is still tight and the shift could be about relative margins. The violence of the reaction is the point. A crowded trade does not need a broken thesis to correct, it only needs the rate of change to stop being obviously positive. The useful distinction, as Global Macro Method put it, is that AI infrastructure spending can stay strong while AI equities derate, because the buildout is economic activity and the multiple is a financial assumption. Markets had been treating them as one thing.

FLOWS & POSITIONING INFERENCE

This has the shape of a positioning unwind, not a fundamental repricing. Hyperscalers were already under scrutiny over capex scale, and the weakness moved upstream into memory and semiconductors where the leverage and retail crowding were greatest. With the VIX up 12.79% but credit unmoved, the selling looks concentrated in stretched single-stock and index length rather than a broad deleveraging.

NASDAQ 100, ONE MONTH: THE AI TRADE DERATES

1M · May 19 → Jun 23

SOURCES: GLOBAL MACRO METHOD

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02 Real yields above 2% are doing the Fed's job

The cleanest macro signal of the day was in inflation-protected yields. The 10-year TIPS yield rose 7bp to 2.28% and the 5-year real yield hit 2.01%, both above the 2% line, while breakevens fell, with the 5-year down 4bp to 2.24% and down 16bp on the week. Higher real yields with lower inflation compensation is a tightening of financial conditions that the Fed did not have to deliver, and it lands hardest on the assets valued off the longest discounting horizon. That is the mechanism behind the tech selloff, not a coincidence beside it. It also reframes the Fed debate. Traders trimmed some of the rate-hike risk added last week, but they did so because falling equities are tightening conditions, not because the inflation problem eased. Thursday's core PCE is still expected near 3.4% year on year. The Fed can become less likely to hike without getting closer to cutting, an awkward place for stocks that were priced as if any drop in tightening risk would restore the old playbook.

FLOWS & POSITIONING INFERENCE

Duration buyers showed up in nominal Treasuries (10-year yields rose only 5bp even as real yields rose 7bp, so the bid was in breakevens being sold), consistent with a growth-scare bid rather than an inflation-scare one. With rate vol at the 9th percentile, few are paying up for a violent rates move in either direction, which leaves real yields as the slow grind that keeps pressuring multiples.

10-YEAR REAL YIELD, ONE MONTH: BACK ABOVE 2% *1M · May 18 → Jun 22*

SOURCES: SEEKING ALPHA · GLOBAL MACRO METHOD

03 Where the money went: a defensive rotation, not a liquidation

The index headline overstates the breadth of the damage. Underneath a 1.44% fall in the S&P 500, four sectors rose: consumer staples up 1.87%, healthcare and real estate each up 1.41%, utilities up 0.78%. The losses sat in the cyclical and long-duration corners, technology down 4.14%, industrials down 2.01%, materials down 1.45%, consumer discretionary down 1.03%. That is rotation with a destination, money rolling from high-beta growth into low-beta defensives and rate-sensitive yield, the classic late-cycle move when growth looks soft and the discount rate is rising. Sector breadth backs this up: 64% of sectors still sit above their 50-day average and 82% above their 200-day, levels that do not describe a market in liquidation. The single-name carnage in memory chips is loud, but the rest of the tape is reallocating rather than exiting.

> **FLOWS & POSITIONING INFERENCE**
>
> *The defensive bid is doing real work: REITs and utilities catching a bid while real yields rise is a vote for the duration in their cash flows over the duration in tech earnings. As long as high-yield spreads hold near 265bp and breadth stays this firm, dip-buyers in defensives have cover. The risk is that a second leg in tech finally drags the index leaders enough to break breadth.*

CONSUMER STAPLES, ONE MONTH: THE DEFENSIVE BID RETURNS *1M · May 19 → Jun 23*

SOURCES: GLOBAL MACRO METHOD

04 A firm dollar into de-risking, not easing

The dollar tells you which kind of risk-off this is. The DXY held at 101.48, near its high for the year, even as Treasuries rallied, while the risk-sensitive currencies sold hard: the Australian dollar fell 1.17% to 0.69 and the Mexican peso lost 1.15%. Lower yields paired with a stronger dollar is not the same signal as lower yields paired with broad risk appetite. The first is global de-risking, capital pulling home to the deepest market; the second is a benign loosening. Tuesday was clearly the first. The cross-asset confirmation is everywhere: copper, silver, gold and bitcoin all lower on the day, with bitcoin off 1.97% to about 62, 700 as Strategy's large position drew fresh what-if headlines and US-Iran talks in Switzerland fractured. When the dollar, Treasuries and defensives all catch a bid while metals and crypto fall together, the market is reducing risk, not reaching for it.

> **FLOWS & POSITIONING INFERENCE**
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> *Carry unwinds tend to show up first in the antipodeans and EM, and AUD and MXN leading the decline fits a fast-money trim of carry length. With euro-area PMIs beating yet EUR/USD still down 0.52%, the euro could not capitalize, which says the move is dollar strength rather than relative-growth repricing. Watch whether the dollar bid persists once equities stabilize, the marginal tell on whether this is positioning or something more durable.*

DOLLAR INDEX, ONE MONTH: A DE-RISKING BID *1M · May 20 → Jun 24*

05 Equity vol woke up, rate vol stayed asleep

The volatility complex split in two. The VIX rose 12.79% to 19.5 while the 3-month VIX fell 5.09%, kinking the curve at the front in the way that flags a near-term scare rather than a regime change. Rate vol did the opposite: the MOVE index dropped 7.46% to 65, the 9th percentile of the last five years, and credit barely moved, with high-yield OAS at 265bp, still 56bp inside its three-year average, and investment grade at 74bp. Put those together and the message is specific. This is an equity-positioning event, priced as a sharp but contained shock, not a funding or credit accident. If the selloff were about systemic stress, the MOVE would be rising and spreads would be widening. Neither is happening. The realized-to-implied gap (realized vol 16.8 against a VIX near 19.5) leaves a modest risk premium, enough to suggest hedgers are paying for protection without panic.

> **FLOWS & POSITIONING INFERENCE**
>
> *A front-loaded VIX with calm credit is the profile that mean-reverts more often than it cascades, provided spreads behave. The vulnerability is mechanical: with the MOVE this low, a lot of strategies are sized for calm rates, so any back-up in rate vol would force a faster de-gross than the equity move alone implies.*

VIX, ONE MONTH: A FRONT-END SPIKE — *1M · May 19 → Jun 23*

SOURCES: GLOBAL MACRO METHOD

06 Metals and oil keep bleeding

Commodities offered no shelter. Silver fell 1.37% to 61.17 and is down 12.49% over five sessions, the sharpest unwind on the board, as the rise in real yields removed the carry argument for non-yielding metal. Gold slipped 1.16% to about 4, 082 and screens rich against its real-yield model, with the residual still close to 900 points above fair, so a higher real rate has room to keep pressing it. Copper eased 0.49% and is down 5.83% on the week, a quiet but persistent vote against the global growth story that the firm US PMI does not fully offset. Crude kept giving back its war premium, Brent down 0.75% to 76.50 and WTI down 0.71% to 72.69, even as US-Iran talks fractured in Switzerland, which says the market now prices a lower blockade probability more than a fresh escalation risk. Lower energy helps the inflation arithmetic at the margin, but it is arriving for the wrong reason, soft demand rather than abundant supply.

> **FLOWS & POSITIONING INFERENCE**
>
> *The five-day moves in silver, gold and copper suggest macro length is being cut across the metals complex as real yields climb, not a single-commodity story. Crude positioning looks cleaner after the de-escalation, with the curve and spot both consistent with hedges coming off rather than new shorts piling on.*

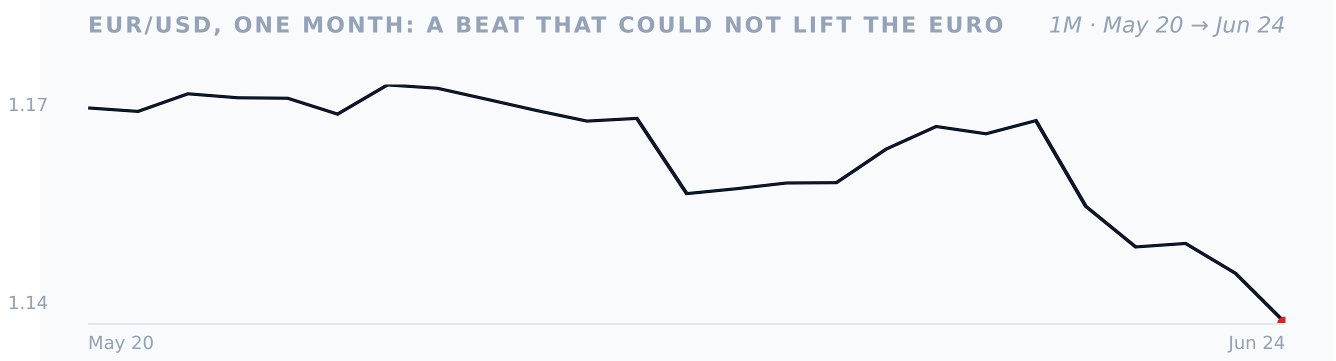
SILVER, ONE MONTH: THE CARRY TRADE UNWINDS *1M · May 20 → Jun 24*

SOURCES: DOOMBERG · GLOBAL MACRO METHOD

07 PMIs widen the US-Europe gap

The flash PMIs handed the dollar another reason to firm. US activity stayed strong, with the S&P Global manufacturing PMI at 55.7 against 54.8 expected and the composite at 52.2, while the four-week ADP average ticked up to 30.75 thousand. Europe improved but only to stagnation: the euro-area composite rose to 49.5 and manufacturing to 51.3, a beat that still leaves the bloc below the 50 line, with the ECB warning that inflation may stay above target for a while yet. The UK was the laggard, with the composite at 49.4 against 50.6 expected, services down to 48.7 and the employment component weakening again. A US economy printing in the mid-50s on manufacturing while Europe and the UK sit below 50 is the kind of growth gap that supports a firm dollar and complicates the case for the front-end relief that equity bulls want. Soft growth with sticky inflation is the uncomfortable mix on both sides of the Atlantic, just more uncomfortable in Europe.

> **FLOWS & POSITIONING INFERENCE**
> *Rates desks faded the European beat quickly, with EUR/USD lower despite the improvement, a sign the market treats sub-50 prints as confirmation of the stagnation theme rather than a turn. The strong US manufacturing read argues against imminent cuts and keeps the real-yield pressure on long-duration equity intact.*



SOURCES: S&P GLOBAL · HCOB · GLOBAL MACRO METHOD

CENTRAL BANK SPEECHES & QUOTES

ECB 1D

Philip Lane, Chief Economist

ECB's Lane speech · Jun 23

Lane spoke as the flash PMIs showed the euro area stuck just below 50. As chief economist he sets the analytical frame for the Governing Council, and the live tension is an economy improving toward stagnation while inflation stays above target. No transcript text came through the feeds for this appearance, so treat it as confirmation of the stagflation-lite message rather than new guidance.

SOURCE: HTTPS://WWW.ECB.EUROPA.EU/

ECB 1D

Boris Vujčić, Governing Council member

ECB's Vujčić speech · Jun 23

Vujčić, a hawkish-leaning Council voice, spoke into the same above-target inflation backdrop. The signal for markets is continuity, an ECB that improved PMIs will not rush to ease while inflation lingers. No transcript text was available in the feeds.

SOURCE: HTTPS://WWW.ECB.EUROPA.EU/

ECB 1D

Frank Elderson, Executive Board member

ECB's Elderson speech · Jun 23

Elderson's remarks typically lean toward supervision and climate-related financial risk rather than the rate path, so the read-through for the curve is limited. Listed here for completeness of the roster; no transcript text reached the feeds.

SOURCE: HTTPS://WWW.ECB.EUROPA.EU/

ECB 1D

José Luis Escrivá, Governing Council member

ECB's Escrivá speech · Jun 23

Escrivá added another Council voice on the day the euro-area PMIs printed at 49.5. The collective ECB message this week is patience with above-target inflation rather than a pivot. No transcript text was available.

SOURCE: HTTPS://WWW.ECB.EUROPA.EU/

BANK OF ENGLAND 1D

Swati Dhingra, MPC member

BoE's Dhingra speech · Jun 23

Dhingra is the MPC's most consistent dove, and she spoke as the UK composite PMI fell to 49.4 with services and employment softening. Her presence is a reminder that the UK growth picture is weaker than the euro area's, which argues for a more dovish reaction function even with inflation sticky. No transcript text came through the feeds.

SOURCE: HTTPS://WWW.BANKOFENGLAND.CO.UK/

BANK OF ENGLAND 1D

Alan Taylor, MPC member

Central reservations · Jun 23

Taylor, another dovish-leaning external member, spoke under the title 'Central reservations' as UK activity slipped below 50. Only a headline reached the feeds, not the body, so the takeaway is contextual: the soft PMI strengthens the case the doves have been making. No quotable transcript text was available.

SOURCE: HTTPS://WWW.BANKOFENGLAND.CO.UK/

BANK OF CANADA 1D

Tiff Macklem, Governor

BoC's Governor Macklem speech · Jun 23

Macklem's appearance was the highest-importance speech of the session. With Canadian inflation having run hotter recently and the Canadian dollar soft (USD/CAD near 1.42), the market wanted any steer on whether the BoC's easing path is paused. No transcript text reached the feeds, so the signal stays in the price: a firmer USD/CAD consistent with the broad dollar bid rather than anything Macklem said.

SOURCE: HTTPS://WWW.BANKOFCANADA.CA/

ASSET CLASS BREAKDOWN · THE 'WHY'

EQUITY INDICES

S&P 500

-1.44%

7,365 · 1W -2.50%

5Y TREND

Down 1.44% to 7, 365. A tech-led decline cushioned by a defensive bid, so the drop understates how concentrated the damage was in growth and cyclicals.

Nasdaq 100

-3.29%

29,347 · 1W -3.92%

5Y TREND

Down 3.29% to 29, 347. The epicenter, as the AI complex derated on the SK Hynix memory-capex scare and rising real yields rather than any single US catalyst.

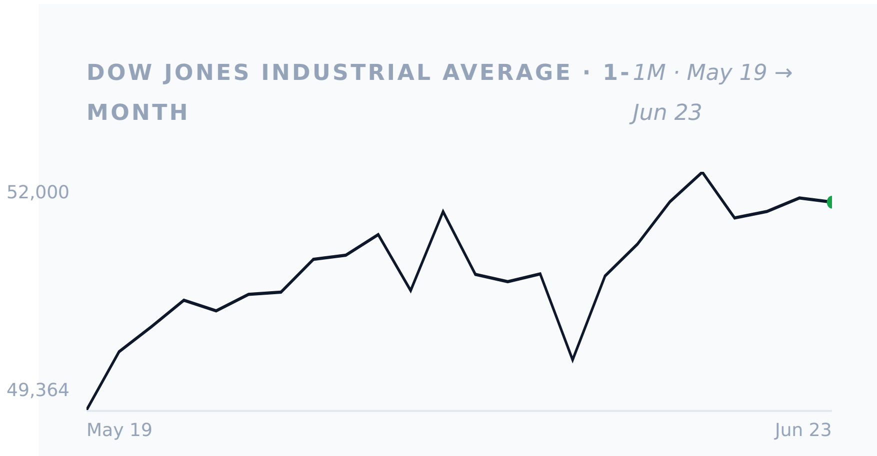
Dow Jones Industrial Average

-0.09%

51,667 · 1W -0.01%

5Y TREND

Down 0.09%. Effectively flat, shielded by its lighter tech weight and heavier tilt to defensives and value.



Russell 2000

-0.96%

2,975 · 1W +0.35%

5Y TREND

Down 0.96% to 2, 975. Small caps fell less than the Nasdaq but still slipped as the de-risking bid favored large-cap defensives over high-beta breadth.

RUSSELL 2000 · 1-MONTH *1M · May 19 → Jun 23*

CBOE Volatility Index (VIX)

+12.79%

19.49 · 1W +20.31%

5Y TREND

Up 12.79% to 19.5, the 63rd percentile of five years. Equity protection got bid hard while the 3-month measure fell, kinking the curve at the front.

CBOE VOLATILITY INDEX (VIX) · 1-MONTH *1M · May 19 → Jun 23*

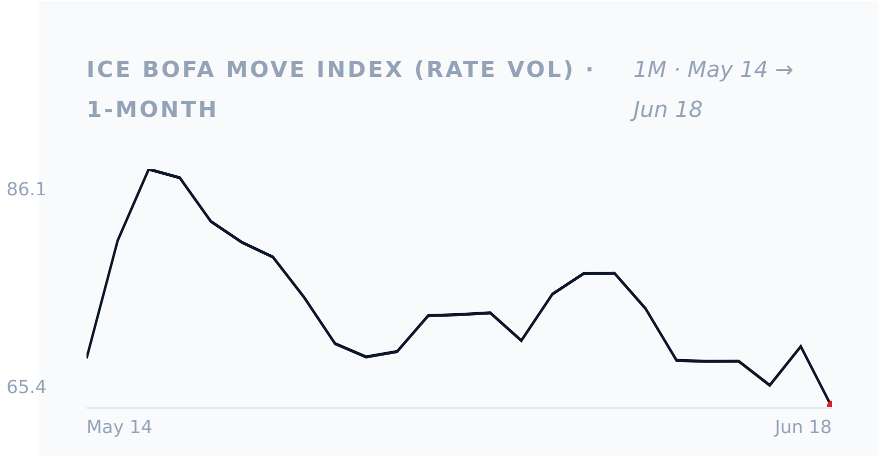
ICE BofA MOVE Index (rate vol)

-7.46%

65.39 · 1W -5.85%

5Y TREND

Down 7.46% to 65, the 9th percentile of five years. Rate vol stayed asleep, the clearest sign this is an equity-positioning event, not a funding or rates accident.



CBOE 3-Month Volatility Index

-5.09%

19.57 · 1W -8.64%

5Y TREND

Down 5.09%. The longer-dated vol falling as front-end vol spiked is the profile of a contained scare rather than a regime change.

Euro Stoxx 50

-1.28%

6,231 · 1W -0.43%

5Y TREND

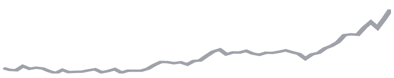
Down 1.28% to 6, 231. Europe followed Wall Street and Asia lower despite a euro-area PMI beat that could not outweigh the global tech derating.

Nikkei 225

-1.46%

68,769 · 1W -1.62%

5Y TREND



Down 1.46% to 68, 769. Japan led the Asian selloff alongside Korea as the memory-chip story hit the region's semiconductor heavyweights.

Hang Seng

+0.04%

23,345 · 1W -4.69%

5Y TREND

Up 0.04%. Hong Kong held flat, a rare green mark, though it remains down 4.69% on the week.

S&P 500 SECTORS

Consumer Staples (XLP) +1.87%

83.72 · 1W -2.06%

5Y 

Up 1.87% to 83.72. Staples led the market, the textbook destination for money rotating out of high-beta growth.

CONTRIBUTION: +0.103PP

Health Care (XLV) +1.41%

152.18 · 1W -0.46%

5Y 

Up 1.41% to 152.18. Healthcare joined the defensive leadership as investors paid for earnings stability.

CONTRIBUTION: +0.148PP

Real Estate (XLRE) +1.41%

44.64 · 1W -0.78%

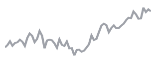
5Y 

Up 1.41% to 44.64. Real estate rallied on the defensive bid, its long-duration cash flows preferred over long-duration tech earnings.

CONTRIBUTION: +0.031PP

Utilities (XLU) +0.78%

45.07 · 1W +0.74%

5Y 

Up 0.78% to 45.07. Utilities caught a defensive, rate-sensitive bid even as real yields rose, a vote for their cash-flow duration over tech's.

CONTRIBUTION: +0.02PP

Energy (XLE) +0.74%

Communication Services (XLC) +0.38%

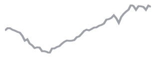
54.46 · 1W -1.96%

5Y 

Up 0.74% to 54.46. Energy firmed despite softer crude, a relative-value bid within a risk-off tape.

CONTRIBUTION: +0.024PP

107.27 · 1W -4.39%

5Y 

Up 0.38% to 107.27. Communication services eked out a gain on the day but remains the worst sector on the week, down 4.39%.

CONTRIBUTION: +0.036PP

Financials (XLF) **+0.34%**

53.88 · 1W +0.60%

5Y 

Up 0.34% to 53.88. Financials edged higher, helped by the steeper 2s10s and calm credit spreads.

CONTRIBUTION: +0.044PP

Consumer Discretionary (XLY) **-1.03%**

113.76 · 1W -4.06%

5Y 

Down 1.03% to 113.76. Discretionary fell with the risk-off tone and is the week's second-worst sector, down 4.06%.

CONTRIBUTION: -0.108PP

Materials (XLB) **-1.45%**

50.87 · 1W -3.10%

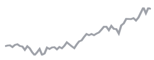
5Y 

Down 1.45% to 50.87. Materials tracked weaker metals, with copper down on the week and the global growth read soft.

CONTRIBUTION: -0.029PP

Industrials (XLI) **-2.01%**

178.15 · 1W -0.30%

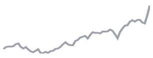
5Y 

Down 2.01% to 178.15. Industrials fell with the cyclical cohort as the growth signal in copper and global PMIs stayed mixed.

CONTRIBUTION: -0.171PP

Technology (XLK) **-4.14%**

184.19 · 1W -3.96%

5Y 

Down 4.14% to 184.19. The session's dominant loser as higher real yields and the AI-capex scare compressed the most duration-sensitive earnings.

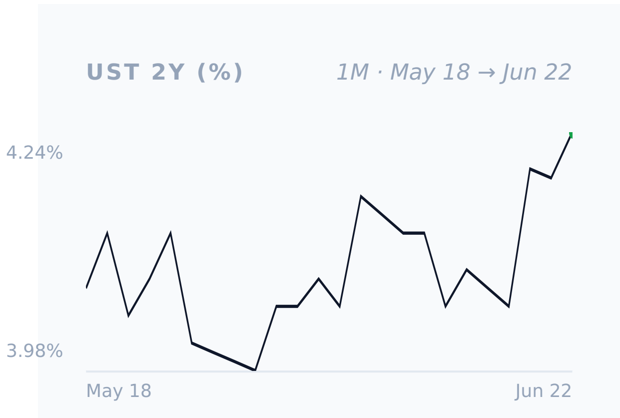
CONTRIBUTION: -1.325PP

The session was a rotation with a clear destination, not a broad liquidation. Technology drove the index lower (down 4.14% and the dominant drag in the contribution model, which put the total sector pull at about -1.23%), with industrials down 2.01% and materials down 1.45% alongside it. The offset was defensive and rate-sensitive: staples up 1.87%, healthcare and real estate each up 1.41%, utilities up 0.78%, with financials and energy roughly flat to higher. Breadth stayed constructive at 64% of sectors above their 50-day average and 82% above their 200-day, levels that describe reallocation rather than a market coming apart. The week tells the same story in slower motion, with communication services (down 4.39%), discretionary (down 4.06%) and tech (down 3.96%) the five-day laggards.

RATES & VOLATILITY

UST 2Y (%) **4.24%** (+5bp 1D · +15bp 1W)

Up 5bp to 4.24%. The front end firmed as traders priced a Fed that is less likely to cut while inflation stays sticky, even as hike risk was trimmed.



UST 10Y (%) **4.51%** (+5bp 1D · +3bp 1W)

Up 5bp to 4.51%. The 10-year sold off on rising real yields rather than inflation, with breakevens falling as the move went through.

FX & COMMODITIES

US Dollar Index (DXY) **101.48** (+0.07% 1D · +1.95% 1W)

Up 0.07% to 101.48, near its high for the year. A firm dollar into a Treasury rally is the mark of de-risking, not easing.

EUR/USD **1.1368** (-0.52% 1D · -2.09% 1W)

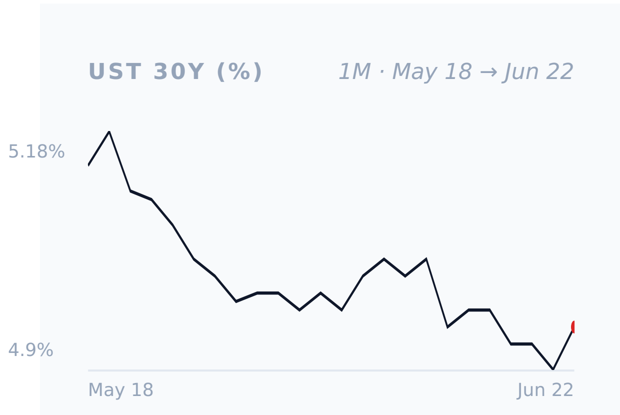
Down 0.52% to 1.14. The euro could not hold a PMI beat, confirming the move was dollar strength rather than relative-growth repricing.

USD/JPY **161.55** (-0.01% 1D · +0.71% 1W)

Down 0.01%. Effectively unchanged as the yen tracked lower US yields and

UST 30Y (%) **4.95%** (+5bp 1D · -2bp 1W)

Up 5bp to 4.95%. The long bond followed the real-yield-led selloff, keeping the curve's bear-steepening tilt on the day.



2s10s Spread (%) **0.34%** (+7bp 1D · -6bp 1W)

Steeper by 7bp to 0.34%. A modest bear steepening as the long end led the yield rise, though the spread is still down 6bp on the week.

2S10S SPREAD (%) *1M · May 19 → Jun 23*

risk-off flows in roughly offsetting measure.

GBP/USD **1.3195** (-0.40% 1D · -1.73% 1W)

Down 0.40% to 1.32. Sterling slipped as the UK composite PMI missed and the employment component weakened.

USD/CHF **0.8106** (+0.23% 1D · +2.21% 1W)

Up 0.23% to 0.81. The franc gave a little ground to a broadly firmer dollar despite the safe-haven backdrop.

USD/CAD **1.4213** (+0.39% 1D · +1.55% 1W)

Up 0.39% to 1.42. The loonie softened with the broad dollar bid, with Macklem offering no offsetting steer.

AUD/USD **0.6913** (-1.17% 1D · -2.16% 1W)

Down 1.17% to 0.69. The day's clearest risk proxy, leading the carry-sensitive currencies lower as global risk came off.

USD/CNY **6.8016** (+0.40% 1D · +0.66% 1W)

10Y TIPS Real Yield (%) **2.28%** (+7bp 1D · +11bp 1W)

Up 7bp to 2.28%. The day's key driver, real yields back above 2% tightening conditions and compressing long-duration equity multiples.

10Y TIPS REAL YIELD (%) *1M · May 18 → Jun 22*

US HY OAS (%) **2.65%** (-1bp 1D · -1bp 1W)

High-yield OAS roughly unchanged at 265bp, still 56bp inside its three-year average. Credit's calm is the strongest argument that this is an equity event, not a systemic one.

US HY OAS (%) *1M · May 18 → Jun 22*

Up 0.40%. The yuan eased modestly with the firmer dollar, still well contained.

USD/MXN **17.56** (+1.15% 1D · +2.07% 1W)

Up 1.15% to 17.56. The peso was among the hardest hit, a carry unwind consistent with fast money cutting EM length.

USD/KRW **1,540** (+0.03% 1D · +1.89% 1W)

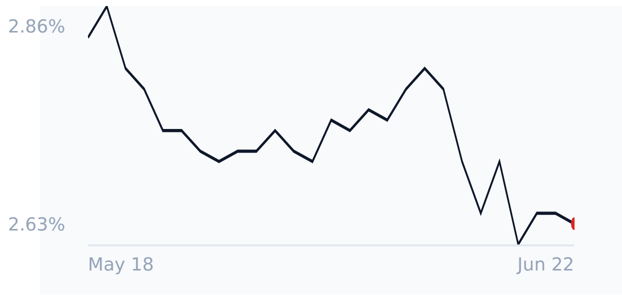
Up 0.03%. The won held despite the Kospi circuit breaker, though it is up 1.89% on the week.

WTI Crude **72.69** (-0.71% 1D · -4.42% 1W)

Down 0.71% to 72.69. Crude kept bleeding its war premium as US-Iran talks fractured without reigniting blockade fears.

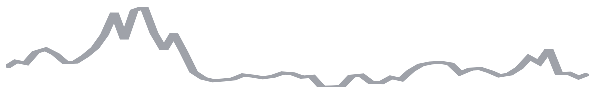
Brent Crude **76.5** (-0.75% 1D · -3.12% 1W)

Down 0.75% to 76.50. The global benchmark eased for the same reason, pricing a lower blockade probability over fresh escalation.



Natural Gas (Henry Hub) 3.18 (+1.05% 1D · -1.82% 1W)

Up 1.05% to 3.18. Gas firmed against the weaker oil complex on its own weather and storage dynamics.



Gold 4,082 (-1.16% 1D · -5.75% 1W)

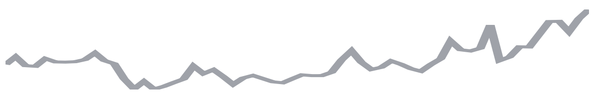
Down 1.16% to about 4, 082. Higher real yields removed support, and gold still screens rich against its real-yield model.

Silver 61.17 (-1.37% 1D · -12.49% 1W)

Down 1.37% to 61.17 and down 12.49% on the week. The sharpest unwind on the board as the real-yield rise gutted the carry case.

Copper 6.111 (-0.49% 1D · -5.83% 1W)

Down 0.49% and down 5.83% on the week. A persistent, quiet vote against global growth that the firm US PMI does not fully offset.

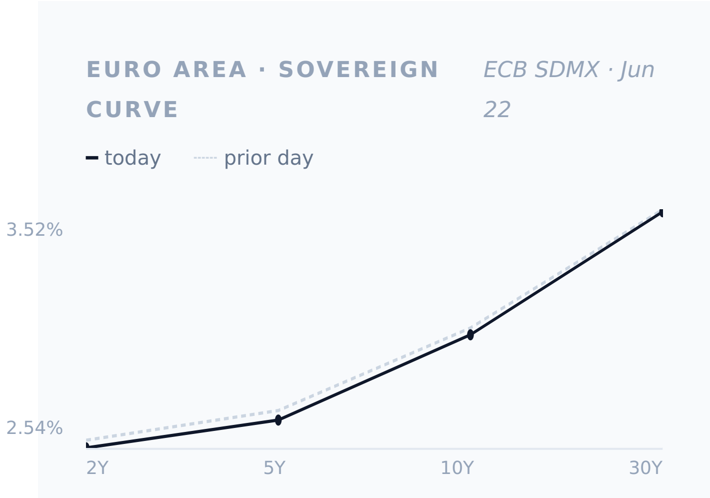


Bitcoin 62,693 (-1.97% 1D · -0.32% 1W)

Down 1.97% to about 62, 700. Bitcoin fell with the broad de-risking, with

Strategy's large holding drawing fresh what-if headlines.

GLOBAL YIELD CURVES — 1-DAY SHIFT

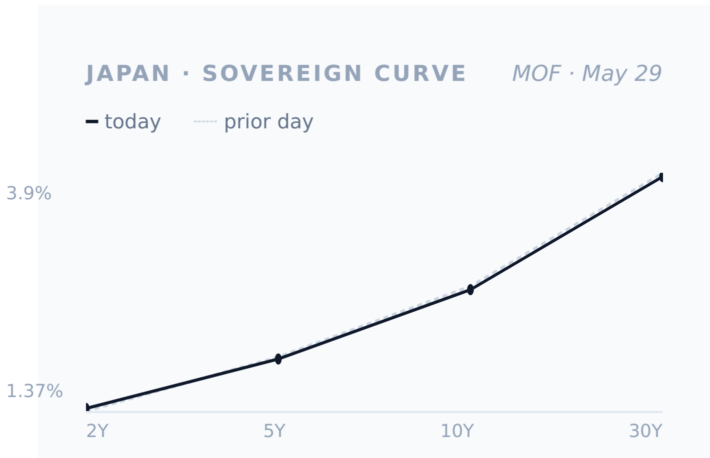


Euro area

AAA GOVT (BUND-EQUIVALENT)

2Y	**2.545%** (-3.1bp)
5Y	**2.659%** (-3.9bp)
10Y	**3.009%** (-2.7bp)
30Y	**3.514%** (-1bp)

The euro-area AAA curve (as of June 22) sits at 2.55% at 2Y, 2.66% at 5Y, 3.01% at 10Y and 3.51% at 30Y, a moderately upward slope. The flash PMIs improved to 49.5 on the composite but stayed below 50, and with the ECB still warning on above-target inflation, the front end has little reason to rally hard. Lane, Vujčić, Elderson and Escrivá all spoke into the PMI print on June 23.

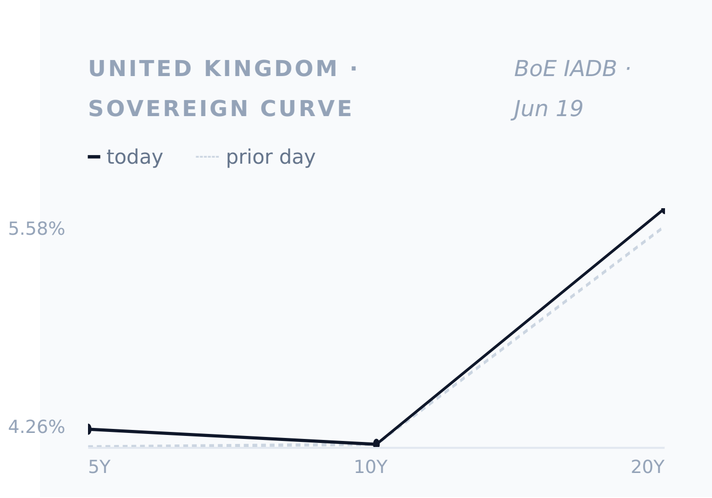


Japan

JGB REFERENCE YIELDS

2Y	**1.393%** (+2.7bp)
5Y	**1.919%** (-2.1bp)
10Y	**2.657%** (-3.5bp)
30Y	**3.859%** (-3.7bp)

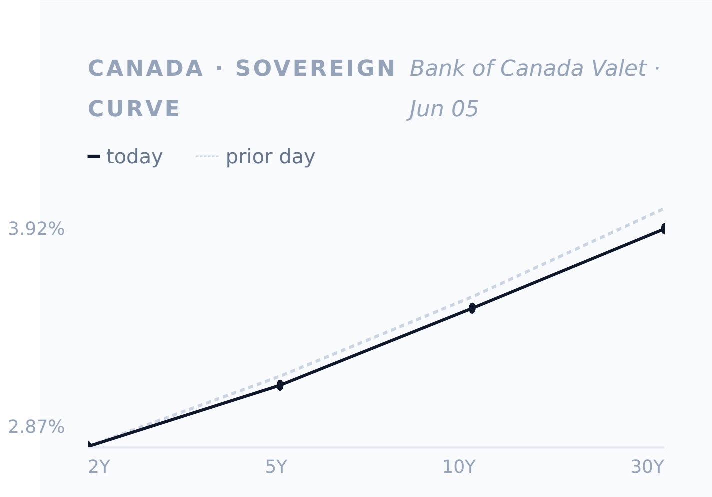
The JGB reference curve is stale in the feed (as of May 29), showing 1.39% at 2Y, 1.92% at 5Y, 2.66% at 10Y and 3.86% at 30Y. Treat the levels as dated. The live signal for Japan came from equities, with the Nikkei down 1.46% as the regional memory-chip selloff hit, rather than from the curve.



United Kingdom GILT SPOT YIELDS (5/10/20Y)

5Y	**4.356%** (+9.8bp)
10Y	**4.272%** (+0bp)
20Y	**5.581%** (+9.9bp)

Gilt spot yields (as of June 19) read 4.36% at 5Y, 4.27% at 10Y and 5.58% at 20Y. The UK composite PMI fell to 49.4 with services at 48.7 and a weaker employment component, and doves Dhingra and Taylor spoke into that softness, a backdrop that argues for the front end to lead any rally as growth risk builds.



Canada GOC BENCHMARK YIELDS (LONG = ~30Y)

2Y	**2.87%** (+0bp)
5Y	**3.14%** (-4bp)
10Y	**3.48%** (-5bp)
30Y	**3.83%** (-9bp)

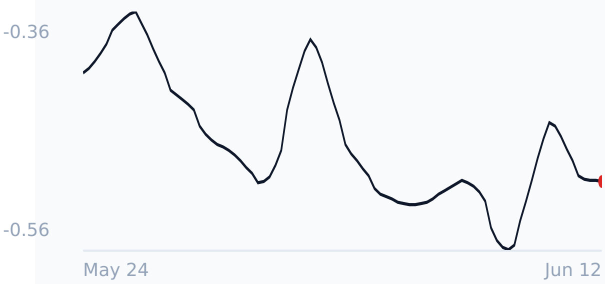
Green = yields lower (bond rally) · red = yields higher (selloff). US curve is covered in the rates section above.

CROSS-ASSET DIRECTIONAL SKEW · 5-DAY LEAN

S&P 500	Bullish 70%	Nasdaq 100	Bullish 70%
Russell 2000	Bullish 70%	US Dollar (DXY)	Bullish 40%
EUR/USD	Bearish 40%	USD/JPY	Bullish 40%
Gold	Bearish 70%	WTI Crude	Bearish 40%
Copper	Bullish 23%	Bitcoin	Bearish 70%
UST 2Y (bond)	Bearish 70%	UST 10Y (bond)	Bearish 70%

FINANCIAL CONDITIONS (NFCI)
2Y · May 24 → Jun 12

-0.51 · looser than avg · 27th %ile · >0 = tighter

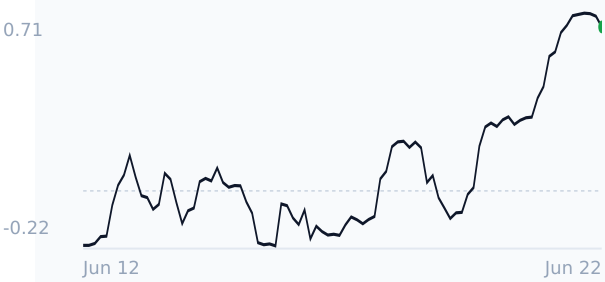


NET FED LIQUIDITY (WALCL − RRP − TGA)
2Y · May 29 → Jun 17

$5.85tn · -58.6bn / 4w

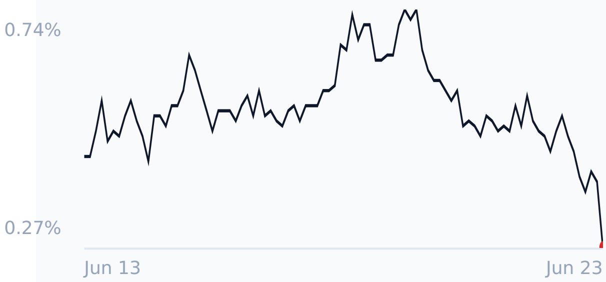
STOCK-BOND CORRELATION (60D)
1Y · Jun 12 → Jun 22

0.65 · positive · inflation regime



YIELD CURVE · 2S10S SPREAD
1Y · Jun 13 → Jun 23

Bull flattening · 0.34 · -9bp/20d

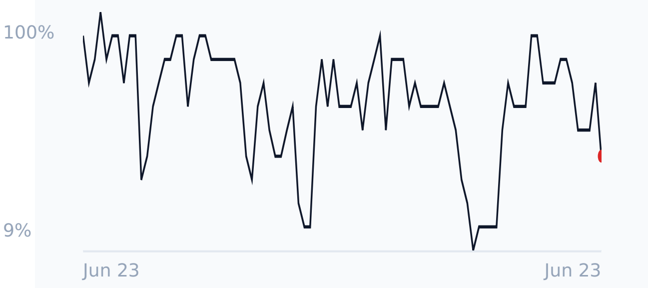


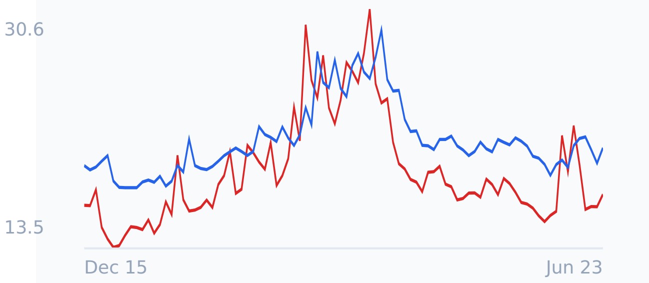
SECTOR BREADTH · % > 50D MA
1Y · Jun 23 → Jun 23

64% > 50d · 82% > 200d

EQUITY VOL · VIX VS VIX3M (TERM STRUCTURE)
6M · Dec 15 → Jun 23

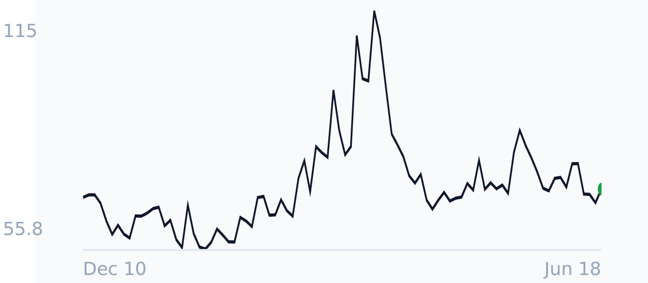
● VIX ● VIX3M





RATE VOL · MOVE INDEX *6M · Dec 10 → Jun 18*

MOVE 65 · 9th %ile · VIX term 1 (backwardation)



CREDIT WRAP

HY OAS **265bp** (-56 vs avg)

IG OAS **74bp** (-19 vs avg)

Trailing average over the available FRED daily window (~3y; the graph endpoint caps these BAML series).

Analyst intelligence: gold valuation model

Our residual model flags gold as **rich vs real-yield model**, sitting at **+$891/oz** versus the level implied by the 10Y real yield (2.28%). Spot $4182 vs model-fair $3291.

PAST 24H RELEASES

AU · S&P Global Composite PMI — **49.8** / · exp · 48.7 prev

AU · S&P Global Manufacturing PMI — **51.2** / · exp · 50.7 prev

AU · S&P Global Services PMI — **49.9** / · exp · 48.7 prev

CALENDAR · WEEK AHEAD

DAY AHEAD

WED, JUN 24, 2026

● CH ZEW Survey – Expectations · prev -11.1 — 04:00 AM ET / 04:00 PM SGT

EMU · HCOB Composite PMI	**47.6** / 46 exp · 44.9 prev
EMU · HCOB Manufacturing PMI	**50.7** / 50.4 exp · 49.7 prev
EMU · HCOB Services PMI	**47.4** / 45.9 exp · 44.3 prev
EMU · HCOB Composite PMI	**48** / 49.9 exp · 48.8 prev
EMU · HCOB Manufacturing PMI	**50** / 50 exp · 50.1 prev
EMU · HCOB Services PMI	**46.8** / 48.7 exp · 48.1 prev
EMU · HCOB Composite PMI	**49.5** / 49.1 exp · 48.5 prev
EMU · HCOB Manufacturing PMI	**51.3** / 51.2 exp · 51.6 prev
EMU · HCOB Services PMI	**48.9** / 48.1 exp · 47.7 prev
UK · S&P Global Composite PMI	**49.4** / 50.6 exp · 49.7 prev
UK · S&P Global Manufacturing PMI	**53.1** / 53.6 exp · 53.9 prev
UK · S&P Global Services PMI	**48.7** / 50 exp · 49.3 prev
US · ADP Employment Change 4-week average	**30.75** / · exp · 25.5 prev
US · S&P Global Composite PMI	**52.2** / · exp · 51.5 prev
US · S&P Global Manufacturing PMI	**55.7** / 54.8 exp · 55.1 prev
US · S&P Global Services PMI	**51.3** / 51 exp · 50.7 prev

● EMU IFO – Business Climate · cons 85.6 / prev 84.9	04:00 AM ET / 04:00 PM SGT
● EMU IFO – Current Assessment · cons 86.4 / prev 86.1	04:00 AM ET / 04:00 PM SGT
● EMU IFO – Expectations · cons 85 / prev 83.8	04:00 AM ET / 04:00 PM SGT
● EMU ECB's Nagel speech	05:00 AM ET / 05:00 PM SGT
● UK BoE's Breeden speech	07:20 AM ET / 07:20 PM SGT
● CH SNB Quarterly Bulletin	09:00 AM ET / 09:00 PM SGT
● EMU ECB's Cipollone speech	09:35 AM ET / 09:35 PM SGT
● US New Home Sales Change (MoM) · prev -6.2	10:00 AM ET / 10:00 PM SGT
● UK BoE's Dhingra speech	11:00 AM ET / 11:00 PM SGT
● AU Employment Change s.a. · cons 25 / prev -18.6	09:30 PM ET / 09:30 AM SGT
● AU Full-Time Employment · prev -10.7	09:30 PM ET / 09:30 AM SGT
● AU National Australia Bank's Business Confidence (QoQ) · prev -4	09:30 PM ET / 09:30 AM SGT
● AU Part-Time Employment · prev -7.9	09:30 PM ET / 09:30 AM SGT
● AU Participation Rate · cons 66.8 / prev 66.7	09:30 PM ET / 09:30 AM SGT

AU · Consumer Price Index (MoM) **-0.7** / -0.3 exp · 0.4 prev

AU · Consumer Price Index (YoY) **4** / 4.4 exp · 4.2 prev

AU · Trimmed Mean CPI (MoM) **0.4** / 0.3 exp · 0.3 prev

AU · Trimmed Mean CPI (YoY) **3.6** / 3.5 exp · 3.4 prev

● AU Unemployment Rate s.a. · cons 4.4 / prev 4.5 — 09:30 PM ET / 09:30 AM SGT

REST OF THE WEEK (HIGH IMPORTANCE)

THU, JUN 25, 2026

● US Core Personal Consumption Expenditures - Price Index (MoM) · cons 0.3 / prev 0.2 — 08:30 AM ET / 08:30 PM SGT

● US Core Personal Consumption Expenditures - Price Index (YoY) · cons 3.4 / prev 3.3 — 08:30 AM ET / 08:30 PM SGT

● JP Tokyo Consumer Price Index (YoY) · prev 1.4 — 07:30 PM ET / 07:30 AM SGT

● JP Tokyo CPI ex Food, Energy (YoY) · prev 1.6 — 07:30 PM ET / 07:30 AM SGT

SUN, JUN 28, 2026

● AU RBA Governor Bullock speech — 08:15 AM ET / 08:15 PM SGT

MON, JUN 29, 2026

● AU RBA Meeting Minutes — 09:30 PM ET / 09:30 AM SGT

● CN NBS Manufacturing PMI · prev 50 — 09:30 PM ET / 09:30 AM SGT

● CN NBS Non-Manufacturing PMI · prev 50.1 — 09:30 PM ET / 09:30 AM SGT

TUE, JUN 30, 2026

● EMU Retail Sales (YoY) · prev -0.3	02:00 AM ET / 02:00 PM SGT
● UK Gross Domestic Product (QoQ) · cons 0.6 / prev 0.6	02:00 AM ET / 02:00 PM SGT
● UK Gross Domestic Product (YoY) · cons 1.1 / prev 1.1	02:00 AM ET / 02:00 PM SGT
● EMU Consumer Price Index (MoM) · prev -0.2	08:00 AM ET / 08:00 PM SGT
● EMU Consumer Price Index (YoY) · prev 2.6	08:00 AM ET / 08:00 PM SGT
● EMU Harmonized Index of Consumer Prices (YoY) · prev 2.7	08:00 AM ET / 08:00 PM SGT
● JP Tankan Large Manufacturing Index · prev 17	07:50 PM ET / 07:50 AM SGT
● CN RatingDog Manufacturing PMI · prev 51.8	09:45 PM ET / 09:45 AM SGT

COUNTDOWN TO KEY DATA

PCE · US

T−1d

Thu, Jun 25, 2026 · 08:30 AM ET / 08:30 PM SGT

cons 4 · prev 3.8

CORE PCE · US

T−1d

Thu, Jun 25, 2026 · 08:30 AM ET / 08:30 PM SGT

cons 3.4 · prev 3.3

EUROZONE HICP · EMU

T−5d

Mon, Jun 29, 2026 · 03:00 AM ET / 03:00 PM SGT

prev 3.6

NONFARM PAYROLLS · US

T−8d

Thu, Jul 02, 2026 · 08:30 AM ET / 08:30 PM SGT

prev 172

FOMC MINUTES · US

T−14d

Wed, Jul 08, 2026 · 02:00 PM ET / 02:00 AM SGT

CPI · US

T−20d

Tue, Jul 14, 2026 · 08:30 AM ET / 08:30 PM SGT

prev 4.2

CORE CPI · US

T−20d

Tue, Jul 14, 2026 · 08:30 AM ET / 08:30 PM SGT

prev 2.9

CHINA GDP · CN

T−21d

Wed, Jul 15, 2026 · 10:00 PM ET / 10:00 AM SGT

prev 5

ECB DECISION · EMU

T−29d

Thu, Jul 23, 2026 · 08:15 AM ET / 08:15 PM SGT

prev 2.4

FOMC DECISION · US

T−35d

Wed, Jul 29, 2026 · 02:00 PM ET / 02:00 AM SGT

prev 3.75

BOJ DECISION · JP

T−36d

Thu, Jul 30, 2026 · 11:00 PM ET / 11:00 AM SGT

prev 1