GLOBAL MACRO IN ONE VIEW

The energy shock peaked — then faded.

A mid-June US–Iran ceasefire reopened the Strait of Hormuz and sent Brent crude tumbling from above $120 back toward $73. Inflation prints spiked to multi-year highs, central banks turned hawkish — and by month-end the impulse was already unwinding.

BRENT CRUDE OIL

−20.7%

$92 → $73 / bbl

01 Market scorecard

Monthly moves for June 2026, closing level and percentage change.

EQUITY INDICES

Nikkei 225	+5.63%
Dow Jones	+2.52%
FTSE 100	+0.85%
S&P 500	−1.07%
Nasdaq Comp.	−2.81%
JSE Top 40	−4.57%
Hang Seng	−9.14%

COMMODITIES

Iron Ore	−5.71%
Gold	−11.72%
Platinum	−19.11%
Brent Crude	−20.65%

THE COMMODITY UNWIND

Precious and industrial metals gave back the war-premium alongside oil. Platinum and Brent led the retracement as Hormuz reopened and risk premia collapsed into month-end.

02 Central banks diverge

Policy responses to the same energy shock split sharply across regions.

SARB · SOUTH AFRICA

7.00%

No MPC Rate Decision in June

Cautious pause expected 23 July as it works to anchor expectations toward 3%.

FED · UNITED STATES

3.50–3.75%

HOLD · HAWKISH

Dropped its easing bias; median dot lifted to 3.8%, flagging a possible hike.

ECB · EUROZONE

2.25%

HIKE ▲ FIRST SINCE '23

Deposit rate raised as HICP hit 3.2%; 2026 inflation forecast lifted to 3.0%.

BOJ · JAPAN

1.00%

HIKE ▲ +25 BP

Highest rate since 1995. A record ¥11.7trn FX intervention proved short-lived.

PBoC (China) — held LPR at 3.00% / 3.50% for a 13th month; CPI +1.2% YoY. **RBI (India)** — held repo at 5.25%; CPI climbed to 3.93%, a fifth straight rise.

03 The regional read

What drove each market — and where Cartesian Capital sees the balance of risk.

South Africa

26.10°S, 28.06°E

Local equities fell 4.6% as the JSE Top 40 took an energy-led knock. Headline CPI jumped to 4.5% but core stayed contained at 3.8%, and Q1 GDP grew a modest 0.5% QoQ. A deterioration in inflation expectations complicates the SARB's pause argument.

United States

40.70°N, 74.01°W

CPI hit a three-year high of 4.2% and the Fed hardened its stance — even as the impulse faded with oil. The Dow set records while big-tech leadership stalled. Our view: a fuel-led relative-price shock, not a new inflation cycle; the next move is more likely a cut than a hike.

Eurozone

50.11°N, 8.68°E

The ECB reversed course with its first hike since 2023 as HICP reached 3.2%, lifting inflation forecasts while cutting growth to 0.8%. The 10-year Bund rallied to 2.86% as Brent fell and tariff uncertainty cleared. Markets price a ~93% chance of a July hold.

Asia

35.68°N, 139.69°E

Divergence defined the region: China and India held, while Japan hiked to a 1995 high. The yen stayed weak despite a record intervention — a reminder that intervention buys time but not direction. Further BoJ tightening looks more likely than continued FX defence.

HOUSE VIEW

Looking into H2

We read June's spike as a fuel-led relative-price shock, not the start of a new inflation cycle. With oil retracing, the tightening bias looks like fighting the last war.

01 · ENERGY

Hormuz and the oil price remain the key swing factor between renewed disinflation and a stagflation scare. A durable move back below $75 Brent keeps the disinflation path intact through H2.

02 · POLICY

Policy is restrictive but increasingly reactive. The bar for renewed hikes is lower than for cuts — yet with the impulse fading, the Fed's next move is more likely a cut than a hike, most plausibly around mid-2027.

03 · POSITIONING

In South Africa we expect the SARB to hold at 7% on 23 July, keeping local duration supported by contained core inflation — though a rise in inflation expectations remains the key risk to the pause.