

# The Navigator - Issue No. 37 - Beta | May 13, 2026 | NAV News

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Wednesday, May 13, 2026

## Market Snapshot

S&P 500: 7,444.2 | Futures +0.2% Premarket - Tech Rebounds but PPI Still Gates the Open  
Brent Crude: \$107.58 | Down 0.2% - Ceasefire Doubts Persist Even as the Overnight Spike Cools

Gold: \$4,714 | Up 0.6% - Safe-Haven Demand Holds Even With the Dollar Near a Weekly High  
Fed Funds Rate: 3.50-3.75% | Held April 29 - Hot CPI, PPI Risk, and the Fed Leadership Handoff Keep Cuts Sidelined

## The Lead

Hot CPI Didn't Break the Tape. PPI and Beijing Still Can.

Wednesday, May 13, 2026 opens with S&P 500 futures around 7,444.2, up about 0.2%, Brent crude near \$107.58, gold around \$4,714, U.S. natural gas near \$2.84, the dollar index at 98.33, EUR/USD near 1.1735, USD/JPY around 157.70, and a U.S. calendar led by 8:30 AM ET PPI expected at 0.5% month over month with core seen at 0.3% month over month and 4.3% year over year, followed by 10:30 AM ET crude inventories, Cisco after the close, fresh OPEC and IEA oil signals, and a market also watching Donald Trump's arrival in China ahead of Thursday's summit with Xi Jinping.

Tuesday's CPI shock did not produce the kind of liquidation that usually follows a three-year high in headline inflation. Reuters' Morning News coverage instead described a market that absorbed the 3.8% annual print by leaning back into parts of tech while leaving the broader macro warning lights on. That is a durable signal for today: investors are still willing to own growth, but only if the next inflation checkpoint does not confirm that Tuesday was the start of a more persistent reacceleration.

Oil remains the central constraint. Reuters' commodity coverage showed Brent easing only modestly to about \$107.58 after a three-day rally, while the IEA said global oil supply has shrunk by a cumulative 12.8 million barrels a day since February and warned that inventories are already drawing at a record pace. That matters because a market can often look through one hot inflation release; it has a much harder time looking through an energy backdrop that keeps validating the higher-for-longer story every morning.

The cross-asset tape still reads as policy repricing rather than outright panic. Reuters' FX report had the dollar index near 98.33, close to a one-week high, with the euro around \$1.1735, while USD/JPY traded near 157.70 and kept intervention nerves in the background. Gold rising toward \$4,714 at the same time says the market is hedging macro fragility without abandoning the view that nominal rates and the dollar can stay firm.

There is also a second macro layer beyond inflation. Trump's arrival in China before Thursday's summit with Xi gives the market another channel through which Iran, trade,

semiconductors, and commodity diplomacy can move together. At the same time, the Senate's next steps on Kevin Warsh's elevation toward the Fed chair keep policy credibility and central-bank independence in the frame just as hotter inflation is forcing investors to reconsider how much patience the next Fed leadership can realistically preserve.

That leaves Wednesday's open with a tighter hierarchy than the headline futures bounce suggests. PPI at 8:30 AM ET is the first test, crude inventories and energy headlines follow, and Cisco's report after the close will tell investors whether one of the AI-era bellwethers still sounds insulated from input-cost and demand noise. If wholesale inflation is manageable and oil eases, equities can keep treating Tuesday as a contained scare; if PPI runs hot with Brent still above \$107, the market will have to assume the inflation impulse is broadening from gasoline into the rest of the pricing chain.

## **Callout**

The setup to understand today: Tuesday's CPI did not cancel the rally, but it raised the standard for every data point and policy headline that follows it.

## **What Moves Today**

### **Three Signals**

Possible Paths - Wednesday, May 13, 2026

How PPI, Oil, China Headlines, and Fed Transition Risk Could Reprice the Whole Cross-Asset Tape

PPI cools and oil steadies: If wholesale inflation comes in no worse than expected and Brent eases back toward the low-\$106 area, equities can treat Tuesday's CPI as a scare rather than a regime change. In that path, rates can retrace some of their backup, EUR/USD can stabilize, USD/JPY can stay below the next intervention threshold, gold can hold its bid without disorder, credit stays composed, and earnings can reclaim center stage as the primary test of whether the rally still has breadth.

PPI is mixed and diplomacy stays noisy: If the inflation data is not catastrophic but oil stays above \$107 while Trump-Xi headlines produce no visible de-escalation on Iran or trade, markets are likely to grind rather than trend. Equities can remain bifurcated between AI leaders and everything else, Treasury yields and the dollar retain a policy premium, commodities keep signaling inflation persistence, credit loses some cushion, and management teams face sharper questions about pricing power, freight, and end-demand durability.

PPI runs hot and crude tightens again: The hardest path is one where producer inflation confirms Tuesday's CPI and energy resumes climbing into the U.S. session. That would pressure equities through valuation and margin channels, push yields higher across the curve, favor the dollar against cyclical FX while keeping the yen under scrutiny, reinforce the commodity complex, widen credit spreads into a clearer warning sign, and make the rest of this week's earnings and Fed-transition headlines matter through a far more defensive macro lens.

## **Disclosure**

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