

The Navigator - Issue No. 84 - Beta | July 15, 2026 | NAV News

Issue No. 84 - Beta

Wednesday, July 15, 2026

Market Snapshot

S&P 500: 7,545.40 | Tuesday's close added about 0.4%, and Wednesday premarket S&P futures were up roughly 0.1% as cooler CPI met stronger earnings tape support from BlackRock, Morgan Stanley, and ASML

Brent Crude: \$85.80 | Brent stayed in the mid-\$85s after another round of U.S.-Iran strikes and continued Hormuz disruption risk, leaving the energy impulse uncomfortably high even as June inflation data softens

Gold: \$4,055 | Gold held near record territory after Tuesday's sharp haven bid, with investors balancing easier inflation prints against geopolitical risk and still-restrictive real yields

Fed Funds Rate: 3.50-3.75% | Held June 17 - June PPI is due at 8:30 AM ET, Beige Book arrives at 2:00 PM ET, and Kevin Warsh returns to Capitol Hill today with markets testing whether softer data really changes July expectations

The Lead

A Cooler Inflation Run Needs a Second Leg. PPI, Warsh, and \$85 Brent Still Hold the Open.

Wednesday, July 15, 2026 opens with S&P futures up about 0.1%, Dow futures roughly flat, Nasdaq futures higher by around 0.4% to 0.6%, Brent crude near \$85.80 a barrel, gold around \$4,055, U.S. natural gas near \$2.82 per mmBtu, the dollar index near 100.8, EUR/USD around 1.1480, and USD/JPY near 161.8 as investors absorb softer CPI, await June PPI at 8:30 AM ET, parse Kevin Warsh's Senate testimony, and sort through fresh results from Morgan Stanley, BlackRock, Johnson & Johnson, Conagra, and ASML.

Tuesday gave the market a cleaner inflation print, but not a clean macro handoff. The June CPI release cooled rate fears, the Nasdaq recovered, and bank earnings stopped the tape from rolling over. Yet by Wednesday morning the key question is no longer whether one soft data point can lift sentiment for a session. It is whether that relief can survive another inflation input, a still-hawkish Fed chair, and crude that refuses to back away from the mid-\$80s.

The overnight picture is constructive but selective. Morgan Stanley and BlackRock delivered solid earnings updates before the bell, while ASML raised its full-year sales outlook on persistent AI-driven equipment demand. That matters because the market does not need every sector to be strong at once, but it does need proof that leadership can broaden from a narrow mega-cap rebound into financials, infrastructure, and capex-sensitive industrial technology.

China did not offer an unambiguous global-growth tailwind. Second-quarter GDP slowed to 4.3%, the weakest pace since 2022, even as retail sales and industrial production beat in

June. For markets, that mix reinforces a familiar split message: domestic demand remains soft, but export and tech manufacturing channels are still generating enough activity to keep semiconductor and AI supply-chain names relevant to the open.

Oil is still the spoiler variable. Brent holding around \$85.80 after renewed U.S.-Iran strikes and continued Hormuz risk means the inflation downshift is arriving with an expiration warning already attached. If PPI echoes CPI and looks benign, markets still have to decide whether June's disinflation tells the real current story or whether July energy pressure is already writing the next one.

Rates and currencies have relaxed, but only to a point. The softer CPI print pushed the dollar lower and pulled Treasury yields off their highs, yet USD/JPY remains close enough to intervention-sensitive levels and the broad dollar is still firm enough to keep global financial conditions from meaningfully loosening. That is why Wednesday's premarket tone feels better without feeling easy.

Kevin Warsh is the policy bridge. His House testimony on Tuesday repeated the line that the Fed has no tolerance for high inflation and signaled little interest in declaring victory off a single month of data. If that stance carries into the Senate hearing, then even another soft inflation reading may be treated as helpful but insufficient, leaving equities supported by earnings quality while rates, FX, and energy continue to set the outer limits of risk appetite.

Callout

Key insight: Wednesday's opening setup is friendlier than Monday's panic, but it is still a conditional rally in which softer inflation, AI-linked capex strength, and bank earnings all have to coexist with an oil market that is not giving the Fed much room to relax.

What Moves Today

Three Signals

Possible Paths - Wednesday, July 15, 2026

The market is trying to convert one soft inflation print into a broader reset, but oil and Fed credibility are still setting the terms.

Extension path: If PPI confirms cooling price pressure and Warsh avoids sounding more hawkish than Tuesday, equities can extend the rebound with financials and AI-capex names sharing leadership. In that outcome, Treasury yields keep easing, the dollar softens further against both the euro and yen, Brent stops dictating the whole session, gold gives back some fear premium, credit remains orderly, and earnings beats earn a cleaner multiple response.

Contained path: If PPI is mixed and Warsh keeps the inflation fight front and center without signaling an imminent move, markets may stay constructive but narrower. Equities would likely hold gains unevenly, rates would settle only modestly lower, FX would keep a mild dollar-bias reversal without fully breaking trend, commodities would remain bifurcated between oil stress and weaker demand signals, credit would favor quality, and earnings reactions would stay selective rather than broad.

Reversal path: If producer prices reheat, Warsh leans harder into no-tolerance language, or Brent pushes higher again on fresh geopolitical headlines, the relief trade can stall quickly. Equities would face another valuation squeeze, front-end and long-end rates would both reprice firmer, EUR/USD would struggle while USD/JPY moves back toward intervention-sensitive territory, commodities would reinforce the inflation-over-growth message, lower-quality credit would widen first, and earnings season would lose its ability to offset macro pressure.

Disclosure

Disclosure: The Navigator is a joint production of NAV News and AI-assisted research and writing tools. Topics are selected, synthesized, and editorially shaped with the assistance of artificial intelligence to deliver timely, market-relevant perspectives to our readers as efficiently as possible. This newsletter is for informational purposes only and does not constitute investment advice, a solicitation, or a recommendation to buy or sell any security. All market data referenced is sourced from publicly available information as of the date of publication. Past market behavior is not indicative of future results. NAV News is an independent editorial operation and is not affiliated with any financial institution or broker-dealer.