DELPHIC QUICKTAKES

Daily cross-desk synthesis · macro · markets · Greece · geopolitics

By Delphic Strategies · 4 September 2026 · Thursday edition — a dovish-Waller rally

A Dovish-Waller Rally: One Voice Flips the September Odds to a Coin-Flip; Gold and Equities Both Run, Yields Fall

The 3 Sep tape RALLIED on a Fed VOICE, not the data. Gov. Waller signalled he would support HOLDING in September if disinflation continues, flipping CME Sept-hike odds ~63% → a coin-flip (~50%); the 10y fell ~5bp to ~4.75% and the market ran — S&P +1.12% to 7,752, Nasdaq 100 +1.30%, Dow +1.15%, the semis-led move OVERRUNNING Broadcom's light Q4 guide. Both risk AND haven bid: gold +2.4% (~$4,470) as real yields fell, VIX ~14.5. The IRONY: the day's DATA was HAWKISH — ISM services 55.4, a beat. It is now an explicit Warsh-hawk vs Waller-dove split into 16 Sep, decided by the 4 Sep jobs + Aug CPI (11 Sep). HOLD / higher-for-longer — we FADE the dovish reflex.

(1) A dovish-Waller rally — the Fed is now openly SPLIT into 16 September; we fade the single voice. The rally was a Fed repricing, not a data story. **Gov. Waller signalled he would support HOLDING** in September if disinflation continues ('give disinflation a chance'), flipping **CME Sept-hike odds ~63% → a coin-flip (~50%)**; the 10y eased ~5bp to ~4.75%. But Chair Warsh stays HAWKISH ('we have work to do'), and the hawks hold the internal majority (three July dissents) — a genuine **Warsh-hawk vs Waller-dove split**. We **FADE the dovish reflex**: it is one voice, and the global consensus is a synchronised tightening (ECB + BoJ September hikes). The September call is decided by the **4 Sep jobs** then **Aug CPI (11 Sep)** — a hot pair re-arms the hike, a soft pair validates the dove.

Global Macro · The Fed

(2) The irony: the DATA was hawkish — the tape rallied on the Fed voice, not the prints. Read the day's data, not just the tape: **ISM services printed 55.4** (a beat, Business Activity 61.7, a 26th month of expansion), and ISM manufacturing was 54.6 with Prices Paid hot (71.1). The core is still stuck (July core PCE 3.3% y/y a fourth month, headline 3.7%). So the fundamentals lean HAWKISH — the market rallied because a Governor tapped the brakes on a hike, not because the economy cooled. The employment sub-index (ISM services 47.8) and the soft ADP (+38k) are the doves' evidence into Friday's payrolls; the price and activity data are the hawks'. The jobs report breaks the tie.

Global Macro · Data

(3) The long end is a POLICY repricing, not a fiscal crisis — the US term premium is unchanged and below Germany/Japan. The read on the global long-end sell-off is a policy repricing, not a debt-crisis event. The US 10y term premium is **unchanged over the past 12 months and sits BELOW Germany's and Japan's** — the market is not pricing a uniquely-US fiscal problem or worse Fed credibility. Long rates are higher because the Fed flipped from cuts to hikes; today they EASED on the dovish signal (30y ~5.2%, off its two-decade high). Treasury's doubled buyback (≥$4bn) is plumbing that caps the overshoot, NOT a yield target or a pivot. Base case 10y 4.00-5.00% through 2027, higher-for-longer intact.

Global Macro · Rates

(4) Iran/Hormuz — RE-escalating but FLATTENING; the premium bleeds while the macro rallies. The corridor is consolidating at a high-risk plateau. The vector stays **RE-ESCALATING** off the 31 Aug double tanker strike (the 7th hull hit since 14 Jul) and the 1 Sep US retaliation on IRGC positions inside Iran (a kinetic exchange, not a chokepoint event). But **nothing on 2-3 Sep tipped a clean Phase-1 trigger** — no new hull strike, Kharg threatened (Trump's AI video) but NOT struck, no in-channel sinking — and the barrel is FLATTENING (Brent eased to ~$94.6). The **SoH Monitor HOLDS Phase 2**: the market prices a premium ($92-95), not a closure ($100-130). Qatari mediation is active but unresolved. The Phase-1 tail stays HOT; a Kharg strike, an in-channel sinking, or Brent settling >$96-100 tips it.

Iran-Hormuz · SoH Monitor

(5) Greece — a broad rally with the global risk-on; Viohalco +6.2%, banks +2-3%; the STOXX 600 upgrade ahead. The Athens tape rallied with the world — the **General Index +1.62% to 2,691** — broad and cyclical: **Viohalco +6.2%, Cenergy +3.7%, Motor Oil +3.0%** and the banks +2-3% (**Alpha +2.7%, NBG +2.4%, Piraeus +1.95%**), with HELLENiQ (-1.5%) the exception. Two concrete catalysts anchor the bull case: the **STOXX Europe 600 inclusion of the four systemic banks plus Metlen, effective at close 18 Sep** (a bulge-bracket projects >$1bn of incremental volume), and a heavy September **bank investor roadshow** (New York 8 Sep, London 24 Sep). The **Thessaloniki Fair (TIF) keynote (Sat 6 Sep)** is the policy stage — ~€1.7bn of tax relief trailed inside a record-debt-reduction message. The Greek tilt — bank capital return + cyclical/infrastructure + income ballast — stays.

Greece

BOTTOM LINE

A dovish-Waller rally: the Governor signalled a September HOLD, flipping CME Sept-hike odds ~63% → a coin-flip (~50%); equities ran (S&P +1.12% to 7,752, Nasdaq +1.30%), gold +2.4% (~$4,470), 10y -5bp. The IRONY: the day's data was HAWKISH (ISM services 55.4). It is now an explicit Warsh-hawk vs Waller-dove split into 16 Sep — the Chair stays hawkish, the hawks hold the majority — decided by the 4 Sep jobs + Aug CPI (11 Sep). The long-end sell-off is a policy repricing, not a fiscal crisis. Brent eased to ~$94.6 (SoH Phase 2, RE-ESCALATING but flattening). Athens rallied +1.62% broad. HOLD / higher-for-longer — we FADE the dovish reflex; own the bottleneck and quality, keep duration light.