Global Cross-Asset Tape

The jobs test breaks SOFT — and the tape takes it as relief · hike bets pared, gold surges, records hold · equities 2 Jul close, rates/oil/gold/FX 3 Jul

Read. The jobs test the half had been waiting on broke SOFT — and the tape took it as relief, not warning. **June payrolls rose just +57k** (vs ~115k consensus and below May's downward-revised 129k), with **April and May cut a combined 74k** and the unemployment rate ticking to 4.2% only because participation slipped to 61.5% (BLS, 2 Jul). Because it QUIETS the rate-hike debate that had framed the half **— the 2Y fell ~2bp to 4.137%** and traders took a September Fed hike off the table (CNBC / CME FedWatch) — risk read it dovishly: the **Dow closed at a record (+0.46%)** and the **S&P firmed +0.49% to a fresh high**, while **gold SURGED +2.2% to $4,139** on the real-rate / safe-haven bid. The one crack was leadership: **semiconductors fell a second day (-4.5%), dragging the Nasdaq 100 -1.6%** even as the broad tape made records. The long end barely moved (10Y ~4.48%), so the curve bull-steepened. Read it as regime rotation, not a break: the HIKE tail that drove H1's yield back-up has been pulled forward off the table, and duration + defensives led.

RATES & MACRO

ASSET	LAST	CHG
US 2Y	4.14%	-2bp (hike bets pared)
US 5Y	4.23%	-4bp
US 10Y	4.48%	~flat
June payrolls	+57k	vs ~115k exp (miss)

EQUITIES (LAST CLOSE, 2 JUL)

ASSET	LAST	CHG
Dow Jones	record	+0.46% (fresh high)
S&P 500	~7,520	+0.49% (record)
Nasdaq 100	29,329	-1.6% (semis -4.5%)
Russell 2000	2,996	-0.55%

COMMODITIES & ENERGY

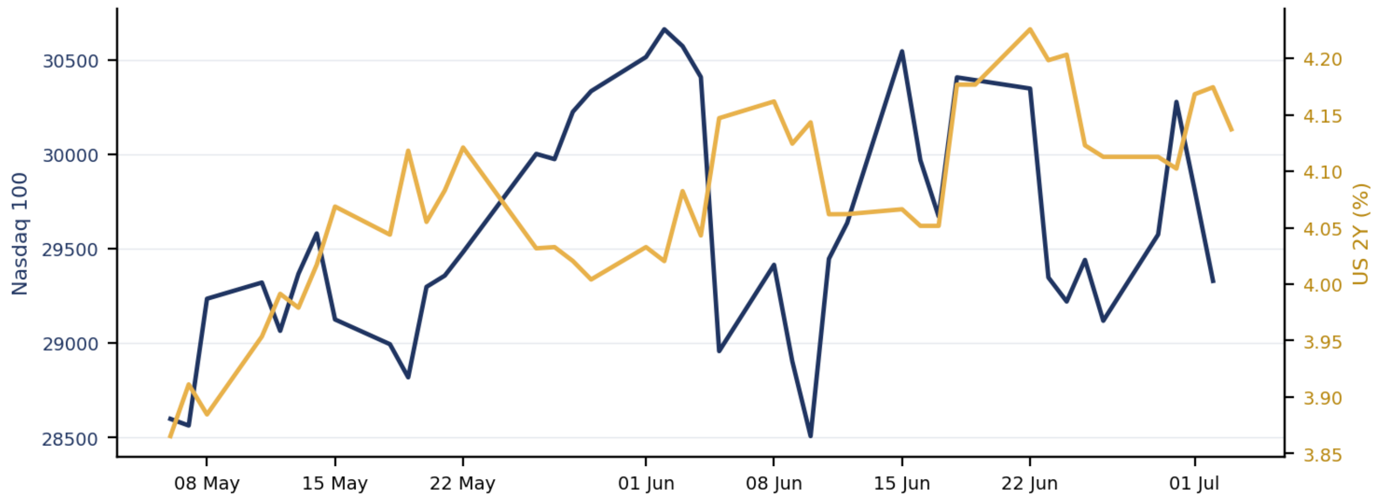
ASSET	LAST	CHG
Gold ($/oz)	4,139	+2.2% (surge)
Brent ($/bbl)	71.52	+0.9%
WTI ($/bbl)	68.40	+0.9%
Brent fwd-12m	~$70	near-flat (glut)

FX

ASSET	LAST	CHG
EUR/USD	1.142	+0.3%
DXY	100.98	-0.4%
USD/JPY	161.4	-0.7%
GGB 10Y	3.59%	+3bp

GLOBAL EQUITIES

Euro Stoxx 50 6,360 +1.24%	**DAX** 25,581 +2.16%	**SX7E EU banks** 299.7 +2.03%	**Athens ASE** 2,505 +0.97% (17-yr high)	**Nikkei** 67,843 -2.87% (3 Jul)



Nasdaq 100 (navy, LHS) vs US 2-year yield (amber, RHS), last 40 sessions — the front end rolled over on the soft June print as the hike bid came off. Source: Delphic market-data store.

Session Read

US · Europe · Asia / EM · Greece read-through

United States — the anchor

The binary resolved to the downside on GROWTH — and the tape took it as relief. June payrolls printed **+57k, about half the ~115k consensus**, with April/May revised down a combined 74k and the household detail soft (participation 61.5%, the 4.2% u-rate flattered by people leaving the workforce). Yet equities RALLIED to records: the soft number QUIETS the Fed-hike conversation that framed the half (the 2Y fell ~2bp to 4.137%, a September hike now priced out), so the Dow closed at a record and the S&P firmed +0.49% to a fresh high, gold surged +2.2%, and the long end held ~4.48% (a bull-steepening). The single crack was the leadership: semiconductors fell a second straight day (-4.5%), pulling the Nasdaq 100 -1.6% while the broad index made new highs. The resilient-tightening regime that drove H1 — strong growth being discounted, yields and equities rising together — has INFLECTED: the hike tail is off, and the new question is whether +57k is a one-month air-pocket or the first read of a genuine slowdown. That, not the yield level, is the risk now.

Europe

A firm session ahead of the US number — Euro Stoxx 50 +1.24%, DAX +2.16% to fresh highs, and the bank complex leading (SX7E +2.03%). Peripheral spreads held with core yields (Bund 10Y 2.90%, BTP 3.68%; the BTP-Bund gap steady), and after the print the euro firmed to 1.142 as the dollar eased (DXY -0.4%). The read still: the Fed under Warsh skews hawkish-at-the-margin while the ECB holds — a soft US labour print narrows that gap and is a tailwind for European duration and the rate-sensitive periphery.

Asia / EM

The Nikkei fell -2.87% on 3 Jul (67,843) as the global semiconductor pause carried and the yen firmed to ~161.4 (USD/JPY -0.7%) on the softer US front end — a double squeeze on the funded-long Japan trade. The BoJ's hike-toward-1.75% signal and the AI-capex bid remain the structural anchor, but a stronger yen plus a semis drawdown is the near-term headwind. China / EM steady as the softer dollar (DXY 100.98) eases financial conditions at the margin.

Greece — the franchise

Athens ran THROUGH 2,500. The General Index closed **+0.97% at 2,505.37 — a fresh yearly and 17-year high** (turnover €303.5m), with the banking index +0.78% to 2,824.4, a third straight up-session that shrugged off the global semis wobble entirely. The capital-formation cycle rolled on: **GEK TERNA signed the transfer of stakes in the VOAK (Crete) motorway concession** — recycling the axis to Aktor Concessions (24%) and Metlen (24%) while keeping the largest 40% — a syndication of concession capital, not a retreat. The soft US print is a clean tailwind here: the front-end repricing caps any GGB back-up (10Y ~3.59%) and helps the rate-sensitive infra leaders (ADMIE, GEK TERNA) and the banks into the 29-31 Jul results; Brent's mild +0.9% tick to $71.52 only marginally trims the disinflation tail.

Movers & Rotation

What moved · Soft jobs, dovish tape · 2 Jul close (cited)

THE RELIEF BID		THE CRACK / CROSSCURRENTS	
Dow Jones	record close (+0.46%) — defensive / value leadership as the hike tail came off	**Semis**	-4.5% a SECOND day — the one break; dragged the Nasdaq 100 -1.6%
S&P 500	+0.49% to a fresh high — the broad tape made records on the soft print	**June payrolls**	+57k vs ~115k exp; Apr/May revised -74k — a clear labour cooling
Gold	$4,139 (+2.2%) — SURGED; real-rate / safe-haven bid as the front end fell	**Russell 2000**	2,996 (-0.55%) — small-caps lagged the record tape
US 2Y	4.137% (-2bp) — a September Fed hike priced out (CME FedWatch)	**Nikkei**	-2.87% (3 Jul) — semis pause + a firmer yen (161.4) squeeze the funded long
Athens ASE	+0.97% to 2,505 — a 17-year high; banks +0.78%, capex cycle rolls on	**US 10Y**	~4.48% (~flat) — the long end held; the curve bull-steepened

Rotation (YTD)

- The regime INFLECTED: H1's resilient tightening (yields + equities up together) gave way to a rate-relief bid — the front end fell, and duration + defensives (the Dow's record) led while semis broke.

- Bad-news-is-good-news, with one asterisk: the soft print pulled the hike tail off and lifted records, but semis' second -4.5% day flags that the AI/mega-cap leadership — not the index — is where the growth-cooling doubt is landing.

Read. The jobs day resolved soft — +57k against ~115k, with 74k of downward revisions — and the tape read it as relief rather than warning: the hike conversation that drove the half's back-up is off the table (2Y -2bp, September priced out), so the Dow and S&P closed at records and gold surged +2.2% to $4,139. The single crack was leadership — semiconductors fell a second day (-4.5%), pulling the Nasdaq 100 -1.6% — which is where the growth-cooling doubt is being expressed. Regime rotation, not a break: the risk is no longer a hot number and higher-for-longer, but whether +57k is an air-pocket or the first read of a genuine slowdown.

Theme of the Day

The jobs test breaks soft — and the tape takes it as relief: the hike tail comes off, records hold, and the risk rotates from 'higher-for-longer' to 'is growth cooling for real'

For six weeks the read had been resilient tightening — strong growth being discounted, equities and yields rising together — with June payrolls flagged as the discriminator. The number came SOFT: **+57k versus ~115k consensus, April and May revised down a combined 74k**, and a 4.2% unemployment rate flattered by a falling participation rate (BLS, 2 Jul). Crucially the tape took it as RELIEF: because a weak labour print quiets the rate-hike debate that had defined the Warsh Fed, **the 2Y fell ~2bp to 4.137% and a September hike was priced out** (CME FedWatch), so the **Dow and S&P closed at records** and **gold surged +2.2% to $4,139** on the real-rate bid. This is a regime INFLECTION, not a break: the resilient-tightening frame — where a hot number and higher-for-longer was the risk — has flipped to a rate-relief bid in which duration and defensives lead. The one crack is leadership: **semiconductors fell a second day (-4.5%), dragging the Nasdaq 100 -1.6%** even as the broad index made new highs — the AI/mega-cap complex, not the index, is where the growth-cooling doubt is landing. The risk has rotated: no longer 'is the number too hot', but 'is +57k a one-month air-pocket or the first read of a genuine slowdown'.

Cross-asset implications

- Rates / curve: the front end repriced the hike tail out (2Y 4.137%, -2bp; September off the table) while the 10Y held ~4.48% — a bull-steepening; the risk now is a growth-scare rally in duration, not a back-up.
- Equities / sectors: records on the broad tape but semis -4.5% a second day (Nasdaq 100 -1.6%) — the leadership rotated from AI/mega-cap toward the Dow's defensive/value complex; watch whether that broadens or the semis crack spreads.
- Commodities / FX: gold +2.2% to $4,139 is the signature of the relief bid (real rates falling); the dollar eased (DXY -0.4%, JPY to 161.4) and Brent ticked +0.9% to $71.52 — the disinflation tail only marginally trimmed.

Catalyst Watch

AFTER THE PRINT (FRI 3 JUL, HALF-DAY PRE-JULY 4)

- The read-through from the soft print: does the record tape hold into the long weekend on the rate-relief bid, or does the growth-cooling read (+57k, 74k of revisions) start to price a slowdown rather than a Fed reprieve.
- Semiconductors — a second -4.5% day is the tell to watch: if the AI/mega-cap leadership keeps bleeding while the index holds, the divergence between breadth and leadership becomes the story.
- Oil: Brent +0.9% to $71.52 — the glut still caps it (Iran/Russian record flows, IEA 2027 surge); a Hormuz headline remains the only near-term reverser of the disinflation tail.

INTO THE JULY 4 HOLIDAY

- The Fed path: with a September hike priced out (CME FedWatch) and futures still flagging a possible October move, every data point now reads through 'has the labour market turned'; the July FOMC call just got more complicated.
- Hormuz — the Doha US-Iran technical track advances (working groups, mine-clearance first) but no high-level meetings; Brent's low-$70s handle is the disinflation offset that has done the Fed's work all half.

Risks to the Call

- The benign read curdles: +57k with 74k of downward revisions is reframed as the first print of a genuine slowdown — the relief bid gives way to a growth scare, and cyclicals / small-caps (Russell -0.55%) lead lower.
- The semis crack spreads: a second -4.5% day in the AI/mega-cap complex broadens from leadership into the index, and the record breadth narrows.

- The dovish repricing overshoots: if the Fed under Warsh signals it still leans hawkish on inflation despite the soft labour print, the front-end relief (2Y 4.137%) reverses and the rate-sensitive record leaders unwind into a thin holiday tape.
- Oil reverses the disinflation tail: a Hormuz re-escalation or a supply surprise re-bids crude off the low-$70s and reopens the inflation leg the soft print just quieted.

Synthesis

The call

The test resolved — and it resolved soft. June payrolls at +57k against ~115k, with 74k of downward revisions, says the labour market is cooling; but because a weak print quiets the hike debate that defined the half, the tape took it as RELIEF — the 2Y fell, a September hike came off the table, and the Dow and S&P closed at records with gold surging +2.2% to $4,139. Trade the rotation, not the headline: the regime has inflected from resilient tightening (where a hot number was the risk) to a rate-relief bid where duration and defensives lead. Respect the one crack — semiconductors fell a second day (-4.5%), pulling the Nasdaq 100 -1.6% — because that is where the market is voting that growth, not just the Fed, is the question now. The risk is no longer higher-for-longer; it is whether +57k is an air-pocket or the first read of a genuine slowdown. Own duration and quality; watch the semis and the small-caps for whether relief curdles into a growth scare.