Global Cross-Asset Tape

A DOVISH-WALLER RALLY. 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%); 10y -5bp to ~4.75%. Equities ran (S&P +1.12% to 7,752, Nasdaq 100 +1.30%), the semis-led rally overran Broadcom's light guide; gold +2.4% (~$4,470) as real yields fell, VIX ~14.5. The IRONY: the day's DATA was HAWKISH (ISM services 55.4). Now a Warsh-hawk vs Waller-dove split into 16 Sep. Athens +1.62%. HOLD / higher-for-longer — we FADE the dovish reflex.

US — 3 SEP CASH CLOSE (A DOVISH-WALLER RALLY)

ASSET	LAST	CHG
S&P 500	7,752	+1.12% [3 Sep CASH]
Nasdaq 100 / Nvidia	29,521	+1.30%; NVDA firm
Dow / Russell 2000	53,671 / 2,964	+1.15% / +0.38%
VIX	~14.5	-4.7% (calm risk-on)

RATES — THE DOVISH REPRICING; THE LONG END EASED

ASSET	LAST	CHG
UST 10y	~4.75%	-5bp (Waller dovish)
UST 2y / 30y	~4.36% / ~5.2%	front end eased
Sept-hike odds	~50%	coin-flip (from ~63%)

COMMODITIES — GOLD RALLIES WITH THE DOVISH REPRICING

ASSET	LAST	CHG
Gold	~$4,470	+2.4% (real yields down)
Brent	~$94.6	eased (premium bleeds)
WTI	~$90	Brent-WTI ~$5

FX / EUROPE (3 SEP CASH)

ASSET	LAST	CHG
DXY / EUR-USD	99.4 / 1.16	dollar soft (dovish)
EU banks / Stoxx 50	+1.44% / +0.32%	Europe firm
Athens ASE	2,691	+1.62% (broad rally)

Read. A dovish-Waller rally — read it in layers. (1) The Fed VOICE moved the tape, not the data. 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 fell ~5bp to ~4.75% and equities ran — **S&P +1.12% to 7,752, Nasdaq 100 +1.30%, Dow +1.15%**, the semis-led move OVERRAN Broadcom's light Q4 guide. **(2) The irony: the DATA was hawkish. ISM services printed 55.4** (a beat, Business Activity 61.7) — the tape rallied on the Fed voice, not the prints. **(3) The split is now explicit.** Chair Warsh stays HAWKISH ('we have work to do'), and the hawks hold the internal majority (three July dissents) — a **Warsh-hawk vs Waller-dove split**, decided by the **4 Sep jobs** + **Aug CPI (11 Sep)**. **(4) The cross-asset tells.** Both risk AND haven bid — **gold +2.4% (~$4,470)** as real yields fell, the dollar soft, VIX ~14.5; a classic cut-hopes-revived session. **(5) Greece + oil.** Athens rallied **+1.62% (2,691)** broad (Viohalco +6.2%, banks +2-3%); Brent eased to ~$94.6 as the Hormuz premium bleeds (SoH Phase 2, RE-ESCALATING but flattening).

Session Read

4 Sep · A dovish-Waller rally. The Governor signalled a HOLD, flipping Sept-hike odds ~63%→~50%; equities ran (S&P +1.12%, Nasdaq +1.30%), gold +2.4%, 10y -5bp. The IRONY: the data was hawkish (ISM services 55.4). Now a Warsh-hawk vs Waller-dove split into 16 Sep. HOLD / higher-for-longer — we FADE the dovish reflex; the 4 Sep jobs + 11 Sep CPI the arbiters.

The tape — a broad, dovish-driven rally; a Fed voice, not the data

The 3 Sep tape RALLIED on a Fed VOICE. **Gov. Waller signalled he would support HOLDING** in September if disinflation continues, and the market ran — **S&P +1.12% to 7,752, Nasdaq 100 +1.30%, Dow +1.15%**, with the semis-led move OVERRUNNING Broadcom's light Q4 guide (AI breadth held: NVDA firm on a $13bn deal, a strong software print). Both risk AND haven bid: **gold +2.4% (~$4,470)** as the 10y fell ~5bp to ~4.75%, the dollar softened, VIX ~14.5. Europe + Athens rallied. A classic cut-hopes-revived session.

Rates & the Fed — the dovish reflex; now an explicit Warsh-hawk vs Waller-dove split

The move was a repricing of the Fed, not the data. Waller's dovish signal flipped **CME Sept-hike odds ~63% → a coin-flip (~50%)**; the 10y eased ~5bp to ~4.75%, the 2y to ~4.36%. But the day's DATA was HAWKISH — **ISM services 55.4**, a beat. Chair Warsh stays HAWKISH ('we have work to do'), and the hawks hold the internal majority (three July dissents), so it is a genuine **Warsh-hawk vs Waller-dove split** into 16 Sep. We **FADE the dovish reflex**: it is one voice; the **4 Sep jobs** then **Aug CPI (11 Sep)** are the arbiters — a hot pair re-arms the hike, a soft pair validates the dove.

The long end — a POLICY repricing, not a fiscal crisis

The read on the long end is a policy repricing, not a fiscal event: the US 10y term premium is **unchanged over 12 months and sits BELOW Germany's and Japan's** — the market is not pricing a uniquely-US fiscal problem. Long rates are higher because the Fed flipped from cuts to hikes, and today they eased on the dovish signal. Treasury's doubled buyback (≥$4bn) is plumbing that caps the overshoot, NOT a yield target. Base case 10y 4.00-5.00% through 2027, higher-for-longer intact.

Oil & Hormuz — the premium is bleeding; the SoH holds Phase 2 (RE-ESCALATING but flattening)

Brent eased to ~$94.6 as the Hormuz premium bleeds. Per the SoH Monitor the vector stays **RE-ESCALATING but FLATTENING** — the 31 Aug double tanker strike (the 7th hull hit) and the 1 Sep US retaliation on IRGC positions keep the tail HOT, but **no new corridor trigger fired 2-3 Sep** (Kharg threatened not struck). It HOLDS Phase 2 — a premium ($92-95), not a priced closure ($100-130). A high-risk plateau, not a fresh leg up.

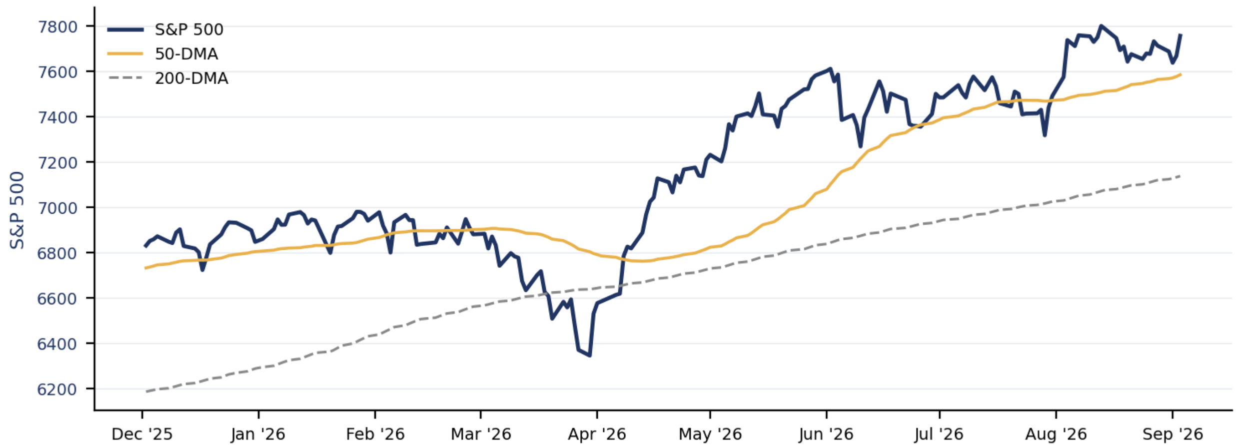
Regime & Technical Radar

Read with the Market Regime Radar (3 Sep) + the SoH Monitor (3 Sep): NEUTRAL/TRANSITIONAL — a tightening-dominant late cycle. The 3 Sep dovish-Waller rally is a Fed-VOICE reflex, not a regime change — Growth softened, Monetary UP but eased on the dovish repricing, Inflation UP. FADE the dovish reflex into the 4 Sep jobs + 11 Sep CPI.

MARKET REGIME	
Regime archetype	NEUTRAL/TRANSITIONAL — tightening-dominant late cycle, NOT Goldilocks. Growth NEUTRAL +0.18 (softer), Monetary UP +0.48 (eased as the front end repriced dovish), Inflation UP +0.44, Risk/Stress benign (-0.10, VIX 14.5). The hard data still holds (GDPNow Q3 ~4.6%, ISM services 55.4).
Rates — the master variable	A dovish-Waller repricing: the 10y -5bp to ~4.75%, 2y ~4.36%, the 30y ~5.2% (a two-decade high). Sept-hike odds ~63% → a coin-flip (~50%); a Warsh-hawk vs Waller-dove split into 16 Sep. The long-end sell-off is a POLICY repricing (US term premium unchanged, below Germany/Japan), not a fiscal crisis.
Oil / geopolitics	Brent eased to ~$94.6 (the Hormuz premium bleeding) — the SoH holds Phase 2, vector RE-ESCALATING but FLATTENING (no new trigger 2-3 Sep; the 31 Aug strike + 1 Sep US retaliation keep the tail hot; Kharg threatened not struck). A premium, not a closure. Phase-1 WATCH live.
Positioning read	FADE the dovish reflex — one voice flipped the odds, but the Chair, the hawk majority and a synchronised global tightening (ECB + BoJ Sept hikes) lean the other way. Own the bottleneck + quality; avoid the financed corners; keep duration light. The 4 Sep jobs + 11 Sep CPI are the swing.

TECHNICAL RADAR	
S&P 500 — levels	7,752 (3 Sep CASH, +1.12%); a dovish-Waller rally to fresh highs, above the 50-/200-day. The semis-led move overran Broadcom's light guide.
Nasdaq / semis	Nasdaq 100 +1.30%; AI breadth held despite Broadcom's light Q4 guide — NVDA firm on a $13bn deal, a strong software print. A guidance/discount-rate wobble, not a demand crack.
VIX	~14.5 (-4.7%) — crushed on the dovish repricing; a calm risk-on tape, no stress.
Brent	~$94.6 — eased as the Hormuz premium bleeds; the SoH holds Phase 2 (RE-ESCALATING but flattening). A premium ($92-95), not a priced closure ($100-130).

TECHNICAL RADAR · S&P 500 WITH 50- & 200-DAY MOVING AVERAGES



S&P; 500 with 50- and 200-day moving averages — a dovish-Waller rally (3 Sep CASH +1.12%) as the Governor signalled a September hold, flipping hike odds to a coin-flip. Source: store / wire; Delphic.

What we're watching this week

- {'label': '4 Sep — US August jobs report (Friday)', 'value': "the week's swing; soft ADP (+38k) frames a low bar. Consensus ~55-65k, unemployment 4.1% (risk 4.2%). A hot print re-arms the September hike and reverses the dovish rally; a soft one hands the doves the argument. We FADE the dovish read."}
- {'label': "Aug CPI (11 Sep) — the Fed's arbiter", 'value': 'Waller made the September call hinge on the August inflation data; a firm CPI re-arms the hike, a soft one validates the hold. The Warsh-hawk vs Waller-dove split is decided here.'}
- {'label': 'The long end', 'value': 'the 30y ~5.2% (a two-decade high) eased on the dovish repricing — a POLICY repricing, not a fiscal crisis (US term premium unchanged, below Germany/Japan). Watch for a resumption of the global sell-off or an auction accident.'}
- {'label': 'Oil / Hormuz — does a clean trigger fire', 'value': 'the SoH badge is RE-ESCALATING but FLATTENING (Phase 2). Watch for a Kharg/terminal strike, a tanker SUNK in-channel, or Brent SETTLING above ~$96-100 — any tips full Phase 1 (a stagflationary supply shock). Or Qatari mediation lands a ceasefire.'}
- {'label': 'Greece', 'value': 'the Athens tape rallied +1.62% (2,691) broad on 3 Sep (Viohalco +6.2%, Cenergy +3.7%, banks +2-3%, Motor Oil +3.0%); ahead of the STOXX 600 inclusion (the 4 systemic banks + Metlen, effective 18 Sep), the bank roadshows and the TIF keynote (Sat 6 Sep).'}

Read. The daily cross-checks the Regime Radar (3 Sep) and the SoH Monitor (3 Sep): neutral/transitional — a tightening-dominant late cycle, with the 3 Sep dovish-Waller rally a Fed-VOICE reflex not a regime change. Rates are the master variable and eased on the dovish signal; the long-end sell-off is a policy repricing, not a fiscal crisis. FADE the dovish reflex into the 4 Sep jobs + 11 Sep CPI.

Theme of the Day

A DOVISH-WALLER RALLY. Gov. Waller signalled a September HOLD, flipping CME Sept-hike odds ~63%→~50%; equities ran (S&P +1.12% to 7,752, Nasdaq +1.30%), gold +2.4%, 10y -5bp. The IRONY: the data was hawkish (ISM services 55.4). Now a Warsh-hawk vs Waller-dove split into 16 Sep. Athens +1.62% broad. HOLD / higher-for-longer — we FADE the dovish reflex; the 4 Sep jobs + 11 Sep CPI the arbiters.

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