Global Cross-Asset Tape

THE ENERGY SHOCK ARRIVES ON A TAPE THAT WAS SHUT. US markets were closed Monday for Labor Day, so the last US cash close is Friday 4 September — and while the tape was dark, oil did the work. Brent settled $97.00 on 7 Sep and marks $97.61, a six-week high, +16.8% on the month, on a US-Iran exchange that sharpened on 5 Sep and a second strike on Saudi Aramco's Jizan refinery (400 kb/d) on 7 Sep. Europe held: DAX 26,007 (-0.41%), Athens 2,702.54 (+0.04%) — a 17-year closing high. Asia sold off overnight. The problem is the calendar: this lands three days before the 11 Sep August CPI and eight before a 16 Sep FOMC where a HIKE is the modal call (~58%). An energy shock into a hiking debate is the stagflationary overlay we have been underwriting. We FADE the dovish and we do not fade the oil.

US EQUITIES — 4 SEP CASH CLOSE (MON 7 SEP: US SHUT, LABOR DAY)

ASSET	LAST	CHG
S&P 500	7,735.57	-0.25%
Nasdaq 100	29,584.61	+1.00%
VIX	15.30	7 Sep; fr 14.04
Next US cash	8 Sep	opens 16:30 Athens

RATES — 8 SEP OVERNIGHT (30Y STILL NEAR A TWO-DECADE HIGH)

ASSET	LAST	CHG
UST 2y	4.360%	-0.6bp
UST 10y	4.776%	-0.6bp
UST 30y	5.234%	-0.8bp
Sept hike odds	~58%	CME; no cut priced

COMMODITIES — 8 SEP. THE STORY.

ASSET	LAST	CHG
Brent	$97.61	+16.8% m/m
WTI	$92.99	6-week high
Gold	$4,432	+0.6%
Brent 1w	+3.5%	RE-STRESS armed

FX & EUROPE/ATHENS — 7 SEP CLOSE; FX 8 SEP

ASSET	LAST	CHG
DXY / EURUSD	98.84 / 1.1623	USD -0.34%
DAX	26,006.53	-0.41%
EU banks SX7E	321.80	+0.10%
Athens ASE	2,702.54	+0.04%; 17y high

Read. Read the dates, not the headline. US equity levels are the **4 September** cash close — Monday was Labor Day and the US did not trade, so nothing in the US column reflects the weekend escalation. European and Athens levels are the **7 September** close. Rates, commodities and FX carry **8 September** overnight marks. The asymmetry is the point: **oil and rates have repriced the weekend; US cash has not yet had the chance.** Overnight, Asia took the first read — **Nikkei -0.91%, Hang Seng -0.46%, Kospi over -1%, ASX 200 -0.36%**.

Session Read

Four threads: an oil shock the US tape has not yet priced; a Fed debating a HIKE into it; a long end that is repricing policy, not fiscal risk; and a Hormuz corridor where escalation and normalisation are advancing at the same time.

The tape — a US market that has not yet answered the weekend

The last US cash close was **Friday 4 September**: **S&P 500 7,735.57 (-0.25%)** with the **Nasdaq 100 +1.00%** — a split tape as the **+162k August payrolls** print (against ~53k consensus, with July's -23k revised UP to +21k) re-armed the September hike and sold the front end. Then the US shut for Labor Day. Europe traded Monday and held: **DAX -0.41%**, **Euro Stoxx 50 -0.05%**, **EU banks +0.10%**. Overnight into 8 Sep, Asia took the first honest read on the weekend escalation and sold off across the board. **VIX at 15.30 is not a market braced for an energy shock** — that is the gap to watch when US cash opens at 16:30 Athens.

Rates & the Fed — a hike is the modal call, and the CPI is Friday

No cut is priced anywhere on this curve. CME odds put a **25bp HIKE on 16 September at ~58%** after the payrolls beat, up from a coin-flip; note the event markets sit lower (Kalshi ~48%, Polymarket ~49%) — a ~9-point gap between derivatives and prediction markets on the same question, which is itself a signal of how unresolved this is. The split is institutional: **Chair Warsh's** hawkish framing against **Governor Waller's** conditional hold. **The 11 September August CPI decides it**, and the Cleveland Fed nowcast shows no disinflation to lean on. Now add a barrel up 16.8% on the month into that print's forward path. **We continue to FADE any dovish rally.** The ECB meets 10 September.

The long end — policy repricing, not a fiscal accident

The **30y at 5.234%** sits near a two-decade high and invites the wrong story. Our position is unchanged: this is a **POLICY repricing, not a fiscal crisis**. The US term premium is broadly unchanged over twelve months and remains below Germany's and Japan's; the Treasury's enlarged buyback is plumbing, not a yield target. Base case stays a **10y in a 4.00-5.00% range through 2027**. What would change our mind is an energy shock that re-steepens the curve through breakevens rather than reals — which is precisely the channel a sustained $100 Brent would open. Watch the decomposition, not the headline yield.

Oil & Hormuz — the corridor is more throttled than we said, and we corrected it

Today's SoH Monitor carries two corrections against ourselves. **First, our own tip-to-Phase-1 trigger — a Brent daily SETTLE above ~$96-100 — has FIRED** ($97.00 on 7 Sep). We log it fired rather than re-draw the line. **Second, we RE-RATE our throughput estimate DOWN from 14.0 to 8.6 mb/d**: our number sat above every published tracker, and implied openness falls from ~70% to **~43%**, failing our own >12 mb/d gate. We still **HOLD Phase 2 (Fragile — RE-ESCALATING)**: sporadic fire and real exchanges, but no all-out campaign and **no clean PHYSICAL trigger** — no Kharg strike, no tanker sunk in-channel, no US strike on Oman. And the structural read: **escalation and normalisation advanced in the same 48 hours**, with the Iran-Oman safe-passage lane at final stage for IMO registration while CENTCOM redirected 94 vessels. **Split the oil drivers honestly** — Jizan is a Red Sea refining event, not a Hormuz transit event.

Regime & Technical Radar

Archetype unchanged and now carrying an energy overlay: late-cycle, tightening-dominant, higher-for-longer — NOT Goldilocks. Inflation is elevated as a LEVEL, and the barrel just added to the forward path.

MARKET REGIME		TECHNICAL RADAR	
Archetype	NEUTRAL / TRANSITIONAL — tightening-dominant late cycle	**S&P 500**	7,735.57 (4 Sep) — US shut Mon; Asia sold overnight
Growth	NEUTRAL — firmed on the +162k payrolls beat	**Brent**	$97.61 — 6-week high, our $96-100 trigger through
Monetary / Liquidity	UP — hike modal 16 Sep, no cut priced	**UST 30y**	5.234% — near a two-decade high
Inflation	UP — core ~3.3% y/y, and Brent +16.8% m/m	**Athens ASE**	2,702.54 — 17-year closing high, YTD +27.4%
Risk / Stress	Benign on the screen — VIX 15.3, credit unchanged		

What we're watching this week

- **11 Sep (Fri)** — US August CPI — the arbiter of the 16 Sep FOMC

- **16 Sep (Tue)** — FOMC — 25bp HIKE modal (~58%), with SEP and dots
- **10 Sep (Thu)** — ECB — energy pass-through the live question
- **Hormuz** — Does the Iran-Oman lane REGISTER at the IMO
- **Greece** — 18 Sep rebalance, 21 Sep Developed Market reclassification

Read. The engine's axes are unchanged; what changed is the **inflation channel**. A 16.8% monthly move in Brent does not show up in a core print on Friday, but it reshapes the forward path exactly as the Committee argues about a hike. **Do NOT read Goldilocks.** The honest description stays late-cycle with disinflation on trial, and the energy shock is now a second count against the defence.

Theme of the Day

THE SHOCK LANDS ON A HAWKISH FED — the combination, not either leg, is the story.

An oil shock into a cutting cycle is a growth scare you can look through. **An oil shock into a HIKING debate is something else.** Brent has run **+16.8% in a month** to a six-week high while the market prices a ~58% chance the Fed tightens on 16 September and no chance at all that it eases. That is the stagflationary overlay: the barrel pushes the forward inflation path up at exactly the moment the Committee has the least room to look through it, and it does so with the **30y already at 5.23%**. **Three disciplines apply.** ONE — split the drivers. The **Jizan refinery strike (400 kb/d, 7 Sep)** is a Red Sea supply event; the Russian export-capacity halt was a third; only part of this move is Hormuz. Charging the whole $13 to the Strait would be lazy and wrong. TWO — respect what the corridor is actually doing. We cut our own throughput number to **8.6 mb/d (~43% open)** today, and yet the **Iran-Oman lane reached final stage for IMO registration** in the same 48 hours. Escalation and normalisation are running together; a corridor being re-papered is not a corridor being closed. THREE — note what the market is NOT doing. **VIX 15.3**, credit spreads unchanged, gold up only 0.6%. This is not a tape braced for a supply shock. Either the market is right that the Oman lane defuses this, or it is carrying an unhedged energy tail into a CPI print. **We are positioned for the second.** On Greece, the tape is doing something entirely its own — Athens closed at a **17-year high (2,702.54, YTD +27.4%)** with banks at 11-year highs, on a **Developed Market reclassification effective 21 September**. See today's Greece News Run.

Catalyst Watch

TODAY — TUESDAY 8 SEPTEMBER

- **US cash reopens 16:30 Athens** after Labor Day — the first American read on the weekend escalation. Watch whether VIX 15.3 survives contact.
- **ATHEX opens 10:30** off a 17-year closing high, into the 18 Sep rebalance.
- **Greek bank roadshow, New York** — the four systemics in front of US institutions, eight sessions before reclassification.
- **Mitsotakis in El Alamein** for the Greece-Cyprus-Egypt trilateral: EEZ delimitation, Libya, migration, energy.

THIS WEEK

- **Thu 10 Sep — ECB.** Energy pass-through into a winter gas path is the live question, not the rate itself.
- **Fri 11 Sep — US August CPI.** The single input that decides 16 September. Cleveland Fed nowcast shows no disinflation.
- **Watch the IMO register** for the Iran-Oman safe-passage lane — the first genuine Phase-3 path in six weeks.
- **Fri 11 Sep — Star Bulk's Athens offering closes** (opens Wed 9 Sep, ~20% below NAV).

Risks to the Call

- **A physical Hormuz trigger.** A Kharg or terminal strike, a tanker sunk in-channel, or a US strike on Oman takes Brent to $100-115, with $120 on the table if attacks intensify — onto a market already carrying a two-decade-high 30y.
- **A hot CPI on Friday.** Core that fails to cooperate converts the 16 Sep hike from ~58% to near-certain, with the energy path now pushing the same direction.
- **The complacency gap.** VIX 15.3 and unchanged credit against a 16.8% monthly move in Brent. If US cash reprices the weekend on reopening, the move is mechanical, not informational.
- **Our own flow number.** We cut throughput to 8.6 mb/d, but the barrel implies ~61% openness against our ~43% physical — an 18-point gap where there was none a week ago. One of the two is wrong, and we were the ones carrying the higher number.

Synthesis

THE CALL — fade the dovish, do not fade the oil, and mark your own flow number to the market.

The spine holds and was vindicated again. +162k payrolls re-armed the hike; no cut is priced; the modal 16 September outcome is a 25bp tightening. We continue to **FADE any dovish rally into Friday's CPI**. **What is new is the second leg.** An energy shock has arrived while the US tape was shut, and it reaches a Committee with no room to look through it. We do not fade the oil — but we insist on the attribution: Jizan is Red Sea, the Russian halt was its own event, and Hormuz is one author of three. **Where we mark ourselves.** Today's SoH Monitor logs our own $96-100 Brent trigger as FIRED and cuts our throughput estimate from 14.0 to 8.6 mb/d — a correction against our own prior read, published rather than quietly re-based. We hold Phase 2 because the PHYSICAL triggers have not fired and because the Iran-Oman lane advanced to final stage for IMO registration in the same window. **Escalation and normalisation are running together. The cross-check against the Radar** validates rather than refutes: the archetype stays late-cycle, tightening-dominant, NOT Goldilocks, and the energy overlay strengthens that read instead of qualifying it. The one place we are genuinely uncertain — and say so — is the **18-point gap between what the barrel implies about Hormuz openness (~61%) and what our re-rated physical says (~43%)**. We do not resolve it today.