US INFLATION, THE FED AND MARKETS

CPI SURPRISES SHARPLY LOWER; CORE INFLATION IS FLAT

The June report materially reduced the immediate pressure for further monetary tightening. The key question is whether this marks the start of a broader disinflationary shift or merely a temporary fading of the energy shock.

CORE THESIS

Headline CPI fell 0.4% month on month and core CPI was unchanged. The disinflation signal is broader than the gasoline decline alone: shelter slowed to 0.1% m/m, services excluding energy were flat and several volatile service categories declined. The Fed has more room to stay on hold in July, although renewed oil-price gains could reverse part of June's improvement in coming months.

-0.4%	**3.5%**	**0.0%**	**2.6%**
CPI M/M	CPI Y/Y	CORE CPI M/M	CORE CPI Y/Y
consensus -0.1%	consensus 3.8%	consensus +0.2%	consensus 2.8%

INITIAL MARKET REACTION

S&P; 500 futures rose 0.48%, Nasdaq 100 futures gained 1.38%, US Treasury yields declined and Bitcoin moved toward USD 63.5k. These are first reactions in the minutes after the release, not closing market levels.

Data: BLS 8:30 ET | Market snapshot approximately 8:33-8:40 ET

OUTCOME VERSUS EXPECTATIONS

The disinflation surprise was broad, although gasoline drove the headline decline

INDICATOR	ACTUAL	CONSENSUS	PREVIOUS	SURPRISE
Headline CPI m/m	**-0.4%**	-0.1%	+0.5%	**-0.3 pp**
Headline CPI y/y	**3.5%**	3.8%	4.2%	**-0.3 pp**
Core CPI m/m	**0.0%**	+0.2%	+0.2%	**-0.2 pp**
Core CPI y/y	**2.6%**	2.8%	2.9%	**-0.2 pp**

WHAT PULLED INFLATION LOWER

- Energy: -5.7% m/m; largest decline since April 2020
- Gasoline: -9.7% m/m; the main contributor to the headline decline
- Motor vehicle insurance: -2.0% m/m after -1.7% in May
- Communication: -1.5% m/m; wireless services -3.3%

WHERE PRESSURE REMAINS

- Food: +0.2% m/m; food at home and away from home both +0.2%
- Shelter: +0.1% m/m; slowest since January 2021
- Owners’ equivalent rent: +0.2% m/m; 3.3% year on year
- Personal care services: +1.3% m/m; a residual sign of service-price stickiness

> Ledr & Ledr interpretation: The June report is not solely an energy story. Core services excluding energy were flat, shelter slowed and core goods declined 0.1%. The quality of the disinflation surprise is therefore stronger than a pure gasoline effect would imply.

Sources: U.S. Bureau of Labor Statistics, Consumer Price Index - June 2026, Tables A, 1, 3 and 6. Consensus: Reuters / Trading Economics, 14 July 2026.

FIRST TEN MINUTES

Lower core inflation reduces pressure on the Fed; yields and oil will determine persistence

ASSET / CHANNEL	INITIAL REACTION	MECHANISM
Fed futures	**less hawkish**	Softer headline and core inflation reduce the need for an immediate rate increase; a July hold becomes more likely.
2Y Treasury	**yield lower**	The front end of the curve responds directly to repricing of the expected Fed policy rate.
S&P 500	**futures +0.48%**	A lower discount rate supports valuations, although bank earnings and geopolitics remain counterweights.
Nasdaq 100	**futures +1.38%**	Long-duration assets are most sensitive to declines in expected policy rates and real yields.

BITCOIN AND DIGITAL ASSETS

~USD 63.5k

BITCOIN

first post-CPI snapshot

Positive in the short term: lower core CPI supports falling yields, a softer-dollar regime and greater willingness to take risk. Bitcoin therefore gained approximately 1.5% versus the previous close.

Medium-term condition: the reaction will be sustainable only if PPI and PCE confirm the June signal and the energy shock does not re-emerge. Higher oil without renewed core inflation would create a conflicted regime: weaker growth but still-elevated headline inflation.

> Causal chain: lower core CPI -> lower probability of a rate increase -> lower 2Y and real yields -> easier financial conditions -> stronger technology equities and spot demand for Bitcoin.

Sources: Reuters market snapshot at 8:33 ET; Bloomberg market reaction at 14:37 CEST; CME FedWatch methodology; Bitcoin market snapshot at approximately 14:40 CEST.

NEXT 2-6 WEEKS

The June report shifts the balance of risks, but one month does not confirm a new regime

55 %

BASE CASE

Disinflation confirmed

Conditions: PPI and PCE remain moderate, the Fed holds in July and long-term yields decline only modestly.

Market impact: Risk assets gain support, Bitcoin holds above USD 60k and tests a higher range without euphoric repricing.

30 %

BULL CASE

Broader disinflationary turn

Conditions: Core services slow further, oil stabilises and the Fed shifts toward explicitly neutral or dovish communication.

Market impact: Yields and the dollar decline together; Nasdaq and Bitcoin transition into a stronger risk-on regime.

15 %

BEAR CASE

Energy re-acceleration

Conditions: Renewed hostilities lift oil, PPI surprises to the upside and the June CPI decline proves to be a one-off gasoline effect.

Market impact: The curve reprices in a more hawkish direction; risk-off and a stronger dollar raise Bitcoin volatility.

NEAREST CATALYSTS

14 Jul | 16:00 CEST	Testimony by Fed Chair Kevin Warsh - The key issue is whether softer CPI changes the Fed’s reaction function.
15 Jul | 14:30 CEST	June PPI - It will test whether the disinflation signal extends to producer and margin pressures.
28-29 Jul	FOMC meeting - The base case is unchanged rates; markets will look for a shift in guidance.
30 Jul	June PCE - The most important confirmation for core inflation and real yields.

> Ledr & Ledr conclusion: The report is clearly supportive of near-term financial conditions. A medium-term regime shift, however, requires confirmation from PPI, PCE, labour-market data and, above all, the oil-price trajectory.

Scenario weights are Ledr & Ledr analytical estimates as of 14 July 2026. This material is informational and does not constitute personalised investment advice.