

ECB: the duration of energy price pressures will be decisive for what comes next

The European Central Bank (ECB) opened the series of June meetings by announcing an increase of 25 basis points of its key rate, to 2.25%. The duration of the blockage of the Strait of Hormuz will remain key to determine the trajectory of the main central banks. Faced with the observed energy shock, the ECB seems to consider that its capacity to “look through” the shock has now closed.

The ECB is the first G7 central bank to raise its rates since the outbreak of the conflict in the Middle East. This decision, unanimous and largely anticipated, marks the end of a status quo of nearly one year. It is part of a context of a tangible rise in inflation: this has reached 3.2% in May, to be compared with less than 2% in February. Above all, the current dynamic is driven by the rise in energy prices, directly linked to disruptions in infrastructure and tensions around the Strait of Hormuz. But beyond the initial shock, the ECB now observes spillover effects: core inflation shows signs of re-acceleration (2.5% in May), while companies anticipate broader price increases. In other words, the risk of second-round effects can no longer be ruled out.

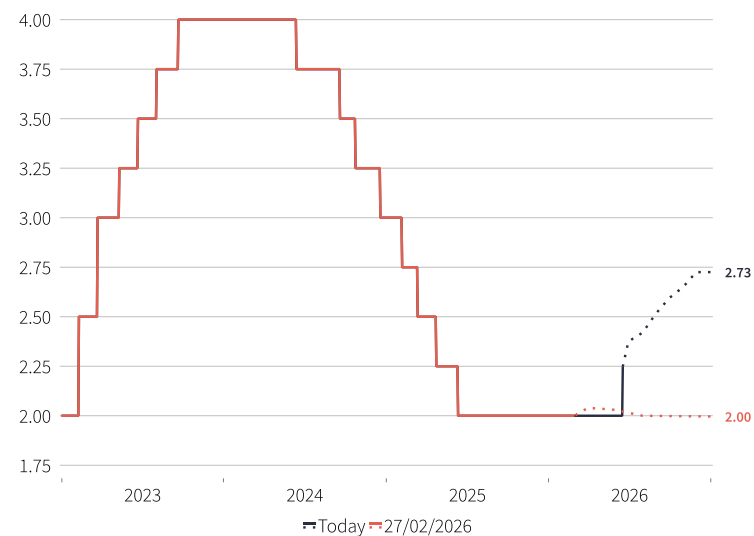
More inflation and a little less growth. The ECB has consequently adjusted its macroeconomic scenario, signaling a more constrained environment. It now expects an average inflation of 3% in 2026 before a progressive decline towards 2.3% by 2027, while slightly revising downward its growth prospects, to 0.8% then 1.2%. This combination clearly reflects the nature of the ongoing shock: an imported inflationary impulse, but which simultaneously weighs on activity. It is precisely this dilemma that makes the monetary policy decision particularly delicate. Where some argue for “looking through” the energy shock in order to preserve already fragile growth, the ECB favors a prudent approach aimed at avoiding any de-anchoring of inflation expectations, in an environment where since 2021 inflation has been above the 2% target.

Markets that price in another increase as early as July.

Market expectations incorporate further tightening, with two increases by the end of the year, including one as early as the July meeting. Beyond the immediate timeline, everything will depend on the duration and intensity of the energy shock. If tensions were to persist, feeding more diffuse inflation, the ECB could be forced to go further, even at the cost of accentuating the economic slowdown. Conversely, a rapid normalization of energy prices would restore room for maneuver. Ultimately, more than the level reached today, it is indeed the persistence of the shock and its diffusion that will guide the continuation of the monetary cycle.

ECB DEPOSIT RATE EXPECTATIONS

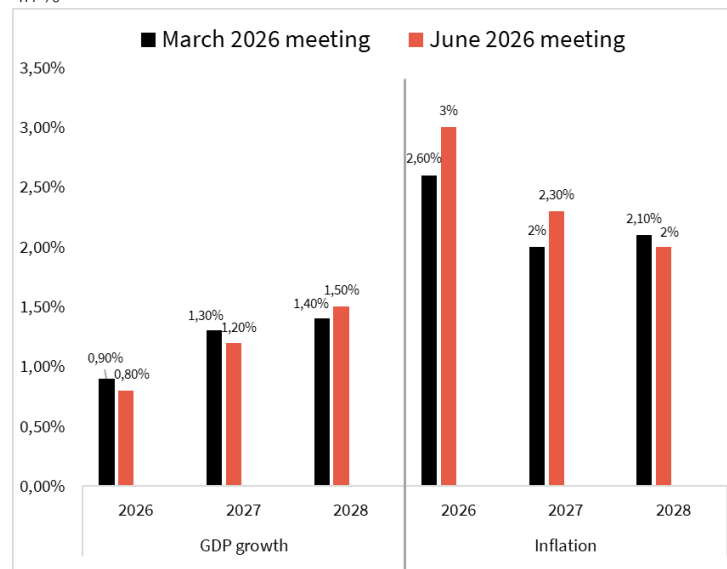
From 30-day €STR futures



Sources: Société Générale Investment Solutions, Macrobond, ECB, Eurex Exchange 15/06/2023

ECB GROWTH AND INFLATION FORECAST

In %



OUR MACRO COMMENTS

Events of the week

UNITED STATES: STILL-HIGH INFLATION

US inflation for the month of May is in line with expectations, with an acceleration to 4.2% year-on-year, reflecting energy prices that remain high (+23% year-on-year) and an acceleration in energy-intensive goods and services such as air transport (26% year-on-year).

Core inflation, excluding energy and food prices, stands at 2.8%, illustrating a modest pass-through of the energy shock to goods prices but a services inflation that remains significant and accelerating (3.7% year-on-year).

In a context of dynamic growth, re-acceleration of employment, and high inflation, the Fed should keep its policy rate at 3.75% at the June meeting but adopt a more restrictive tone.

CHINA: IMPORTS UNDER STRAIN

China posts a trade surplus in May that once again exceeds expectations (at USD 1,116bn year on year). This development masks a marked decline in oil imports (in volume), more than offset by an increase in imports linked to the momentum of AI, semiconductors in particular.

EVENTS IN THE COMING MONTHS

June 16 : BoJ monetary policy meeting

June 17 : FED monetary policy meeting

June 18 : BoE monetary policy meeting

Source: Macrobond, June 15, 2026. The colors in the 'Actual' column correspond to the difference from the forecast

KEY EVENTS NEXT WEEK



Monday

United States Industrial production MAY

Tuesday

China - Industrial production MAY
- Retail sales MAY

Japan BoJ monetary policy meeting

Wednesday

Japan Trade balance MAY

United Kingdom Inflation MAY

United States - FED monetary policy meeting
- Retail sales MAY

Thursday

United Kingdom BoE monetary policy meeting

Friday

Germany Producer price index MAY

United Kingdom Retail sales MAY

MARKET PERFORMANCES

Interbank rates

%	09/06/2026	12/05/2026	12/03/2026	01/01/2024	12/06/2025
US SOFR	3,593	3,64	3,67	5,34	4,30
Euro area €ster	1,930	1,93	1,93	3,88	1,92
UK SONIA	3,727	3,73	3,73	5,19	4,21
Switzerland SARON	-0,037	-0,05	-0,05	1,70	0,20
Japan TONAR	0,727	0,73	0,73	-0,04	0,48

10Y Government rates

%	11/06/2026	12/05/2026	12/03/2026	01/01/2024	12/06/2025
US Treasuries	4,45	4,46	4,27	3,88	4,36
France OAT	3,75	3,80	3,62	2,55	3,19
Germany Bund	3,03	3,10	2,94	2,02	2,48
Italy BTP	3,84	3,90	3,73	3,70	3,40
Spain Bonos	3,47	3,53	3,45	2,98	3,08
Switzerland	0,49	0,46	0,42	0,66	0,27
UK Gilts	4,98	5,17	4,81	3,60	4,48
Japan JGB	2,65	2,51	2,15	0,62	1,45

Credit

%	11/06/2026	12/05/2026	12/03/2026	01/01/2024	12/06/2025
United States IG	5,17	5,18	5,11	5,06	5,14
United States HY	7,13	7,06	7,14	7,59	7,36
Europe IG	3,77	3,87	3,71	3,72	3,30
Europe HY	5,73	5,85	5,98	6,80	5,49
Emerging FX	5,79	5,79	5,73	6,77	6,11

Equity indices

11/06/2026 vs	-1w	-1m	-3m	01/01/2024	-1y
World	-0,28	0,527	10,178	58,49	26,087
United States	0,40	0,520	11,645	58,62	24,464
Euro area	0,03	4,436	8,538	48,61	17,591
France	-0,24	3,331	5,340	19,70	8,808
Germany	-2,37	0,891	2,839	40,25	0,404
United Kingdom	-0,57	0,857	1,104	43,23	19,182
Japan	-3,00	-0,577	7,003	73,41	42,443
Emerging	-2,82	-1,107	12,493	77,95	44,160
China USD	-2,55	-7,934	-7,772	40,35	0,060
India USD	-2,52	-1,009	-2,455	1,99	-14,305
Latin America USD	2,26	-5,763	0,359	25,36	34,293

Foreign exchange rates

	11/06/2026	12/05/2026	12/03/2026	01/01/2024	12/06/2025
EUR/USD	1,15	1,17	1,15	1,11	1,16
GBP/USD	1,33	1,35	1,33	1,27	1,36
EUR/CHF	0,92	0,92	0,90	0,93	0,94
USD/JPY	160,50	157,64	159,19	141,03	143,82
USD/CNY	6,77	6,80	6,87	7,08	7,19

Commodity prices

	11/06/2026	12/05/2026	12/03/2026	01/01/2024	12/06/2025
Brent, USD/BL	89	108	102	77	70
Copper, USD/Metric ton	13420	13872	12897	8476	9779
Gold, USD/Troy oz	4075	4678	5130	2078	3391
Silver, USD/Troy oz	64	84	87	24	36
Palladium, USD/Troy oz	1241	1489	1642	1136	1055
Platinum, USD/Troy oz	1668	2116	2150	1000	1258

Source : Bloomberg on 15 June 2026, 1W = 1 week change, 3M = 3 month change, 12M = 12 month change, YTD = year to date change, Equities; total return in local currency. Government bonds = 10 year returns. Figures are rounded.

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