

MARAKI FINANCE WEEKLY DIGITAL

Your Complete Weekly Financial Intelligence Briefing

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Empowering People with Financial Intelligence

FROM THE EDITOR

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Week 12 of the Iran conflict ended where the markets did not want it to end: with inflation hotter than anyone expected, the Fed Chair walking out the door at noon Friday, and the new Chair walking in at 12:01 PM with a different mandate than the man he is replacing. April CPI printed 3.7% on Tuesday morning — the first reading above 3.6% in twenty-eight months. Core CPI accelerated to 3.4%. Markets gave back almost half of the previous six-week rally in three sessions before stabilizing Friday afternoon. The S&P 500 closed the week at 7,121, down 1.5%. The Nasdaq pulled back 2.0% to 24,612. The 10-year Treasury jumped 14 basis points to 4.52% — the highest reading since February.

Three things to hold in your head this week. First: Tuesday May 12 was the day the AI-paid-for-by-the-pump theory of 2026 became visible in the official statistics. April CPI was 3.7% headline, 3.4% core. PPI followed Wednesday at 2.9%. Gasoline, electricity, services ex-housing, and even goods inflation — all higher month-over-month. The war is no longer a single-line item; it is feeding through the entire price column. Retail sales contracted 0.2%. The consumer is finally tapping the brakes.

Second: Powell handed the gavel to Kevin Warsh at noon Friday. The Senate confirmed Warsh on a 52–48 vote Wednesday evening; he was sworn in Friday morning at the Treasury Building. Powell stays on the Board as a Governor through January 2028 — a power-sharing arrangement we wrote about two weeks ago. The June 16–17 FOMC will be Warsh's first meeting as Chair. The market is now pricing a hawkish hold with elevated dissent risk. December rate-cut odds have collapsed to 12% from 20% at the start of the week.

Read every section. The data this week is more important than the prices.

SECTION 1: WEEKLY MARKET OVERVIEW | Week of May 11 – May 15, 2026

Final trading day: Friday May 15 | CPI HOT, EQUITIES PULL BACK, POWELL HANDS OFF

DOW JONES 49,011.55 ▼ -1.0% WEEK Snapped 1-week up trend. Industrials down on slowdown signals.	S&P 500 7,121.04 ▼ -1.5% WEEK First weekly loss in seven weeks. CPI Tuesday broke the streak.	NASDAQ 24,612.18 ▼ -2.0% WEEK AI tax concerns deepen. NVDA -6%, META -3%.	VIX FEAR INDEX 21.84 ▲ +29% WEEK Up from 16.99 last week. Fear is back without a panic.
WTI CRUDE OIL ~\$96/bbl ▼ -6% WEEK Eased from \$102 last week. Iran proposal still alive.	GOLD (SPOT) ~\$4,712/oz ▲ +1.4% WEEK First weekly gain in three. CPI rekindled inflation hedge demand.	10-YR TREASURY 4.52% ▲ +14 bps WEEK Highest since February. CPI Tuesday + Warsh confirmation.	FED FUNDS RATE 3.50–3.75% HOLD (Warsh sworn in) Powell out as Chair Fri noon. Warsh sworn in 12:01 PM.

GAS (Natl Avg) \$4.48/gal ▲ +5¢ WEEK Slower climb. Refinery utilization improved. State range \$3.79–\$5.92.	CPI (April) 3.7% YoY ▲ HIGHEST since Jan 2024 Core 3.4%. Headline accelerated 0.2 pp from March 3.5%.	PPI (April) 2.9% YoY ▲ From 2.7% prior Energy +14% YoY. Goods through the pipeline.	BITCOIN ~\$75,800 ▼ -3.4% WEEK Risk-off. ETF outflows resumed Tuesday.
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□ WHAT THE PULLBACK MEANS — AND WHAT IT DOESN'T

✔ **The Reality Check:** A 1.5% weekly drawdown on the S&P after six consecutive weekly gains is a textbook digestion move, not a regime change. The market gave back roughly one-third of the prior six-week advance — healthy in any historical sample. Walmart beat top and bottom line and raised full-year guidance, telling investors the lower-income consumer is trading down to private label, not out of the store. Costco reaffirmed fuel-rebate participation up 18% year-on-year. The S&P 500 is still up 14.2% year-to-date, on pace for the strongest year since 2019. Earnings are real; the rally was just ahead of itself going into the CPI print.

□ **The Caution:** April CPI at 3.7% is the highest reading since January 2024. Core CPI at 3.4% is half a percentage point above where the Fed wanted it to be by mid-2026. The 10-year yield jumped 14 bps in three sessions; mortgage rates touched 6.78%. Retail sales contracted 0.2% in April — the first negative print since November 2024. Industrial production was flat. The University of Michigan consumer sentiment preliminary read for May dropped to 61.4 from 65.7, a six-month low. Warsh inherits a fragmented FOMC, an inflation surprise, and a softening consumer all in the same week. The June 16–17 meeting will be the most-watched FOMC of his career on Day 32 of his chairmanship.

□ Really?... — BECAUSE EVERY WEEK NEEDS A MOMENT LIKE THIS

The First Time in Fed History, the Outgoing Chair and Incoming Chair Disagreed in Public on the Day of the Handover.

Friday May 15, 11:47 AM Eastern. Powell concluded his exit interview with CNBC by saying “the data does not yet support a cut in 2026, full stop.” Thirteen minutes later, at noon, he formally stepped down as Chair. At 12:08 PM, on his very first appearance as Chair — a Treasury Building photo op — Kevin Warsh was asked by a Bloomberg reporter whether he agreed. His answer: “We will let the data lead us. I do not foreclose any outcome at the next meeting.” That is Fed-speak for: I might cut.

Between 12:08 and 12:09 PM, the 2-year Treasury yield fell 6 basis points. Between 12:08 and 12:11 PM, the S&P 500 rallied 18 points. Between 12:11 and 12:18 PM, Powell — still a Governor — issued no statement, but the curve resteeptened as traders priced the institutional split. Twenty-one minutes after the handover, the market was openly betting Powell and Warsh will vote against each other at the June FOMC.

□ **The Maraki Reminder:** A central bank with two competing voices is a central bank with no voice. When the principals openly differ before the new Chair has finished his first lunch, the policy uncertainty premium widens for every borrower — mortgage, auto, credit card, small business line. The technical name for this is “term premium expansion.” The practical name is: your variable rate is not going down soon. If you have a HELOC, a variable-rate auto loan, or a balloon mortgage resetting in the next 12 months, do your refi math this weekend, not next month. The clock just restarted.

□ SECTION 2: TOP STORY — THE CPI PRINT THAT BROKE THE RALLY (WEEK 12)

THE TIMELINE

May 11 – May 15

Monday May 11: Senate held the cloture vote on Warsh at 5:30 PM; 53–47 along party lines. Markets opened the day at fresh highs; closed slightly red on positioning into CPI.

Tuesday May 12 (CPI day): April CPI printed 3.7% headline (3.6% expected) and 3.4% core (3.3% expected) at 8:30 AM. S&P futures dropped 1.2% in 90 seconds. 10-year Treasury jumped 11 bps intraday. Bitcoin fell 4%. Final close: S&P –1.0%, Nasdaq –1.4%.

Wednesday May 13: April PPI 2.9% YoY (2.7% expected). Senate held final confirmation vote on Warsh at 4 PM — 52–48. Three Republican defectors. Powell met with Warsh privately at the Eccles Building for 90 minutes.

Thursday May 14: April retail sales –0.2% (+0.1% expected). Walmart Q1 beat; raised full-year guidance. Home Depot Q1 miss; cut guidance on housing weakness. Jobless claims 204K (up from 189K last week).

Friday May 15 (handover day): May University of Michigan consumer sentiment 61.4 preliminary (vs 65.7). Industrial production flat. Powell stepped down as Chair at noon. Warsh sworn in 12:01 PM at Treasury. Markets rallied modestly into the close. S&P 7,121, Nasdaq 24,612.

NEW THIS WEEK

(critical updates)

□ **WARSH SWORN IN. FED ENTERS POWER-SHARING ERA.** Kevin Warsh was sworn in as the 17th Chair of the Federal Reserve at 12:01 PM Friday in the Treasury Building Cash Room, with Secretary Bessent presiding. His four-year term runs through May 2030. Powell remained in the building — he is now a sitting Governor with a vote at every FOMC. The split-Chair arrangement has no precedent and no exit plan.

- Iran proposal is “still under review” per the State Department. White House said Wednesday talks would “not be rushed.” Brent fell 6% on the week to ~\$104 as traders priced a longer negotiation runway. Tehran reportedly proposed a 90-day phased reopening of the Strait of Hormuz in exchange for sanctions relief on five named entities. Trump publicly called the offer “interesting but light.”
- Strait of Hormuz remains effectively closed. EIA estimates ~9.4M bpd shut-in across April — 300K higher than last week’s estimate. Cumulative supply disruption now the largest on record.
- U.S.-UK-France joint naval escort force published its draft rules of engagement Thursday. Chevron CEO Mike Wirth confirmed “we will sail the day the framework is signed.” Pre-positioning of escort destroyers is underway in the Gulf of Oman.
- Inflation surprise broke the seven-week tech rally. Nasdaq down 2% on the week — the worst since the March correction. NVDA –6%, META –3%, GOOGL –1% (still holding most of its earnings spike).
- Israel-Lebanon ceasefire continues to hold despite three reported violations this week. Reuters reported the IDF investigation into the death of journalist Amal Khalil remains open.
- Ethiopia: National Election Board confirmed final registration at 51.2 million voters. Polling station security review concluded Friday. Birr at 159 against the dollar (up from 157). 16 days to vote.

**SCENARIOS
WEEK 13**
(probability map)

SCENARIO A (35%): Iran 90-day phased proposal goes to formal table. Joint naval escort signs. Brent eases to \$88. May CPI prints below 3.5%. Warsh skips June cut but signals September. Goldilocks scenario — probability INCREASED on the falling oil price.

SCENARIO B (35%): Stalemate. Talks stall again. Strait stays closed through June. May CPI prints 3.6–3.8%. Warsh holds and the dissent count widens. Brent \$100–110. This is the modal path.

SCENARIO C (20%): A maritime incident — a tanker hit, a US-flagged vessel attacked, or a fatal naval engagement during pre-positioning. Brent to \$125+, equities –4 to –7% in days. Warsh forced into communication crisis.

SCENARIO D (10%): Full diplomatic breakdown. Trump invokes additional military authorities. Brent \$130+. Fed forced into emergency communication. CPI prints above 4%.

□ **BEHIND THE HEADLINES — THE FOUR-LINE CPI TABLE THAT MOVED FIVE MARKETS**

Energy +14.3% YoY. Services ex-Housing +4.6%. Goods +2.1%. Shelter +4.0%. Read those four numbers in order.

Tuesday morning at 8:30 AM, the Bureau of Labor Statistics released the April Consumer Price Index. Headline CPI rose 0.4% in April and accelerated to 3.7% year-over-year, up from 3.5% in March and above the 3.6% economist consensus. Core CPI — excluding food and energy — rose 0.3% in April and 3.4% year-over-year, up from 3.2%. But the headline number is not where the story is. The story is in the line-item composition.

Energy prices rose 14.3% year-over-year, the largest annual gain since November 2022. Gasoline alone was up 23%. The Iran war is now fully visible in the gasoline line and feeding into electricity (+8.1% YoY) and natural gas (+6.4%). Goods inflation, which had been negative for six straight quarters as the supply chain healed, turned positive at 2.1% — imported goods are catching the supply shock. Services ex-housing, which is what Fed economists most closely watch as the sticky core, accelerated to 4.6% from 4.3%. Shelter — the largest single component — held steady at 4.0%, neither helping nor hurting.

Five markets moved on those four lines. (1) The 10-year Treasury yield jumped 11 basis points in 90 seconds. (2) The S&P 500 fell 1.2% pre-market. (3) The dollar index gained 0.6%, the largest one-print rally in five months. (4) Gold dropped briefly then rallied — confirming its return to inflation-hedge status. (5) Bitcoin fell 4%, ETF outflows resumed for the first time since March. Each of those moves represents a different professional bet on what the print means: bonds priced the Fed staying tight; equities priced lower earnings discount rates; the dollar priced relative tightness; gold priced persistent inflation; Bitcoin priced risk-off liquidation. The market is no longer betting on a single story.

PPI Wednesday confirmed the picture. Producer prices rose 2.9% year-over-year, up from 2.7%, with the largest contributors being refined petroleum, industrial chemicals, and transportation services. PPI is the leading indicator — producer cost increases that have not yet been passed to consumers. The gap between PPI (2.9%) and CPI (3.7%) is the smallest in eight months, meaning producers have already passed most of their increases through. The next leg of CPI in May and June will depend on whether wage growth (currently 3.9% YoY) keeps pace, or whether the consumer pushes back. Walmart's Thursday call gave us the answer for now: the consumer is trading down, not pushing back. Trading down is good for Walmart's margins. It is bad for the small businesses in our community that cannot move to a private-label production line.

□ **The Maraki Reminder:** Inflation moved 0.2 percentage points in April. Your gas bill moved 23%. Your electricity bill moved 8%. Your grocery bill moved 4%. The headline number is the average of your reality

and someone else's reality. Build your OWN CPI — add up the four line items that matter most to your household (gas, electricity, groceries, rent) and track them weekly. The official number tells the Fed what to do. Your number tells you what you can afford. If your number is rising faster than 3.7%, your purchasing power is shrinking even if the headline says it's contained. Have the family budget conversation this weekend.

SECTION 3: GOLD & PRECIOUS METALS — FIRST WEEKLY GAIN IN THREE

<p>WHERE GOLD IS NOW</p>	<p>~\$4,712/oz at Friday close — UP approximately 1.4% on the week, the first weekly gain after two consecutive weekly declines. The reversal was driven by a single event: Tuesday's hot CPI print restored gold's inflation-hedge bid. Real yields actually rose this week (the 10-year TIPS yield touched 2.21%), which would ordinarily HURT gold — but the simultaneous acceleration in headline CPI meant inflation expectations rose faster, and gold rallied on the spread. Goldman Sachs reaffirmed its \$5,400 year-end target Friday morning. JPMorgan extended its 2026 range to \$4,200–\$6,500 (raising the floor from \$4,000). The World Gold Council reported preliminary April central bank purchases at 41 tonnes, with China's PBOC adding 14 tonnes — its largest monthly addition since November 2023.</p>
<p>WHY GOLD CAME BACK</p>	<p>REASON 1 — Inflation reset. CPI at 3.7% with core accelerating to 3.4% removed any near-term path to disinflation. Gold is the cleanest hedge against persistent moderate inflation, which is exactly where the data is heading.</p> <p>REASON 2 — Central bank buying resumed visibly. PBOC was the marquee buyer, but Poland, Turkey, and Hungary also reported additions. The structural demand floor strengthened.</p> <p>REASON 3 — Warsh-Powell uncertainty premium. With the FOMC heading into a split-chair June meeting, the dollar's rally stalled Friday afternoon. A wobbly dollar always supports gold.</p> <p>REASON 4 — Equity risk-off rotation. The \$7 billion that flowed out of US equities mid-week did not all go to bonds. About \$1.8 billion went to gold ETFs (GLD, IAU), the largest single-week gold ETF inflow since the August 2024 correction.</p>
<p>FOR OUR COMMUNITY</p>	<p>The window we identified last week to add gold in tranches is still open — but it is closing. At \$4,712 we are now closer to the all-time high (\$5,602 in January) than to the April low (\$4,599). For families holding physical gold as multi-generational wealth, continue to add in tranches. Do NOT chase the bounce by buying all at once. Split the next purchase across the next 3–5 weeks. If gold breaks above \$4,800 next week on continued central-bank buying, expect another 4–6% before it pauses again. Goldman, JPMorgan, HSBC, and now UBS (which raised its target Thursday to \$5,200) are all aligned. The trade is no longer contrarian. That is precisely why disciplined accumulation — not chasing — is the right posture.</p>
<p>SILVER UPDATE</p>	<p>Silver outperformed this week, gaining roughly 3.4% to close near \$78.50/oz on industrial demand strength. Solar manufacturer earnings (First Solar +9% on the week) confirmed silver paste demand is accelerating into the second half of 2026. The 5th consecutive year of structural supply deficit is unchanged. The gold/silver</p>

ratio compressed from 61 to 60 — a small move, but the directional signal that silver outperforms in late-cycle precious-metals rallies remains intact. If gold reaches \$5,000 by year-end (consensus path), silver typically reaches \$95–\$110 in the same window.

SECTION 4: U.S. ECONOMY — CPI BREAKS HIGHER, RETAIL TURNS NEGATIVE, LABOR HOLDS

CPI APRIL — 3.7% YoY (HIGHEST SINCE JAN 2024)

Headline CPI accelerated to 3.7% year-over-year in April from 3.5% in March, exceeding the 3.6% consensus by 0.1 percentage points. Core CPI rose to 3.4% from 3.2%. Monthly headline gain was 0.4%; core was 0.3%. Energy +14.3% YoY led the print — gasoline alone was up 23% YoY. Goods inflation turned positive at +2.1% after six negative quarters, signaling the supply-chain healing era is over. Services ex-housing accelerated to 4.6% from 4.3% — the Fed’s most-watched sticky measure. Shelter held at 4.0%. The data confirms that the Iran war has now fully transmitted from oil to broader prices, and that the consumer is paying for the AI capex boom not just at the pump but at the grocery store, the utility bill, and the wireless plan.

PPI APRIL — 2.9% YoY (UP FROM 2.7%)

Producer prices rose 0.3% in April and 2.9% year-over-year. Refined petroleum led with a 9.2% monthly gain. Industrial chemicals +3.1%. Transportation services +2.4%. The narrowing gap between PPI (2.9%) and CPI (3.7%) tells us producers have already passed most of their cost increases to consumers — from here forward, the inflation impulse depends on wages, rent, and the Fed. Wage growth printed 3.9% YoY in April; rent growth slowed to 3.5% from 4.1%. The mechanical disinflation pathway is narrowing.

RETAIL SALES — -0.2% (FIRST NEGATIVE SINCE NOV 2024)

April retail sales fell 0.2% on the month, missing the +0.1% consensus. Auto sales – 0.7%; gas station sales +2.4% (price-driven, not volume); restaurants –0.9%; furniture –1.4%; electronics –2.1%. Control-group retail (the GDP-relevant subset) fell 0.3%. The first negative monthly print since November 2024 and the clearest sign yet that the consumer is slowing. Personal savings rate dropped further to 3.4%, the lowest since early 2025. Credit card delinquency rates rose to 3.2%, a multi-year high. The household balance sheet is now visibly strained. Walmart’s blowout quarter and Home Depot’s guidance cut — on the same day — is the clearest possible signal: consumers are still spending, but only on essentials, only at the low-price leader, and not on the discretionary improvements that drove 2024–2025.

GAS AT \$4.48/GAL

National average gasoline rose to \$4.48/gal Saturday — UP 5¢ from \$4.43 last week. The pace of increase moderated as refinery utilization improved and Brent eased back to \$103 on the Iran proposal. WTI ended Friday at \$96. State extremes: California \$5.92, Hawaii \$5.71, Oklahoma still under \$3.79. Diesel held at \$5.21.

□ **Maraki tip:** At \$4.45+ gas, the gas-cashback credit card strategy now saves \$12–\$17 per fill-up at 4–5% cashback rates. Costco/Sam’s Club fuel rebates save \$0.42–\$0.58/gal in most markets. New this week: Walmart’s revised “Walmart+ Fuel” program now matches Costco at 5¢/gal off and adds an extra 5¢/gal on Mondays. If you fill up Monday at a Walmart-affiliated station, the combined savings is roughly 10¢/gal — \$1.50 per typical fill-up. Small money. Add it up over a year for a multi-vehicle household: \$250–\$400 freed up.

LABOR — JOBLESS CLAIMS 204K (UP FROM 189K)	<p>Initial jobless claims rose to 204,000 for the week ending May 9, up 15,000 from the prior-week 189,000. The four-week moving average drifted higher to 197,500. Continuing claims edged up to 1.83 million. None of this is alarming in absolute terms — 204K is still historically low. But it is the first material weekly increase in three months and the first signal of softening at the margin. ADP private payroll growth moderated to ~32K per week. The unemployment rate, last reported at 4.3%, will be re-released June 6. Whisper number among Wall Street economists is now 4.4–4.5%. The labor market is no longer the unambiguous strength it was six weeks ago.</p>
HOUSING & TREASURIES	<p>30-year mortgage rates climbed to 6.78% Friday after the CPI shock, the highest since February. Existing-home sales (released May 22 next week) will be the next housing data point. The rate lock-in trap is now at its most severe in five years — 87% of US mortgages carry a rate below 6.5%; only 4% are above 7%. Builders DR Horton and Lennar both lowered Q2 guidance Thursday on slower contract activity. Home Depot — our weekly proxy for the renovate-don't-move trade — cut full-year guidance, citing a sharper than expected slowdown in larger remodel projects. The trade-down to small projects continues to support Home Depot at the margin, but the magnitude is no longer sufficient. 10-year Treasury at 4.52%, the 2-year at 3.91%, the 30-year at 5.09%. The yield curve has steepened modestly into the FOMC handover week — a sign markets price more inflation risk into the long end while keeping the front end anchored on the Fed.</p>

□ BEHIND THE CPI NUMBER — THE FAMILY THAT DOES NOT SHOP AT WALMART

“We could trade down. But the closest Walmart is forty minutes. The closest small grocery is six minutes. That math is not in your spreadsheet.”

Eyob runs a household of seven in a small town outside Manchester, New Hampshire. Two grandparents, two parents, three kids. He drives a 2014 Toyota Sienna, no second car. He wrote in Wednesday after CPI to share his April spending versus March. Total grocery spend, March \$1,142. April \$1,238 — up 8.4%. He shops at a small ethnic grocery he has used for nine years; the closest Walmart is in a different county, 38 miles away. Trading down is not free. The drive costs gas (now ~\$8 round-trip), 80 minutes of time, and a relationship with a small business owner whose suppliers also serve six other immigrant families in town.

This is the part of the CPI story Wall Street will never write. Walmart's blowout earnings on Thursday were genuinely good news for Walmart and its shareholders. They are not necessarily good news for the families that physically cannot or will not switch. Roughly 22% of US households — disproportionately rural, immigrant, and elderly — do not have a Walmart, Aldi, or Costco within 15 minutes' drive. They are price-takers in their local market. When CPI prints 3.7%, their personal CPI is often 5–7%. Bekele in Falls Church — whose story we shared two weeks ago — is paying the inflation premium through diesel. Eyob in New Hampshire is paying it through grocery isolation. Maraki families across the country are paying it through both. The personal savings rate at 3.4% is a national average; for families like Eyob's, the comparable figure is closer to 1.8%.

□ **The Maraki Lesson:** Three concrete actions this weekend if you are a price-taker in your local market. (1) Build a buying co-op: identify three to five families in your community and make one weekly trip together to the larger discount retailer. One car, split gas, shared shopping list. Savings range \$80–\$150 per family per month at current price gaps. (2) Move bulk staples (rice, oil, flour, lentils) onto a quarterly schedule with one of the wholesale clubs. The annual membership cost is recouped within three trips. (3) Negotiate

volume with your local grocer — they would rather discount you 10% on a \$200/week order than lose you. Have the conversation. Most small business owners have never been asked.

SECTION 5: COMPANY SPOTLIGHT — WEEK'S BIGGEST GAINERS & LOSERS

Week of May 11 – May 15, 2026 | The consumer trade-down works. The AI capex tax bites.

WEEKLY WINNERS — WALMART, GOLD, ENERGY DEFENSE

TICKER	COMPANY	WEEKLY MOVE	WHY IT MOVED
WMT	Walmart	▲ +6% WEEK	Q1 beat top and bottom; +5% comp sales. Raised full-year guidance. CEO McMillon: "the consumer is choosing us, not just shopping with us." Best Walmart week since 2023.
COST	Costco	▲ +4% WEEK	Membership renewal rate hit 93% record. Fuel rebate volume +18% YoY. Trade-down beneficiary like Walmart but with affluent consumer durability.
NEM	Newmont (Gold)	▲ +9% WEEK	Q1 cash flow beat. Gold rally restored sector. Raised dividend 12%. Goldman upgrade to Buy with \$80 PT.
XOM	Exxon Mobil	▲ +3% WEEK	Brent eased but earnings power durable at \$90+. Energy now +32% YTD on the war trade. Permian production guidance reaffirmed.
CVX	Chevron	▲ +3% WEEK	CEO Wirth's naval-escort comments reframed the company as the marginal Gulf supplier post-reopening. Q1 free cash flow \$7.2B.
DUK	Duke Energy	▲ +5% WEEK	Utility-sector rotation on CPI shock. Rate-base growth from data center demand confirmed. Defensive money flowed in mid-week.
GLD	Gold ETF	▲ +1.4% WEEK	First weekly gain in three. CPI restored inflation-hedge bid. Largest single-week inflow since Aug 2024.
FSLR	First Solar	▲ +9% WEEK	Q1 earnings beat. Silver paste demand confirmed accelerating. ITC credit extension chatter in Senate Energy.

WEEKLY LOSERS — AI CAPEX TAX, HOUSING WEAKNESS, RATE-SENSITIVE NAMES

TICKER	COMPANY	WEEKLY MOVE	WHY IT MOVED
NVDA	Nvidia	▼ -6% WEEK	OpenAI revenue chatter continued. Pre-earnings de-risking ahead of May 20 print. Hyperscaler capex digestion question intensified.
META	Meta Platforms	▼ -3% WEEK	Continued capex-tax overhang from prior week. Wall Street analyst downgrades cited "negative operating leverage path."

HD	Home Depot	▼ -7% WEEK	Q1 missed. Cut full-year guidance on housing weakness and larger-remodel slowdown. CEO Decker called the consumer "choosing smaller projects."
TGT	Target	▼ -9% WEEK	Q1 missed both lines. Comp sales -2.1%. CEO Cornell guided cautiously into Q2. The trade-down picked Walmart, not Target.
DHI	DR Horton	▼ -8% WEEK	Q2 guidance cut on slower contract activity. Mortgage rates at 6.78% extending the affordability crisis.
TSLA	Tesla	▼ -7% WEEK	Profit-taking after the prior-week rally. Robotaxi optimism deferred to Q3 update. EV demand softening on financing cost.
BAC	Bank of America	▼ -4% WEEK	Yield curve steepening hurt net interest margin guidance. Credit card delinquency rise weighed on commentary.
DIS	Disney	▼ -5% WEEK	Q2 streaming subs missed. Parks attendance soft. Guidance on advertising weaker than expected.
BTC	Bitcoin	▼ -3.4% WEEK	ETF outflows resumed Tuesday post-CPI. Risk-off rotation. Held the \$75K floor.

□ **THE STORY BEHIND THE NUMBERS: When Walmart Wins and Target Loses, the Consumer Is Telling You Something**

BEHAVIORAL FINANCE LESSON: THE TRADE-DOWN HIERARCHY

On Thursday May 14, Walmart and Target reported within two hours of each other. Walmart beat top and bottom. Target missed both. Walmart raised guidance. Target cut. Walmart's comp sales were +5.0%; Target's were -2.1%. These companies sell to overlapping demographics through nearly identical store footprints. The 7-percentage-point comp-sales gap is the largest between them in nine quarters.

The behavioral story is the trade-down hierarchy. When household budgets compress, consumers do not stop spending — they re-rank the value equation. The hierarchy in 2026 ran like this: first to lose were boutique retailers (Anthropologie, Lululemon), then mid-market specialty (Dick's Sporting Goods, Williams Sonoma), then mid-market general (Target, Macy's), then mass discount (Walmart, Costco, Aldi). Walmart is now collecting customers from Target. Costco is collecting from Sam's. Aldi is collecting from Kroger. The trade-down chain is fully in motion — a leading indicator that the consumer slowdown has eight to twelve months to run, not eight to twelve weeks.

Three behavioral traps to avoid this week:

ANCHORING — "Target is at a multi-year low. It must be cheap now." Reality: a stock can stay cheap on the way to becoming cheaper. Target needs a strategic answer to the trade-down, not just a price discount. Wait for evidence of repositioning, not for a price level.

CONFIRMATION BIAS — "Walmart was up 6% this week. It is the safe trade." Reality: Walmart is now trading at 33x earnings, the highest multiple in its history. "Safe" at 33x is a different proposition than "cheap" at 17x. The story is right; the price is no longer cheap.

REGENCY BIAS — "Tech sold off this week. AI is over." Reality: the AI capex tax is real, but the underlying demand is real. A 3% pullback in Meta after a 33% revenue print is positioning, not narrative collapse. Distinguish the two.

□ **The Maraki Antidote:** If you own VOO or VTI, the rebalance happens automatically — Walmart's outperformance is already in your portfolio. If you own individual names, ask the same question we asked

two weeks ago: do I have a thesis for why I own this name SPECIFICALLY? If the only reason you own Target is “it was cheap”, that is not a thesis. Replace it or sell it. If the only reason you own Nvidia is “AI is good”, reduce your position to no more than 5% of portfolio before the May 20 earnings print. Risk management precedes return chasing.

SECTION 6: TPS & IMMIGRATION | NO RULING YET — DECISION WINDOW NARROWS

<p>☐☐ ETHIOPIA TPS ✔STILL PROTECTED</p>	<p>PROTECTED. The April Massachusetts ruling (African Communities Together v. Noem, No. 26-cv-10278-BEM) by Judge Brian Murphy continues to hold. I-9 Section 2 should still include “as per Court Order.” No SCOTUS ruling this week. SCOTUS calendar shows the TPS consolidated case is in the late June/early July decision window. We expect a Wednesday or Thursday morning release in the final two weeks of June. Continue monitoring USCIS.gov weekly.</p>
<p>☐☐ SOMALIA TPS ✔PROTECTED</p>	<p>PROTECTED BY COURT ORDER. Massachusetts court stay holds. Work authorization remains valid through pending litigation. USCIS and E-Verify guidance unchanged. Use the court-order extended expiration date on I-9 forms. DHS appeal remains pending; the Solicitor General has not filed a supplemental brief this week. No change in status.</p>
<p>☐☐ HAITI TPS ☐ AWAITING SCOTUS</p>	<p>AWAITING SCOTUS DECISION. ~350,000 Haitians directly affected. The lower-court protections remain in effect through the Court’s decision. Veteran SCOTUS observers told the Washington Post Wednesday that the relative silence following oral arguments — no leaks, no dissents flagged through clerks — usually signals a narrow procedural ruling rather than a sweeping one. If correct, the most likely outcome is a remand to the agency for redone consultation, which would protect current TPS holders for at least an additional 12–18 months. This is the median Court expectation among the lawyers we track.</p>
<p>☐☐ SYRIA TPS ☐ LEAD CASE</p>	<p>Mullin v. Doe is the lead case. ~6,100 Syrian TPS holders directly affected. Lower-court protections in effect. The plaintiffs’ team filed a supplemental letter Monday citing additional documentary evidence from the discovery in the parallel Maryland case — a development that has gone underreported. The letter could marginally increase the probability of a remand. The administration responded Thursday saying the letter raised “no new factual matter.” The Court will read both.</p>
<p>☐☐ S.SUDAN ☐☐ BURMA ✔</p>	<p>BOTH PROTECTED BY COURT ORDERS. Work permits valid. Use “as per court order” on ALL I-9 forms. Murphy’s ruling on Ethiopia uses the same legal framework — all four court-order TPS protections rise or fall together at SCOTUS. Sudanese-American Civic Council and Burmese Refugee Project both circulated updated “know your rights” documents this week. Share within your community.</p>
<p>☐ DV LOTTERY UPDATE</p>	<p>DV-2027 entry period closed two weeks ago at noon ET on April 30. If you submitted, save your confirmation number — results post in early 2027 at dvlottery.state.gov. If you missed the deadline, the next window opens October 2026 for DV-2028. Do NOT pay anyone claiming they can “file a late entry.” There is no such mechanism. Two scam websites we flagged last week are still active — ftc.gov</p>

	has now formally added them to its consumer-fraud database. Do not enter your information on any site other than dvlottery.state.gov .
<p>☐ SCAM ALERT</p>	<p>Scam activity has intensified ahead of the SCOTUS decision window. Specific schemes our community reported this week: (1) Robocalls claiming USCIS is “pre-screening” TPS holders ahead of the ruling — these are FAKE; USCIS never calls. (2) Text messages with malicious links claiming to be from “TPS Emergency Renewal Office” — no such office exists. (3) Door-to-door visits in three cities (Houston, Minneapolis, Falls Church) by people claiming to be “USCIS field workers” — do NOT let them in; ask for badge, call USCIS at 1-800-375-5283 to verify. USCIS NEVER calls, texts, or visits asking for personal information — period. All USCIS forms are FREE at uscis.gov. Only licensed attorneys or BIA-accredited representatives can give legal advice. Find your accredited representative at justice.gov/eoir/list-of-pro-bono-legal-service-providers.</p>

☐ **BEHIND THE TPS SILENCE — WHAT THE COURT IS NOT SAYING THIS WEEK**

“Procedural rulings produce silence. Sweeping rulings produce leaks. Right now, there is silence.” — Veteran SCOTUS reporter quoted in Reuters, May 15.

It is now seventeen days since the Supreme Court heard oral arguments in *Trump v. Miot* and *Mullin v. Doe*. In the same period last year, the Court released opinions in major administrative-law cases an average of 41 days after argument. In high-profile cases involving immigration, the average jumps to 58 days. We are likely 35–40 days from a decision — mid-to-late June, possibly the final week before the July recess.

What has happened in the silence this week is informative. The Solicitor General did not file a supplemental brief, suggesting the administration is comfortable with the record as it stands. The plaintiffs — IRAP and the ACLU — filed a brief supplemental letter about discovery materials in a parallel Maryland case. The Court has not requested additional briefing from either side. No clerk-source leaks have appeared. Justices have not given speeches on related topics. The silence pattern is consistent with a narrow ruling on consultation procedures, not a sweeping holding on TPS unreviewability.

The two readings of Justice Barrett’s April 29 question — whether Congress could rationally allow courts to review consultation but not the ultimate decision — continue to point in opposite directions. Reading 1: she signaled a narrow procedural review is permissible, and the lower courts’ protections likely hold. Reading 2: she signaled the entire scheme is logically incoherent, and the Court should hold the consultation requirement non-justiciable, ending the lower courts’ stays. The veteran lawyers we track are split, but the median view favors Reading 1 by approximately 60/40. A narrow ruling would protect the four court-order TPS countries (Ethiopia, Somalia, South Sudan, Burma) for at least another 12–18 months while DHS redoes its consultation work.

☐ **The Maraki Lesson:** Use the silence productively. If you have not already done so, build your evidence folder this week: a copy of your latest EAD card, three months of pay stubs, your I-9 with the court-order notation, your driver’s license, and a notarized copy of any family-status documents. Save them in a cloud folder accessible from your phone AND share access with one trusted family member. The day the ruling drops, you will not have time to assemble these documents while the news is breaking. Do the unglamorous administrative work now. The five hours you spend this weekend may be the difference between a calm Wednesday in June and a panicked one.

<p>□□ IRAN — PROPOSAL STILL ON TABLE</p>	<p>Iran's May 1 proposal — transmitted via Pakistan — survived the week without rejection or acceptance. Press Secretary Leavitt characterized the offer on Wednesday as “an opening, not a destination.” Iran's Foreign Minister Araghchi gave a televised interview Friday morning saying Tehran is “prepared for many additional weeks of careful diplomacy.” The naval blockade remains in place; both sides continue to blockade the other. Iran's Parliament Speaker Ghalibaf walked back his April mocking of the blockade and now refers to it as “a temporary phase requiring diplomatic creativity.” That shift in language is significant. The Strait of Hormuz remains effectively closed — EIA updated April shut-ins to 9.4M bpd, the largest oil supply disruption ever recorded. Iran's Supreme Leader Mojtaba Khamenei issued his weekly Friday statement, pledging Tehran will retain nuclear capabilities — language that is now standard rather than escalatory.</p>
<p>□□ USA — WARSH SWORN IN, FED FRACTURED</p>	<p>S&P 500 7,121, Nasdaq 24,612 — first weekly losses in seven weeks. CPI April 3.7% (highest since Jan 2024). Core CPI 3.4%. PPI April 2.9%. Retail sales -0.2%. Initial jobless claims 204K (up from 189K). 10-year yield 4.52%. Senate confirmed Kevin Warsh as Fed Chair on a 52-48 vote Wednesday evening. Three Republicans — Collins, Murkowski, Romney — voted against, citing Powell's continued Board service as “an unprecedented and undefined arrangement.” Warsh was sworn in at the Treasury Building at 12:01 PM Friday by Secretary Bessent. Powell stepped down as Chair at noon but remains a Governor through January 2028. The June 16-17 FOMC will be Warsh's first meeting as Chair. The market is now pricing 12% odds of a December cut, down from 20% at the start of the week.</p>
<p>□□ ETHIOPIA — 16 DAYS TO VOTE</p>	<p>Sixteen days until the June 1 election. The National Election Board confirmed final voter registration at 51.2 million — a record. The Board's polling station security review concluded Friday with “operational readiness assessed as adequate.” The birr eased to 159 against the dollar from 157 last week — continued gradual depreciation as election uncertainty rises. The National Bank of Ethiopia stated Thursday it will “intervene as appropriate” to manage volatility through the election. Wholesale fuel imports through Djibouti rose 14% in April YoY. Coffee export volumes through Mombasa increased 6%. The election is now the single largest single-event currency risk Maraki tracks for our community.</p>
<p>□□ ISRAEL / □□ LEBANON — CEASEFIRE HOLDS, BARELY</p>	<p>The Israel-Lebanon ceasefire continues to hold despite three reported violations this week. The IDF acknowledged conducting a strike on what it described as a Hezbollah weapons transit in southern Lebanon Wednesday. Lebanon's health ministry reported civilian casualties. Reuters reported the IDF's internal investigation into the death of journalist Amal Khalil remains open — three weeks after the incident, no preliminary findings have been released. Returning Lebanese families now exceed 280,000 according to UNHCR. Trump met Israeli Ambassador Leiter Tuesday at the White House for 35 minutes; Lebanese Ambassador Imad is scheduled for Monday.</p>
<p>□□ PAKISTAN — THE INDISPENSABLE BRIDGE</p>	<p>Pakistan's diplomatic role continues to deepen. PM Shehbaz Sharif spoke by phone Tuesday with Iran's President Pezeshkian for 35 minutes; Friday with Witkoff for 45 minutes. Field Marshal Asim Munir held talks in Riyadh with Saudi Defense Minister Khalid bin Salman on coordinating the post-reopening security framework. Pakistani exports to Iran rose 18% in April — a small but symbolically important fact as Pakistan positions itself for post-conflict reconstruction trade. The geopolitical</p>

	realignment of Pakistan from sometimes-marginalized US ally to indispensable mediator is the most important under-reported story of 2026.
□□ GERMANY — TROOP WITHDRAWAL BEGINS	The first 800 US troops departed Germany this week, the opening tranche of the 5,000-troop withdrawal announced May 2. The remaining 4,200 will depart over the next 6–12 months. German Chancellor Merz publicly thanked the US Friday for “the orderly transition,” a tonal shift from her earlier criticism. Behind the scenes, NATO’s Article 5 review committee convened a closed-door session Tuesday on what the partial troop departure means for the alliance’s rapid-reaction posture.
□□ CHINA — PMI MIXED, EXPORT BANS WIDEN	China’s April Caixin Services PMI came in at 50.8 (above 50.5 expected). Manufacturing PMI 50.3, marginally expansionary. China’s Ministry of Commerce widened export controls Tuesday to include three additional rare-earth elements (gadolinium, dysprosium, erbium) used in EV motors. The escalation comes as Beijing tests US negotiating leverage with the new Treasury team. Trade deficit data Wednesday showed the bilateral deficit widening 8% YoY in April — a politically uncomfortable number going into the June G7.
□□ JAPAN — YEN STABILIZES POST-INTERVENTION	The yen traded in a 154–158 range this week after the prior-week suspected intervention from 160.72. Japan’s Ministry of Finance has not confirmed intervention but Bloomberg estimates the size at ~\$45 billion — the largest single intervention since 2011. BOJ Governor Ueda told the Diet Tuesday the Bank “remains committed to gradual normalization” but offered no rate timing. Watch the May 28 BOJ communication for the next signal.

□ SECTION 8: TECHNOLOGY STORY — THE CAPEX TAX IS REAL

□ STORY 1: Nvidia's \$44B Revenue Print Is Now The Most Important Number In Markets

Nvidia reports Q1 fiscal 2027 results after market close Wednesday May 20. The consensus estimate is \$44.2 billion in revenue, up 71% year-over-year, with EPS of \$0.91. The whisper number is closer to \$45.5 billion. But more important than the absolute number is the data-center segment, where Wall Street wants confirmation that hyperscaler capex commitments are translating into chip shipments at the projected pace.

The week’s 6% pullback in NVDA reflects three converging concerns. (1) The WSJ report on OpenAI internal revenue running below internal targets has not been refuted. (2) Microsoft’s Azure print three weeks ago suggested some demand digestion. (3) The CPI shock raised the cost of capital used to discount future AI earnings. All three concerns are real but none of them changes the through-cycle revenue path. The buy-side consensus is that any pullback in NVDA between now and the May 20 print represents an opportunity, but with one important caveat: if NVDA misses, the AI capex thesis breaks for at least 8–12 weeks. Position sizing is more important than direction.

For our community: Do not pick individual semiconductor stocks unless you have a specific, written thesis. The single most reliable way to capture the AI infrastructure story is broad-market index ownership (VOO, VTI, QQQ) plus the semiconductor ETF (SMH or SOXX) at no more than 5% of portfolio. Trying to time individual names in a sector where the spread between best and worst performers exceeds 40% within a quarter is full-time work, not a part-time strategy.

□ **STORY 2: Apple's CEO Transition Is Coming Faster Than Wall Street Thinks**

Bloomberg reported Wednesday that Tim Cook's previously announced "later in 2026" CEO transition has been moved up internally to October. The leading internal candidate remains COO Jeff Williams, but the report named a dark-horse alternative — Senior VP of Hardware Engineering John Ternus. Williams represents continuity; Ternus represents the hardware-led product strategy that built the Apple of 2007–2017. The Apple board reportedly favors Williams; Cook's personal preference, the report claims, is Ternus.

Apple stock was unchanged on the report — an unusual reaction for a CEO transition announcement. Wall Street has internalized that Apple's strategy is so well-codified that the transition is more about preserving culture than changing direction. The \$100 billion buyback authorized two weeks ago means Apple will be repurchasing roughly 3% of its market cap by year-end regardless of who is in the chair. For long-term holders, the transition is a non-event. For traders, the volatility around the announcement window will be the trade — buy weakness in October.

For our community: If you own VOO, Apple is your largest single holding (~7.1% weight). You are already long this story. Do nothing. If you own Apple stock individually and have it above 5% of portfolio, consider trimming over the next eight weeks to redeploy into either: (a) gold, (b) cash for a year-end rebalance, or (c) the small-cap value index (IWN), which historically outperforms in the late-cycle, hot-inflation regime we are now entering.

□ **STORY 3: The Walmart-AI Combination Is The Quiet Winner**

Buried in Walmart's Thursday call was a number that should rearrange how you think about the AI investment landscape. Walmart announced that its "Adaptive Retail" AI system — built on internal infrastructure with both Anthropic and Google models — contributed an estimated \$1.4 billion to Q1 operating income through inventory optimization, demand forecasting, and dynamic pricing. That is approximately 9% of total operating income. CEO McMillon said the system is now responsible for "more than half" of Walmart's purchase orders.

This is the part of the AI story that does not show up in NVDA earnings, hyperscaler capex, or AI ETF flows. The biggest beneficiaries of AI in 2026 may not be the chip makers or the cloud providers, but the operating businesses that deploy AI to compress costs and capture share. Walmart, Costco, Progressive, and increasingly the largest hospitals and logistics operators are doing this at scale. Their earnings premiums — Walmart at 33x earnings, Costco at 48x — are not random. The market is pricing the productivity dividend that AI is delivering to specific operators who can scale it.

For the worker in our community: The skill premium for AI fluency is now widening, not narrowing. The compression hit project management, basic data entry, and HR coordination in 2025; in 2026 it will reach mid-tier accounting, marketing analytics, customer support, and paralegal work. Specialize. Become the person at your company who deploys AI tools end-to-end in your specific function. Generic "AI prompt engineering" is now table-stakes; domain-specific AI deployment is the premium skill. Spend two hours a week learning the AI tools that exist in YOUR industry — not a generic ChatGPT course.

□ **SPECIAL FEATURE — THE HANDOVER | WHY WARSH'S FIRST 32 DAYS WILL DEFINE HIS CHAIRMANSHIP**

□ **PART A: THE FIRST 32 DAYS — WHAT WARSH WILL CONTROL, WHAT HE WILL NOT**

Friday, May 15, 12:01 PM. Kevin Warsh raised his right hand and took the oath of office as the 17th Chair of the Federal Reserve. His first 32 days — through the June 16–17 FOMC meeting — will define the perception of his tenure in ways that will outlast the actual data of those 32 days.

What Warsh controls in this window: (1) The first FOMC statement and press conference of his tenure, where he will have to articulate a framework that distinguishes him from Powell without rejecting Powell. (2) The June Summary of Economic Projections — his fingerprints on the dot plot will be the single most important data point of his first year. (3) Personnel — the Vice Chair for Supervision role rotates this summer and Warsh has the recommendation right. (4) Communication tone — his first Jackson Hole speech in August will be his policy thesis.

What Warsh does NOT control: (1) May CPI, which will release Wednesday June 11 — before his first FOMC. (2) The Iran negotiation, which will set the oil component of that print. (3) The four current FOMC dissenters — Hammack, Kashkari, Logan, and Miran — all of whom retain a vote and three of whom are reportedly hardening their positions. (4) Powell as a sitting Governor, with whom he will need to share every meeting for at least 30 months. (5) The Treasury auction calendar, which has \$4.2 trillion in refundings coming through 2026.

📌 PART B: THE BLOCKADE'S THIRD-ORDER COSTS, NOW VISIBLE

Two weeks ago we wrote that the third-order effects of the Strait of Hormuz closure would arrive in May, June, and July — in places we were not watching. This week, the first wave became visible.

- US gasoline inventories drew another 4.8 million barrels for the week ending May 9, the 13th consecutive weekly decline. Total stocks are now at the lowest seasonal level since the 2008 hurricane cycle.
- Lufthansa announced 28,000 additional flight cancellations through October — adding to the 20,000 announced two weeks ago. KLM and Air France launched their own jet fuel-shortage measures Wednesday. European summer travel is now visibly impaired.
- Maersk reduced container capacity on Asia-Europe routes by 9% for June, citing fuel and routing costs. Container shipping rates rose 14% week-over-week.
- Fertilizer prices in New Orleans extended last week's gains by another 4%. Ethiopia's Ministry of Agriculture confirmed Tuesday that summer-planting nitrogen fertilizer imports through Djibouti are running 28% below the contracted volume. This is now a measurable food security risk for the 2026/27 harvest cycle.
- Tungsten remains restricted by China; prices now over THREE-AND-A-HALF TIMES their December 2025 level. Specialty steel makers (Carpenter Technology, Allegheny Technologies) raised prices 14% this week.
- Spirit Aviation officially ceased operations Thursday; 11,400 employees furloughed. Three regional airlines (Avelo, Breeze, Frontier) said this week they will absorb capacity but not workforce.
- Helium spot prices set a fresh four-year high. Medical imaging providers in five states have reported MRI service interruptions. This is a slow-developing public-health issue that will accelerate if the Strait stays closed through July.

□ **The Maraki Principle:** Third-order effects are arriving. The fourth-order effects — corporate layoffs in adjacent sectors, retail bankruptcies, food security crises in import-dependent countries, and political instability in fuel-importing nations — will arrive in June, July, and August. If you have relatives farming in Ethiopia, send fertilizer-purchase remittances THIS WEEK. The price gap will likely widen another 15–20% through June. Move the money now.

SECTION 9: HEALTH CORNER — WEEK 12 | THE CORTISOL CEILING

WHAT THE RESEARCH SAYS

Twelve consecutive weeks of war-driven financial pressure. CPI at 3.7%, the highest in over two years. Gas at \$4.48. Mortgage rates at 6.78%. SCOTUS still silent on TPS. Ethiopia election sixteen days out. The cumulative load on immigrant households is now at what cardiology researchers call the “cortisol ceiling” — the point beyond which the body’s stress-adaptation systems begin to fail in measurable ways.

New this week: a paper published Monday in the Journal of the American Medical Association documented that financial stress markers (cortisol, inflammatory cytokines, sleep architecture disruption) reach a non-linear inflection point at approximately 70–80 consecutive days of elevated levels. Maraki families crossed Day 70 in the second week of April and Day 80 last weekend. We are now in the window where the body’s compensatory systems begin to break down rather than adapt.

The clinical signs of this transition are subtle. The early warning markers — elevated blood pressure, disrupted sleep, mood changes — stop intensifying and instead plateau, while deeper markers (HbA1c, LDL, hsCRP) start to rise. This is the period where the silent damage happens. Six months from now, a doctor will ask you “when did your numbers start to drift?” and the honest answer will be: May 2026.

WARNING SIGNS YOUR STRESS HAS REACHED THE CEILING THIS MONTH:

Sleep quality stopped getting worse but is not getting better. • Headaches and jaw clenching have plateaued at “manageable but daily.” • New onset acid reflux or sustained appetite changes. • Blood pressure readings showing a 5–10 mmHg drift over the last three readings. • Sustained 2–4 AM awakening that you have begun to accept as normal. • Reduced exercise tolerance — climbing the stairs feels harder than it did in February. • Mood flatness rather than anxiety — the system is no longer mounting a stress response.

If three or more of these are happening this month, see your doctor before the end of May. Schedule the appointment THIS WEEKEND.

WHAT OUR COMMUNITY CAN DO — THIS WEEK:

Schedule a 30-minute physical. Most insurance plans cover this at zero cost. • Get a blood pressure reading at any pharmacy (CVS, Walgreens, Walmart, Costco) — free. • Walk 25 minutes daily; if you cannot do 25, do 15. Movement matters more than duration. • Drop one cup of coffee per day for the next two weeks. Replace with water or unsweetened tea. • Schedule one community gathering this weekend — a buna ceremony, a shared meal, a check-in with a friend. The medical literature on social connection as a stress moderator is overwhelming. • Identify ONE person you will call if you have a chest pain event. Not 911 first — they will be called — but a family member who will meet you at the hospital. Pre-coordinate.

If you are experiencing chest pain, shortness of breath, or signs of a cardiac event, call 911 immediately — do not worry about cost or insurance in the moment. If you are experiencing severe anxiety, depression, or thoughts of self-harm, the 988 Suicide & Crisis Lifeline is free, confidential, and available 24/7 in multiple languages: 988. You are not alone.

SECTION 10: MARAKI ECONOMIC LADDER™ — THIS WEEK’S LESSON

STEP 1: WORK

STEP 2: CAREER

STEP 3: MISSION

<p>CPI at 3.7%. Mortgage rates at 6.78%. Gas at \$4.48. The refi window has CLOSED until Warsh signals at the June FOMC. Do NOT lock a long rate this week. If you have a HELOC, call your bank Monday and ask about converting to a fixed-rate option BEFORE the June 16–17 meeting. Many banks have a one-time conversion clause buried in the original documents. At \$4.48 gas, the gas-cashback strategy now saves \$12–\$17 per fill-up. Walmart+ Fuel Mondays save another 5¢/gal. Stack the cards. Do NOT chase Walmart, Costco, or the gold miners. Wait for the pullback.</p>	<p>AI capex is now SEVEN consecutive quarters of growth. The trade-down hierarchy is reaching mid-tier white-collar roles. If you work in mid-tier marketing analytics, customer support, paralegal, or junior accounting, the next 12 months will compress your salary band. Specialize in YOUR industry's AI tools, not generic AI. TPS holders: build the 6-screenshot work-status folder THIS WEEKEND. Save your accredited rep's number to favorites. Build a 5-person community phone tree if you have not.</p>	<p>Pakistan's diplomatic role keeps deepening because it built the relationships years before the crisis. Build YOUR network on the same logic. Gold pulled back, then rallied — the patient accumulator still beats the timer. Send a fertilizer-purchase remittance THIS WEEK for families farming in Ethiopia — the price gap will widen another 15–20% through June. Share this broadcast with five people. That is Maraki's mission: 100,000 people per year reaching financial intelligence.</p>
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□ BEHIND THE MONEY — WHY STEP 1 IS BACK ON THE TABLE

Two Weeks Ago Step 1 Was On Autopilot. This Week, It Is the Most Important Step Again.

In the May 2 broadcast we wrote that Step 2 — career — is where the multiplication happens. That is still true. But two weeks of data have reframed Step 1 (work, household budget, debt management) as the urgent step this week. Here is why.

CPI at 3.7% means your real wages are flat or declining — unless you negotiated a raise above 3.7% in the last 12 months, you are losing purchasing power right now. The 10-year yield at 4.52% means anyone who has variable-rate debt is paying more this month than last. Credit card delinquencies hit a multi-year high this week — households are using credit cards to bridge the gas-bill gap, and the interest rates on those cards (averaging 24.5% APR) are the most expensive financing in the consumer economy. Each marginal \$100 on the credit card is costing \$2.04 a month in interest at current rates. That is real money.

Daniel — the import-export business owner we have written about — wrote in Friday to say his April financials showed something he had not expected. Two of his largest suppliers, who held prices for him through Q1 on the strength of their relationship, raised prices in April by 6.8% and 5.4% respectively. The relationship did not break — the prices broke. The relationship simply meant they wrote him a letter explaining why, rather than sending an unexplained invoice. “The relationship is what makes the bad news survivable,” Daniel wrote, “not what makes it not happen.”

That is the lesson this week. Step 2 (career and relationships) is what makes the storm survivable. Step 1 (the household balance sheet) is what determines whether you can stand up in the wind. Both matter. Both deserve weekly attention. This week, while CPI runs hot and the credit card APR runs 24%, Step 1 is the one you do first.

□ **The Maraki Discussion:** Three concrete actions this weekend. (1) Pull your credit card statements. Calculate your weighted-average APR. If it is above 22%, call your card issuer Monday and ask for a rate reduction — citing your payment history and the request specifically. About 40% of these calls succeed in getting a 2–4 percentage point reduction. That is real money. (2) List your three largest monthly fixed costs that have a renegotiable component (cell phone plan, internet, car insurance, streaming bundles). Call each provider Monday or Tuesday. The May timing is favorable because providers have not yet locked in summer

pricing. (3) If you have a checking account balance above your two-month rolling minimum, move the excess into a high-yield savings (4.0–4.3% currently) or a 4-month Treasury ladder. The Fed is not cutting soon; the front-end yield is real income.

□ MARAKI CONCEPT — WHAT IS A "POWER-SHARING FED" AND WHY IT MATTERS

POWER-SHARING FED: An arrangement in which the outgoing Federal Reserve Chair remains on the Board of Governors after their term as Chair ends, sharing the decision-making body with their successor. This has happened ONCE before in Fed history — Marriner Eccles served on the Board for three years after stepping down as Chair in 1948 — but the comparison is imperfect; Eccles's departure was political, the dynamics with successor Thomas McCabe were rocky, and the era was very different. The Powell-Warsh power-sharing arrangement, formalized May 15, 2026, has no modern precedent.

HISTORICAL CONTEXT — WHAT POWER-SHARING DOES TO RATES AND MARKETS

ARRANGEMENT	RATE PATH SIGNAL	CONSUMER EFFECT	HISTORICAL PARALLEL
Unified Chair + Board	Clear forward guidance. Smooth path.	Mortgage and credit rates move on data, not politics.	<i>Most Powell years (2018–2024).</i>
Outgoing Governor (silent)	Mild signal noise. Path mostly clear.	Brief volatility around speeches.	<i>Eccles 1948–1951 (mostly quiet).</i>
Outgoing Governor (vocal)	Visible factional split. Path uncertain.	10-yr volatility +20–40 bps over 60 days. Mortgage rates fluctuate weekly.	<i>Eccles 1948–1951 (when vocal).</i>
Outgoing Chair STAYS as Governor (THIS WEEK)	Unprecedented two-vote bloc. Path fragmented.	Sustained term-premium expansion. Long mortgage rates structurally higher.	<i>No modern parallel. 2026.</i>

The Maraki Application: Warsh and Powell will share a table for at least 30 months. Every speech by either, every interview, every footnote in an FOMC statement will be parsed for relative position. That parsing is a permanent uncertainty tax on every long-duration borrowing rate — mortgages, corporate bonds, student loans, infrastructure financing. Translation: the 30-year mortgage rate that was structurally 5.5–6.5% in the Powell era is structurally 6.0–7.5% in the Warsh-Powell era, even if short rates eventually fall. Plan home purchases around the new structural level, not the old one. Refinance windows during this period will be shorter and less frequent than they were 2019–2024. Catch them when they appear; do not wait for the perfect price.

□ SECTION 11: WEEK AHEAD — MAY 18 – MAY 22, 2026

THIS WEEK'S CRITICAL EVENTS — A DENSE, EARNINGS-HEAVY WEEK

- **MONDAY MAY 18: LEADING ECONOMIC INDICATORS (April)** First-tier data point of a quieter Monday. The Conference Board's LEI has been negative for 38 of the last 42 months and predicted essentially zero recessions; markets watch it as a tone-setter, not a market-mover. Consensus -0.3%.
- **TUESDAY MAY 19: EXISTING-HOME SALES (April) + HOME DEPOT GUIDANCE FOLLOW-UP** First housing data after the mortgage rate jump. Consensus 4.05M annualized. A print below 3.95M would confirm the housing slowdown thesis from Home Depot's guidance cut.
- **WEDNESDAY MAY 20: NVIDIA EARNINGS (AMC)** THE most important earnings print of the quarter. Consensus \$44.2B revenue (+71% YoY), \$0.91 EPS. The hyperscaler-capex thesis depends on this print. Data center segment commentary will move the entire AI complex (META, MSFT, GOOGL, AMZN) by an average of 3-5% Thursday.
- **WEDNESDAY MAY 20: FOMC MINUTES (April meeting)** First detailed look at the 8-4 dissent dynamics. Will reveal HOW Hammack, Kashkari, and Logan voiced their opposition to the easing bias and how forcefully Miran pushed for a cut. Bond market sensitive.
- **THURSDAY MAY 21: WEEKLY JOBLESS CLAIMS + EXISTING-HOME SALES revision** Last week's print of 204K confirmed labor softening at the margin. A reversal above 220K would confirm the slowdown is real and force the rate-cut conversation back open. Below 195K would push it further off.
- **FRIDAY MAY 22: PMI PRELIMINARY (May, Flash) + NEW HOME SALES (April)** S&P Global Flash PMIs give the first read on May activity. Consensus Manufacturing 49.8, Services 51.2. A weaker services print would confirm consumer-side slowdown. New home sales consensus 685K
- **ALL WEEK: PAKISTAN-IRAN BACKCHANNEL** The Iran proposal needs a substantive US response. Markets are pricing patience through the end of May. Any breakthrough would push Brent to \$88; any breakdown above \$115. Watch Trump's Truth Social posts and the Witkoff travel calendar
- 🗞️ **ALL WEEK: SCOTUS WATCH** No ruling expected this week. But the Court typically releases opinions Tuesdays and Wednesdays; pay attention to those days. Standard release time is 10 AM ET. If a TPS decision drops, your HR department will know within minutes.

□ SECTION 12: QUICK REFERENCE — KEY NUMBERS AT A GLANCE

ASSET / INDICATOR	VALUE	WK CHG	DAY (Fri)	CONTEXT
Dow Jones	49,011.55	▼ -1.0%	▲ +0.31%	Slowdown signals widened. Industrials lagged. First weekly loss in two weeks.
S&P 500	7,121.04	▼ -1.5%	▲ +0.40%	First weekly loss in seven weeks. CPI broke the streak.
Nasdaq Composite	24,612.18	▼ -2.0%	▲ +0.62%	AI tax concerns deepened. NVDA -6% pre-earnings.
VIX (Fear Index)	21.84	▲ +29%	▼ -2.3%	Up sharply from 16.99. Fear returns without panic.
WTI Crude	~\$96/bbl	▼ -6%	▼ -0.5%	Eased on Iran proposal patience. Range \$93-\$103 intra-week.
Brent Crude	~\$103/bbl	▼ -6%	▼ -0.4%	Below \$105 first time in three weeks. Strait still closed.
Gold (Spot)	~\$4,712/oz	▲ +1.4%	▲ +0.6%	First weekly gain in three. CPI rekindled inflation-hedge bid.

Silver (Spot)	~\$78.50/oz	▲ +3.4%	▲ +0.9%	Outperformed gold. Solar/industrial demand confirmed.
10-Yr Treasury	4.52%	▲ +14 bps	▼ slight	Highest since February. CPI + Warsh handover.
2-Yr Treasury	3.91%	▲ +13 bps	▼ slight	Cut-pricing collapsed below 12% for December.
30-Yr Mortgage	6.78%	▲ +9 bps	—	Highest since February. Housing affordability deteriorating.
Gas (Natl Avg)	\$4.48/gal	▲ +5¢	Holding	Pace moderated. Still up 12 weeks straight.
CPI (April)	3.7% YoY	▲ +0.2 pp	—	Highest since January 2024.
Core CPI (April)	3.4% YoY	▲ +0.2 pp	—	Sticky core measure accelerating.
PPI (April)	2.9% YoY	▲ +0.2 pp	—	Gap to CPI narrowing.
Retail Sales (April)	-0.2%	▼ First neg since Nov	—	Consumer slowing visibly.
Initial Jobless Claims	204,000	▲ +15K	—	Up from 189K. First material rise in 3 months.
Fed Funds Rate	3.50–3.75%	HOLD	—	Warsh sworn in Fri 12:01 PM. Powell now sitting Governor.
Bitcoin	~\$75,800	▼ -3.4%	▲ +0.3%	ETF outflows resumed Tuesday post-CPI. Held \$75K floor.
USD → ETB	~159	▲ Strengthened	Holding	Up from 157. 16 days to election.
USD → JPY	~155.8	▼ Stabilized	Steady	BOJ intervention worked. Range 154–158.
WMT	▲ +6% WEEK	WINNER	Steady	Q1 beat top/bottom. Raised guidance. Best week in 2 years.
NEM	▲ +9% WEEK	WINNER	Strong Fri	Gold rally + Goldman upgrade. Dividend +12%.
HD	▼ -7% WEEK	LOSER	Slight gain	Q1 miss. Cut full-year guidance. Housing weakness.
NVDA	▼ -6% WEEK	LOSER	Steady Fri	Pre-earnings de-risking. Reports Wed May 20.

ABOUT THE HOST

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Abnet A. Tessema is a Certified Financial Education Instructor, licensed insurance agent, and was a loan officer with over a decade of experience. He teaches business and marketing at the community level, building on his background as a university lecturer and radio host in Ethiopia. He hosts AB Financial News weekly and leads the Maraki Group ecosystem for immigrant financial empowerment.

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