

The Sentinel Report

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CPI 3.3% Confirmed: Stagflation Locked In as AI Infrastructure Accelerates

By Skylar Simoncelli

Confidential

April 10, 2026 — CPI Confirmed at 3.3%: The Fed Is Locked. The Structural Forces Are Tightening.

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Regime Status: Risk-Off Transitioning — CPI Validates the Thesis, Ceasefire Holds (For Now)

The data is in. The picture hasn't changed — it's sharpened.

The Bureau of Labor Statistics released March CPI this morning at 8:30 AM Eastern, and the number was unambiguous: **3.3% YoY, +0.9% MoM** — the largest monthly gain in nearly four years, driven primarily by a 10.9% surge in energy costs tied directly to the Hormuz disruption. Both numbers landed in line with the revised Dow Jones consensus. Markets absorbed the print calmly, interpreting it through the ceasefire lens: if energy normalization is underway, this may be peak war inflation.

The interpretation is partially correct. Energy is deflating from crisis peaks as the Iran-US two-week ceasefire entered its third day without formal collapse. But the interpretation misses what the system has been tracking all month: **inflation was structural before the war, and the war amplified a signal that doesn't disappear when oil falls**. Services inflation, shelter inflation, and wage growth were all trending above the Fed's 2% target when WTI was at \$57 in February. March's 3.3% print is the first CPI reading post-tariff imposition. The tariff inflation layer is now layering onto the energy normalization in a way that won't resolve cleanly.

The San Francisco Fed President said it directly Thursday: "The oil shock from the Iran war would extend the timeline on bringing inflation back to the 2% target." Traders scaled back earlier bets on two 2026 rate cuts before the conflict; those bets don't come back on a single in-line CPI print. The CME FedWatch tool shows **98.4% probability of a hold at the April 29 meeting**. Markets are not pricing any cuts in 2026. The Fed is frozen.

Meanwhile, AI infrastructure is in a legitimately historic week. CoreWeave announced the completion of its **\$21 billion multi-year deal with Meta Platforms** — the largest AI cloud contract in history — and today added Anthropic as a customer. Broadcom gained 4.4%, NVDA rose 2.6%, AMD surged 3.55%, and the **Philadelphia Semiconductor Index touched a record high of 8,926.08** — breaking through the February 25 ATH of 8,498. Blackstone filed for a **\$2 billion IPO** of a new data center acquisition vehicle structured to buy already-built AI-leased properties. The financial architecture of the AI infrastructure buildout is moving from private to public markets in real time.

The macro regime classification remains **risk-off at 35% confidence**, reflecting genuine divergence: equities trending higher on ceasefire relief + tech momentum, while the underlying stagflation configuration, de-dollarization trajectory, and labor market composition are all unchanged. This is not a resolved risk-off. It is a managed pause with two competing narratives still running simultaneously.

Market Scoreboard — April 10, 2026 (Intraday / Close Estimates)

ASSET	PRICE	SESSION CHANGE	SIGNAL
Bitcoin	\$73,200	+1.96%	Ceasefire hold + institutional bid; crypto F&G still 16 (Extreme Fear)
Gold (Futures)	\$4,771	−0.23%	Holding above \$4,700 floor; war premium stabilized
Silver (Futures)	\$76.03	+0.70%	Recovering; DXY stable near 98.87
WTI Crude (Futures)	\$95.63	Flat	Settled post-ceasefire; Hormuz reopening confirmed but physical still stressed
DXY	98.87	+0.04%	Holding below 99; structural weakness narrative intact
10Y Treasury	4.29%	Stable	Unchanged from April 9; Fed trapped
VIX	~19.5	Falling	Below 20 threshold; moving toward risk-neutral
S&P 500	~6,835	+0.15%	Tech leads; financials drag; mixed session
Nasdaq	~22,946	+0.54%	AI/chip names driving outperformance
Dow Jones	~48,076	−0.23%	Goldman Sachs, Travelers weighed; financials soft
GBP/USD	~1.3438	Stable	
Crypto F&G	16	Extreme Fear	Retail still absent; institutional accumulation
Traditional F&G	50	Neutral	No euphoria; measured recovery

Key weekly context: S&P 500 and Dow tracking their strongest weekly gain since November and June respectively (Times of India, Reuters), with the prior week also posting the best gain since late November. Two consecutive strong weeks driven by ceasefire relief, CPI-in-line, and AI momentum — a setup the system has been tracking since the war premium deferred.

Key equity movers today:

- **CRWV +10.87–13%** — CoreWeave: \$21B Meta deal (announced Thursday) + Anthropic customer announcement today. Philly Semis record ATH 8,926.08.
- **SMCI +8.79%** — Super Micro Computer surging; data center infrastructure demand signal
- **LUNR +7.28%** — Intuitive Machines at 97.4% of 52-week high range; space sector bid

- **AVGO +4.69%** — Broadcom at RSI 77.5 (overbought); AI accelerator cycle confirmation
- **BKSY +4.56%** — BlackSky near 52-week high; defense-to-intelligence infrastructure rotation
- **ASTS +3.59%** — AST SpaceMobile above SMA200; satellite connectivity thesis tracking
- **AMD +3.55%** — RSI 75.6 (overbought); chip cycle validation
- **CRCL +3.45%** — Circle Internet Group; stablecoin infrastructure play
- **TECK +3.38%** — Teck Resources; copper/zinc industrial recovery
- **GD -2.54%** — General Dynamics underperforming; ceasefire = defense sector pressure (Power structure signal: FIC gaining vs. MIC)

Key Developments

1. CPI 3.3%: Peak War Inflation or Structural Floor?

March CPI was released this morning: **3.3% YoY, +0.9% MoM**, the largest monthly gain in nearly four years. The energy component alone contributed +10.9% — a direct function of the Hormuz disruption and oil's spike from \$57 to \$110+ during the conflict. Stripping energy out of the picture, core inflation dynamics remained firm, with shelter and services continuing to demonstrate persistence well above the Fed's 2% target.

The critical context: this is the **first CPI reading post-tariff implementation**. The Trump administration's 10%+ universal tariff took effect April 2. The KPMG analysis tracking this confirms that 85% of 2026 employment gains occurred January-April before tariffs were implemented — meaning the economic data is currently reading the pre-tariff economy. The IMF has modeled 10% universal tariff + retaliation as equal to approximately -1% US GDP and -0.5% global GDP. That damage arrives in Q2-Q3 data, not in today's print.

The stagflation arithmetic: The economy is growing (ISM Manufacturing 52.7, ISM Services 54.0, NFP +178K in March) while inflation is entrenched at 3.3%. The PPI (producer prices, which lead CPI by 1-3 months) sits at 3.4%. The GDPNow Atlanta Fed estimate as of April 9 is **1.3% annualized** — near stall speed. The combination: an economy expanding at 1.3% with inflation running at 3.3% is a textbook stagflation configuration. The Fed cannot cut into 3.3% CPI. The Fed cannot hike into a 1.3% growth environment. The policy rate stays at 3.50–3.75%, and 98.4% of the market agrees. The Fed is not a factor until the picture breaks in one direction.

What changes the picture: - Bull path for rate cuts: Energy normalization from Hormuz reopening pushes May CPI materially lower (possible if oil holds \$85–90). Combined with tariff-driven growth deceleration visible by June data, the June meeting becomes live. - Bear path for higher rates: Tariff pass-through manifests in May CPI (services, goods). May print comes in 3.4–3.5%. Fed faces a genuine hiking discussion for the first time in this cycle. Markets re-rate everything.

Today's print, by landing in-line, neither triggers the bull path nor the bear path. It confirms the range. The range is the problem.

2. CoreWeave's Week: \$21B Meta Deal + Anthropic. The AI Infrastructure Flywheel Is Printing

CoreWeave (CRWV) is having the most consequential week in the history of AI cloud computing. Thursday: completion of a **\$21 billion multi-year agreement with Meta Platforms**, the largest AI cloud infrastructure deal ever recorded, structuring CoreWeave as Meta's dedicated GPU-compute partner for its next generation of foundation model training. Today: **Anthropic added as a customer**, directly to the CoreWeave AI cloud platform.

The structural significance compounds. CoreWeave IPO'd in late March at roughly \$40/share — a listing that was controversial at the time because of its debt-heavy balance sheet and heavy dependence on Nvidia hardware. Today it's trading near \$88–102, having effectively validated the thesis that AI infrastructure companies are worth pricing on forward contract value, not trailing EBITDA. The \$21B Meta contract alone represents multi-year visibility that traditional real estate or data center underwriting models capture better than software PE multiples.

The Philly Semiconductor Index touching **8,926 — a new all-time high** above the previous February 25 ATH of 8,498 — is not coincidental. The chip cycle and the AI infrastructure cycle are the same cycle. Every dollar of CoreWeave's \$21B Meta contract translates to GPU purchases (Nvidia), cooling infrastructure (Vertiv), network switching (Arista), and power (nuclear, gas peaker, solar). The sector is not overbought on a fundamental basis when the demand pipeline is structured as multi-year contracts with hyperscalers.

Blackstone's \$2B Data Center IPO (filed today) confirms that the financial system is institutionalizing access to this infrastructure. Blackstone managed \$1.3T in AUM and calls itself "the leading investor in data centers and power infrastructure." BREIT deployed \$5.8B into pre-leased data center developments in 2025 and is accelerating that pace in 2026. An IPO vehicle allows retail and institutional investors to access the

same yield that private equity has been capturing in this sector. The signal: the AI infrastructure buildout is large enough, and certain enough, that it is now being securitized for public distribution.

The power link: AI data centers consumed 1,000+ TWh globally in 2026. There is no renewable solution to this demand that operates at baseload. Microsoft, Google, and Amazon have signed nuclear PPAs. The nuclear sector's behavior today (URA: \$50.96, CCJ: \$116.04) — stable near 52-week highs while the broader market churned — confirms that AI infrastructure is being treated as an independent structural theme, not just a war-premium unwind trade.

3. The Ceasefire: Day 3, Signs of Strain, Vance at the Table

The Iran-US two-week ceasefire entered its third day Friday. The framework established Wednesday — Hormuz traffic permitted, Iran agreeing not to target US assets, formal negotiating timeline beginning — is holding at the declaratory level. At the operational level, signals are mixed.

Bloomberg reported Thursday that **JD Vance is emerging as Trump's designated Iran closer**, handling the diplomatic runway that the ceasefire framework opened. The Vance-Iran track matters because it signals the administration views this as a genuine negotiating process rather than a tactical pause — a positive indicator for ceasefire durability. Trump told reporters Friday: "We don't need a backup plan in Iran negotiations." That confidence language is notable, though it also sets up a credibility risk if the framework collapses.

The complication: the Pakistan-brokered back-channel truce — a separate framework from the US-Iran ceasefire — showed signs of strain Friday, per reporting referenced in Times of India. The multi-party nature of the regional conflict (US-Iran primary, Israel-Lebanon secondary, Pakistan-India as Pakistani credibility backstop) means the ceasefire is a system with multiple failure points, not a bilateral agreement.

Hormuz physical confirmation is the metric that matters. Bloomberg's separate report ("Hormuz, Lebanon Central to US, Iran Peace Talks") confirms that the Strait's status and Lebanon's reconstruction are the core structural issues, not just the headline ceasefire. The framework must address both. Until physical shipping traffic through Hormuz is confirmed at pre-war levels over a sustained period, the war premium in oil, gold, and defense positioning cannot fully unwind. Today's oil price (\$95.63) reflects a Hormuz premium above the \$70–80 pre-war level — the market is not pricing a clean resolution.

The **Gulf aluminum maker Force Majeure** declaration today (unnamed in Bloomberg) is a concrete reminder that the physical supply chain damage from the Hormuz closure is not reversible within a 2-week framework. Aluminum smelting requires sustained electricity and alumina inputs that flow through Middle Eastern ports. Force Majeure on aluminum contracts signals that the operational reality of the conflict has created commitments the system cannot fulfill even if the political ceasefire holds.

4. De-dollarization: COFER Hits 56.1% — Fastest Quarterly Decline on Record

The most significant structural data point of the week received the least coverage. IMF COFER data for Q1 2026 confirms the US dollar's share of global foreign exchange reserves fell to **56.1%** — a 2.3 percentage point decline in a single quarter, the fastest single-quarter decline on record. For context, the dollar's reserve share was 71% in 2000 and has been declining at roughly 0.5% per quarter in recent years. Q1 2026's 2.3 pp drop is approximately 4-5x the historical rate of decline.

The mechanism is direct and traceable. Iran demanded \$250 billion in war damage compensation in non-USD terms. BRICS members — India (2026 Chair), China, Saudi Arabia — accelerated settlement in local currencies and RMB as a direct response to perceived US weaponization of the dollar (the freezing of Iranian assets, Russia sanction precedent). The BRICS Bridge cross-border CBDC interoperability project — connecting China, Thailand, UAE, Hong Kong, Saudi Arabia, now among 13 active wholesale CBDC projects globally — added operational infrastructure for non-USD settlement in Q1.

The consequence for gold is structural, not cyclical. Central banks bought a net **27 tonnes in February 2026 alone** — on pace for the WGC's revised forecast of 850 tonnes for the full year, more than double the historical average. Gold is the asset that fills the reserve basket when the dollar's share is declining but no single currency alternative is trusted. That dynamic doesn't change when a ceasefire is declared. If anything, the ceasefire creates space for BRICS diplomatic architecture to advance — the India 2026 summit with expanded BRICS Bridge on the agenda is scheduled for later this year.

The gold floor at \$4,700+ reflects this structural bid. Gold fell -1.6% on the ceasefire announcement Wednesday. It has since recovered to \$4,771 — barely 1.6% off its pre-ceasefire level — despite oil's 13% decline and a broad risk-on move in equities. The metal is not following the "war premium exits" trade because the floor is not the war premium. The floor is central bank accumulation at 850 tonnes/year. That floor is independent of the ceasefire.

5. Labor Market: Composition Warning Buried in the 178K Print

March NFP came in at +178K — widely read as "resilient." The system has been tracking a more nuanced read since April 6's analysis. The compositional breakdown is the signal.

KPMG confirmed that 85% of 2026 employment gains occurred January-April before April 2 tariff implementation. Challenger Gray & Christmas data shows 60,620 planned layoffs in March 2026 alone — with 15,341 (25%) citing AI as the primary driver. That is a structural signal embedded in a headline number that looks healthy. The private sector job growth is narrowing to healthcare and education, while the broad private sector contracts.

GDPNow at 1.3% annualized (Atlanta Fed, updated April 9) is the GDP verdict: a labor market "growing" at 178K/month while the economy tracks at 1.3% growth is a labor productivity decline story, not a strength story. The IMF's -1% GDP tariff modeling hasn't shown up in the data yet. When Q2 GDP data arrives, the picture may be substantially different from what Friday's ISM readings imply.

JOLTS job openings (last print: 6,882K, down 358K from prior month) confirm the direction: job openings contracting. Consumer sentiment (UMich: 56.6, stale from February) reflects what consumers already sense that the headline data has not yet confirmed. The recession scenario sitting at 82% probability in the system is not paranoia — it is a weighted reading of the lead indicators against the lagging headline metrics.

6. Political Architecture: Vance, Hungary, Fast-Track Spending, and What the System Is Watching

Several political signals converged Friday:

Trump-Senate GOP spending bill: Trump and Senate Republicans agreed Friday on the outline of a fast-track spending bill framework — the first significant legislative agreement since the war began. The structure matters for market participants monitoring the federal debt ceiling trajectory and the potential for additional defense and infrastructure spending that could layer onto the already elevated fiscal deficit (\$39T, +\$8B/day).

Hungary elections (Sunday): Orban appears to be facing a genuine electoral threat on Sunday, per Bloomberg. This matters beyond Hungarian politics: Orban's government has been the primary EU voice opposing Ukraine support and maintaining back-channel

diplomacy with Russia. An Orban loss would shift the EU's eastern diplomatic posture and remove one of the last formal BRICS-adjacent bridges in NATO's perimeter. Watch for FX impact on HUF and regional European markets Sunday night.

Anthropic's Mythos AI: Bloomberg reported Friday that officials are "worried" about Anthropic's latest model, named Mythos. The framing — not excitement, concern — reflects the ongoing policy debate about AI capabilities that are perceived to be outpacing regulatory frameworks. CoreWeave's deal to host Anthropic adds a geopolitical dimension to AI infrastructure: the question of who controls the compute that runs these models is now a national security question, not just a commercial one.

Macro Backdrop

Economic Data Snapshot — April 10, 2026

INDICATOR	CURRENT	PRIOR	SIGNAL
CPI (YoY)	3.3%	2.9%	Released today: energy surge +10.9% MoM; tariff pass-through beginning
CPI (MoM)	+0.9%	—	Largest monthly gain in ~4 years
PPI (YoY)	3.4%	2.8%	Producer prices lead CPI by 1–3 months; pipeline still hot
NFP (March)	+178K	–133K	Headline strong; composition narrowing
Unemployment	4.3%	4.4%	Declining; not yet breaking
ISM Manufacturing	52.7	52.4	Third month above 50; expanding
ISM Services	54.0	50.0	Sharp acceleration
Initial Jobless Claims	219K	203K	Uptick; labor market edge softening
10Y Treasury	4.29%	4.35%	Stabilizing; risk premium partially exiting
10Y–2Y Spread	0.51%	0.50%	Normalizing from inversion
Fed Funds Rate	3.50–3.75%	—	Hold: 98.4% probability April 29
Atlanta GDPNow	1.3%	4.2%	Dramatic deceleration; near stall speed
Consumer Sentiment	56.6	—	February data; historically low
JOLTS	6,882K	7,240K	Openings declining; hiring impulse fading

CME FedWatch: Locked In

MEETING	HOLD PROBABILITY	CUT PROBABILITY
April 29, 2026	98.4%	0.0%
June 17, 2026	86.2% (hold)	13.6% (cut)
Full-year 2026	0 cuts priced at high confidence	Market sees 1 cut (at most) by Dec

The 13.6% June cut probability is the market's acknowledgment that an oil normalization + soft May CPI scenario is possible, not probable. It is also exactly the kind of optionality that the ceasefire opens — and that a ceasefire collapse would close immediately. The Fed cannot commit to anything until the geopolitical picture is more stable than "two-week ceasefire, terms being negotiated."

Correlation Breaks: The Structure Is Speaking

The analytics engine recorded **10 active correlation breaks** as of today's close. The most structurally significant:

Gold-DXY (−0.880, 7-day): The inverse relationship is tightening. DXY is holding below 99 — a key technical level that has been a ceiling for gold's SMA50 recovery. With DXY at 98.87 and gold at \$4,771, the math toward gold's SMA50 (~\$4,879) is DXY sustaining below 99. The ceasefire removes some dollar safe-haven bid. The stagflation data adds fiscal uncertainty. The resulting DXY trajectory — structurally weaker even if tactically stable — is gold's primary trigger.

Silver-Gold (0.968, 7-day): Silver and gold are tracking with near-perfect correlation this week, suggesting both are moving as pure monetary metals rather than industrial (silver) vs. monetary (gold) plays. The silver industrial demand component — normally a divergence signal — is being suppressed by the same macro uncertainty depressing base metals broadly. Watch for silver to diverge higher than gold when the ceasefire-to-growth narrative strengthens and industrial demand signals recover.

Silver-DXY (−0.838, 7-day): Silver's DXY sensitivity is as strong as gold's. With DXY below 99, silver's path toward the \$80 range (pre-ceasefire war-premium peak) is open if risk sentiment holds.

BTC-Gold (+0.754, 7-day): Bitcoin is correlating with gold more strongly than with equities (BTC-SPY: −0.681, 7-day). This is a regime signal. Bitcoin is acting as a monetary asset in the current environment, not a risk-on asset. The correlation regime implies BTC's next significant move is linked to the monetary regime (DXY, gold, central

bank policy) rather than equity sentiment. BTC at \$73,200 with crypto F&G at 16 (Extreme Fear) while gold holds \$4,771 — both reflecting the same structural bid, different risk profiles.

Uranium-Gold (-0.949, 7-day): Uranium and gold are moving in opposite directions with near-perfect inverse correlation over 7 days. This reflects the current regime: gold is pure safe-haven/monetary, uranium is pure growth/AI-infrastructure. When gold goes up (risk-off), uranium goes down (growth premium contracts). When the macro picture normalizes — if it normalizes — this correlation should collapse as both uranium and gold decouple from the binary risk-on/risk-off framework and trade on their own structural fundamentals. That decoupling is the signal to watch for when staging entries.

Gold-PSLV Divergence (-1.40, 7d vs. 90d): Flagged as CRITICAL by the analytics engine. PSLV (Sprott Physical Silver Trust) is diverging sharply from gold's 90-day correlation. The -1.40 deviation implies institutional gold (GC=F) and retail silver-proxy (PSLV) are being valued differently by the market right now. Possible explanations: gold is receiving central bank and institutional safe-haven demand that doesn't flow to silver; silver's industrial component is being repriced lower due to growth uncertainty; or the PSLV discount to NAV is widening as retail sentiment stays in Extreme Fear territory. This divergence is worth monitoring closely — it historically precedes a resolution, usually violent.

Scenario Watch

Scenario A: Inflation Spike → Stagflation Confirmed (Active, 90% probability)

What it means: Today's CPI validates this scenario. The system has been tracking "oil-driven inflation acceleration, CPI heading to 4%+, Fed trapped." March CPI at 3.3% is the first data confirmation that the pipeline is filling. PPI at 3.4% YoY, tariff pass-through beginning in April data, and services inflation running hot: the path to 4%+ CPI over the next 2–3 months is open even if energy deflates from the war premium. The structural inflation floor — shelter, wages, services — was above 3% before the war started.

What to watch: April CPI (released ~May 12): the first true tariff-impact CPI print. If 3.4%+ despite energy normalization, stagflation scenario escalates toward "confirmed regime" rather than "hypothesis."

Scenario B: Hard Recession (Active, 82% probability)

What it means: GDPNow at 1.3%, JOLTS declining, consumer sentiment at 56.6, layoffs of 60,620/month with AI cited as 25% driver — the recession indicators are multiplying. The ceasefire creates a short-term growth reprieve through lower energy costs. But the tariff drag arrives in Q2–Q3, and the AI displacement cascade (502K estimated white-collar role eliminations in 2026 per CFO surveys) is accelerating independent of the ceasefire. The recession scenario is tracking not as a financial shock event but as a structural grinding of consumer spending power over multiple quarters.

What to watch: May NFP (released June 5) — the first employment data to capture the post-tariff economy. If growth drops below 50K/month, the recession scenario escalates from "tracking" to "probable."

Scenario C: Iran-US War Escalation (Active, 28% probability — reduced)

What it means: The ceasefire reduced this from the ~40–50% range during the acute Hormuz crisis to 28%. The two-week framework is credible enough to shift the probability distribution. Vance's role as Iran closer adds diplomatic weight. But at 28%, this is not a tail risk — it is a material possibility that requires scenario positioning. The most likely escalation path: ceasefire violations by IRGC hardliners or proxies that the government cannot or won't control; the Pakistan-brokered truce collapse triggering cascading regional involvement. Oil goes back above \$110, gold re-bids, defense names surge. BTC likely sells off on pure risk-off panic, then recovers as monetary premium reasserts.

What to watch: Daily Hormuz vessel traffic data; IRGC public statements; Bloomberg ceasefire-violation tracking.

Scenario D: Risk-On Rally (Hypothesis, 25% probability)

What it means: Fed 75bp cut triggers liquidity flood (as originally specified in the system scenario). BTC/equities rip. Cash becomes an opportunity cost. This scenario requires the stagflation data to reverse — which would require simultaneously: oil normalizing below \$75, CPI falling below 2.5%, AND growth remaining above 2%. The probability is 25% because the ceasefire opened the oil normalization path. But the tariff layer and services inflation make the CPI component unlikely to cooperate within a timeframe that triggers a 2026 cut of 75bp.

What to watch: A scenario upgrade requires two consecutive CPI prints below 2.8% — a threshold that appears mathematically unlikely given the tariff pipeline.

COT Positioning: The Contrarian Fuel Is Still Loaded

Commitment of Traders data (as of April 7, most recent available):

ASSET	MM NET LONG	3Y PERCENTILE	SIGNAL
Gold	+153,868	Near extreme short	Squeeze fuel intact; central bank bid provides floor
Silver	+22,788	13th percentile	Near extreme short; DXY below 99 = squeeze setup
WTI Crude	-9,496 MM net	Low pct	Managed money net short; positioning validates ceasefire relief trade
Bitcoin	+2,508	Near maximum long	Crowded; requires new buyers (ETF institutional flow) to sustain

Gold COT: Managed money at +153,868 net long represents the institutional positioning. Near the extreme-short end of three-year range means the speculative community is positioned for gold to fall — exactly the opposite of what structural fundamentals (850t/year CB buying, COFER decline, BRICS reserve diversification) imply. The combination of structural buy pressure and speculative short positioning is the squeeze setup. DXY below 99 is the trigger.

Silver COT: At 13th percentile of three-year range, silver's positioning is nearly as extreme as gold's. Silver requires both DXY weakness AND equity stability — both conditions are currently present (DXY 98.87, S&P near 6,835). The squeeze fuel is loaded. The risk: if ceasefire collapses, DXY re-bids and silver's dual-sensitivity (monetary AND industrial) amplifies the downside relative to gold.

Power Structure Signal: FIC Gaining, MIC Losing

The system's Power Complex tracking shows a consistent pattern this week:

FIC (Financial-Industrial Complex) net gaining (+3): Morgan Stanley MSBT Bitcoin ETF (structural financial infrastructure), Blackstone data center IPO (\$2B vehicle institutionalizing AI real estate), CoreWeave \$21B AI cloud contract (private infrastructure securitizing at scale), Fed hold preserving financial stability. The financial system is expanding its structural role in AI infrastructure.

MIC (Military-Industrial Complex) net losing (-3): General Dynamics -2.54% today, defense ETF (ITA: \$229.64) underperforming, war premium exiting. The ceasefire has reduced the near-term MIC narrative.

TIC (Technical-Industrial Complex) net strongly gaining: Philly Semis at new ATH (8,926), NVDA +2.6%, AMD +3.55%, AVGO +4.69%, CoreWeave +13%. The AI infrastructure cycle is independent of the war's outcome — it is a structural spending commitment by hyperscalers that is locked in via multi-year contracts.

Read: The week of April 7-10 represents a decisive shift in the power complex balance. FIC and TIC are winning simultaneously — which in the system's framework represents the "settlement and institutionalization" phase of a managed transition. When financial capital and technology capital converge on the same infrastructure buildout (AI data centers, nuclear power, semiconductor fabs), the structural momentum is self-reinforcing. The MIC's decline is not a signal that defense spending is going away — it is a signal that the marginal dollar of institutional allocation is moving from kinetic to structural spending.

Structural Context: Stage 6 — The Transition Continues

The Friday CPI print, the CoreWeave deal structure, the Blackstone IPO filing, and the COFER data combine to confirm the underlying structural narrative that has been running through every report since March:

The US economy is restructuring in real time, not gradually. AI is displacing white-collar labor faster than the headline job data captures. The financial system is securitizing AI infrastructure access. The dollar is losing reserve share at an accelerating pace. The central bank is frozen between two incompatible mandates. The geopolitical settlement — if it holds — will be built on BRICS-adjacent architecture, not the post-1945 dollar-denominated order.

None of these trends reverse because of a two-week ceasefire. The ceasefire accelerates some of them (BRICS diplomatic space increases when US military pressure is paused). The AI displacement accelerates when capital allocation shifts from military spending to infrastructure spending. The de-dollarization accelerates as BRICS members that experienced dollar weaponization during the Iran war move to reduce exposure.

Asset implications for the structural view: - **Gold:** Structural bid at \$4,700+ is central bank accumulation, not war premium. This floor does not depend on geopolitical resolution. - **Silver:** COT positioning at 13th percentile + DXY below 99 = squeeze setup

with higher volatility profile than gold. - **Bitcoin:** BTC-Gold correlation at +0.754 (7-day) confirms the monetary asset regime. The institutional infrastructure (Morgan Stanley MSBT, BlackRock IBIT, Fidelity FBTC) is now in place for sustained institutional accumulation through the Extreme Fear phase. Crypto F&G at 16 is historically associated with accumulation opportunities. - **AI infrastructure (NVDA, AMD, AVGO, CoreWeave):** Multi-year contract pipeline removes the "cyclical chip demand" narrative. This is baseload AI infrastructure demand, not smartphone upgrade cycles. - **Nuclear (CCJ, URA, NNE):** 1,000+ TWh AI data center demand with no viable renewable baseload solution. Supply response time: 10–15 years for new mines, 8–12 years for new SMRs. Current capacity fully contracted. This is the most structurally constrained supply-demand setup in the analytics engine.

Analytics Engine Accuracy Tracking

The system has 132+ scored predictions with an overall hit rate of approximately 47.7%. The most accurate asset class: VIX (63.6%), followed by medium-timeframe macro calls. Oil and gold direction predictions remain the lowest accuracy — consistent with the genuine difficulty of forecasting assets that are simultaneously geopolitical proxies, monetary metals, and commodity inputs.

This week's calibration updates: - The ceasefire timing was within the system's "possible" range but faster than the base case implied by the April 6 deadline analysis - CPI printing 3.3% was consistent with the system's framework; Cleveland nowcast of 3.16% was directionally accurate - The SOX record high and AI infrastructure momentum were not explicitly forecasted but are consistent with the structural evidence logged in the Nuclear Renaissance and AI displacement trend databases

What to Watch Next

April 16: Kevin Warsh Confirmation Hearing Warsh is reportedly hawkish on monetary policy but known for nuclear-energy-friendly positions. The hearing will produce market volatility for rate expectations. Watch CCJ and NNE for confirmation of the nuclear AI-power narrative in the questioning.

Iran Negotiating Framework (April 14–21) The two-week ceasefire expires approximately April 22. The formal negotiating window has opened. Vance as Iran closer signals administration commitment. Watch for the first formal positions on: (1)

Iran's \$250B compensation demand; (2) Hormuz sovereignty framework; (3) US military presence timeline. Any of the three becoming publicly toxic ends the ceasefire framework faster than military action.

Hungary Elections (Sunday, April 12) Orban's potential defeat restructures EU-Russia diplomatic architecture. Watch EUR/HUF, regional European markets, and NATO's eastern posture signaling Monday morning.

Tariff Impact Data (Q2 2026 cycle) April PMI surveys (released early May) will be the first data capturing post-tariff business conditions. The KPMG confirmation that pre-tariff employment has been propping up headline numbers sets up a Q2 data disappointment. Position accordingly.

May CPI (Released ~May 12) The verdict on whether energy normalization offsets tariff pass-through. Sub-3.0% = June cut optionality lives. Above 3.3% = stagflation confirmed structurally, not war-derived.

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Sentinel analytics engine: 91+ live price feeds • 10 active correlation breaks • 21 armed alerts • Scenario database: 4 active scenarios • Evidence base: 57+ logged structural items
