Standoff continues with few signs of imminent breakthrough- Fading prospects for peace raised supply concerns -markets evaluate contradictory statements regarding Hormuz.

Trump insisted the Strait of Hormuz is open while Iran maintains it remains shut, and Iraq and Chinese shippers moved to route crude away from the strait.Rising oil prices can be seen as a sign of markets pricing in “a more extended closure” of the strait.

Trump’s threat to Oman could also be the moment the oil market shifts from pricing a temporary disruption to pricing a prolonged one.If Muscat pulls back from talks with Tehran, the diplomatic route to restoring normal flows through Hormuz narrows considerably. That would be a signal to expect addition to energy longs rather than resuming "fade the rally" trade

In a far reaching development, UAE announced that all trade and financial transactions with Iran have been halted until further notice. It could prove more consequential than existing US sanctions.

FOMC minutes today - Warsh's July statement was deliberately brief and offered little guidance, leaving markets largely in the dark on how the committee is thinking beyond the three known dissents- minutes are the first real insight into the depth of the hawkish camp.

The world is now trying to finance some of its most expensive ambitions in decades just as cheap money has disappeared .The price of money is soaring - lot of the move is real yields simply getting back to more 'normal' levels.

Its not the oil phenomenon alone that drives yields - it just exacerbates the surge in long-term borrowing costs which predates the oil spike on account of thr implications from the AI boom to grim fiscal.

From the U.S. to Japan, long-term rates are pushing into territory not seen in years or decades at one of the most consequential moments for the global economy.Auction of $16 bio of 20-year treasuries today. 20-year maturity stands out due to notorious illiquidity within the US yield curve.

Lane is already pointing out climate-related food inflation over*next summer* .Relative to its US peers, EUR rates are facing more pressures in terms of inflation risk premia and expectations, and this has now put more upward pressure on the front end out to the belly. But also the long end is not spared. EUR issuance is also seeing a comeback following the summer break which includes an early syndicated 30y Bund tap. Just look for selling rallies..

China's economy is showing signs of extending slowdown with a slump in industrial output and retail sales in July. Policymakers to accelerate plans for tax and spending measures to support activity.

If the UK economy really is picking up , as GDP data tentatively hinted , then there's little sign of it in the jobs market. Today 's **July CPI to show underlying inflation easing -** Headline CPI is expected at 2.9% .1.3561 to resist for 1.3442 .

Increasingly intense heat waves turn Japanese summers into survival tests - Across all sectors, labor hours lost to heat nearly doubled from the 1990s average, translating to roughly $46 billion in lost income, or 1% of GDP. with markets quickly resetting despite powerful action., expect 160.00 to be overcome soon .

USDINR 95.80 test happens on expected lines - the resistance this time continues more resilient from the obvious names - break here sets up 96.30.