Markets are still not able to comprehend the signals behind yield moves : If the real yields in US are rising because investors seek risk premium for policy uncertainty then it's a cause for concern for USD - in case the upward shift reflects strong growth expectations, then that's positive for USD.

Now that equity markets have also shown positive bias , we may be inclined to believe in the latter hypothesis. Possibly Real rates are now at a level which neither stimulate nor crimp economic activity especially ,when the economy is at full employment.

With buzz on the trade front fading, focus shifts to data.April data has been a mixed bag reflecting front-loaded demand, elevated price pressure , acute policy uncertainty & payback from strong March- so drawing conclusions based on hard data of April might not be astute -prefer to use Weekly Jobless claims to tell you about the state of the economy - which stood at 229k - economy just chugging along...

The buzz now is about the global angst that US seeks weaker dollar - Whether or not the US can think of shooting its foot all over again, markets are already trading as if a weaker dollar is implicit. Simple logic is that you cannot force your overseas buyers of Treasuries to shut their source in the context of rising Treasury yields.

Europe is averse to replicate UK's decision to accept a baseline 10% US tariff - pretty obvious that a comprehensive EU/US trade deal might be a long process - however small movement is now evident, -38th day of 90-day US "pause- Sefcovic has already travelled three times to US. Longer it takes to get going, tough for EURUSD to stand here as internal contradictions within EU would come to the fore - Sticking with EUR short position with 1.1263 stop

Lacklustre earnings derail stock-market rebound.Expectations about a sustained improvement in the fundamentals have yet to emerge.

After two sickly quarters, upbeat growth data & UK trade deal with US - better optics -economy defies gloomy warnings to grow 0.7% in Q1 - stronger business investment ahead of tariffs-Trading 1.3440/1.3170 range with tight stops makes sense - Bears need close below resilient 1.3165, 0.382% of April rise

GDP -0.7% q/q, first fall in a year -While everyone around the globe was cranking up exports ahead of tariffs , Japan exports were -0.6% q/q. What could happen post Tariffs ? Kato confident of "constructive" dialogue with Bessent - Below 145.50, no conviction in fighting this downmove.

"US seeking a weaker dollar" story not really apt here -Exports stood at $38.49 bio & Imports $64.91 bio- interesting piece is Gold imports show some price sensitivity -fell to $3.1bio from $4.4 bio -Around the equilibrium zone 85.50 -