US and China reach some sort of truce.But there is no ink on paper -an optimistic take is that it was an acknowledgement by both sides that existing situation had become unsustainable.

Trump rated it as12 out of 10 meeting.In reality however ,this is only a framework agreement and, as Canada is discovering, such agreements have the potential to unravel at a moment's notice. Hence given enduring mistrust between the two,this meeting is deemed by the markets as a tactical pause or temporary de-escalation

Even after a day ,Powell continues to chime in the ears as it is hard to recall such an explicit effort by the Fed chair to correct market pricing. His true intention might have been to correct the market's excessive expectation that "interest rate cuts are a foregone conclusion," but a hawkish intent has been telegraphed for now .

Worth noting Quarterly Treasury refunding announcement next week , reminding everyone of issuances ahead - Treasury might project net marketable borrowing of $697 billion in the current quarter and $795 billion in Q1-2026.

Of immediate concern is that Fed Discount Window usage hits highest since the SVB failure - probable sign that liquidity is getting scarce or confidence is fragile . It is indeed an overstretched pessimism to recall what Demchak, CEO of PNC once said "The day you hit it for anything other than a test you effectively have told the world you failed." -

ECB decision did not make waves.Lagarde said downside risks lessening. Better hard data anstable ECB imply EUR swap curve to steepen from here.Set to test 1.1542 Oct low & 1.1504 0.786% of Aug/Sep rise.

Longstanding domestic economic woes have persisted to the point where there are fewer immediate benefits of this trade truce.Prioritization of manufacturing over domestic consumption has sustained its large trade surpluses and threatens to entrench deflation. In this context , China mfg PMI in contraction for the 7th month in a row - hit a 6 month low - no respite .

Nov budget remains the most significant UK event risk.Close below major 1.3140 support would target 1.2943, 0.5% 2025 rise.

Once in the hot seat , the views change diametrically - Japan's new FM Katayama said she would not stand by remarks she made in March suggesting yen's real value is closer to 120-130 per dollar.Tokyo Oct Headline CPI 2.8% y/y (exp 2.4%). Japan Retail Sales +0.5% y/y.USD/JPY poised for breaking Feb 12 154.80 high

USDINR Moved higher into 88.70 zone without batting an eyelid. Reasonable to expect Consolidation within 88.50 - 88.70 especially going into monthend/ weekend