

September lived up to its reputation for seasonal turbulence. The month marks a choppy period defined by simultaneous structural shifts in global bond markets, volatile energy supply dynamics, and massive leverage unwinds driven by shifting trends in global capital mobility.

Lack of diplomatic progress continues to prop up crude prices with a risk premium. Reports that U.S. anticipates major combat resuming after midterms introduce a longer-term supply risk.

Meanwhile, Brent is headed for a monthly gain of about 14 percent—marking its biggest climb since July—while WTI is on track for a 4 percent rise after having breached \$106 for the first time since May. Bigger news in the oil market was the US tapping the SPR for another 40 million barrels,

With 35 basis points of hikes priced for the year, permanent voter Williams sees no rush to act again in October. In contrast, Goolsbee leans hawkish, challenging the logic of ignoring supply shocks. Barr sees a potential longer-term boost from AI.

Conference Board consumer confidence falls to 81.9 from 88.6 in August on anxiety about the cost of living. Job openings slid 256k to 7079k versus the 7228k forecast - low-hire, low-fire economy where workers aren't quitting and stagnant wage gains are squeezing real incomes.

Focus today is on August personal income & spending. PCE price index could show a 0.3% m/m in the core measure - little indication that inflation is going to abate - However, Updates to the deflator methodology - one-time shift in measured inflation - might give lower reading, but that shouldn't alter the trend. (New methodology replaces PPI series with a derived price index)

German housing market is a text book story of prices rising in thin markets - Caught between higher rates and structural shortages German house prices rose in Q2 by 0.3% q/q. EURUSD target for a deeper correction of 1.0125-1.2084 rise is 1.1105., once 1.1325 gives way.

China's official manufacturing PMI rose to 50.1 in Sep from 49.8, while non-mfg PMI rose to 50.2 from 49.0 - supportive final data point before the holidays.

Demand for UK new home mortgages slumped to just 54,918 mortgages in August. Gilts should have had comfort in Burnham's speech., but external forces continue to be the bigger force.

Risk leans towards a 1.3200 break, which would open up 1.3163-1.3140.

Japan's population was 122.9 million ,shrinking by 3.17 million, or 2.5%, in five years -third consecutive decline So Shrinking Workforce and higher wages is structural.Month/quarter/Japan fiscal half-ends today, Tokyo fix flows likely large and after fix , we can expect a upmove . As of now, USD/JPY in stasis on 157,00

Battle at 96.00 continues..