

The market currently has no "worst-case scenario" thoughts anymore - too soon to put tariff concerns in the rearview mirror-

Globally, the deal buys time but does not erase specter of broader trade tensions.

For one thing, a 30% tariff on Chinese goods could still have a meaningful impact on global trade and growth. Greer sounds like the sad sack in the room-"If things don't work out, China tariffs can go back up" -

While this de-escalation (not a deal) offers relief and has boosted market confidence, it would be wise to curb the enthusiasm as US- China tension appears poised to stay high on multiple fronts., not withstanding this trade Truce.

It's becoming clearer what the new normal for trade policy would be on these lines : across-the-board tariffs of 10% on countries with balanced trade and friendly relations (like U.K.), or more like 30% for countries with which U.S. has huge trade deficits (like China).

For a market, which was tracking nothing but tariff headlines over the past two months and acting step in step with all the news , there is now a pause for breadth - they should learn to look at conventional drivers once again. The importance that market attaches to today's CPI shows its on track to revert back to normal times .

Next items on the Trump agenda include Tax cuts and Deregulation -Anticipated tariff revenues had fitted into the framework for extending tax cuts - but revenues from Tariffs may not scale up and hence Tax cuts to necessitate more issuances - so higher US Treasury yields ..

Crowded USD shorts taught a lesson for umpteenth time - Yesterday's's sharp dip confirms negative signals.As expected , we may see test and break of 1.1053 0.618% of the Mar/Apr rise for testing Apr 7th 1.0880. base first supports.

Lombardelli confirms reluctance when she said she was balanced between holding and cutting.Shoppers celebrate Easter & the sunshine with spending splurge.BOE's reluctant easing cycle, US-UK trade deal, & warm UK-EU relations provide support for GBP against EUR. But against USD, tends to stay weak with objectives at Monday's 1.3140 low & 1.3077, 0.5% of the April rise.

USDJPY hit 148.54 as expected and pulled back - quiet days now - 147.30 148.30.

Rupee positives excessively priced at 84.60 - global USD strength & galloping US Treasury yields are the overwhelming negatives - back to basics kind of market- Equilibrium zone still placed at 85.50