

Weekend news was led by Brexit talks pushing through Sunday deadline .Tighter lockdowns in Germany and S.Korea while U.S. hit 16 million cases into its vaccine roll-out.

An extra wrinkle is the chance of U.S. deal on fiscal stimulus - hints from Democrats of a compromise to get agreement.

Two trivial issues - may remain irrelevant for the markets for now - but worth keeping a track :

1.Washington Post reports that the Russian government hackers breached US Treasury and Commerce depts and other U.S. govt agencies - global espionage campaign that stretches back months

2. Electoral College of 538 members is set to cast votes for President and Vice president today. The vote is traditionally little more than a formality but risk of Faithless electors.

Germany announced a lockdown until mid-January, closing all non-essential shops and schools. EUR/USD shows signs of fatigue, having failed to keep gains above 1.2160 multiple times during previous two weeks. Potential for a drop to former hurdle-turned-support of 1.2014 (Sept. 1 high). Close below 1.2113 well tested 10 dma to confirm

Odds of US delisting some Chinese firms seen rising. Tentatively re-enters Bollinger downtrend channel; cap at 6.5397. Close below needed to affirm bearish bias

Deadline extended -Brexit talks will go towards Dec 31. Neither side wants to be accused of walking away. No breakthrough on issues- but leaders to "go extra mile"- consolidation into the end game as this is what markets were expecting. Sell the news .. 1.3390 to hold for 1.3078 .

BOJ's Tankan Survey: Business sentiment improves second straight month. USDJPY needs a close beyond three week range 103.655- 104.76 to end stalemate. A break past 104.22 to indicate upside .

In keeping with current mindset, Inflation print either way to be interpreted by markets to be rupee positive. USDINR set to stay in the familiar zone 73.65 73.85.

