

The anticipation ahead of the meeting was that they might move the dots to show one 2023 hike. Instead it was two hikes and 7 of 18 now forecasting 2021 hike - most likely that market expectations of tapering ramp up - Jackson Hole ahead ?

Another element is they increased their headline inflation expectations which demonstrates they are paying attention to the latest CPI reports. That helps solidify the Fed's credibility -Message to other Central banks especially the ones which stay in constant denial of reality .

Fed effectively raised IOER and RRP and that should help support money market complex - just prevent any further flirtation with negative rates.

All those who expected Demise of dollar have to eat humble pie . Signs of even this

decade going Dollar's way. **Saudi says there is a risk of oil price supercycle . \$ 100 oil and DXY 100 .**

EUR/USD held the resistance at 1.2139 as expected and did precisely as expected - precarious state as it edges below 200 dma at 1.1995 - 50% 1.1704/1.2266 at 1.1985 ( May 5 low) to hold. Break below 1.1980 targets 61.8 of that move at 1.1918

China's warnings against bets on yuan strength are always dismissed by the markets as a routine .PBOC not allowing the full extent of dollar spike suggests its bark may be worse than its bite.USD/CNY had shot up to 6.4258 from.6.3977 low Bollinger uptrend channel confirmed on a closing above 6.4175 for 6.4550

GBP meltdown as expected .Confluence of negatives : little progress on a solution to Northern Ireland protocol. Delta variant

fuelled 50% rise in English Covid. 1.3983  
low then 1.3959, 50% Apr-Jun rise to hold .

So far 110.64 to 110.82, closer to 110.97  
spike high March 31, 111.00. Expect large  
stops on 111.00 break, break projects  
111.71 Mar '20 high. Are we heading  
towards 120 plus by year end ?

Negatives pile up - the only perceived  
rupee positive viz. widely held consensus  
general Dollar weakness outof the window.  
Break past 200 dma normally brings  
median upmove of 1.5 %. Obj at 74.40.