

Second day of risk currency selling -is this month end flow or start of real move from risk on this Delta variant ? Moves around month/ quarter end can mislead - book-keeping requirements, rather than change in fundamentals ? Market liquidity drying up ahead of Friday NFP and Monday's U.S. holiday .

Waller : Fed should start thinking about rolling out of stimulus. But the dominant concern is Delta variant that has spread to nearly every state in US. The proportion of Delta variant infections for 2-week period ending Jun19 is expected to go upto 20.6 % nationally and be higher in some regions.

US data prints exceptionally strong - bit dated though .Case Schiller index of 20 cities showed a 14.9% year on year gain. FHFA price index rose 15.7% year on year. Both are higher than the previous month.

US consumer confidence showed a sharp rise to 127.3 from 117.2 last month.

EZ Economic sentiment stood at 117.9 in June - highest reading in last 21 years.

but European recovery predicated on reduced infections- Delta variant is the evolving negative .EURUSD for the most part stay below 200 hma at 1.19166 (and moving lower). Break of 1.1837 on cards.

China June official PMIs mixed -Services disappoint.Mfg PMI ebbs, but better than expected at 50.9.Reaffirms need for PBoC to keep monetary liquidity ample. **USDCNY close above the zone** (Fibo 6.4682 & 100 dma at 6.4627) to bolster bulls for 6.5500

UK shop prices fall faster- inflation worries mount on Covid-19 & Brexit related supply chain issues.10 dma caps repeatedly, now 1.3891 - pivotal resistance -Obj at 1.3756, 61.8% of 2021 rise.

Japanese markets' peculiar pattern since September to fall on the last trade of the month. USD/JPY slipped further from its June 23-24 2021 highs at 111.11, drifting below the 10 dma at 110.59 - \$1.9 bln option expiries at 110.50. 200 hma at 110.56 currently.

USDINR bides its time - Dips sought and a break past 74.40 after turn of the month can see 75.50. Whether the global spread of the Delta variant can pull down the oil as well as US yields ? Markets may we'll be right to think that there can never be any set of negative factors that can unsettle rupee under any circumstances!