

One of the scariest charts around right now is the US household equity exposure. -firmly above CY 2000 peak and at a 70-year high . What happens when 'bubble' comes to an end ?

Leaving aside the current furore over his personal trading, Kaplan gave a detailed outline of what he is looking for in order to begin QE tapering.

JOLTS rose to a record high of 10.9 million, rising 749k last week – more than ADP & NFP combined (609). Beige book showed growth downshifted to moderate pace in early July through Aug. USD index poised for 93.20 test .

**No Hurricane Has Hit U.S. Energy Markets Quite Like Ida.** Three-fourths of U.S. Gulf oil, gas production still offline. Compound effect of the outages will lift crude prices

more the longer they go on - resultant impact on global inflation not transitory.

ECB today - markets excited- nothing to come out of it - ECB won't be in rush to take away punch bowl -Unlike Fed, ECB has room to maneuver. They have been buying bonds under PEPP and APP, so they may reduce PEPP- not really taper as APP is not reduced. However Motivation for ECB to act lessened by ZEW Mar 2020 low. *No taper ECB contrast with a taper talking Fed* -Below 1.1865, expect 1.1604.

*China* CPI coming in under expected while PPI came in well above- Is it that producers are absorbing rising costs ? Evergrande credit contagion is key risk that can lift USDCNH. Break above 6.4765-6.4890 zone to indicate 6.5500 test .

**Survey of employers in UK show** pace of recruitment for permanent posts hit the

highest in 24-year history-tightest labour market. Tax hike hurts GBPUSD more than anything . Weaker cable below 1.3780 for 1.3640.

With the resignation of Suga, projected leading candidates are talking aggressive stimulus- hence Yen weakness.USD/JPY has been coiling in symmetrical triangle since July 2nd. Above 110.40 expect test of 111.80

USDINR can't stay oblivious of what has been happening to oil . Pair moves on expected lines with 73.85 obj almost on hand . Weekly close above 100WMA 73.57 to suggest return of uptrend for recapture of 74.33