

There are two issues to keep in mind with resignation of Quarles: 1) 14-year terms of governors; 2) 4-year terms of chair, vice chair, & vice chair for supervision. All three positions are open as of now.

Politics carries the day : Manchin's key Senate vote if Brainard gets nominated - hence she appears ahead now .Bostic has also been trending higher of late, yet is clearly the outside chance.

Dow was lower by -158 points- however, much of decline is because of Disney (-7.11%) earnings impact. But undertone is weak- Fed uncertainty is having an echo.

USD index 96.60 next .**JOLTS and Michigan survey today** .In EM space, slowing China adds to the growth woes - stagflation appears getting priced in - Mexico central

bank raises rates by 25 bp as expected -

EURUSD sell off below 1.1478 - made new 2021 low (lowest level since Jul 20).Core downtrend - minor support 1.1377, before 61.8% at 1.1300/1.1290, where a pause is likely .16 Dec ECB is pivotal to EUR's 2022 trajectory.Medium term ECB policy inertia to sustain the pressure . Philip lane today .

Oxford Economics sees a more severe downturn in China's housing market.*In case downturn follows US & Spanish crash patterns, Chinese growth to plunge as low as 1% y/y by end-22.*Add to that **Chinese port city of Dalian reports a jump in cases- global supply chain challenges .Upward drift in USDCNY to gain more acceleration soon . 6.45 first.**

GBPUSD also reached a new low for 2021 -trade at the lowest level since Dec 2020. Brexit headlines-Johnson does not want to

trigger Article 16-tad positive for a change
have not made any impact. Downbeat UK
Q3 GDP poured cold water on Dec BOE.
Haskel speech to confirm. 1.3232 next

Stimulus package news worth 30 trillion
yen. Base case yen weakness bolstered .
114.55 break to confirm steep upside .

Relatively quiet range yesterday between
74.40 74.60 yesterday . Heading towards
74.70 - Oct 21 low - to begin with .