

Coordinated SPR release is what is making headlines: Soon after weekly oil inventory data, there was a headline on US strategic petroleum reserves having been reduced by 3.2 million barrels -Level of reserves is at the lowest level since June 2003.

U.S. Presidents have authorized releases from SPR three times: 2011 during a war in Libya, Gulf War in 1991 & after Hurricane Katrina in 2005.

Reports about US coordinating release requests with large consumers. **China appears to have done as there is a report that it is working on a release of oil from reserves. However, by law, Japan -the key player in SPR - cannot use releases to lower prices. The simple fact that they are discussing this type of emergency SPR release is oil bullish news !**

Across FX, USD lost some ground within small ranges- Bigger picture unchanged for 96.60 . White House said a final decision on the Fed chair would be made before Thanksgiving. Longer the delay, greater the chances of Brainard.

EZ inflation for Oct rose by 4.1% y/y figure is at 0.8% m/m. Pandemic woes come back as Austria & Netherlands announced lockdown measures. Germany is due to meet next week to discuss tightening standards - Coils around 1.1300.

USDCNY could be on the cusp of breaking down as it does not recoup losses - a global currency market event should it loose 6.3700 by weekly close .

UK CPI not only doubled from inflation target of 2.0% - jumped to a more than 10-year high - 4.2% print. Brexit risks matter

much - factor that caps any meaningful upside for GBP/USD. Stop at 1.3503 for shorts .

USD/JPY slides from year-to-date tops near 115.00 but does not in any way shake the conviction for upside -LDP sec-general says an extra budget of more than 30 tln yen would send a big message. Structurally yen negative - 113.90 key support.

Higher oil & higher Dollar amidst spiralling trade deficit clocking by now normal USD 20 bio -an over valued currency adding to the trade woes. Simple macro cocktail for rupee weakness but USDINR struggles-upmoves repeatedly fail at 74.50. Can say Chinese yuan plays part although no macro linkages to support that - Weekly Close above 74.30 needed to reinvigorate. 74.15 74.35 .