After more than a decade of chained stimulus packages and extremely low rates, with trillions of dollars of monetary stimulus fuelling elevated asset valuations and incentivizing an enormous leveraged bet on risk, the idea of a controlled explosion - read exit - is impossible.

Global financial conditions are tightening at the fastest pace in at least three years and Emerging markets are seeing the steepest tightening. Hence the current rebound in high beta might very well peter out soon.

Powell's comments were on the hawkish side, though it's debatable how much of that was already priced in.Solid retail sales report and key earnings from Home Depot and Walmart painted a picture of a strong

US consumer who could stand upto the spiralling inflation .

Incidentally data shows Americans opened a record 229 million credit card accounts in the last 12 months and perhaps that's helping to alleviate the real income squeeze - Credit Binge - USD index 103.30 to hold for 104.80 test .

ECB's Knot fuels bullish wedge breakout but 21-dma at 1.0575 will be a tough nut to crack .One of the reasons for the weak euro is the collapse of the trade surplus as imports soar 35% and exports up 14%. (Euro Area €16.4 billion trade gap in March, compared to €22.5 billion surplus a year earlier)

China April house prices -0.2% m/m and +0.7% y/y. Both down from March.USD/

CNY has surged to 6.80 but is stalling there for the time being.China did play around with its policy settings over the weekend by reducing the mortgage rate floor over the past weekend. That might be reason enough not to tweak things too much for the time being.

Economic landscape leaves BoE stuck between a rock and a hard place.With the markets bracing for a headline CPI of 9.1% - **apocalyptic" food prices have been factored in.-** When the data arrives, there could be an "it could have been worse" reaction – a sell-off in sterling is the most obvious - prudent to wait for 1.2400 break to target 1.2050 .

Japan prilim GDP for Q1: -0.2% q/q (vs. expected -0.4%).Not as dire as expected. The contraction was caused mainly by rises in imports (ie. net external demand slipping).USDJPY to stay 129.00 129.50.

Record RBI selling intervention in March - possibly April also could show a equally strong number - still you cant close the gates . 77.40 77.60 day - a close past 77.64 to indicate 78.00 break .