

Global growth and trade projections are being revised down. IMF is expected to do the same when it publishes World Economic Outlook today .**South Korea's exports down 20.2% y/y in the first 10 days of Oct- double digit fall in this coincident indicator suggests a sharp global demand slump - sluggish overseas sales of chips.**

Apprehension of what could be a big few days ahead - PPI, FOMC minutes ,CPI and retail sales - Geopolitical considerations also in mix - Ukraine et al. USD Index on road towards May 2002 high 115.35 & 61.8% Fibonacci Expansion of Aug-Oct near 116.40.

Escalation of the Ukraine war likely to cap Euro sentiment - whatever little thats still left .Olaf Scholz supported joint-debt

issuances to tackle energy crisis sending bund yields sharply higher. However Yield spreads, options and technicals suggest lower levels are due for EUR/USD. Break below 0.9528 to see a meltdown .

State media says the country must stick with the zero COVID policy.USD/CNH hits a 7-session high, stalls near the 61.8% fib of 7.2671-7.0115.PBOC fix at 7.1075 was depressed as usual.Bullish chart pattern points to Sept 14-yr high 7.2521

UK moved up release of its budget to Oct. 31 from Nov. 23. As irony would have it, the same is on Halloween. Small hope emerges from the credibility of James Bowler - but Ten-year gilts yields surge 25bp, almost to Sept 4.58% peak.30-yr yields were up more than 30bps.Tight 1.1020-1110 range sofar.Next props : 50%

& 61.8% -1.0327-1.1493 - 1.0910/1.0772.

Kishida says the BOJ needs to maintain policy until wages rise - Clear cut invite to buy USDJPY. 2-y Treasury-JGB yields spreads make new 22-year highs. Stops eyed 146.00+, 146.00 likely option barrier level, not large?. In case 1998's 147.64 apex gets threatened, it could be another trip wire for possible intervention.

Global demand slump amidst relatively strong currency - continuing consumption demand in Non oil- Non gold imports - Trade deficit could be at the new normal.of frightening \$ 30 bio a month Intervention hardly can be of help in this structural issue .Next USD/INR targets are 83.41 and 85.26 after pause amd consolidation below 82.80.

