

The hotter inflation does line up with the other January data , including a stronger-than-expected jobs report & (early) private sector reads on consumer spending- this paradigm suggests firmer prices ahead . Moreover, inflation story is centered around services , which could offer stickiness.

Looking at the one-year-change in inflation is like saying "the vehicle increased its speed only by 10mph to 80mph which is a slow down of its increase from 35 mph to 70 mph" - two year change in US inflation in Jan 23 at 14.3% conveys the gravity

Higher inflation begets higher union membership and labour power- this feed back loop underpins wage inflation going ahead. (Separately **Walmart has lifted its average hourly pay rate for workers**)

Surprise strong Q4 EZ employment
Brief 1.0805 post CPI high then 21 dma@
1.0814 resistance- well tested LBB 1.0648
support. Expect downmove to 1.0482 CY
23 low while closing below 1.0814.

PBOC 1 year MLF unchanged 2.75%.

Reopening hype is fading as stock market
losses inflict pain, 'spy balloon' rekindles
US tech sanctions. Japan 'strongly
suspects' past airships likely Chinese spy
balloons. 6.8800 obj is not far off.

Mostly upbeat UK jobs report & hopes of
UK govt-labour deal . Sunak and Hunt are
mulling giving NHS staff & other workers
lump sum payment by backdating next
year's pay award, wef April, likely to the
start of Jan 2023. GBPUSD still contained
1.2130 1.2270 .

Kishida said that the appointment of Ueda as BoJ governor was made considering the market impact. Yesterday's real body above the 55 dma at 132.48 is **bullish**. Clear breakout past 133.05 would eye 38.2% and 200 dma at 136.66/86. Immediately, it should take out the six-week high 133.31 to extend uptrend

USDINR on expected lines - local factors more dominant for now - Pivot trade globally stopped out - however local pivot believer to continue intervention flows to keep the Range high 83.00 under check - but break inevitable for newer alltime high .