

The key question is whether US economy is currently in a recession or not - one way to answer is by using the past episodes - during the average business cycle recession since 1955, total payrolls declined by roughly 3% from the 3-year peak. On today's payroll level of 155 million, an average recession would cause about 5 million job losses. Watch out for that number to be sure of recession .

The number is indeed a message that the Bubbles grossly misallocate Capital and recessions re arrange priorities. (However 1974 recession started without any job losses, so a recession can technically begin without any decline in labour market)

PMI will have markets' attention today. In the Euro area, services will probably

remain the main growth (and inflation) driver for now. US PMIs will throw light on economy after a blurry March picture.-

Growth in EZ has been slowly gaining momentum since late 2022 as the impact of energy crisis started to dissipate. But there are doubts as to how economy can bounce back when rates continue to go up. Several potential Moody's and S&P sovereign debt ratings coming out for Ireland, France and Italy among others. Close below the 1.0913 21 dma would begin the downtrend.

US supersonic bombers to make surprise appearance in drill near disputed border. Not good optics even as Yellen talked about a constructive relationship with China - "we do not seek to 'decouple' our economy from China's. A full separation of

our economies would be disastrous for both countries"- 6.8800 well bolstered

Dismal UK Retail Sales weigh on the GBP- but consumer confidence highest since Feb 2022. **Close below** the resilient 1.2403 21 dma would be **bearish**. Sustained break targets 1.2262, 38.2% of the March/ April rise

BOJ reportedly open to tweaking YCC later this year if wage momentum holds- they are still waiting for more evidence of sustained wage growth, despite positive shunto negotiations .Price pressures are broadening in Japan. Uchida has said the Bank will not be telegraphing monetary policy moves ahead of meetings, leaving two-way speculation .**Close above** 61.8% Fibon of March's slide at 134.75 is awaited.

USDINR strangled at 82.00 82.25 range. Technically a close past 82.18 today to bolster a fast move till 82.80 .