

G7 Finance Ministers and Central Bank Governors' Meeting in Niigata, Japan over this weekend - there will be plenty of headlines .

Debt ceiling meeting planned between Biden and Congressional leaders had been cancelled/postponed until next week.

Equity market shrugs off debt ceiling concerns while bond market discounts stress - debt ceiling will be raised but not without a significant budget cut.

Shocking subscriber admission from **Walt Disney** weighed on sentiment as did dismal deposit data from embattled **PacWest**.

PPI was about as expected when we include the revisions to March. Question is where do things settle out at when goods

inflation settles. Claims jumped to 264k from 242k- biggest one week print since Oct 2021- so Labour market continues to show fraying around the edges. Recession angst grows. Markets await **Michigan Consumer Sentiment for a fresh impetus.**

EURUSD on expected lines 1.0900 NY low & 1.0874, 38.2% 2023 rise are initial supports. 1.0956-1.0988 zone to resist . Convincing signals for a big downmove

Consumer inflation in China dropped close to zero in April, and its weakest pace in two years, while producer prices fell further into deflation- Iron ore's drop to a five-month low adds to concerns over China's economic recovery. 7.00 test and break is imminent.

No bombshells as BOE hikes rates as

expected - focus on big upgrades to growth - this was indeed flagged by BoE in its previous set of meeting minutes - vague forward guidance as well . So GBP USD could not go up - **Surging Dollar as well - Cautious mood ahead of Q1 GDP - Huw Pill & Director of Monetary Analysis Fergal Shortall to brief on Monetary Policy Report in parliament today. Stay short for 1.2436 May base .**

Today's data on Money Supply M2+CD for April, to 2.5% y/y from 2.6% prior and 2.7% (exp) supports bids in USDJPY. Japan will release several data points next week. USD/JPY remains confined in narrow band.

Although the local accounts are refusing to concede , USDINR to stay well supported in this deteriorating global macro back drop . As expected ,the break

past 82.25 to get through to 82.70.