

Last week Primerica released Q2 Middle-Income Financial Security Monitor survey - which measures changes in sentiment of US middle income families - interesting observations : 71% say income continues to fall behind cost of living. 76% are cutting back on non-essential purchases. 61% find managing credit card debt difficult. In summary , Higher cost of capital is a constant bite on an economy which for decades had feasted on cheap money.

However , Control group sales, which feeds into estimates from PCE spending, came in +0.6%, or twice the 0.3% that had been expected. On y/y basis, ecommerce is in the number one spot with a gain of 9.4% since June 2022.

In totality , rolling recession seems under

way in US - Pockets of slowing activity rolling through the economy, rather than a sharp drop-off in overall activity all at once. (Atlanta Fed GDPNow Q2 growth estimate moves up to 2.4% from 2.3% on July 10)

Markets have seen a remarkable shift from trading inflation risks on the back of a resilient labour market, toward an easing inflation narrative on the back of one CPI print. Lack of tier-one data in US will offer a clue on how FX markets will trade from now. **Ongoing Dollar weakness is no doubt at odds with underlying fundamental story**

EUR/USD bears are looking for a free lunch and low-hanging fruit. beginning to see larger cracks as 1.1274 held the upmove precisely -now NY 1.1208 low, Fri & Mon 1.1204 base should go now- 1.1145 next .

Evergrande reveals \$81bn loss from property crisis. **Real estate and job worries continue to slow China's economy.** (Sales of new homes slid 2.8% on the year, while inventories were up 18%). 7.4400 objective

London new home sales dropped to the lowest level in two decades- consensus BoE tightening would tip economy into a deep recession. **Big data Day - Core annual inflation seen at 7.1%, headline set to fall - stronger or weaker data either way would push GBP lower - mood shift dramatic - higher rates would hurt not help - 1.2880 coming ?**

Ueda said there was still some distance to sustainably achieve the 2% inflation target, **USDJPY climbs back closer to the weekly high.enroute to the 141.00 round figure .**

RBI bulletin confirms all that's well known.
USDINR should settle into the 82.10 82.40
zone -