

"Capitulation" sounds very soft when you see 30-year is up 30 bps in last 48 hours - such a fast & furious massive move. With conventional drivers such as Inflation and growth taking back seat, narrative is all about debt now - Global bond market selloff getting uglier-

US Treasury funding announcement & rising market volatility - furiously tightening monetary conditions - Monday's Federal Reserve Senior Loan Officer Opinion survey did show up - a bad news for soft landing camp

Beyond US specific factors , there are valid apprehensions BOJ might not succeed in tempering JGB crash - it could be indeed the canary in the coal mine for the entire global debt bubble- the risk is that it could set off unwind of carry trade - otherwise

called "Risk long" trades - creating a credit event. So its JGB yield that's the driving force behind this

Data and Fed hardly relevant in the current state of play as focus is all about debt & cost of funding - however for academic interest , ISM services & most of its sub-components showed slower growth in July -exception is prices, which are increasing faster. Productivity growth rose sharply at a 3.7% clip.

Today's payrolls is the 1st of 4 critical data points ahead of Fed Sept meeting.*Weekly claims eased over July survey reference period, suggesting that healthy 185K jobs could have been created .-*

On the much forgotten oil front, Saudis are doing whatever it takes to defend oil

prices - that could mean we could be seeing \$90 oil soon.

Decline in EZ business activity accelerated ECBWATCH prices no change in rates on Sep 14th at 72.9% after the data. **German Factory Orders & EZ Retail Sales today**
Corrective upmove should stall at 1.0971 - below 1.0913 to lead to 1.0833

PBoC official says RRR cuts, open market operation, MLF, and all structural monetary policy tools needs to be used flexibly to maintain liquidity in banking system reasonably ample. Nothing but Rhetoric - markets loosing patience - 7.1400 in tact

BoE hiked rates by 25 bps as expected to 5.25%. The vote was 6-3 with two wanting 50 bps and one wanting no change. They expect inflation to settle out at 5% by yr

end. **Pill to speak today.** Sharp four day sterling decline and a 1.2620 low. Scope for test of 10 dma 1.2808.

Global spillover impact of BoJ actions so high now than ever before- literally leads the world - Consolidation post pullback from new trend high of 143.89 to 142.07.

USDINR precisely hit 82.80 - markets reluctant to chase it higher- recency bias strong-willing to buy dips though- Russian rupee trap still talk of the town besides the current Global bond route - obvious negative for capital importing economies. Add the oil price- Should see a life time high in August in keeping with seasonals .

