Despite being wary of Saturday or Sunday ground war breakout in Gaza., there is a positive feel in the air as Intel and Amazon reported better earnings & 7 year auction went well and the optimistic view of softer payroll & weaker PCE .

GDP grew at 4.9% annualised, led by rampant consumer & govt spending - this level of spend is obviously unsustainable- however in case of persistent strength in demand, the inflation descent could be in jeopardy.

After an uneventful 2 yr note auction and a poor 5 yr, 7 yr was much better. $ 38 bio at 4.908% Last 4.673 - The next big test for Treasury market will be what BoJ does next week- normalization of JGB yields may spark a decade-long repatriation of

Japanese capital parked in foreign assets.

Continuing claims higher than expected - showing a firm uptrend over the last few months. This was for the BLS survey week containing 12th - hence a softer payroll ..?

ECB announced a first pause in the cycle, shifting the emphasis to 'higher for longer' Lagarde sought to keep her options open. "The fact we are holding doesn't mean to say we will never hike again," - Double dip recession being seen - EUR/USD closed at 21 dma at 1.0561 to give it a neutral bias.

Hardly a week goes by without a Chinese state-sponsored media outlet saying an RRR cut is incoming.

CBI distributive trades survey was very weak - retailers suffered the joint-worst

October on record.1.2070 yesterday's low & Wed 1.2175 high to contain .

Japan (Tokyo) core inflation jumped - core' (i.e. excluding fresh food), came in higher than expected- **questions raised about BOJ. However** USDJPY Longs to stay in the zone for a run at 2022's 32-yr peak at 151.94.

There has been no respite yet from 83.25 .