

Despite ample evidence that US economy has held up this year, the search for weak spots & signs of a stumble lead headlines. To be clear, growth is not robust - but with weak pockets hogging all the attention, sentiment is pretty poor—setting up a low bar for reality to clear.

So the markets continue to underestimate the persistence of inflationary pressure in benign US growth paradigm - resultant potential for tightening.

Right now, market pricing is leaning heavily towards rate cuts globally by mid-2024 and this will have to be revisited in coming weeks. Last week was a wakeup call as RBA hiked rates . Norway reported higher CPI that puts a December hike in play. This week, Sweden 's CPI data which could

cement another hike by Riksbank.

Politics & polarisation : Speaker Johnson floats two-step to avert govt shutdown -ran into opposition. House & Senate must agree on spending vehicle Biden can sign into law by Nov. 17, or risk fourth partial government shutdown.

Guindos today at Euro Finance week. Quiet week for data- German ZEW tomorrow could move markets. **Close below 1.0623** 21 dma & 1.0608 61.8% of the Nov rise to be **bearish**.

PBoC to "pursue" global use of yuan while maintaining "stability" after Xi said it should be conducted in a 'steady, prudent and solid' manner. "We must build a solid 'breakwater' ... and maintain the bottom line of preventing systemic financial

risks." **Doubt this resolute defence of a level bring credibility to the currency.**

UK seems to avoid a recession in 2023, it still teeters on the brink of a stagflation. **Expected** decline in headline inflation (Wed) will be on account of base effects from utility prices. Mann speaks today - she tends to be less dovish. Labour market data tomorrow- don't read too much as ONS still experimenting unemployment methodology. Set to test 1.2187 NY low, and then 1.2096 Nov base

Japan PPI for October -0.4% m/m. So markets believe CPI won't sustain above 2%, - BoJ will remain easy for still some time to come. Bullish Weekly close as expected makes the Objective very clear - 2023's rising channel top is at 153.46

What men can't accomplish over months,
machine does it in seconds. 83.29

-defended for months with tens of billions
of dollars- gave itself up - subsequent
panic from mint street shows who holds
the strings .