

Sentiment is far too fickle to get a proper read on why markets do what they do on vast majority of days and succumb to their bias so frequently. May be the fascination would end in few days - till then patience.

Recall last year, how Pivot was the central theme and demise of US was the front page story ..This love to short - could possibly on account of the recency bias - but can you believe, Dollar has not been structurally weaker since 2007- that's about 16 long years

After peaking 9.1% y/y in Jun 22, inflation has slowed . In October, it fell again—from 3.7% y/y in Sept to 3.2%—a whisker above CPI's long-term average of 3.0%.Most interpreted slowing inflation as evidence economy is cooling and Fed is going to

brighten the landscape .

We stress that U.S. economy continues to grow above trend even as the rest of the world is slipping into recession- while price pressures remain persistent enough - Fed may have to hike again ( yes , You read it right ).

US Congress passed a stopgap funding bill that'll now proceed to the Senate, where it is also likely to pass. The Bill contains no spending cuts and sailed easily through the chamber winning 336 to 95

Just for context , business model -upon which Europe rested since WW2 -had been to rely on US for defence, China for trade, Russia for energy -With all these three knots wearing off , tough to see how Europe wil grow. EUR/USD raced above

200 dma (1.0803) and that is now support.

China likely to provide at least CNY1 trln of low-cost financing. Don't get excited about a proposal to pump more air into a rapidly deflating bubble. No solutions even if Fed is indeed going to cut- It's not USD that's strong - its inherent inefficiencies and currencies tend to stay weak.

Most tend to call UK a "stagnation nation" in need of help, spurring some hopeful anticipation for Hunt's Autumn Statement on Nov 22. However, the govt's help is not effective. Wage pressures remain elevated. Average weekly earnings came in at 7.9% y/y. **Close below** the pivotal 1.2441 200 dma would undermine the topside bias.

BoJ cuts amount of 5 - 10 year JGBs to 575 bn yen from previous 675bn- USDJPY

bounces - 150.00 152.00 consolidation  
before a upmove into 153.36.

If the natural forces of demand and supply have been blunted for long, its not easy to get back to normalcy - at micro level , cash dollar artery stays choked - unless that segment comes back into life , cost of capital does not matter much.