

In a sign of times we live in , its not the economic data that matters - its how the auctions go that matters a lot - scrutiny of Treasury auctions has been a key factor because of their size...

Decent Three year auction yesterday -solid indirect bid, indicative of decent central bank interest in this tenor.Today's bidding metrics at 10-year auction will be critical - Problems arise when we look at upcoming 30-year auction. Risk & reward profile of 30-year bonds gives a feel.of markets' directional bet on rates.

There was very little by the way of material US data to drive things. But the street was abuzz with reports on emerging stress on household balance sheets as the main worry- (annualized 8.5% of credit card & 7.7% of auto loan balances moved into

delinquency status)

EZ retail sales fell 1.1% m/m in December, fractionally worse. Isabel Schnabel : we must be patient and cautious as inflation can flare up again. Frustrating Holding patterns for a market that sees economic slump in Europe getting more painful - EURUSD just not moving -

As pessimists often note, it will get worse before it gets worse. It looks as if this may be the economic, real estate and banking story that is unfolding in China - equities are currently trading at the same place they were in Nov 2014. Think of all the bankers who were saying China as the "next US" then..they move from one country to another country every few years but story remains the same ..

Dhingra called for immediate rate cuts
-warned BoE “underplaying the downside risks - there are fewer "buffers" as savings drop and job vacancies decline. Quiet day ahead - unlikely **Close above 1.2629** would suggest a period of consolidation or else 1.2530 revisit .

Hayashi: If this year's wage growth exceeds that of last year, we'll likely see positive wage-inflation cycle kick off. -
-Wage negotiations in April key - however BoJ would overlook - growth indications as well - **Leading indicator 110.1 vs 107.6**
prior- USD/JPY hovering just below 148.00