

The halt to hostilities hasn't resulted in any breakthrough so far, and the Hormuz remains closed as well as blockaded .The conflict is at an impasse.

The physical tightness- which has been the dominant theme which paper markets glossed over so far - forces the market to reprice inflation and rates.Warnings over severity of the global supply squeeze intensify, with widespread tightness in refined fuel markets .Brent pushing through \$110 is a headwind worth flagging.

UAE is set to leave OPEC from 1 May. This is the highest-profile exit from OPEC .Others to have withdrawn in recent years include Indonesia, Qatar, Ecuador, Angola and Gabon, mainly due to disagreements over output quotas.Even if the

immediate reaction is muted, it certainly leaves OPEC a lot less sway.

Beyond the Oil jitters , concerns as to whether the massive investment in AI will generate a economic payoff (Open AI reportedly has failed to meet sales targets) - AI leadership is being stress tested as cracks in expectations trigger positioning unwind. Five of the Mag7 are on the earnings calendar. If they disappoint , it could be a crack in engine that has supported sentiment in these tough times. Markets cant afford to brush aside "Sell in May and go away " theory as well.

Clear rebound in inflation expectations now spreading across all countries. Consequent rise in Soverign yields with 10 year US knocking the door at 4.40 %. With FOMC a non event ,attention

will turn squarely to Powell's future.

ECB consumer expectations survey and Bank lending survey show stagflationary pressures have increased. The dilemma for ECB is that rate hikes help ease price pressure but also dampen growth, which is already disappointing. EUR in a holding pattern - close below 1.1680 to ignite a decline for 1.1550.

Mainland Chinese firms listed in Hong Kong have announced dividends totalling nearly \$70 billion over the coming months, with June's estimated \$24.1 billion payout a record for the month. Yuan to face its familiar summer selling pressure.

NIESR says UK is facing a £35bn economic hit and the risk of a recession this year. UK 10-year

and the risk of a recession this year. UK 10-year gilt yields topped 5% for the third time since the war. 1.3465 100-DMA and 1.3416 the 200-DMA under threat for a severe decline.

Modest USDJPY dip after hawkish dissent. BOJ expects to avoid a 1970s-style oil shock, but Ueda acknowledged an uncomfortable parallel: Rates are still below neutral - meaning they are already behind the curve if inflation takes hold. Weekly close above 160.00 to see newer highs.

USDINR breaks past 94.50 - obviously very little resistance from usual names - markets don't rule out a probable monthly close above all time high & the subsequent seasonal tendency in May to scale further -

