

Crisis Fatigue creeps in as the markets navigate both structural transformation of the global economy and the traditional rhythms of monetary policy. The resulting dichotomy between the headline risk and economic momentum defines landscape.

Energy markets, unsurprisingly, have been most sensitive risk barometer. Few signs of de-escalation or resumption in energy flow. Markets showed complacency to begin with and then shifted to panic mode and now market has almost priced long duration of supply disruption and now see oil between \$90 and \$100 as the price for that. Unless the upside of the range convincingly breaks higher, War related headlines may make only limited impact.

A momentary distraction from drumbeat of war news- the question of who will be in charge of Fed on May 15, is as cloudy as ever, as the court blocked the subpoenas after finding "no evidence whatsoever" of wrongdoing by Powell.

Warsh's nomination process is, for now, stalled as Tillis' blockade would imply a Senate Banking Committee vote on Warsh deadlocked 12-12. Powell might continue and certainly will be USD supportive.

"Physical Buildout Cycle" of 2026, where the "intangible" growth of the software era is being met by a mandatory upgrade of the nation's industrial hardware. Feb output up 0.2% m/m, adding to upward revised 0.8% m/m gain in Jan.

Sobering wake up call from Empire State survey - road to industrial recovery is rarely a straight line - most glaring data point was Shipments Index, which fell six points to -6.9 - renewed logistical bottlenecks and lingering supply-chain friction. Investment pickup in oil and gas will not offset drag on broader economy - signs of Stagflation .

Entire Euro swap curve pushed higher - signs of oversold stress in EURUSD - the bigger picture shows the pair is retracing 2025-26 (1.0125-1.2084) upmove. Obj at 1.1336 (38.2%) and key 50% at 1.1105. (Interestingly, 200-month moving average - 1.1924 - despite a spike above in January, it has contained EUR/USD since Dec 2014)

Trump's trip to Beijing may be postponed as he weighs staying in Washington amid war priorities.

UK's increasing sobriety is recognised in the basket of goods used to compute inflation as alcohol-free beer was added. (product range and shelf-space devoted to the product," the ONS said). GBPUSD bounce to taper out soon to break 1.3203

Ueda Diet testimony - Inflation to 2%.

Katayama reiterates readiness to respond to "FX volatility"- Ascending 100-HMA at 159.08 to provide strong support - \$1 bln in expiries today between 159.95-160.00 to help cap.

Feb trade deficit 'narrows' to \$27.1 bln from \$34.68 bln in Jan. USDINR 92.45 zone continues to resist .