

The updates or statements -as you may call - are buzzing now in the markets and they favour brevity over detail: 14-point outline leaves much for later at under 800 words, while the FOMC statement from 341 to 130 words, eliminated all forward guidance & easing bias. Both documents constrain the Markets to figure out implications themselves and so far the markets can't.

It appears the oil market is once again in a dual reality. Paper market seems enthusiastic about the 14 point outline whereas the physical market is not . For instance , Insurers, as noted by Vortexa, are taking cautious stance, waiting to see what happens on Friday and afterward before they return to business.

Refreshing rethink by Warsh to what has been a standard, mostly Keynesian approach. He was unambiguously hawkish and doubled down on the notion that 'inflation is a choice.' Unlike previous meetings, there were no dissenting votes and the credibility scales higher .No doubt that forward guidance will be less integral to how policy evolves and there is likely to be less frequent communications from Fed

One may say that Forward guidance remained a communication tool when inflation was below target and that's no longer the case. Hence the future interest rate moves will not be spoon-fed to markets well in advance.

Retail sales firmer- rising 0.9% m/m with control group rising 0.7%-this is in nominal terms - the K-shaped consumer - Wages are still growing but less than inflation and in part why the savings rate keeps dropping- hence it is not the strength of domestic demand.

The conventional factors like oil, Fed , Growth might matter a lot less and AI supremacy to matter more going forward. We're seeing this shift in who gets a seat at the table and a signal of where power sits.- In a sign of their growing geopolitical influence, leading frontier AI companies took part at G7 summit.

As EU leaders gear up for their debate about China in three years, today at Brussels , their unwillingness to name it on the agenda speaks to the layers of trepidation at play. As expected , Fed means a lot to EURUSD than ECB - it got "warshed" down - 1.1500 is the line in the sand.

China NDRC announced third consumer goods trade-in tranche of 62.5 bln yuan by end-June -treating the trade-in program as a critical "demand floor"

UK Fuel price rises have so far failed to spill out more widely across the economy; MPC to vote 7-2 for a hold today with Pill and Greene voting for a hike. An electorate of around 76,000 in Makerfield now holds the fate of Starmer and GBPUSD. 1.3305 break sets up

1.3180 .

Nikkei broke 71,000 for the first time., backed by overnight gains of Philadelphia Semiconductor Index. It has surged +37% in just 3 months, adding ¥386 trillion in market cap. Stocks do not care where currency is headed - high tech is the dominant theme- Uchida's Tuesday presser now re-evaluated - markets interpret that as more hawkish and expect no intervention- importers continue at almost every Tokyo fix. 160.72 break opens up 162.00

Rupee is caught between a hawkish Fed and softish Oil .As an importer of capital as well as oil , both matter a lot . However , the current - Warsh reset is set to be negative for EM - 94.45 94.75.