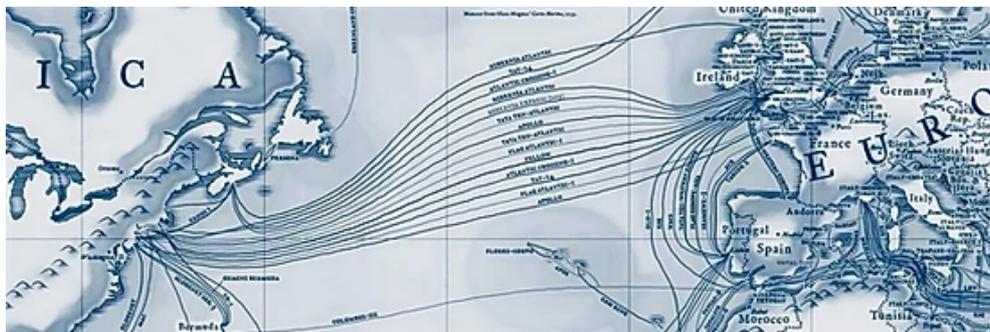




Morning Ramble - 21st May 2020



[May 21st Research Folder](#)

Morning all,

Happy PMI, IJC, CC and if you're an EU citizen, Ascension Day!

A Fairly hectic day scheduled for us today so I won't keep you too long.

Risk toned soured overnight as the realisation that Trump's war of words with China aren't going anywhere fast and are indeed likely to escalate.

There also moves within Washington which will add considerable pressure to Chinese firms trading on US markets.

Just a quick reminder that I'm always around to chat about the markets, be that via email or Twitter, many more of you are reaching out recently and that's great to see.

Also, really pleased to see how many of you are checking out the Reuters Eikon/XENITH deal!

With 3 months for less than \$100 I'm not surprised TBH!

Anyway..

On with the Ramble!

Flash (aaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaahhhhhhhh) PMI Day

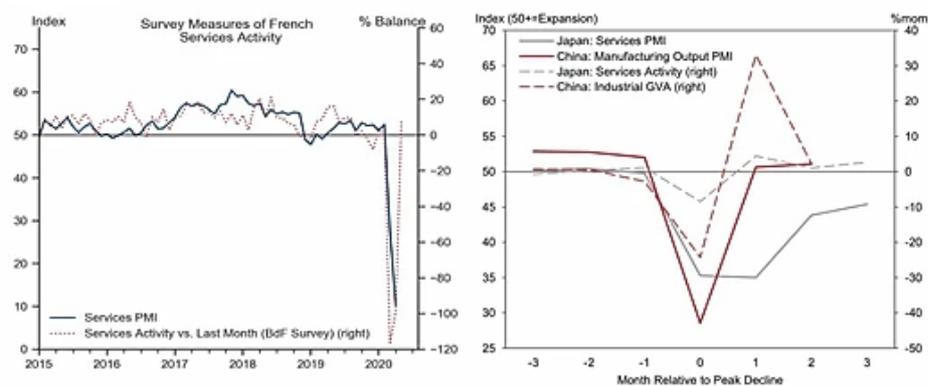
Love them or Loathe them, Flash PMIs draw considerable attention from market participants so should be respected.

I won't bore you too much on this as Goldies have done a great little preview so here's an excerpt from that and I'll pop a link to the full article on PiQVIP and in today's Dropbox folder.

GS on PMIs

- Having reached new historical lows in April, we think the European PMIs have troughed and—consistent with the high-frequency data—we look for a notable increase in the flash readings for May (released on Thursday, 21 May). We expect the Euro area composite PMI to increase by 16.6pt in May to 30.2 from its new historical low of 13.6 in April, above consensus expectations. Looking across countries, we expect the German PMIs to show most resilience but see a more sluggish increase in the UK services PMI given the slower lifting of containment measures.
- Although our conviction in the May PMIs rising relative to April is high, the extent of the rebound is highly uncertain, and we see scope for potentially sizeable upside surprises. Our estimates suggest that PMI readings below 50 in May would not be inconsistent with strong positive *month-on-month* growth in the May hard data (in line with our forecast), as the PMIs only have a weak relationship with monthly growth in hard indicators.
- Beyond the headline numbers, we think the PMI subindices should continue to be informative about the differential pace of recovery in the domestic and foreign economies (as captured by new orders), and the extent to which supply chain disruptions continue (as captured by suppliers' delivery times). Finally, their non-linear relationship with hard activity indicators is likely to remain until the PMIs return to more normal levels.

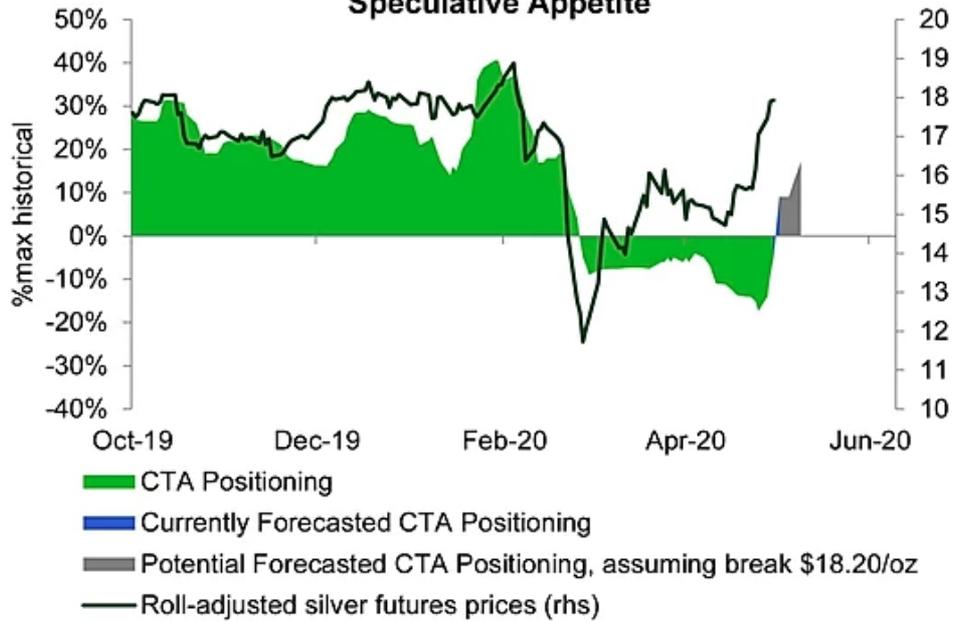
Exhibit 2: A Very Sharp Rebound in May PMIs is Possible, But Historical Evidence Suggests a Stronger Post-Trough Rebound in the Hard Data than the PMIs



Source: Goldman Sachs Global Investment Research, Haver Analytics, Markit

Chart Of The Day - Silver Surfer

Sizeable CTA Flow Could Revive Speculative Appetite



Source: TDS Commodity Strategy, Bloomberg

Silver is up there as one of the best assets to recover from COVID lows, in particular, the past week or so has seen it tear higher to pre-COVID levels.

TDS are fighting for the argument that the shiny metal could be about to get an added boost with the injection of CTA capital (two CTA mentions in two days.. I know, I know) if Silver can get its noes above \$18.20.

They write -

We have recently argued that silver is increasingly trading as an industrial metal. While deteriorating industrial demand has provided a strong headwind against silver prices (leading silver's performance to lag gold's), our firming real-time commodity demand indicator suggests it may now become a tailwind.

Indeed, a simple analysis extracting the (rolling) regression coefficient of silver returns as a function of gold's and our commodity demand indicator suggested that silver has increasingly been driven by commodity demand. At the same time, however, we note that silver ETF holdings have been highly correlated to gold's of late — suggesting investment demand for the precious metals theme is also flowing to silver. Speculative interest in CME products has been extremely low, but a CTA buying program could revive speculative interest.

That being said, inasmuch as commodity demand continues to firm, the context of rising investment flows in precious metals, combined with rising commodity demand, creates the set-up for explosive performance — particularly considering the constrained supply-side and low speculative interest.

Personally, I'm not convinced Silver pushes on a great deal, but that's just my opinion and it should be noted that I'm bullish gold.

As always, please do your own homework before entering any trade.

In fact, if anyway does have a view on Silver, please ping me on Twitter!

DEATHS AND INFECTIONS

* More than 5.01 million people have been reported to have been infected globally and 327,359 have died, according to a Reuters tally as of 0441 GMT on Thursday.

EUROPE

* Estonia has started to test one of the world's first digital immunity passports, seeking a safer return to workplaces following the coronavirus lockdown.

* British Prime Minister Boris Johnson said a programme to test and trace those suspected of having been in contact with people who have tested positive for COVID-19 would be in place by June 1.

* Russia recorded its lowest total of new coronavirus cases since May 1 on Wednesday, with more patients discharged from hospital than new cases for the first time, which officials said showed that the outbreak was stabilising at last.

* Turkey does not risk a second wave of infections from the new coronavirus at the moment and is preparing to start controlled "medical tourism" with 31 countries.

AMERICAS

* U.S. Secretary of State Mike Pompeo called the \$2 billion that Beijing has pledged to fight the pandemic "paltry" compared to the hundreds of thousands of lives lost and trillions of dollars of damage.

* Brazil's outbreak worsened on Wednesday and the South American nation could soon have the second-highest number of cases in the world.

* Brazil issued new guidelines for wider use of anti-malarial drugs in mild coronavirus cases, a treatment touted by President Jair Bolsonaro in defiance of public health experts warning of possible health risks.

* U.S. immunotherapy company Inovio Pharmaceuticals Inc INO.O said its experimental vaccine to prevent coronavirus infection produced protective antibodies and immune system responses in mice and guinea pigs.

* Bolivian authorities fired the health minister and opened an investigation of potential corruption over allegations that officials bought ventilators at inflated prices.

ASIA-PACIFIC

* The novel coronavirus is behaving differently in patients in northeast China who have contracted it recently compared with early cases, indicating it is changing as it spreads, a prominent doctor said.

* Thailand expects to have a vaccine ready next year, a senior official said, after finding positive trial results in mice.

* Japan will lift its state of emergency in Osaka, Kyoto and Hyogo on Thursday as the number of new coronavirus infections drop.

* Cambodia has lifted a ban on entry of visitors from Iran, Italy, Germany, Spain, France and the United States, the health ministry said.

* Australian state and territory leaders bickered over whether to reopen internal borders as part of measures to ease coronavirus restrictions.

MIDDLE EAST AND AFRICA

* South Africa recorded its first neonatal coronavirus death on Wednesday, as the death toll jumped by 27 to 339, the health ministry said.

* The International Monetary Fund approved a \$396 million loan to Jordan to address pressing financing needs.

* Egypt will deduct 1% from people's salaries for 12 months beginning on July 1, according to a draft law approved by the cabinet.

* Zambia's central bank cut its benchmark lending rate by 225 basis points to 9.25%, in response to economic turmoil from the pandemic.

ECONOMIC FALLOUT

* Japan's exports in April fell the most since the 2009 global financial crisis, pushing the world's third-largest economy deeper into recession.

* Australia's economic future was "unusually uncertain" while growth was expected to remain in the slow lane without a medical breakthrough to prevent and treat COVID-19, the head of the country's central bank said.

* South Korean exports for the first 20 days of May tumbled 20.3% from the same period a year earlier, as U.S.- and E.U.-bound shipments continued to collapse.

* U.S. carriers JetBlue Airways Corp JBLU.O and United Airlines Holdings Inc UAL.O announced fresh safety measures aimed at restoring confidence in air travel as several executives pointed to signs domestic demand is improving.

* Bank of England Governor Andrew Bailey said he was less opposed to negative interest rates than before the coronavirus crisis escalated.

* Millions more Americans likely filed for unemployment benefits last week as backlogs continue to be cleared and disruptions from the novel coronavirus unleash a second wave of layoffs.

* Rolls-Royce Holdings Plc RR.L plans to cut at least 9,000 jobs, or more than a sixth of its workforce.

Headline Roundup

U.S. Stock Futures Slip, Asia Mixed; Dollar Gains

U.S. and European futures retreated and Asian shares were mixed on low volumes, halting this week's rally for global equities as U.S.-China tensions continue to linger. The dollar ticked higher for the first time this week.

Shares in Japan and Hong Kong surrendered gains to trade flat, while Chinese shares fluctuated. The U.S. Senate passed a bill that could bar some Chinese companies from listing on American exchanges, while President Donald Trump tweeted criticism of China's leadership. S&P 500 contracts dipped after the gauge closed higher Wednesday, when retailers reported sales that topped estimates and energy shares climbed. Treasury yields receded while crude oil saw modest gains.

Investors have been whipsawed by conflicting news regarding a possible vaccine for the virus, and continued to mull efforts from many governments around the world to ease lockdowns. U.S. central bankers saw the pandemic posing a severe economic threat and were also concerned by the risks to financial stability, minutes of the April 28-29 Federal Open Market Committee meeting showed.

"The direction of travel is adding to risk carefully here," Ben Mandel, global strategist at JPMorgan Asset Management, said on Bloomberg TV. "We're looking out of a fairly deep hole in terms of GDP and there's only one way to go and the risks around the slope are fairly well understood. Policy is the incremental mover."

Meanwhile, the Senate overwhelmingly approved legislation Wednesday that could lead to Chinese companies such as Alibaba Group Holding Ltd. and Baidu Inc. being barred from listing on U.S. stock exchanges amid increasingly tense relations between the world's two largest economies.

"Markets may be pricing in far too much complacency as the U.S.-China 'phase one' trade deal could be at risk," said Stephen Innes, chief global market strategist at AxiCorp. "The pandemic and resulting acute economic downturn have made China's trade commitment to the U.S. much more challenging to fulfill."

These are the main moves in markets:

Stocks

Futures on the S&P 500 dropped 0.4% as of 6 a.m. in London. The gauge rose 1.7% on Wednesday.

Hong Kong's Hang Seng was flat.

Shanghai Composite was little changed.

Japan's Topix index slid 0.2%.

Australia's S&P/ASX 200 Index was little changed.

Euro Stoxx 50 futures retreated 1%.

Currencies

The yen was little changed at 107.61 per dollar.

The offshore yuan slipped 0.1% to 7.1142 per dollar.

The euro bought \$1.0961, down 0.2%.

The Bloomberg Dollar Spot Index rose 0.3%.

The Aussie fell 0.5% to 65.64 U.S. cents.

Bonds

The yield on 10-year Treasuries slid two basis points to 0.66%.

Australian 10-year yields dipped three basis points to 0.92%.

Commodities

West Texas Intermediate crude rose 2.1% to \$34.18 a barrel.

Gold was at \$1,742.70 an ounce, down 0.3%.

US Senate passes bill that puts some Chinese listings at risk

The US Senate passed a bill on Wednesday that could force some Chinese companies to delist from US exchanges if they do not comply with American accounting regulations.

The legislation, which needs also to be passed by the House of Representatives, calls for a company to be barred from listing securities on US exchanges if it has not complied with the US accounting board's audits for three consecutive years. It would also require listed companies to disclose whether they are owned or controlled by a foreign government.

The Public Company Accounting Oversight Board, which audits the accounts of public companies, is prohibited from inspecting the accounts of companies registered in China or Hong Kong, according to one of the bill's sponsors, John Kennedy, a Republican senator from Louisiana.

Mr Kennedy, who introduced the bill in late March along with Democrat senator Chris Van Hollen of Maryland, said the Securities and Exchange Commission protected American investors from being "swindled by American companies," but Chinese companies were not as well scrutinised.

"There are plenty of markets all over the world open to cheaters, but America can't afford to be one of them," said Mr Kennedy. "China is on a glide path to dominance and is cheating at every turn."

Mr Van Hollen said the economic effects of the coronavirus pandemic made protecting "main street investors" more important.

"For too long, Chinese companies have disregarded US reporting standards, misleading our investors," he added.

While the bill passed in the Senate by unanimous consent, it is unclear when, or if, it will be taken up by the Democratic-controlled House of Representatives. An aide familiar with the legislation said a companion version of the Senate bill had not yet been introduced in the House.

After reaching a brief detente in their trade war late last year, the US and China are once again clashing publicly on several fronts, including Washington's national security concerns about Chinese telecoms company Huawei and Beijing's handling of coronavirus.

On Wednesday, Mike Pompeo, US secretary of state, drew China's ire by publicly congratulating the newly elected president of Taiwan, which China claims as its territory. It was the first time that a US secretary of state had publicly congratulated a Taiwanese president.

China's ministry of foreign affairs expressed its "strong indignation and condemnation" in a statement, vowing to take "necessary measures" in response to the US's "wrong moves".

China hawks on Capitol Hill have been given further ammunition for their cause in recent weeks after the US-listed Chinese company Luckin Coffee revealed that an internal investigation found hundreds of millions of dollars of its sales last year were "fabricated".

Shares in US-listed Chinese companies have already come under pressure following the events at Luckin. On Wednesday, US-listed shares of Chinese ecommerce giant Alibaba, Internet streaming company iQiyi, search engine company Baidu and online retailer JD.com all fell.

Luckin shares, which had been halted since early April, fell more than 35 per cent after they resumed trading on Wednesday.

Trump Points Finger at China's Xi, Escalating Fight Over Virus

President Donald Trump escalated his rhetoric against China, suggesting that the country's leader, Xi Jinping, is behind a "disinformation and propaganda attack on the United States and Europe."

"It all comes from the top," Trump said in a series of tweets on Wednesday night. He added that China was "desperate" to have former Vice President Joe Biden, the presumptive Democratic nominee, win the presidential race.

While Trump has often blamed China for failing to prevent a pandemic now ravaging the global economy, he has been careful to maintain that his relationship with Xi remains strong. China's foreign ministry has regularly fired back with similar charges, saying the Trump administration was looking to obscure the facts around the virus to deflect from its own shortcomings.

Trump and other Republicans have been ratcheting up efforts to paint China as the villain, as the U.S. economy drifts into recession and the president's handling of the crisis jeopardizes the party's grip on the executive branch. China has denied Trump's claims that it was trying to damage his chances at re-election in November.

The feud has revived the worst-case scenarios about U.S.-China ties, edging them closer to confrontation than at any point since the two sides established relations four decades ago. From supply chains and visas to cyberspace and Taiwan, the world's two largest economies are escalating disputes across several fronts that had quieted after they signed a "phase one" trade deal in January.

Earlier Wednesday, Trump accused "some wacko in China" on Twitter of deflecting responsibility for the spread of the coronavirus, without elaborating. He accused China of "mass Worldwide killing."

Although it was unclear who Trump was referring to in either tweet, Hu Xijin, the editor-in-chief of the Communist Party's Global Times newspaper, denounced Trump administration officials on WeChat on Wednesday as "political hooligans" who don't care about the lives of more than 100,000 Americans. Chinese Foreign Ministry spokesman Zhao Lijian -- the person who would most obviously fit Trump's "spokesman" description -- hewed closely to the usual talking points in his agency's regular briefing Wednesday.

Hu pushed back against Trump's "wacko" remark in a subsequent tweet, saying "I have never heard of such a wacko in China making this statement" and speculating that the person is "fictional." He later said Chinese internet users wished he would be re-elected, saying he promotes "unity in China" and makes international news "as fun as comedy."

Home Mortgage Delinquencies Soar by Most on Record in April

Delinquencies on U.S. home loans surged by 1.6 million in April, the biggest one-month gain ever, as soaring job losses fueled a 90% jump in missed payments and government programs offered penalty-free delays.

Mortgages at least 30 days in arrears almost doubled to 6.45%, the highest rate since January 2015, according to data compiled by Black Knight Inc. About 3.4 million loans were more than 30 days late and an additional 211,000 properties were in foreclosure or on track for repossession by lenders.

A federal relief program allows borrowers impacted by the virus an initial six-month payment deferral without penalty. About 4.7 million borrowers were in forbearance as of May 12, according to Black Knight.

“While April saw a record single-month increase in the national delinquency rate, the data shows that the vast majority of new delinquencies represent borrowers who are currently in COVID-19-related forbearance programs,” said Andy Walden, economist and director of market research at Black Knight.

The pace of delinquency increases is unprecedented but it’s still uncertain whether the volume of problem loans will return to the levels they reached after the last decade’s foreclosure crisis. About 7.9 million mortgages were noncurrent in January 2010, according to Black Knight.

US health agency director warns of virus flare-up this year

The rapid spread of coronavirus in the southern hemisphere suggests it is likely to flare up again in the US this autumn and winter, raising the possibility of a second round of lockdowns this year, the head of the nation’s public health body has told the Financial Times.

Robert Redfield, director of the Centers for Disease Control and Prevention, or CDC, warned the US would have to increase its disease-tracking capabilities rapidly in the next few months to avoid another public health crisis as seasonal flu coincides with a second wave of Covid-19.

“We’ve seen evidence that the concerns it would go south in the southern hemisphere like flu [are coming true], and you’re seeing what’s happening in Brazil now,” Dr Redfield said. “And then when the southern hemisphere is over I suspect it will reground itself in the north.”

The warning from the CDC chief comes despite repeated efforts by President Donald Trump to convince Americans the worst of the pandemic is over, arguing the country was “transitioning to greatness”.

It also comes amid mounting tensions between the CDC and the White House, which has accused the world’s pre-eminent disease-fighting agency of mishandling the early stages of the outbreak.

Dr Redfield acknowledged the US was caught on the back foot when the virus hit, but attributed the failure to deficiencies in the nation’s public health efforts that predate Mr Trump’s arrival in the White House.

“This simple respiratory viral pathogen has really brought my nation to its knees, and the reality is, it’s no one particular person’s fault,” Dr Redfield said. “This nation has been unprepared for that for decades.”

Asked whether he could guarantee the US would not have to go back into lockdown this winter, when public health officials expect colder weather could exacerbate the spread of the disease, he replied: “I can’t guarantee; that’s kind of getting into the opinion mode, we have to be data driven. What I can say is that we are committed to using the time that we have now to get this nation as overprepared as possible.”

He added: “If we have a [flu] season like we had the year I became CDC director [2018] — almost 80,000 people died — it’s going to put a lot of stress independently by itself on our health system . . . and then you add on coronavirus and you can see the stress on the health system.”

Crypto hedge funds struggle to rebound from ‘bloodbath’

Vlad Matveev has learnt the hard way how volatile cryptocurrency hedge funds can be.

The 50-year-old Muscovite invested \$250,000 last year with California-based Cryptolab Capital, which targeted double-digit gains from trading crypto regardless of whether the market rose or fell. But Mr Matveev said his investment fell 98.5 per cent in value when the fund folded in this year’s coronavirus-induced turmoil.

“I don’t really know what happened,” said Mr Matveev, a fund manager-turned-private investor. “They said they had a diversified set of strategies.”

Investors have been drawn to crypto hedge funds by the promise of big returns compared with the paltry or negative yields on offer from cash or bonds. This year, bitcoin has emerged from the big March sell-off as one of the best-performing assets: up 36 per cent for the year, compared with the S&P 500’s 8 per cent fall.

Price discrepancies between the same assets on different exchanges, which have long been arbitrated away in stock and bond markets but still exist in crypto, also offer traders a way to make money. The total value of the crypto market comes to \$265bn, according to coinmarketcap.com.

But achieving those returns has often proved a bumpy ride for hedge fund investors. A 39 per cent drop in the price of bitcoin on March 12 caught many funds by surprise, leading to large losses and some fund closures, particularly among those running high levels of risk.

“It’s an understatement to say it’s a bloodbath across the board,” said Edouard Hindi, partner at Mayfair-based hedge fund Tyr Capital. Tyr is one of the better-performing crypto funds this year, up 11 per cent.

Performance in the crypto hedge fund sector tends to swing more wildly than in other, more mainstream strategies, where the arrival of large institutional investors over the past decade has damped risk-taking. Crypto funds on average lost 26.2 per cent in March, according to hedge fund research group HFR, their second-worst monthly loss in data stretching back to 2015 and much greater than the 8.4 per cent average loss suffered by mainstream hedge funds.

But a 19.5 per cent gain last month has lifted crypto hedge fund returns this year to 13.4 per cent, HFR said — much better than the average 6.7 per cent year-to-date loss across the wider hedge fund industry.

“The speed and depth [of the bitcoin sell-off] wasn’t what we were expecting,” said Dan Morehead, former head of macro trading at Tiger Management and founder of California-based Pantera Capital. Mr Morehead said he worked 20 days straight during those choppy markets, including staying in the office until 2am on March 24.

Pantera, which at \$500m in assets is one of the sector’s biggest players, suffered a 33.6 per cent loss in its Digital Asset fund in March, although it has recovered to stand up 32.5 per cent this year.

Nothing to report other than I'm really keen to add more downside exposure in equities with an outside chance that I do that today.

As always, check [@PIQVIP](#) for any updates throughout the day.

Entry					Exit		PnL
Date	Product	B/S	Size (futs)	Price	Date	Price	
24/01/2020	CL	S	2	53.96	31/01/2020	51.25	\$5,420
24/01/2020	GCJO	B	2	1571.00	19/02/2020	1612.50	\$8,300
28/01/2020	GCJO	B	2	1573.00	24/03/2020	1637.50	\$12,900
28/01/2020	ZNHO	B	2	130 '27	27/02/2020	133 '12	\$5,063
29/01/2020	CL	S	2	54.30	29/01/2020	53.20	\$2,200
31/01/2020	CL	S	2	52.38	03/02/2020	51.70	\$1,360
31/01/2020	CL	S	2	52.25	03/02/2020	51.70	\$1,100
06/02/2020	GBPUSD	B	6	1.2995	16/03/2020	1.2234	-\$28,538
17/02/2020	FGBLHO	S	1	174.45	03/03/2020	177.20	-\$3,053
21/02/2020	RTYHO	S	2	1688.70	03/03/2020	1487.00	\$20,170
21/02/2020	EURUSD	S	2	1.08170	16/03/2020	1.11355	-\$7,963
27/02/2020	EURGBP	S	2	0.84955	16/03/2020	0.89155	-\$18,542
27/02/2020	ZNMO	B	2	133 '7	03/04/2020	139.13	\$11,842
28/02/2020	CLJO	B	1	45.98	05/03/2020	45.98	\$0
28/02/2020	CLJO	B	1	45.98	03/03/2020	48.15	\$2,200
03/03/2020	RTYHO	S	2	1521.00	12/03/2020	1150.00	\$37,100
03/03/2020	FGBLMO	S	1	174.39	03/04/2020	172.14	\$2,490
03/03/2020	RTYHO	S	2	1541.00	20/03/2020	1086.00	\$45,500
04/03/2020	EURGBP	S	2	0.87295	16/03/2020	0.91021	-\$11,388
05/03/2020	ESHO	S	2	3083.00	06/03/2020	2952.50	\$13,050
10/03/2020	RTYHO	S	2	1350.00	20/03/2020	1086.00	\$26,400
13/03/2020	GCJO	B	2	1582.60	31/03/2020	1604.40	\$4,360
16/03/2020	EURGBP	S	4	0.9158	OPEN	0.8990	\$10,236
16/03/2020	GBPUSD	B	6	1.2259	OPEN	1.2200	-\$2,213
16/03/2020	EURUSD	S	2	1.1228	OPEN	1.0966	\$6,525
18/03/2020	CLKO	B	3	21.75	02/04/2020	26.75	\$15,000
19/03/2020	GCJO	B	2	1476.40	31/03/2020	1604.40	\$25,600
20/03/2020	RTYMO	S	4	1077.70	OPEN	1332.30	-\$50,920
26/03/2020	RTYMO	S	2	1074.00	OPEN	1332.30	-\$25,830
31/03/2020	GCMO	B	2	1618.50	15/04/2020	1736.50	\$23,600
18/03/2020	CLKO	B	2	21.75	08/04/2020	24.30	\$5,100
08/04/2020	RTYMO	S	2	1175.60	OPEN	1332.30	-\$15,670
15/04/2020	GCMO	B	2	1618.50	OPEN	1738.90	\$24,080
16/04/2020	6AMO	S	2	0.6305	OPEN	0.6565	-\$5,200
24/04/2020	6CMO	S	2	0.7090	OPEN	0.7176	-\$1,720
29/04/2020	ZBMO	B	2	182 '10	OPEN	180 2/32	-\$4,500
30/04/2020	6CMO	S	2	0.7193	OPEN	0.7176	\$340
01/05/2020	CLMO	S	2	19.15	18/05/2020	30.99	-\$23,680
05/05/2020	KRW	B	2	1219.75	OPEN	1230.30	\$2,571
06/05/2020	CLMO	S	2	25.28	18/05/2020	30.99	-\$11,420
12/05/2020	ZBMO	B	2	179 '09	OPEN	180 2/32	\$1,563
							\$103,433

@PriapusIQ

Updated at 21/05/2020 07:25

Looking Ahead

It's busy, busy today with the IHS Markit Flash (first reading) PMI data releases for Germany/EU/UK and US throughout the day.

Then throw in IJC and Continued Claims - Remember that CC is the more important of the two now - and there's something for everyone.

Wait, there's more!

On the speaker front, we have not one, not two, But THREE FOMC VOTERS scheduled to talk.

Williams (neutral)

Clarida (neutral)

and Big Dawg Powell (neutral)

Now, given the amount of time we've heard from Powell over the past two weeks I'd be very surprised to hear anything new from him.

As for Williams and Clarida, I expect them to tow the party line and voice concerns over NIRP whilst leaving the door just a tiny bit ajar on the future possibility.

Expect something along the lines of 'not currently looking at negative rates' or 'other tools are in the box', you get the idea.

As for curveballs, Trump and Hu Xijin (editor in chief of the Chinese Govt Sponsored Global Times) threw some shit at each other yesterday on social media so that fire is still burning.

Also, keep your ear to the ground for escalations between Iran and US, the recent thaw in tensions between the two countries, as reported by the media as recently as yesterday morning, seems to be deteriorating again.

Worth noting its also some made-up holiday in Europe today called 'Ascension Day', markets are open and nobody seems to give a damn, maybe we'll see slightly less volume in the European session but I extremely doubt it.

Have a great day all.

Keep it tight!

CDT	BST	CO	Thursday, 21st May 2020	Exp.	Prev.	Low	High
18:50	00:50	JN	Foreign Bond Investment (16 May)		239.1B		
18:50	00:50	JN	Foreign Investment JP Stocks (16 May)		-86.6B		
18:50	00:50	JN	Foreign Investment JP Bonds (11 May)		-66.1B		
18:50	00:50	JN	Foreign Stock Investment (11 May)		66.1B		
18:50	00:50	JN	Exports YY (Apr)	-22.7%	-11.7%	-25.7%	-18.1%
18:50	00:50	JN	Imports YY (Apr)	-12.9%	-5.0%	-18.0%	-6.8%
18:50	00:50	JN	Trade Balance Total Yen (Apr)	-560.0B	5.4B	-1,051.9B	-49.3B
19:30	01:30	JN	Jibun Bank Manufacturing PMI Flash (May)		41.9		
20:30	02:30	AU	Reserve Assets Total (Apr)		71,448M		
02:15	08:15	FR	Markit Manufacturing Flash PMI (May)	36.1	31.5	28.0	52.0
02:15	08:15	FR	Markit Services Flash PMI (May)	27.8	10.2	8.0	51.8
02:15	08:15	FR	Markit Composite Flash PMI (May)	32.0	11.1	15.8	68.0
02:30	08:30	GE	Markit Manufacturing Flash PMI (May)	39.2	34.5	29.4	55.0
02:30	08:30	GE	Markit Services Flash PMI (May)	26.6	16.2	19.0	55.0
02:30	08:30	GE	Markit Composite Flash PMI (May)	34.1	17.4	24.0	62.0
03:00	09:00	EU	Markit Manufacturing Flash PMI (May)	38.0	33.4	30.0	56.0
03:00	09:00	EU	Markit Services Flash PMI (May)	25.0	12.0	14.0	66.0
03:00	09:00	EU	Markit Composite Flash PMI (May)	25.0	13.6	16.5	65.0
03:30	09:30	UK	Flash Composite PMI (May)	25.0	13.8	10.0	55.4
03:30	09:30	UK	Flash Manufacturing PMI (May)	36.0	32.6	30.0	52.0
03:30	09:30	UK	Flash Services PMI (May)	25.0	13.4	10.0	56.0
05:00	11:00	UK	CBI Trends - Orders (May)	-59	-56	-65	-48
06:00	12:00	TU	CBT Weekly Repo Rate (May)	8.25%	8.75%	7.75%	8.50%
06:00	12:00	TU	O/N Lending Rate (May)		10.25%		
06:00	12:00	TU	O/N Borrowing Rate (May)		7.25%		
06:00	12:00	TU	Late Liquidity Window Rate (May)		11.75%		
07:30	13:30	US	Initial Jobless Claims (11 May)	2,400k	2,981k	1,700k	2,750k
07:30	13:30	US	Jobless Claims 4-Week Average (11 May)		3,616.50k		
07:30	13:30	US	Continued Jobless Claims (4 May)	24.765M	22.833M	22.600M	27.000M
07:30	13:30	US	Philly Fed Business Index (May)	-41.5	-56.6	-60.0	-25.0
07:30	13:30	US	Philadelphia Fed 6M Index (May)		43.00		
07:30	13:30	US	Philadelphia Fed Capex Index (May)		12.40		
07:30	13:30	US	Philadelphia Fed Employment (May)		-46.70		
07:30	13:30	US	Philadelphia Fed Prices Paid (May)		-9.30		
07:30	13:30	US	Philadelphia Fed New Orders (May)		-70.90		
08:00	14:00	SA	Repo Rate (May)		7.75%		
08:00	14:00	SA	Repo Rate (May)	3.75%	4.25%	3.25%	4.25%
08:45	14:45	US	Markit Composite Flash PMI (May)		27.0		
08:45	14:45	US	Markit Manufacturing PMI Flash (May)	38.0	36.1	24.0	45.0
08:45	14:45	US	Markit Services PMI Flash (May)	30.0	26.7	20.0	39.0
09:00	15:00	US	Existing Home Sales (Apr)	4.30M	5.27M	3.75M	5.17M
09:00	15:00	US	Existing Home Sales % Change (Apr)	-18.9%	-8.5%	-26.0%	-8.9%
09:00	15:00	US	Leading Index Change MM (Apr)	-5.5%	-6.7%	-7.0%	-3.0%
09:30	15:30	US	EIA- Nat Gas, Change Bcf (11 May)		103B		
17:45	23:45	NZ	Retail Sales Volumes QQ (Q1)		0.7%		
17:45	23:45	NZ	Retail Quarterly Vs. Year Ago (Q1)		3.3%		
Speakers							
21:30	03:30	AU	RBA's Lowe partaking in a FINSIA Panel				

02:35	08:35	EU	ECB's Panetta (Neutral) partaking in a online conference with Corriere della Sera
09:00	15:00	US	Fed's Williams (Voter, Neutral) discussing how the NY Fed is supporting Credit Flow to Households, Businesses and the Overall Economy
12:00	18:00	US	Fed's Clarida (Voter, Neutral) at the NY Association for Business Economics discussion on 'US Economic Outlook & Monetary Policy'
12:30	18:30	CA	BoC's Governor Poloz Discussing & Reflecting on his Mandate
13:30	19:30	US	Fed's Powell (Voter, Neutral) Opening Remarks prior to a 'Fed Listens: How is COVID-19 Affecting your Community'
Supply			
03:30	09:30	SP	EUR 6-7bn 0.35% 2023, 0.00% 2025, 1.25% 2030 and 3.45% 2066 Bond Auction
03:50	09:50	EU	ECB's 7-Day USD op
04:00	10:00	UK	BoE's 7-Day USD op
04:00	10:00	SZ	SNB's 7-Day USD op
04:00	10:00	UK	GBP 1.25bn 0.125% 2028 Gilt Auction
04:30	10:30	UK	BoE 3-Month Contingent Term Repo Facility (CTRF)
05:00	11:00	UK	BoE Covid Corporate Financing Facility (CCFF)
05:30	11:30	UK	GBP 2bn 4.25% 2032 Gilt Auction
10:00	16:00	US	2-, 5-, 7-year Note and 2yr FRN Announcement
12:00	18:00	US	USD 12bn 10yr TIPS Auction
Earnings			
		US	NVIDIA Corp, Medtronic PLC, Intuit Inc, TJX Companies Inc, Ross Stores Inc, Hormel Foods Corp, Agilent Technologies Inc
		EU	General
Holidays			
		EU	Ascension Day

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