

Rates Overview

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DM Headlines

- Fed Weighs Extending Bank Dividend Cap; Restarts Stress Test (1)
Agency considers prolonging limit on payouts until end of year
Regulator's new stress test scenarios influenced by pandemic
<https://blinks.bloomberg.com/news/stories/QGTLQ9T1UM0X>
- U.S. Jobless Claims Resume Drop in Sign of Gradual Improvement
Continuing claims in state programs drop by more than forecast
Figures remain elevated compared with before pandemic
<https://blinks.bloomberg.com/news/stories/QGT0V9T1UM1G>
- WTO Top-Job Field Cut as Mexican, Egyptian, Moldovan to Depart
Meeting on candidates lacking enough backing set for Friday
Contenders are from U.K., Kenya, Nigeria, Saudi Arabia, Korea
<https://blinks.bloomberg.com/news/stories/QGTE1DDWRGG6>
- Democrats Weigh Next Steps After Trump Backs Bigger Stimulus
Some lawmakers press Pelosi for another vote on aid plan
Time's running short to reach deal before November election
<https://blinks.bloomberg.com/news/stories/QGT05UDWX2PS>
- Powell Laid the Blueprint for Tech's Eventual Wreck With QE Punt
Nasdaq 100 slumps as much as 2.8%, extends September slide
Spike in inflation and yields could unravel bets on tech
<https://blinks.bloomberg.com/news/stories/QGT7O6T0G1KY>

- Carmakers Cry Foul as EU's Climate Plan Takes Aim at Industry
Commission projects halving CO2 emissions from cars by 2030
Lobby group says targets not achievable without more support
<https://blinks.bloomberg.com/news/stories/QGSEBAT1UM10>
- Banks Get More Capital Relief as ECB Wants Stimulus to Work (1)
ECB to allow flexibility on leverage ratio until June
Bankers have called for such relief to be made permanent
<https://blinks.bloomberg.com/news/stories/QGSLT0T0G1L1>
- Spare Cash Glut Sends Key Euro Funding Gauge Below ECB Rate (1)
Euribor falls to -0.501%, below ECB's deposit rate of -0.50%
Excess cash in the euro zone is close to 3 trillion euros
<https://blinks.bloomberg.com/news/stories/QGSQ1ET1UM0X>
- Sloppy Poisoning of Alexey Navalny Turned Merkel Against Putin
What Western officials describe as a botched attempt to kill a leading Kremlin critic has
triggered a new downward spiral in Russia's ties with Europe.
<https://blinks.bloomberg.com/news/stories/QGU5S6DWRGG2>
- France Warns Virus 'Very Active' as Cases Tick Up Across Europe
Germany records most new infections since the end of April
Recent rise blamed on social gatherings, returning travelers
<https://blinks.bloomberg.com/news/stories/QGUBCVT0G1L6>
- Italy, Spain Are Main Beneficiaries of EU Recovery Fund: Chart
<https://blinks.bloomberg.com/news/stories/QGSSBPT1UM0W>

- U.K. Sees Brexit Progress as Von Der Leyen Says Deal Is Possible
Britain sees 'significant gaps' on fishing, state subsidies
Envoys will continue talks next week, aiming for October deal
<https://blinks.bloomberg.com/news/stories/QGU34HT0AFB6>
 - No-Deal Brexit May Be the Trigger for BOE's Journey Below Zero
U.K. central bank is getting 'ducks in a row,' says RBC
Possibility of disruptive end to 2020 is focusing officials
<https://blinks.bloomberg.com/news/stories/QGT63JT0G1KX>
 - Almost Half U.K. Firms Plan to Cut or Freeze Hiring, CBI Says
<https://blinks.bloomberg.com/news/stories/QGT6TST0AFBD>
 - U.K. Retail Sales Rise for Fourth Month But Clouds Are Gathering
<https://blinks.bloomberg.com/news/stories/QGUBKDWLU68>
 - BOE REACT: Door Open to More QE as Economy Faces Hard Winter (1)
<https://blinks.bloomberg.com/news/stories/QGT6B9DWRGG0>
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- N.Z.'s Robertson Says RBNZ Will Bear in Mind Recovering Economy
<https://blinks.bloomberg.com/news/stories/QGTR1KT0AFB6>
 - Aussie 10-Year Futures Slip as AOFM Lines Up New 2026 Bond Sale
<https://blinks.bloomberg.com/news/stories/QGU0AXT0AFB6>
 - Yield on 3-year note climbs 1bp to 0.23%; yield on 10-year note adds 4bps to 0.89%
<https://blinks.bloomberg.com/news/stories/QGTZMPT0AFBK>
-
- USD/JPY May Stay Below 105 Longer Under 'Suganomics': SMBC Nikko
<https://blinks.bloomberg.com/news/stories/QGTRYBDWX2Q5>
 - Japan Aug. CPI +0.2% y/y vs est. +0.2%
 - Japan Aug. ex-fresh food -0.4% y/y vs est. -0.4%
 - Suga to Help BOJ Tiptoe Away From Inflation at Any Cost (1)
Helping companies, aiding economy seen as bigger priorities
New prime minister's travel campaign pushes inflation negative
<https://blinks.bloomberg.com/news/stories/QGTUSRT1UM0X>
 - Japan Inflation Goes Negative on Government Travel Discounts (2)
<https://blinks.bloomberg.com/news/stories/QGTTYKT1UM0Z>

EM Headlines

- China Holds Exercises in Taiwan Strait Amid U.S. Envoy Visit
<https://blinks.bloomberg.com/news/stories/QGU23VDWLU6M>
- Yuan Poised for Longest Weekly Rally in Two Years: Inside China
<https://blinks.bloomberg.com/news/stories/QGTZJPT0AFB9>
- China to Make Decision on WHO Vaccine Program Snubbed by Trump
Governments face Friday deadline to join global vaccine push
Distrust of China's intentions could undermine its efforts
<https://blinks.bloomberg.com/news/stories/QGU3D6DWRGG2>
- Won Rises to Eight-Month High on Dollar Weakness: Inside Korea
<https://blinks.bloomberg.com/news/stories/QGTUYEDWX2Q0>
- S. Korea, Japan May Ease Entry Ban on Businessmen, DongA Says
<https://blinks.bloomberg.com/news/stories/QGTV18T1UM0W>
- Bank Indonesia Holds Rates as Governor Defends Independence (2)
Almost all economists in survey predicted rate to stay at 4%
Rupiah remains Asia's worst-performing currency in 2020
<https://blinks.bloomberg.com/news/stories/QGSNDZT1UM0W>
- Indian Economy Heads for Double-Digit Plunge as Virus Spikes (1)
Goldman Sachs, ADB, OECD have downgraded GDP forecasts
India's contraction last quarter was worst among major nations
<https://blinks.bloomberg.com/news/stories/QGUB34DWLU6I>
- Rupee Bonds Advance as RBI Plans to Resume OMOs: Inside India
<https://blinks.bloomberg.com/news/stories/QGU4HWT0AFB4>
- RBI Returns to Bond Purchases After Six Months to Cool Yields
RBI to buy 100b rupees of debt in open market on Sept. 24
The authority has been using 'twist' operations since July
<https://blinks.bloomberg.com/news/stories/QGSQSBT0AFG8>
- Mexico's Peso Poised to Extend Rally After Leading Global Gains
Mexico peso's 10% gain this quarter is tops among 140 peers
Rabobank, Standard Chartered see MXN rallying to 20 per dollar
<https://blinks.bloomberg.com/news/stories/QGPAA0T1UM0X>
- Citi LatAm CEO Says Region May Face Rising Unrest, Unemployment
Bank sees more Mexico loan defaults in 2021, Torres Cantu says
Region's social issues seen resurging with Covid-19 pandemic
<https://blinks.bloomberg.com/news/stories/QGETHDDWX2PY>
- Brazil's Political Noise Outweighs Policy Guidance: Latam Bonds
<https://blinks.bloomberg.com/news/stories/QGT2QJDWRGG4>
- Brazil Corp Credit Quality to Improve on Modest Growth: Moody's
<https://blinks.bloomberg.com/news/stories/QGT3IVT0G1KX>
- JPMorgan Asset Says Climate Risks Loom for Brazil, Russia Growth
Both nations face a challenging shift to a low-carbon economy
Investors face varied climate policy impact by region, sector
<https://blinks.bloomberg.com/news/stories/QGSZZOT1UM0W>

- South Africa Halts Easing Even as GDP, Inflation Outlook Cut (1)
MPC maintains key rate at 3.5% after 300 basis points of cuts
Three of five MPC members favored hold, two wanted to cut
<https://blinks.bloomberg.com/news/stories/QGT1USDWLU6D>
- Saudis Defend Oil Recovery With Warning for Shorts, OPEC+ Cheats
Prince Abdulaziz warns short sellers not to test his resolve
UAE gets a thinly veiled dressing down for over-producing
<https://blinks.bloomberg.com/news/stories/QGTFF6DWRGG2>
- Polish Monetary Policy Must Stay Accommodative: Glapinski in DGP
<https://blinks.bloomberg.com/news/stories/QGTODDT0G1L0>
- Got a Question for Poland's Central Bank? Join the Queue
Bank under fire for not holding news conference in six months
Stance lacks transparency and is hard to comprehend for some
<https://blinks.bloomberg.com/news/stories/QGTLG2DWLU6L>
- Belarus Locks Borders With Poland, Lithuania: Interfax
<https://blinks.bloomberg.com/news/stories/QGTCTXT1UM15>
- Polish Coalition Parties May Sign Pact in Oct.: Senior Lawmaker
<https://blinks.bloomberg.com/news/stories/QGUAKCDWRGG0>
- Hungary Holds Debut Euro-Swap Sale With Forint Hit by Prices (1)
Euro-liquidity offered with maximum swap point set at 8.8
Central bank looking to curb quarter-end rate volatility
<https://blinks.bloomberg.com/news/stories/QGUB70TOG1L1>
- Hungary to Decide on Loan Moratorium on Saturday, Orban Says
<https://blinks.bloomberg.com/news/stories/QGUAWUDWLU6A>
- Czechs Report Record Daily Covid-19 Cases as More Rules Loom
<https://blinks.bloomberg.com/news/stories/QGSK7NT1UM0W>
- Russian Rate-Cut Wagers Evaporate as Ruble Fans Inflation: Chart
<https://blinks.bloomberg.com/news/stories/QGSZ88TOG1L6>
- Russia's Rate Cuts May Already Be Over as Inflation Speeds Up
Russia joins other emerging market countries slowing easing
Central bank had warned that more easing is not a given
<https://blinks.bloomberg.com/news/stories/QGP4V7TOG1KW>