

## DM Headlines

- Two Fed Officials Push Back on Talking Bond Taper Any Time Soon  
Bullard says 'not close' to re-running the 2013 taper exercise  
Rosengren says 'a little while' away from bond buying debate  
<https://blinks.bloomberg.com/news/stories/QMU7ESDWRGG2>
- Biden Aims for Deal With Republicans on Covid Relief Package (1)  
Plan would forgo using budget tool to pass Democrat-only bill  
Biden staff briefs Democratic staff on plans Tuesday  
<https://blinks.bloomberg.com/news/stories/QMULZLDWX2PT>
- Liz Cheney, No. 3 GOP Leader, Will Vote to Impeach Trump (3)  
Wyoming's Cheney had defended Trump in earlier impeachment  
At least three other House Republicans also back impeachment  
<https://blinks.bloomberg.com/news/stories/QMURR4DWRGG0>
- Fed Talk of Taper Rekindles Specter of Wrenching 2013 Tantrum  
Some Fed officials open to 2021 debate on paring bond buying  
Investors 'won't get fooled again' as yield curve steepens  
<https://blinks.bloomberg.com/news/stories/QMU6YBDWRGG9>
- Goldman Strategists Flag Dollar, Junk Bonds for Risk-Off Hedges  
<https://blinks.bloomberg.com/news/stories/QMUHBDWRGGF>
- U.S. Rates Volatility Surge Points to Convexity Hedging  
<https://blinks.bloomberg.com/news/stories/QMTUJGDWLU6X>
- U.S. 10-Year Auction Stops Through; Direct Bidder Award Climbs  
<https://blinks.bloomberg.com/news/stories/QMU27YDWRGG0>
- Yellen Confirmation Hearing for Treasury Scheduled Jan. 19 (2)  
Senate hearing scheduled for day before Biden's inauguration  
Yellen set to steer economic rescue as Treasury secretary  
<https://blinks.bloomberg.com/news/stories/QMUI3HDWRGG1>
  
- Germany Pins Hopes for 2021 Rebound on Economy Propped Up by Aid  
Support has kept companies afloat, allowing them to refocus  
2020 GDP probably fell almost 6%, better than most neighbors  
<https://blinks.bloomberg.com/news/stories/QMRLZFT0AFB9>
- ECB to Disregard Any Temporary Inflation Rises, Schnabel Says  
<https://blinks.bloomberg.com/news/stories/QMT63HT1UM10>
- Reinhart Frets World Faces Financial Crisis if Pandemic Lingers  
<https://blinks.bloomberg.com/news/stories/QMULXWT1UM16>
- Merkel Anxious That U.K.'s Mutated Virus Will Hit Germany Hard  
Chancellor warns fast-spreading variant could cause surge  
Curbs may need to be tightened and extended until late March  
<https://blinks.bloomberg.com/news/stories/QMTQ7WT0G1M2>
- French Economy Is Running 7% Below Normal: Bank of France Survey  
<https://blinks.bloomberg.com/news/stories/QMTK4ODWX2PU>
- France's Le Maire Calls His 2021 Growth Forecast a 'Challenge'  
Finance minister says strong rebound possible in second half  
French government will support companies as long as necessary  
<https://blinks.bloomberg.com/news/stories/QMTFZ5DWX2PT>



## RUBRICS

- Pound Climbs as Market Pushes Back on Negative Rates Speculation  
Traders now price BOE cut to 0% in December, vs August before  
Bailey says 'lot of issues' with negative rates: report  
<https://blinks.bloomberg.com/news/stories/QMTW0UT1UM15>
- Broadbent Says BOE Would Want Negative Rates to Loosen Credit  
<https://blinks.bloomberg.com/news/stories/QMTIZKDWX2Q0>
- Broadbent Suggests U.K. Economy May Be Better Than It Looks (1)  
Notes that retail spending strong despite weak overall growth  
BOE official gives speech on composition of spending in Covid  
<https://blinks.bloomberg.com/news/stories/QMTHC1DWLU6M>
- London Financiers Cling to Hopes for Post-Brexit Access to EU  
<https://blinks.bloomberg.com/news/stories/QMTPH3DWRGG7>
- Getting \$27 a Week Is a Pandemic Lifeline for Millions in U.K.  
The government has yet to say whether it will extend an emergency social aid payment  
when it expires in April.  
<https://blinks.bloomberg.com/news/stories/QMUWKMDWRGG6>
  
- Australia Nov. job vacancies 23.4% vs revised 59.5% prior
- Australian Job Vacancies Surged as Economic Recovery Accelerated  
<https://blinks.bloomberg.com/news/stories/QMUK4YT0AFBJ>
- Aussie Slips on Virus Curbs in Japan, China: Inside Australia/NZ  
<https://blinks.bloomberg.com/news/stories/QMUU4WDWLU6H>
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- Japan to Expand Virus Emergency to Cover 60% of Economy (1)  
Emergency set to be expanded to seven additional prefectures  
Prime Minister Suga seen announcing expansion later Wednesday  
<https://blinks.bloomberg.com/news/stories/QMULAXT1UM13>
- Japan's Stimulus Holds Bankruptcies to 30-Year Low in 2020  
<https://blinks.bloomberg.com/news/stories/QMUUW7DWX2PS>
- BOJ Is Said to Mull Downgrading View of Economy Amid Emergency  
<https://blinks.bloomberg.com/news/stories/QMUI1MDWLU72>

## EM Headlines

- China's Yuan Fix Is Weakest Relative to Estimates Since 2018 (1)  
Offshore yuan extends declines after rate is released  
Policy makers have stepped up efforts to slow the yuan's rise  
<https://blinks.bloomberg.com/news/stories/QMUOC9DWX2Q1>
- China Reports 107 Local Coronavirus Cases Tuesday; 90 in Hebei  
<https://blinks.bloomberg.com/news/stories/QMUL3AT0G1NW>
- China Credit Growth Slows as Central Bank Normalizes Policy (2)  
Shadow banking drops by 738 billion yuan, most since 2017  
Lending also falls off from November to 1.26 trillion yuan  
<https://blinks.bloomberg.com/news/stories/QMUJUFT0AFB4>
- Yuan Can Attract Even After Yield Appeal Fades Away: Macro View  
<https://blinks.bloomberg.com/news/stories/QMTFWJDWX2QP>
- China Defaults Spur Widest Divergence in Local Debt Since 2019  
<https://blinks.bloomberg.com/news/stories/QMUME1T1UM13>
- Speed Kills EM FX Rallies When It Comes to Treasury Yields  
<https://blinks.bloomberg.com/news/stories/QMUSCWDWX2PS>
- Southeast Asia's Largest Covid-19 Vaccination Gets Underway (1)  
Indonesian President Joko Widodo receives the first shot  
First to use CoronaVac for mass vaccination outside of China  
<https://blinks.bloomberg.com/news/stories/QMUQKGDWLU6V>
- Won Snaps Four-Day Drop as Exporters Sell Dollars: Inside Korea  
<https://blinks.bloomberg.com/news/stories/QMULXZDWX2PY>
- South Korea's Jobless Rate Hits 10-Year High as Virus Surges (3)  
Unemployment rate jumps as the economy sheds 628,000 jobs  
Minister says difficult job market to persist through February  
<https://blinks.bloomberg.com/news/stories/QMUMICDWX2QC>
- India's Inflation Slows to 15-Month Low Before RBI Rate Decision  
Consumer prices rise 4.59% in December versus 5% estimate  
Price print is last before RBI's policy review next month  
<https://blinks.bloomberg.com/news/stories/QMTLQ0DWRGG4>
- Rupee Bonds Gain as Inflation Data Undershoots: Inside India  
<https://blinks.bloomberg.com/news/stories/QMUX4VDWLU6C>
- Treasury Bill Yields Set to Rise in India After RBI's Cash Move  
India to sell \$2.6 billion treasury bills later on Wednesday  
It's the first debt auction since RBI announced cash measures  
<https://blinks.bloomberg.com/news/stories/QMSZ11DWX2PS>
- India Nov. Industrial Production Falls 1.9% Y/y; Est. -1%  
<https://blinks.bloomberg.com/news/stories/QMTLWET1UM0Y>
- Indonesia's Trade Surplus in Dec. to Help Anchor Rupiah: Bahana  
<https://blinks.bloomberg.com/news/stories/QMTCZ1T1UM13>
- Mexico Posts Largest Daily Increase in Covid-19 Deaths  
Deaths highest since Mexico adjusted calculation strategy  
Mexico ranks fourth worldwide in Covid-19 deaths with 135,682  
<https://blinks.bloomberg.com/news/stories/QMOIFYDWRGG1>



## RUBRICS

- Mexico Government Cannot Count on Banxico Surplus: Moody's (1)  
<https://blinks.bloomberg.com/news/stories/QMU7INDWX2PU>
- AMLO's Austerity Is Negative for Mexican Credit Quality: Moody's  
<https://blinks.bloomberg.com/news/stories/QMU28DDWRGG7>
- India, Mexico May Find It Easier to Reduce Fiscal Deficits: IIF  
<https://blinks.bloomberg.com/news/stories/QMUMI4T0G1KY>
- Brazil Central Bank Warns of Persisting Inflation, Rate Hike  
Central bank's Serra says there's very high amount of stimulus  
December inflation +1.35% m/m +4.52% y/y: statistics agency  
<https://blinks.bloomberg.com/news/stories/QMTTJODWRGGB>
- CoronaVac's Overall Efficacy in Brazil Measured at 50.4% (1)  
New numbers add to confusion over Chinese-developed vaccine  
78% rate presented last week had excluded very mild cases  
<https://blinks.bloomberg.com/news/stories/QMU2Z2DWLU6V>
- Latam FX jumps on recovery hopes; Brazilian real leads advance  
<https://blinks.bloomberg.com/news/stories/QMU6S70799MO>
- Valor: Government continues to see recent rise in inflation as a temporary phenomenon  
<https://blinks.bloomberg.com/news/stories/QMUHKPT0G1KZ>
- Focus on Zloty as Poland Looks to Buoy Economy: Decision Guide  
Analysts see central bank leaving benchmark at record-low 0.1%  
Goldman sees QE, weaker currency as more effective than cut  
<https://blinks.bloomberg.com/news/stories/QMTVPCDWLU69>
- Polish Central Bank FX Move May Be Illegal: Balcerowicz in Rp.pl  
<https://blinks.bloomberg.com/news/stories/QMT7OWDWRGG1>
- Poland's PM: Social Media Need Anti-censorship Regulations  
<https://blinks.bloomberg.com/news/stories/QMUCEY3V2800>
- Hungary's Central Bank Expands Corporate Bond Program  
<https://blinks.bloomberg.com/news/stories/QMTR4CDWRGH0>
- EMEA 4Q GDP Forecast Steady in Past Week; Czech Seen at -9.5%  
<https://blinks.bloomberg.com/news/stories/QMTLC0GFLIIO>
- South Africa November Factory Output Falls Most in Three Months  
Output declined 3.5% in November from a year earlier  
Median estimate in a Bloomberg survey was for 2.2% drop  
<https://blinks.bloomberg.com/news/stories/QMTIWOT0G1L4>