

## DM Headlines

- Yellen Opens Debate on Giant Spending Saying 'World Has Changed'  
She could be confirmed as Treasury chief as early as Thursday  
Republicans already reject parts of Biden's \$1.9 trillion bid  
<https://blinks.bloomberg.com/news/stories/QN72JFT0AFBB>
- Yellen Says She Won't Seek Weaker Dollar, Wants Market-Set Rates  
Treasury pick doesn't explicitly reference 'strong dollar'  
'Strong dollar' may be more a phrase than actual policy  
<https://blinks.bloomberg.com/news/stories/QN6XYJDWRGGE>
- Biden Plans 10 Days of Action on Four 'Overlapping' Crises (2)  
Orders to include a '100-day mask challenge' against Covid  
Will reverse some of President Trump's contentious policies  
<https://blinks.bloomberg.com/news/stories/QN1QCET0AFB5>
- U.S. 10-Year Breakeven Inflation Rate Highest Since October 2018  
<https://blinks.bloomberg.com/news/stories/QN6PZWDWRGG8>
- McConnell Says Mob Attack on Capitol Was 'Provoked' by Trump (2)  
Senate GOP leader hasn't said how he'll vote on impeachment  
Cornyn says Trump impeachment will be a 'vote of conscience'  
<https://blinks.bloomberg.com/news/stories/QN7B7BT1UM0Y>
- Biden Team Hints at Keeping Trump's Tough Line Toward China  
Will use 'full array of tools' to combat actions, Yellen says  
Relationship between two biggest economies to remain fraught  
<https://blinks.bloomberg.com/news/stories/QN78XYDWLU6D>
  
- ECB Is Capping Bond Yields But Don't Call It Yield Curve Control  
Lagarde will this week say financing conditions are locked in  
Policy makers have little desire for explicit yield targets  
<https://blinks.bloomberg.com/news/stories/QMZ9XQDWX2PW>
- Euro Will Be the Big Winner From ECB Yield-Spread Control  
<https://blinks.bloomberg.com/news/stories/QN7NOKDWX2PT>
- ECB's Villeroy: Monetary Action Should Continue Amid Uncertainty  
<https://blinks.bloomberg.com/news/stories/QN6F8IDWX2Q1>
- Merkel Tightens Curbs, Warns of Border Controls Over Virus Risk  
Companies need to justify going to the office until March 15  
Germany warns neighbors that it may restrict travel entry  
<https://blinks.bloomberg.com/news/stories/QN78LBT0G1LD>
- Italy Premier Battles On After Surviving Crucial Senate Vote (1)  
Prime minister falls short of outright majority in upper house  
Conte aims to add further backing from senators in coming days  
<https://blinks.bloomberg.com/news/stories/QN7XZNDWRGG0>
- Brexit Finance Shift to France to Accelerate, Central Bank Says  
Bank of France head sees chance to improve financial structure  
Europe needs to set up its own including clearinghouses  
<https://blinks.bloomberg.com/news/stories/QN6GM4T0AFB4>
- French Bankruptcies Hit a 33-Year Low as State Aid Masks Reality  
Business failures may jump in 2021 and 2022, data firm says



Weak companies will 'tumble quite quickly' without support

<https://blinks.bloomberg.com/news/stories/QN55EAT0G1KX>

- BOE's Haldane Says U.K. Can End Furlough Before Rebound Complete  
About 1 million jobs already lost, chief economist says  
He expects sharper bounceback than following financial crisis  
<https://blinks.bloomberg.com/news/stories/QN7BMEDWRGG0>
- Australia Jan. Westpac consumer confidence 107.0 vs 112.0 prior
- Australian Household Sentiment Pulls Back on Covid Flare Ups (1)  
Confidence retreats after gaining in final four months of 2020  
Westpac's Evans says all eyes on quantitative easing guidance  
<https://blinks.bloomberg.com/news/stories/QN7GRADWLU6L>
- AUSTRALIA PREVIEW: Job Market Recovery Likely Continued in Dec.  
<https://blinks.bloomberg.com/news/stories/QN7O6CDWRGG2>
- JAPAN PREVIEW: Trade Surplus Likely Expanded in December  
<https://blinks.bloomberg.com/news/stories/QN5N1LDWRGG2>
- Japan Trust Banks Jump Into Super-Long JGBs as BOJ Review Looms  
Trust banks bought the most super longs since 2013 last month  
Demand from lenders may ease as drop in yields slows: JPMorgan  
<https://blinks.bloomberg.com/news/stories/QN7KSKDWRGG2>
- JGB yields track U.S. Treasuries lower after Yellen's speech  
<https://blinks.bloomberg.com/news/stories/QN7YMX073NCW>

## EM Headlines

- China Barricades Part of Capital as Northern Outbreak Escalates  
About 1.7 million residents in Daxing district locked down  
Foreign arrivals to Beijing now face 28 days of restrictions  
<https://blinks.bloomberg.com/news/stories/QN7KHTDWX2PZ>
- China 1-year loan prime rate 3.85% vs est. 3.85%
- China 5-year loan prime rate 4.65% vs est. 4.65%
- Central Bank Injects the Most Funds in Four Months: Inside China  
<https://blinks.bloomberg.com/news/stories/QN7MU9T0G1QN>
- China Is Counting on Consumers to Bolster the Recovery  
Beijing talks up demand-side reform, but households are reluctant to spend their savings.  
<https://blinks.bloomberg.com/news/stories/QN790FT1UM10>
- Won Gains on Rally in Shares, Flirts With 50-DMA: Inside Korea  
<https://blinks.bloomberg.com/news/stories/QN7H5KT0G1KW>
- S.Korea Considering Extending Short-Selling Ban for 3 Months: MT  
<https://blinks.bloomberg.com/news/stories/QN7EMFDWLU6W>
- Rupee Bonds Steady Ahead of INR190b T-Bill Auction: Inside India  
<https://blinks.bloomberg.com/news/stories/QN7VU8DWX2PU>
- A Surge in Bad Debt Is Set to Worsen India Shadow Bank Woes (1)  
The sector's bad debt is at highest in at least five years  
Rating outlooks for many non-bank firms turned negative: Fitch  
<https://blinks.bloomberg.com/news/stories/QN7XLGT0AFB4>
- IDR Rises Ahead of BI, Bond Sale Misses Target: Inside Indonesia  
<https://blinks.bloomberg.com/news/stories/QN7K9PT0AFBE>
  
- Mexico's Buoyant Peso May Not Be All About Carry Trade for Now  
Market looks past yields, eyes U.S. recovery, policy certainty  
Contentious Banxico dollar rules may still derail peso rally  
<https://blinks.bloomberg.com/news/stories/QMMKXBTOAFB7>
- Mexico Daily Covid Deaths Hit Record as Toll Rises Further (1)  
Country has regularly reported daily death rises above 1,000  
Vaccine campaign to be affected by pause in Pfizer shipments  
<https://blinks.bloomberg.com/news/stories/QN7LQJDWLU6M>
- Reuters Business: Mexican inflation expected to tick up in early January: Reuters poll  
<https://t.co/l9KUAhMNPM>
- Brazil Economic Team Sees Growing Need for Extra Covid Stimulus  
Economic recovery may slow as second wave of virus hits  
Plan was to reimpose austerity after massive pandemic spending  
<https://blinks.bloomberg.com/news/stories/QN6NX1T0AFCA>
- BRAZIL PREVIEW: BCB to Maintain Rates, Guidance in 2021 Opener  
<https://blinks.bloomberg.com/news/stories/QN7E9EDWLU6D>
- BCB May Hint at Timing of Start to Policy Normalization  
<https://blinks.bloomberg.com/news/stories/QN6H85TOG1L1>



## RUBRICS

- Eastern Europe's Currency War Reaches Its Final Frontier: Poland Central bank in Warsaw vows to stem excessive currency gains Zloty policy tracks Czech, Hungarian steps to steer currencies  
<https://blinks.bloomberg.com/news/stories/QN409PT1UM18>
- Polish Deputy Premier Sasin Hospitalized With Covid-19  
<https://blinks.bloomberg.com/news/stories/QN6R2DDWLU6S>
- Hungarian Premier's Adviser Nagy Sees Rapid Growth Rebound  
<https://blinks.bloomberg.com/news/stories/QN6YAWDWLU6B>
- Czech Health Authorities Find U.K. Covid 19 Variant in 3 Regions  
<https://blinks.bloomberg.com/news/stories/QN6OA5DWLU6P>
- Czech passenger car output down by record 19.2 pct in 2020  
<https://blinks.bloomberg.com/news/stories/QN6ZK00799MO>
- South Africa's Covid Border Rules Block People, Slow Trade: Map  
<https://blinks.bloomberg.com/news/stories/QN68PNT0AFB4>
- Yellen Testimony Boosts Rand Ahead of CPI: Inside South Africa  
<https://blinks.bloomberg.com/news/stories/QN7WWDDWLU6C>
- Virus Back in South Africa With a Vengeance, Here to Stay  
<https://blinks.bloomberg.com/news/stories/QN75WOT1UM0Y>