

DM Headlines

- Bond Yields in U.S., Australia May Fall to 1%, Mizuho Says
<https://blinks.bloomberg.com/news/stories/QUGN6CDWRGG1>
- Treasury Auction Results Send 'Bullish Signal,' Citigroup Says
<https://blinks.bloomberg.com/news/stories/QUG554DWX2PX>
- Fed Reverse Repo Use Tops Half a Trillion Dollars for First Time
QE, Treasury drawdown will keep pushing cash into front end
Take-up at facility could double by year-end: Credit Suisse
<https://blinks.bloomberg.com/news/stories/QUG32ODWX2PS>
- Popular Fed Rate Hike Bets Start to Unwind as Eurodollars Rally
<https://blinks.bloomberg.com/news/stories/QUFWI4DWLU6S>
- China, U.S. Agree to Push Forward Trade, Investment Ties (2)
This is third call in as many weeks between senior officials
U.S. also said to be holding talks with Taiwan Thursday
<https://blinks.bloomberg.com/news/stories/QUGU7QDWX2PU>
- Romney, Senators Craft Infrastructure Plan Without Tax Hikes (1)
White House anticipates proposal materializing this week
Some Republicans skeptical a deal can be had with Democrats
<https://blinks.bloomberg.com/news/stories/QUGBEDDWX2PY>
- Oil Extends Drop With Rising U.S. Fuel Stockpiles Denting Rally
Gasoline inventories climb the most since April 2010 last week
WTI crude futures slip 0.6% after falling below \$70 Wednesday
<https://blinks.bloomberg.com/news/stories/QUH1U3DWRGG2>
- Biden Needs More Than \$52 Billion to Counter China in Chips (2)
White House report on supply chain asks for sweeping reforms
Semiconductors among four key products to securing supply
<https://blinks.bloomberg.com/news/stories/QUGNDODWLU68>
- G-7 Plans 1 Billion Extra Covid Shots to End Pandemic Next Year
G-7 pledges shots for 80% of adults: draft seen by Bloomberg
Summit will also call for a new study on the origins of virus
<https://blinks.bloomberg.com/news/stories/QUG9KQDWRGG1>
- ECB to Plot Next Phase of Pandemic Bond Buying: Decision Guide
Purchases expected to remain elevated until September
Central bank set to upgrade outlook for growth and inflation
<https://blinks.bloomberg.com/news/stories/QUBWDUDWRGGA>
- Euro Options Hint Recent Spot Range to Hold Into ECB, U.S. Data
<https://blinks.bloomberg.com/news/stories/QUH129DWRGG2>
- Scaling Back Stimulus Won't Be Easy for the ECB: Macro View
<https://blinks.bloomberg.com/news/stories/QUFXK3DWX2PT>
- EU Raises Threat of U.K. Trade War as N. Irish Spat Worsens (1)
Sefcovic is first senior EU official to make threat explicitly
U.K. official warns EU to 'think hard' before any retaliation
<https://blinks.bloomberg.com/news/stories/QUFZQKDWLU74>
- Attending Her Last G-7, Merkel Has Had Enough of U.S. Leadership



The chancellor is leading an emboldened Europe that aims to win more influence in Washington

<https://blinks.bloomberg.com/news/stories/QUGTOHDWX2PV>

- Eight in 10 Adults in England Now Have Covid-19 Antibodies (1)
Increase reflects virus infections and immunization drive
Data come as ministers decide whether to complete re-opening
<https://blinks.bloomberg.com/news/stories/QUFYU2DWRGG1>
- U.K.'s Johnson Warns Covid Cases Rising Before Lockdown Decision
Premier says government will be guided by data on easing rules
New cases up 7,540 on Wednesday, the most since late February
<https://blinks.bloomberg.com/news/stories/QUG05WDWX2PT>
- BOE's Haldane Warns of 'Dangerous Moment' for Monetary Policy
BOE chief economist says officials risk making serious error
Haldane sees risks inflation may be more than temporary blip
<https://blinks.bloomberg.com/news/stories/QUFXUZDWX2PS>
- U.K. Housing Boom Rages With More Buyers Chasing Fewer Homes
Agents see market weathering phasing out of stamp-duty holiday
Figures reinforce warnings from Bank of England policy makers
<https://blinks.bloomberg.com/news/stories/QUFPXGDWLU6J>
- (AU) June Consumer Inflation Expectation, actual 4.4%, prior 3.5%
- Australia to Seek WTO Resoluton on China Wine-Tariff Dispute (2)
Morrison says Beijing's sanctions 'completely unconscionable'
PM is heading to G-7 for support against 'economic coercion'
<https://blinks.bloomberg.com/news/stories/QUGWQPDWX2PV>
- Aussie 10-Year Bond Yields Drop Below 1.50%: Inside Australia/NZ
<https://blinks.bloomberg.com/news/stories/QUGUPLDWRGG0>
- Japan's Factory-Gate Prices Gain at Fastest Pace Since 2008
<https://blinks.bloomberg.com/news/stories/QUGL2VDWRGG0>
- (Japan) May PPI YoY, actual 4.9%, est. 4.5%, prior 3.6%, revised 3.8%
- BOJ to Extend Covid Aid as Virus Fight Drags On, Survey Shows
Economists see bank leaving its main policy levers untouched
Policy divergence with Fed seen weakening the yen even further
<https://blinks.bloomberg.com/news/stories/QUEW4HDWRGGB>
- SURVEY: Economists See No BOJ Policy Change at June Meeting (1)
<https://blinks.bloomberg.com/news/stories/QUH2QRDWLU6F>

EM Headlines

- PBOC Governor Sees Stable Policy, Inflation Below Target
<https://blinks.bloomberg.com/news/stories/QUGU5SDWLU6B>
- Biden Revokes TikTok, WeChat Bans and Orders Security Review (2)
Commerce review of software applications to begin immediately
National security review into TikTok sale on separate path
<https://blinks.bloomberg.com/news/stories/QUG240DWX2PS>
- CNH, Bonds Rise on Trade, PBOC Governor's Comments: Inside China
<https://blinks.bloomberg.com/news/stories/QUGQ34DWRGG7>
- BIS Paper Suggests PBOC Policy Largely Appropriate: China Today
<https://blinks.bloomberg.com/news/stories/QUFWKGDWRGG2>
- Won Halts Two-Day Drop on China-U.S. Trade Ties: Inside Korea
<https://blinks.bloomberg.com/news/stories/QUGK6XDWLU92>
- One or Two Hikes Not Tightening, Bank of Korea Official Says
BOK says it will keep policy accommodative for time being
Financial imbalances may hurt growth potential, BOK says
<https://blinks.bloomberg.com/news/stories/QUGVVUDWX2PT>
- Indonesia Races to Vaccinate 1 Million Daily as Cases Spike (1)
Additional infections are highest in more than three months
Jakarta is expanding vaccination to the general public
<https://blinks.bloomberg.com/news/stories/QUFGNJDWX2PT>
- IDR Bonds Extend Gains Amid Foreign Debt Flows: Inside Indonesia
<https://blinks.bloomberg.com/news/stories/QUGQMFDWLU69>
- Rupee Bonds Advance Supported by USTs, Lower Oil: Inside India
<https://blinks.bloomberg.com/news/stories/QUH0U2DWX2Q1>
- India Marks Record Daily Covid Deaths After State Adjusts Data
Covid data in India likely markedly under-counted: experts
Data revisions common across places; Peru doubled death toll
<https://blinks.bloomberg.com/news/stories/QUGXKSDWX2PS>
- AMLO Taps De La O as Finance Chief, Herrera Set for Banxico (3)
Current finance minister to be nominated central bank governor
Longtime ally Ramirez de la O advised AMLO's 2006 campaign
<https://blinks.bloomberg.com/news/stories/QUG7UGDWRGG3>
- Credit Suisse Lifts Brazil's 2021 CPI Forecast to 6.3% From 6%
<https://blinks.bloomberg.com/news/stories/QUG2L6DWRGG3>
- Chile's Communist Contender for President Seeks Economy Overhaul
Daniel Jadue wants higher taxes and a public pension system
He is tied for top spot in a nationwide presidential poll
<https://blinks.bloomberg.com/news/stories/QU2WGLT0AFB9>
- Sticky Inflation Fuels Rate-Hike Pressure in Brazil, Mexico (1)
May consumer prices rose 8.06% in Brazil, 5.89% in Mexico
Data comes ahead of interest rate decisions in both countries
<https://blinks.bloomberg.com/news/stories/QUFRQ7DWRGG2>
- Mexico Inflation Slows Less Than Forecast, Testing Banxico (1)
Prices rose 5.89% y/y in May, above 5.86% projection



Central bank held key interest rate at 4% in May meeting

<https://blinks.bloomberg.com/news/stories/QUFLXYDWLU6Q>

- Hedge Fund SPX Sees Brazil Moving Away From 'Fiscal Cliff'
<https://blinks.bloomberg.com/news/stories/QUFXYSWDRGG2>
- Colombia Coffee Exports Fell 52% in May Y/y to 427,000 Bags
<https://blinks.bloomberg.com/news/stories/QUGBMTDWX2Q0>
- Chile Central Bank Says It Will Gradually Pare Back Its Stimulus
Gradual reduction to avoid build-up of inflation pressures
Bank also raised its 2021 economic growth, CPI forecasts
<https://blinks.bloomberg.com/news/stories/QUFRKADWX2PS>

- Poland Holds Rates, Plays Down Risk of Decade-High Inflation (1)
Central bank leaves benchmark at record-low 0.1%, as expected
Statement showed no signal of tightening, weakening zloty
<https://blinks.bloomberg.com/news/stories/QUFWAADWX2PV>
- Poland Limits Astra Shots Amid Uncertain Deliveries: Wyborcza
<https://blinks.bloomberg.com/news/stories/QUGZEDDWX2Q0>
- Orban, Facing Elections, Plans to Blunt Hungary's Rate-Hike Plan
Central bank plans 'decisive' tightening: deputy governor
Government to replace central bank in cheap-loan stimulus plan
<https://blinks.bloomberg.com/news/stories/QUFITFDWX2PT>
- Hungary May Core CPI ex Indirect Taxes +3.4% Y/y
<https://blinks.bloomberg.com/news/stories/QUFCY1DWRGGA>
- Hungary's Orban Calls Global Minimum Corporate Tax Plan 'Absurd'
<https://blinks.bloomberg.com/news/stories/QUFHDKDWRGGA>
- Investors Ignore Czech Deficit Quarrels to Scoop Up Koruna Bonds
Government's borrowing costs decline in oversubscribed auction
Longer-dated Czech bonds rally most in EU in second quarter
<https://blinks.bloomberg.com/news/stories/QUFEQ6DWRGG2>
- South Africa's Virus Cases Surge the Most Since January (2)
African nation reported 8,881 new infections on Wednesday
South Africa has over 57,000 deaths, 1.7 million cases
<https://blinks.bloomberg.com/news/stories/QUH012DWX2PV>