

DM Headlines

- Fed Sees Two Rate Hikes by End of 2023, Inches Towards Taper
Thirteen of 18 officials see at least one rate hike in 2023
Powell says Fed to begin discussing scaling back bond buying
<https://blinks.bloomberg.com/news/stories/QUT9ZST0G1KW>
- Treasuries Slump on Hawkish Fed Surprise as Inflation Angst Ebbs
Five-year notes lead declines as yield curve flattens
Market-based measures of inflation expectations tumble
<https://blinks.bloomberg.com/news/stories/QUTHZXT0G1KZ>
- Fed Tinkers With Tools to Defend Floor From Market Awash in Cash
RRP rate raised to 0.05%; target range for fed funds unchanged
Adjustment should help bolster the central bank's 0% floor
<https://blinks.bloomberg.com/news/stories/QUT6G7T1UM12>
- Treasury Reaction to Fed's Hawkish Turn Was Limited, Mizuho Says
<https://blinks.bloomberg.com/news/stories/QUTE2YT0AFB6>
- Dollar Will Benefit from Fed's 'More Hawkish Path': BNY Mellon
<https://blinks.bloomberg.com/news/stories/QUT38ZT0G1KX>
- Fed Ripples Hit Hardest in Asia as Rates Outlook Suddenly Shifts
Currencies in Asia take a disproportionate knock from Fed news
Asia central banks are vulnerable to volatile market swings
<https://blinks.bloomberg.com/news/stories/QUTML8T0AFB6>
- U.S. REACT: Fed Support Still in Place as Dots Take Flight
<https://blinks.bloomberg.com/news/stories/QUT7GLT1UM12>
- Oil Falls Below \$72 as Fed's Tilt Drowns Out Lower Stockpiles
Rising dollar helps offset impact from lower U.S. inventories
Saudis say cautious approach to restoring output has paid off
<https://blinks.bloomberg.com/news/stories/QUTUE9T0G1KW>
- Biden, Putin Paper Over Splits as Both Claim Summit Victories
Leaders agree to dispatch ambassadors and discuss arms treaty
Biden sets cyber red line as Putin shrugs off criticism
<https://blinks.bloomberg.com/news/stories/QUSL40T0G1L7>
- Race for a Global Tax Revolution Faces Hurdles in Final Stretch
Technical issues for OECD talks linger despite G-7 progress
Deal implementation is uncertain and may take several years
<https://blinks.bloomberg.com/news/stories/QUR48KT0G1L0>
- Deutsche Bank Abandons Bullish EUR/USD Trade Amid Hawkish Fed
<https://blinks.bloomberg.com/news/stories/QUT8DIT1UM0X>
- How the ECB Is Changing Its Strategy in the Midst of a Pandemic
An inside look into President Christine Lagarde's efforts to make the central bank fit for the future
<https://blinks.bloomberg.com/news/stories/QUTHAAT1UM0X>
- EU May Car Registrations Rise 53.4% Y/y to 0.892m Units
<https://blinks.bloomberg.com/news/stories/QUSU9BT0AFBY>



- U.K.'s Sunak Signals Inflation Risk Worry as Prices Rise
U.K. inflation last month rose to highest since July 2019
Sunak seeking to reduce largest deficit in British peacetime
<https://blinks.bloomberg.com/news/stories/QUT8JWTOAFBG>
- U.K. CPI Surprise Won't Prompt Shift in BOE Thinking
<https://blinks.bloomberg.com/news/stories/QUTA7WT0G1L0>
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- Australia's Unemployment Tumble Fuels View RBA Won't Extend YCC
Full-time jobs led gains, up 97,500, part-time rose by 17,700
Australia jobless rate has fallen for seven consecutive months
<https://blinks.bloomberg.com/news/stories/QUTS1JT1UM0X>
- Lowe Says Some RBA Scenarios Show 2024 Rate-Hike Conditions (1)
Governor says faster wage growth still seems some way off
Lowe restates options for third round of quantitative easing
<https://blinks.bloomberg.com/news/stories/QUTKU4T0G1KW>
- (NZ) 1Q GDP SA QoQ, actual 1.6%, est. 0.5%, prior -1.0%
- (NZ) 1Q New Zealand GDP YoY%, actual 2.4%, est. 0.9%, prior -0.9%, revised -0.8%
- (AU) May Part Time Employment Change, actual 17,700, prior -64,400, revised -64,200
- (AU) May Full Time Employment Change, actual 97,500, prior 33,800, revised 33,500
- (AU) May Employment Change, actual 115,200, est. 30,000, prior -30,600, revised -30,700
- (AU) May Participation Rate, actual 66.2%, est. 66.1%, prior 66.0%, revised 65.9%
- (AU) May Unemployment Rate, actual 5.1%, est. 5.5%, prior 5.5%
- Aussie Rises on Jobs Beat, Kiwi Up Post GDP: Inside Australia/NZ
<https://blinks.bloomberg.com/news/stories/QUTWS4T0G1KX>
- Japan Seeks to End Tokyo Virus Emergency a Month Before Olympics
The measure will end on June 20 as planned for Tokyo, regions
Some experts warn of slow decline in daily infections
<https://blinks.bloomberg.com/news/stories/QUTMOXT0G1L0>
- USD/JPY May Test 111 After FOMC: Sumitomo Mitsui Trust Bank
<https://blinks.bloomberg.com/news/stories/QUTFUFT0G1L2>
- Japan's 'Dr. Fauci' Damps Olympic Mood With Call to Ban Fans (2)
Former minister says government adviser has overstepped mark
Media say organizers are planning to allow some spectators
<https://blinks.bloomberg.com/news/stories/QUTSAYT1UM11>
- BOJ Should Trim Covid-Relief Corporate Bond Buying: Survey (1)
Daiwa investor survey shows 74% in favor of cut in bond buying
BOJ debt buying may distort market prices, ex-official says
<https://blinks.bloomberg.com/news/stories/QUTY3LT1UM0W>
- BOJ Seen Extending Covid Aid as Gap With Fed Widens: Day Guide
<https://blinks.bloomberg.com/news/stories/QUROKDT0G1KZ>

EM Headlines

- Fed Surprise May Herald New Era of Asian Currency Weakness
Korean won leads declines in region Thursday, falling over 1%
Inflation concerns, higher Treasury yields to weigh: Maybank
<https://blinks.bloomberg.com/news/stories/QUTPN3T0G1KX>
- Asian Stocks On Track for Biggest Slide in a Month After Fed
MSCI Asia Pacific Index slips as much as 1%, most since May 13
Stocks in China bounce back following a three-day slump
<https://blinks.bloomberg.com/news/stories/QUTNA3T1UM1B>
- China's Home Prices Climb Further as Undersupply Outweighs Curbs
New-home prices rose as fastest pace in nine months in May
Government signaled tax trial, curbed mortgage securities
<https://blinks.bloomberg.com/news/stories/QUTH4MT1UM0W>
- CNY Has Biggest Drop in 5 Weeks On Fed, Weaker Fix: Inside China
<https://blinks.bloomberg.com/news/stories/QUTMXHT0AFB4>
- Investors Should Be Wary of Yuan Depreciation Factors, CFXC Says
<https://blinks.bloomberg.com/news/stories/QUSQFAT1UM11>
- China Is Quietly Stepping Up Its Interventions in Markets (1)
Recent measures target commodities, currency, stock indexes
Party seeking to ensure financial stability in centenary year
<https://blinks.bloomberg.com/news/stories/QUTRJCT1UM0Z>
- Won Pares Drop as BOK Remarks on Stabilizing Steps: Inside Korea
<https://blinks.bloomberg.com/news/stories/QUTINWT0AFBF>
- BOK to Take Steps If Market Volatility Rises Over Policy Change
<https://blinks.bloomberg.com/news/stories/QUTKOGT0G1KW>
- Rupee Declines Most Since April, Bonds Extend Loss: Inside India
<https://blinks.bloomberg.com/news/stories/QUTY8UT1UM0X>
- RBI Paper Says There is Scope for 10-Yr Yields to Ease Further
<https://blinks.bloomberg.com/news/stories/QUSQ9LT0AFBH>
- Indonesia Seen to Hold Rates, Focus on Stability: Decision Guide
All economists in Bloomberg survey see key rate steady at 3.5%
Bank Indonesia is closely monitoring U.S. monetary guidance
<https://blinks.bloomberg.com/news/stories/QUIKJTDWX2PV>
- Rupiah Falls to 3-Week Low Before BI Decision: Inside Indonesia
<https://blinks.bloomberg.com/news/stories/QUTPEUT0G1L0>
- Brazil Mulls Bigger Rate Increase After 75 Basis-Point Hikes (3)
Central bank raised rate to 4.25%, will remove all stimulus
Higher commodity prices and a drought are driving inflation up
<https://blinks.bloomberg.com/news/stories/QUTFHDT1UM0W>
- Citi Adds MXN Underweight on Bet for Higher U.S. Rates
<https://blinks.bloomberg.com/news/stories/QUTA5RT1UM0W>
- Real Briefly Hits Strongest in Year, Before Fed Reverses Gains
Currency little changed after more-hawkish-than-expected Fed
Local central bank expected to hike rates by 75 basis points
<https://blinks.bloomberg.com/news/stories/QUT3CWT0AFB5>



RUBRICS

- BRAZIL REACT: Hawkish BCB Puts End of Stimulus in Its Sights
<https://blinks.bloomberg.com/news/stories/QUTHRDT0AFIQ>
- Old AMLO Ally Faces Fight to Empower Mexico Finance Ministry (1)
Keynesian economist needs to navigate pro-austerity government
Last two ministers seen as struggling to make policy impact
<https://blinks.bloomberg.com/news/stories/QUSRM0T0AFB8>
- In Top Copper Nation, Senators Pause to Ponder Tax Impacts
<https://blinks.bloomberg.com/news/stories/QUT2WVT1UM0W>
- Colombia Economists See Next Rate Move in Oct. 2021
<https://blinks.bloomberg.com/news/stories/QUSQI8T0G1L6>

- Poland's Baffling QE Auction Sparks Talk of 'Silent Taper' (1)
Central bank buys much less debt than it let market to believe
MBank expects trend of smaller purchases will continue
<https://blinks.bloomberg.com/news/stories/QUSTOYT0AFDE>
- Poland May Core Inflation +4% Y/y; Est. +4% Y/y
<https://blinks.bloomberg.com/news/stories/QUSM7QT0AFBO>
- Eastern Europe 2Q GDP Forecast Rises in Past Week
<https://blinks.bloomberg.com/news/stories/QUSEC1GENSWO>
- Early Rate Hike Gaining More Traction at the Czech Central Bank
Majority of board members appear to favor June rate increase
Central bankers want to send signal they will tame inflation
<https://blinks.bloomberg.com/news/stories/QUSB9ET1UM0Z>
- Nidetzky Leaning Toward 'Signal' Against Czech Inflation: E15
<https://blinks.bloomberg.com/news/stories/QUSA15T0G1KY>
- Benda Says Czech Rates Should Start Rising 'Very Soon:' DenikN
<https://blinks.bloomberg.com/news/stories/QUS7EKT1UM18>
- Emergency Power Fiasco Compounds South Africa's Energy Crisis
Power tender award embroiled in corruption allegations
Karpowership deal faces legal, environmental challenges
<https://blinks.bloomberg.com/news/stories/QUPD01T0AFBJ>