

DM Headlines

- Eurodollar Spread Bets Heat Up Before Payrolls: Liquidity Watch
Volumes jumped to almost 60,000 contracts earlier this week
Market divided on payroll expectations and pace of rate hike
<https://blinks.bloomberg.com/news/stories/QVIKX5T0AFB4>
- Treasuries Global Bond Winners as Traders Shrug Off Hawks
U.S. debt has beaten world's biggest markets since Fed meeting
Treasuries still face higher risk of substantial sell-offs: BI
<https://blinks.bloomberg.com/news/stories/QVJGH9T1UM0W>
- Fed Reverse Repo Use Climbs to Almost \$1 Trillion at Quarter End
Ninety counterparties tapped the facility, the most since 2016
Demand has yet to peak as debt ceiling reinstatement nears
<https://blinks.bloomberg.com/news/stories/QVIZIKTOG1KY>
- Fed's Bostic Says It Will Take Some Time for Jobs to Meet Goal
<https://blinks.bloomberg.com/news/stories/QVIKKG1UM11>
- Global Tax Talks in 10-Day Sprint for Deal as Hurdles Endure
Negotiators meet this week amid reluctance by some nations
Financial firms are poised to be exempt from proposed rules
<https://blinks.bloomberg.com/news/stories/QVJ4SUT1UM0X>
- A Housing Frenzy Sparks Bidding Wars From New York to Shenzhen (1)
Global prices rise at fastest rate since the financial crisis
Bidders are buying unseen houses, accepting arbitrary demands
<https://blinks.bloomberg.com/news/stories/QVJTDBT0AFB4>
- Oil Advances Toward \$74 as Market Waits for OPEC+ Output Meeting
Alliance expected to return some barrels to market in August
WTI futures climb 0.4% after closing up 0.7% on Wednesday
<https://blinks.bloomberg.com/news/stories/QVJYFJT0G1KW>
- Global Economy Could Suffer \$4 Trillion Loss on Tourism Drop (1)
UN data show a loss of as much as \$2.4 trillion for this year
International tourism isn't expected to rebound until 2023
<https://blinks.bloomberg.com/news/stories/QVINCVT1UM0X>
- ECB INSIGHT: Strategy Review May Signal Looser Monetary Policy
<https://blinks.bloomberg.com/news/stories/QVJV6OT1UM0W>
- Blackout Risk Spooks Switzerland After EU Raises No-Deal Stakes
Concerns rise in Switzerland about stability of power grid
EU won't recognize Swiss certificates of origin as of July 1
<https://blinks.bloomberg.com/news/stories/QVIVABTOG1KW>
- ECB to Hold Special Meeting on Strategy Review Next Week: Omfif
<https://blinks.bloomberg.com/news/stories/QVJZXCT1UM0X>



- U.K. Business Worries About Inflation Reach Highest in a Decade
BCC survey says raw materials costs are driving prices higher
Balance of manufacturers expecting to hike prices hits record
<https://blinks.bloomberg.com/news/stories/QVIURRTTOG1KX>
- Haldane Says U.K. at 'Dangerous Moment' as Inflation Heads to 4%
Bank of England's chief economist urges action in final speech
Thinking on inflation at central banks is starting to shift
<https://blinks.bloomberg.com/news/stories/QVII4ST0AFB7>
- Study Shows British Ate More in Lockdown, Especially the Rich
Calories consumed surged 15% above normal levels in May 2020
Research adds to evidence that most people gained weight
<https://blinks.bloomberg.com/news/stories/QVIN65T0AFB6>

- Covid-Hero Australia Now Vaccine Laggard as Lockdowns Bite (2)
Nation falls to second last of 38 OECD countries for shots
Pressure increasing on PM Morrison with elections due by May
<https://blinks.bloomberg.com/news/stories/QVJX41T1UM11>
- (AU) May Exports MoM, actual 6%, est. 6%, prior 3%
- (AU) May Imports MoM, actual 3%, est. 0%, prior -3%
- (AU) May International Trade Balance, actual A\$9.68b, est. A\$10.5b, prior A\$8.03b
- (AU) May Job Vacancies, actual 23.4%, prior 13.7%, revised 14.1%
- (NZ) May Building Permits MoM, actual -2.8%, prior 4.8%, revised 5.1%
- Australia's Red Hot Housing Market Is Showing Signs of Cooling
Price growth slowed in all but one capital city in June
Softer conditions follow best year for gains since 2004
<https://blinks.bloomberg.com/news/stories/QVJCDUT1UM13>
- Australia Posts Record Value for Iron Ore and Wheat Exports
<https://blinks.bloomberg.com/news/stories/QVJM4UT0G1KY>
- Aussie Falls Fourth Day as Virus Saps Risk: Inside Australia/NZ
<https://blinks.bloomberg.com/news/stories/QVJUJZ4T0AFB4>

- JGB Curve to Bear Steepen If Extra Budget Reaches 20t yen: SMBC
<https://blinks.bloomberg.com/news/stories/QVJFQJT0G1SG>
- JGB Supply Concern Eases Due to Tax Revenue: Mizuho Securities
<https://blinks.bloomberg.com/news/stories/QVJDUST1UM0Y>
- (Japan) 2Q Tankan Large All Industry Cape, actual 9.6%, est. 7.2%, prior 3.0%
- (Japan) June Jibun Bank Japan PMI Mfg, actual 52.4, prior 51.5
- Japan Manufacturer Sentiment Climbs as Capex Plans Ramp Up (1)
Sentiment at big product makers rises to highest since 2018
Survey shows service firms edging into positive territory
<https://blinks.bloomberg.com/news/stories/QVJL1VT0G1KW>

EM Headlines

- Xi Warns China's Foes Will Break Against 'Steel Great Wall' (1)
Calls unification with Taiwan a 'historic mission' for party
Xi highlights progress toward 'prosperous, strong' nation
<https://blinks.bloomberg.com/news/stories/QVJRGKT0G1KZ>
- (China) June Caixin China PMI Mfg, actual 51.3, est. 51.9, prior 52.0
- CHINA INSIGHT: Cooler June for Factory-Gate Prices – Gauges
<https://blinks.bloomberg.com/news/stories/QVJEPJT0AFB7>
- China Drains Short-Term Cash as Quarter-End Liquidity Risks Ease
<https://blinks.bloomberg.com/news/stories/QVHVV0T0G1KZ>
- Interbank Funding Costs Fall as New Quarter Begins: Inside China
<https://blinks.bloomberg.com/news/stories/QVJSM3T0AFB7>
- CHINA REACT: Caixin PMI Drop Latest Sign Export Lift Waning (1)
<https://blinks.bloomberg.com/news/stories/QVJPF8T1UM0Y>
- Won Drops as Govt Delays Loosening Virus Curbs: Inside Korea
<https://blinks.bloomberg.com/news/stories/QVJII7T1UM13>
- Seoul to Maintain Ban on Private Gatherings of 5 or More
<https://blinks.bloomberg.com/news/stories/QVI7WMT0G1L0>
- South Korean Export Strength Points to Robust Global Demand (2)
Korea's government expects record annual exports in 2021
Consumer and intermediate goods lead rally in exports
<https://blinks.bloomberg.com/news/stories/QVJISTT0G1KZ>
- Traders See RBI Testing Market With Biggest Ever 10-Year Bond
Size of 10-year bond may reach 1.6 trillion rupees: Traders
RBI would like to have current 10-year as benchmark: PNB Gilts
<https://blinks.bloomberg.com/news/stories/QVEA1UT0AFB5>
- Rupee Bonds Mixed, Traders Await Borrowing Details: Inside India
<https://blinks.bloomberg.com/news/stories/QVJVIWT0G1LD>
- Jokowi Said to Plan to Unveil More Java, Bali Curbs Thursday (1)
Tighter restrictions are set to take effect July 3 through 20
Plan is being discussed and may change before announcement
<https://blinks.bloomberg.com/news/stories/QVIFOAT0AFB7>
- IDR Falls a Fourth Day on Tighter Covid Curbs: Inside Indonesia
<https://blinks.bloomberg.com/news/stories/QVJKF7T1UM13>
- Asia's Factories See Hiccups as Virus Slams Parts of Region (2)
Malaysia, Vietnam among weaker readings amid virus spread
Electronics continues to buffer North Asia's export giants
<https://blinks.bloomberg.com/news/stories/QVJVDUT0AFB4>
- Chile Jobless Rate Falls and Retail Booms as Economy Firms (1)
Unemployment at 10% in three months through May: stats agency
Central bank signaled it'll raise interest rate despite virus
<https://blinks.bloomberg.com/news/stories/QVITQ7T0AFB5>
- Bolsonaro Axes Health Official Cited in Vaccine Scandal (2)
Alleged corruption in shots buying cast shadow over government
Two vaccine scandals in a week have rocked Brazil's politics



- <https://blinks.bloomberg.com/news/stories/QVJ765T0AFB5>
- Brazil Unemployment Hovers at All-Time High in Drag to Recovery
Jobless rate remained at 14.7% in three months through April
Policy makers expecting strong growth in second half of 2021
<https://blinks.bloomberg.com/news/stories/QVH8N3T0G1L8>
- Banxico to Act If Inflation Doesn't Slow to Near 5%, Heath Says
Central bank wants to hold until Fed hikes, but depends on CPI
Bank board member Jonathan Heath speaks on Banorte podcast
<https://blinks.bloomberg.com/news/stories/QVJGS3T1UM0W>
- Colombia May National Unemployment Rate Rises to 15.6%
<https://blinks.bloomberg.com/news/stories/QVIV8GT0AFB8>
- Chile's Cerda: Delta Variant of Coronavirus Is Important Concern
<https://blinks.bloomberg.com/news/stories/QVJ3MIT0G1L1>

- Political Pressure Stoking Price Risks in East Europe, EBRD Says
<https://blinks.bloomberg.com/news/stories/QVISGQT1UM1G>
- Hungary May Producer Prices Rise 11.3% on the Year
<https://blinks.bloomberg.com/news/stories/QVI55XT1UM10>
- Hungary Producer Costs Rise at Fastest Pace in 20 Years
<https://blinks.bloomberg.com/news/stories/QVI6AKT0G1L3>
- Foreign Holdings of Czech Koruna State Bonds Drop in May
<https://blinks.bloomberg.com/news/stories/QVI4NYT0AFB4>
- World Bank Announces Deal to Fund Vaccines for South Africa (2)
U.S., Germany, France also part of 600 million-euro deal
Agreement will support Aspen's efforts to make J&J doses
<https://blinks.bloomberg.com/news/stories/QVJ4ACT0AFBB>
- Putin Says Russia Could Have Sunk U.K. Warship, Hits Out at U.S.
U.S. observer plane involved in Black Sea incident, Putin says
President defends push to vaccinate Russians on call-in show
<https://blinks.bloomberg.com/news/stories/QVIII4T0AFB8>