



DM Headlines

- Oil Price Spike Risks Wider Market Swings Amid Inflation Fears
Brent crude rises above \$77 a barrel on OPEC+ talks breakdown
Jump in prices risks exacerbating inflationary concerns
<https://blinks.bloomberg.com/news/stories/QVSSDHDWX2PS>
- Economic Sentiment Rises to Record in Canada on Vaccine Rollout
Households, businesses are brimming with confidence and cash
Results stoke expectations central bank will cut stimulus
<https://blinks.bloomberg.com/news/stories/QVS0TZDWLU6C>
- Bonds Face Bout of Weakness Amid OPEC+ Breakdown, FOMC Minutes
<https://blinks.bloomberg.com/news/stories/QVSSV1DWX2PV>
- The Fed Is Underestimating the Risk of Inflation
<https://blinks.bloomberg.com/news/stories/QVT7DR073NCW>
- ECB Officials Zero In on Final Compromises of Policy Overhaul
Governing Council meets this week to hammer out views
Key focus is ECB's current just-below 2% inflation goal
<https://blinks.bloomberg.com/news/stories/QVMI66T1UM19>
- Airlines to Be Charged More for Polluting in EU Green Push
EU to require higher share of sustainable fuels in aviation
Europe is drafting rules to enact stricter 2030 climate goal
<https://blinks.bloomberg.com/news/stories/QVRWHMDWLU6M>
- Merkel, Macron Urge China to Allow More Flights to Help Ties (2)
German, French leaders hold video call with China's Xi Jinping
Xi seeks to 'fast track' exchanges with key trading partner
<https://blinks.bloomberg.com/news/stories/QVSQB0DWX2PV>
- Denmark's Defense of Krone Peg Prompts Speculation of Rate Cut
Strengthening krone could force a rate cut by the central bank
Danish currency is testing the limits of its peg to the euro
<https://blinks.bloomberg.com/news/stories/QVRB3ZDWRGG4>
- Merkel's Would-Be Heir Faces Lawsuit Over State Climate Policies
North Rhine-Westphalia among states targeted by young people
Armin Laschet's administration accused of watering down rules
<https://blinks.bloomberg.com/news/stories/QVRM9NDWX2PT>
- Germany May Factory Orders Fall 3.7% M/m, Est. +0.9%
<https://blinks.bloomberg.com/news/stories/QVT7ERDWX2Q5>
- Italy's Franco: Infrastructure Investments Can Spark Recovery
<https://blinks.bloomberg.com/news/stories/QVRRMHDWX2PV>
- Spain June Services PMI 62.5 vs 59.4 in May; Est. 60.6
<https://blinks.bloomberg.com/news/stories/QVRG2ZT0AFB8>



RUBRICS

- U.K.'s Johnson Plans to End Social Distancing From July 19 (1)
Capacity limits at all venues in England to be lifted
'Work from home' instructions to end, masks made voluntary
<https://blinks.bloomberg.com/news/stories/QVS5NXDWRGG1>
- BOE May Cut Overseas Travel for Staff to Hit Climate Targets
Policy makers encouraged to meet virtually, even after Covid
Central bank aims to reach net-zero emissions by 2050
<https://blinks.bloomberg.com/news/stories/QVRWNQDWLU6M>
- U.K. Is Easing Covid Rules, Bringing Businesses Fresh Concerns
Industry lobbies cautiously welcome July 19 relaxation rules
But picture emerging is one of trepidation and some skepticism
<https://blinks.bloomberg.com/news/stories/QVRWH4DWRGG6>
- New Zealand Firms More Confident About Economic Outlook: NZIER
<https://blinks.bloomberg.com/news/stories/QVSKHYDWX2PV>
- ASB Bank Now Sees RBNZ Raising Cash Rate in November 2021
<https://blinks.bloomberg.com/news/stories/QVSM6LDWX2PS>
- BNZ Now Sees RBNZ Raising Official Cash Rate in November 2021
<https://blinks.bloomberg.com/news/stories/QVSVMPDWRGG0>
- RBA Maintains 3-Year Yield Target Pegged to April 2024 Note
<https://blinks.bloomberg.com/news/stories/QVT37WDWX2PW>
- Australia Central Bank Extends QE, Sticks With Targeted Bond
<https://blinks.bloomberg.com/news/stories/QVT3RHDWX2PT>
- (AU) July RBA 3-Yr Yield Target, actual 0.10%, est. 0.10%, prior 0.10%
- (AU) July RBA Cash Rate Target, actual 0.10%, est. 0.10%, prior 0.10%
- Australia Central Bank Takes First Steps to Dial Back Stimulus
RBA opts against rolling over peg for three-year yield target
Winds back QE to A\$4 billion a week, from A\$5 billion now
<https://blinks.bloomberg.com/news/stories/QVT55SDWLU6G>
- Japan, U.S. Must Defend Taiwan Together, Deputy Premier Aso Says
Tokyo tries to avoid alienating China, its top trade partner
Xi says quest to gain control of Taiwan a historic mission
<https://blinks.bloomberg.com/news/stories/QVSYQDWX2PS>
- Japan's 30-Year Bond Sale Seen Sailing Smoothly, Nomura Says
<https://blinks.bloomberg.com/news/stories/QVSOTBDWLU6B>
- (Japan) May Real Cash Earnings YoY, actual 2.0%, est. 2.4%, prior 2.1%, revised 1.9%
- (Japan) May Labor Cash Earnings YoY, actual 1.9%, est. 2.0%, prior 1.6%, revised 1.4%
- (Japan) May Household Spending YoY, actual 11.6%, est. 11.0%, prior 13.0%
- BOJ Seen Paying Banks to Lend in Battle Against Climate Change
Economists see central bank using March lending incentives
Bank could use government standards to avoid taxonomy calls
<https://blinks.bloomberg.com/news/stories/QVSRBPDWX2Q4>
- Japan Households Cut Spending From April Level Amid Restrictions
<https://blinks.bloomberg.com/news/stories/QVSQ8VDWX2PT>



EM Headlines

- China Defaults Threaten an Eerily Calm \$12 Trillion Bond Market
<https://blinks.bloomberg.com/news/stories/QVS4OPT1UM0Z>
- Taper Tantrum Nightmares Won't Haunt Asia's Emerging Markets (1)
Asia's developing economies in stronger positions than 2013
Federal Reserve seeking to signal clearer, slower tapering
<https://blinks.bloomberg.com/news/stories/QVSUP7DWLU6T>
- Interbank Rates Advance as PBOC Drains Liquidity: Inside China
<https://blinks.bloomberg.com/news/stories/QVSVB4DWX2PU>
- An MMT Economist Explains Why China Should Boost Fiscal Spending
<https://blinks.bloomberg.com/news/stories/QVKNOET0AFBE>
- Foreigners Go Deep Into China With Record Local Debt Binge (1)
Global funds added record amount of municipal bonds in June
Purchases of sovereign notes slow down for a second month
<https://blinks.bloomberg.com/news/stories/QVSW2JDWRGG0>
- Won Steadies as Local Importers Buy Dollars on Dip: Inside Korea
<https://blinks.bloomberg.com/news/stories/QVST4KDWRGG3>
- S. Korea to Consider Normalizing Eased Banks' FX Forward Cap (1)
<https://blinks.bloomberg.com/news/stories/QVSVJ7DWLU6A>
- INR Bond Traders to Assess RBI Buying, New 10-Year: Inside India
<https://blinks.bloomberg.com/news/stories/QVSXRPDWRGG0>
- IDR, Debt Extend Gains Ahead of Bond Auction: Inside Indonesia
<https://blinks.bloomberg.com/news/stories/QVSXGPDWLU6I>
- Indonesia Warns Growth May Slow to 4% This Quarter on Virus (1)
3Q growth can reach 5% if activity returns to normal in August
Government previously expected 6.5% growth in July-September
<https://blinks.bloomberg.com/news/stories/QVRV02DWRGG0>
- Asia's Highest Default Risk Spotlights Sri Lanka Debt Worry (2)
Nation has to service \$1 billion of debt maturing in July
Sri Lanka says arrangements made to settle July bond
<https://blinks.bloomberg.com/news/stories/QVSY5VDWLU6E>
- Bolsonaro's Popularity at Lowest Point Amid Vaccine Scandal (1)
Poll also shows Bolsonaro losing to ex-President Lula in 2022
Top court justice authorized probe into Bolsonaro late Friday
<https://blinks.bloomberg.com/news/stories/QVSG01DWX2PS>
- Brazil Analysts See Central Bank Rate Hikes Extending Into 2022
Economists raise 2022 Selic forecast to 6.75% from 6.50%
Policy makers are aggressively hiking rates to contain CPI
<https://blinks.bloomberg.com/news/stories/QVRS0UDWX2PU>
- IHS Markit Brazil June Composite PMI 54.6 vs 49.2 in May
<https://blinks.bloomberg.com/news/stories/QVRW21T0AFBE>
- Brazil to Revise 2021 Growth Forecast Next Week: Valor
<https://blinks.bloomberg.com/news/stories/QVSL1FDWRGG3>
- Mexico Chooses Pemex to Operate Oil Field Found by Private Firms
Talos: decision came days after Pemex argued to be operator



It ends long-standing dispute between drillers Talos and Pemex

<https://blinks.bloomberg.com/news/stories/QVSGEIDWX2PU>

- N. America 2Q GDP Forecast Steady; Mexico Seen at 18.9%
<https://blinks.bloomberg.com/news/stories/QVS74OGQD79C>
- Colombia June Consumer Prices Fell 0.05% M/m; Est. 0.03%
<https://blinks.bloomberg.com/news/stories/QVOIHJT1UM0X>
- Chile's Ex-Finance Chief Vies for Presidency With Tough Message
Briones says foreign investment is key for sustainable growth
He served in Pinera's cabinet at height of nationwide protests
<https://blinks.bloomberg.com/news/stories/QVMFKQT1UM0X>
- Chilean Peso Rises Amid Gains in Copper Price: Inside Andes
<https://blinks.bloomberg.com/news/stories/QVROVUDWX2PS>
- OPEC+ in Crisis as Specter of Harmful Infighting Looms Again (1)
Dispute between core members blocks deal to boost output
Coming days will determine whether the conflict will escalate
<https://blinks.bloomberg.com/news/stories/QVSY65DWLU6H>
- Back in Poland, Tusk Blasts Government for Aiding Putin's Agenda
Ex-EU president says Poland is increasingly isolated in bloc
Tusk boosts pro-EU forces but faces uncertain path to power
<https://blinks.bloomberg.com/news/stories/QVRITGDWRGG0>
- Hungary Covid-Era Economic Policy 'Mediocre,' Matolcsy in Nemzet
<https://blinks.bloomberg.com/news/stories/QVRO1ADWLU6A>
- Hungary Tightening Bets Surge on Hawkish Guidance: Inside CEE
<https://blinks.bloomberg.com/news/stories/QVRIOMDWX2PS>
- Benda in favour of rate hike by 0.5 pp at policy meeting – CNB
<https://blinks.bloomberg.com/news/stories/QVM1YL073NCW>
- Iconic South African Mines Are Ravaged Economy's Unlikely Savior
Revenue, budget gap better than expected thanks to minerals
Mining sector recorded highest first-quarter growth rate
<https://blinks.bloomberg.com/news/stories/QSZHPMDWX2PV>
- South Africa Gasoline Price to Rise as Much as 29 Cents/Liter
<https://blinks.bloomberg.com/news/stories/QVS3QVDWRGG0>