

DM Headlines

- Powell Sees Tapering a 'Ways Off,' Gets House Inflation Grilling
Fed to continue bond buying debate in coming meetings, he says
Fed chief says inflation to remain elevated before moderating
<https://blinks.bloomberg.com/news/stories/QW934YT0AFBJ>
- Yellen, Powell to Discuss Financial Risks of Hot Home Market
Duo will join other regulators in closed-door session Friday
Yellen team said to think risks from housing are manageable
<https://blinks.bloomberg.com/news/stories/QW916LT1UM0X>
- Biden Looks to Corral Democrats on \$3.5 Trillion Senate Plan
President meets with Senate Democrats after budget deal
Budget plan would carry much of Biden's economic agenda
<https://blinks.bloomberg.com/news/stories/QW97YAT1UM1B>
- Democrats Propose Tax on Carbon-Intensive Imports in Budget
Plan would slap tariff on some carbon-intensive goods
'Polluter import fee' would help pay for spending bill
<https://blinks.bloomberg.com/news/stories/QW99FIT1UM0Z>
- Oil Extends Losses on U.S. Stockpile Gain While UAE Nears Deal
Talks between UAE and Saudi Arabia on compromise are ongoing
WTI crude futures decline 0.8% after falling 2.8% on Wednesday
<https://blinks.bloomberg.com/news/stories/QW9SD5T0AFB5>
- Bank of Canada Boosts Inflation Forecast, Dials Back Bond Buying
Quantitative easing program is cut to C\$2 billion per week
Macklem now seen as one of most hawkish major central bankers
<https://blinks.bloomberg.com/news/stories/QW8S09T1UM0Y>
- CANADA REACT: BoC Focus on Jobs a Clue on Rate-Hike Timing
<https://blinks.bloomberg.com/news/stories/QW8VLVT1UM0Z>
- U.S. Extends Trump-Era Halt to Economic Dialogue With China (1)
Regular, formal talks were held for more than a decade
Dialogue suspended under Trump after stormy session in 2017
<https://blinks.bloomberg.com/news/stories/QW92T5T0AFB4>
- EU Deal Forces Investors to Shift Gears on Climate Threat
<https://blinks.bloomberg.com/news/stories/QW9REGT1UM11>
- ECB PREVIEW: July Action to Boost Credibility of Strategy Review
<https://blinks.bloomberg.com/news/stories/QW9SJBT1UM0Y>
- ECB Starts Next Digital-Euro Stage With Investigation Phase (1)
Process will take 24 months before decision on adoption taken
ECB says infrastructure would use far less energy than Bitcoin
<https://blinks.bloomberg.com/news/stories/QW8H60TOG1L4>
- ECB May Hit Inflation Aim Sooner Than Some Expect, Schnabel Says
<https://blinks.bloomberg.com/news/stories/QW8MNAT1UM0Y>



RUBRICS

- U.K.'s Inflation Jump Tests BOE's Relaxed View on Stimulus (1)
Transport, food, restaurants and hotels led the gains
People are driving more instead of taking public transport
<https://blinks.bloomberg.com/news/stories/QW8FK4T0AFB9>
- U.K. Companies Hire at Record Pace as Economy Reopens (1)
Almost 1 million jobs vacancies opened in June, the most ever
Wages also rising strongly despite distortions in the data
<https://blinks.bloomberg.com/news/stories/QW9VSKT0G1KZ>
- U.K. Used Cars Drive Inflation With Record Price Rise (1)
Consumers pay more for an alternative to public transport
Semiconductor shortages curtailed production of new cars
<https://blinks.bloomberg.com/news/stories/QW8DF6T0G1KX>
- Bank of England Official Sees Inflation Rising Further to 4% (1)
Deputy Governor says BOE may tighten monetary policy
Comments mark a shift in tone from outlook for temporary rises
<https://blinks.bloomberg.com/news/stories/QW8X17T0AFB4>

- Australian Unemployment Hits 10-Year Low Before Sydney Lockdown
Jobless rate dropped to 4.9%, the lowest since June 2011
Hours worked declined in June however, reflecting restrictions
<https://blinks.bloomberg.com/news/stories/QW9L8ET1UM0W>
- (AU) June Unemployment Rate, actual 4.9%, est. 5.1%, prior 5.1%
- (AU) June Full Time Employment Change, actual 51,600, prior 97,500
- Aussie Pares Loss as Treasury Yields Ease: Inside Australia/NZ
<https://blinks.bloomberg.com/news/stories/QW9SABT0G1L0>
- With No Plan B, Australia's Covid Zero Strategy Hits Limit (2)
Slow vaccine rollout set to keep nation isolated into 2022
Singapore, Taiwan also struggling to keep delta variant at bay
<https://blinks.bloomberg.com/news/stories/QW9KXYT0G1KY>
- Melbourne Locked Down Again as Australia's Delta Outbreak Grows
Second-largest city joins Sydney with new stay-at-home orders
Prime Minister Morrison racing to boost tardy vaccination rate
<https://blinks.bloomberg.com/news/stories/QW9P40T0G1KY>

- Foreigners Rush for Japanese Bonds With Record Purchases: Chart
<https://blinks.bloomberg.com/news/stories/QW9EWWT1UM0Y>
- Super-Long JGBs Lead Gains on Positive Yield Hunt: Inside Japan
<https://blinks.bloomberg.com/news/stories/QW9QS6T0AFB6>
- Takenaka Says Japan Needs Extra Budget as Big as \$270 Billion
New budget should fill Japan's output gap, Suga adviser says
Spending should focus on green and digital investment, he says
<https://blinks.bloomberg.com/news/stories/QW9AX6T0G1KW>

EM Headlines

- China's V-Shaped Recovery Steadies as Retail Spending Gains (2)
Industrial output, retail sales beat estimates in June
PBOC provided surprise support to economy as growth slows
<https://blinks.bloomberg.com/news/stories/QW9Q5OT0AFB7>
- China Reinforces Policy Stance With Cutback in Loan Injections
PBOC adds 100 billion yuan of MLF, less than amount maturing
Central bank's move is forward looking to prepare for 2H: OCBC
<https://blinks.bloomberg.com/news/stories/QW9OZ2T0G1KW>
- (China) 2Q GDP SA QoQ, actual 1.3%, est. 1.0%, prior 0.6%
- (China) June Retail Sales YTD (YoY), actual 23.0%, est. 22.8%, prior 25.7%
- Chinese Bond Futures Drop as Easing Bets Fade: Inside China
<https://blinks.bloomberg.com/news/stories/QW9H1WT1UM0W>
- China Plans to Release Over 10m Tons Coal Reserves: Xinhua (1)
<https://blinks.bloomberg.com/news/stories/QW9P5DT0AFB6>
- Bank of Korea On Track for Rate Hike as Virus Hit Played Down
Lee says board will discuss adjusting policy from next meeting
One board member called for 25 basis point increase Thursday
<https://blinks.bloomberg.com/news/stories/QW9M71T1UM0Y>
- Won Rises From 9-Month Low; BOK Briefing in Focus: Inside Korea
<https://blinks.bloomberg.com/news/stories/QW9DL6T0AFB6>
- Rupee Bonds Gain on Oil, Treasury Yields Drop: Inside India
<https://blinks.bloomberg.com/news/stories/QW9SM4T1UM27>
- Top Forecaster Sees Indian Rupee's Wild Ride Coming to an End
Inflows, likely hawkish RBI to support rupee: Credit Agricole
Currency likely to trade in tight ranges in coming quarters
<https://blinks.bloomberg.com/news/stories/QW6LNZT0AFB5>
- Indonesia Virus Surge Has Nervy Traders Recalling India Rebound
Light positioning in rupiah, stocks is positive for Indonesia
'Authorities continue to offer market confidence,' OCBC says
<https://blinks.bloomberg.com/news/stories/QW9NMJT1UM0W>
- Rupiah Retreats Ahead of June Trade Report: Inside Indonesia
<https://blinks.bloomberg.com/news/stories/QW9HQ2T1UM0W>

- Chile Lays Out Plans for Gradual Tightening After Key Rate Hike
Policy makers cite strong consumption, fiscal stimulus
Total employment remains below pre-pandemic levels, board says
<https://blinks.bloomberg.com/news/stories/QW9A0GT0G1KX>
- Bolsonaro to Remain in Hospital, Emergency Surgery Ruled Out (2)
President was flown to Sao Paulo with intestinal obstruction
He had been hospitalized in Brasilia after 10 days of hiccups
<https://blinks.bloomberg.com/news/stories/QW9FZ1T0G1KZ>
- MXN Advances as Powell Remarks Lift Risk Assets: Inside Mexico
<https://blinks.bloomberg.com/news/stories/QW8MGBT1UM0W>
- Powell's Dove Play to Make Dollar Swoon Against EM: Macro Models
<https://blinks.bloomberg.com/news/stories/QW664OT1UM0Y>



RUBRICS

- Brazil Economic Activity Falls in Sign of Uneven Recovery (1)
Central bank's activity index fell 0.43% on month in May
Many economists expect Brazil's recovery to continue
<https://blinks.bloomberg.com/news/stories/QW8JY0T0G1KW>
- CHILE REACT: Tightening Cycle Begins on Path to 3.25% Next Year
<https://blinks.bloomberg.com/news/stories/QW9DI2T1UM0W>
- Central Banker Maps Path for When Colombia Can Withdraw Stimulus
Bank co-director Roberto Steiner speaks in interview
Steiner sees risk unemployment sticks above pre-pandemic rate
<https://blinks.bloomberg.com/news/stories/QW8HR4T1UM15>

- Poland Revokes EU Court Powers in Test for Bloc's Legal Order
Polish tribunal and EU's top court give landmark rulings
Conflict revives debate about Poland's long-term future in EU
<https://blinks.bloomberg.com/news/stories/QW4NE5T1UM0Y>
- Polish Central Bank Starts Investing Reserves in Equity Market
Institution has built small exposure to U.S., European indexes
Move comes on top of governor's plan to boost gold holdings
<https://blinks.bloomberg.com/news/stories/QW8DTJT0AFB8>
- Existential Threat to EU Flares Up Again From Poland
<https://blinks.bloomberg.com/news/stories/QW9SNOT1UM0X>
- Global Tax Proposal 'Far From Acceptable' for Hungary: Minister
<https://blinks.bloomberg.com/news/stories/QW6IJ6T1UM0X>
- EU Set to Take Hungary and Poland to Court Over Anti-LGBTQ Laws
The commission is also preparing a case over asylum rules
The letters of formal notice could be sent on Thursday
<https://blinks.bloomberg.com/news/stories/QW7YMG1UM0W>
- Rate Hikes Pushing Czech Government Into Longer Debt: Inside CEE
<https://blinks.bloomberg.com/news/stories/QW87ATT0G1KY>
- South African Rand Becomes Currency to Short Amid Turmoil (1)
Country's assets are underperforming amid riots, Covid surge
Stock, bond outflows at record pace as investors offload
<https://blinks.bloomberg.com/news/stories/QW8FMET0AFB6>
- South Africa to Boost Troops Fivefold to Help Quash Riots (1)
Uprising is deadliest since white minority rule ended in 1994
<https://blinks.bloomberg.com/news/stories/QW9RNJT1UM0Z>