

DM Headlines

- Fed Officials Reinforce Message on Taper Soon, Liftoff Patience
Brainard, Williams, Evans flag coming reduction in purchases
Trio emphasizes difference between tapering and rate liftoff
<https://blinks.bloomberg.com/news/stories/R03VKUDWX2PU>
- Treasuries Face Risk of Prolonged Selloff From Convexity Hedging
Missing Japanese demand is also a risk, Morgan Stanley says
Bank forecasts 10-year yield rising to 1.8% by year-end
<https://blinks.bloomberg.com/news/stories/R041SZDWRGG0>
- Treasury Two-Year Yield Jumps to 18-Month High After Auction
Switch to new 2-year benchmark note adding pressure on yields
U.S. yields may rise at more moderate pace: DBS Bank
<https://blinks.bloomberg.com/news/stories/R04BVZDWLU6B>
- Senate GOP Blocks Bill to Raise Debt Limit, Avert Shutdown
Government funding will run out Thursday without action
Democrats may go it alone to raise debt limit in coming weeks
<https://blinks.bloomberg.com/news/stories/R04739DWX2PU>
- Powell Says Jobs Still Short of Goal as Supply Woes Raise Prices
<https://blinks.bloomberg.com/news/stories/R040K0DWLU73>
- Brent Oil Conquers \$80 as Global Energy Crunch Rattles Markets
Trafigura, Goldman are among those forecasting higher prices
OPEC cartel scheduled to release crude outlook later Tuesday
<https://blinks.bloomberg.com/news/stories/R04JXGDWLU68>
- Trading Scandal That Rocked the Fed Offers Chance to Reshape It
After regional chiefs quit, six top jobs are now up for grabs
Fed has been slammed on diversity -- and split on rate outlook
<https://blinks.bloomberg.com/news/stories/R0484BDWRGG5>
- SALT Agreement Near as Lawmakers Eye Two-Year Repeal of Limit
House lawmakers working on deal for tax-and-spending package
'Mr. SALT' says he'll 'look like an idiot' if deduction fails
<https://blinks.bloomberg.com/news/stories/R04654DWX2PS>
- Yellen Declines to Take IMF Chief's Calls in Scandal's Wake (1)
Biden administration has yet to offer support for Georgieva
Treasury reiterates statement of concern about findings
<https://blinks.bloomberg.com/news/stories/R044CODWLU71>
- Williams Says Won't Speculate on Fed Response to Debt Ceiling
<https://blinks.bloomberg.com/news/stories/R03Q08DWRGG2>

- ECB Can't Rush Stimulus Removal Given Uncertainties: De Cos (1)
<https://blinks.bloomberg.com/news/stories/R03UB6DWRGG0>
- Europe Could Run Dangerously Low on Natural Gas This Winter
Prices would spike with competition with Asia for LNG cargoes
Dash for coal and oil more likely with tight supplies of LNG
<https://blinks.bloomberg.com/news/stories/R03RLVDWX2PV>
- ECB Needs to Be 'Even More Conservative', Centeno Tells CNBC
<https://blinks.bloomberg.com/news/stories/R03HJMDWLU6V>



RUBRICS

- Lagarde Says Direct Euro-Area Exposure to Evergrande Is Limited
<https://blinks.bloomberg.com/news/stories/R03FRADWLU6A>
- Europe's Giant Job-Saving Experiment Pays Off in Pandemic
- <https://blinks.bloomberg.com/news/stories/R04LSADWRGG5>

- Brexit Britain Burns Bridges With EU Truckers It Now Wants Back
Drivers in Poland and Hungary want to see a long-term plan
U.K. visas are set to run until Christmas to ease shortage
<https://blinks.bloomberg.com/news/stories/R03LW4DWLU6D>
- U.K. Readies Army, Suspends Antitrust Law as Fuel Crisis Deepens
Competition rules suspended to let companies target supplies
Government prepared to call on military drivers if needed
<https://blinks.bloomberg.com/news/stories/R03403DWRGG1>
- Brexit Is to Blame, Scholz Reminds U.K. on Truck Driver Shortage
<https://blinks.bloomberg.com/news/stories/R036UEDWLU6B>
- Bank of England Reinforces Option for Rate Hike This Year (1)
Governor also says early tightening may hurt fragile recovery
U.K. is one of first G7 economies to weigh tightening policy
<https://blinks.bloomberg.com/news/stories/R03OJ4DWRGGD>
- BOE's Bailey: Response to Inflation if Needed Will Be Via Rates
<https://blinks.bloomberg.com/news/stories/R03LT4DWX2Q1>

- Australian Household Spending Drops for Third Month on Lockdowns
New South Wales falls to lowest level since pandemic first hit
Clothing and restaurants tumble due to widespread restrictions
<https://blinks.bloomberg.com/news/stories/R04EZDDWRGG0>
- (AU) Aug. Retail Sales MoM, actual -1.7%, est. -2.5%, prior -2.7%
- Aussie Rises Tracking Oil, Natural Gas Gain: Inside Australia/NZ
<https://blinks.bloomberg.com/news/stories/R04OCVT0AFB6>

- Premier Suga to Lift Virus Emergency Before Exit: Japan Election
<https://blinks.bloomberg.com/news/stories/R04G0UDWRGG2>
- Japan Premier Hopeful Charts Collision Course With China
Takaichi chats with Taiwan leader, welcomes U.S. missiles
Candidacy shows risk of tensions between top Asian economies
<https://blinks.bloomberg.com/news/stories/QZWW0RDWRGG0>
- JAPAN INSIGHT: Consumers May Drive Growth Rebound - Outlook (1)
<https://blinks.bloomberg.com/news/stories/R04E1BDWLU6L>

EM Headlines

- PBOC Vows 'Healthy' Property Market Amid Evergrande Crisis (1)
Comments on property suggest greater concern over risks
Regulators may start to fine-tune property curbs, analysts say
<https://blinks.bloomberg.com/news/stories/R04BFCDWLU68>
- (China) Aug. Industrial Profits YoY, actual 10.1%, prior 16.4%
- China's Electricity Crunch Is World's Latest Supply-Chain Threat
Manufacturers' supply lines already slammed by soaring costs
Producers warn the disruption will impact delivery times
<https://blinks.bloomberg.com/news/stories/R02HM8DWRGG0>
- China's Borrowing Costs Jump Amid Seasonal Demand: Inside China
<https://blinks.bloomberg.com/news/stories/R04I0CDWX2PU>
- Goldman Cuts China's GDP Growth Forecast Amid Energy Constraints
<https://blinks.bloomberg.com/news/stories/R046S6DWRGG1>
- World Bank Lifts China View, Slashes Asia Outlook on Delta Wave
Pandemic may do lasting damage in Asia-Pacific, lender says
Reduced investment could cause long-term economic scarring
<https://blinks.bloomberg.com/news/stories/R02MRMDWLU6I>
- India Bonds Set to Gain as Government Sticks to Borrowing Plan
Annual borrowings kept unchanged at 12.05 trillion rupees
Market would be relieved on unchanged borrowings: FirstRand
<https://blinks.bloomberg.com/news/stories/R03M6VDWX2PW>
- Shorter Rupee Bonds to Gain on Unchanged Borrowing: Inside India
<https://blinks.bloomberg.com/news/stories/R04G2XDWRGGB>
- INDIA INSIGHT: Recovery Eases From Post-Lockdown Jump - Data (1)
<https://blinks.bloomberg.com/news/stories/R04EOLDWX2PT>
- Won Falls on Risk-Off View; N. Korea Fires Missile: Inside Korea
<https://blinks.bloomberg.com/news/stories/R04G30DWLU6O>
- North Korea Defies Missile Ban With Launch Before UN Speech (1)
Second test of ballistic missile in less than two weeks
Launch comes before speech by North Korea envoy in New York
<https://blinks.bloomberg.com/news/stories/R04L2JDWLU6A>
- Bank Indonesia to Weigh Rate Hike End-2022 as Growth View Dims
<https://blinks.bloomberg.com/news/stories/R03A2BDWRGG7>
- IDR Falls as Warjiyo Says Hikes to Be Deferred: Inside Indonesia
<https://blinks.bloomberg.com/news/stories/R04E6ZDWX2PV>

- Brazil to Keep \$190 Billion Cash Cushion to Face Turbulence (1)
Cash is used to pay down debt in case it's not rolled over
Building solid 2022 budget is a challenge, Treasury chief says
<https://blinks.bloomberg.com/news/stories/R03XQHDWLU71>
- Mexico Trade Deficit at \$3.9b in August; Est. -\$1.08b
<https://blinks.bloomberg.com/news/stories/R03ATUTOG1KX>
- Mexico's Uneven Economic Recovery Through July
<https://blinks.bloomberg.com/news/stories/R044RLDWLU6G>
- Ruined Brazil Harvest Sparks Food Inflation Everywhere



Brazil's crops have been scorched, frozen and then dried out by the worst drought in a century, upending global commodity markets.

<https://blinks.bloomberg.com/news/stories/R04LTYDWLU68>

- Brazil Families Face Record Indebtedness as Interest Rates Rise
JPMorgan worried debt levels could derail economic recovery
Job creation so far making up for rising debt payments
<https://blinks.bloomberg.com/news/stories/R03NBSDWRGG0>
- Chile Raises 2021 GDP Growth Outlook to 9.5% From 7.5%: FinMin
<https://blinks.bloomberg.com/news/stories/R04B2VDWX2PX>
- Chile Begins Vaccinating Kids Ages 6-11 With Sinovac's Shots (1)
<https://blinks.bloomberg.com/news/stories/R03QWADWRGG2>
- Colombia 2021 Debt/GDP Should Be Lower Than Expected: Committee
<https://blinks.bloomberg.com/news/stories/R046J2DWRGG6>
- Biden Aims to Rival China's Belt and Road in Latin America (1)
NSC deputy director to scout Colombia, Ecuador, Panama
White House sees \$40 trillion in global infrastructure needs
<https://blinks.bloomberg.com/news/stories/R03E1HDWRGG4>

- Poland Loses Appeal as Key Work Force Favors German Wages
<https://blinks.bloomberg.com/news/stories/R0359WDWX2PW>
- Hungary's Debt Chief Sees 'Soft Landing' With Central Bank Taper
Debt agency to boost floating-rate issuance, CEO Kurali says
Hungary considering green panda bond after dollar, euro sale
<https://blinks.bloomberg.com/news/stories/QZXMN7DWRGG3>
- Forint Decouples From Regional Peers as Hike Bets Recede: Chart
<https://blinks.bloomberg.com/news/stories/R036H2DWLU6B>
- Czechs Plan 2022 Budget With Deficit Set to Near Record Again
Budget shortfall is planned at around 6% of economic output
Coalition parties clash over wage hike for public workers
<https://blinks.bloomberg.com/news/stories/R034QFDWRGG1>
- Rand Falling Prey to Global Worries Fuels South Africa Inflation
Breakeven rates have surged to more than two-year highs
Price pressure concerns see yields climb to July 2020 levels
<https://blinks.bloomberg.com/news/stories/R033EEDWRGG0>
- S. African Treasury Trumpets Stability as Key Official Exits (1)
Treasury has established systems, strong talent, says Mogajane
Moahloli is latest senior official to resign from their post
<https://blinks.bloomberg.com/news/stories/R03M88DWLU6F>
- Russia's Farm Fields Carry a Whiff of Higher Interest Rates
Delayed harvest of some products keeping prices up longer
Economists see inflation, rates staying higher for longer
<https://blinks.bloomberg.com/news/stories/QZXUKADWX2PV>