

DM Headlines

- U.S. Puts 8,500 Troops on Alert to Bolster NATO Near Ukraine
Troops needed if alliance activates response force: spokesman
'There is time and space' for diplomacy still, Kirby says
<https://blinks.bloomberg.com/news/stories/R68LTUT0AFBC>
- Inflation Up Close: Pain Grips Pockets of U.S. With Rate Over 9%
Rust-belt cities, oil towns see above-average price gains
Wisconsin small metro areas have become an inflation hotbed
<https://blinks.bloomberg.com/news/stories/R5960BT1UM0W>
- Business Activity in U.S. Nearly Stalls on Omicron Infections
IHS Markit early January composite gauge at 18-month low
Factory output index weakens; future output gauge firms
<https://blinks.bloomberg.com/news/stories/R67Y8OTOAFB6>
- Market Storm Fails to Dent Economists' Solid U.S. Growth Outlook
U.S. selloff doesn't yet have whiff of 'disorderly correction'
Still-easy financial conditions suggest Fed will signal hike
<https://blinks.bloomberg.com/news/stories/R68HQLT1UM0X>
- Global Supply Chains Near Make-or-Break Point for Easing in 2022
Citigroup, New York Fed economists zoom in on supply headwinds
Gauges should help economists better measure speed of recovery
<https://blinks.bloomberg.com/news/stories/R679P7T1UM0X>
- Oil Rebounds From Tumble as Traders Focus on Demand Outlook
WTI nears \$84 a barrel after retreating more than 2% on Monday
Industry-funded API due to release weekly inventory estimates
<https://blinks.bloomberg.com/news/stories/R695NMDWRGG0>
- If the Federal Reserve Is Wrong on Inflation, It's Not Alone
<https://blinks.bloomberg.com/news/stories/R68F5VT0G1KW>
- Two-Year Treasury Auction Stops Through; Bidding Metrics Firm
<https://blinks.bloomberg.com/news/stories/R687IST1UM0W>

- Euro-Zone Output Grows at Slowest Pace in Almost a Year
Composite PMI fell to 52.4 in January, economist est. 52.6
'Omicron wave has led to yet another steep drop in spending'
<https://blinks.bloomberg.com/news/stories/R663EST0G1KW>
- Europe's Top Two Economies Signal Easing of Manufacturing Pain
<https://blinks.bloomberg.com/news/stories/R6631XT0AFB5>
- Deutsche Bank Sees ECB Lifting Interest Rates This December
<https://blinks.bloomberg.com/news/stories/R682FZT0G1KW>
- ECB Wipes 45% Off Home Prices in Harshes Bank Climate Test
Scenario revealed ahead of ECB publication due later this week
Europe is embarking on landmark climate stress tests in 2022
<https://blinks.bloomberg.com/news/stories/R61VJAT1UM0W>
- Money Markets Push Back 10 Bps ECB Hike Bet to Dec. From Oct.
<https://blinks.bloomberg.com/news/stories/R67Z4JT0AFB5>



- BOE Silence Leaves Investors Seeing Signal for Action on Rates
Policy makers have made few comments since December increase
Investors anticipate a several more increases this year
<https://blinks.bloomberg.com/news/stories/R62G7NT1UM0X>
- U.K. Workers Need 8% Pay Rises To Beat Living Standards Crunch
Poorest earners need double digit pay rises, analysis shows
Figures heap pressure on U.K. government to provide support
<https://blinks.bloomberg.com/news/stories/R683J8T1UM0W>
- A Former BOE Chief Says Look to Treasury for Real Influence
Charlie Bean says OBR fiscal watchdog more important than BOE
Better fiscal framework needed to stop 'silly gameplay'
<https://blinks.bloomberg.com/news/stories/R67RJYT1UM10>

- Australia's Hotter Inflation Fuels Bets on Earlier Rate Hike (1)
Money markets pricing in a good chance of rate increase in May
CBA, Deutsche, TD, RBC, Citi now see first rate rise in August
<https://blinks.bloomberg.com/news/stories/R69045T0G1KW>
- CBA, Deutsche Bring Forward Australia Rate Hike Calls to August
<https://blinks.bloomberg.com/news/stories/R68Z33DWRGG1>
- (AU) 4Q CPI YoY, actual 3.5%, est. 3.2%, prior 3.0%
- (AU) Dec. NAB Business Conditions, actual 8, prior 12, revised 11
- (AU) Dec. NAB Business Confidence, actual -12, prior 12
- (NZ) Dec. Performance Services Index, actual 49.7, prior 46.5, revised 47.2
- RBA Seen Scrapping Bond-Buying Program at First Meeting of 2022
All but one of 17 economists surveyed see QE ending on Feb. 1
One expects tapering to A\$1 billion a week vs A\$4 billion now
<https://blinks.bloomberg.com/news/stories/R68V40T0AFB4>
- Solid CPI Print Sees Aussie Rise Over Kiwi: Inside Australia/NZ
<https://blinks.bloomberg.com/news/stories/R68Z5UT1UM1E>

- BOJ Governor Kuroda: Current Weaker Yen Is Not Abnormal
<https://blinks.bloomberg.com/news/stories/R68PU8DWLU69>
- Apartment Prices in Tokyo Exceed Bubble-Era High to Hit Record
Average price of new condos reached all-time high in 2021
More working women, lack of supply and Covid among reasons
<https://blinks.bloomberg.com/news/stories/R6936RT1UM1T>
- Japan's Kishida Says It's Hard to Tell Good Inflation from Bad
Premier says firms should raise pay, pass costs onto shoppers
BOJ's Kuroda, in same diet session, delivers similar message
<https://blinks.bloomberg.com/news/stories/R68V5FDWLU6A>
- Wall of Money Stays Put in Japan Bonds Amid Global Turbulence
Japanese notes look compelling after adjusting for volatility
Domestic funds' purchases of overseas debt dropped 87% in 2021
<https://blinks.bloomberg.com/news/stories/R67JQFT1UM13>
- Yen Rises As Fed, Ukraine Uncertainty Weigh: Inside Japan
<https://blinks.bloomberg.com/news/stories/R68VUAT1UM0X>

EM Headlines

- UBS GWM Trims USD/CNY End-2022 Forecast To 6.50
<https://blinks.bloomberg.com/news/stories/R67JP1T1UM10>
- Yuan Advances to Record Against Peers as PBOC Seen Relaxing Grip
Policy makers have shown more tolerance for a stronger yuan
Exporters' dollar sales tend to climb before Spring Festival
<https://blinks.bloomberg.com/news/stories/R691JUT1UM0X>
- Yuan Trade-Weighted Basket Reaches All-Time High: Inside China
<https://blinks.bloomberg.com/news/stories/R68VSUT1UM0W>
- CHINA INSIGHT: Hot Yuan Faces Fed-PBOC Divide - Stress Gauges(1)
<https://blinks.bloomberg.com/news/stories/R68L6UDWX2PS>
- China Misses Trade Deal Targets, Raising Pressure on Biden
China bought \$237 billion of U.S. goods under 2020 trade deal
Specific targets for Chinese purchases have now ended
<https://blinks.bloomberg.com/news/stories/R6754JT1UM13>
- Won Declines After FX Reform Plan; Bonds Lower: Inside Korea
<https://blinks.bloomberg.com/news/stories/R68RHBDWX2PS>
- Korea's Economy Weathers Rate Hikes, Early Omicron to Accelerate
4Q economy grew 1.1% from previous quarter, up 4.1% y/y
Annual growth in 2021 rose 4%, matching BOK forecast
<https://blinks.bloomberg.com/news/stories/R68P3HDWRGG1>
- Singapore Tightens in Surprise Move, Sending Currency Higher (2)
Further monetary action expected at policy meeting in April
SGD hits 3-month high after first off-cycle change since 2015
<https://blinks.bloomberg.com/news/stories/R68UARDWRGG0>
- S. Korea to Extend FX Trading, Ease Rules for Global Funds (1)
Longer hours intended to improve global funds' access to won
Nation wants to join MSCI's developed-market equities index
<https://blinks.bloomberg.com/news/stories/R68M26DWRGG0>
- Investors Like Asia Bonds as Haven for Credit Outside China (1)
Analysts consider parts of Indian bond market attractive
Bank of NY Mellon data show fixed income outflows from China
<https://blinks.bloomberg.com/news/stories/R69347DWRGG1>
- Bond Index Inclusion for India Needs Boost From Budget Tweak (1)
India to borrow about 13 trillion rupees next fiscal: survey
Government expected to change tax rule to boost foreign demand
<https://blinks.bloomberg.com/news/stories/R694OWT0AFB5>
- Rupiah Traders to Focus on \$770m Sukuk Auction: Inside Indonesia
<https://blinks.bloomberg.com/news/stories/R68TFWDWRGG0>
- Rupee Traders to Watch Treasury Bill Sale: Inside India
<https://blinks.bloomberg.com/news/stories/R68SZ5DWRGG1>
- India Rupee to Stay Stuck in Range Managed by RBI's FX Stance
<https://blinks.bloomberg.com/news/stories/R68F5VT0AFB6>
- Mexico Inflation Slows Less Than Expected on Core Price Woes (2)
Two-year interest rate swaps rose after price data release



- Banxico faces elevated inflation, economy likely in recession
<https://blinks.bloomberg.com/news/stories/R682UYT0G1KX>
- Mexico Kept Oil Hedge Size Despite AMLO's Plan to Curb Exports
Amount insured against price swings maintained, sources say
Officials secure income in case fuel production dreams fail
<https://blinks.bloomberg.com/news/stories/R610GST1UM0W>
 - Bolsonaro Signs 2022 Budget Into Law, Fueling Inflation Concerns
Inflation expectations rising again, reaching 5.15% in 2022
Budget sets aside 1.7 billion reais for wage increases
<https://blinks.bloomberg.com/news/stories/R67NQGTOG1KY>
 - Mobius Sees 'Storm Clouds' in Brazil on Rising Rates, Vote Angst
Leftist candidate seen winning vote, could be good for markets
Mobius's top picks include Fleury, Lojas Americanas and Totvs
<https://blinks.bloomberg.com/news/stories/R66JTD0AFB4>
 - Battered Chilean Bonds Find Comfort in Future Finance Minister
Bonds rallied Friday after Boric announced his future cabinet
President-elect tapped Central Bank head Marcel for role
<https://blinks.bloomberg.com/news/stories/R5YW4ITOG1KX>
 - To Short Russia, Traders Add Most in a Year to \$1 Billion ETF
The \$1.2 billion RSX posted the biggest inflow in over a year
Russian assets have sold off as tension with the West mounts
<https://blinks.bloomberg.com/news/stories/R67TEEDWRGG1>
 - Poland December Real Retail Sales Rise 8% on Year; Est. +9.6%
<https://blinks.bloomberg.com/news/stories/R67I22GFA9Z4>
 - Poland's Local Govt Bonds Slump After Glapinski's Hawkish Turn
<https://blinks.bloomberg.com/news/stories/R67GAMT0AFB4>
 - Hungary Set for Another Rate Hike as Inflation Outlook Darkens
Central bank seen raising nominal base rate by 30 basis points
Nominal rate trails effective key rate by 160 basis points
<https://blinks.bloomberg.com/news/stories/R67GT8TOG1KW>
 - Orban Ally Calls for Return to Fiscal Sustainability in Hungary
Central bank governor warns of \$3.1b funding shortfall
Highlights the need to alter fiscal path after April elections
<https://blinks.bloomberg.com/news/stories/R67Q13DWRGG0>
 - Czech Central Banker Dedek Remains Opposed to Rate Hikes: LN
<https://blinks.bloomberg.com/news/stories/R6959STOG1L5>
 - Mora Sees No Czech Wage-Price Spiral Yet But Says It's a Risk
<https://blinks.bloomberg.com/news/stories/R68395T1UM0W>
 - South Africa's Heaviest Rain on Record Causes Destructive Floods
The unprecedented rainfall comes as climate change makes weather cycles less predictable
<https://blinks.bloomberg.com/news/stories/R694OCTOG1L3>
 - South African Policing Funds Go Unspent Despite Rampant Crime
Officer recruitment plans derailed by coronavirus pandemic
Police force has 18,000 officers less than it did in 2010
<https://blinks.bloomberg.com/news/stories/R5P3E0DWX2PY>