

## DM Headlines

- U.S. 10-Year Yield Nears Threshold That Could Propel It Past 2%  
Signs suggest a breach of 1.95% would unleash more selling  
Mortgage-bond investors tend to shed duration as yields rise  
<https://blinks.bloomberg.com/news/stories/R6Y26NDWX2PS>
- Goldman, Citigroup See Winning Bets Against Super-Sized Fed Hike  
Banks are recommending trades that would gain on smaller move  
Markets Friday raised bets on first half-point hike since 2000  
<https://blinks.bloomberg.com/news/stories/R6XVXADWLU6P>
- Treasury Yield May Fall Below 1.5% on Fed Bet Correction: AM-One  
<https://blinks.bloomberg.com/news/stories/R6X6FCT0G1KX>
- Biden Sees Halt to Nord Stream 2 If Russia Invades Ukraine (1)  
U.S. president hosted new German leader in White House  
At the same time, France's Macron was seeing Putin in Moscow  
<https://blinks.bloomberg.com/news/stories/R6YFGTDWRGG0>
- U.S. Patience With China Wears Thin as Trade-Deal Pledges Unmet  
Nation hasn't shown any real signs of complying, officials say  
China agreed to buy \$200 billion of goods under trade deal  
<https://blinks.bloomberg.com/news/stories/R6YJQ0T1UM12>
- Oil Steadies Near \$91 With Focus Turning to Iran Nuclear Talks  
Diplomats see new opportunity following U.S. sanctions waiver  
WTI crude futures dropped 1.1% Monday as rally took a pause  
<https://blinks.bloomberg.com/news/stories/R6YX7JDWLU69>
- Treasuries Closing on 2% Just a Start as Traders See More Misery  
Matthews' Kong sees 10-year benchmark U.S. yield hitting 2.5%  
Breach of U.S. yields at 2% would be first since August 2019  
<https://blinks.bloomberg.com/news/stories/R6Z017DWX2PY>
- Lagarde Pledges 'Gradual' Adjustment as ECB Debate Heats Up (2)  
ECB president addresses lawmakers in European Parliament  
Policy makers have turned more hawkish on record inflation  
<https://blinks.bloomberg.com/news/stories/R6Y330DWLU6D>
- European Gas Declines as Russia Boosts Exports Through Ukraine  
Supplies through Slovakia entry point rise after recent drop  
Gas futures drop as much as 7.7% after rising past three days  
<https://blinks.bloomberg.com/news/stories/R6XIDCT0AFB4>
- Bond Market Upset Should Give ECB Moment of Pause: Mark Gilbert  
Rising yields threaten to tighten monetary conditions before the euro-zone economy is able to cope with higher borrowing costs  
<https://blinks.bloomberg.com/news/stories/R6Z4SQDWLU6L>
- Gas Companies Are Eyeing Green Debt After EU Rulebook Inclusion  
EU facing 'easy attacks' if green bonds include gas: Nomura  
Move could further taint EU's ambitions for 'gold standard'  
<https://blinks.bloomberg.com/news/stories/R6S37KT1UM0Y>
- ECB's Pain Threshold for Bond Spreads Seen Relatively High -- Market Talk  
<https://blinks.bloomberg.com/news/stories/R6Z5WH0799MO>



- (UK) Jan. BRC Sales Like-For-Like YoY, actual 8.1%, prior 0.6%
- Jim O'Neill Says the BOE Is Raising Rates to Save Credibility  
Former Goldman economist claims central banks acted too late  
Inflation targeting regime has 'outlived its sell-by date'  
<https://blinks.bloomberg.com/news/stories/R6YOCUTOG1KW>
- Britons Curtail Spending as Living Costs, Omicron Curbs Bite  
BRC and Barclaycard warn that rising inflation will dent sales  
Fuel and supermarket sales hit by home working to combat virus  
<https://blinks.bloomberg.com/news/stories/R6XZAHT1UMOW>
- U.K. Households Will Be Paid to Use Less Electricity During Peak  
Trial could include 1.4 million Octopus Energy customers  
National Grid wants to see if household demand can be flexible  
<https://blinks.bloomberg.com/news/stories/R6XS4NT1UMOX>
- Australia Bonds Extend Global Rout on Relentless Rate-Hike Bets  
Aussie 10-year yields soar to highest since March 2020  
Treasuries approach potential trigger for fresh wave of sales  
<https://blinks.bloomberg.com/news/stories/R6YRDPDWRGG0>
- RBA Meetings 'Live' From June, Commonwealth, ANZ Economists Say  
<https://blinks.bloomberg.com/news/stories/R6YJSCTOG1KW>
- (AU) Jan. NAB Business Conditions, actual 3, prior 8
- (AU) Jan. NAB Business Confidence, actual 3, prior -12
- Aussie, Kiwi Bonds Drop on Treasury Trigger: Inside Australia/NZ  
<https://blinks.bloomberg.com/news/stories/R6YXM1T0AFB4>
- RBA Seen Raising Rates to 1.25% This Year by Swaps Traders  
<https://blinks.bloomberg.com/news/stories/R6YZICDWRGG0>
- Australia's Business Conditions Deteriorate on Omicron Surge (1)  
<https://blinks.bloomberg.com/news/stories/R6YVPPTOG1KW>
- Japan Demand for Australian, U.S. Sovereign Bonds Drops in 2021  
<https://blinks.bloomberg.com/news/stories/R6YN4BDWLU6H>
- BOJ Poised to Face Off With Bond Traders as Yields Near Limit  
Policy makers last conducted unscheduled purchases in 2020  
Yields may not fall back to late 2021 level given global trend  
<https://blinks.bloomberg.com/news/stories/R6YZCCT0AFB7>
- U.S., Japan Reach Accord to Remove Trump-Era Steel Tariffs (2)  
Pact ends duties on most steel while those for aluminum remain  
Solution is similar to one the U.S., EU agreed to last year  
<https://blinks.bloomberg.com/news/stories/R6YKOET1UMOW>
- U.S. Remains Main Japan Outbound Destination: Sumitomo Mitsui DS  
<https://blinks.bloomberg.com/news/stories/R6YICVT1UMOW>
- (Japan) Dec. Real Cash Earnings YoY, actual -2.2%, est. -0.8%, prior -1.6%, revised -0.8%
- (Japan) Dec. Household Spending YoY, actual -0.2%, est. 0%, prior -1.3%
- (Japan) Dec. Trade Balance BoP Basis, actual -JPY318.7b, est. -JPY200.7b, prior -JPY431.3b
- Benchmark 10-Year Yield Gains Test BOJ Tolerance: Inside Japan  
<https://blinks.bloomberg.com/news/stories/R6YV77T1UM0Y>

## EM Headlines

- China Stock Selloff Eases as Cyclical Names Bounce Back  
Benchmark CSI 300 Index pares bulk of its 2.4% intraday loss  
Gauge climbed 1.5% on Monday as trading resumed after holidays  
<https://blinks.bloomberg.com/news/stories/R6Z3JRT0G1KW>
- Sri Lanka FX Reserves Dip in January Amid Sovereign Bond Payment  
Nation seeking funds from major powers, while resisting IMF  
Sri Lanka repaid a \$500 million sovereign bond on Jan. 18  
<https://blinks.bloomberg.com/news/stories/R6XUWIT0G1KW>
- Yuan Steady After Stable Fixing; FX Reserve Drops: Inside China  
<https://blinks.bloomberg.com/news/stories/R6YT1JT1UM0W>
- China Cites Dollar Rise, Asset Price Change for FX Reserves Fall  
<https://blinks.bloomberg.com/news/stories/R6XFDTT1UM12>
- Hong Kong PMI Contracts, Sentiment Turns Negative on Virus Surge  
Covid cases hit record Monday, with 614 new cases reported  
Purchasing manager index drops to lowest since January 2021  
<https://blinks.bloomberg.com/news/stories/R6YNJ3T0G1KW>
- INR Bonds Gain as Sale Cancellation Eases Pressure: Inside India  
<https://blinks.bloomberg.com/news/stories/R6YZILDWLU6C>
- Battered Indian Bonds Get Some Relief on Auction Cancellation  
10-year bond yield falls 7 basis points to 6.80% Tuesday  
RBI canceled weekly bond auction amid surge in yields  
<https://blinks.bloomberg.com/news/stories/R6YZZHT0G1KW>
- Rupiah Bonds Lower Before Planned Sukuk Sale: Inside Indonesia  
<https://blinks.bloomberg.com/news/stories/R6YTHXDWRGG1>
- Indonesia's Recovery Gains Pace, Virus Surge Clouds Outlook (2)  
GDP growth in the fourth quarter hit 5.02%, beating estimates  
Raw materials exports and renewed activity powers rebound  
<https://blinks.bloomberg.com/news/stories/R6X6I3T0G1KW>
- Won Gains, Consolidates Above January Low: Inside Korea  
<https://blinks.bloomberg.com/news/stories/R6YLAKT1UM0X>
- U.S., Japan, S.Korea to Hold Defense Talks in Feb: Kyodo (Feb 7)  
<https://blinks.bloomberg.com/news/stories/R6YIMST1UM0Y>
  
- MXN Gains Amid USD Slide, Consolidates at 100-DMA: Inside Mexico  
<https://blinks.bloomberg.com/news/stories/R6XWHCT0AFBC>
- FXStreet: Mexico: Banxico's statement could sound less hawkish than previously – Wells Fargo  
<https://blinks.bloomberg.com/news/stories/R6Y0AKMB2SJT>
- Brazil Swap Traders Doubt the Next Rate Hike Will Be the Last  
Swap rates still price in two rate increases in March and May  
Central bank signaled deceleration of the tightening pace  
<https://blinks.bloomberg.com/news/stories/R6QM7TDWRGG1>
- Brazil's Best Rally in a Decade Imperiled by Energy Relief Plans  
Bolsonaro wants to cut fuel taxes ahead of October election  
That's spurring concern about Brazil's fiscal health



## RUBRICS

- <https://blinks.bloomberg.com/news/stories/R6BV00TOG1L2>
- Chile's Bond Rebound Rattled by Constitution Fears and Fed Moves  
Prospect of radical reforms is generating market headwinds  
Local investors also keeping close watch on U.S. policy clues  
<https://blinks.bloomberg.com/news/stories/R6Q61TT0AFB8>
- Colombia Targets Price Controls, Tariffs to Curb Inflation (1)  
The government will cut agricultural tariffs and input costs  
Finance Minister Restrepo spoke alongside high-level officials  
<https://blinks.bloomberg.com/news/stories/R6XVVUT0G1KX>
- Poland Set for Fifth Hike as Inflation Quickens: Decision Guide  
Benchmark likely to increase to 2.75%, Bloomberg survey shows  
Central bank chief seeks more tightening as pressure mounts  
<https://blinks.bloomberg.com/news/stories/R6SMJVDWRGG2>
- Polish Finance Minister Quits Over Errors in Tax System Overhaul  
<https://blinks.bloomberg.com/news/stories/R6XXUFDWX2PU>
- Polish MPC Candidate Borowski Favors Cautious Rate Increases (1)  
<https://blinks.bloomberg.com/news/stories/R6Y0GRT1UM12>
- Hungary Plans to Close Central Bank Foundations, Eurostat Says  
<https://blinks.bloomberg.com/news/stories/R6XVRDT0G1KX>
- HUF, CZK Extend Record Runs as Traders Reward Hikes: Inside CEE  
<https://blinks.bloomberg.com/news/stories/R6XG6JDWRGG0>
- Hungary Official Reserves Drop 7.5% to Lowest Since August  
<https://blinks.bloomberg.com/news/stories/R6XBJBGF4NPC>
- Czech Republic December Industrial Production Fell 2.1% on Year  
<https://blinks.bloomberg.com/news/stories/R6XDA4GQITJ4>
- Eskom Managers Face Consequences Over Ongoing Power Cuts: CEO  
<https://blinks.bloomberg.com/news/stories/R6XXB3DWLU6D>
- Zuma's Arrest Helped Trigger South African Riots, Probe Finds  
<https://blinks.bloomberg.com/news/stories/R6XGMOTOAFB4>
- South Africa SARB Govt Bond Holdings Fall to 41.1b Rand in Jan.  
<https://blinks.bloomberg.com/news/stories/R6X7HQT0AFB4>
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