

## DM Headlines

- Fed Officials Stay Course on Half-Point Hikes Despite Hot Prices  
April consumer inflation higher than expected, dimming outlook  
Data boost expectations the Fed will continue large rate hikes  
<https://blinks.bloomberg.com/news/stories/RBQJ17DWRGG1>
- Treasury Curve Flattens After Inflation Jumps More Than Forecast  
Short-maturity yields briefly climb over 10 basis points  
TIPS outperform, pushing breakeven inflation rates higher  
<https://blinks.bloomberg.com/news/stories/RBQIF3DWLU69>
- Hedge Funds' Treasury Basis Trade Is Back With Soft 2020 Echoes  
A key cash-yield spread approaches March 2020 crisis level  
Fast money's elevated positioning can drive bond volatility  
<https://blinks.bloomberg.com/news/stories/RBPU6XDWLU68>
- Yield Curves Flatten as Inflation Spurs Fed Recession-Risk Fear  
Ten-year bonds lead gains in U.S., Australian markets  
Bets firmed on 3 straight half-point Fed hikes after CPI data  
<https://blinks.bloomberg.com/news/stories/RBR72IDWLU68>
- Treasury-Bill Selloff Might Be Product of Stablecoin Disruption  
<https://blinks.bloomberg.com/news/stories/RBQFL7DWX2PT>
- Jefferson Confirmed by Senate as Federal Reserve Governor (1)  
Biden nominee drew broad support from Republicans, Democrats  
Vote on Powell's renomination as Fed chair expected Thursday  
<https://blinks.bloomberg.com/news/stories/RBQXM9DWX2Q2>
- Oil Resumes Decline as Market Grapples With Tumultuous Trading  
Distillate inventories shrink to the lowest level since 2005  
IEA set to release monthly market report later on Thursday  
<https://blinks.bloomberg.com/news/stories/RBR53KDWLU69>
- Morgan Stanley Says US Dollar Rally Will Stall by Year-End  
<https://blinks.bloomberg.com/news/stories/RBPW7VDWLU6A>
- Dudley Says Fed Should Hike to 5% or Higher to Curb Inflation  
<https://blinks.bloomberg.com/news/stories/RBQ0H7DWLU68>
  
- ECB INSIGHT: Lagarde Flags July Liftoff, What Comes Next? (1)  
<https://blinks.bloomberg.com/news/stories/RBR977DWX2PX>
- ECB Officials Increasingly See Rate Exceeding Zero This Year (1)  
Policy makers are publicly signaling July for rate liftoff  
Villeroy said last week that above zero in 2022 is reasonable  
<https://blinks.bloomberg.com/news/stories/RBQ5TYDWLU6C>
  
- (UK) April RICS House Price Balance, actual 80%, est. 70%, prior 74%
- UK Economy Unexpectedly Shrinks as Consumers Cut Back (1)  
Surprise drop renews calls for household and business support  
GDP falls 0.1% in March after flatlining in February  
<https://blinks.bloomberg.com/news/stories/RBRAQNDWX2Q4>
- Boris Johnson's Flagship Plan to Fix Britain Is in Trouble  
<https://blinks.bloomberg.com/news/stories/RBQQLYDWX2PY>



- BOE's Ramsden Says More Rate Hikes Needed to Tame Inflation (1)  
Highlights pressure on prices from labor market strength  
Bank of England deputy governor speaks in interview in London  
<https://blinks.bloomberg.com/news/stories/RBRBTDDWLU6B>
- Pound Faces Gloom on BOE's Inflation Indifference: Macro View  
<https://blinks.bloomberg.com/news/stories/RBRAPVDWRGG3>
- UK Won't Decide on Northern Ireland Protocol Until Next Week  
UK's Truss to meet EU's Sefcovic Thursday for further talks  
Johnson weighing up options facing threat of EU trade war  
<https://blinks.bloomberg.com/news/stories/RBQLEXDWRGG1>
- UK Estate Agents Say Inflation Will Calm Housing Market Frenzy  
RICS survey shows forward-looking indicators softened in April  
Low supply seen keeping house prices growing at slower pace  
<https://blinks.bloomberg.com/news/stories/RBQ0OKDWLU6C>
- Australia's Housing Market Faces Its Biggest Test in 30 Years  
Property prices expected to fall, building slow on rate rises  
Declining home values a challenge for winner of May 21 ballot  
<https://blinks.bloomberg.com/news/stories/RBPJ0UDWLU69>
- New Zealand Two-Year Inflation Expectations Rise to Fresh High  
<https://blinks.bloomberg.com/news/stories/RBR1RMDWLU6B>
- (NZ) 2Q 2Yr Inflation Expectation, actual 3.29%, prior 3.27%
- (NZ) April REINZ House Sales YoY, actual -35.2%, prior -33.5%
- (AU) May Consumer Inflation Expectation, actual 5.0%, prior 5.2%
- Strong Pay Rises Will Feed Further Inflation, Australia PM Says  
<https://blinks.bloomberg.com/news/stories/RBQVMCDWRGG0>
- Australia Inflation Expectations Post First Fall in 4 Months (1)  
<https://blinks.bloomberg.com/news/stories/RBQYBNDWLU6A>
- One BOJ Member: Inappropriate to Change Policy for Exchange Rate  
<https://blinks.bloomberg.com/news/stories/RBQTO5DWX2PT>
- (Japan) March BoP Current Account Adjusted, actual JPY1.56t, est. JPY628.1b, prior JPY516.6b, revised JPY522.5b
- (Japan) March Trade Balance BoP Basis, actual -JPY166.1b, est. JPY100.5b, prior -JPY176.8b
- (Japan) March BoP Current Account Balance, actual JPY2.55t, est. JPY1.74t, prior JPY1.65t
- Yen Gains As Stocks Sold On Risk-Off Sentiment: Inside Japan  
<https://blinks.bloomberg.com/news/stories/RBR8UUDWLU6D>
- Japan Funds Sold \$21.9 Billion in US Bonds in Last Fiscal Year  
<https://blinks.bloomberg.com/news/stories/RBAGF2TOAFB5>
- Japanese Merchants' Mood Improved After Lifting of Virus Curbs  
Optimists outnumber pessimists for first time in four months  
Rising prices and limited wage gains may weigh on recovery  
<https://blinks.bloomberg.com/news/stories/RBR3GUDWRGG0>
- BOJ Policymakers Spell Out Resistance to Reacting Over Yen Slide  
<https://blinks.bloomberg.com/news/stories/RBQVIQDWLU6A>



## EM Headlines

- PBOC Says It's Making Stabilizing Growth a Higher Priority  
<https://blinks.bloomberg.com/news/stories/RBR2EADWRGG5>
- Two Shanghai Community Cases Reset Timeline for Lockdown End (1)  
Two Covid cases were found outside quarantine on Wednesday  
Officials want three straight days of zero community spread  
<https://blinks.bloomberg.com/news/stories/RBR0SKDWLU6A>
- China's Li Urges Fiscal, Monetary Policies to Boost Economy (1)  
Cabinet says economy came under greater pressure in April  
Premier calls for measures to stabilize employment market  
<https://blinks.bloomberg.com/news/stories/RBQQ3CDWX2PS>
- Yuan Drops to Fresh 2020 Low After PBOC Comments: Inside China  
<https://blinks.bloomberg.com/news/stories/RBQSH1DWRGG0>
- Barclays Sees Yuan Weakness on Falling Exports, Capital Outflows  
Barclays model shows swings in capital flows impact USDCNY  
New Barclays index indicates that pressure on yuan is easing  
<https://blinks.bloomberg.com/news/stories/RBQ8XNDWLU68>
- Hong Kong Intervenes to Prop Up Dollar for First Time Since 2019  
HKMA buys currency to prevent it from falling past weak end  
Currency allowed to trade between 7.75 to 7.85 per greenback  
<https://blinks.bloomberg.com/news/stories/RBQZOTDWX2Q3>
- Won Drops to 2-Year Low on US CPI, Fed Policy Path: Inside Korea  
<https://blinks.bloomberg.com/news/stories/RBQVEMDWX2PS>
- South Korean Won Declines to Lowest Since March 2020 (1)  
<https://blinks.bloomberg.com/news/stories/RBQVDWDWRGG0>
- Kim Orders Lockdown After North Korea Reports First Covid Case  
Kim's regime has long denied that it has had a Covid case  
Country has refused vaccines offered by international agency  
<https://blinks.bloomberg.com/news/stories/RBQVAVDWLU68>
- Goldman Joins Calls to Unleash More Rate Hikes in Emerging Asia  
Malaysia surprises with rate increase after signaling patience  
Bets on tightening in Thailand, Indonesia, India have risen  
<https://blinks.bloomberg.com/news/stories/RBR5MKDWX2PX>
- Rupee at Record Low, Bonds Slide Before April CPI: Inside India  
<https://blinks.bloomberg.com/news/stories/RBR5OCDWRGG0>
- RBI Said to Be Open to Steps Aimed at Cooling Bond Yields (1)  
Yields have fallen in recent days on talk of RBI support  
RBI surprised markets last week with interest-rate hike  
<https://blinks.bloomberg.com/news/stories/RBR141DWX2PZ>
- Rupiah Steady as BI Says Inflation Manageable: Inside Indonesia  
<https://blinks.bloomberg.com/news/stories/RBQZ81DWX2Q2>
- Latin America's Inflation Soars Again in Sign of More Rate Hikes  
Brazil, Chile, Colombia, Peru saw above-forecast price rises  
Mexico's closely-watched core CPI sped up more than expected  
<https://blinks.bloomberg.com/news/stories/RBPYZRDWX2PY>



## RUBRICS

- Hawkish Banxico Tilt Risks Fueling Bets on Swap Curve Flattening  
Vote for 75 basis-point hike may emerge as consensus sees 50  
Split vote could lead to front-loading bets and flatter curve  
<https://blinks.bloomberg.com/news/stories/RBO9FIDWRGG1>
- Petrobras Board Member Says Brazil Needs Fuel Subsidies  
Gasparino advocates for measures targeting specific groups  
Chances of such aid become more remote under new minister  
<https://blinks.bloomberg.com/news/stories/RBQ780DWX2QK>
- CLP Rises, COP Underperforms Peers on Fresh Poll: Inside Andes  
<https://blinks.bloomberg.com/news/stories/RBQ291DWLU72>
- Colombia Tax Revenue Grew 33% in Jan.-April From Year Earlier  
<https://blinks.bloomberg.com/news/stories/RBBUR8T1UM0W>
  
- Ruble Surpasses Brazil's Real as Year's Best-Performing Currency  
Ruble extends gains as Moscow Exchange reopens after holiday  
Real's rally loses steam as rate differential to US may shrink  
<https://blinks.bloomberg.com/news/stories/RBQ531DWRGG0>
- Poland's Ruling Party Discusses Early Elections, PAP Reports  
Threat of early vote may bring unruly coalition ally to heel  
Coalition has been at odds over bill that would unlock EU aid  
<https://blinks.bloomberg.com/news/stories/RBQ44SDWLU6D>
- Czech Central Bank Pick Will Cause a Stir in Poland, Hungary  
<https://blinks.bloomberg.com/news/stories/RBPZ63DWRGG0>
- Hungary Leaves Key Rate Unchanged Despite Worsening Inflation  
<https://blinks.bloomberg.com/news/stories/RBPY72DWRGG0>
- Hungary Hardens Opposition to EU Embargo on Russia Oil Imports  
Foreign minister asks for crude via pipeline to be excluded  
Hungary pours cold water on efforts to lift its veto threat  
<https://blinks.bloomberg.com/news/stories/RBPMX2DWX2Q3>
- Rate Dove Michl to Run Czech Central Bank as Inflation Rages (2)  
Michl seeks rate stability for 'some time' after taking over  
Decision may signal broader shift in central bank leadership  
<https://blinks.bloomberg.com/news/stories/RBPS3YDWRGG4>
- S. Africa's Eskom Says New Electricity Capacity Is Urgent (1)  
<https://blinks.bloomberg.com/news/stories/RBPT72DWRGG3>
- S. Africa's New Covid Cases Climb to 10,017; Highest Since Jan.  
<https://blinks.bloomberg.com/news/stories/RBQ823DWRGG0>
- Africa Faces Unrest as Thumping Food Prices Hit It Hardest  
Nations unable to cushion the blow are most at risk of unrest  
Global index shows food prices are holding near a record high  
<https://blinks.bloomberg.com/news/stories/RBQ66TDWRGG3>