

## DM Headlines

- Stock Rebound Is Powell's Headache as Financial Conditions Ease  
Measure of US market stress is back to pre-March hike levels  
Powell has stressed that conditions will tighten as rates rise  
<https://blinks.bloomberg.com/news/stories/RCR73LT0AFB5>
- Yellen Says 'I Was Wrong' Last Year on the Path of US Inflation  
Yellen also says US won't see same pace of big job gains  
Treasury chief says she didn't fully understand circumstances  
<https://blinks.bloomberg.com/news/stories/RCRQU6T0G1KY>
- Biden, in Rare Powell Meet, Seeks to Deflect Inflation Blame  
Meeting with Powell recalls Reagan-Volcker gathering in 1984  
High prices a top priority for voters ahead of midterms  
<https://blinks.bloomberg.com/news/stories/RCRFK1T1UM0W>
- Biden Says US Will Provide Ukraine Advanced Rocket Systems  
Weapons package includes MLRS system with limits on its use  
US says Ukraine agreed not to use weapons to hit inside Russia  
<https://blinks.bloomberg.com/news/stories/RCRUOQT0AFB7>
- Oil Edges Higher as Investors Assess OPEC+ Outlook Ahead of Meet  
OPEC considers exempting Russia from production deal: WSJ  
Ministers to gather Thursday to discuss supply policy for July  
<https://blinks.bloomberg.com/news/stories/RCS89LT0AFB5>
- Bostic Says Didn't Suggest 'Fed Put' With Previous Comments: DJ  
<https://blinks.bloomberg.com/news/stories/RCRS7ZT0AFB4>
- Europe's Move Against Putin's Oil May Be Its Last for a While  
Leaders agreed to work on banning Russian oil at summit  
Calls for moving on to gas prompt divisions within bloc  
<https://blinks.bloomberg.com/news/stories/RCQMIUT1UM0W>
- ECB's Holzmann Says Near Peak on War-Triggered Inflation: Gewinn  
<https://blinks.bloomberg.com/news/stories/RCREBBTOG1KX>
- ECB PREVIEW: Hawks Will Aim to Set Stage in June for 50 Bp Hike  
<https://blinks.bloomberg.com/news/stories/RCS81FT1UM0W>
- Danes Vote on Joining EU's Defense Pact, Daunted by Russia's War  
Polls show clear lead for backers of the move in Nordic nation  
Denmark has often shunned cooperation in the trading bloc  
<https://blinks.bloomberg.com/news/stories/RCOZ68T0AFBA>
- Reuters: Euro zone inflation rose to yet another record high in May, challenging the  
European Central Bank view that gradual interest rate increases from July will be enough to  
tame stubbornly high price growth <https://reut.rs/3wYGSYL>
- Euro-Zone Inflation Hits Record as ECB Mulls How Quickly to Hike  
Consumer prices rose 8.1% from year ago in May; est. 7.8%  
Central bank is gearing up for first rate hike since 2011  
<https://blinks.bloomberg.com/news/stories/RCQYN8T1UM0W>



- UK Mortgage Lending Slows Unexpectedly as Borrowing Costs Rise  
Bank of England data indicates headwinds for housing market  
Consumer credit rises in a sign of strain on households  
<https://blinks.bloomberg.com/news/stories/RCQNUFT1UM0W>
- UK House Prices Defy Slowdown Fears With 10th Consecutive Gain  
Nationwide says market showed 'surprising' momentum in May  
Prices expected to ease as cost of living crisis bites  
<https://blinks.bloomberg.com/news/stories/RCR7ZLT0AFB5>
- UK REACT: Frenzied Housing Market Faces Softening Forces  
<https://blinks.bloomberg.com/news/stories/RCSCMPT1UM0Y>
- Gilt Yields Too Low If BOE Gets Its Hiking Boots on, QE Reverses  
<https://blinks.bloomberg.com/news/stories/RCS8P8T0G1L2>
- UK Food Prices Surging Most In a Decade Signals More Pain Ahead  
Retailers say the cost of fresh food is rising rapidly  
BOE governor has warned of 'apocalyptic' consequences for poor  
<https://blinks.bloomberg.com/news/stories/RCR3MVT1UM0W>
  
- AUSTRALIA REACT: Unwind of Inventory Surge to Drag on 2Q GDP (1)  
<https://blinks.bloomberg.com/news/stories/RCS80BT0G1KW>
- May 31 19:00: (NZ) May CoreLogic House Prices YoY, actual 15.3%, prior 18.8%
- May 31 21:00: (AU) May CoreLogic House Px MoM, actual -0.3%, prior 0.3%
- (AU) May S&P Global Australia PMI Mfg, actual 55.7, prior 55.3
- (AU) 1Q GDP YoY, actual 3.3%, est. 3.0%, prior 4.2%, revised 4.4%
- (AU) 1Q GDP SA QoQ, actual 0.8%, est. 0.7%, prior 3.4%, revised 3.6%
- Australia May House Prices Post First Decline Since 2020 (1)  
<https://blinks.bloomberg.com/news/stories/RCRQ4HT1UM0X>
- Australia's Solid Economic Momentum Suggests Faster Rate Hikes  
Savings rate falls to 11.4%, lowest level since pandemic hit  
Compensation of employees advanced 5.5% from a year earlier  
<https://blinks.bloomberg.com/news/stories/RCS11YT1UM0Y>
  
- BOJ's Wakatabe Says Shouldn't Hesitate to Add Easing if Needed  
<https://blinks.bloomberg.com/news/stories/RCRZAETOG1L1>
- (Japan) 1Q Capital Spending Ex Software Y, actual 5.0%, est. 5.5%, prior 5.5%
- (Japan) 1Q Company Sales YoY, actual 7.9%, prior 5.7%
- (Japan) 1Q Company Profits YoY, actual 13.7%, est. 9.0%, prior 24.7%
- (Japan) 1Q Capital Spending YoY, actual 3.0%, est. 3.6%, prior 4.3%
- (Japan) May Jibun Bank Japan PMI Mfg, actual 53.3, prior 53.2
- Japan's Firms Boosted Spending at Slower Pace as Omicron Hit (2)  
Capital expenditure weaker than expected on year-on-year basis  
Results will feed into revised GDP figures for first quarter  
<https://blinks.bloomberg.com/news/stories/RCRVNAT1UM0Z>
- BOJ Deputy Governor Wakatabe Shows Continued Easing Bias  
<https://blinks.bloomberg.com/news/stories/RCRZVFTOG1KW>



## EM Headlines

- Shanghai Covid Cases Keep Falling as Locals Cheer Reopening (2)  
The city's 15 infections mark the lowest level since March 2  
Most of Shanghai's residents released from home isolation  
<https://blinks.bloomberg.com/news/stories/RCS9YUDWRGG1>
- Chinese Yuan Can Recover, Will Rally, ANZ's Goh Says  
<https://blinks.bloomberg.com/news/stories/RCRV7QDWRGGJ>
- (China) May Caixin China PMI Mfg, actual 48.1, est. 49.0, prior 46.0
- China Factory Activity Falls at Slower Pace as Covid Curbs Ease  
<https://blinks.bloomberg.com/news/stories/RCRW87DWX2PS>
- China's Bonds Slip From No. 1 Rank as Rally Sweeps Peers in May  
Securities were top performers globally in March and April  
Chinese debt may not rally much from here: TD Securities  
<https://blinks.bloomberg.com/news/stories/RCQ5WJT0G1KW>
- Asian Factories Remained Under Pressure in May as China Slowed  
<https://blinks.bloomberg.com/news/stories/RCS8Z2T1UM0W>
- China Plans for Years of Covid Zero With Tests on Every Corner  
Cities require frequent Covid tests to detect stealthy spread  
Permanent testing infrastructure may solidify zero tolerance  
<https://blinks.bloomberg.com/news/stories/RCQR1RT0AFB4>
- Yuan Falls with Most Peers Amid Weak PMI Data: Inside China  
<https://blinks.bloomberg.com/news/stories/RCS32VT1UM17>
- Korea's Export Gains Point to Resilience in Global Demand (2)  
Exports rise to \$61.5b, record amount for the month of May  
May exports to China rise 1.2% after dropping 3.4% a month ago  
<https://blinks.bloomberg.com/news/stories/RCS30TT0G1L4>
- Rupee Halts Losses as Crude Oil Prices Ease: Inside India  
<https://blinks.bloomberg.com/news/stories/RCS63RT0G1L2>
- India April Key Industries' Output Rises 8.4% Y/y  
<https://blinks.bloomberg.com/news/stories/RCQXVIT0G1L0>
- India's Economy Lost Speed on Virus Curbs and War in Ukraine (2)  
Statistics ministry estimated 8.7% GDP expansion last year  
Higher inflation may dent demand, force more rates hikes  
<https://blinks.bloomberg.com/news/stories/RCR1EIT0G1L3>
- INDONESIA PREVIEW: CPI Inflation Likely Picked Up Further in May  
<https://blinks.bloomberg.com/news/stories/RCPZDET0AFB5>
  
- Argentina Delays \$2 Billion Debt Payments to Paris Club to 2024  
Payments deferred until Sept. 2024 or until new deal reached  
Argentina may make partial debt payments in the meantime  
<https://blinks.bloomberg.com/news/stories/RCQZKXT0AFBB>
- Banxico to Hike Rate by 75bps in June: Standard Chartered  
<https://blinks.bloomberg.com/news/stories/RCR5XET0AFB9>
- Mexico Risk of Rating Downgrade Is Small, Fitch's Morales Says  
<https://blinks.bloomberg.com/news/stories/RCR6WIT0AFB4>
- Brazil Unemployment Hits Six-Year Low Despite Tough Outlook (1)



Jobless rate fell to 10.5% in three months through April  
Workers and employers grappling with economic malaise

<https://blinks.bloomberg.com/news/stories/RCQZZRTOG1KW>

- Brazil To Do All Possible to Reach CPI Goal, Campos Neto Says  
<https://blinks.bloomberg.com/news/stories/RCRFJMT1UM0W>
- Brazil Central Bank Workers on Strike as Rate Decision Nears (1)  
Workers demand higher wages to make up for past inflation  
Government has promised a 5% raise to all public servants  
<https://blinks.bloomberg.com/news/stories/RCR63FTOG1KW>
- Colombian Assets Rally on 'Anyone But Petro' Election Trade (3)  
Outsider Rodolfo Hernandez makes surprise charge into runoff  
Markets rebounding after pricing in a Petro presidency  
<https://blinks.bloomberg.com/news/stories/RCREO6T0AFB7>
- Copper Supply Challenges Regain Spotlight as Chile Output Falls  
<https://blinks.bloomberg.com/news/stories/RCR0OVT0AFB7>
  
- Polish Inflation Quickens to Highest in 25 Years on Energy Costs  
Consumer prices rose 13.9% y/y vs 13.6% in economist survey  
Inflation data boost calls for ninth interest-rate hike in row  
<https://blinks.bloomberg.com/news/stories/RCQF7ETOG1KW>
- Hungary Slows Pace of Rate Hikes in Threat to Forint (2)  
Central bank halves pace of base rate hikes to 50 basis points  
Forint dropped more than 8% since Russia's invasion of Ukraine  
<https://blinks.bloomberg.com/news/stories/RCR0WSTOG1KW>
- Hungary, Croatia to Agree on Long-Term Oil Supply, Minister Says  
<https://blinks.bloomberg.com/news/stories/RCQS9RTOG1L2>
- Vice Governor Says Another Czech Rate Hike Likely in June: Pravo  
<https://blinks.bloomberg.com/news/stories/RCQOB4T0G1KY>
- Foreign Holdings of Czech State Koruna Bonds Declined in April  
<https://blinks.bloomberg.com/news/stories/RCQI06T0AFB4>
- South Africa Jobless Rate Declines for First Time Since 2020 (1)  
Unemployment rate drops to 34.5% from 35.3% in fourth quarter  
Recovery spurred by job gains in mining, manufacturing  
<https://blinks.bloomberg.com/news/stories/RCQQV4T0AFB4>
- South African Yields Surge After Worst Debt Sale in Seven Months  
Benchmark 10-year government yield climbs 16 basis points  
Local-currency bond losses are worst in emerging-markets  
<https://blinks.bloomberg.com/news/stories/RCQTBST1UM0Z>
- Russia's \$285 Billion Oil and Gas Bonanza Is Funding Putin's War  
Russia is still taking in billions from sales of oil, gas and other commodities  
<https://blinks.bloomberg.com/news/stories/RCS5UXTOG1L0>