

DM Headlines

- Druckenmiller Warns 'Bear Market Has a Ways to Run' as Fed Hikes
Famed investor says a recession is likely to strike next year
He's looking for opportunities to short stocks and the dollar
<https://blinks.bloomberg.com/news/stories/RD7ZBCDWRGG5>
- Fed Needs Three or Four Half-Point Hikes, Ex-No. 2 Blinder Says
Former Fed vice chair sees US recession next year as likely
Inflation may rise in near term due to war in Ukraine, he says
<https://blinks.bloomberg.com/news/stories/RD7PNVDWLU6B>
- Franklin's Dudley Says US at Worst Faces a 'Little-R Recession'
Economy to get help from government spending in election year
She sees support from supply chains 'starting to normalize'
<https://blinks.bloomberg.com/news/stories/RD7X48DWX2Q1>
- El-Erian Warns Inflation Has Yet to Peak as Energy Prices Rise
A future CPI number above 8.5% 'wouldn't surprise me'
Base case is stagflation, US recession is 'risk scenario'
<https://blinks.bloomberg.com/news/stories/RD7QUADWLU68>
- Inflation Tops 10% on Key Items That Americans Just Can't Avoid
Utilities, gasoline and grocery prices have been rising at double-digit levels all spring and it's probably about to get worse.
<https://blinks.bloomberg.com/news/stories/RD7IKJDWX2R8>
- Yellen Rejects Inflation-Greed Linkage Seen by Other Democrats
Treasury chief warns that food, energy costs could rise more
Yellen says it's 'amazing' how pessimistic households now are
<https://blinks.bloomberg.com/news/stories/RD89QZDWX2PV>
- US INSIGHT: Can Auto Inventories Ride to the Rescue of GDP?
<https://blinks.bloomberg.com/news/stories/RD8894DWLU6J>
- US PREVIEW: May CPI to Boost Chances of 50-Bp September Hike
<https://blinks.bloomberg.com/news/stories/RD7Z2RDWRGG1>
- Treasury Auction Sizes Can Handle Fed QT Until 2025: Jefferies
<https://blinks.bloomberg.com/news/stories/RD7WCFDWRGG5>
- High-Grade Bond Fund Exits Persist; Junk Sees Successive Inflows
<https://blinks.bloomberg.com/news/stories/RD5VMADWLU68>
- Fed Reverse Repo Facility Use Jumps to Fresh Record \$2.142t
<https://blinks.bloomberg.com/news/stories/RD804NDWRGG0>

- ECB to End Era of Negative Rates With Plan for Sustained Hikes
Net bond-buying under APP set to conclude in three weeks
Inflation outlook will determine path of borrowing costs
<https://blinks.bloomberg.com/news/stories/RD7PGKDWLU68>
- Draghi's ECB Consigned to History as Hawks Seize Policy Controls
Lagarde's interest-rate plans point to shift in power balance
First call to consider half-point hike was only on May 17
<https://blinks.bloomberg.com/news/stories/RD7SVUDWX2PV>
- European Gas Jumps as Fire in US Compounds Russia Supply Concern
Freeport LNG facility in Texas to be shut for at least 3 weeks



Closure comes amid capped supplies from Norway, Russia

<https://blinks.bloomberg.com/news/stories/RD7W10DWX2PY>

- ECB doves disheartened by plans to hasten pace of rate rises
<https://blinks.bloomberg.com/news/stories/RD8TSZ8JRZLS>
- Heard on the Street: ECB's Rapid Tightening May Disappoint Hawks
<https://blinks.bloomberg.com/news/stories/RD8ZIG0799MO>
- Traders Bet BOE Will Join Peers in Historic Half-Point Rate Hike
One point of tightening expected across next three meetings
50-basis-point hikes have become the new normal, says Mishra
<https://blinks.bloomberg.com/news/stories/RD78RMDWX2PU>
- Boris Johnson Pledges UK Tax Cuts in Bid to Woo Rebel Tories
Prime minister evokes Thatcherism in first speech since vote
Says UK must shift mindset from reliance on state spending
<https://blinks.bloomberg.com/news/stories/RD7UEQDWX2QK>
- BOE PREVIEW: Fifth Hike on the Bounce, With No Sign of Stopping
<https://blinks.bloomberg.com/news/stories/RD8YZSDWLU68>
- Hiring Crunch Prompts UK Companies to Rethink Expansion Plans
REC-KPMG survey shows staff-hungry firms at exasperation point
Worrying signs emerge in placement and vacancy indicators
<https://blinks.bloomberg.com/news/stories/RD7HQNDWLU6E>
- Sydney, Australia Home Affordability May Fall 16% as Rates Soar
<https://blinks.bloomberg.com/news/stories/RD8BQ6T0AFB8>
- AUD, NZD Trim Weekly Loss as Dollar Eases: Inside Australia/NZ
<https://blinks.bloomberg.com/news/stories/RD8UWDDWLU68>
- Australia in 'Lockstep' With New Zealand Over China in Pacific
<https://blinks.bloomberg.com/news/stories/RD8Q8ZDWRGG0>
- Robertson Says RBNZ Will Remain Inflation-Targeting Central Bank
<https://blinks.bloomberg.com/news/stories/RD8MYMDWX2PS>
- BOJ to Stand Pat Unless Yen Breaches 140, Polled Economists Say
Less chance of policy tweaks seen this year despite yen drop
Some 88% of analysts see currency intervention as unlikely
<https://blinks.bloomberg.com/news/stories/RD6WGHDRGG1>
- Japan's Suzuki Says Abrupt Currency Moves Are Not Desirable
<https://blinks.bloomberg.com/news/stories/RD8L38DWLU6C>
- (Japan) May PPI YoY, actual 9.1%, est. 9.9%, prior revised 9.8%
- (Japan) May PPI MoM, actual 0%, est. 0.6%, prior revised 1.3%
- Yen's Slump Reaches Levels That Put Asia's Rebound in Danger
Japanese currency threatens fall to lowest since 1998
Traders betting on widening policy gap between BOJ and Fed
<https://blinks.bloomberg.com/news/stories/RD8CN7DWX2PT>
- The Yen Has a Way Back From the Abyss as It Eyes a 24-Year Low
Higher yields outside the US could stall dollar rally: Shinkin
Public pressure could prompt BOJ re-think of easy policy: UBS
<https://blinks.bloomberg.com/news/stories/RD8XDNDWRGG3>



EM Headlines

- Xi Says Social Stability Key in Balancing China Economy, Virus
He calls on government to adhere 'unwaveringly' to Covid Zero
President says it's important citizens 'feel reassured'
<https://blinks.bloomberg.com/news/stories/RD8LCSDWRGG9>
- China's Moderating Inflation Leaves Room for More Easing (2)
PPI rises 6.4% from a year earlier, in line with expectations
'Sufficient supply' contributed to stable CPI, NBS says
<https://blinks.bloomberg.com/news/stories/RD8P5IDWRGG5>
- 'On Purpose' Yuan Devaluation on Yen Slide Unlikely: ANZ's Goh
<https://blinks.bloomberg.com/news/stories/RD8L6GDWLU6A>
- (China) May PPI YoY, actual 6.4%, est. 6.4%, prior 8.0%
- (China) May CPI YoY, actual 2.1%, est. 2.2%, prior 2.1%
- Yuan Bonds Flat as Traders Assess Easing Prospects: Inside China
<https://blinks.bloomberg.com/news/stories/RD8T19DWX2PX>
- China Markets Spring Back Into Action as Covid Lockdowns Ease
Yuan and stock trading volumes rebound, repo near record
China risk from lockdowns has run its course: Mizuho Bank
<https://blinks.bloomberg.com/news/stories/RD8J8LDWLU68>
- Covid Flares Anew in Shanghai, Sending Some Back to Lockdown (2)
Temporary move aimed at mass-testing millions of residents
China's Covid Zero approach takes a hard line on any cases
<https://blinks.bloomberg.com/news/stories/RD8QURDWRGG0>
- S.Korea Posts Current Account Deficit as Trade Weakens (1)
<https://blinks.bloomberg.com/news/stories/RD8GAUDWRGG0>
- Won Falls to 2 Week Low Amid Growth Concerns, Data: Inside Korea
<https://blinks.bloomberg.com/news/stories/RD8JR1DWLU6Z>
- Rupiah Extends Fall after Palm Oil Slumps: Inside Indonesia
<https://blinks.bloomberg.com/news/stories/RD8IYWDWRGG1>
- Inflation Seen to Further Slow Indonesia Retail Sales Growth (1)
<https://blinks.bloomberg.com/news/stories/RD8RRPDWX2Q0>
- Rupee Slips to New Record Amid a Drop in Equities: Inside India
<https://blinks.bloomberg.com/news/stories/RD8U9UDWX2PW>
- India's Covid Cases Almost Double in a Week to Three Month High
Hospitalizations low, 69% of population have had two shots
Daily infections may cross 12,000 in 2 weeks: Cambridge report
<https://blinks.bloomberg.com/news/stories/RD7ENXDWX2PW>

- Leave-It-to-Market Economy Boss Begs Brazil Shops to Hold Prices
Paulo Guedes says Bolsonaro seeks price truce with grocery s
Recent polls show president trailing in October vote
<https://blinks.bloomberg.com/news/stories/RD8ANADWX2PS>
- Mexico Inflation Eases Slightly as Banxico Mulls Record Hike (1)
Prices rose 7.65% in May from year ago vs 7.64% estimate
Central bank hinted at possible hike of 75bps at June meeting
<https://blinks.bloomberg.com/news/stories/RD7JXLDWX2PX>



RUBRICS

- Avocado's 19% Spike Drives Mexico Inflation Amid Fertilizer Woes
Staple food was the biggest inflation contributor last month
Mexico's headline inflation remains close to 21-year high
<https://blinks.bloomberg.com/news/stories/RD7PRVDWRGG5>
- Brazil Inflation Eases More Than Expected Amid Election Race (1)
Consumer prices rise 11.73% on year, 0.47% on month in May
Surging cost of living a major concern ahead of election
<https://blinks.bloomberg.com/news/stories/RD7LOWDWRGG0>
- CLP, COP Drop on Risk-off; Peru Rate Decision: Inside Andes
<https://blinks.bloomberg.com/news/stories/RD7R6LDWRGG1>
- Colombia Swap Rates Rise to Record as Election Optimism Wanes
Two-year IBR swaps reverse post-election downward swing
Inflation remains far above the central bank's 3% target
<https://blinks.bloomberg.com/news/stories/RD7TV1DWLU68>

- Bank of Russia Rode Ruble's Rally When War Left Few Options (2)
Stronger currency was at heart of approach taken by Nabiullina
Central bank readies another rate cut after inflation slowed
<https://blinks.bloomberg.com/news/stories/RD7SWIDWLU68>
- Russia to Cut Rates in Cycle's Smallest Step: Decision Day Guide
Economists are split but most predict cut in benchmark to 10%
Inflation slowed first time in over year but risks loom ahead
<https://blinks.bloomberg.com/news/stories/RD7EMYDWLU68>
- Poland Pivots on Hikes With Signal Rate Rises Are Coming to End
Central bank lifted key rate for ninth straight month to 6%
Zloty pares initial losses versus euro to trade little changed
<https://blinks.bloomberg.com/news/stories/RD7PLLDWLU6F>
- Polish Lawmakers Approve Broad Moratoria for Mortgage Borrowers
<https://blinks.bloomberg.com/news/stories/RD7MU7DWX2PW>
- Hungary Sells \$3.8 Billion Foreign Bonds to Plug Funding Gap (1)
Sovereign places euro notes with wider spread than Croatia
Government seeks to lock in funding as EU blocks disbursement
<https://blinks.bloomberg.com/news/stories/RD7L3WDWRGG5>
- Hungary Holds Key Rate Despite Inflation Increase, Forint Drop
<https://blinks.bloomberg.com/news/stories/RD7688DWLU68>
- Forint Suffers as Hungary's Central Bankers Change Their Tune
<https://blinks.bloomberg.com/news/stories/RD7MC3DWRGG2>
- Traders Boost Bets on Last Big Czech Rate Hike Before Hawks Exit
<https://blinks.bloomberg.com/news/stories/RD7CKLDWLU69>
- South African President Suspends Graft Ombudsman Mkhwebane (2)
Move comes day after Mkhwebane announced probe into Ramaphosa
Lawmakers deciding whether to impeach obudsman for misconduct
<https://blinks.bloomberg.com/news/stories/RD7Y6FDWLU6C>
- S. African Factory Data Show Floods May Weigh on 2nd Quarter GDP
Manufacturing production fell 7.8% from a year earlier
Mining output dropped by 14.9%, the most since June 2020
<https://blinks.bloomberg.com/news/stories/RD7KWODWLU6M>