



## DM Headlines

- CPI Scorchers Opens Path for Fed to Consider 100 Basis-Point Hike  
Futures show one-in-two chance of super-sized July move  
75 basis points now also in play for Fed's September meeting  
<https://blinks.bloomberg.com/news/stories/REZGFVT0AFB4>
- Fed's Mester Says CPI Data Gives No Reason For Smaller July Hike  
Officials will watch retail sales and inflation expectations  
Mester says inflation is Fed's top job; recession risks rising  
<https://blinks.bloomberg.com/news/stories/REZENZTOG1KX>
- Fed's Bostic Says 'Everything Is In Play' After Inflation Jumps  
'Not wedded to any specific course of action,' he says  
Atlanta Fed president speaks with reporters in Florida  
<https://blinks.bloomberg.com/news/stories/REZOPWTOG1KX>
- Fed Report Says Inflation 'Substantial' But Signs of Moderating  
Beige Book shows growing signs of slowdown, recession worries  
Most areas see some improvement in availability of labor  
<https://blinks.bloomberg.com/news/stories/REZ15BT0AFB4>
- 'Don't Fight It': Hedge Funds, Wall Street Double Down on Dollar  
Hedge funds, investment banks see dollar strength continuing  
Catalysts range from hawkish Fed to global recession  
<https://blinks.bloomberg.com/news/stories/REZH01T0AFB4>
- Markets Ramp-Up July Fed Hike Premium as Nomura Sees 100bp Move  
<https://blinks.bloomberg.com/news/stories/REYY4TT1UM0Y>
- US 2-to-10 Year Curve Inversion Reaches Mark Last Seen in 2000  
<https://blinks.bloomberg.com/news/stories/REZ07XT1UM1A>
- Loonie Could Rally Another 1.5% After BOC's Big Hike: Scotiabank  
<https://blinks.bloomberg.com/news/stories/REYR7WT1UM0X>
- EU Says Sanctioned Russian Goods Can Transit Bloc Via Train (1)  
Bloc says rail cars can be inspected, road transit banned  
Statement follows Lithuania request for rules on Kaliningrad  
<https://blinks.bloomberg.com/news/stories/REYUO2T0AFB4>
- EU Cuts Euro-Area GDP Forecast, Sees 7.6% Inflation, Draft Shows  
European Commission cuts 2023 GDP projection to 1.4% from 2.3%  
Inflation now seen averaging 7.6% this year, 4% in 2023  
<https://blinks.bloomberg.com/news/stories/REZCL8TOG1KW>
- ECB PREVIEW: Discord in July May Spell Trouble For Italian Bonds  
<https://blinks.bloomberg.com/news/stories/REZXNAT0AFB4>
- All Crisis Scenarios Lead to Rome as ECB Starts Raising Rates  
Devising turmoil tool won't be 'at all easy,' Goodhart says  
The need for a new political settlement is becoming pressing  
<https://blinks.bloomberg.com/news/stories/REUILD1UM0W>
- Italy's Government Risks Break as Coalition Ally Set to Quit (1)  
Draghi signaled would offer resignation if Five Star walks out  
Former premier Conte says he can't give blank check to Draghi  
<https://blinks.bloomberg.com/news/stories/REZZWUT0AFB4>



- (UK) June RICS House Price Balance, actual 65%, est. 70%, prior revised 72%
- UK Tories to Vote Again in Leader Race as Sunak, Mordaunt Ahead  
Field of candidates for next premier to be slimmed on Thursday  
Ex-chancellor Sunak, Trade Minister Mordaunt are front-runners  
<https://blinks.bloomberg.com/news/stories/REZR4XT0G1KW>
- Surge in Visits to Doctors Drives Unexpected Jump in UK Economy  
Construction and manufacturing also rebounded in May  
Signs of weakness in consumer spending point to risks ahead  
<https://blinks.bloomberg.com/news/stories/REYATKT0AFB7>
- UK INSIGHT: Another Inflation SHOK? Impact of Tory Tax Cuts (1)  
<https://blinks.bloomberg.com/news/stories/REZY9PT0G1KX>
- UK Property Surveyors See More Growth In House Prices and Rent  
RICS says demand still outstrips supply despite drop in buyers  
Findings add to pressure on government to act on living costs  
<https://blinks.bloomberg.com/news/stories/REYE0XT0AFB4>
- Australia's Biggest Investors Ramp Up Bonds in Bet on RBA Policy  
Pension funds switch toward bonds as believe Lowe on inflation  
Yields often peak early in tightening cycles, Janus says  
<https://blinks.bloomberg.com/news/stories/REY138T0AFB7>
- Lowest Jobless Rate Since 1974 Sends RBA Rate Bets Soaring (1)  
Employers add 88,400 roles in June versus an expected 30,000  
Odds for 75bp August rate hike by RBA surge following report  
<https://blinks.bloomberg.com/news/stories/REZNL1T0G1KW>
- (AU) June Employment Change, actual 88,400, est. 30,000, prior 60,600
- (AU) June Unemployment Rate, actual 3.5%, est. 3.8%, prior 3.9%
- Australia June Female Employment Rises to Record High (1)  
<https://blinks.bloomberg.com/news/stories/REZMIGT0G1KZ>
- Bonds Decline After Jobless Rate Tumbles: Inside Australia/NZ  
<https://blinks.bloomberg.com/news/stories/REZXNBTOAFB4>
- Lowest Jobless Rate Since 1974 Sends RBA Rate Bets Soaring (1)  
Employers add 88,400 roles in June versus an expected 30,000  
Odds for 75bp August rate hike by RBA surge following report  
<https://blinks.bloomberg.com/news/stories/REZNL1T0G1KW>
- Yen Hits Fresh 24-Year Low as Dollar Trumps Narrower Yield Gap  
Treasury strength on recession fear has closed key yield gap  
Yen has closely tracked US-Japan yield differential all year  
<https://blinks.bloomberg.com/news/stories/REZZ6DT1UM0X>
- Tokyo Raises Covid Alert to Highest Level as Cases Surge Again  
<https://blinks.bloomberg.com/news/stories/REZTX4T0G1KX>
- Yen Falls to Fresh 24-Year Low After Strong US CPI: Inside Japan  
<https://blinks.bloomberg.com/news/stories/REZPEUT1UM0W>
- Foreigners Ramp Up Buying of Japanese Bonds as BOJ Bets Unwind  
Net purchases last week were second-largest in data since 2005  
View that BOJ will move this month are receding: Yamawaki  
<https://blinks.bloomberg.com/news/stories/REZRCDT1UM0W>



## EM Headlines

- China Readies \$1.1 Trillion to Support Xi's Infrastructure Push  
<https://blinks.bloomberg.com/news/stories/REKUB8TOG1KW>
- China Premier Pledges to Shore Up Employment as Economy Sputters  
<https://blinks.bloomberg.com/news/stories/REZE8MT1UMOW>
- China Convenes Banks on Mortgage Boycott Roiling Markets (1)  
Officials asked for information on impact of housing loan snub  
More buyers refuse to pay loans on unfinished home projects  
<https://blinks.bloomberg.com/news/stories/REZY4YT0AFB4>
- Chinese Homebuyers Across 22 Cities Refuse to Pay Mortgages (1)  
Home loan payment halts may cause \$83 billion of bad debt  
China Construction Bank, Postal Bank, ICBC may be more exposed  
<https://blinks.bloomberg.com/news/stories/REY3DFT0G1LG>
- More China Homebuyers Stop Paying Loans Amid Contagion Fears (1)  
Bank stocks fell on concern property crisis is spreading  
Projects facing mortgage snubs more than tripled since Monday  
<https://blinks.bloomberg.com/news/stories/REZVBLT1UMOW>
- Overnight Repo Rate Falls to Lowest Since January: Inside China  
<https://blinks.bloomberg.com/news/stories/REZV69T1UMOW>
- Won Declines as Hawkish Fed Dampens Risk Sentiment: Inside Korea  
<https://blinks.bloomberg.com/news/stories/REZFYXT0AFD7>
- Rupee Slides to New Record Amid Foreign Outflows: Inside India  
<https://blinks.bloomberg.com/news/stories/REZSVTT0G1KX>
- India Bonds Will Suffer Most in Asia in a US Recession Scenario  
Rupee yields are most sensitive to inversion of Treasury curve  
Weakening rupee and debt outflows add to pressure on the notes  
<https://blinks.bloomberg.com/news/stories/REOK5HDWX2PV>
- IDR Weakens as Palm Oil Falls to One Year-Low: Inside Indonesia  
<https://blinks.bloomberg.com/news/stories/REZLTXTOG1KW>
- Indonesian President Jokowi Sees 2Q GDP Growth of 5.1%: CNBC  
<https://blinks.bloomberg.com/news/stories/REYAR3TOG1LO>
- Only 'Punishing' Rates Might Rescue Battered Andean Currencies  
Slump in Chile, Colombian pesos resembles a 'currency crisis'  
Chile's central bank expected to lift key rate on Wednesday  
<https://blinks.bloomberg.com/news/stories/REYNCST0AFB4>
- Mexico Has 70% Chance of Recession, Franklin Templeton Says: EF  
<https://blinks.bloomberg.com/news/stories/REZ1F7T0AFB4>
- Carlos Slim Sees Good Opportunity for Mexico to Boost Oil Output  
<https://blinks.bloomberg.com/news/stories/REZ23OTOG1KX>
- Bolsonaro's \$7.6 Billion Aid Package Is Approved Before Election  
Lower house authorizes aid for poor Brazilians and truckers  
Most voters blame Brazil's economic woes on the president  
<https://blinks.bloomberg.com/news/stories/RENL2RDWRGG0>
- Brazil Retail Sales Stagnate, Sending Warning Signs of Recession  
May sales rose 0.1% on the month, were down 0.2% on year



Key sales drivers included pharmaceuticals and clothing sales

<https://blinks.bloomberg.com/news/stories/REX2G7T0AFB4>

- Chile Sees More Rate Hikes After 75 Basis-Point Increase (2)  
Policy makers raised key rate by 75 basis points to 9.75%  
Peso has slumped 15% in the past month, raising import costs  
<https://blinks.bloomberg.com/news/stories/REZCPET0AFB4>
- CHILE REACT: Central Bank Keeps Hike Pace, Ups Hawkish Tone (1)  
<https://blinks.bloomberg.com/news/stories/REZHQETOG1KW>
- Colombian Central Banker Rejects Intervention to Stem Peso Drop  
Co-director Villamizar sees risk weaker peso stokes inflation  
Currency has suffered world's biggest drop since June election  
<https://blinks.bloomberg.com/news/stories/REYPOVT0AFB6>
- Poland Sees Double-Digit Household Power Price Hike in 2023: DGP  
<https://blinks.bloomberg.com/news/stories/REZWCGT0AFB4>
- Poland Mulls Additional Coal Subsidies for Households: DGP  
<https://blinks.bloomberg.com/news/stories/REZVM9T1UM0Z>
- Hungary Keeps Key Rate Unchanged After Biggest Hike Since 2008  
<https://blinks.bloomberg.com/news/stories/RF00SRT0G1KW>
- Hungary Declares Energy Emergency, Caps Lavish Utility Subsidies  
Government also bans energy exports, to buy gas from market  
Hungary to extend life of nuclear station, restart coal power  
<https://blinks.bloomberg.com/news/stories/REYQ4NT0AFB5>
- Hungary to Raise Troop Alert Level Amid War, Illegal Migration  
<https://blinks.bloomberg.com/news/stories/REYQ8TT0AFB4>
- Czech Inflation at 17.2% Boosts Case for More Rate Hikes (1)  
Central bank cites 'surprisingly strong' core inflation  
Markets price at least 50 basis points of hikes this quarter  
<https://blinks.bloomberg.com/news/stories/REYH22T1UM0Y>
- Cost of Currency Defense Grows as Czechs Weigh Next Rate Steps  
ING estimates that Czechs have sold 11% of reserves since May  
Michl said board will weigh pros and cons of more rate hikes  
<https://blinks.bloomberg.com/news/stories/REY8WFT1UM15>
- Zamrazilova Says First Signs of Czech Inflation Stabilizing: TV  
<https://blinks.bloomberg.com/news/stories/REYROLT0AFB4>
- Banking Transactions Show South Africa Growth May Surprise (1)  
Economic transactions index rose 3.9% in April-June period  
Gauge signals economic momentum may be stronger than projected  
<https://blinks.bloomberg.com/news/stories/REYW5KT0AFB4>
- Authorities Target 'Mafia' to End Power Outages in South Africa  
State plans crackdown on corruption at Eskom, minister says  
Illegal practices identified among coal- and fuel-oil firms  
<https://blinks.bloomberg.com/news/stories/REWQSC0G1KW>