

DM Headlines

- Inflation Surprise Puts Onus on Fed to Hit Brakes Even Harder
Consumer price report illustrates demand powering inflation
Fed seen acting more aggressively to stamp out price pressures
<https://blinks.bloomberg.com/news/stories/RI5YXHDWRGG0>
- 'Wrong-Footed' Traders Confront Prospect of Even Bigger Fed Hike
Pricing of peak of fed funds increases to about 4.3%
Five-year Treasury yield is once again higher than 30-year
<https://blinks.bloomberg.com/news/stories/RI5RNTDWX2PS>
- Bond Traders Relish Idea of Fed Above 4% as Chance to Get Yield
US consumer-price inflation data came in hotter than expected
Traders boosted bets on how high they expect Fed rates to go
<https://blinks.bloomberg.com/news/stories/RI6ACMDWLU68>
- Gundlach Urges Fed to Slow Rate Hikes as Summers Prefers 1% Jump
Fed should trim hikes to 25 BPs to avoid oversteer: Gundlach
Increase of 100 basis points would boost credibility: Summers
<https://blinks.bloomberg.com/news/stories/RI6FODDWX2PS>
- US Officials Mull Buying Oil at Below \$80 to Refill Reserve
WTI futures last week fell to lowest level since January
Officials want to protect oil output in event of price plunge
<https://blinks.bloomberg.com/news/stories/RI5SUTDWX2PS>
- US Income Inequality Rose to Record During Biden's First Year
Gini measure of inequality rose to 0.494, Census Bureau says
Income share of lowest 80% shrank in 2021, rose for top 20%
<https://blinks.bloomberg.com/news/stories/RI5QF8DWLU68>
- Oil Drops on Concern Demand Will Slump as Fed Battles Inflation
Elevated US CPI spurs bets interest rates to rise aggressively
US industry report shows major build in commercial stockpiles
<https://blinks.bloomberg.com/news/stories/RI6M9RDWX2PS>
- US Dollar Has Room to Rise, JPMorgan's Stubbs Says
<https://blinks.bloomberg.com/news/stories/RI5ZZUT0AFB4>
- Fed Likely to Raise Rates by 100bp at September Meeting: Nomura
<https://blinks.bloomberg.com/news/stories/RI5P56DWX2PU>
- US REACT: Robust Core CPI Means Fed a Long Way From Pausing (2)
<https://blinks.bloomberg.com/news/stories/RI5KMJDWX2PS>
- Traders Price In ECB Deposit Rate Rising to 2.5% by July
<https://blinks.bloomberg.com/news/stories/RI1HJIDWX2PS>
- ECB's Simkus Sees Hike of 'at Least' a Half-Point in October
<https://blinks.bloomberg.com/news/stories/RI5E8CDWX2PV>
- QT Would Put a Target on BTPs' Back, and Foreigners Are Spooked
<https://blinks.bloomberg.com/news/stories/RI6OP8T0AFB4>
- European Gas Rises as EU Seeks Consensus on Plans to Ease Crisis
Bloc seeks to curb power consumption, provide market liquidity
Germany aims for quick power-price cap, but warns against gas
<https://blinks.bloomberg.com/news/stories/RI5OHQDWLU68>



- EU Zeros In on Plan to Skim Company Profits, Ration Energy Use
EU eyes 33% levy on extra profits from fossil fuel companies
EU considers mandatory goal of 5% peak hours power demand cut
<https://blinks.bloomberg.com/news/stories/RI5JTZTOG1L3>
- France Cuts 2023 Growth Forecast to 1%, Citing 'Tense' Backdrop
Weaker GDP forces government to delay tax cuts, plan savings
Finance Minister Le Maire says deficit goals aren't negotiable
<https://blinks.bloomberg.com/news/stories/RI5H6ZDWRGG0>
- Spanish Premier Sanchez Urges Restraint on Food Price Increases
<https://blinks.bloomberg.com/news/stories/RI5ZYPDWX2PS>

- Ports and Trains Face New Wave of Strikes Once UK Mourning Ends
Felixstowe docks walkout set to overlap with Liverpool protest
Rail unions plan to revive action on hold since Queen's death
<https://blinks.bloomberg.com/news/stories/RI56V7DWLU6D>
- UK Energy Plan Will Push Interest Rates Higher: Richard Cookson
The proposed package will do little to curb inflation while repeating the problems wrought by large government spending during the pandemic.
<https://blinks.bloomberg.com/news/stories/RI6LS3DWX2PW>
- Fears of Delays to Energy Support Package Vex UK Businesses
PM vowed companies to see 'equivalent' support to households
Companies fixed-price contracts expire at the start of October
<https://blinks.bloomberg.com/news/stories/RI648UDWRGG0>

- Australian Rents Soar as Prices Tumble: August Housing Tracker
<https://blinks.bloomberg.com/news/stories/RI5ZF5T1UM1A>
- (NZ) 2Q Current Account GDP Ratio YTD, actual -7.7%, est. -7.5%, prior revised -6.8%
- (NZ) 2Q BoP Current Account Balance NZ, actual -5.22b, est. -4.7b, prior -6.14b, revised -6.5b
- AUSTRALIA PREVIEW: Jobless Rate Likely to Bounce Back to 3.5%
<https://blinks.bloomberg.com/news/stories/RI4ND3DWLU69>
- Record Number of Australians Run Multiple Jobs to Make Ends Meet
<https://blinks.bloomberg.com/news/stories/RI6I94DWRGG0>

- Bank of Japan Conducts Rate Check on FX, Nikkei Says (1)
<https://blinks.bloomberg.com/news/stories/RI6NGHDWX2PS>
- Japan's 10-Year Yield Rises to Upper End of BOJ's Target Range
Benchmark JGB yield hit the BOJ's upper limit of 0.25%
Japan's bond market last came under pressure in June
<https://blinks.bloomberg.com/news/stories/RI6MUADWX2PT>
- Dollar-Yen at The Mercy of US Treasury Yields, NAB Says
<https://blinks.bloomberg.com/news/stories/RI6BO3DWLU68>
- (Japan) July Core Machine Orders YoY, actual 12.8%, est. 6.6%, prior 6.5%
- (Japan) July Core Machine Orders MoM, actual 5.3%, est. -0.6%, prior 0.9%
- Yen Rallies on Reports of a BOJ Precursor to Intervention
Faster-than-expected US CPI boosted bets on Fed rate hikes
Widening yield differentials are putting pressure on yen
<https://blinks.bloomberg.com/news/stories/RI6OCZDWRGG1>

EM Headlines

- China Sets Yuan Fix at Strongest Bias on Record to Lift Currency
Yuan fixing set at 598 pips stronger than the average estimate
Move comes after yuan resumed decline toward 7 per dollar
<https://blinks.bloomberg.com/news/stories/RI6EHKDWLU6B>
- Strong Yuan Fixing Bias May Not Boost Currency: Credit Agricole
<https://blinks.bloomberg.com/news/stories/RI6EZFT0AFB4>
- Chinese Manufacturers Skirt US Tariffs With Help From Mexico
Plants and warehouses are sprouting up south of the border as companies try to avoid US duties.
<https://blinks.bloomberg.com/news/stories/RI67W2TOAFB7>
- Xi Returns to World Stage With Putin to Counter US Dominance (2)
China leader heads abroad for first time since war in Ukraine
Xi to meet Russian president Thursday on sidelines of summit
<https://blinks.bloomberg.com/news/stories/RI69TCDWLU68>
- Yuan Gains, PBOC Sets Fix Stronger for 15th Day: Inside China
<https://blinks.bloomberg.com/news/stories/RI6HZ9DWRGG0>
- China Covid Cases Hold Below 1,000 Amid Tighter Restrictions (1)
Beijing reports 18 new infections, all in quarantine
Authorities have tightened curbs before key party meeting
<https://blinks.bloomberg.com/news/stories/RI6FAEDWLU6C>
- Asia Pushback Grows as Fed Fears Ripple Across the Region (2)
Authorities in Japan, South Korea voice concern about losses
Market intervention tends to have limited impact: Robeco
<https://blinks.bloomberg.com/news/stories/RI6NLDDWRGG0>
- Won Pares Losses Marginally on Official's Comments: Inside Korea
<https://blinks.bloomberg.com/news/stories/RI6MXXDWLU6A>
- S. Korea to Closely Monitor FX, Markets as Volatility Increases
<https://blinks.bloomberg.com/news/stories/RI6BWBDWLU68>
- Bank of Korea Should Stay Focused on Fighting Inflation: Members
<https://blinks.bloomberg.com/news/stories/RI50MVDWRGG6>
- Rupiah Drops With Asia FX After Hot US CPI: Inside Indonesia
<https://blinks.bloomberg.com/news/stories/RI6HWBDWRGG0>
- Rupee Drops Most in More Than a Month on Risk Off: Inside India
<https://blinks.bloomberg.com/news/stories/RI6MPSDWLU68>
- India's Current Account Gap Becoming Uncomfortable, ICRA Says
<https://blinks.bloomberg.com/news/stories/RI4OUUDWLU69>
- Surge in Services Demand Helps Steady India's Economy in August
Services sector and loan demand growth boost sentiment
High unemployment remains a concern as millions join workforce
<https://blinks.bloomberg.com/news/stories/RHTW9VT1UM10>
- Mexico Tones Down Trade Rhetoric With US on Nearshoring Prospect
Mexico's president praises 'respectful' attitude by the US
Blinken, Raimondo met with AMLO in Mexico City on Monday
<https://blinks.bloomberg.com/news/stories/RI5M60DWLU68>



RUBRICS

- Moody's Sees Mexico Rating Stable for Next 24 Months
<https://blinks.bloomberg.com/news/stories/RI5PHEDWX2PV>
- Brazil Elections: Lula Widens Lead, Bolsonaro's Rejection Up (1)
<https://blinks.bloomberg.com/news/stories/RI5JQKDWRRGG0>
- Brazil Needs Credible Inflation Targets, Lula's Adviser Says
Goal can't exist only on paper, according to Guilherme Mello
Federal government and central bank need partnership, he says
<https://blinks.bloomberg.com/news/stories/RI5OVBDWLU6A>
- Chile to Suspend Some Copper Royalties as Part of Incentives (1)
<https://blinks.bloomberg.com/news/stories/RI3UY4DWX2PW>
- Colombia to Start Raising Fuel Prices From October, Ocampo Says
<https://blinks.bloomberg.com/news/stories/RI5VWYDWX2PT>
- Brazil is Negotiating Cheaper Diesel with Russia, Bolsonaro Says
<https://blinks.bloomberg.com/news/stories/RI69SCDWLU68>

- Czech Inflation to Slow Down Faster Than Poland's: BNP Analysts
<https://blinks.bloomberg.com/news/stories/RI5DDEDWRGG1>
- Polish Minimum Wage Hike Carries Inflationary Risks: MBank
<https://blinks.bloomberg.com/news/stories/RI5EI6DWX2PS>
- Hungary May Tweak Graft Bills to Meet EU Demands, Nepszava Says
<https://blinks.bloomberg.com/news/stories/RI53W0TOAFB7>
- Zamrazilova Says Czechs Likely to Hold Rates Sept. 29: Reuters
<https://blinks.bloomberg.com/news/stories/RI5GC0DWX2PT>
- Czech \$5.4 Billion Energy-Price Cap Risks Delaying Deficit Cuts
Government proposes biggest package to fight rampant inflation
Stocks jump as windfall-tax plan avoids 'worst-case scenarios'
<https://blinks.bloomberg.com/news/stories/RI53Z9T1UM0W>
- Czechs Call for Another EU Emergency Energy Meeting on Sept. 30
<https://blinks.bloomberg.com/news/stories/RI56PFDWRGG0>
- South Africa July Gold Production Falls 19.7% Y/y
<https://blinks.bloomberg.com/news/stories/RI56GSDWRGGZ>