

DM Headlines

- Powell Signals Smaller December Hike Amid Hope for Soft Landing
Investors cheer lack of sharper-edged message from Fed chief
Sees plausible path to a soft, or 'soft-ish' economic landing
<https://blinks.bloomberg.com/news/stories/RM6IZ8T1UM0X>
- Bond Traders Cut Expectations for How High Fed Rates Need to Go
Pricing suggests peak rate for this cycle will be below 5%
Treasuries rallied across the curve after Jerome Powell spoke
<https://blinks.bloomberg.com/news/stories/RM6I49T0G1KX>
- Fed Says Economy Grew Slightly as Higher Rates Weigh on Outlook
Activity was 'about flat or up slightly' from prior report
Districts noted labor is still tight, inflation is slowing
<https://blinks.bloomberg.com/news/stories/RM4H4PT0AFB4>
- Oil Fluctuates as Traders Look to China Shift, OPEC+ Meeting
Official behind Beijing's strict virus controls softens stance
WTI eased toward \$80 a barrel after rising for three sessions
<https://blinks.bloomberg.com/news/stories/RM7ANVT0AFB4>
- Discount-Window Demand May Be Sign of Funding Strains: Barclays
<https://blinks.bloomberg.com/news/stories/RM6D0JT0G1L1>
- US Says It Fears Russia May Use Biological Weapons in Ukraine
US arms official pushes back against Russian disinformation
Biological Weapons Convention work stymied by fraught debate
<https://blinks.bloomberg.com/news/stories/RM5SD1T0AFB6>
- Reverse-Repo Decline Shows Banks Jostling for Funding, BofA Says
<https://blinks.bloomberg.com/news/stories/RM60TTT1UMOW>
- US REACT: Powell Reveals Risk Management Approach – Gradualism
<https://blinks.bloomberg.com/news/stories/RM6J59T1UM0X>
- Larry Summers Doubts Inflation Will Fall Much in This Job Market
<https://blinks.bloomberg.com/news/stories/RM6JLZT0G1KW>

- ECB's Stournaras Says Further Rate Hikes Should Be Gradual
<https://blinks.bloomberg.com/news/stories/RM7CDKT0AFB5>
- ECB Has Done the Easy Rate Hikes. It's About to Get a Lot Harder
Inflation isn't slowing enough to alleviate concerns
Policymakers have little experience how QT will affect markets
<https://blinks.bloomberg.com/news/stories/RM1THGT0AFB4>
- Deutsche Bank CEO Tells ECB It Doesn't Need Warnings on Risk (1)
Deutsche Bank cut back risk without ECB warning, Sewing says
He is among top bankers pushing back against some regulations
<https://blinks.bloomberg.com/news/stories/RM7BBNT1UM0Y>
- Eurozone Inflation Declines, but ECB Remains on Guard – WSJ
<https://blinks.bloomberg.com/news/stories/RM7BMF0799MO>
- Reuters Business: Euro zone inflation eased far more than expected in November, raising hopes that sky-high price growth is now past its peak and bolstering the case for a slowdown in European Central Bank rate hikes next month <https://reut.rs/3VH7eJl>



- Brexit Has Added 6% to UK Household Food Bills, Research Shows
Typical family paying £210 more a year after exit from EU
Study follows BOE official's claim of Brexit hit to inflation
<https://blinks.bloomberg.com/news/stories/RM61HBT1UM1E>
- UK House Prices Fall More Sharply After Mortgage Costs Jump (1)
Drop in November is sharpest since start of Covid pandemic
Monthly payments may double for households that refinance
<https://blinks.bloomberg.com/news/stories/RM7AE4T0AFB5>
- England's Rent Cap Puts Landlords, Tenants in £3.2 Billion Limbo
England capped 2023-2024 social rents at 7% in November budget
Moody's sees £3.2 billion income hit for housing associations
<https://blinks.bloomberg.com/news/stories/RLSYRZDWRGG1>
- UK Doctors Join BOE Saying Poor Health Is Hurting the Economy
British Medical Association says population is getting sicker
Central bank concerned about people dropping out of workforce
<https://blinks.bloomberg.com/news/stories/RM5Q1OT1UM0X>
- Brexit Partly to Blame for High UK Inflation, BOE Official Says
Chief Economist Huw Pill says labor shortages pushing up wages
Remarks add to concerns about impact of health on workforce
<https://blinks.bloomberg.com/news/stories/RM5KXXTOG1KW>

- Goldman, Commonwealth Bank at Odds Over Australia's Rate Outlook
Goldman forecasts RBA's peak rate at 4.1%, while CBA sees 3.1%
Both expect RBA will engineer a 'soft landing' for the economy
<https://blinks.bloomberg.com/news/stories/RLVTQPTOG1KW>
- Housing Tumbles Down Under as Soaring Borrowing Costs Take Toll
NZ home prices suffer biggest annual drop in over 13 years
Australia prices falling too, even as pace of decline slows
<https://blinks.bloomberg.com/news/stories/RM6QZBT1UM0W>
- Australia 'Playing with Fire' on Inflation Tolerance, Auld Says
<https://blinks.bloomberg.com/news/stories/RM6PKMT0AFB6>
- AUSTRALIA REACT: Capex Plans May Assure RBA No Recession Ahead
<https://blinks.bloomberg.com/news/stories/RM6VX2T0AFB8>
- Australia 3Q Business Investment Falls 0.6% Q/q, Est. +1.5%
<https://blinks.bloomberg.com/news/stories/RM6S5NT0AFB5>
- AUD, NZD Extend Powell Gains as China Moves: Inside Australia/NZ
<https://blinks.bloomberg.com/news/stories/RM7560TOG1KX>

- Japan's Government Stayed Out of Currency Markets in November
<https://blinks.bloomberg.com/news/stories/RM3N5XT0G1LG>
- BOJ's Noguchi: It's Important to Continue With Monetary Easing
<https://blinks.bloomberg.com/news/stories/RM6VEOTOG1KW>
- (Japan) 3Q Company Profits YoY, actual 18.3%, est. 16.1%, prior 17.6%
- (Japan) 3Q Capital Spending YoY, actual 9.8%, est. 6.3%, prior 4.6%
- (Japan) Nov. Jibun Bank Japan PMI Mfg, actual 49.0, prior 49.4
- Yen Rallies After Powell Signals Slower Fed Hikes: Inside Japan
<https://blinks.bloomberg.com/news/stories/RM768HT1UM0W>

EM Headlines

- China Official Behind Strict Covid Lockdowns Softens Stance (1)
Vice premier Sun Chunlan said omicron strain 'less pathogenic'
Beijing's broader rhetoric around Covid has softened this week
<https://blinks.bloomberg.com/news/stories/RM6VPCT0AFB6>
- (China) Nov. Caixin China PMI Mfg, actual 49.4, est. 48.9, prior 49.2
- Beijing Eases Covid Curbs, Letting Some Patients Isolate at Home
Move marks a shift away from core tenet of China's Covid Zero
Societal concerns, stretched resources behind the relaxation
<https://blinks.bloomberg.com/news/stories/RM776YT1UM0W>
- CNY Strongest in Two Weeks on Covid Easing Hopes: Inside China
<https://blinks.bloomberg.com/news/stories/RM6Y10T0AFB4>
- Won Jumps as Dovish Fed Bets Offsets Weak Exports: Inside Korea
<https://blinks.bloomberg.com/news/stories/RM6RJDT0AFB4>
- Korea Exports Post Double-Digit Drop as China Demand Weakens (2)
Memory-chip sales decline in blow to Korea's overall shipments
Exports may keep falling in months ahead as world growth slows
<https://blinks.bloomberg.com/news/stories/RM6RQ5T1UM0Y>
- Rupiah Rises Most in Three Weeks Amid Inflows: Inside Indonesia
<https://blinks.bloomberg.com/news/stories/RM71I6TOG1KW>
- Debt and Taxes Hold Back Indonesia's Case for Rating Upgrade
Indonesia saw healthy growth, current account surplus in 2022
Fitch, Moody's keen to see if gains can be sustained next year
<https://blinks.bloomberg.com/news/stories/RLUDETT0AFB4>
- Peak Inflation in Indonesia Sends Bonds, Rupiah Rallying
<https://blinks.bloomberg.com/news/stories/RM72IKTOG1KZ>
- Rupee Extends Gains Amid Rally in Risk Assets: Inside India
<https://blinks.bloomberg.com/news/stories/RM73FUDWRGG0>
- Rupee Recovery Faces Head-and-Shoulders Pattern Test: Chart
<https://blinks.bloomberg.com/news/stories/RM711NDWX2PT>
- India April-Oct. Fiscal Deficit at 45.6% of FY23 Target
<https://blinks.bloomberg.com/news/stories/RM5PK7T1UM0X>

- Banxico Boosts Mexico Growth Forecasts Amid Services Rebound (1)
Banxico sees 2023 GDP growing 1.8% from 1.6% three months ago
Mexico expected to grow a faster-than-forecast 3% this year
<https://blinks.bloomberg.com/news/stories/RM6B7KT1UM0X>
- Brazil Unemployment Hits New Seven-Year Low as Labor Market Hums
Jobless rate at 8.3% in three months through Oct.; est. 8.5%
The number of unemployed people fell to nine million
<https://blinks.bloomberg.com/news/stories/RM43IOT0AFB4>
- BRAZIL REACT: Labor Data Warrant Caution on 2023 Rate Path
<https://blinks.bloomberg.com/news/stories/RM5W2RT0G1KY>
- Brazil Transition Bill Allows New Govt Define Fiscal Rule:Haddad
<https://blinks.bloomberg.com/news/stories/RM6L3DT0G1KW>
- Hedge Fund Genoa Pares Brazil Bets on Fiscal Jitters



- Firm run by ex-Itau traders closed positions in real, Ibovespa
New government will have to rebuild credibility with markets
<https://blinks.bloomberg.com/news/stories/RM4500T1UM0Y>
- Chilean Peso Heads Toward 200-DMA on Copper Rally: Inside Andes
<https://blinks.bloomberg.com/news/stories/RM5Z73T0G1KW>
 - Peso Extends Streak of Gains on Copper and China: Chile Close
<https://blinks.bloomberg.com/news/stories/RM697UT1UM0W>
 - South African Rand Slumps Amid Risk of Ramaphosa Probe (1)
Rand is on pace for third consecutive year of losses
Panel sees case for impeachment investigation tied to scandal
<https://blinks.bloomberg.com/news/stories/RM6P49T1UM0W>
 - Ramaphosa in Peril as Panel Sees Case for His Impeachment (2)
Advisory panel finds president may have violated constitution
Furor erupted in run-up to South Africa governing party polls
<https://blinks.bloomberg.com/news/stories/RM6FBST1UM0W>
 - Polish Inflation Eases, Boosting Arguments for Stable Rates (1)
Consumer prices rise 17.4% y/y vs forecast 18% in November
Central bank expects inflation to peak early next year
<https://blinks.bloomberg.com/news/stories/RM5MCZT1UM0Y>
 - Poland's Conflict With EU Puts Ruling Party Majority at Risk
<https://blinks.bloomberg.com/news/stories/RM5PRAT1UM0X>
 - Polish MPC's Duda Says Rates Are at Optimal Level: DGP
<https://blinks.bloomberg.com/news/stories/RM5WIPT0G1LH>
 - EU Backs Further Delays to Hungary Funding in Blow to Orban (3)
Executive gives conditional nod for €5.8 billion recovery plan
Commission suggests withholding separate €7.5 billion in funds
<https://blinks.bloomberg.com/news/stories/RM5Y0AT0G1KX>
 - Hungary Fires More Teachers in Response to Continuing Protests
<https://blinks.bloomberg.com/news/stories/RM5YQLT1UM0W>
 - Forint Fluctuates as EU Backs Hungary Funding Freeze: Inside CEE
<https://blinks.bloomberg.com/news/stories/RM5KQ3T0AFB7>
 - Czechs Approve 2023 Budget as Windfall Tax Helps Reduce Deficit
Ceiling for budget shortfall is set at 295 billion koruna
Government boosts allocations for energy subsidies, defense
<https://blinks.bloomberg.com/news/stories/RM5MG7DWRGG3>
 - Czechs to Become Fully Independent From Russian Oil in 2025
<https://blinks.bloomberg.com/news/stories/RM6184T1UM0X>
 - Ukraine 'Will Win' War Against Russia, Top Czech Envoy Says (1)
<https://blinks.bloomberg.com/news/stories/RM5Q1UT0AFB5>