

DM Headlines

- Just 1% of Bond Investors Dodged Mistakes That Sank Rivals (2)
T. Rowe, JPMorgan funds stand out for year's positive returns
Managers sticking to defensive strategies that helped in 2022
<https://blinks.bloomberg.com/news/stories/RN9MNETOG1KX>
- Morgan Stanley's Caron Says Markets Are Wrong on Fed Hikes
Hiking cycles are not sufficiently priced in: Jim Caron
Fed-dated swaps pricing terminal rate of 4.87% for May
<https://blinks.bloomberg.com/news/stories/RN8YKODWX2PS>
- US Consumer Confidence Jumps to Highest Level in Eight Months
Inflation expectations fell to lowest since September 2021
Consumers also more slightly more upbeat about the job market
<https://blinks.bloomberg.com/news/stories/RN8YJGT1UM0W>
- Fed's Group to Take Dovish Tilt With Four New 2023 Voters
Chicago's Goolsbee and two centrists will vote in the new year
Chair Powell seems to have unified committee with few dissents
<https://blinks.bloomberg.com/news/stories/RN94ANT1UM0W>
- Biden Tells Zelenskiy US to Back Ukraine 'As Long As It Takes'
Biden announces \$1.85 billion aid, Patriot battery for Ukraine
Ukraine's leader to make direct appeal to Congress for aid
<https://blinks.bloomberg.com/news/stories/RN9JNJDWRGG3>
- Oil Steadies as China's Covid Wave Counters Lower US Stockpiles
Traders weigh impact of Russian sanctions, weakening dollar
US benchmark West Texas Intermediate trades near \$79 a barrel
<https://blinks.bloomberg.com/news/stories/RNA66ZTOAFB4>
- Big Losses, \$0 Tax Bill Highlighted in First Look of Trump Taxes
A Trump entity lost money every year from 2015 to 2020
Copies of Trump's tax returns to be released in coming days
<https://blinks.bloomberg.com/news/stories/RN98OTDWX2PS>
- Republican Senators Seek to Limit Scale and Power of Fed Banks
Bill would reduce number of regional Fed banks to five from 12
Toomey wants regional Fed leaders presidentially appointed
<https://blinks.bloomberg.com/news/stories/RN9COBDWX2PT>
- Biden's Dollar Weaponization Supercharges Hunt for Alternatives
US pushes dollar's 'exorbitant privilege' to breaking point
New payment systems spring up as technology advances
<https://blinks.bloomberg.com/news/stories/RN9N22T1UM2Q>

- ECB's Guindos Says Half-Point Hikes May Become 'New Norm'
No alternative to raising interest rates, vice president says
Hikes to persist for 'period of time,' Guindos tells Le Monde
<https://blinks.bloomberg.com/news/stories/RNA5B9DWLU68>
- ECB's Centeno: Data Indicate Inflation Is Reaching Peak in 4Q
<https://blinks.bloomberg.com/news/stories/RN9BQXT0G1KW>
- ECB Expected to Raise Interest Rates By 125 Bps in 1H 2023 -- Market Talk
<https://blinks.bloomberg.com/news/stories/RNA7OV073NCW>



- Germany Returns to Coal as Energy Security Trumps Climate Goals
Nation increased coal burning for power by 13% from last year
EU, Turkey only major energy users set to boost coal imports
<https://blinks.bloomberg.com/news/stories/RML1RWDWRGG1>
- UK Households See Living Standards Fall for a Fourth Quarter (2)
Economy shrank more than expected in the third quarter
Current account deficit narrows with uptick in trade
<https://blinks.bloomberg.com/news/stories/RNA7KQT0AFB4>
- UK GDP Contracts by 0.3% Affirming the Grim BoE Economic Outlook
<https://blinks.bloomberg.com/news/stories/RNA8YDBQEW3K>
- UK Businesses Suffer as Brexit Dents Exports, Causes Red Tape
More than three quarters of firms say trade deal hasn't helped
Companies blame bureaucracy and 'time-consuming nightmare'
<https://blinks.bloomberg.com/news/stories/RN8T8SDWX2PW>
- Aussie May Rise Toward 69 US Cents on Energy Exports: Westpac
<https://blinks.bloomberg.com/news/stories/RN9VAFTOG1KY>
- Aussie Yields, Dollar Climb on China Moves: Inside Australia/NZ
<https://blinks.bloomberg.com/news/stories/RNA0P5T0AFB7>
- Fast-Thawing China-Australia Ties Raise Hopes for Trade Easing
Tensions have been high between Canberra and Beijing for years
Foreign Minister's Beijing trip caps a six-month thaw in ties
<https://blinks.bloomberg.com/news/stories/RN9PW4T1UM0W>
- Kuroda's Wider Yield Band Facing Immediate Test From Inflation
CPI data due Friday is forecast to show inflation quickened
Yields have surged toward BOJ's new 10-year ceiling of 0.5%
<https://blinks.bloomberg.com/news/stories/RN9NSRTOG1KW>
- Japan Still Sees Inflation Staying Below 2% Next Fiscal Year
<https://blinks.bloomberg.com/news/stories/RN86LMT1UM0W>
- Nippon Life Weighs More Japan Bond Purchases as BOJ Lifts Yields
Benchmark 10-year yields almost doubled after BOJ policy move
Exorbitant hedging costs have made overseas bonds unattractive
<https://blinks.bloomberg.com/news/stories/RN7XO1T0AFB4>
- BOJ Shift Sparks Japan Credit Opportunities, Nomura Asset Says
Nomura Asset wants to buy hybrid bonds offering high yields
Higher spreads can help boost returns in the longer term
<https://blinks.bloomberg.com/news/stories/RN7XYZT0AFBE>
- (Japan) Dec. Japan Buying Foreign Bonds, actual -JPY941.8b, prior -JPY605.7b
- Japan Swaps Signal Yields to Break BOJ's New Ceiling: In Charts
Ten-year swap implied volatility jumps to most since Dec. 2010
Swaps pricing for BOJ policy rate above 0.4% for October
<https://blinks.bloomberg.com/news/stories/RN7TNOT1UM0W>
- Bonds Gain as BOJ Announces Additional Purchases: Inside Japan
<https://blinks.bloomberg.com/news/stories/RNA3Z7T0G1KW>

EM Headlines

- China Is Likely Seeing 1 Million Covid Cases, 5,000 Deaths a Day
<https://blinks.bloomberg.com/news/stories/RN9XRNT0AFB4>
- China Developers Rise as Top Policymakers Vow For More Support
<https://blinks.bloomberg.com/news/stories/RN9SKMT1UM0W>
- China State Council, PBOC Vow to Boost Growth, Property (1)
Major governing bodies meet following key economic meeting
Economy's foundation 'not yet solid,' State Council says
<https://blinks.bloomberg.com/news/stories/RN9W29DWLU68>
- Covid Hits Shanghai With Crowded Hospitals, Empty Streets (1)
Public hospitals struggle to cope with rising numbers of sick
Pharmacies run out of medicine; subway usage plummets
<https://blinks.bloomberg.com/news/stories/RN9UDLT0AFBJ>
- Overnight Repo Rate Drops to Almost Two-Year Low: Inside China
<https://blinks.bloomberg.com/news/stories/RN9ZXQDWLU68>
- Won Extends Gain as Stocks Snap Losing Streak: Inside Korea
<https://blinks.bloomberg.com/news/stories/RN9NBAT0G1KW>
- S. Korean Nov. Producer Prices Rise 6.3% Y/y, -0.2% M/m
<https://blinks.bloomberg.com/news/stories/RN8AB0GFR4SG>
- South Korea Cuts GDP, Raises Inflation Forecasts as Rates Climb
Sputtering exports set to weigh on economic growth next year
Consumption has been a key source of economic growth in 2022
<https://blinks.bloomberg.com/news/stories/RMIDGADWX2PS>
- Rupiah Rises Ahead of Monetary Policy Decision: Inside Indonesia
<https://blinks.bloomberg.com/news/stories/RN9PQOT0G1KW>
- Slow Rate Moves Key to Indonesian Economy Matching Mexico's Size
Indonesia is poised to become a \$1.3 trillion economy in 2023
Bank Indonesia likely to pivot to less aggressive rate moves
<https://blinks.bloomberg.com/news/stories/RN8ISDT1UM0X>
- Inflation Has Peaked, Bank Indonesia Says Ahead of Rate Review
<https://blinks.bloomberg.com/news/stories/RN836JT0G1KZ>
- Rupee Gains, Bonds Ease on Hawkish RBI Minutes: Inside India
<https://blinks.bloomberg.com/news/stories/RN9XPIT0G1L0>
- India Rate Panel Cautions Against a Policy Pause Just Yet
<https://blinks.bloomberg.com/news/stories/RN4L50T1UM0W>

- Fraga Doesn't Regret Backing Lula But He's Getting Very Worried
Fiscal uncertainty, state interference worry ex-central banker
Fraga publicly backed Lula's bid for a third presidential term
<https://blinks.bloomberg.com/news/stories/RN7ANFDWRGG1>
- Argentina Seeks to Lure Tourists Away From Black Market Cash
Central bank letting firms charge customers higher FX rate
Measure comes as foreign tourists opting for cash use
<https://blinks.bloomberg.com/news/stories/RMXWRBT0AFB4>
- Castillo's Family Arrives in Mexico as Its Spat With Peru Grows
Former president's wife, two children arrive in Mexico



Impeachment has led to rift between nations in the Americas
<https://blinks.bloomberg.com/news/stories/RN8SVBT0G1KW>

- Brazil's Congress Approves Lula's \$32 Billion Spending Plan (1)
Approval gives Lula ample budget space at start of third term
Incoming Finance Chief Haddad pledged credible fiscal strategy
<https://blinks.bloomberg.com/news/stories/RN9OQZDWRGG0>
- Rise in Copper and Charts Spur Top EM Currency: Chile Close
<https://blinks.bloomberg.com/news/stories/RN96TTDWLU68>
- Chile Aims to Kill \$22 Billion Pension Bill Seen as Market Risk
Government pension bill includes option of limited self-loans
Legislators' proposals would allow much larger withdrawals
<https://blinks.bloomberg.com/news/stories/RN8XTOT1UM10>
- Russia's War Turns Neighboring Currencies Into World's Best (1)
Armenia's dram has surged more than 20% this year vs dollar
Russians fleeing mobilization unleashed billions in inflows
<https://blinks.bloomberg.com/news/stories/RN8YM9T1UM0W>
- Poland November Real Retail Sales Rise 1.6% on Year; Est. +0.3%
<https://blinks.bloomberg.com/news/stories/RN8H53GQOFSW>
- Poland Nov. Construction Output Rises 4% Y/y, Est. -1.2%
<https://blinks.bloomberg.com/news/stories/RN8GN46RV5DT>
- Hungary 3Q Current Account Deficit Widens to EUR4.469b
<https://blinks.bloomberg.com/news/stories/RNA7KJMRXLV>
- Hungary Shouldn't Join Euro Area as It Would Slow Growth: Orban
<https://blinks.bloomberg.com/news/stories/RN8KCNDWLU68>
- Czechs Hold Rates But Warn Another Hike Possible If Demand Rises
The central bank keeps benchmark rate at 7%, as expected
Rate setters emphasize inflation will slow sharply in 2023
<https://blinks.bloomberg.com/news/stories/RN8YUJDWX2PS>
- Zamrazilova Prefers Stable Czech Rates But 'Can't Rule Out' Hike
<https://blinks.bloomberg.com/news/stories/RN95G2T0G1L6>
- Czech Central Bank Says Demand Pressures Are Already Easing
<https://blinks.bloomberg.com/news/stories/RN8UMPDWX2PU>
- South Africa to Offer Extra Coronavirus Shots to Most Vulnerable
Booster shots will be voluntary, health department says
One in 500 citizens died from Covid, excess deaths data show
<https://blinks.bloomberg.com/news/stories/RN8CXBT1UM1P>