

DM Headlines

- Treasuries Chalk Up Strongest New Year Surge Since Greenspan
Bond traders focus on inflation data, corporate bond supply
Calendar 2022 was the worst year on record for Treasuries
<https://blinks.bloomberg.com/news/stories/RNXOG5T0G1KW>
- US Recession 'Pretty Likely' But Not Severe, Bill Dudley Says
If recession happens, Fed could end it by easing policy
Doesn't see big risk of 'financial-instability cataclysm'
<https://blinks.bloomberg.com/news/stories/RNWU4NDWLU68>
- Treasury Strategists Expect Lower Yields, Steeper Curve in 2023
Most bullish forecasts anticipate Federal Reserve cuts in 2024
Goldman Sachs strategists are bearish and see yields rising
<https://blinks.bloomberg.com/news/stories/RMH7OGDWX2PW>
- Fed Minutes to Reveal Source of Inflation Angst Pushing Up Rates
Powell tied pessimism on outlook for prices to labor strength
Record of December Fed meeting due out Wednesday in Washington
<https://blinks.bloomberg.com/news/stories/RNWWIST0G1KX>
- Ex-Fed Chief Greenspan Sees US Recession as Most Likely Outcome
Wages, jobs need to soften for inflation pullback to stick
Fed unlikely to loosen policy prematurely, wants stable prices
<https://blinks.bloomberg.com/news/stories/RNXBCJDWLU68>
- Oil's New Year Misery Deepens as Demand Concerns Tick Up a Notch
Traders wary of potential US recession as China battles Covid
WTI declines toward \$76 after tumbling more than 4% on Tuesday
<https://blinks.bloomberg.com/news/stories/RNY4N9T1UMOX>
- Eurasia Group Flags Rogue Russia, China Power Grip Top '23 Risks
<https://blinks.bloomberg.com/news/stories/RNX1W0DWLU6F>
- US PREVIEW: Manufacturing Gauge to Suggest Slowdown Deepening
<https://blinks.bloomberg.com/news/stories/RNX3HJDWRGG0>
- US PREVIEW: FOMC Minutes to Show Concern About Hot Labor Market
<https://blinks.bloomberg.com/news/stories/RNWP7VT0AFB4>

- ECB's Kazaks Sees 'Significant' Rate Hikes at Next Two Meetings
<https://blinks.bloomberg.com/news/stories/RNWWADDWLU69>
- EU Moves Toward Requiring Covid Tests for Passengers From China
<https://blinks.bloomberg.com/news/stories/RNX6G3T0G1KW>
- No ECB Credit Unwind Tsunami Yet But Buying Hole Starts In March
<https://blinks.bloomberg.com/news/stories/RNY65BDWRGG4>
- GERMANY REACT: Persistent Core Inflation to Keep ECB on Edge
<https://blinks.bloomberg.com/news/stories/RNWWR9T0G1KZ>
- EURO-AREA PREVIEW: Inflation to Drop on German Gas Subsidy (1)
<https://blinks.bloomberg.com/news/stories/RNY6DHDWX2PS>



RUBRICS

- Inflation in UK Shops Dips From Record High Amid Discounting
Store prices rose by 7.3% last month, down on November's rate
Firms cut prices to shift inventory ahead of Christmas: BRC
<https://blinks.bloomberg.com/news/stories/RNWSPFT0AFB4>
- (UK) Dec. BRC Shop Price Index YoY, actual 7.3%, prior 7.4%
- Pound's Outlook Dims as BOE Takes Dovish Crown From BOJ
Bank of Japan expected to exit super-easy policy, boosting yen
UK officials seen struggling to turn hawkish as economy reels
<https://blinks.bloomberg.com/news/stories/RNX4B9DWRGG1>
- UK House Price Crash? 20% Valuation Gap Starts to Shrive
<https://blinks.bloomberg.com/news/stories/RNY7HFDWLU68>

- Australia Braces for Supply Chain Hit From China Covid Surge
<https://blinks.bloomberg.com/news/stories/RNXNU1T1UM0W>
- Aussie Rises as China Mulls Easing Coal Ban: Inside Australia/NZ
<https://blinks.bloomberg.com/news/stories/RNY31MT0AFB4>
- New Zealand Won't Require Covid-19 Testing for China Travelers
<https://blinks.bloomberg.com/news/stories/RNXWEMDWRGG0>

- Global Funds Sell Record Amount of Japan Bonds on BOJ Pivot Bets
Foreigners sold ¥4.9 trillion of debt in week ended Dec. 23
'BOJ will have to keep buying bonds,' said NLI's Ueno
<https://blinks.bloomberg.com/news/stories/RNXQ7ST0AFB4>
- BOJ Boosts Bond Buying for Fourth Day to Cap Rise in Yields (3)
BOJ announced additional unlimited bond purchases Wednesday
Bond buying comes despite overnight global debt rally
<https://blinks.bloomberg.com/news/stories/RNY0LDT0AFB4>
- (Japan) Dec. Japan Buying Foreign Bonds, actual -JPY459.5b, prior -JPY941.8b
- (Japan) Dec. Foreign Buying Japan Bonds, actual -JPY4.86t, prior -JPY479.1b
- (Japan) Dec. Jibun Bank Japan PMI Mfg, actual 48.9, prior 48.8
- Persistent BOJ Purchases Fail to Halt JGB Selloff: Inside Japan
<https://blinks.bloomberg.com/news/stories/RNY45ST1UM0Y>
- BOJ's Two-Year Interest-Free Loans Lure ¥5.8t Worth of Demand
<https://blinks.bloomberg.com/news/stories/RNXRY7T0AFB4>
- BOJ's Kuroda Says Will Continue Easing to Meet Stable Price Goal
<https://blinks.bloomberg.com/news/stories/RNXVRCT0AFB4>

EM Headlines

- China Discussing Easing of Ban on Australia Coal Imports (1)
Shipments stalled in 2020 on rising tensions between nations
Australia's foreign minister visited Beijing last month
<https://blinks.bloomberg.com/news/stories/RNY38TT0AFB4>
- China Weighs Steps to Shore Up 'Too-Big-to-Fail' Developers (1)
Regulators urge banks to boost developer balance sheets
Financial support will be aimed at 'quality developers'
<https://blinks.bloomberg.com/news/stories/RNY2K0T0AFB4>
- China's Pledge to Lift Consumption Fuels Debate on Cash Handouts
Government has provided limited details on how to boost demand
Cash handouts most immediate way to boost spending, some say
<https://blinks.bloomberg.com/news/stories/RNOY4PT0G1KW>
- China to Extend the Onshore Yuan's Trading Hours in Global Push
PBOC tweaks trading period as yuan climbs on reopening hopes
Trading in onshore currency to close at 3 a.m. local time
<https://blinks.bloomberg.com/news/stories/RC1ZSXDWX2PT>
- Case for 2023 China Turnaround Gets Stronger After a Dismal Year
<https://blinks.bloomberg.com/news/stories/RNOZEOT0G1KW>
- Emerging-Market Dollar Bonds Shine After Best Rally Since 2020
<https://blinks.bloomberg.com/news/stories/RNWHNRT0AFB8>
- Battered by Covid, China Hits Pause on Giant Chip Spending
Beijing plans alternative measures to support local firms
US is bolstering campaign to crimp China's access to key tech
<https://blinks.bloomberg.com/news/stories/RNW8INT0G1KW>
- Yuan Advances With Stocks on Recovery Bets: Inside China
<https://blinks.bloomberg.com/news/stories/RNXUA0T1UM0W>
- KRW Slips as Risk Aversion Bolsters USD Overnight: Inside Korea
<https://blinks.bloomberg.com/news/stories/RNXQ30T0AFB4>
- S. Korea to Ease Property Rules After Yoon Warns of Hard Landing
<https://blinks.bloomberg.com/news/stories/RNWHIMT1UM0W>
- Rupiah Slips a Third Day on Greenback Strength: Inside Indonesia
<https://blinks.bloomberg.com/news/stories/RNXVYNT0G1KX>
- Tax Windfall Cuts Indonesia Budget Deficit to Pre-Pandemic Level
State revenue rose 30.6% in 2022, as spending climbed 10.9%
Indonesia meets pledge to return deficit below 3% a year early
<https://blinks.bloomberg.com/news/stories/RNWEGGT0G1KW>
- Rupee Rises on Lower Oil, Bonds Up Before Sale: Inside India
<https://blinks.bloomberg.com/news/stories/RNY06ODWX2PX>
- Mexico Kicks Off New Year With \$4 Billion Dollar Bond Sale (3)
BBVA, BNP Paribas, BofA and JPMorgan are running the deal
Nation was region's top sovereign seller of dollar debt in '22
<https://blinks.bloomberg.com/news/stories/RNXP9OT1UM0W>
- Chilean Peso Reverses Day's Advance Amid Thin Trading
<https://blinks.bloomberg.com/news/stories/RNX5L4DWRGG0>



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- Mexico Expects Pemex to Pay Its Debt Without Government Help
Company expected to pay debt unless facing credit crunch
As production falls, oil firm asked to halt exports and invest
<https://blinks.bloomberg.com/news/stories/RNVSBFDWRGG0>
- Banxico to Note Esquivel Concerns on Hawkish Stance, Heath Says
Dovish deputy governor Esquivel's term ended Dec. 31
Board will note concern on 'excessively restrictive' stance
<https://blinks.bloomberg.com/news/stories/RNX5PQDWLU6A>
- Petrobras Investors Balk as Lula Makes a Populist Strategy Shift
Lula reverses course to shield consumers from fuel cost swings
Shares decline 11% in New York trading, most since late Nov.
<https://blinks.bloomberg.com/news/stories/RNXLATT0G1KW>
- Chile Economic Activity Posts First Monthly Drop Since July (2)
Economic activity fell 0.8% on month, 2.5% on year in November
Central bank has signaled inflation is too high for rate cuts
<https://blinks.bloomberg.com/news/stories/RNWTNOT1UM0W>
- COLOMBIA INSIGHT: Painful Adjustment Needed in 2023 — Outlook
<https://blinks.bloomberg.com/news/stories/RNWZRBT1UM0W>
- Poland to Keep Rates Steady as Inflation Holds: Decision Guide
<https://blinks.bloomberg.com/news/stories/RNV1PST1UM0W>
- Koruna at 11-Year High Boosts Czech Rate Cut Bets: Inside CEE
<https://blinks.bloomberg.com/news/stories/RNWHINT0G1KW>
- Czechs Plan to Sell Up to CZK29b of State Bonds in January
<https://blinks.bloomberg.com/news/stories/RNWWAGT1UM0X>
- Foreign Investors Net Buyers of South African Shares
<https://blinks.bloomberg.com/news/stories/RNY8D7GFLIIO>
- South Africa's narrower trade surplus bodes ill for the rand, but cooling oil price may help
<https://blinks.bloomberg.com/news/stories/RNXZCGNL4AO9>