

DM Headlines

- Fed Officials See Further Rate Hikes Before Holding Above 5%
In separate events, Bostic and Daly vow to curb inflation
Fed to decide whether to slow pace of increases again
<https://blinks.bloomberg.com/news/stories/RO8GNET0AFBC>
- Markets Are Underestimating Inflation Again, Asset Managers Warn
Inflation here to stay like the 70s, says Carmignac's Leroux
Policy rates may be higher for longer: BlackRock's Boivin
<https://blinks.bloomberg.com/news/stories/RO2BB9DWLU71>
- Debt-Cap Risks for Markets to Intensify If Stopgap Deals Used
Short-term raises would delay expected surge in bill supply
Government around \$69 billion away from hitting borrowing cap
<https://blinks.bloomberg.com/news/stories/RO8LO8T0AFB4>
- Trump Urges Republicans to Use Debt Ceiling as Bargaining Chip
'Playing tough' would reverse Democrats gains, Trump says
Some in GOP want to use debt limit to force spending cuts
<https://blinks.bloomberg.com/news/stories/RO8JVMT0G1KW>
- Oil Edges Lower as Hawkish Fed Comments Overshadow China Outlook
Fed officials signal higher rates; Beijing issues import quota
WTI fell toward \$74 a barrel after closing 1.2% higher Monday
<https://blinks.bloomberg.com/news/stories/RO99OTDWLU68>
- ANZ Expects US 2-Year Yield to Rise to 4.75% by Mid-Year
<https://blinks.bloomberg.com/news/stories/RO902BT0G1KW>
- Treasuries Are a Buy With Recession Risks in View, Pictet Says
<https://blinks.bloomberg.com/news/stories/RO7BVGT1UM0Z>
- BE Fed Spectrometer: FOMC Voters Tilt Dovish in 2023
<https://blinks.bloomberg.com/news/stories/RO8B1MDWLU68>
- Fed's Powell Could Give Dollar Small Boost But Is Unlikely to Upset Weaker Trend
<https://blinks.bloomberg.com/news/stories/RO9GRT073NCW>

- EU Is Likely to Avoid a Deep Recession, Gentiloni Tells Echos
<https://blinks.bloomberg.com/news/stories/RO9ARST0G1KW>
- ECB Sees 'Very Strong' Wage Growth Ahead as More Hikes Planned
Robust labor market, high inflation fuel generous pay deals
Policymakers flagged at least two more half-point hikes ahead
<https://blinks.bloomberg.com/news/stories/RO7LNUT0G1KW>
- Euro Short-Term Options Bets Turn Bullish Before Powell, US CPI
<https://blinks.bloomberg.com/news/stories/RO98ZAT1UM0W>
- Slower Pass Through to Keep France's Inflation High in 2023
<https://blinks.bloomberg.com/news/stories/RO9A05DWX2QR>
- Macron Risks Upheaval With Plan to Make French Work Longer
French prime minister to detail plans to raise retirement age
Unions pledge strikes, poll shows French reject Macron's plan
<https://blinks.bloomberg.com/news/stories/RO23MLDWX2QA>

- (UK) Dec. BRC Sales Like-For-Like YoY, actual 6.5%, prior 4.1%



- UK Credit Card Rates Reach Record in New Blow to Consumers
Consumers tripled their spending on the cards in November
Providers have been making terms less attractive for users
<https://blinks.bloomberg.com/news/stories/RO7TQ5DWRGG0>
- BOE Chief Economist Softens Tone on Outlook for UK Inflation (1)
Huw Pill says labor market may be starting to soften
Says policy makers should focus on the long term outlook
<https://blinks.bloomberg.com/news/stories/RO86EFTOG1KW>
- Over 800,000 UK Households to See Mortgage Rates Double in 2023
ONS warns 1.4 million fixed-rate deals expire this year
Renters and borrowers say rising costs 'difficult to service'
<https://blinks.bloomberg.com/news/stories/RO7T0FT0AFB5>
- EU Agrees to Use UK Trade Database as Brexit Talks Progress (1)
<https://blinks.bloomberg.com/news/stories/RO887CDWX2Q6>
- UK Demand for Staff Is Falling at Quickest Pace Since Pandemic
Recruiter survey points to easing of pressures in labor market
Wages and job vacancies grew at a slower pace in December
<https://blinks.bloomberg.com/news/stories/RO7SR4TOG1KX>

- AUD Trades Near 4-Month High on China Boost: Inside Australia/NZ
<https://blinks.bloomberg.com/news/stories/RO9729T1UM0W>
- New Zealand Residential Property Listings Signal a Buyers Market
<https://blinks.bloomberg.com/news/stories/RO70RFDWLUG0>
- New Zealand Residential Construction Costs Rise at Slower Pace
<https://blinks.bloomberg.com/news/stories/RO73ISDWRGG0>

- BOJ Avoids Ad-hoc Bond Buying as Market Reopens After Holiday
<https://blinks.bloomberg.com/news/stories/RO8PP5T1UM0W>
- Tokyo Inflation Hits 4%, Pointing to Hotter-Than-Expected Trend
Processed food and energy push up inflation in the capital
Impact from Kishida package to start kicking in from February
<https://blinks.bloomberg.com/news/stories/RO8SXVDWRGG0>
- BOJ to End Yield-Curve Control Next Quarter, Strategist Says (1)
Yields may shoot up like a kite without a string: Muguruma
Citigroup cites several reasons for another BOJ shift soon
<https://blinks.bloomberg.com/news/stories/RO8OEMT0G1KW>
- (Japan) Nov. Household Spending YoY, actual -1.2%, est. 0.5%, prior 1.2%
- (Japan) Dec. Tokyo CPI YoY, actual 4.0%, est. 4.0%, prior revised 3.7%
- (Japan) Dec. Tokyo CPI Ex-Fresh Food, Energy, actual 2.7%, est. 2.7%, prior revised 2.4%
- (Japan) Dec. Tokyo CPI Ex Fresh Food YoY, actual 4.0%, est. 3.8%, prior 3.6%
- Bonds Drop as BOJ Refrains from Additional Buying: Inside Japan
<https://blinks.bloomberg.com/news/stories/RO995WT1UM0W>

EM Headlines

- Unpredictable Xi Spurs \$100 Billion Rally With Abrupt Shifts (1)
Market-friendly moves generate optimism that worst is over
Policies 'overly dependent on Xi's personality and ideology'
<https://blinks.bloomberg.com/news/stories/RO8RE3T0G1KW>
- China Deflation Pressure Worsens as Economy Slumps, Survey Shows
<https://blinks.bloomberg.com/news/stories/RO8YVWDWRGG2>
- Pockets of EM Still Stand to Win on China Reopening: TS Lombard
<https://blinks.bloomberg.com/news/stories/RO84AET1UM1M>
- Yuan Fixing Confirms PBOC Acceptance of Appreciation
<https://blinks.bloomberg.com/news/stories/RO8X5VDWX2PS>
- China Hits Back at South Korea, Japan in First Covid Retaliation
Beijing to stop issuing short-term visas for South Koreans
China also suspended visas for Japanese travelers: Kyodo
<https://blinks.bloomberg.com/news/stories/RO9D4UDWRGG0>
- CNH Is Set for Longest Gaining Streak in 16 Months: Inside China
<https://blinks.bloomberg.com/news/stories/RO921BDWRGG0>
- China Sees Quarter Million Inbound Passengers on Reopening Day
<https://blinks.bloomberg.com/news/stories/RO8PP7T0G1KW>
- Won Advances as Global Risk-on Offsets CAD Impact: Inside Korea
<https://blinks.bloomberg.com/news/stories/RO8SGGT0AFB4>
- S. Korea's Nov. Current Account Swung to \$621.7m Deficit
<https://blinks.bloomberg.com/news/stories/RO8P9OGEZ1FK>
- South Korea Foreign Travel Spending Up 16% in November Y/Y
<https://blinks.bloomberg.com/news/stories/RO8QVUGQOFSW>
- Rupee Advances With Asian Peers on Risk Sentiment: Inside India
<https://blinks.bloomberg.com/news/stories/RO93WZT1UM0W>
- INDIA INSIGHT: Liquidity to Aid Credit, Counter Yield Gains (1)
<https://blinks.bloomberg.com/news/stories/RO8QN4T0G1KY>
- India Extends RBI Deputy Governor Patra's Term, Officials Say
Reappointment ensures policy continuity at central bank
Patra sees inflation cooling to the core target of 4% by 2024
<https://blinks.bloomberg.com/news/stories/RO7BVOT0G1KW>
- IDR Slips as Indonesian Stocks Hit Correction: Inside Indonesia
<https://blinks.bloomberg.com/news/stories/RO92T2DWRGGD>
- Indonesia Stocks Near Correction in Shift to Cheaper Markets
JCI extends decline to more than 10% from Sept. 13 high
Weak commodity prices, valuations pushing investors elsewhere
<https://blinks.bloomberg.com/news/stories/RO96DDT1UM0W>
- Brazil Faces Difficult Balance With Riots: Eurasia
<https://blinks.bloomberg.com/news/stories/RO8856T0AFB5>
- Lula Asserts Authority in Brazil as 1,500 Bolsonaro Backers Held
Groups camping in front of military headquarters are dispersed
Justice orders probes, arrest of those who financed acts
<https://blinks.bloomberg.com/news/stories/RO7YY9T0AFB7>



RUBRICS

- Bolsonaro Admitted to US Hospital With Abdominal Pain: Globo
<https://blinks.bloomberg.com/news/stories/RO89GET0AFB4>
- Reuters: Investors see Brazil's polarization, fiscal plans as key risks after protests
<https://t.co/5Mc9IOs3Qn>
- MXN Drops After 5-Day Rally as Key Barrier Holds: Inside Mexico
<https://blinks.bloomberg.com/news/stories/RO81YHT0G1KX>
- Pemex Stares Down \$10 Billion Bond Bill as Mexico Steps Back
State oil driller has \$105 billion in financial obligations
Investors weigh odds of new issuance, other financing options
<https://blinks.bloomberg.com/news/stories/RNZAJHT1UM0W>
- Biden, AMLO, Trudeau Aim to Ease Tension Over Migration (1)
Leaders to hold first summit since 2021 in Mexico City
US and Mexican officials say energy dispute won't be discussed
<https://blinks.bloomberg.com/news/stories/RO7XM1DWRGG1>
- Mexico Gets Slight Price Relief as Banxico Mulls Next Move (1)
Core price rises year-on-year slowed for first time since 2020
Salary bonuses and vacation period contributed to spending
<https://blinks.bloomberg.com/news/stories/RO7X9NDWRGG0>
- China and Trade Data Push Peso to 7th Month High: Chile Close
<https://blinks.bloomberg.com/news/stories/RO89LKDWLU68>

- Egypt's Currency Tremors Barely Close Gap With Black Market Rate
<https://blinks.bloomberg.com/news/stories/RO7RCDT0G1KW>
- Poland's Election Provides a Path Out of EU Isolation
Nationalist Law and Justice's seven-year hold on power may slip as the costs of battling
Brussels escalate.
<https://blinks.bloomberg.com/news/stories/RO979VT0G1KW>
- Hungary Nov. Industrial Production Rises 0.8% Y/y, Est. +4.1%
<https://blinks.bloomberg.com/news/stories/RO7IY5MS385E>
- Weak Hungary Data Provide Reality Check to Forint: Inside CEE
<https://blinks.bloomberg.com/news/stories/RO7NDRT0G1KW>
- Czech Central Bank Made No FX Market Interventions in November
<https://blinks.bloomberg.com/news/stories/RO7M9HDWLU68>
- Czech Billionaire Beats Fraud Charge Before Presidential Run (1)
Court frees Babis of fraud charges in case over EU subsidies
Prosecutors have right to appeal first-instance court verdict
<https://blinks.bloomberg.com/news/stories/RO7O45DWX2PX>
- S. Africa President Dampens Central Bank Mandate Change Talk (1)
Ramaphosa says a change would require constitutional amendment
Plans for government to take over central bank have stalled
<https://blinks.bloomberg.com/news/stories/RO8C0YT0AFB7>
- South African Energy Department to Oversee Power Firm Eskom (1)
Utility currently falls under public enterprises department
Change will take time to implement, President Ramaphosa says
<https://blinks.bloomberg.com/news/stories/RO7QFQT0G1KW>
- South Africa Dec. Gross Reserves Rise to \$60.570b
<https://blinks.bloomberg.com/news/stories/RO7GL76RV5DS>