

DM Headlines

- US Year-Ahead Inflation Views Drop to Lowest Since April 2021
One-year price expectations fell to 4% in early January
University of Michigan consumer sentiment beat all estimates
<https://blinks.bloomberg.com/news/stories/ROFJATT0AFB4>
- Bond Investors Are at a Crossroads With Fed Pause In Sight
Inflation trend sparks bets rate increases will end in March
Open interest in Treasury note futures swells in rally
<https://blinks.bloomberg.com/news/stories/RODWA1T1UM0W>
- Oil's Advance Takes Breather as Investors Assess China Reopening
WTI falls toward \$79 after rallying by more than 8% last week
Monthly outlooks due from OPEC and International Energy Agency
<https://blinks.bloomberg.com/news/stories/ROKC6DT0AFB4>
- Treasury's Debt-Ceiling Maneuvers to Hamper the Fed's QT Efforts
Ceiling constraints alter distribution of Fed's liabilities
TGA drop under the limit will neutralize unwind, BofA Says
<https://blinks.bloomberg.com/news/stories/ROFIM6T0G1KW>
- Treasuries Vulnerable to Next Japan Yield-Curve Shift, DB Says
<https://blinks.bloomberg.com/news/stories/ROFRPCT0AFB4>
- US REACT: Consumer Sentiment Brightens Despite Recession Fears
<https://blinks.bloomberg.com/news/stories/ROFLOST0AFB4>
- Goldman Sees S&P 500 Index ROE Unlikely to Pivot Higher in 2023
<https://blinks.bloomberg.com/news/stories/ROK0OOT0AFB5>
- Powell-Preferred Core Services Ex-Shelter Measure Shows Progress
<https://blinks.bloomberg.com/news/stories/ROJVY7DWX2PU>
- The Fed's economic plan is impossible, says top US economist
<https://blinks.bloomberg.com/news/stories/ROKEI86QRTHC>

- EURO-AREA INSIGHT: The Worst of ECB Rates Pain Still to Come (1)
<https://blinks.bloomberg.com/news/stories/ROKGDPDWLU69>
- EU Power Prices to Stay High But Won't Copy Frenzy of 2022: BNEF
Upheaval in Europe's gas supply could spike power prices
Power sector fossil-fuel burn could fall to its lowest level
<https://blinks.bloomberg.com/news/stories/ROFK04T0AFB4>
- ECB Interest Rates Seen Hitting Peak of 3.25% Before Cut in July
Terminal rate to be reached in May, Bloomberg poll predicts
Officials say lowering borrowing costs in 2023 is unlikely
<https://blinks.bloomberg.com/news/stories/ROF96WT0G1KW>
- ITALY INSIGHT: Treasury's Benign Debt View Masks Grave Risk (1)
<https://blinks.bloomberg.com/news/stories/ROKFTQDWLU68>
- Germany's Debt Dilemma Tempts Finance Chief Into Bending Rules
Debt brake limits new borrowing with aim of meeting EU rules
Finance Minister Lindner stands by €200 billion energy package
<https://blinks.bloomberg.com/news/stories/ROFN6ST1UM0W>

- Brexit Talks Close In on Trade Rules Between Britain, N. Ireland



UK's Cleverly due to speak with EU's Sefcovic on Monday
Envoys aim to move negotiations into more intensive phase

<https://blinks.bloomberg.com/news/stories/ROJRN0DWLU68>

- London Office Deals Hit 20-Year Low After Truss Budget Turmoil
<https://blinks.bloomberg.com/news/stories/ROFGCRT0G1KW>
- UK's Poor Have Seen the Highest Rent Increases in Last Decade
<https://blinks.bloomberg.com/news/stories/ROJXE0DWX2PV>
- BOE's 25-Bp Hike to Reflect Easing Mortgage Market Squeeze, Risk
<https://blinks.bloomberg.com/news/stories/ROKGQXDWRGG0>
- Inflation And Tax Breaks Making Inequality Worse, UK Groups Say
Poorer households are worried about their ability to spend
Government faces criticism for failing to encourage saving
<https://blinks.bloomberg.com/news/stories/ROJXE4DWX2PW>
- Aussie, Kiwi Edge Higher Amid Stock Gains: Inside Australia/NZ
<https://blinks.bloomberg.com/news/stories/ROKDJ4DWLU68>
- Aussie Powers Through Resistance to Bring August High Into View
Labor data Thursday may prove catalyst for more Aussie gains
Improving outlook for global growth will boost Aussie: CBA
<https://blinks.bloomberg.com/news/stories/RO7IJPT0AFB4>
- Albanese Says Australia to Focus on China Ties, Restoring Trade
Positive relations are in both nations' interests: PM Albanese
Informal ban on Australian coal imports has begun to ease
<https://blinks.bloomberg.com/news/stories/ROG8M6T0G1L0>
- Australia Inflation Gauge Slows Down Amid Policy Tightening (1)
<https://blinks.bloomberg.com/news/stories/ROJXVPDWX2Q3>
- Australian Employment Outpaced G-7 After Election, Chalmers Says
About 234,000 Australians found jobs between May and November
Economy likely added 25,000 roles in December, estimates show
<https://blinks.bloomberg.com/news/stories/ROJVU1TOG1KW>
- Basis Trade Is Back in Japan's Bond Market as BOJ Meeting Nears
Futures gain amid speculation of arbitrage with cash bonds
BOJ's lending of government debt surges to record on Monday
<https://blinks.bloomberg.com/news/stories/ROK817TOG1KW>
- BOJ Opens 'Pandora's Box' for Traders on Alert for Another Shock
December shock has clouded outlook for investor expectations
Bond market liquidity has worsened since curve control tweak
<https://blinks.bloomberg.com/news/stories/ROK6CQT1UM0Y>
- Bank of Japan to Hold JGB Levers, May Spring Swap Surprise
<https://blinks.bloomberg.com/news/stories/ROFVE5T1UM0W>
- (Japan) Dec. PPI MoM, actual 0.5%, est. 0.2%, prior revised 0.8%
- (Japan) Dec. PPI YoY, actual 10.2%, est. 9.5%, prior revised 9.7%
- Yen Option Cost Jumps to Three-Year High on BOJ Surprise Concern
BOJ policy review report, 0.5% yield breach prompt cost rise
Investors worried BOJ may tweak monetary policy again
<https://blinks.bloomberg.com/news/stories/RNBUH1T1UM0Z>

EM Headlines

- China Injects Less Cash Than Expected Before Lunar Holidays (1)
PBOC makes net cash injection of 79 billion yuan via MLF
One-year MLF rate was left unchanged at 2.75%, as expected
<https://blinks.bloomberg.com/news/stories/ROK1NCT1UM0W>
- China's GDP Report Set to Show Damage From Covid Zero Exit (1)
Activity weakened sharply in December as infections spiked
Data to confirm China missed 2022 growth target by big margin
<https://blinks.bloomberg.com/news/stories/ROK3SYTOG1KW>
- China 10Y Bond Yield Jumps to Highest Since 2021: Inside China
<https://blinks.bloomberg.com/news/stories/ROK3P0T0G1L0>
- China Reopening Will Boost Global Economy at Crucial Moment (1)
Tourism-reliant nations in Southeast Asia will benefit
China's stronger growth also adds to global inflation pressure
<https://blinks.bloomberg.com/news/stories/ROJY1FT0AFB5>
- (China) Jan. 1-Yr Medium-Term Lending Facility, actual 2.75%, est. 2.75%, prior 2.75%
- (China) Jan. 1-Yr Medium-Term Lending Facility, actual 779b, est. 800b, prior 650b
- (China) Dec. New Home Prices MoM, actual -0.25%, prior -0.25%
- China's Reopening Is a Mixed Blessing for Emerging-Market Assets
Investors weigh growth benefits against inflation pressures
Money managers from JPMorgan to UBS skeptical on yuan
<https://blinks.bloomberg.com/news/stories/RO1Q8ZT1UM0W>
- Rupiah Surges Past 15,000 Amid Risk-On Mood: Inside Indonesia
<https://blinks.bloomberg.com/news/stories/ROK3H4DWLU68>
- Goldman Sees Lower Inflation in Southeast Asia, Except Singapore
<https://blinks.bloomberg.com/news/stories/ROF3E6T1UM0W>
- Indonesian Workers Protest Jokowi's Job Creation Law Revision
<https://blinks.bloomberg.com/news/stories/ROGHR6T0AFB7>
- Won Rallies to 9-Month High Amid Risk-On Markets: Inside Korea
<https://blinks.bloomberg.com/news/stories/ROK03XT1UM0X>
- S. Korea Considering Summit Meeting With Japan in Feb.: DongA
<https://blinks.bloomberg.com/news/stories/ROJWX3T0AFB4>
- Rupee Bonds Lower as Das Inflation Comments Weigh: Inside India
<https://blinks.bloomberg.com/news/stories/ROKBNFDWRGG0>
- RBI Das Says Sticky Core Inflation Certainly An Area of Concern
<https://blinks.bloomberg.com/news/stories/ROFDNGT1UM0W>
- India Likely to Maintain Fiscal Prudence in Federal Budget: DBS
<https://blinks.bloomberg.com/news/stories/ROKAPVDWX2PS>

- Argentina Debt Is Star Bet for Hedge Fund Emso on Election (1)
This year's election cycle will trigger bond rally: Esteruelas
Dollar bond yields still flash risk of a 10th foreign default
<https://blinks.bloomberg.com/news/stories/ROG2IWT1UM0W>
- Brazil's Top Hedge Funds Are All Avoiding One Thing: Brazil
Money managers have cut domestic holdings amid political woes
Investors bracing for volatile 2023, betting oil to advance



- <https://blinks.bloomberg.com/news/stories/RNAQ71T0G1KY>
- US, Mexico Teams Skipped Migration Talks as Forum Ran Long (1)
Biden says he, AMLO, Trudeau spent 'lot of time' on migration
But AMLO says it was discussed 'in very broad manner'
<https://blinks.bloomberg.com/news/stories/ROC8K8T0AFB4>
- MXN Extends Rally to Fourth Day, Eyes 2020 High: Inside Mexico
<https://blinks.bloomberg.com/news/stories/ROFIKUT0G1KW>
- Brazil Top Court Orders Probe of Bolsonaro Over Insurrection (1)
Request against ex-president escalates riots' political impact
Bolsonaro lawyer says he never had relation with movement
<https://blinks.bloomberg.com/news/stories/ROGAEJTOG1KW>
- Chile to Sell as Much as \$500M in January: Finance Ministry
<https://blinks.bloomberg.com/news/stories/ROFRDLDWLU68>
- Peru Declares State of Emergency in Lima Over Protests: AFP
<https://blinks.bloomberg.com/news/stories/ROIHUBTOG1KW>

- Hottest EM Bond Trade Set for Reality Check When Turkey Votes
Turkey debt returned 25% amid risk rally, forced bank buying
General elections key to providing clarity for investors
<https://blinks.bloomberg.com/news/stories/RM3X9TT0G1L1>
- Hungary Leads Bond Rally as Inflation Risk Keeps Easing (1)
<https://blinks.bloomberg.com/news/stories/ROF6TVT0G1KZ>
- Poland Expects to Get EU Recovery Funds in Second Half of 2023
<https://blinks.bloomberg.com/news/stories/ROGUT7DWRGG0>
- Inflation in Hungary Reaches 24.5% in December 2022
<https://blinks.bloomberg.com/news/stories/ROFJ37BQ99TU>
- Former Nato commander edges ahead in Czech presidential vote
<https://blinks.bloomberg.com/news/stories/ROJB0H8JRZLS>
- Power Cuts Are Biggest Downside Risk to South Africa Growth: BER
<https://blinks.bloomberg.com/news/stories/ROKE3WDWRGG0>
- South Africa in Talks With World Bank for \$1b Loan, BD Says
<https://blinks.bloomberg.com/news/stories/ROKBO1DWLU68>
- Sanctions on Russian Diesel to Create Huge Logistical Challenge
Russian fuel price cap set to be implemented from Feb. 5
India to refine Russian crude and send it back to EU as diesel
<https://blinks.bloomberg.com/news/stories/ROC18PT1UMOW>