



DM Headlines

- Traders Capitulate, Abandoning Fed Rate Cut Bets After CPI Spike
Swaps traders boost chances of June rate increase to about 50%
Six-month Treasury bill yields rise to 5%, last seen in 2007
<https://blinks.bloomberg.com/news/stories/RQ36W0DWX2PS>
- Fed Officials Float Even Higher Rates After Brisk Inflation Data
Barkin, Logan watching for signs of persistent price pressures
Latest consumer-inflation data showed prices jumped last month
<https://blinks.bloomberg.com/news/stories/RQ37CRDWRGG0>
- Traders Bet Central Banks Will Go Even Higher After Hot Data
Price pressures seen keeping central banks on tightening path
Latest market wagers add to ongoing shift from earlier in 2023
<https://blinks.bloomberg.com/news/stories/RQ32WHDWRGG1>
- Biden Names Brainard as Top Economic Aide, Creating Fed Vacancy
Fed vice chair to become director of National Economic Council
Bernstein to lead CEA as other economic aides get new roles
<https://blinks.bloomberg.com/news/stories/RQ3BH5T0AFB4>
- Oil Slumps as US Stockpiles Seen Swelling and Dollar Advances
API report shows inventories rose more than 10 million barrels
WTI slides below \$78 a barrel after retreating 1.4% on Tuesday
<https://blinks.bloomberg.com/news/stories/RQ410DT1UM1M>
- Brainard's Exit Spurs Speculation on Fed Vice Chair Replacement
Dyran, Eberly, Sack among possible names mentioned for post
Departure removes prominent dovish voice from central bank
<https://blinks.bloomberg.com/news/stories/RQ3B9KT0G1KW>
- El-Erian, Rogoff Say Too Late to Fix Too-Low Inflation Target
They both see higher US interest rates for some time to come
'Higher real rates mean lower asset prices,' says Rogoff
<https://blinks.bloomberg.com/news/stories/RQ2YJ0DWLU68>
- Yellen Sees Higher Yields 'In Perpetuity' If No Debt-Limit Hike
Treasury chief warns seniors, veterans at risk in showdown
Congress shouldn't wait until last minute to lift ceiling
<https://blinks.bloomberg.com/news/stories/RQ39YOT0AFB6>
- Fed Could Continue QT Program Through June 2024, Barclays Says
<https://blinks.bloomberg.com/news/stories/RQ2Y13DWX2PT>
- SOFR Volumes Surge as Fed Policy Pricing Takes a Hawkish Shift
<https://blinks.bloomberg.com/news/stories/RQ2WNHDWRGG0>
- ECB's De Cos Urges Caution Amid 'Encouraging' Inflation Data
<https://blinks.bloomberg.com/news/stories/RQ433KT0AFB8>
- EU Sanctions Aim to Make Banks Divulge Frozen Russian Assets (2)
The bloc is discussing a 10th sanctions package against Russia
EU also proposes sanctions on Alfa Bank, Rosbank, Tinkoff Bank
<https://blinks.bloomberg.com/news/stories/RQ42J5DWRGG0>
- ECB Balance Sheet Falling Fast But First Cuts Are the Cheapest
<https://blinks.bloomberg.com/news/stories/RQ3Y55DWRGG0>



- ECB's Makhoul Expects Interest Rates to Rise Beyond March
Irish official won't predict when rate hikes will stop
Policymakers are worried about sticky underlying inflation
<https://blinks.bloomberg.com/news/stories/RQ2P48DWLU69>
- UK Inflation Slows More Than Expected as Fuel Prices Drop (2)
Petrol and air travel costs dip, and core inflation falls
Prices are still rising at double-digit pace five times target
<https://blinks.bloomberg.com/news/stories/RQ41PYDWLU68>
- UK REACT: Surprise CPI Drop Means BOE Pause Is on Horizon (1)
<https://blinks.bloomberg.com/news/stories/RQ4547T0G1KW>
- London Is the World's Second Most Expensive City for Driving
<https://blinks.bloomberg.com/news/stories/RQ388DT0G1KX>
- Australian Central Bank Chief Parries Critics, Refuses to Quit
RBA walking narrow path to slow prices without economic damage
Governor says cash rate probably still hasn't reached its peak
<https://blinks.bloomberg.com/news/stories/RQ3T3BT0G1KW>
- Ex-RBA Chief Criticizes Lowe for Misjudgement of Expectations
Bernie Fraser says communications should be cautious, prudent
RBA last week surprised with forecast of more rate hikes ahead
<https://blinks.bloomberg.com/news/stories/RQ3G1AT0AFB4>
- Aussie Declines on Lowe Comments, Risk-Off: Inside Australia/NZ
<https://blinks.bloomberg.com/news/stories/RQ3V9UT0AFB5>
- RBA's Lowe Oversaw Wild Time in Markets Amid Pandemic: In Charts
<https://blinks.bloomberg.com/news/stories/RQ2LSHT0G1KW>
- Cyclone's Destructive Path Through New Zealand Leaves Four Dead
Some 160,000 households without power across the North Island
Climate change minister scolds colleagues for lack of action
<https://blinks.bloomberg.com/news/stories/RQ3T9IDWLU68>
- AUSTRALIA INSIGHT: Should RBA's Lowe Go? Record on CPI Says No
<https://blinks.bloomberg.com/news/stories/RQ439HT1UMOW>
- Curve Flattens on BOJ Buying, Yen Consolidates: Inside Japan
<https://blinks.bloomberg.com/news/stories/RQ3X1IT0G1KW>
- Yen to Weaken Against Dollar, G-10 in Coming Weeks: Wells Fargo
<https://blinks.bloomberg.com/news/stories/RQ3093DWRGG1>
- Tokyo Condo Market Shows Early Cooling Signs on BOJ Risks (1)
Bay area is seeing more used apartments being put up for sale
Buyers are concerned about rising rates, inflation: analyst
<https://blinks.bloomberg.com/news/stories/RQ1YUTT0G1L0>

EM Headlines

- PBOC is Set to Stay Liquidity Supportive in Coming Weeks: OCBC
<https://blinks.bloomberg.com/news/stories/RQ3M6EDWRGG0>
- (China) Feb. 1-Yr Medium-Term Lending Facility, actual 499b, est. 500b, prior 779b
- (China) Feb. 1-Yr Medium-Term Lending Facility, actual 2.75%, est. 2.75%, prior 2.75%
- Pimco, Goldman Are Bullish as Emerging Markets Split Wall Street
Goldman's Trivedi caveats optimism with caution on valuations
Pimco money managers say EMs poised for stronger performance
<https://blinks.bloomberg.com/news/stories/RQ127CDWRGG0>
- China Bolsters Liquidity Support to Meet Loan Demand Surge (2)
PBOC makes net cash injection of 199 billion yuan via MLF
Central bank leaves one-year policy loan rate steady at 2.75%
<https://blinks.bloomberg.com/news/stories/RQ3OCPT0G1KW>
- Xi's Consumer Boom Thwarted by Secret Trades, Debt Misuse (1)
Borrowers taking advantage of low rates on consumer loans
People misuse the funds to prepay mortgages, buy stocks
<https://blinks.bloomberg.com/news/stories/RQ3JRKT0AFB4>
- PBOC MLF Injection May Dispel RRR Cut Bets: Societe Generale
<https://blinks.bloomberg.com/news/stories/RQ3ORVT0G1KW>
- China Boosts Medium-Term Liquidity; Yuan Declines: Inside China
<https://blinks.bloomberg.com/news/stories/RQ3PLDT1UM0W>
- CHINA REACT: PBOC Rate Hold Won't Last - Recovery Needs Aid (1)
<https://blinks.bloomberg.com/news/stories/RQ3O8TT1UM0W>
- Won Slips to Lowest Since December Amid Risk-Off: Inside Korea
<https://blinks.bloomberg.com/news/stories/RQ3KZXT0G1KW>
- S. Korea's Jan. Adjusted Jobless Rate Falls to 2.9%; Est. 3.3%
<https://blinks.bloomberg.com/news/stories/RQ3E2GGF4NPC>
- Rupee Drops in Line With Asian FX Peers, Bonds Up: Inside India
<https://blinks.bloomberg.com/news/stories/RQ3T4MDWRGG9>
- Asia Central Banks Rebuild Reserves as Fed Rate Bets Grow (1)
Rupee lags as RBI leads EM peers in rebuilding lost reserves
Thai baht has gained the most over the past three months
<https://blinks.bloomberg.com/news/stories/RQ3Z85DWLU6B>
- Rupiah Slips After Weak Auction, Outflows: Inside Indonesia
<https://blinks.bloomberg.com/news/stories/RQ3M78T1UM0W>
- Lula Leaves Decision on Brazil's Inflation Target for Later
President didn't order target raised on Thursday, adviser says
Lula's criticism of high interest rates likely to continue
<https://blinks.bloomberg.com/news/stories/RQ3891DWX2PS>
- Argentina Annual Inflation Hits 99%, Surpassing Expectations (2)
Consumer prices in January increased 98.8% y/y; 6% m/m
Seven of twelve inflation categories above headline figure
<https://blinks.bloomberg.com/news/stories/RQ34L6DWX2PT>
- Mexico International Reserves Fell to \$200.7b, Banxico Says
<https://blinks.bloomberg.com/news/stories/RQ2SIBGFLIIP>



RUBRICS

- Banxico Headed for 11.5% Terminal Rate, Followed By a 3Q Pause
<https://blinks.bloomberg.com/news/stories/RQ306TDWX2PT>
- Mexico Growth to Fall to 1.4% in 2023, Depressed by US Recession
<https://blinks.bloomberg.com/news/stories/RQ306TDWLU69>
- Brazil Central Bank Chief Pledges to Work With Lula's Team (2)
Swap rates fall after Campos Neto defends inflation targets
President Lula has repeatedly attacked current monetary policy
<https://blinks.bloomberg.com/news/stories/RQ2IR9DWRGG0>
- Chile Traders See Key Rate Left at 11.25% in April
<https://blinks.bloomberg.com/news/stories/RQ35H2DWRGG1>
- CLP, COP Rise as Global Markets Adjust to US CPI: Inside Andes
<https://blinks.bloomberg.com/news/stories/RQ2P4AT0AFC7>
- Colombia President Slams 'Two Bankers' Controlling Pension Funds
President Petro tells supporters he'll overhaul pension system
Government supporters gather in cities across Colombia
<https://blinks.bloomberg.com/news/stories/RQ3NN6DWX2PT>
- Polish Economy Expands 2% Y/y in 4Q; Est. Grows 2.2% Y/y
<https://blinks.bloomberg.com/news/stories/RQ2BDAGETF5S>
- Return to Bonds Boosts Inflows to Polish Mutual Funds in January
<https://blinks.bloomberg.com/news/stories/RQ40NLTOAFB4>
- Eastern Economies Shrink in Contrast to Overall EU Growth (2)
Polish economy contracted at end-2022 like Hungary, Czechs
European commission forecasts euro area avoiding recession
<https://blinks.bloomberg.com/news/stories/RQ2A5GDWX2PS>
- Forint Rises to Nine-Month High, Breaks Through 380/EUR Level
<https://blinks.bloomberg.com/news/stories/RQ2OPHDWLU68>
- Hungary Prelim 4Q GDP Falls 0.4% Q/q, Est. -1.1%
<https://blinks.bloomberg.com/news/stories/RQ26SPMRXLVL>
- Poland's Zloty Under Pressure as Court Matters Weigh: Inside CEE
<https://blinks.bloomberg.com/news/stories/RQ2A5BDWX2PS>
- S. African Rand, Bonds Pare Drop as Inflation Eases Third Month
<https://blinks.bloomberg.com/news/stories/RPP32JT0AFB4>
- S. Africa May Take On 220b Rand Eskom Debt: RMB Morgan Stanley
<https://blinks.bloomberg.com/news/stories/RQ2APTDWX2PS>
- BNP Sees South Africa Assuming as Much as ZAR250b of Eskom Debt
<https://blinks.bloomberg.com/news/stories/RQ2JH7DWRGG0>
- Investor Outflows May Pick Up for South Africa's Rand, Citi Says
<https://blinks.bloomberg.com/news/stories/RQ2CRXDWRGG0>
- South Africa Jan. Consumer Prices Rise 6.9% Y/y, Est. +6.9%
<https://blinks.bloomberg.com/news/stories/RQ43KH6JLCZK>