

DM Headlines

- Biden Sets High-Stakes Debt-Limit Meeting as Deadline Nears
Invitation comes after Yellen says limit could arrive in weeks
Both Democrats and Republicans invited to White House meeting
<https://blinks.bloomberg.com/news/stories/RU06Y5TOG1KW>
- Stagflation Is the Risk That Eludes Investors Mispricing Markets
Slowing economy, high inflation create treacherous backdrop
Schroders Plc says bonds will be 'stand out' asset for 2023
<https://blinks.bloomberg.com/news/stories/RU04JOTOG1KW>
- JPMorgan Ends First Republic's Turmoil After FDIC Seizure (3)
Largest US lender poised to grow even bigger after deal
Bad investments, run on deposits led to bank's seizure
<https://blinks.bloomberg.com/news/stories/RTZLJ8TOG1KZ>
- Fed & Co. Confront History of Mistakes as Hiking Cycle Nears End
Powell, Lagarde set to announce rate increases in next week
Bailey's BOE decision looms for May 11 after calling off pause
<https://blinks.bloomberg.com/news/stories/RTEZ4ITOG1KW>
- Yellen Warns Congress Treasury May Run Out of Cash Soon as June
Treasury chief urges lawmakers to raise or suspend debt limit
Yellen has warned that payments default would be devastating
<https://blinks.bloomberg.com/news/stories/RU01HFTOG1KW>
- BlackRock to Begin Selling Munis Held by FDIC After Failures
Sales of about \$50 million of taxable debt to begin Tuesday
FDIC picked up \$7 billion of munis from Silicon Valley Bank
<https://blinks.bloomberg.com/news/stories/RTZVNWT0AFB4>
- JPMorgan PB Has Been 'Reluctant' to Short Dollar
<https://blinks.bloomberg.com/news/stories/RU0AHST1UM0W>
- Oil Extends Loss Into Third Week on Concerns Over China Recovery
Disappointing China manufacturing data added to bearishness
Focus is also turning to upcoming central bank meetings
<https://blinks.bloomberg.com/news/stories/RTZT5UT1UM0W>
- US Factory Activity Contracts for a Sixth Month, ISM Data Show
Manufacturing index edged up to 47.1 in April from 46.3
Measure of prices paid rose 4 points to highest since July
<https://blinks.bloomberg.com/news/stories/RTZGM9T1UM0W>
- EURO-AREA PREVIEW: Sticky Core Inflation to Keep ECB Hiking
<https://blinks.bloomberg.com/news/stories/RU00BLT0AFB4>
- Major Bond Sell-Offs Seen as Unlikely at Upcoming ECB Decision -- Market Talk
<https://blinks.bloomberg.com/news/stories/RU0P9D0799MO>
- German Inflation Slows Unexpectedly After Economy Stagnated (2)
Consumer prices grew 7.6% from year ago in April; est. 7.8%
Recession avoided but output was weaker than forecast in 1Q
<https://blinks.bloomberg.com/news/stories/RTTTG8T1UM13>
- Germany March Retail Sales Fall 2.4% M/m, Est. +0.4%
<https://blinks.bloomberg.com/news/stories/RU0ORG6JLCZL>



RUBRICS

- France Rating Cut to AA- From AA by Fitch on Deficits, Debt (2)
Projected budget shortfall 'well above' median for peers
Le Maire says rating company underestimates reform impact
<https://blinks.bloomberg.com/news/stories/RTVKJUT0G1KW>
- (UK) April BRC Shop Price Index YoY, actual 8.8%, prior 8.9%
- UK Shop Price Inflation Cools for First Time in 2023, BRC Says
Discounts at clothing retailers help pull down inflation
Food, ready meals and coffee all are still rising sharply
<https://blinks.bloomberg.com/news/stories/RTTU1XDWX2PS>
- Britain's Broken Planning System Makes Home Buying a Pipe Dream
Government policy changes, a lack of funding and chronic understaffing are blamed for choking the country's planning system
<https://blinks.bloomberg.com/news/stories/RU0J4BT1UM0Y>
- UK House Prices Post First Rise in Eight Months, Nationwide Says
<https://blinks.bloomberg.com/news/stories/RTTIJ7T1UM0Y>
- Australia Signals More Tightening After Surprise Rate Hike (2)
Currency and bond yields surge after RBA wrongfooted investors
RBA says rate rise will help to anchor inflation expectations
<https://blinks.bloomberg.com/news/stories/RU0LV2TOG1KW>
- RBA's Lowe Raises Benchmark Interest Rate to 3.85%
<https://blinks.bloomberg.com/news/stories/RU0IIEG1KW>
- RBA Hike a 'Spanner' in Works for Global Pivot Hopes, Vanda Says
<https://blinks.bloomberg.com/news/stories/RU0LCOT0AFB7>
- Buy Aussie Against Yen on Monetary Policy Divergence, SEB Says
<https://blinks.bloomberg.com/news/stories/RU0LEDTOG1KW>
- Australia, Spooked by Inflation, Resumes Raising Interest Rates – WSJ
<https://blinks.bloomberg.com/news/stories/RU00Y80799MO>
- EUR/JPY May Rise to 155 With Limited Pullback, Citigroup Says
<https://blinks.bloomberg.com/news/stories/RU0BFCTOG1KW>
- (Japan) April Monetary Base YoY, actual -1.7%, est. -1.3%, prior -1.0%
- Yen Nearing This Year's Low Ahead of Fed Meeting: Inside Japan
<https://blinks.bloomberg.com/news/stories/RU0MUWT1UM0W>
- Weak Yen Pushes Japan Inflation Expectations to Four-Month High
Break-even inflation rate rises to highest since January
Yen has dropped 3% since BOJ kept stimulus in place Friday
<https://blinks.bloomberg.com/news/stories/RU0GVDT0AFB5>
- S. Korea, Japan Finance Ministers Meet First Time in 7 Years (2)
Meeting adds to signs of thawing ties between the countries
A formal summit was held in March for first time in 12 years
<https://blinks.bloomberg.com/news/stories/RU0KAETOG1KW>
- BOJ Signals Rising Confidence Over Wage Growth This Year
<https://blinks.bloomberg.com/news/stories/RTYVHRTOG1KW>

EM Headlines

- Chinese Banks Aren't Worried About US-Style Depositor Flight
The country's savers have learned the hard way that safety matters more than yield.
<https://blinks.bloomberg.com/news/stories/RTZZO6DWRGG2>
- China Reopening Party Over as Emerging Markets Slip Back to Void
EM stocks lag developed-market peers dragged by China stocks
Hurdle is high for investments into China: Union Bancaire
<https://blinks.bloomberg.com/news/stories/RTYUWUTOAFB4>
- Xi's Food Security Campaign May Backfire for Chinese Farmers (1)
China has less than one-tenth of the world's arable land
Government seeks to boost soy output, displacing other crops
<https://blinks.bloomberg.com/news/stories/RU0BVPT1UM0W>
- IMF Says China Shifting on Debt Restructuring After Being Burned
Countries unable to pay helping focus Beijing, Georgieva says
China offering to host technical meetings on debt overhaul
<https://blinks.bloomberg.com/news/stories/RTZLQ1TOG1KW>
- IMF Says China Has Space to Keep Monetary, Fiscal Policy Loose
<https://blinks.bloomberg.com/news/stories/RU0H6JTOG1KW>
- Hong Kong Exits Recession as Spending Boom Revives Growth
Economy grew 2.7% in the first quarter from a year earlier
Expansion beat median estimate of 0.5% by economists
<https://blinks.bloomberg.com/news/stories/RU0FU2T1UM0W>
- Won Inches Lower on Easing CPI, US Banking Concern: Inside Korea
<https://blinks.bloomberg.com/news/stories/RU082FTOG1KW>
- S. Korea Says Will Step Up Cooperation With Japan, China (1)
<https://blinks.bloomberg.com/news/stories/RU0D79T0AFB4>
- Korean Export Falls Ease in Possible Sign of Stabilizing Demand
<https://blinks.bloomberg.com/news/stories/RTYG8DT1UM0W>
- Rupiah Holds Near 11-Month High After CPI Data: Inside Indonesia
<https://blinks.bloomberg.com/news/stories/RU0FMGT0AFB4>
- Korea, Indonesia Agree to Boost Direct Transaction of Won, Rupiah
<https://blinks.bloomberg.com/news/stories/RTZ5LYT0AFB4>
- Rupee Interbank Call Rate Trades Above Repo Rate: Inside India
<https://blinks.bloomberg.com/news/stories/RU0K27TOG1KW>
- S&P Global India April Manufacturing PMI 57.2 vs 56.4 in March
<https://blinks.bloomberg.com/news/stories/RTYR5IT0AFB5>
- India's Unemployment Rate Climbs to Four-Month High in April
<https://blinks.bloomberg.com/news/stories/RU0GOJT0AFB4>

- Colombia Lifts Key Rate to Most Since 1999 After Market Dive (1)
Central bank raises its benchmark interest rate to 13.25%
Colombia flouts regional trend by continuing to tighten
<https://blinks.bloomberg.com/news/stories/RTU831DWRGG0>
- Ecuador Bond Buyback Likely to Be Funded by Bank Loan: Barclays
<https://blinks.bloomberg.com/news/stories/RTU1DADWX2PS>
- Mexico Surprises With Above-Forecast Growth on Export Surge (2)



Economy grew 1.1% q/q in first quarter, above 0.8% forecast
Preliminary data show economy expanding despite downside risks

<https://blinks.bloomberg.com/news/stories/RTTWE5DWX2PT>

- High Rates Leave Mexico Facing Mounting Interest Payments
<https://blinks.bloomberg.com/news/stories/RTZKL5T0G1KW>
- Lula Pans Brazil Monetary Policy Again Before Rate Decision (1)
President Lula speaks at Sao Paulo event during local holiday
Policymakers expected to hold key rate at 13.75% on Wednesday
<https://blinks.bloomberg.com/news/stories/RTZT61T0AFB4>
- Latin America's Biggest Economies Surprise With Stronger Growth
Brazil's economic activity, Mexico 1Q GDP data beat estimates
Both nations working to tame fast inflation with high rates
<https://blinks.bloomberg.com/news/stories/RTTUMPDWLU69>
- Petro Says Limiting Colombian Reforms Could Lead to 'Revolution'
President Petro addressed his supporters in balcony speech
Earlier swore in seven ministers, including new finance chief
<https://blinks.bloomberg.com/news/stories/RTZWECT0AFB4>
- Chile March Manufacturing Output Falls 5.5% Y/y; Est. -5.7%
<https://blinks.bloomberg.com/news/stories/RTTTL7GETF5S>

- Polish Rate-Setters See Chance for Cuts This Year as CPI Falls
<https://blinks.bloomberg.com/news/stories/RTX243T0AFB4>
- Polish Inflation Eases After War-Related Price Shock Fades
<https://blinks.bloomberg.com/news/stories/RTRQVXDWRGG0>
- Hungary President Pardons Far-Right Terrorist Before Pope Visit
<https://blinks.bloomberg.com/news/stories/RTTBI9DWRGG2>
- Eastern Europe Is Jeopardizing Ukraine's Economic Lifeline
After Poland blocked Ukrainian grain imports, others in eastern Europe followed, exposing the limits to the region's backing.
<https://blinks.bloomberg.com/news/stories/RTYOG6DWRGG0>
- Europe Is Waking Up to Threat of an Eastern Version of Brexit
Hungarian Prime Minister Viktor Orban likes to blame the EU for everything and concern is growing over a sharp drop in public support for the bloc.
<https://blinks.bloomberg.com/news/stories/RTT4GDDWX2PW>
- Foreign Holdings of Czech Koruna State Bonds Increased in March
<https://blinks.bloomberg.com/news/stories/RTTCWTDWRGG0>
- Eskom Latest: Outages Intensify; Five CEO Candidates Shortlisted
<https://blinks.bloomberg.com/news/stories/RTZLMJT0AFB8>
- Local-Currency Bonds Are Laggards in EM: Inside South Africa
<https://blinks.bloomberg.com/news/stories/RTTDPDWLU68>
- Foreign Investors Net Buyers of South African Bonds
<https://blinks.bloomberg.com/news/stories/RTZL0SGQD79C>
- Russia Seen Buying Yuan Soon as Sanctions, Oil-Cap Hit Eases (1)
Purchases of foreign currency to resume as early as this month
Russia has sold from its wealth fund in 2023 to cover spending
<https://blinks.bloomberg.com/news/stories/RU0ERKTOG1KY>