

DM Headlines

- Bond Traders Bet on Biggest Fed Shift in Decades on Credit Risks
Frenzied wagers on a July rate cut followed this week's hike
Gauges that have been safely ignored for years get attention
<https://blinks.bloomberg.com/news/stories/RU6ZDXT0G1KW>
- Hot Jobs Report Raises Odds Fed Keeps Rates Higher for Longer
Nonfarm payrolls rose 253,000 in April, more than estimate
Jobless rate fell to multi-decade low of 3.4%, BLS says
<https://blinks.bloomberg.com/news/stories/RU7AUOT0AFB4>
- Yellen Says No Good Alternative to Congress Lifting Debt Cap
Use of 14th amendment would provoke constitutional crisis
Says Biden can't avoid financial catastrophe without Congress
<https://blinks.bloomberg.com/news/stories/RUAOVYDWLU68>
- Fed's Bullard Says Higher Rates Likely Needed to Cool Inflation
St. Louis chief says base case is slower growth, not recession
Chicago's Goolsbee warns bank strains could hurt the economy
<https://blinks.bloomberg.com/news/stories/RU7DNLT1UM0W>
- Bank Stocks Nearing a Crisis-Era Threshold Raises Warning Sign
S&P 500 financials threaten to push back below 2007 peak
'You can't have a bull market if bank stocks are falling'
<https://blinks.bloomberg.com/news/stories/RU3CZ2TOG1KW>
- DC Standoff, Credit Crunch and Weather Add Up to Stagflation
<https://blinks.bloomberg.com/news/stories/RUB989DWLU68>
- Fed's Goolsbee Says Premature to Make Call on June Rate Decision
<https://blinks.bloomberg.com/news/stories/RU76JFT0G1KW>
- Oil Edges Higher as Traders Assess Demand Outlook After Slump
OPEC, EIA to release market reports following volatile trading
WTI rises toward \$72 a barrel after collapsing 7.1% last week
<https://blinks.bloomberg.com/news/stories/RUBQRJT0G1KW>

- ECB's Knot Vows More Rate Hikes Amid 'Too High' Core Inflation
Central banker says inflation is years from reaching 2% goal
Euro-zone core inflation remains close to a record high
<https://blinks.bloomberg.com/news/stories/RUA96LDWX2PS>
- EU Plans Sanctions on Chinese Companies Aiding Russia, FT Says
<https://blinks.bloomberg.com/news/stories/RUBCMZT0G1PV>
- EURO-AREA INSIGHT: Inflation Problem Could Yet Solve Itself (1)
<https://blinks.bloomberg.com/news/stories/RUBP8NDWLU6A>
- EU Climate Diplomats Rethink Push to Phase Out Fossil Fuels
Expecting resistance to emissions cuts in Dubai, some climate hawks have started focusing on a global goal for renewables.
<https://blinks.bloomberg.com/news/stories/RUBPWCDWLU69>
- European Fixed Income Looks Attractive -- Market Talk
<https://blinks.bloomberg.com/news/stories/RUBUBI0799MO>



RUBRICS

- Sunak's Tories Suffer Stinging Rebuke in UK Local Elections (1)
Labour wins targets areas while Liberal Democrats also advance
Thousands of seats yet to be counted with results due Friday
<https://blinks.bloomberg.com/news/stories/RU8AU7DWLU68>
- Traders Itching to Bet Against BOE Hikes Are Getting Creative
Money markets imply another 40bps of BOE hikes this cycle
HSBC, Citi say timing a repricing is tricky, favor steepeners
<https://blinks.bloomberg.com/news/stories/RU6F6RTOG1KX>
- Australian Budget Near Surplus as Chalmers Joins Price Fight (1)
Survey shows deficit 0.25% of GDP, media report slim surplus
Deficits to resume in years ahead as costs rise, revenue drops
<https://blinks.bloomberg.com/news/stories/RUB8NCTOG1KW>
- (AU) March Private Sector Houses MoM, actual -2.8%, prior 11.3%
- (AU) April NAB Business Confidence, actual 0, prior -1
- (AU) April NAB Business Conditions, actual 14, prior 16
- (AU) March Building Approvals MoM, actual -0.1%, est. 3.0%, prior 4.0%, revised 3.9%
- Aussie Climbs, Bonds Slide Ahead of Budget: Inside Australia/NZ
<https://blinks.bloomberg.com/news/stories/RUBQ73DWRGG0>
- Australia Treasurer Warns China Can't Offset Global Softness (1)
Gas tax overhaul made with an eye to Australia trade partners
Budget centerpiece aims to help curb households' rising costs
<https://blinks.bloomberg.com/news/stories/RUB5W7T1UM0W>
- A Few BOJ Members: Japan's Price Environment Starting to Shift
<https://blinks.bloomberg.com/news/stories/RUBCEYT0AFB4>
- Japan, South Korea Move Closer on Security, Chips at Summit (1)
Yoon heralds a return of shuttle diplomacy with neighbor
Friction between the two has caused headaches for the US
<https://blinks.bloomberg.com/news/stories/RUB9SZDWX2PS>
- (Japan) April Jibun Bank Japan PMI Composite, actual 52.9, prior 52.5
- (Japan) April Jibun Bank Japan PMI Services, actual 55.4, prior 54.9
- Japan's Post-Covid Spending Likely to Help Economic Recovery
<https://blinks.bloomberg.com/news/stories/RUBGB7DWRGG0>
- Yen, Govt Bonds Advance as US Bank Concern Lingers: Inside Japan
<https://blinks.bloomberg.com/news/stories/RUBSAVT0AFB4>

EM Headlines

- China Builders With Upcoming Lawsuits Just Got a Wake-Up Call
Jiayuan received wind-up order last week despite debt efforts
Peers such as Logan face court tests in coming weeks
<https://blinks.bloomberg.com/news/stories/RU2O20T1UM11>
- Trade-Weighted Yuan Weakens Before Exports Data: Inside China
<https://blinks.bloomberg.com/news/stories/RUBIKHT0G1KW>
- China End-April Forex Reserves at \$3.2048t; Est. \$3.1938t
<https://blinks.bloomberg.com/news/stories/RU9O8WT1UM0W>
- China Bonds On Track to Rally Out of Post-Reopening Slump (1)
Benchmark 10-year yields look set to wipe out reopening move
Investor sentiment hit by poor economic data, stimulus bets
<https://blinks.bloomberg.com/news/stories/RUBN0BT0G1KW>
- China Trade Fair Struggles to Lure Buyers as Global Growth Slows
Contract levels fall short at the Spring Canton Fair
Lackluster demand from the US and Europe stall export efforts
<https://blinks.bloomberg.com/news/stories/RU3664T0G1KW>
- Won Down After Global Funds Sell Nation's Equities: Inside Korea
<https://blinks.bloomberg.com/news/stories/RUBDS7T0AFB4>
- South Korea to Meet With US to Strengthen Cyber Security: Yonhap
Meeting in Seoul to build capacity to respond to cyber threats
Yoon's recent pact with Biden draws rebuke from North Korea
<https://blinks.bloomberg.com/news/stories/RU9X4QT0AFB4>
- Rupee Gains as Stocks Rise, Bonds Lower on Crude: Inside India
<https://blinks.bloomberg.com/news/stories/RUBNMADWLU68>
- Best of India Bond Rally May Be Over With Sales Deluge Coming
10-year yield fell below 7% last week for 1st time since 2022
Valuation makes shorter-dated Indian bonds attractive: ANZ
<https://blinks.bloomberg.com/news/stories/RU434TT0G1KW>
- India Working to Bring Down Inflation, Finance Minister Says (1)
<https://blinks.bloomberg.com/news/stories/RU8BFNDWLU69>
- Rupiah Slips as Traders Take Profit From Rally: Inside Indonesia
<https://blinks.bloomberg.com/news/stories/RUBJ4DDWX2PS>
- Indonesia Still Keen to Capture Export Dollars to Steady Rupiah
<https://blinks.bloomberg.com/news/stories/RU6CPDT0G1KW>

- Chile's Conservative Parties Score Massive Win in Snub to Boric
Right-wing obtains 3/5 majority to push through changes
Chilean assets are expected to rally after resounding win
<https://blinks.bloomberg.com/news/stories/RUBH61T0G1L9>
- Bolivian Bonds Jump After Senate Approves Bill to Monetize Gold
Approval is a key step to ease Bolivia's dollar shortage
Opposition calls the bill a patch for Arce to remain in power
<https://blinks.bloomberg.com/news/stories/RU6SZ1T0G1KW>
- COP Leads Latam FX Gains After Below-Est. CPI Data: Inside Andes
<https://blinks.bloomberg.com/news/stories/RU6UUVT1UM0W>



- Argentines Pulled \$1 Billion From Bank Accounts in April Rush
Deposits fell 6.7% to \$15.3 billion late March to end-April
Peso weakened 13% in April in parallel market amid 100% CPI
<https://blinks.bloomberg.com/news/stories/RU6W1UT1UM0Y>
- Mexico Analysts Cut 2023 CPI Est. to 5.02% Vs. 5.13%: Citi
<https://blinks.bloomberg.com/news/stories/RU7FDDGETF5S>
- MXN Rises Toward YTD High After US Jobs Report: Inside Mexico
<https://blinks.bloomberg.com/news/stories/RU6R0LTOG1KZ>
- Lula Slams Brazil's Interest Rates Saying They Hold Nation Back
Claims central bank chief committed to previous administration
Benchmark rate steady at 13.75% for six consecutive meetings
<https://blinks.bloomberg.com/news/stories/RU8V3PDWX2PS>
- Financial market concerned about potential new Central Bank chief
<https://blinks.bloomberg.com/news/stories/RUBE76C6HM2O>
- Colombian Inflation Starts to Slow From Quarter-Century High
Annual inflation cooled more than expected in April, to 12.82%
Result was lower than all 25 estimates in Bloomberg survey
<https://blinks.bloomberg.com/news/stories/RU5263T1UM0Y>
- Central Banker Says Colombia Must be Wary of Premature Rate Cuts
Co-director Steiner calls for 'patience' and 'prudence'
Colombian inflation slowed from quarter-century high in April
<https://blinks.bloomberg.com/news/stories/RU5LSYT0G1KW>

- Koruna Buoyed by CNB Verbal Support; May Lag Peers Next Year
<https://blinks.bloomberg.com/news/stories/RU6DJGDWLU68>
- Polish Government May Extend Zero Tax Rate on Food Into 2024
<https://blinks.bloomberg.com/news/stories/RU897DDWX2PS>
- Crucial EU-Court Ruling on Polish Legacy Loans Is Set for June
<https://blinks.bloomberg.com/news/stories/RU8Z8XT1UM0W>
- Hungary May Be in Recession Through This Quarter, Minister Says
<https://blinks.bloomberg.com/news/stories/RU6WFUTOG1KW>
- Hungary's Recession to Continue After Retail, Industry Miss: ING
<https://blinks.bloomberg.com/news/stories/RU6DY8T0AFB4>
- South Africa SARB Govt Bond Holdings Fall to 33.4b in April
<https://blinks.bloomberg.com/news/stories/RUBT9RGFFW8W>
- Eskom Is Fighting Corruption at Every Step of Its Supply Chain
Coal mafias, graft and industrial sabotage are pushing South Africa's power monopoly closer
to collapse
<https://blinks.bloomberg.com/news/stories/RUBN49T0G1KZ>
- South African Court Exempts Hospitals, Schools From Power Cuts
<https://blinks.bloomberg.com/news/stories/RU6XDLT0G1KW>
- Eskom Deepens Power Supply Cuts as More Generating Units Fail
<https://blinks.bloomberg.com/news/stories/RUAGCMDWRGG1>
- South Africa's Ramaphosa Sends Army to Protect Eskom Stations
Move comes as nation battles with crippling rolling blackouts
Sabotage, theft some of the factors behind the power cuts
<https://blinks.bloomberg.com/news/stories/RU84SSDWX2PS>