

DM Headlines

- Summers Sees Higher Fed Interest Rates, Increased US Taxes
Fed may need to raise rates by half point or more, he says
Ex-Treasury chief sees unprecedented long-run fiscal challenge
<https://blinks.bloomberg.com/news/stories/RVI216DWX2PS>
- McCarthy Confident on Debt Vote Despite Hard-Line Ouster Threat
Ultra-conservatives threaten revenge on speaker for debt deal
McCarthy says his job is secure, debt deal 'easy vote' for GOP
<https://blinks.bloomberg.com/news/stories/RVHZWYT0AFB4>
- Biden-McCarthy Debt Deal Puts Government Services on a Diet
Federal agencies can expect cuts relative to inflation
Deal barely dents US budget deficits over the next decade
<https://blinks.bloomberg.com/news/stories/RVI18BDWLU68>
- Fed's Barkin Says He's Seeking Evidence Demand Is Coming Down
Officials next meet to decide interest rates June 13-14
Richmond Fed chief says inflation rate remains too high
<https://blinks.bloomberg.com/news/stories/RVHDS6T0AFB4>
- Oil Holds Deep Slump on Weak Demand Signals Ahead of OPEC+ Meet
Persistent concerns around Chinese demand hang over market
WTI trades below \$70 after closing 4.4% lower on Tuesday
<https://blinks.bloomberg.com/news/stories/RVI19ZDWX2PS>
- Fed's Mester Sees No Reason to Pause US Rate Hikes, FT Says
<https://blinks.bloomberg.com/news/stories/RVICG2T1UM0W>

- SPAIN INSIGHT: Sanchez Election Bet Risks €90 Billion EU Bonanza
<https://blinks.bloomberg.com/news/stories/RVIA2QT0G1KW>
- Moldova Sees EU Entry by 2030 Along With Russian-Occupied Region
Sandu says road to EU can help resolve separatist dispute
Cost-of-living crisis has hampered efforts toward EU reforms
<https://blinks.bloomberg.com/news/stories/RVF7QTT0AFB4>
- Euro-Area Credit Data Flags Risk of ECB Hiking Too Much
<https://blinks.bloomberg.com/news/stories/RVHFOVDWRGG1>
- EURO-AREA PREVIEW: Core Inflation to Dip, Respite Temporary (2)
<https://blinks.bloomberg.com/news/stories/RVIAVBT1UM0W>
- French Inflation Slows More Than Expected to Weakest in a Year
Consumer prices rose 6% from year ago in May; est. 6.4%
Reading follows bigger-than-anticipated moderation in Spain
<https://blinks.bloomberg.com/news/stories/RVH3PEDWRGG0>
- ECB Sounds Warning Over Waning Market Liquidity as Rates Rise
Market and funding liquidity conditions are both deteriorating
Central bank balance sheet reduction is additional challenge
<https://blinks.bloomberg.com/news/stories/RVGRZ7T0AFB4>
- Meloni Grapples With Bank of Italy Succession as Visco Eyes Exit
Speculation on future Bank of Italy chief is starting to build
Governor Visco delivers final annual speech on Wednesday
<https://blinks.bloomberg.com/news/stories/RV3S6FDWX2PS>



- (UK) May Lloyds Business Barometer, actual 28, prior 33
- Canary Wharf Debt Downgrade Is Sign of Wider Property Woes (2)
Owner of east London financial district has debt coming due
Investors cautious on real estate, leading to large discounts
<https://blinks.bloomberg.com/news/stories/RVGUB2DWLU68>
- UK Business Confidence Falls for First Time in Three Months
Lloyds report also shows inflationary pressures remain sticky
Figures may add to concerns about further interest rate rises
<https://blinks.bloomberg.com/news/stories/RVH3HKT0AFB4>
- UK Banks Pull Mortgage Deals From the Market as Rates Rise Again
Lenders are repricing to reflect higher BOE and swap rates
Cost pressures are mounting for British property buyers
<https://blinks.bloomberg.com/news/stories/RVGVDVDWRGG0>
- BOE Rate-Rise Bets May Keep Sterling Rising For Now
<https://blinks.bloomberg.com/news/stories/RVGRMY073NCW>

- RBA Is in 'Data-Dependent Mode,' Lowe Says, as Inflation Jumps
Monthly inflation jumps 6.8%, exceeding economists' 6.4% call
Lowe tells lawmakers the RBA isn't declaring victory on prices
<https://blinks.bloomberg.com/news/stories/RVI2D8T1UM0W>
- (AU) April Private Sector Credit YoY, actual 6.6%, prior 6.8%
- (AU) April CPI YoY, actual 6.8%, est. 6.4%, prior 6.3%
- (NZ) May ANZ Activity Outlook, actual -4.5, prior -7.6
- (NZ) May ANZ Business Confidence, actual -31.1, prior -43.8
- Australia's Relentless Price Pressures Boost Rate-Hike Bets (2)
Monthly inflation rose 6.8% versus forecast for 6.4% increase
Automotive fuel was a significant contributor to monthly gain
<https://blinks.bloomberg.com/news/stories/RVIA1TT0AFB4>

- Intervention Won't Change Japanese Yen's Direction, HSBC Says
<https://blinks.bloomberg.com/news/stories/RVHOXMT0AFB4>
- BOJ to Hold Policy Amid Election Chatter, Ex-Board Member Says
Sakurai says BOJ still eyeing banking sector, election risk
Many BOJ watchers expect a tweak to yield control in July
<https://blinks.bloomberg.com/news/stories/RVGEXDT1UM0W>
- (Japan) April Retail Sales YoY, actual 5.0%, est. 7.1%, prior 7.2%, revised 6.9%
- (Japan) April Industrial Production YoY, actual -0.3%, est. 2.0%, prior -0.6%
- Japan's Top FX Official Warns of Action If Needed as Yen Drops
MOF, BOJ, FSA officials met for first time since March
Yen has fallen through closely-watched 140 per dollar level
<https://blinks.bloomberg.com/news/stories/RVGY9MDWLU68>
- Japan's Factory Output Drops in Weak Start to Second Quarter
Production declined for the first time in three months
Retail sales also fell, signaling slowing consumer momentum
<https://blinks.bloomberg.com/news/stories/RVHXS8DWRGG0>
- Yen Gains After Officials Warn of Intervention: Inside Japan
<https://blinks.bloomberg.com/news/stories/RVI9INTOG1KW>

EM Headlines

- China's Factory Slump Worsens as Fears Mount Over Recovery (2)
Manufacturing PMI drops to 48.8, weaker than expected
Calls are rising for more central bank stimulus to spur growth
<https://blinks.bloomberg.com/news/stories/RVI2Y4T0G1KX>
- Veteran Trader Sees China Assets Hobbled for Three More Years
Chinese currency, stocks sank in May as reopening trade faded
Yuan can weaken to 7.25 per dollar in coming months, Wu says
<https://blinks.bloomberg.com/news/stories/RVI0RMT0G1KW>
- (China) May Manufacturing PMI, actual 48.8, est. 49.5, prior 49.2
- (China) May Non-manufacturing PMI, actual 54.5, est. 55.2, prior 56.4
- Miserable May Is Dashing Hopes for a Rebound in Chinese Stocks
HSCEI, HSI are among the world's worst-performing major gauges
Weak economy and geopolitical tensions keeping investors away
<https://blinks.bloomberg.com/news/stories/RVGUA8T1UM0W>
- Yuan Slides to 6-Month Low After Disappointing PMI: Inside China
<https://blinks.bloomberg.com/news/stories/RVI3ZOT0AFB4>
- CHINA REACT: PMIs Show One-Legged Recovery Needs a Boost (2)
<https://blinks.bloomberg.com/news/stories/RVI6T6T0G1KW>
- KRW Bond Futures Rise After N. Korea Rocket Launch: Inside Korea
<https://blinks.bloomberg.com/news/stories/RVI0G9T0AFB4>
- S. Korea Not Considering Supplementary Budget: Finance Minister
<https://blinks.bloomberg.com/news/stories/RVGB2UDWLU68>
- Korea Banks Can Say No to Refinancing AT1s Despite Capital Rules
<https://blinks.bloomberg.com/news/stories/RVHRX6DWLU69>
- Rupee Bonds Higher Tracking Lower Oil, US Yields: Inside India
<https://blinks.bloomberg.com/news/stories/RVIAMJT0G1KW>
- Service Sector Cushions India's Economy From High Interest Rates
RBI has paused to assess the economic impact of past hikes
GDP is the last key data before central bankers meet June 8
<https://blinks.bloomberg.com/news/stories/RV70TQDWLU68>
- Forex Gains Help Indian Central Bank Boost Savings, Dividend (1)
Growth momentum to sustain amid easing inflation, RBI says
Monetary policy conduct continues to aim cooling CPI to 4%
<https://blinks.bloomberg.com/news/stories/RVGJKVDWLU68>
- Rupiah Eyes Worst Losing Streak in Six Months: Inside Indonesia
<https://blinks.bloomberg.com/news/stories/RVI5U0T1UM0W>
- Jokowi Says Indonesia to Ban Silica, Quartz Sand Exports: CNBC
<https://blinks.bloomberg.com/news/stories/RVGPAKT0G1KW>

- Colombia Peso Hits Fresh High for Year on Corporate Inflows
<https://blinks.bloomberg.com/news/stories/RVHAUIT1UM0W>
- Mexico International Reserves Fell to \$202.5b, Banxico Says
<https://blinks.bloomberg.com/news/stories/RVH8FZGQD79C>
- Mexico Reports 64.4b Peso Jan.-April Budget Deficit
<https://blinks.bloomberg.com/news/stories/RVHM97GQITJ4>



- Only 10% of Mexico's FDI Corresponds to New Investments: BBVA
<https://blinks.bloomberg.com/news/stories/RVHHWWT1UM0W>
- Brazil's Credit Card Rates Climb to 450%, a Six-Year High
Average cost of revolving loans rose for fifth straight month
Central bankers are holding key interest rate steady at 13.75%
<https://blinks.bloomberg.com/news/stories/RVFWQWT0AFB4>
- Brazil Sees Argentina in Urgent Need of Another Bailout
Brazil plans to rally Chile, Colombia to aid troubled neighbor
Brazil hasn't figured out a plan yet, unlikely to inject funds
<https://blinks.bloomberg.com/news/stories/RVH3LLT1UM0W>
- Uruguay and Chile Slam Lula's Defense of Maduro at Brazil Summit
Lacalle Pou says Maduro disrespects democracy, human rights
Boric says Venezuela human rights violations can't be ignored
<https://blinks.bloomberg.com/news/stories/RVHGIMT1UM0W>
- Swap Rates Fall for Seventh Time in Eight Sessions: Chile Close
<https://blinks.bloomberg.com/news/stories/RVHA98DWLU68>
- Colombia Finance Minister Questions Need for More Oil Contracts
<https://blinks.bloomberg.com/news/stories/RVHLCJT1UM0W>

- South Africa's Rand Hits Fresh Record Low as Risks Stack Up
Rand is the worst-performing emerging-market currency in May
Politics, power cuts, stronger dollar and weaker China weigh
<https://blinks.bloomberg.com/news/stories/RVGNWFTOG1KW>
- World Tries to Read Erdogan for Signs of Turkey Policy Shift (2)
President is expected to name cabinet at end of the week
Economists say some sort of pivot is inevitable this year
<https://blinks.bloomberg.com/news/stories/RVGVE8T0G1KW>
- S. Africa Grants BRICS-Meeting Immunity After Putin Invite (2)
As ICC member, South Africa would be obliged to arrest Putin
Immunity doesn't override arrest warrant, government says
<https://blinks.bloomberg.com/news/stories/RVGQS7T0AFB4>
- Putin Orders Tighter Defenses After Drone Strikes on Moscow (1)
Russian Defense Ministry said eight drones were intercepted
Ukraine faced 17th wave of Russian strikes on Kyiv this month
<https://blinks.bloomberg.com/news/stories/RVHE3JT0AFB4>
- Polish Ruling Party Lead Narrows in Opinion Poll for Wp.pl
<https://blinks.bloomberg.com/news/stories/RVIBZDT0G1KW>
- Poland Needs Certainty Before Cutting Rates, Policymaker Says
Iwona Duda sees core inflation in single digits in 2023
Central banker is looking for clear downward trend in prices
<https://blinks.bloomberg.com/news/stories/RVGOLRT0G1KW>
- Hungary April Producer Prices Fall 2% M/m
<https://blinks.bloomberg.com/news/stories/RVIEXRMS385C>
- Zamrazilova Says Czech Budget Plan Is Argument Against Rate Hike
<https://blinks.bloomberg.com/news/stories/RVH0RXT0G1KW>
- Czech Central Bank Says 1Q Investment Shrank More Than Expected
<https://blinks.bloomberg.com/news/stories/RVGWU2TOG1KW>