

DM Headlines

- Fed's Harker Says FOMC Should 'at Least Skip' June Rate Hike
Hawkish members have said more hikes may be necessary
Bullard: rates at low end of sufficiently restrictive level
<https://blinks.bloomberg.com/news/stories/RVL5ITT0AFB4>
- Traders More Comfortable With a Fed Pause as Key Jobs Data Looms
Fed speak favoring a June pause sways bond market rate bets
Payrolls data loom as the next big test for Treasury bulls
<https://blinks.bloomberg.com/news/stories/RVLM1T1UM0W>
- Debt-Limit Deal Clears Congress, Ending Threat of US Default
Bipartisan compromise now heads to Biden for his signature
Deal was a product of intense talks between Biden and McCarthy
<https://blinks.bloomberg.com/news/stories/RVLV8NDWX2PS>
- US Debt Limit Not a Binding Constraint on Govt Borrowing: Moody's
<https://blinks.bloomberg.com/news/stories/RVLWCGT0AFB4>
- US Jobless Claims Tick Up, Still Show Strong Labor Demand
<https://blinks.bloomberg.com/news/stories/RVKQYFT0AFB4>
- US PREVIEW: Solid Job Growth Won't Dissuade Powell From Pausing
<https://blinks.bloomberg.com/news/stories/RVL6KWT1UM0W>
- It Looks Like 'Labor Hoarding' Is Happening at US Factories
<https://blinks.bloomberg.com/news/stories/RVL5U1T0AFB4>

- ECB Rates Not Far Off 'Final Destination,' Panetta Tells Monde
'Our monetary tightening will be felt in the coming months'
'Inflation is too high, but there is no reason to worry'
<https://blinks.bloomberg.com/news/stories/RVLZSQT0AFB4>
- EU Tells Kosovo and Serbia to End Violence or Face Consequences
Macron, Scholz call for new elections in northern Kosovo
EU leaders demand Serbs take part in vote after violence
<https://blinks.bloomberg.com/news/stories/RVM0U9T1UM0W>
- EU Inflation Cools, Clearing a Path for ECB To Pause Rate Rises – WSJ
<https://blinks.bloomberg.com/news/stories/RVM4V0073NCW>
- Euro-Area Core Inflation Eases But Won't Stop ECB Hiking (3)
Underlying consumer prices grew 5.3% from year ago; est. 5.5%
Lagarde says 'we still have ground to cover' on rates
<https://blinks.bloomberg.com/news/stories/RVKPADDWX2PS>
- Room Seen for 10-Year US-German Bond Yield Spread to Tighten -- Market Talk
<https://blinks.bloomberg.com/news/stories/RVM44T073NCW>
- ECB's Remaining Hikes to Be 'Relatively Marginal,' Villeroy Says
<https://blinks.bloomberg.com/news/stories/RVKR7DT0AFB4>

- Larry Summers Sees UK Recession After 'Historic Error' on Brexit
<https://blinks.bloomberg.com/news/stories/RVKDHRT0G1KW>
- Sunak Refuses to Hand Over WhatsApp Texts to UK Covid Probe (3)
Government faced new deadline to hand over Boris Johnson texts
Opposition parties have accused Sunak of attempting a cover-up



- <https://blinks.bloomberg.com/news/stories/RVLA8HT1UM0W>
- Britain's Housing Market Is Struggling With More Pain to Come
Consumer budgets squeezed by inflation and interest rates
Outlook poses a danger for Rishi Sunak before next election
<https://blinks.bloomberg.com/news/stories/RVKJ56DWRGG0>
- UK Mortgage Lending Unexpectedly Falls After Interest Rate Hikes
BOE figures also show Britons are repaying mortgage debts
Nationwide data shows house prices resumed their decline
<https://blinks.bloomberg.com/news/stories/RVKE2PDWRGG0>
- Moody's Predicts 'Mild Recession' For UK as Rate Hikes Bite
<https://blinks.bloomberg.com/news/stories/RVKAK7TOG1KW>

- Australia Raises Minimum Wage 5.75%, Boosting Rate-Hike Pressure
RBC's Ong says decision adds to challenging labor cost picture
Currency, bond yields gain on prospects of further tightening
<https://blinks.bloomberg.com/news/stories/RVLR7NTOG1KW>
- RBC Now Sees RBA Hiking by Quarter-Point in June, July to 4.35%
<https://blinks.bloomberg.com/news/stories/RVLRDZTOAFB4>
- (NZ) 1Q Volume of All Buildings SA QoQ, actual 0.6%, est. -2.0%, prior -1.6%, revised -0.8%
- (NZ) 1Q Terms of Trade Index QoQ, actual -1.5%, est. -1.6%, prior 1.8%, revised 1.5%
- (AU) April Home Loans Value MoM, actual -2.9%, est. 2.0%, prior 4.9%, revised 5.3%
- AUSTRALIA REACT: Minimum-Wage Rise Looks Big, Impact is Small
<https://blinks.bloomberg.com/news/stories/RVM5VNDWX2PS>
- Hawkish Australian Economists See RBA Raising Key Rate to 4.6%
Services inflation, tight job market behind economists' calls
RBA to do whatever's needed to return inflation to 2-3% target
<https://blinks.bloomberg.com/news/stories/RVJUUNT1UM0W>
- Aussie Climbs as Wage Data Spurs Hike Bets: Inside Australia/NZ
<https://blinks.bloomberg.com/news/stories/RVM0BTDWX2PS>
- Australian Minimum Wage Hike Adds Icing to RBA's Hawkish Cake
<https://blinks.bloomberg.com/news/stories/RVLS77TOG1KW>

- BOJ's Ueda Says Will Take Some Time to Reach 2% Price Goal
<https://blinks.bloomberg.com/news/stories/RVLQB4TOAFB4>
- (Japan) May Monetary Base End of period, actual JPY672.3t, prior JPY680.4t
- (Japan) May Monetary Base YoY, actual -1.1%, prior -1.7%
- JGB Bonds Advance Tracking USTs, Yen Steadies: Inside Japan
<https://blinks.bloomberg.com/news/stories/RVMODKT0G1KW>
- JGB Market Functioning Improves as YCC Tweak Speculation Recedes
<https://blinks.bloomberg.com/news/stories/RVKEF2T1UM0W>
- Japan's Birth Rate Fell to a Record Low 1.26 in 2022, NHK Says
<https://blinks.bloomberg.com/news/stories/RVMOPWTOAFB4>
- Japan to Spend About \$25 Billion on Families to Boost Births (2)
Kishida says will reform spending, aim not to impose burden
Will issue special bonds to make up initial funding shortfalls
<https://blinks.bloomberg.com/news/stories/RVM1P6TOAFB4>

EM Headlines

- Investors Zero In on China Local Debt Blowup as Top Risk in Asia
Local-government financing vehicles in China seen as key risk
Bloomberg surveys more than 50 investors, strategists
<https://blinks.bloomberg.com/news/stories/RV19BUT1UM0W>
- Yuan Extends Gain On Fed Pause Bets, Stock Inflows: Inside China
<https://blinks.bloomberg.com/news/stories/RVLM86T1UM0W>
- China Surveyed Companies on Impact From Weaker Yuan: Reuters
<https://blinks.bloomberg.com/news/stories/RVKJTVDWLU68>
- Goldman Cuts China Index Target While Retaining Overweight Call
Bank has lowered its MSCI China Index target to 70 from 80
Expects profit growth in second quarter due to base effect
<https://blinks.bloomberg.com/news/stories/RVLXJRT1UM0W>
- Won Jumps Most in Month on CPI Data, Fed-Halt Bets: Inside Korea
<https://blinks.bloomberg.com/news/stories/RVLU9MT0AFB4>
- Korea Inflation Slows in May, Giving BOK Scope to Pause (1)
Consumer prices up 3.3%, smallest advance since October 2021
String of cooler inflation gives BOK room to be patient
<https://blinks.bloomberg.com/news/stories/RVLJYLT0G1KW>
- Korean Won Won't Recover to Pre-Pandemic Levels, BOK Member Says
<https://blinks.bloomberg.com/news/stories/RVLPL8T0AFB4>
- N.Korea Foreign Ministry Official Condemns UN Comments on Rocket
<https://blinks.bloomberg.com/news/stories/RVLORFT1UM0W>
- S. Korea 1Q GDP Rose 0.3% Q/q, Same as Previous Estimate
<https://blinks.bloomberg.com/news/stories/RVLI5VGF4NPC>
- Rupee Heads for Best Week in Five on Stock Inflows: Inside India
<https://blinks.bloomberg.com/news/stories/RVLZ1VDWX2PS>
- India's Jobless Rate Falls to 3-Month Low of 7.7% in May: CMIE
<https://blinks.bloomberg.com/news/stories/RVLVSZDWRGG0>
- India's Gandhi Slams Modi Over Economy, Democracy on US Visit
Perils to democracy affect world, Congress Party leader warns
US, seeing Modi as ally against China, has held off criticism
<https://blinks.bloomberg.com/news/stories/RVLBJNT1UM0W>

- Rate-Cut Whispers Breathe Life Into Brazil's Dismal Debt Markets
Bond deals are returning to pipeline amid issuance slump
Traders eye ebbing inflation for signs of central bank pivot
<https://blinks.bloomberg.com/news/stories/RV41OYDWRGG0>
- Banxico Signals a Long Period of Tight Money to Tame Inflation
Some Latin American nations forecast to cut rates this year
The central bank halted steepest-ever rate hikes last month
<https://blinks.bloomberg.com/news/stories/RVFMAMDWRGG0>
- Mexico's Nuevo Leon Sees FDI Doubling This Year to \$8b: Eco Min
<https://blinks.bloomberg.com/news/stories/RVLSRNT0AFB4>
- Mexico Real GDP Growth Forecast Raised to 2.3% by Credit Suisse
<https://blinks.bloomberg.com/news/stories/RVLHJPT0AFB4>



RUBRICS

- Lula to Appoint Personal Attorney to Brazil's Supreme Court (1)
Cristiano Zanin led Lula's legal defense against Carwash suits
His name will be submitted to senators Thursday, Pacheco says
<https://blinks.bloomberg.com/news/stories/RVL9G0T0G1KW>
- Brazil Govt Redesigned Car Plan, Lula Has Validated It: Haddad
<https://blinks.bloomberg.com/news/stories/RVLDBHDWLU68>
- Chile Economic Activity Stalls as Markets See Rate Cuts Near (2)
Activity unchanged on month, down 1.1% on year in April
Traders in central bank survey see rate cuts starting in July
<https://blinks.bloomberg.com/news/stories/RVKV7TT0G1KW>
- Chile's Boric Outlines Fresh Tax Reform Push for Social Agenda
Boric spoke Thursday in annual State of the Nation address
Social rights, public security among government priorities
<https://blinks.bloomberg.com/news/stories/RVJ5UMT1UM0W>
- Colombia 1Q Current Account Deficit \$3.422b; Est. -\$4.400b
<https://blinks.bloomberg.com/news/stories/RVLD8TMRXLVM>
- Colombia Oil Output Rose 4% in April Y/Y to 782,277 B/D
<https://blinks.bloomberg.com/news/stories/RVLAUUT0AFB4>

- BRICS Strive to Counter US With Expansion, Shared Currency (1)
Bloc's ministers meet in Cape Town as nations line up to join
South Africa in a bind over Putin attendance at August summit
<https://blinks.bloomberg.com/news/stories/RVKOWAT0AFB4>
- Russia's Rupee Trap Is Adding to \$147 Billion Hoard Abroad (1)
<https://blinks.bloomberg.com/news/stories/RVKAQ9T0G1KW>
- Poland to Keep Policy Rate at 6.75% as Hawks Remain a Minority
<https://blinks.bloomberg.com/news/stories/RVLCO5T0AFB6>
- Poland Calls Reaction to Law 'Disproportionate,' Offers Clarity
EU minister will provide information as early as Thursday
EU, US condemned controversial law as open to political abuse
<https://blinks.bloomberg.com/news/stories/RVK9K4T0AFB4>
- Hungary on Track to Miss 2023 and 2024 Budget Goals: OTP Bank
<https://blinks.bloomberg.com/news/stories/RVM1HTT0AFB4>
- Hungary Bonds Jump on Government Plans: Inside CEE (1)
<https://blinks.bloomberg.com/news/stories/RVKRHNT0G1KW>
- Hungary Aims to Boost Debt Demand Amid Record Budget Deficit (1)
Minister sees debt demand increasing by 1.8 trillion forint
Debt rules, new taxes come after government defended budget
<https://blinks.bloomberg.com/news/stories/RVKH4GDWLU68>
- Czechs Ease Lending Rules After High Rates Cool Housing Market
<https://blinks.bloomberg.com/news/stories/RVKLS1T1UM0W>
- Czech Rep. May PMI Unchanged at 42.8; Est. 41.5
<https://blinks.bloomberg.com/news/stories/RVKCRVT0AFB5>
- Putin Warrant Leads South Africa to Consider Moving BRICS Summit
Government considering China, Mozambique as alternative venues
South Africa would be obliged to arrest Putin on ICC warrant
<https://blinks.bloomberg.com/news/stories/RVKPH3DWX2PS>