

DM Headlines

- Bonds Everywhere Are Suffering as Rate-Hike Fears Swamp Traders
Big question will be if Federal Reserve hikes next week: DB
Yields are climbing again as traders look to Fed policy path
<https://blinks.bloomberg.com/news/stories/RVX7SFT1UM0W>
- Global Yields Climb as Traders Lean Toward Fed Hike by July
Swaps show bets on quarter-point hike through end of the year
Key segment of yield curve inverts to level last seen in March
<https://blinks.bloomberg.com/news/stories/RVWLQOT0G1KW>
- Canada's Hike Exposes Global Struggle to Find Endpoint for Rates
'It's a bit of a cautionary tale for the Fed': Citi's Clark
Treasury yields rise after Bank of Canada resumes tightening
<https://blinks.bloomberg.com/news/stories/RVW3SIDWRGG0>
- Global Recovery to Be Weak and Inflation-Plagued, OECD Says
OECD sees growth below pre-Covid levels in 2023 and 2024
Central banks must keep tight policy to defeat core pressures
<https://blinks.bloomberg.com/news/stories/RVVHVDDWRGG0>
- McCarthy Sends Lawmakers Home, Cites Hard-Liner Blockade 'Chaos'
Ultra-conservatives angered by speaker's debt deal with Biden
Speaker says he was 'blindsided' by revolt of 11 lawmakers
<https://blinks.bloomberg.com/news/stories/RVWRXNDWLU68>
- HSBC's Major Is Bullish on USTs, Selective on EM Duration (1)
<https://blinks.bloomberg.com/news/stories/RVWT36T0G1KW>
- US INSIGHT: Greenspan Gauges Say Inflation to Soften - a Bit
<https://blinks.bloomberg.com/news/stories/RVWIZNT0G1KW>
- US Consumer Borrowing Increases by Most Since November
<https://blinks.bloomberg.com/news/stories/RVU3LTDWRGG0>

- ECB PREVIEW: 25-Bp Hike in June, Focus Will Be on Upcoming Pause
<https://blinks.bloomberg.com/news/stories/RVX37GT0AFB4>
- ECB, BOE Investors Won't Miss Read-Across From Australia, Canada
<https://blinks.bloomberg.com/news/stories/RVXA87DWLU69>
- ECB Officials Urge Higher Rates Even as Inflation Retreats (2)
Knot isn't convinced that 'current tightening is sufficient'
Schnabel says there's 'more ground to cover' on interest rates
<https://blinks.bloomberg.com/news/stories/RVVRN0T0G1KW>
- Italian BTPs Seen Exposed to Profit-Taking -- Market Talk
<https://blinks.bloomberg.com/news/stories/RVX8PR0799MO>
- Germany to Walk Back Charging Goal as People Plug EVs at Home
Officials see target as outdated amid technological advances
Auto lobby has pushed for more chargers to boost EV sales
<https://blinks.bloomberg.com/news/stories/RVJ4J7T1UM0W>



- (UK) May RICS House Price Balance, actual -30%, est. -39%, prior -39%
- OECD Signals Tax Cuts Likely Out of Reach for UK Government (1)
Rising debt and interest rates tie the hands of the Treasury
UK headed for second-slowest growth rate in G-7 this year
<https://blinks.bloomberg.com/news/stories/RVW0V0DWRGG0>
- UK Property Surveyors Turn More Positive Despite Rising Rates
RICS warns a jump in mortgage rates is likely to weaken market
Latest survey contrasts with more gloomy tone from lenders
<https://blinks.bloomberg.com/news/stories/RVVKUADWRGG0>
- Sterling Credit Suffers From Gilt Rout, Rapid BOE QT, Yet Richer
<https://blinks.bloomberg.com/news/stories/RVX4P8T0AFB7>
- UK INSIGHT: Jobs Market Says 5.5% BOE Terminal Rate Is Too High
<https://blinks.bloomberg.com/news/stories/RVX3DMT0G1KW>
- Drop in UK Job Postings Revives Concern of a Recession This Year
Reed Recruitment chief sounds a more cautious note on outlook
Economist Karen Ward says chances of a slump have increased
<https://blinks.bloomberg.com/news/stories/RVRE5DWX2PS>

- Australia's Trade Surplus Narrows as Iron Ore Exports Slide (1)
Australia recorded monthly trade surpluses since January 2018
Tourism exports now almost fully back to pre-pandemic levels
<https://blinks.bloomberg.com/news/stories/RVX0T7T0G1KW>
- Kiwi Set for Modest Near-Term Bounce on Rate Spreads, HSBC Says
<https://blinks.bloomberg.com/news/stories/RVW05GDWLU68>
- Australia's Cities Post Record Rent Gain Amid Inflation Jitters
<https://blinks.bloomberg.com/news/stories/RVWOS2T0G1KW>
- (NZ) 1Q Mfg Activity Volume QoQ, actual -2.1%, prior -4.7%, revised -4.6%
- (NZ) 1Q Mfg Activity SA QoQ, actual -2.8%, prior -0.4%, revised -1.0%
- Aussie Bonds Follow USTs Lower on BOC Hike: Inside Australia/NZ
<https://blinks.bloomberg.com/news/stories/RVX564DWX2PS>
- New Zealand 10-Month Budget Deficit Wider Than Projected on Tax
<https://blinks.bloomberg.com/news/stories/RVWK87DWX2PS>

- Japan PM Says Not Assuming BOJ Bond Buying in Managing Finances
<https://blinks.bloomberg.com/news/stories/RVWX4PDWRGG0>
- BOJ Watchers Push Back Calls for YCC Tweak on Ueda's Dovish Tone
More than 90% of polled economists see no change at June meet
July now seen as month most likely for a move, survey shows
<https://blinks.bloomberg.com/news/stories/RVUXYXT0AFB4>
- Japan's Economy Grows Faster Than Estimated Amid Election Talk
Business spending grew more than expected in first quarter
Speculation swirls over whether Kishida will call early poll
<https://blinks.bloomberg.com/news/stories/RVWQRLDWLU68>
- (Japan) 1Q GDP Deflator YoY, actual 2.0%, est. 2.0%, prior 2.0%
- (Japan) 1Q GDP Annualized SA QoQ, actual 2.7%, est. 1.9%, prior 1.6%
- Yen Strengthens After 1Q GDP Beats Estimates: Inside Japan
<https://blinks.bloomberg.com/news/stories/RVX4JSDWX2PS>

EM Headlines

- China Rate-Cut Hopes Grow as Signs of Weak Recovery Mount (1)
Some economists predict PBOC will cut key rate next week
Others say Beijing will use targeted measures instead
<https://blinks.bloomberg.com/news/stories/RVWR5YT1UM0W>
- BlackRock Says Investors Reassess China Allocation Amid Slowdown
<https://blinks.bloomberg.com/news/stories/RVX0CKT0G1KW>
- Yuan Drops for 4th Day, Banks Cut Deposit Rates: Inside China
<https://blinks.bloomberg.com/news/stories/RVWVIMTOG1KW>
- China Big Four State Banks Said to Cut Dollar Deposit Rates
State lenders lowered ceiling on dollar deposit rates onshore
Impact on helping stem pressure on yuan likely limited
<https://blinks.bloomberg.com/news/stories/RVVA04TOG1KW>
- China Forex Regulator Says Dollar Strength Unsustainable (1)
<https://blinks.bloomberg.com/news/stories/RVX9F3TOG1KW>
- Won Pares Drop as Choo Mentions FX Swap With Japan: Inside Korea
<https://blinks.bloomberg.com/news/stories/RVX1K0T0AFB4>
- S. Korea, Japan to Discuss FX Swap in Upcoming Meeting: Choo (1)
<https://blinks.bloomberg.com/news/stories/RVWX66T0AFB4>
- Korea Flags Need to Fight Currency Wash Trades as Reforms Deepen
Wash trades may affect indexes such as won market average rate
Eliminating wash trading will create a fairer market, Oh Says
<https://blinks.bloomberg.com/news/stories/RVX96KTOG1KW>
- S. Korea May Have to Lower 2023 GDP Growth Forecast: Choo (1)
<https://blinks.bloomberg.com/news/stories/RVWZC0DWX2PS>
- BOK: Current Policy Rate Is Slightly Above Neutral Rate
<https://blinks.bloomberg.com/news/stories/RVWZ8AT0G1KW>
- Rupiah Slips With Asia FX After US Hike Bets: Inside Indonesia
<https://blinks.bloomberg.com/news/stories/RVX3L9DWX2PS>
- Hotly Contested Election Set to Inject \$12B to Indonesia Economy
<https://blinks.bloomberg.com/news/stories/RVX7YGT1UM0W>
- RBI Warily Watches Monsoon Impact on Inflation With Policy Hold
Rate-setters pause as they assess impact of past hikes
Das trims FY24 inflation forecast, retains GDP estimate
<https://blinks.bloomberg.com/news/stories/RVX4ZDDWX2PT>
- The Road to Modi's Ambitious Make-in-India Goal Goes Via China
India's manufacturers dependent on China for raw materials
High import duties, fiscal incentives helping local producers
<https://blinks.bloomberg.com/news/stories/RVMITKDWLU68>
- Leftist Colombia Leader Delivers the Paralysis Markets Want (1)
Scandals sap government's ability to pass legislation
Petro's approval ratings drop and coalition allies bail out
<https://blinks.bloomberg.com/news/stories/RVW6FYDWRGG0>
- Petro Calls Supporters to the Streets to Defend Colombia Reforms
<https://blinks.bloomberg.com/news/stories/RVVT4DWRGG1>



- Barclays Moves Colombia to Overweight as Political Risks Abate
<https://blinks.bloomberg.com/news/stories/RVVV98DWLU69>
- Finance Minister Says Asset Rally Shows Faith in Colombia (1)
Colombia Finance Minister Ricardo Bonilla speaks in interview
Peso rally predates recent scandals, Bonilla says by phone
<https://blinks.bloomberg.com/news/stories/RVW5HUDWRGG0>
- Brazil Inflation Slows Past All Forecasts as Rate Cuts Loom (2)
Consumer prices rose 0.23% on month, 3.94% on year in May
Interest rate futures declined after inflation report
<https://blinks.bloomberg.com/news/stories/RVVV98DWLU69>
- MXN Edges Higher as 17.11/USD Grows on Radar: Inside Mexico
<https://blinks.bloomberg.com/news/stories/RVWX1ZDWLU68>
- BRAZIL REACT: May CPI Surprise Won't Prompt June Rate Cut (1)
<https://blinks.bloomberg.com/news/stories/RVVV6LDWLU69>
- Copper Exports Signal Top-Producer Chile Is Leaving Woes Behind
<https://blinks.bloomberg.com/news/stories/RVVWK5DWRGG0>
- Chile Deputies Reject Bills Allowing More Pension Withdrawals
Legislators won't be allowed to debate the issue for one year
Chileans have tapped almost \$52b of savings via withdrawals
<https://blinks.bloomberg.com/news/stories/RVWC0XDWRGG0>
- Colombia Inflation Cools More Than Forecast to a Seven-Month Low
Price rises slow for a second straight month from March peak
Better-than-expected result cements bets of interest rate hold
<https://blinks.bloomberg.com/news/stories/RVWVAPT0G1KW>
- Lira Plunges as Turkey's New Economy Team Pulls Back Defense (3)
Currency has weakened 12 straight days after vote last month
Market pricing expectations of return to orthodox management
<https://blinks.bloomberg.com/news/stories/RVVO2XDWRGG0>
- EU's Fastest Inflation Slows More Than Seen on Hungary Recession
Consumer prices rise 21.5% in May after 24% increase in April
Hungary posts first monthly decline in inflation since 2020
<https://blinks.bloomberg.com/news/stories/RVVP6JDWLU68>
- Czech May Unemployment Rate Falls to 3.5%
<https://blinks.bloomberg.com/news/stories/RVXA5BMS386E>
- Czechs Made No FX Interventions to Prop Up Koruna in April
<https://blinks.bloomberg.com/news/stories/RVVHNADWX2PS>
- EU to Challenge Controversial Polish Law as Opposition Gains (1)
Law has drawn rebukes from US, EU over rule of law concerns
Dispute comes as poll shows Tusk gains after mass protest
<https://blinks.bloomberg.com/news/stories/RVW6D1DWLU68>
- South African Rand Strengthens Below 19/USD, Leads EM Gains
<https://blinks.bloomberg.com/news/stories/RVVP83DWLU68>
- Putin and South Africa Leader Hold BRICS Talks Amid Arrest Fears
<https://blinks.bloomberg.com/news/stories/RVW36JT1UMOW>