

DM Headlines

- US Stripped of AAA Rating by Fitch as Budget Deficits Swell
Downgrade reflects expected fiscal deterioration, Fitch says
US Treasury futures push higher in early Asia trading
<https://blinks.bloomberg.com/news/stories/RYQY33DWLU68>
- Treasury 30-Year Yield Jumps to Highest Level Since November
US 30-year yield climbs as much as 10 basis points to 4.11%
Treasury Department set to ramp up issuance of longer notes
<https://blinks.bloomberg.com/news/stories/RYQAQKDWLU68>
- Treasuries Are Still In a Class of Their Own Despite Fitch Cut
Two-year US yields fell three basis points in Asia trading
Treasuries seen as a haven, similar to previous US downgrade
<https://blinks.bloomberg.com/news/stories/RYQRQ2DWLU68>
- ‘Summer of Disinflation’ Likely to Prod Fed to Skip in September
Falling used-car prices, moderating rents show less pressures
Student loan repayment and potential shutdown will be watched
<https://blinks.bloomberg.com/news/stories/RYIWTLT1UM0W>
- Oil Rises After Industry Report Points to Massive Inventory Draw
API estimates nationwide stockpiles down 15.4 million barrels
WTI pushes above \$82 a barrel after declining by 0.5% Tuesday
<https://blinks.bloomberg.com/news/stories/RYR1W6DWX2PS>
- Fed’s Bostic Urges Caution With More Hikes as Inflation Recedes
Atlanta Fed chief says he doesn’t see need for September hike
There’s been ‘significant progress in the battle,’ Bostic says
<https://blinks.bloomberg.com/news/stories/RYPQ4LDWRGG0>
- Treasuries Demand to Persist as Traders Look Past Fitch Fallout
<https://blinks.bloomberg.com/news/stories/RYQNWZDWLU68>
- Fitch Cut of US Rating to Have Limited Impact on USTs, USD: RBC
<https://blinks.bloomberg.com/news/stories/RYQP38DWX2PS>
- Market Reaction To Fitch is Muted, Unlikely to Persist: JPMorgan
<https://blinks.bloomberg.com/news/stories/RYQGBIT0AFB4>
- US REACT: Small Drop in Job Openings = Sharp Wage Disinflation?
<https://blinks.bloomberg.com/news/stories/RYPWZUDWRGG0>

- Europe Is Set for a Record Solar Summer and Is Wasting It
Renewable groups ask EU to encourage photovoltaic energy use
Unaddressed price volatility seen discouraging PV investment
<https://blinks.bloomberg.com/news/stories/RYPWSCDWX2PS>
- Eurozone June Unemployment Rate 6.4%; Est. 6.5%
<https://blinks.bloomberg.com/news/stories/RYPDO8GFWR28>
- US-EU Steel Talks Inch Ahead as Time for a Deal Runs Short (1)
The two sides are seeking an accord on the GSA by Oct. 31
Tariffs on \$10 billion of US and EU exports could return
<https://blinks.bloomberg.com/news/stories/RYQP94T0AFB4>
- ECB INSIGHT: Rate Hike in September Remains on a Knife-Edge
<https://blinks.bloomberg.com/news/stories/RYQY2ODWX2PS>



- Euribor Options Trade Wagers on ECB Rate Above 4% by Year End
<https://blinks.bloomberg.com/news/stories/RYP8A2DWRGG0>
- Taylor Wimpey Says UK House Prices Rising in Face of Cool Demand
Homebuilder says pricing remains strong despite BOE rate hikes
Housing market is under pressure from spiraling mortgage costs
<https://blinks.bloomberg.com/news/stories/RYPC1KDWLU68>
- BOE's Puzzling Reaction Function Keeps Rates Volatility on Edge
<https://blinks.bloomberg.com/news/stories/RYQZDBT0AFB5>
- UK INSIGHT: Why BOE Won't See Hard Landing, Even With 6% Rates
<https://blinks.bloomberg.com/news/stories/RYQY04TOG1KW>

- New Zealand Jobless Rate Rises, Wages Slow After Rate Hikes (2)
Unemployment rate climbs more than expected to two-year high
Employment growth beats estimates, jumping 4% from a year ago
<https://blinks.bloomberg.com/news/stories/RYQL4NDWRGG0>
- (NZ) 2Q Average Hourly Earnings QoQ, actual 1.9%, prior 2.1%
- (NZ) 2Q Unemployment Rate, actual 3.6%, est. 3.5%, prior 3.4%
- Australia's Economic Shift Can't Wait for Market, Minister Says
Australia slips to 93rd in Harvard Economic Complexity Index
Husic says 'ideally' AI regulations to be finalized this year
<https://blinks.bloomberg.com/news/stories/RYQMNU1UM0W>
- Kiwi Extends Decline Following Jobs Data: Inside Australia/NZ
<https://blinks.bloomberg.com/news/stories/RYQYOPT0AFB4>
- Westpac Now Sees RBNZ Raising OCR Again in November, Not August
<https://blinks.bloomberg.com/news/stories/RYRONCTOG1KW>
- NZ REACT: Labor Supply Surge Will Push Unemployment Higher
<https://blinks.bloomberg.com/news/stories/RYQMRUDWRGG0>
- RBA Sees Inflation Victory, Hikes Are Done
<https://blinks.bloomberg.com/news/stories/RYQ1ALT1UM0W>

- June BOJ Minutes Show Heated Discussions Over YCC Revision
<https://blinks.bloomberg.com/news/stories/RYQM30T1UM0W>
- (Japan) July Monetary Base End of period, actual JPY668.9t, prior JPY670.6t
- (Japan) July Monetary Base YoY, actual -1.3%, prior -1.0%
- BOJ's Key Policy Architect Says YCC Shift Doesn't Mean Exit (1)
Uchida says long way to go before BOJ raises negative rates
Professes to have no levels in mind for 10-year yields
<https://blinks.bloomberg.com/news/stories/RYR1V2DWLU68>
- BOJ Shock Has Wall Street Gaming Out the Global Spillovers (1)
Japan seen phasing out yield-curve control in landmark shift
Yen-funded carry trades and longer-dated bonds seen at risk
<https://blinks.bloomberg.com/news/stories/RYQDSTDWRGG0>
- Yen Poised to Snap Three-Day Losing Streak: Inside Japan
<https://blinks.bloomberg.com/news/stories/RYR3D1T0AFB5>
- JPMorgan Sees Yen Weakening to 152 Against Dollar by Year-End
<https://blinks.bloomberg.com/news/stories/RYQ1LUDWRGG0>

EM Headlines

- China Likely to Speed Up Roll-Out of Pro-Growth Policies: Paper
<https://blinks.bloomberg.com/news/stories/RYQJ5MT1UM0W>
- China Puts Pressure on Local Governments in Pro-Growth Push (1)
Regulators pushing local governments to speed up spending
PBOC urging lenders to cut mortgage rates to help property
<https://blinks.bloomberg.com/news/stories/RYQU7EDWX2PS>
- Yuan Slips With Regional Peers on Fitch Credit Cut: Inside China
<https://blinks.bloomberg.com/news/stories/RYQQMNDWRGG0>
- China Developers Jump as PBOC Guides Banks to Cut Mortgage Rates
<https://blinks.bloomberg.com/news/stories/RYQQCFT0AFB4>
- CHINA INSIGHT: Growth Risks Still High Despite New Policies (1)
<https://blinks.bloomberg.com/news/stories/RYQIWHT0G1KW>
- Won Weakens After CPI Comes in Below Expectations: Inside Korea
<https://blinks.bloomberg.com/news/stories/RYQMWLDWLU68>
- KOREA REACT: CPI Falls Nearer Target, But Won't Likely Sway BOK
<https://blinks.bloomberg.com/news/stories/RYQJVST0G1KW>
- S. Korea July Food Prices +3.4% Y/y, Transport -10.7% Y/y
<https://blinks.bloomberg.com/news/stories/RYQI6GGENSW0>
- Rupiah Falls on US Rating Cut, Sukuk Demand: Inside Indonesia
<https://blinks.bloomberg.com/news/stories/RYQSVLDWRGG0>
- Bank Indonesia Watchful of US CPI, Fed Rate Hike Expectation (1)
<https://blinks.bloomberg.com/news/stories/RYPMX7T0G1KW>
- Indonesia Consumer Prices Ease to 16-Month Low in July (1)
<https://blinks.bloomberg.com/news/stories/RYP2U5T0AFB4>
- Rupee Falls on Higher Oil Prices, Risk-Off Mood: Inside India
<https://blinks.bloomberg.com/news/stories/RYR14DDWX2PS>
- Palm Oil Sets Longest Run of Losses Since April on Demand Worry
<https://blinks.bloomberg.com/news/stories/RYPGUFDWX2PS>
- RBI Sends Fresh Draft Plan to ESMA on Clearing Oversight: ET
<https://blinks.bloomberg.com/news/stories/RYQQ5KDWLU68>
- Franklin Templeton Plans Foray Into Private Credit in India (1)
The firm's new strategy will be led by Santosh Kamath
Firm hired ICICI Prudential's Goswami for fixed income funds
<https://blinks.bloomberg.com/news/stories/RYP7QRDWRGG0>
- India Long-Term Bond Demand Will Continue To Grow, I-Sec PD Says
Insurers seek to match longer liabilities: ICICI-Securities PD
India five-30-year bond yield spreads have narrowed since 2021
<https://blinks.bloomberg.com/news/stories/RYG4DHT0G1KW>
- Fed Loses to Hyperinflation-Scarred Brazil in Race to Cut Rates
Brazil to lower rates Wednesday while Fed, ECB still hiking
Hyperinflation past had pushed Brazil to raise rates quickly
<https://blinks.bloomberg.com/news/stories/RWYQ0JT1UM0W>
- Chile Economy Expands as Mining Surge Masks Broader Declines (1)
Activity gains 0.5% on month in June, falls 1% on year



Central bank cut key rate by 100 basis points on Friday

<https://blinks.bloomberg.com/news/stories/RYPQOBDWLU68>

- Mexico's Top Oil-Export Terminal Shut as Summer Demand Jumps (1)
<https://blinks.bloomberg.com/news/stories/RYQARGDWRGG0>
- Argentina Reserves Fall to 17-Year Low After IMF Payment
Central bank foreign reserves fell to \$24.03 billion Monday
Government made \$2.6 billion IMF payment to avoid arrears
<https://blinks.bloomberg.com/news/stories/RYOLI0DWRGG0>
- Mexico's manufacturing PMI hits seven-year high as GDP rises 3.6% in Q2 2023
<https://blinks.bloomberg.com/news/stories/RYQARRBMZA4G>
- Brazil's Industrial Output Creeps Up Ahead of Interest Rate Cut
Industry production rises 0.1% on month, 0.3% on year in June
Extractive industries, clothing drove the monthly gain
<https://blinks.bloomberg.com/news/stories/RYO3DBDWX2PS>
- Brazil Fiscal Rule Goes to Chamber Floor in 2 Weeks: Rapporteur
<https://blinks.bloomberg.com/news/stories/RYQJHIDWLU68>
- Chile's Boric Unveils New Tax Reform Plans After Pushback (1)
New plan to include income tax changes, oversight, efficiency
Initial legislation was rejected by lawmakers in March
<https://blinks.bloomberg.com/news/stories/RYQ6FHDWRGG0>
- COP Leads Losses as Commodities Drop on China Data: Inside Andes
<https://blinks.bloomberg.com/news/stories/RYPT8SDWLU68>
- Petro Says He Expects Colombia to Start Cutting Rates in Sept.
<https://blinks.bloomberg.com/news/stories/RYPUR6DWLU68>

- Forint Falls on Narrowing Rates and Isolation Fears: Inside CEE
<https://blinks.bloomberg.com/news/stories/RYPBS5DWLU68>
- Ukraine Summons Polish Envoy, Showing Cracks in Alliance (1)
Kyiv protests comment urging Ukraine to be 'grateful'
Presidential aid makes statement as part of grain-ban defense
<https://blinks.bloomberg.com/news/stories/RYQ1TKDWLU68>
- Polish Aug. CPI Above 10% May Rule Out Sept. Rate Cut: Wnorowski
<https://blinks.bloomberg.com/news/stories/RYPY59DWLU68>
- Poland Sends Troops to Belarus Border After Airspace Breach (1)
Warsaw summons Belarus's envoy to protest the incident
Tensions have grown since Wagner fighters arrived in Belarus
<https://blinks.bloomberg.com/news/stories/RYQ6ZWT1UM0W>
- US Tightens Entry Rules for Hungarians, Citing Security Risk (1)
US says Hungary ignored its concerns about citizenship program
Alleged criminals obtained Hungarian passports, official says
<https://blinks.bloomberg.com/news/stories/RYPHBADWRGG0>
- Czechs Say Budget Goal Is Achievable as Deficit Shrinks Again
<https://blinks.bloomberg.com/news/stories/RYPMJ1DWX2PS>
- Czech Rep. July PMI 41.4 vs 40.8 in June; Est. 40.1
<https://blinks.bloomberg.com/news/stories/RYPBFLT0AFB5>
- Reuters: South African rand tumbles as risk-off sentiment spikes <https://t.co/eUdliQoSxs>