

DM Headlines

- Soaring Treasury Yields Pressure US Swap Spreads to a Record Low
Rising term premium sees SOFR 10Y spreads weakest on record
Traders hedge for higher Treasury yields into refunding
<https://blinks.bloomberg.com/news/stories/S3EJWCDWX2PS>
- US Employment Costs Rise at Faster Pace on Pickup in Wage Growth
Index of wages and benefits rose 1.1% in third quarter
Salaries for government workers increased by most in a year
<https://blinks.bloomberg.com/news/stories/S3E8M9TOG1KW>
- Wall Street Predicts a \$114 Billion Quarterly Refunding (1)
Consensus among primary dealers is for a jump of \$11 billion
Minority sees smaller boost after last refunding jolted yields
<https://blinks.bloomberg.com/news/stories/S3E5VJT0AFB4>
- Druckenmiller Says He Has 'Massive' Bullish Bets on 2-Year Notes
'I started to get really nervous' about the economy recently
He says he's confident the yield curve will keep steepening
<https://blinks.bloomberg.com/news/stories/S3ELDDT0AFB4>
- Buying of December SOFR Options Points to Further Short Covering
<https://blinks.bloomberg.com/news/stories/S3ECC6DWX2PS>
- Use of Fed's RRP Drops on Month-End for Only Second Time in 2023
<https://blinks.bloomberg.com/news/stories/S3ES4VT0AFB4>
- Demand for FHLB Loans Retreats as Banks Repay Borrowings
<https://blinks.bloomberg.com/news/stories/S3EFJZTOG1KW>
- Fed's 'Hawkish Pause' to Keep Option to Hike: Decision-Day Guide
<https://blinks.bloomberg.com/news/stories/S37D3IDWRGG0>
- White House Says Biden, Xi to Meet at APEC in San Francisco (2)
Agenda likely to include economic ambitions, Taiwan, Ukraine
Tensions rose after the two leaders last met at G-20 in 2022
<https://blinks.bloomberg.com/news/stories/S3FORNT1UM0W>
- UAW Scores Biggest Wage Hike This Century in Year of Union Wins (1)
<https://blinks.bloomberg.com/news/stories/S3EOYFDWLU68>

- Euro-Zone Inflation Sinks to 2-Year Low as Economy Contracts (2)
Consumer prices up 2.9% from year ago in October; est. 3.1%
3Q GDP fell 0.1% from previous quarter as rate hikes weigh
<https://blinks.bloomberg.com/news/stories/S3E62UT0AFB5>
- EURO-AREA 3Q GDP UNEXPECTEDLY CONTRACTS 0.1% Q/Q VS EST. 0%
<https://blinks.bloomberg.com/news/stories/S3E0LF59E8LC>
- ECB Can't Let Up on Rates Too Soon, Bundesbank's Nagel Says (1)
Not possible to say if borrowing costs are at peak level
German central bank president gives speech in Berlin
<https://blinks.bloomberg.com/news/stories/S3ELEQDWLU68>
- ECB Rate Cuts Would Need Dramatic Shift in Economy, Kazaks Says
Hawkish Latvian official speaks to Bloomberg in Riga
Comments come after data show inflation plummeted in October
<https://blinks.bloomberg.com/news/stories/S3CGA4TOG1KW>



- UK House Prices Gain Most in Over a Year as Stability Returns
Nationwide says average home price jumped 0.9% in October
Surprise increase shows market holding up better than forecast
<https://blinks.bloomberg.com/news/stories/S3FOAMT0G1KW>
- UK Property Slump Causes Surge in Firms in Financial Trouble (1)
Official figures show company failures at highest since 2009
Beggies Traynor says construction, real estate hit hardest
<https://blinks.bloomberg.com/news/stories/S3DYOYT0AFB4>
- Pound Options Stay Bearish Before Fed and BOE Policy Decisions
<https://blinks.bloomberg.com/news/stories/S3FM0FT0AFB4>
- BOE Spectrometer: A Guide to Doves and Hawks
<https://blinks.bloomberg.com/news/stories/S3FKJTDWLU68>

- Australian Home Prices Rise Further, Boosting Rate-Hike Case (1)
National index now just 0.5% shy of record high from April '22
Perth led gains, advancing 1.6%, followed by Brisbane at 1.4%
<https://blinks.bloomberg.com/news/stories/S3F5HHT0G1KW>
- Australia's Top Three Inflation Drivers Beyond RBA's Control (1)
While these sectors are 19% of CPI, they made up 44% of gains
Over 500,000 people arrived in Australia in year through Sept.
<https://blinks.bloomberg.com/news/stories/S340SADWLU68>
- Australia Sept. Building Approvals Fall 4.6% M/m, Est. +2.5%
<https://blinks.bloomberg.com/news/stories/S3F5FY6JLCZP>
- New Zealand Unemployment Rises to Two-Year High, Wages Slow (1)
Kiwi dollar falls on weaker labor market inflation impulse
It's 'further evidence that no more rate hikes are needed'
<https://blinks.bloomberg.com/news/stories/S3EYELT0AFB4>

- BOJ Buys More Bonds to Slow Rising Yields a Day After Tweak
Central bank acts after 10-year yield touches decade high
Market players want to see yield hit 1%: MUMSS's Tsuruta
<https://blinks.bloomberg.com/news/stories/S3FFXIT0G1KW>
- Japan Ramps Up Yen Intervention Warning After BOJ-Fueled Selloff
Top currency official says authorities are on standby to act
Yen bears testing a new 'line in the sand' for the currency
<https://blinks.bloomberg.com/news/stories/S3FH5ZT0AFB4>
- BOJ Announces Unscheduled Bond Purchases to Curb Yields
<https://blinks.bloomberg.com/news/stories/S3233VT0AFB4>
- BOJ's Ueda Gets Reality Check on Yen in March to Normalization
Governor's YCC tweak risks looking like a reaction to markets
Ueda tries to unwind massive stimulus without big disruptions
<https://blinks.bloomberg.com/news/stories/S3EWSQT1UM0W>

EM Headlines

- China's Caixin PMI Drop Adds to Signs of Economic Fragility (1)
Survey mirrors official gauge showing factory activity shrank
Economists say weak data reinforces case for more stimulus
<https://blinks.bloomberg.com/news/stories/S3F9KET0AFB4>
- China's Factory Activity Shrinks, Fueling Calls for More Support
Non-manufacturing gauge also missed forecast, falling to 50.6
Authorities will need to deliver growth supportive policy: ANZ
<https://blinks.bloomberg.com/news/stories/S3DEUQT0AFB4>
- PBOC Drains Liquidity in Signal It Sees Rate Surge as Temporary
PBOC withdrew net 109 billion yuan via open market operation
Move suggests PBOC likely views Tuesday's rate rise one-off
<https://blinks.bloomberg.com/news/stories/S3FBJ0T0AFB4>
- PBOC Says Outstanding Property Loans Stabilized by End-Sept.
<https://blinks.bloomberg.com/news/stories/S3FP1RT1UM0W>
- China Vows Enduring Local Debt Cleanup at Key Policy Meeting (1)
Beijing flags risks from local debt, small banks, real estate
China pledges continued opening to attract foreign investment
<https://blinks.bloomberg.com/news/stories/S3F8LVT0G1KW>
- Global Rout Sparks \$27 Billion Exit From EM Asia Equities (1)
Foreign funds have sold about \$11 billion of shares in October
Worries over geopolitics, higher interest rates drive selloff
<https://blinks.bloomberg.com/news/stories/S3DWTIT1UM0W>
- South Korean Exports Return to Growth in Boost to Outlook (1)
Exports to major destinations like China, US and ASEAN improve
Risks include pace of China's recovery, Mideast conflict
<https://blinks.bloomberg.com/news/stories/S3F5RPT1UM0W>
- KOREA REACT: Shrinking Trade Surplus Says Exports Won't Lift GDP
<https://blinks.bloomberg.com/news/stories/S3F6QRT0G1KW>
- KOREA INSIGHT: US Yield Rise = Heavier Debt Burden, BOK Hold (1)
<https://blinks.bloomberg.com/news/stories/S3F1HUT1UM0W>
- Indians Splurge Big on Festive Season Sales, Buoying Economy (1)
Online sales almost 20% higher than a year ago in first week
Central bank governor says growth will 'surprise on upside'
<https://blinks.bloomberg.com/news/stories/S3FIN5T0G1KW>
- Rupee, Bonds Steady as Manufacturing PMI Eases: Inside India
<https://blinks.bloomberg.com/news/stories/S3FH3MT0AFB4>
- India Q2 GDP Growth Will Surprise on the Upside, RBI's Das Says
<https://blinks.bloomberg.com/news/stories/S3E90AT1UM0W>
- Singapore Warns of Global Rate Tightening on Inflation Risk (1)
Price pressures may lead to more hikes or keep rates elevated
Extreme weather, geopolitical tensions may prompt price shocks
<https://blinks.bloomberg.com/news/stories/S3BRHCT1UM0W>
- Too-Slow Core Inflation Bodes Ill for Indonesia's Growth Outlook
GDP growth seen decelerating to 5% in third quarter: survey
Core inflation has slipped below central bank's 2%-4% target



<https://blinks.bloomberg.com/news/stories/S3FCH7T0AFB4>

- JPMorgan Says Global Outlook Will Curb Latin America's Rate Cuts
Policymakers to move with caution and shun strong commitments
Chile is a cautionary tale for Latin American central banks
<https://blinks.bloomberg.com/news/stories/S377K4T0AFB4>
- Mexico Economic Growth Tops Forecasts on US Trade, Spending (1)
GDP grew 0.9% in third quarter compared to the previous period
Mexico's economy performing better on exports, investment
<https://blinks.bloomberg.com/news/stories/S3E7MDT0G1KX>
- Industrial Property Trust Eyes \$1.5 Billion With Mexico IPO
Fibra Next could be the biggest Mexican listing in five years
Nearshoring listings have brought new life to Mexican market
<https://blinks.bloomberg.com/news/stories/S3EFA2T1UM0W>
- Bolsonaro Ruled Ineligible Again by Brazil Electoral Court (1)
Decision won't add time to existing eight-year ban from office
Case alleges abuse of political power in his reelection race
<https://blinks.bloomberg.com/news/stories/S3F5TTT1UM0W>
- Banks Embrace Blockchain Ahead of Brazil Digital Currency Launch
Itau, BTG, Santander are bolstering teams to prepare for Drex
Central bank chief has backed digital assets since taking job
<https://blinks.bloomberg.com/news/stories/S05YMJT0AFB4>
- CORRECT: Brazil Still Seeks Zero Fiscal Deficit in 2024: Padilha
<https://blinks.bloomberg.com/news/stories/S3EKLM1UM0W>
- Colombia Holds Key Rate at 24-Year High in Split Decision (1)
Central bank board votes 5-2 to leave rate at 13.25%
Policymakers fret that inflation rate is dropping too slowly
<https://blinks.bloomberg.com/news/stories/S3EOEIT0AFB4>
- Peso Continues to Extend Gain Despite Strong Dollar: Chile Close
<https://blinks.bloomberg.com/news/stories/S3EORET1UM0W>

- Poland's Inflation Slows for Eighth Month on Fuel Costs
<https://blinks.bloomberg.com/news/stories/S3C4IHT0AFB4>
- Czech Economy Unexpectedly Shrinks as Central Bank Weighs Cuts
GDP drops 0.3% in third quarter; forecast was for stagnation
Weak demand likely to fuel arguments for interest-rate cuts
<https://blinks.bloomberg.com/news/stories/S3DT8KT1UM0W>
- Czech Rep. Oct. PMI 42 vs 41.7 in Sept.; Est. 42.4
<https://blinks.bloomberg.com/news/stories/S3FRJRT0AFB5>
- Rand Slips Before Medium-Term Budget Speech: Inside South Africa
<https://blinks.bloomberg.com/news/stories/S3FLMXT0G1KW>
- South African Bond Manager Says Stay Away From the Long-End
Granate Asset Management like bonds maturing between 2030-2035
Longer-dated debt saddled by deteriorating fiscal outlook
<https://blinks.bloomberg.com/news/stories/S3FIQ0T0AFB4>