

DM Headlines

- Crushed Bond Shorts See Quants Rush to Exit Wrong-Way Fed Bets
More short covering from CTA's expected this week, BofA says
Open interest in 2-year note futures fell each day last week
<https://blinks.bloomberg.com/news/stories/S4G07RT0G1KW>
- Bond Managers of \$2.5 Trillion Make Case for Ditching Cash (1)
Capital Group, DoubleLine, Pimco, TCW speak in interviews
Past month shows missed opportunity from sticking to cash
<https://blinks.bloomberg.com/news/stories/S4H52IDWLU68>
- Treasury's Latest Inflation Bond Sale Lures Weak Investor Demand
Ten-year TIPS sale tails following a major drop in real yields
Inflation market remains on course for best month since March
<https://blinks.bloomberg.com/news/stories/S4H7T8DWRGG0>
- Fed Minutes Show Unity on Cautious Approach to Further Hikes (2)
Data to clarify progress on process of reducing inflation
Officials agree Fed in position to 'proceed carefully'
<https://blinks.bloomberg.com/news/stories/S4HOONDWX2PS>
- Regional Banks See 'Permanently' Higher Funding Costs, Slok Says
'It is going to take some time' to repair balance sheets: Slok
Bank lending has seen the sharpest decline since 2009
<https://blinks.bloomberg.com/news/stories/S4HAOSDWLU68>
- US REACT: Minutes Show Financial Conditions Weigh on FOMC's Mind
<https://blinks.bloomberg.com/news/stories/S4HOQ8DWX2PS>
- Canada to Run Deeper Deficits as Trudeau Tackles Housing (2)
Government adds C\$21B to fiscal plan; red ink runs into 2029
'They've got no leeway, let's be honest,' CPA economist says
<https://blinks.bloomberg.com/news/stories/S4HYOST1UM0W>

- ECB's Lagarde Says Too Early to Declare Victory on Inflation
<https://blinks.bloomberg.com/news/stories/S4GWGODWRGG0>
- German Budget Crisis Deepens With Freeze on New Spending (1)
Finance Ministry puts a block on almost all outlays for 2023
Existing liabilities will be honored, no new ones authorized
<https://blinks.bloomberg.com/news/stories/S4GSLRDWLU68>
- The Dutch Question Centuries of Openness as They Go to the Polls (1)
On the slate in Wednesday's elections is a recalibration of the Netherlands' open-to-all image
<https://blinks.bloomberg.com/news/stories/S4H6Q7DWX2PS>
- ECB Threatens 20 Banks With Fines for Mismanaging Climate Risk
Banks are under pressure to step up climate-risk management
ECB warned laggard banks it would impose penalty payments
<https://blinks.bloomberg.com/news/stories/S4GVFUDWLU68>
- FRANCE INSIGHT: EU Pushes Back on 2024 Budget, More Pain to Come
<https://blinks.bloomberg.com/news/stories/S4IGVRDWRGG0>
- ECB's Schnabel Says Disinflation Process Projected to Slow (1)
Longer-term inflation expectations still signal upside risks



- Executive Board member speaks at University of Wuerzburg
<https://blinks.bloomberg.com/news/stories/S4HLNHDWRGG0>
- Lagarde Says ECB Needs to Know Where Fiscal Policy Is Headed
<https://blinks.bloomberg.com/news/stories/S4HGVWDWX2PS>
 - UK's Hunt Targets £20 Billion Investment Lift With Tax Cut Plans
Chancellor to make investment tax break permanent, person says
Jeremy Hunt to deliver Autumn Statement at 12:30pm in London
<https://blinks.bloomberg.com/news/stories/S4HT8KDWL68>
 - BOE Rate-Setters Warn It Will Take Time to Curb UK Inflation (1)
Comments clash with market view anticipating rate cuts
Haskel says Chief Economist Huw Pill's remarks misunderstood
<https://blinks.bloomberg.com/news/stories/S4H13MDWX2PT>
 - UK Mortgage Rates Dip Below 5%, Risks of House-Price Crash Ease
<https://blinks.bloomberg.com/news/stories/S4IGTADWRGG7>
 - UK PREVIEW: Inflation, Not Debt, Will Limit Hunt on Tax Cuts (1)
<https://blinks.bloomberg.com/news/stories/S4IGFXDWLU68>
 - BOE's Mann Sees Need for Tighter Policy to Fight CPI Persistence
<https://blinks.bloomberg.com/news/stories/S4GYKKDWX2PS>
 - BOE's Bailey Sees Upside Inflation Risks From Wages, Middle East
<https://blinks.bloomberg.com/news/stories/S4GXTODWRGG0>
 - (AU) Oct. Westpac Leading Index MoM, actual -0.03%, prior 0.07%, revised 0.06%
 - AUD Lower, Bonds Steady Before RBA Speech: Inside Australia/NZ
<https://blinks.bloomberg.com/news/stories/S4IDT4T0AFB4>
 - RBA Language Shows Swap-Market Speculation Is Unlikely to Last
<https://blinks.bloomberg.com/news/stories/S4GZ3LDWRGG0>
 - NZ's Luxon Says Ministerial Roles Have Largely Been Determined
<https://blinks.bloomberg.com/news/stories/S4I5CPDWLU68>
 - Australia Unveils Cybersecurity Ramp Up After DP World Port Hack
Government will spend \$385 million to boost online protections
Almost 40% of Australia's ports hit by cyberattack in November
<https://blinks.bloomberg.com/news/stories/S4HUDFT0G1KY>
 - Yield Curve Steepens as BOJ Cuts Bond Purchases: Inside Japan
<https://blinks.bloomberg.com/news/stories/S4IFL2T0AFB4>
 - BOJ Pulls Back From Risk Asset Buying in Sign of Normalization
Bank on track to buy no J-REITs in 2023, a first since 2010
Minimal ETF buys also show BOJ paring its unconventional steps
<https://blinks.bloomberg.com/news/stories/S43AVWT1UM0W>
 - Fewest Japanese Firms on Record Planning to Expand in China
Number of firms who see expansion in China drop below 30%
Geopolitics, China's economy steer companies to India, Brazil
<https://blinks.bloomberg.com/news/stories/S4I1TAT0G1KW>
 - Reuters: BOJ to end negative interest rates in 2024, over 80% of economists say: Reuters poll
<https://t.co/AFs9EhUSPO>

EM Headlines

- JPMorgan Says 'The Golden Year' for Carry Trades Is Near Its End
FX carry strategies brought big gains in 2023 as yields rose
Returns should fall as central banks cut rates in 2024
<https://blinks.bloomberg.com/news/stories/S4HIFDDWLU68>
- Yuan Consolidates After Strongest Fix Since June: Inside China
<https://blinks.bloomberg.com/news/stories/S4I6EAT0G1KW>
- Offshore Yuan Is Most Overbought in Five Years
<https://blinks.bloomberg.com/news/stories/S4HWPTDWRGG0>
- Further Yuan Rallies Depend More on PBOC Than Fed: China Today
<https://blinks.bloomberg.com/news/stories/S4HCSKDWX2PS>
- China May Cut Required Reserve Ratio Before Year End: Sec. News
<https://blinks.bloomberg.com/news/stories/S4HYSVT0AFB4>
- China's Xi Urges Release of Civilians in Israel-Hamas War (2)
China is willing to provide more aid to Gaza, president says
Remarks was made at a summit of BRICS leaders held online
<https://blinks.bloomberg.com/news/stories/S4HY73T1UM0W>
- Won Falls From 4-Month High as Dollar Stabilizes: Inside Korea
<https://blinks.bloomberg.com/news/stories/S4I2TYT0AFB4>
- S.Korea Approves Motion to Partly Ban Inter-Korea Accord: Yonhap
<https://blinks.bloomberg.com/news/stories/S4HZLXT0G1KW>
- Korean Trade Data Show China Holds Key to Rebound: Supply Lines
<https://blinks.bloomberg.com/news/stories/S4H38NDWLU69>
- Rupiah Slumps on USD Demand, Profit Taking: Inside Indonesia
<https://blinks.bloomberg.com/news/stories/S4IFJ6T0G1KW>
- Bank Indonesia Says Weak Rupiah Sentiment Only Temporary
<https://blinks.bloomberg.com/news/stories/S4IHX1T1UM0W>
- Rupiah Slides Amid Dollar Recovery, Local USD Demand, ANZ Says
<https://blinks.bloomberg.com/news/stories/S4I741T0G1KW>
- Traders Watch INR240b T-Bill Sale, RBI Das Speech: Inside India
<https://blinks.bloomberg.com/news/stories/S4I5GTDWRGG0>
- Foreign Inflows to India Bonds Lose Momentum
<https://blinks.bloomberg.com/news/stories/S4H3BQGQOFSW>

- Emerging-Market Currencies Gain Amid Bets of Peak US Rates (3)
Cooling inflation, end of Fed rate hikes support EM currencies
Argentina stocks rally as local market reopens after Milei win
<https://blinks.bloomberg.com/news/stories/S4H9OIDWX2PS>
- Milei Says Argentina Heading for 'Shock' Fiscal Therapy in 2024
Milei promises to balance 2024 budget to exterminate inflation
He says outgoing government 'planted' seeds of hyperinflation
<https://blinks.bloomberg.com/news/stories/S4I0DKT0G1KW>
- Mobius Sees Argentina Dollarization as a Huge 'Boost' to Economy
Shutting the central bank is another right step, he says
Veteran EM investor prefers to look at China through Taiwan
<https://blinks.bloomberg.com/news/stories/S4HEV5DWLU68>



- Brazil Central Bank Can Keep Cutting Rates, Campos Neto Says (2)
Governor Campos Neto speaks in Bloomberg TV interview
Central bankers are easing interest rates with 50bp cuts
<https://blinks.bloomberg.com/news/stories/S4HXF1DWX2PS>
- Record Mexico Bond Sales Set to Spill Into 2024, Santander Says
Bank's Mexico chief sees strong issuance in first half 2024
Sees consumer-focused companies eyeing equity issuance
<https://blinks.bloomberg.com/news/stories/S45UIIT1UM0W>
- Mexico Analysts Hold 2023 Inflation Est. at 4.60%: Citi
<https://blinks.bloomberg.com/news/stories/S4HUCCGFWR28>
- MEXICO INSIGHT: Financing Needs Limit Room for Drop in Yields
<https://blinks.bloomberg.com/news/stories/S4H7UJDWLU68>
- Pressure on Petrobras Builds With Call to Cut Jet Fuel Price (1)
Ports, Airports and Tourism ministers request lower prices
Ministers blame the fuel costs for high air ticket prices
<https://blinks.bloomberg.com/news/stories/S4HRRPT0AFB4>
- Chile's Announces Treasury Bond Exchange or Buyback (1)
<https://blinks.bloomberg.com/news/stories/S4H5HSDWX2PS>
- IMF Says Important for Chile to Rebuild Foreign Reserve Buffers
<https://blinks.bloomberg.com/news/stories/S4H9BLDWRGG0>
- Villar Says Colombia to Escape Major El Nino Impact on Inflation
<https://blinks.bloomberg.com/news/stories/S4HNYODWRGG0>

- S. Africa Vote Is Chance to Hold ANC to Account, Ninety One Says
Polls show ruling party is at risk of losing its majority
Asset management firm's CEO optimistic about 2024 election
<https://blinks.bloomberg.com/news/stories/S4ERE0DWRGG0>
- South Africa Will Allow Early Access to Pension Funds From March
So-called two-pot system to be implemented from March 1
Treasury, pension industry wanted plan implemented in 2025
<https://blinks.bloomberg.com/news/stories/S4H1RMDWLU68>
- Poland's Dabrowski: Rising Demand Pressure May Slow Disinflation
<https://blinks.bloomberg.com/news/stories/S4IHF0DWLU68>
- Poland's Tusk to Approach Governor Probe Issue 'Responsibly'
<https://blinks.bloomberg.com/news/stories/S4H8CGDWX2PS>
- Orban Threatens Opponents With Jail, Citing Foreign Meddling (1)
Hungary seeks to set up new Sovereignty Protection Agency
New agency will be charged with detecting 'foreign' influences
<https://blinks.bloomberg.com/news/stories/S4HUB7T0AFB4>
- Hungary Cuts Key Interest Rate to 11.5%, Still EU's Highest (3)
Central bank is opting for 75 basis-point monthly rate cuts
Rate-setters are pushing back against pressure for bigger cuts
<https://blinks.bloomberg.com/news/stories/S4H98KDWLU68>
- Hungary's Hawkish 75 Basis Point Cut Can Support Forint
<https://blinks.bloomberg.com/news/stories/S4H3O6DWRGG0>
- Zamrazilova: I'm Confident Czech Inflation to Reach Goal in 2024
<https://blinks.bloomberg.com/news/stories/S4HDI6DWLU68>