

DM Headlines

- Bond Gains Renew as Drumbeat to Friday's Jobs Report Intensifies
Thirty-year bond's yield falls below 4.25%, last seen Sept. 1
Drop in oil futures price to lowest since July aids rally
<https://blinks.bloomberg.com/news/stories/S59PR2DWX2PS>
- Fed's Repo Backstop Gets Most Use Since 2020 Amid Funding Stress
Counterparties tapped facility for \$203 million on Dec. 5
Rise comes after SOFR jumped to record high 5.39% on Dec. 1
<https://blinks.bloomberg.com/news/stories/S59KYKDWX2PS>
- US Firms Slow Hiring With Manufacturers Cutting Jobs, ADP Says
Leisure and hospitality sheds jobs for first time since 2021
Wage growth moderates to slowest pace in more than two years
<https://blinks.bloomberg.com/news/stories/S58ZMGDWX2PS>
- Options Position Targeting Fed at 2% by September Grows Further
<https://blinks.bloomberg.com/news/stories/S594UYDWRGGG>
- BOJ 'Grinch' Adding to Treasury Selling Pressure, Blue Edge Says
<https://blinks.bloomberg.com/news/stories/S5A9JET0G1KW>
- Oil Languishes Near Five-Month Low After Plunging on Glut Fears
Crude's retreat helps to drag wider commodities complex lower
Brent crude inches toward \$75 after falling 3.8% on Wednesday
<https://blinks.bloomberg.com/news/stories/S5A6E1DWLU68>
- Biden Says 'World Is Watching' as Ukraine Aid Stalls (1)
President says lawmakers must pass aid by Christmas break
Biden said he would make border concessions to secure deal
<https://blinks.bloomberg.com/news/stories/S59BV1DWX2PS>
- Yellen Says Market Expectations Can Complement Fed's Policy
<https://blinks.bloomberg.com/news/stories/S59J5JT0G1KW>
- US INSIGHT: Soft Landing? Fed Doesn't Know - Doesn't Matter (1)
<https://blinks.bloomberg.com/news/stories/S5A5G5T0AFB4>
- CANADA REACT: BoC Holds Steady as Market Prepares for 2024 Cuts
<https://blinks.bloomberg.com/news/stories/S5945PDWX2PS>

- ECB's Kazaks Says First-Half Rate Cuts Not Currently Needed (1)
Pushback comes as investors step up bets on 2024 policy easing
Latvian central bank head sees inflation path staying 'bumpy'
<https://blinks.bloomberg.com/news/stories/S58MS9DWLU68>
- ECB May Consider Rate Cuts in 2024, Not Now, Villeroy Says
Officials should be 'patient' on duration of tight settings
French central bank chief comments in La Depeche du Midi
<https://blinks.bloomberg.com/news/stories/S59807DWX2PS>
- Traders Eye ECB Key Rate at 2.5% as They Ramp Up Bets on Cuts
Markets briefly priced six quarter-point rate cuts in 2024
Region's policymakers are encouraged by inflation slowdown
<https://blinks.bloomberg.com/news/stories/S58UEODWLU68>
- German Factory Orders Unexpectedly Dropped in October
October demand fell 3.7% from previous month; est. 0.2% gain



Economy on track for another contraction in fourth quarter

<https://blinks.bloomberg.com/news/stories/S56QSWDWLU68>

- Italy Tells China It Will Exit Belt and Road Investment Pact (1)
Minister says joining pact hasn't produced 'desired effects'
Italy's participation in program was due to expire in March
<https://blinks.bloomberg.com/news/stories/S5ADB0DWLU68>
- Climate Change Hits Potatoes, Making Christmas Even Pricier
Crops risk being stranded in muddy European fields after rains
Seasonal prices in Europe soar to highest in at least 14 years
<https://blinks.bloomberg.com/news/stories/S4Y4U4TOG1KW>
- EU Nears Deal to Regulate ChatGPT, Other AI Tech in Landmark Act
Compromise reached in meeting that began Wednesday afternoon
Formal pact on AI Act hasn't been reached in late-night talk
<https://blinks.bloomberg.com/news/stories/S59SYXT0G1KW>
- BOE Sees More Risk From Hedge Funds' Treasuries Basis Trade (1)
Net short position in Treasury futures jumped to \$800 billion
Central bank also warned on 'opacity' of private credit market
<https://blinks.bloomberg.com/news/stories/S58RNWDWX2PS>
- Pub and Retail Chiefs Warn UK Wage Hike to Hit Shoppers' Pockets
Businesses consider cutting headcount, raising prices to cope
Food industry particularly affected because margins are thin
<https://blinks.bloomberg.com/news/stories/S555E9DWLU68>
- UK House Prices Post Second Increase In a Row, Halifax Says (1)
Report indicates expected plunge in market may not happen
Bank of England sees fewer households in debt distress
<https://blinks.bloomberg.com/news/stories/S5ACBADWX2PT>

- RBA Taps Treasury's Hunter as Assistant Governor, Head Economist
Last week, ex-BOE official Andrew Hauser named deputy governor
Bullock sees her bringing 'unique, diverse perspective' to RBA
<https://blinks.bloomberg.com/news/stories/S59V8VDWLU68>
- Australia Fiscal Stance Dulls Monetary Policy Potency, S&P Says
Public demand is about 2% of GDP higher than prior to pandemic
Record infrastructure pipeline driving up input prices, wages
<https://blinks.bloomberg.com/news/stories/S59YVNDWRGG0>
- Australia's Trade Surplus Widens on Improved Iron-Ore Exports
<https://blinks.bloomberg.com/news/stories/S59NXRTOG1KW>

- BOJ Rate-Hike Bets Ramp Up as Ueda and Himino Spook Traders
Swaps show as much as an almost 45% chance of December tweak
Deputy Himino's remarks spur talk of 'live' December meeting
<https://blinks.bloomberg.com/news/stories/S5ACEYT1UM0W>
- Japan 30-Year Bond Sale Draws Lowest Bid-Cover Since 2015
<https://blinks.bloomberg.com/news/stories/S59Q9JTOG1KW>
- BOJ Ueda: Hard to Explain Gap Between Price Readings, Trend
<https://blinks.bloomberg.com/news/stories/S59YXSDWRGG0>

EM Headlines

- China's Weak Trade Data Signals More Economic Pain to Come
Imports in dollar terms declined 0.6% in November from 2022
Data defies expectations for strong performance at year end
<https://blinks.bloomberg.com/news/stories/S5A3WMT0AFB4>
- CHINA INSIGHT: How to Avert Moody's Rating Cut — To-Do List (1)
<https://blinks.bloomberg.com/news/stories/S59QXKT0G1KW>
- Moody's Cuts Outlook for Chinese Banks, Hong Kong, LGFVs (2)
Eight banks cut to negative from stable by the ratings company
Measures follow cut to outlook for sovereign rating Tuesday
<https://blinks.bloomberg.com/news/stories/S59NMXDWLU68>
- CHINA REACT: No Matter How You Slice It, Trade Data Are Weak (1)
<https://blinks.bloomberg.com/news/stories/S5A5LWT0AFB4>
- High Inflation for Taiwan's Poorest Poses Election Risk for DPP
<https://blinks.bloomberg.com/news/stories/S58MF5DWRGG0>
- Won, Baht Lead Asia FX Losses; Thai Bonds Gain: Inside Asia
<https://blinks.bloomberg.com/news/stories/S5AAGIT1UM0W>
- South Koreans' Assets Shrink After Soaring Rates Hit Real Estate
Decline is first on record for data going back to 2013
Bank of Korea is keeping policy restrictive to tame debt
<https://blinks.bloomberg.com/news/stories/S59S5VT1UM0W>
- South Korea, Netherlands to Launch Dialogue for 'Chip Alliance'
<https://blinks.bloomberg.com/news/stories/S5ADMJT1UM0W>
- Filthy Air Hinders India's Economy as China Manages to Cut Smog
India has overtaken China with most polluting cities
World Bank report shows pollution can cut GDP growth
<https://blinks.bloomberg.com/news/stories/S4Z2RHT0AFB4>
- India Opposition Struggles to Regroup After Strong Modi Win (1)
Congress party criticized for state election strategy
Modi's ruling party won three of the five state elections
<https://blinks.bloomberg.com/news/stories/S59UL9T0AFB4>
- BofA Says Indonesia Rate Cut Possible as Soon as This Month
High real rates give BI room to ease monetary policy: Jahan
Sees 10-year bond yields falling to as low as 5.25% in 2024
<https://blinks.bloomberg.com/news/stories/S58346T0AFB4>
- Indonesia's FX Reserves Jump to \$138.1b in Nov. on Govt Debts
<https://blinks.bloomberg.com/news/stories/S5A0OAT0AFB4>

- Guyana Boosts Security, Engages US to Defend Land from Venezuela
UN Security Council will hold closed-door meeting on crisis
Guyana's defense force is on full alert as tensions escalate
<https://blinks.bloomberg.com/news/stories/S5AAOFT1UM0W>
- Latin American Currencies Advance After US Firms Slow Hiring
Chilean, Mexican pesos are top performers in emerging markets
Suriname exits default with \$660 million oil-linked deal
<https://blinks.bloomberg.com/news/stories/S59JKZDWX2PS>



- Traders Bet Argentina's Milei to Debut With 44% Devaluation (1)
Analysts hint at peso dropping to 650 per USD next week
Move signals beginning of end for country's capital controls
<https://blinks.bloomberg.com/news/stories/S5978VDWRGG0>
- Argentina Government Says \$6.4 Billion Available From China Swap
<https://blinks.bloomberg.com/news/stories/S59KSHT0G1KW>
- Lula Reluctantly Adopts Mediator Role in Venezuela-Guyana Crisis
Brazilian leader spent hours discussing the conflict Wednesday
He plans to call presidents of both nations in next few days
<https://blinks.bloomberg.com/news/stories/S59OUQT0AFB4>
- Sinking City Sparks Braskem Bond Rout and Ratings Warnings
Braskem dollar bonds are leading losses in Latin America
Crisis in Alagoas threatens balance sheet, potential sale
<https://blinks.bloomberg.com/news/stories/S5009XT0AFB4>
- Suriname Exits Default With \$660 Million Oil-Linked Deal (2)
Government issues new, 10-year foreign bonds, oil-linked note
Bond documents lower threshold to move away from NY law
<https://blinks.bloomberg.com/news/stories/S59MU9DWLU68>
- Chile's Central Bank Says Focus on Medium-Term Growth Is Key
<https://blinks.bloomberg.com/news/stories/S5901WDWX2PS>
- Peru Frees Ex-Leader Fujimori, Defying International Court (2)
Former President Alberto Fujimori was freed Wednesday evening
Peru's top court on Tuesday ordered his immediate release
<https://blinks.bloomberg.com/news/stories/S59SHWT0AFB4>

- Poland Keeps Rates Steady as Warsaw Readies Change of Power (1)
Central bank leaves benchmark rate at 5.75% as expected
Caution comes after months of turbulent monetary policy
<https://blinks.bloomberg.com/news/stories/S58YX8DWRGG0>
- Orban Frustrates EU's \$30 Billion Effort to Force Him Into Line
<https://blinks.bloomberg.com/news/stories/S5A5WDDWLU68>
- Demand for the Riskiest Emerging Markets Has Shaken Up Spreads
Dovish Fed bets fuel rush into riskier emerging-market bonds
Premiums well above historical averages after rally lower
<https://blinks.bloomberg.com/news/stories/S58L87DWRGG0>
- Michl Sees Hawkish Policy Whether Czechs Cut Rate in 2023 or Not
<https://blinks.bloomberg.com/news/stories/S58KXWDWX2PS>
- Turkey Inflation to Slow 'Rapidly' After June, Erdogan Says
<https://blinks.bloomberg.com/news/stories/S58P20DWRGG0>
- Putin Meets Saudi Crown Prince on Rare Trip to Shore Up Ties (3)
Russian leader met UAE president before traveling to Riyadh
Oil cooperation was on agenda for Putin, Saudi crown prince
<https://blinks.bloomberg.com/news/stories/S59FXDWRGG1>
- South Africa Consumer Confidence Edges Lower Amid Gloomy Outlook
Quarterly sentiment gauge at -17 on eve of holiday period
Index records worst festive-season reading in two decades
<https://blinks.bloomberg.com/news/stories/S58S9LDWLU68>