

DM Headlines

- Fed Rate-Cut Exuberance Ebbs After Jobs Data, Boosting US Yields
Traders price in less easing by the US central bank in 2024
Some Treasury yields rebound from lowest levels in months
<https://blinks.bloomberg.com/news/stories/S5D73WDWRGG0>
- Fed Starts to Confront the Next Big Question: Why to Cut Rates
If it's because of a US recession, that's bad news all around
Fed's dot plot likely to project fewer rate cuts than markets
<https://blinks.bloomberg.com/news/stories/S5CWC6DWRGG0>
- Oil Edges Up After Glut Fears Drove Worst Losing Run Since 2018
IEA and OPEC reports, Fed rate decision are due this week
Brent trades above \$76 after falling for seven straight weeks
<https://blinks.bloomberg.com/news/stories/S5HN53DWRGG0>
- New 60/40 Math Says Owning Bonds Is Costing Retirees Trillions
Researchers find all-in stock investing provides better value
Financial advisors say bonds help give investors peace of mind
<https://blinks.bloomberg.com/news/stories/S5CG7UDWRGG0>
- Overnight Repo Rates Suggest Funding Markets Are Fine for Now
<https://blinks.bloomberg.com/news/stories/S5CQ0QDWRGG0>
- A 'Sizeable' Group of Cash Borrowers Drove SOFR Spike: NatWest
<https://blinks.bloomberg.com/news/stories/S5D5ZVDWX2PS>
- Senate Talks to Unlock Ukraine, Israel Aid Face 'Pretty Big' Gap
Wrangle over border security is holding up broad funding deal
White House to get more engaged this week: Democrats' Murphy
<https://blinks.bloomberg.com/news/stories/S5GLBHT1UM0W>
- Biden's Support of Israel Alienates More Democrats in New Poll
But inflation remains top voter concern in CBS News survey
President's approval rating sinks to lowest of presidency: WSJ
<https://blinks.bloomberg.com/news/stories/S5GM7YT0AFB4>
- Fed Leads Pivot With 125 Basis Points of Cuts Expected in 2024
<https://blinks.bloomberg.com/news/stories/S5GVKET1UM0X>

- ECB's Higher Policy Rates Are Passing Through, More to Come
<https://blinks.bloomberg.com/news/stories/S5HMN6DWLU68>
- Skewed ECB Rate-Cut Bets Are at Risk No Matter What Lagarde Says
Risks for European bonds are asymmetric after strong rally
Hawkish ECB could lead markets to pare bets on March cut
<https://blinks.bloomberg.com/news/stories/S5CANZDWX2PS>
- German Coalition to Reconvene Talks on 2024 Budget on Monday (1)
Government has been seeking a deal on revised plan for days
Finance planning was upended by constitutional court ruling
<https://blinks.bloomberg.com/news/stories/S5HMEYT0G1KW>
- Euro Area to Suffer First Recession Since Pandemic, Survey Shows
Economists see GDP shrinking 0.1% in final quarter of 2023
Inflation forecasts cut for most of 2024 but 2% goal elusive
<https://blinks.bloomberg.com/news/stories/S5CC3IDWX2PS>



- (UK) Dec. Rightmove House Prices YoY, actual -1.1%, prior -1.3%
- (UK) Dec. Rightmove House Prices MoM, actual -1.9%, prior -1.7%
- UK Economists Say Bank of England May Warn Against Rate Cut Bets
Rates decision due Thursday could push back on market pricing
UK financial conditions loosened sharply in past six weeks
<https://blinks.bloomberg.com/news/stories/S5CLCKT0AFB4>
- UK Housing Market Gloom Returns After Unexpected Price Rises
Asking prices fell by an unusually large 1.9% in December
Banking group expects 8% drop in mortgage lending next year
<https://blinks.bloomberg.com/news/stories/S5CSI2DWRGG0>

- Australia to Curb Migration as Albanese Faces Voter Backlash
Government reveals long-awaited strategy to limit migration
The prime minister's approval rating has fallen to 40%
<https://blinks.bloomberg.com/news/stories/S5H4JHT1UM0W>
- Australia's Chalmers Says Debt Level Will Be Lower Than Expected
<https://blinks.bloomberg.com/news/stories/S5FEJCT0G1KW>
- New Zealand Immigration Levels Are Unsustainable, Luxon Says
<https://blinks.bloomberg.com/news/stories/S5H0TWDWLU68>
- Aussie, NZD Fall After China Inflation Miss: Inside Australia/NZ
<https://blinks.bloomberg.com/news/stories/S5HHSBT0AFB4>
- New Zealand's Economy to Return to Growth in 2024 as Rates Fall
<https://blinks.bloomberg.com/news/stories/S5GVKCDWLU69>
- Tropical Cyclone Jasper Bears Down on Australian Tourism Hotspot
Major storm set to make landfall Wednesday near Port Douglas
Damaging winds, heavy rainfall and flooding expected on coast
<https://blinks.bloomberg.com/news/stories/S5H055T1UM0W>

- BOJ Is Said to See Little Need to End Negative Rate in December
<https://blinks.bloomberg.com/news/stories/S5HGXT0G1KW>
- Japan's Kishida to Fire More Officials in Scandal, Media Say (2)
Premier tells reporters he'll take appropriate action
Reshuffle to come after parliamentary session ends Wednesday
<https://blinks.bloomberg.com/news/stories/S5HERIT0G1KW>
- Nomura Moves Up BOJ's Negative Rates-End Forecast to January
<https://blinks.bloomberg.com/news/stories/S5HC78T0G1KW>
- Political Scandals May Prevent 'Too Hawkish' BOJ: Mizuho's Omori
<https://blinks.bloomberg.com/news/stories/S5HAYPT1UM0W>
- Market Bets on Impending BOJ Change Overblown, Ex-Official Says
<https://blinks.bloomberg.com/news/stories/S5C3M8DWX2PS>
- (Japan) 4Q BSI Large All Industry QoQ, actual 4.8, prior 5.8
- (Japan) 4Q BSI Large Manufacturing QoQ, actual 5.7, prior 5.4
- Yen Pares Recent Gains as Investors Weigh BOJ Talk: Inside Japan
<https://blinks.bloomberg.com/news/stories/S5HJ32T0AFB4>
- Political Shakeup May Smooth BOJ Rate Hike Path, Economists Say
<https://blinks.bloomberg.com/news/stories/S5H8UDT1UM0W>

EM Headlines

- Hong Kong Voter Turnout Hits Record Low After China Purge (2)
Turnout fell to 27.5% from 71% in 2019, election chief says
Government's huge push to get people to the ballot box failed
<https://blinks.bloomberg.com/news/stories/S5HJH5T1UM0W>
- China, Philippines Vessels Face Off as Tensions Escalate (4)
US says China's actions at sea show disregard for law
Marcos slams China's 'dangerous actions' vs Philippine ships
<https://blinks.bloomberg.com/news/stories/S5H5R1T1UM0W>
- Yuan Falls to Three-Week Low, Bond Futures Gain: Inside China
<https://blinks.bloomberg.com/news/stories/S5HE8PT1UM0W>
- China's Consumer Price Drop Worsens, Fueling Deflation Fears (1)
CPI fell 0.5% on-year in November, steepest decline since 2020
Weak demand signals more policy aid needed to sustain growth
<https://blinks.bloomberg.com/news/stories/S5DMZCT1UM0W>
- China Politburo Raises Expectations for Ambitious 2024 GDP Goal
Beijing vows targeted - no longer 'forceful' - monetary policy
Property crisis, weak confidence weighed on economy this year
<https://blinks.bloomberg.com/news/stories/S5CNM4DWX2PS>
- Country Garden Local Bond Test Looms as Regulator Meets Holders
Shenzhen exchange met with some holders of puttable note
Two state-owned firms issued CDS that fully covers bond
<https://blinks.bloomberg.com/news/stories/S5C8P8T0G1KW>
- Won Drops After Friday's Gain as Sentiment Weakens: Inside Korea
<https://blinks.bloomberg.com/news/stories/S5H6PMT1UM0W>
- South Korea Dec. 1-10 Exports +3.3% Y/y; Trade Deficit \$1.41b
<https://blinks.bloomberg.com/news/stories/S5H6OST0AFB4>
- US, South Korea, Japan Agree to Deepen Security Cooperation
Top national security advisers from three allies meet in Seoul
White House cites North Korea weapons deliveries to Russia
<https://blinks.bloomberg.com/news/stories/S59PUPDWLU69>
- India Signals Rates to Stay High for Longer as Economy Booms (3)
RBI keeps repurchase rate at 6.5%, in line with forecasts
Governor Das raises full-year growth forecast to 7% from 6.5%
<https://blinks.bloomberg.com/news/stories/S5C5TIDWX2PS>
- Bonds Slip 2nd Day After RBI Policy, Rupee Steady: Inside India
<https://blinks.bloomberg.com/news/stories/S5HJWPT0G1KW>
- Rupiah Weakens With Asia FX After US Jobs Data: Inside Indonesia
<https://blinks.bloomberg.com/news/stories/S5HKH9T1UM0W>
- Indonesia Nov. Retail Sales Estimate Rises 2.9% Y/y
<https://blinks.bloomberg.com/news/stories/S5HH146JLCZK>
- Milei Is Sworn In as Argentina Braces for His Shock Therapy (2)
Libertarian leader warns of more pain as he fights inflation
He's prioritizing spending cuts over dollarization plan
<https://blinks.bloomberg.com/news/stories/S5GJ00T0G1KW>



RUBRICS

- Brazil's Haddad Expects 50-Point Interest Rate Cut, Valor Says
<https://blinks.bloomberg.com/news/stories/S5EJRWT1UM0W>
- Colombia's Inflation Is Slowing, Outlook Still Challenging
<https://blinks.bloomberg.com/news/stories/S5CZQ4DWRGG0>
- Venezuela, Guyana Leaders to Meet Over Border Spat, CELAC Says
Meeting set for Thursday on St. Vincent and the Grenadines
Venezuelan official indicated that a meeting is possible
<https://blinks.bloomberg.com/news/stories/S5FH2ATOG1KW>
- First Quantum Calls on Panama to Restore Access to Copper Mine
<https://blinks.bloomberg.com/news/stories/S5F30UT1UM0W>

- Egypt Votes in Election El-Sisi's Set to Win Despite Crisis (1)
President faces little-known challengers in three-day ballot
Election likely to be followed by another currency devaluation
<https://blinks.bloomberg.com/news/stories/S5GL9YT0AFB4>
- Hungary's Cabinet Renews Rate Pressure After Inflation Slows (1)
Consumer prices rise 7.9% on year, 10th month of slowing rate
Forint trades at weakest level in a month against euro
<https://blinks.bloomberg.com/news/stories/S5C7TGDWRGG0>
- Hungary Says EU Ministers Approve Accessing €920 Million in Aid
<https://blinks.bloomberg.com/news/stories/S5CNE0DWLU68>
- Poland's Plan to Rebuild Democracy Will Have Lessons for Europe
Donald Tusk has promised to restore Poland's institutions
New government to focus on the courts, central bank and media
<https://blinks.bloomberg.com/news/stories/S5ANLJDWRGG0>
- Tusk Signals Sikorski Set to Return as Polish Foreign Minister
<https://blinks.bloomberg.com/news/stories/S5CEE5DWRGG1>
- Polish Loan Holiday Law Will More Attractive for Borrowers: Tusk
<https://blinks.bloomberg.com/news/stories/S5CFHADWX2PS>
- Hungary Affirmed at BBB- by S&P
<https://blinks.bloomberg.com/news/stories/S5D9I2MRXLVK>
- Hungary Budget Gap Exceeds \$11 Billion, Threatening Deficit Goal
<https://blinks.bloomberg.com/news/stories/S5CEOJDWX2PS>
- Czech Nov. Unemployment Rate Unchanged at 3.5%
<https://blinks.bloomberg.com/news/stories/S5C90RMS385K>
- South Africa's Cabinet Approves Updated Energy Blueprint
<https://blinks.bloomberg.com/news/stories/S5GSPVTOG1KW>
- S. Africa Mine Sit-In by Protesting Workers Enters Third Day (1)
Employees remain underground at Wesizwe's Bakubung mine
Wesizwe in November announced plans to restructure operations
<https://blinks.bloomberg.com/news/stories/S5CU2TDWLU68>
- South Africa Year-to-Date Sovereign Bond Sales \$52.1B
<https://blinks.bloomberg.com/news/stories/S5C8ZOGQOFSW>
- South Africa's Inflation to Breach Upper Band of the Target
<https://blinks.bloomberg.com/news/stories/S5CU8UDWRGG0>