

DM Headlines

- Fed's Harker Says Rates Should Move Down But Not Immediately
Philadelphia Fed president said 'important' to lower rates
Harker's comments were more supportive of a cut than his peers
<https://blinks.bloomberg.com/news/stories/S5Z850DWX2PS>
- Treasuries Rally With Global Bonds as Traders Lift Rate-Cut Bets
German 10-year yield falls below 2% for first time since March
US, UK bonds also gain amid wagers on central banks pivoting
<https://blinks.bloomberg.com/news/stories/S5ZI6TDWX2PS>
- US Housing Market Shows Signs of Life as Mortgage Rates Fall
Existing home sales, housing starts and buying plans surge
Mortgage rates fall on anticipation for Federal Reserve cuts
<https://blinks.bloomberg.com/news/stories/S5Z3GZDWRGG0>
- The Kings of a Colossal Bond Trade That's Spooking Regulators
A small bunch of hedge fund traders dominates the massive basis trade. They've made billions for their firms — and alarmed financial supervisors.
<https://blinks.bloomberg.com/news/stories/S5XUOCDWRGG0>
- Oil Steadies as Red Sea Risks Weigh Against Record US Output
Crude pared gains Wednesday after data showed record US output
Brent stable after rising in the first three days this week
<https://blinks.bloomberg.com/news/stories/S606EXT0G1KW>
- Treasuries Long-End Pares Gains After 20-Year Bond Auction Tails
<https://blinks.bloomberg.com/news/stories/S5Z8LWT0G1KW>
- Biden Administration Explores Raising Tariffs on Chinese EVs – WSJ
<https://blinks.bloomberg.com/news/stories/S600G00799MS>
- Guindos Says ECB Needs Inflation to Converge Toward 2% Level
'It's still too early' for interest rates to fall, he says
Vice president says ECB is keeping close eye on labor costs
<https://blinks.bloomberg.com/news/stories/S609P0DWX2PS>
- EU Strikes Fiscal Rules Deal With Gradual Path to Cut Debt (2)
Revamp will grant more leeway for national defense spending
Germany succeeded in introducing guardrails for debt reduction
<https://blinks.bloomberg.com/news/stories/S5Z700DWX2PS>
- Estonia Drops Tax Hike for Budget Cuts in Longest EU Recession
Finance minister signals nation won't tolerate higher levies
War in Ukraine, Nordic real estate woes hit Estonia's economy
<https://blinks.bloomberg.com/news/stories/S5YKCPDWX2PS>
- ECB's Kazaks Says First Rate Cut Could Come Around Mid-2024
<https://blinks.bloomberg.com/news/stories/S5Z9HBDWLU68>
- Ex-ECB Official Rimsevics Found Guilty in Bribery Case (1)
Former Latvian central banker plans to appeal court ruling
Rimsevics's 2018 arrest was part of money-laundering scandals
<https://blinks.bloomberg.com/news/stories/S5YSYPDWRGG0>



- Pimco, Abrdn Favor UK Gilts Over Treasuries on Slowdown Risk (1)
Fund managers see greater chance of UK falling into recession
Money-markets boost BOE rate cut bets after UK inflation fall
<https://blinks.bloomberg.com/news/stories/S5Z4AVDWLU68>
- (UK) Dec. Lloyds Own Price Expectations, actual 59, prior 61
- (UK) Dec. Lloyds Business Barometer, actual 35, prior 42
- UK Inflation Slows More Than Forecast, Fueling Rate-Cut Bets (1)
Consumer prices rise 3.9% last month, least since Sept. 2021
Pound falls as figures fuel hopes for pivot by Bank of England
<https://blinks.bloomberg.com/news/stories/S5YG86T1UM0W>
- London House Prices See Biggest Fall Since 2009 in ONS Data (1)
ONS figures show UK property market downturn steepening
Market under pressure as buyers grapple with higher rates
<https://blinks.bloomberg.com/news/stories/S5YQ37DWX2PS>
- Amundi Sees Pound Under Siege Once BOE Signals Shift in Rates
Asset manager sees currency weakening to \$1.21 by March
Slowing inflation will enable BOE to start rate cuts in May
<https://blinks.bloomberg.com/news/stories/S5K04FT1UM0W>
- RBA Has 'Done Enough' on Inflation Fight, AMP's Shelley Says
<https://blinks.bloomberg.com/news/stories/S5ZTBGT0AFB4>
- Bond Bulls Look 9,000 Miles From Fed to Trade Global Rally (1)
RBNZ's hawkish stance is helping to keep bond yields elevated
New Zealand two-year notes are cheap relative to US peers: TCW
<https://blinks.bloomberg.com/news/stories/S5ZUFPT0AFB4>
- Aussie Climbs as Iron Ore Gains Aid Outlook: Inside Australia/NZ
<https://blinks.bloomberg.com/news/stories/S604WFT0AFB4>
- RBNZ Says November Credit Card Spending in NZ Gains 2.8% M/m
<https://blinks.bloomberg.com/news/stories/S5ZUZHDWRGG0>
- Japan to Unveil \$784 Billion Budget, Adding to Debt Burden (1)
Plan cuts outlays to offset inflation impact, spur wage hikes
Debt-servicing costs set to rise by 6.7% to \$189 billion
<https://blinks.bloomberg.com/news/stories/S600BFDWX2PS>
- Japan Sees Inflation Hovering Above BOJ Target Next Fiscal Year
Japan's government forecasts 2.5% inflation next fiscal year
BOJ still waiting to see signs of positive wage-price cycle
<https://blinks.bloomberg.com/news/stories/S5WLY6T0AFB4>
- (Japan) Dec. Japan Buying Foreign Bonds, actual JPY2.29t, prior -JPY1.08t, revised -JPY1.08t
- Yen Rises With US Treasury Yield Near 5-Month Low: Inside Japan
<https://blinks.bloomberg.com/news/stories/S6017IT0G1KW>
- Dollar-Yen Shows Traders Believe in an Early Fed Rate Cut
<https://blinks.bloomberg.com/news/stories/S5ZYMNT0G1KW>
- JGBs Slide as Japan Trade Unions Aim High on Wages
<https://blinks.bloomberg.com/news/stories/S5ZPDWT0G1KW>
- Japan Government Sees Income Growth Beating Inflation Next Year
<https://blinks.bloomberg.com/news/stories/S5YC0EDWRGG0>



EM Headlines

- China's Budget Shift Risks Local Officials 'Lying Flat' (1)
Central government issues \$137 billion debt for provinces
Local leaders could join lying flat trend if they lose agency
<https://blinks.bloomberg.com/news/stories/S5ZWWBT1UM0W>
- Asian Currencies' Relative Performance Could Rotate During 2024
<https://blinks.bloomberg.com/news/stories/S5ZLB6T0AFB4>
- China Snarls Zambia Debt Deal Over Size of Bondholder Losses (1)
Beijing wants investors to take deeper cuts in restructuring
Test-case for G-20's Common Framework bogged down for years
<https://blinks.bloomberg.com/news/stories/S5Z8XUDWRGG0>
- Yuan in Tight Range; Strong Fixing Extends: Inside China
<https://blinks.bloomberg.com/news/stories/S5ZVQIT0AFB4>
- Lukewarm Yuan May Persist Into Season of Peak Gains: China Today
<https://blinks.bloomberg.com/news/stories/S5Z28EDWX2PS>
- China to End Tariff Concessions on Some Taiwan Chemical Imports
<https://blinks.bloomberg.com/news/stories/S5ZW0LT0G1KW>
- Analysts See Moderate Room for Cut in China Lending Rates: CSJ
<https://blinks.bloomberg.com/news/stories/S5ZL8TT0G1KX>
- China's Budget Shift Risks Local Officials 'Lying Flat' (1)
Central government issues \$137 billion debt for provinces
Local leaders could join lying flat trend if they lose agency
<https://blinks.bloomberg.com/news/stories/S5ZWWBT1UM0W>
- China Solar Factory Suspends Production as Consolidation Looms
<https://blinks.bloomberg.com/news/stories/S5ZQABT0G1KW>
- Rupiah Slips Ahead of Bank Indonesia Decision: Inside Indonesia
<https://blinks.bloomberg.com/news/stories/S5ZZ8QDWRGG0>
- Indonesia Says Chinese Carmakers Keen to Invest on EV Incentives
<https://blinks.bloomberg.com/news/stories/S5ZZGNT1UM0W>
- Rice Prices Scale Fresh 15-Year High as Supply Risks Linger (2)
Food inflation could stay elevated in rice-reliant countries
Prices still rising in top shipper India despite export curbs
<https://blinks.bloomberg.com/news/stories/S600C8T0G1KW>
- Rupee Bonds Rise on Oil Boost Amid US Glut: Inside India
<https://blinks.bloomberg.com/news/stories/S600X1DWLU68>
- India Growth May Falter if Inflation Stays Elevated, RBI Says
Inflation hurting consumer demand, risks manufacturing growth
Price gains seen easing in first three quarters of 2024-25
<https://blinks.bloomberg.com/news/stories/S5YPR2DWLU68>
- India Parliament Pushes Key Bills After Opposition Suspended (1)
<https://blinks.bloomberg.com/news/stories/S5YQLODWX2PS>
- Milei Unveils Broad Reforms to Liberalize Argentina Economy (1)
Plan will face opposition in congress and from labor unions
Measures come after deep budget cuts, sharp peso devaluation
<https://blinks.bloomberg.com/news/stories/S5ZQPMDWLU68>



- Wall Street's Bad Call on Mexican Super Peso May Finally Prosper
BofA predicts 2024 weakness on 'aggressive' rate-cut cycle
Currency has risen about 14% this year by luring carry traders
<https://blinks.bloomberg.com/news/stories/S5PXDQDWX2PS>
- Banxico Ready to Start Slowly Cutting Interest Rates in 2024
<https://blinks.bloomberg.com/news/stories/S5ZEFET0AFB4>
- Brazil Congress Gets Haddad Closer to Zero 2024 Fiscal Deficit
<https://blinks.bloomberg.com/news/stories/S5ZJ5BT0G1KW>
- Lula Struggles to Bridge a Divided Brazil in First Year Back
Strong economy has helped his approval rating stay above 50%
President's disapproval rating rose to 43%, Quaest finds
<https://blinks.bloomberg.com/news/stories/S5YS1ADWRGG0>
- Chilean Peso Slumps After Central Bank Accelerates Rate Cuts
<https://blinks.bloomberg.com/news/stories/S5YTM8DWLU68>
- Chilean, Colombian Pesos Drop After Rate Cuts: Inside Andes
<https://blinks.bloomberg.com/news/stories/S5YXG9DWX2PS>
- Maduro Has Agreed to Specific Election Requirements, Biden Says
Venezuela freed 10 Americans, handed over 'Fat Leonard'
US swaps financier Alex Saab, a Maduro ally, as part of deal
<https://blinks.bloomberg.com/news/stories/S5ZGLZDWRGG0>
- Polish State TV Goes Dark as Nationalists Decry Tusk Shakeup (1)
New government dismisses executives at public broadcaster
State TV had clear bias for nationalists before ballot: OSCE
<https://blinks.bloomberg.com/news/stories/S5YOL6DWLU68>
- Polish Government Dismisses State Media Management
<https://blinks.bloomberg.com/news/stories/S5YM4HDWRGG0>
- EU's Jourova Welcomes Poland's Steps to Reverse Courts Overhaul
<https://blinks.bloomberg.com/news/stories/S5YJ8IDWX2PS>
- Mandarin Oriental to Open Budapest Hotel With Orban's Son-in-Law
<https://blinks.bloomberg.com/news/stories/S5YOS8DWRGG0>
- Czechs May Start Rate Cuts in Close-Call Meeting: Decision Guide
Morgan Stanley says Czech rate decision is 'extremely close'
Most analysts see rate cut but odds of no change are high
<https://blinks.bloomberg.com/news/stories/S5X7HHDWX2PS>
- Foreign Investors Net Buyers of South African Bonds
<https://blinks.bloomberg.com/news/stories/S5YFFZGENSW0>
- Yemen's Houthis Vow More Shipping Attacks Despite US Naval Force
Iran-backed group warns of retaliation if US attacks its bases
Houthis have been targeting Red Sea ships in support of Hamas
<https://blinks.bloomberg.com/news/stories/S5YZ6WDWLU68>
- Abramovich Loses EU Sanctions Appeal Over Alleged Putin Ties (1)
EU lower court's ruling in Abramovich case can be appealed
Sanctions imposed travel ban, asset freezes since March 2022
<https://blinks.bloomberg.com/news/stories/S5Z64YDWLU68>