

DM Headlines

- US 10-Year Yield Is Ending 2023 Almost Exactly Where It Started
But it's been a wild ride, with rates swinging from 3.25%-5%
Rate is finishing year around 3.9% after big two-month rally
<https://blinks.bloomberg.com/news/stories/S6FZ83DWLU68>
- Treasuries Post First Gain Since 2020 as Fed Pivot Gets Traction
Yields retreat from multiyear highs reached in October
Debt supply concerns ease as auction-size growth is pared
<https://blinks.bloomberg.com/news/stories/S6DPHCT1UM0W>
- Oil Advances as Iran Warship in Red Sea Ratchets Tensions Higher
Iran sends destroyer to waterway as US Navy sinks Houthi boats
Brent declined 10% last year in first annual drop since 2020
<https://blinks.bloomberg.com/news/stories/S6MDT2T1UM0W>
- US Consumer Debt Just Returning to Normal Levels, Bernstein Says
Biden adviser says Americans 'in good shape' on debt servicing
Rising after-tax income in 2023 will support spending, he says
<https://blinks.bloomberg.com/news/stories/S6JCE2T0G1KW>
- Bonds Still Look Worth Buying on Dips, Pental's Xie Patrick Says
<https://blinks.bloomberg.com/news/stories/S6M9OZT1UM0W>
- Speculators Add to Net Short in US 10-Year Futures, CFTC Says
<https://blinks.bloomberg.com/news/stories/S6G2RHDWX2PS>

- Europe Banks Sort All AT1 Calls Until March After BCP Repayment
<https://blinks.bloomberg.com/news/stories/S6MJHHDWRGG0>
- Italy Won EU Concessions in Fiscal Pact, Finance Minister Says
<https://blinks.bloomberg.com/news/stories/S6IVS5DWX2PS>
- Macron Pushes for Economic 'Rearmament' to Reach Full Employment
French president delivers speech on year's accomplishments
Goals for 2024 include nuclear, AI and transportation programs
<https://blinks.bloomberg.com/news/stories/S6FOIT1UM0W>
- Lagarde Says Euro Gives Greater Sovereignty in a Turbulent World
ECB chief, European leaders mark currency's 25th anniversary
Predictions of the euro's demise have proven to be wrong
<https://blinks.bloomberg.com/news/stories/S6GYFOT1UM0W>
- EUR/USD Forecast: Impact of Euro Area PMIs on ECB Rate Cut Bets
<https://blinks.bloomberg.com/news/stories/S6MDQNBQEW3K>
- French New Car Sales Cap Growth Year With 14.5% Rise in December
<https://blinks.bloomberg.com/news/stories/S6KQALDWLU68>
- Spain Dec. HCOB Manufacturing PMI 46.2 vs 46.3 in Nov.
<https://blinks.bloomberg.com/news/stories/S6MK6OT0AFB5>
- Euro-Zone Inflation Bump Won't Alarm ECB Inching to Rate Pivot
December reading is anticipated by Lagarde to show uptick
Moderating slowdown may help ECB case in standoff with traders
<https://blinks.bloomberg.com/news/stories/S5UT2QDWLU68>



- (UK) Dec. BRC Shop Price Index YoY, actual 4.3%, prior 4.3%
- Sunak Says UK Making Progress Against 'Small Boat' Migration
Number of migrants crossing Channel to UK fell 36% last year
Prime minister says government on track to limit migration
<https://blinks.bloomberg.com/news/stories/S6LKRTDWX2PS>
- UK Food Inflation Drops as Grocers Vie for Holiday Sales (1)
Food prices rose by 6.7% in December, BRC says, down from 7.7%
Markets expect Bank of England to cut interest rates in 2024
<https://blinks.bloomberg.com/news/stories/S6MHDMT0G1KW>
- UK Households Still Face Mortgage Payment Shock in 2024
<https://blinks.bloomberg.com/news/stories/S6MJ52DWRGG0>
- Leading economists expect Bank of England to cut rates in spring
<https://blinks.bloomberg.com/news/stories/S6MGW5CGBL6Q>
- Calm or Crash? What Will Happen to UK House Prices in 2024?
<https://blinks.bloomberg.com/news/stories/S6ME29DWLU68>
- UK Struggles for Liftoff in Brexit 'Space Superpower' Dream
Britain's push is challenged by political disarray and weak funding, with UK powerhouses being pulled into overseas conglomerates
<https://blinks.bloomberg.com/news/stories/S6MB8BDWRGG0>
- FT economists survey: 'anaemic' economy needs 'investment, investment, investment'
<https://blinks.bloomberg.com/news/stories/S6LXLU8JMDC0>
- UK banks' costs in focus in 2024 as interest rates go from boon to burden
<https://blinks.bloomberg.com/news/stories/S6KJE0CGBL6Q>

- Australian Home-Price Growth Slows Further as Sydney Cools
Cost of living pressures are taking heat out of housing market
RBA rate cut in 2024 could help spur demand, CoreLogic says
<https://blinks.bloomberg.com/news/stories/S6II37T1UM0W>
- Judo Bank Australia Dec. Manufacturing PMI 47.6 vs 47.7 Prior
<https://blinks.bloomberg.com/news/stories/S6LRQ1T0AFB4>
- AUD Edges Higher After China PMI, Xi Pledge: Inside Australia/NZ
<https://blinks.bloomberg.com/news/stories/S6MASST0G1KW>
- Nomura Leads Australia Kangaroo Bonds Underwriting in 2023
<https://blinks.bloomberg.com/news/stories/S6M052GFWR28>

- At Least 30 Dead After Major Japan Quake Topples Buildings (3)
At least 15 killed in Ishikawa's Wajima City, prefecture says
Tsunami warning for Sea of Japan coast lifted on Tuesday
<https://blinks.bloomberg.com/news/stories/S6M96MDWRGG0>
- Quake Hits Northwestern Japan, Killing Four, Wrecking Homes (4)
Region hit by more than 50 aftershocks, according to JMA
Four confirmed dead with homes and roads also destroyed
<https://blinks.bloomberg.com/news/stories/S6LJZMDWRGG0>

EM Headlines

- Xi Vows to Strengthen Economic Recovery After 'Tough' Year (2)
Xi says nation will 'surely' unify as Taiwan election looms
Signs of weakness in the economy have increased recently
<https://blinks.bloomberg.com/news/stories/S6M25TT0AFB4>
- US Pushed ASML to Block China Sales Before January Deadline (1)
ASML canceled shipments of a limited number of devices
Biden is cracking down on Beijing's semiconductor industry
<https://blinks.bloomberg.com/news/stories/S6LVEST0AFB4>
- China's Factory Activity Picks Up, Private Survey Shows (2)
Caixin poll contrasts with official data showing contraction
Data comes as Xi acknowledges headwinds in annual address
<https://blinks.bloomberg.com/news/stories/S6M4BYT1UMOW>
- PBOC Drains Most Cash in Four Years; Yuan Falls: Inside China
<https://blinks.bloomberg.com/news/stories/S6M5KKT0AFB4>
- China's Patchy Recovery Keeps Asia's Factories in a Slump (1)
Taiwan's factory conditions deteriorated sharply in December
South Korea faces decline in new orders as demand eludes
<https://blinks.bloomberg.com/news/stories/S6M2ITT1UMOW>
- China Restores Coal Tariffs in Threat to Russian Exporters
Russia's sales to China have declined since peaking in June
Indonesia and Australia are shielded by free trade pacts
<https://blinks.bloomberg.com/news/stories/S6CPSAT1UMOW>
- (China) Dec. Caixin China PMI Mfg, actual 50.8, est. 50.3, prior 50.7
- Won Drops; Foreigners Allowed to Trade Onshore Won: Inside Korea
<https://blinks.bloomberg.com/news/stories/S6M0Z8T1UMOW>
- SSBT HK Is First Foreign Bank to Trade Onshore Korean Won (2)
<https://blinks.bloomberg.com/news/stories/S6MGDUTOG1KW>
- KOREA REACT: Exports Show Resilience and a Shift Away From China
<https://blinks.bloomberg.com/news/stories/S6M0IMTOG1KW>
- S&P Global South Korea Dec. Manufacturing PMI 49.9 vs 50 in Nov.
<https://blinks.bloomberg.com/news/stories/S6LYNITOAFB6>
- Banks Turn Back the Clock as Korean Won Set to Trade at Night
Shinhan Bank has already started rostering traders at night
Labor groups have concerns about resumption of night shifts
<https://blinks.bloomberg.com/news/stories/S5JSDZT0G1KW>
- Rupiah Slips With Asian Peers After Weak Data: Inside Indonesia
<https://blinks.bloomberg.com/news/stories/S6M9ENT1UMOW>
- Indonesia Dec. Consumer Prices Rise 2.61% Y/y, +0.41% M/m
<https://blinks.bloomberg.com/news/stories/S6M9HIGEZ1FK>
- Bonds Edge Lower Ahead of INR160b State Debt Sale: Inside India
<https://blinks.bloomberg.com/news/stories/S6M9VWTOAFB4>
- India's Crude Imports From Russia Plunge on Payment Issues
India's December oil imports from Russia lowest since January
Despite challenges, Moscow remains India's top crude supplier
<https://blinks.bloomberg.com/news/stories/S6iQL7T0AFB4>



- Architect of Argentina's Reforms Says He Isn't Even Halfway Done
Only 40% is done, says Sturzenegger, Milei's deregulation czar
Milei's government will seek to modify 160 laws more next week
<https://blinks.bloomberg.com/news/stories/S6DXVZDWX2PS>
- Brazil's Unemployment Falls Further in Sign of Labor Resilience
Jobless rate at 7.5% in three months through Nov.; est. 7.5%
Central bankers cut rates by two percentage points in 2023
<https://blinks.bloomberg.com/news/stories/S6DNMFT0AFB4>
- Ecuador Seeks Austerity to Win IMF Support for Economy Plan (1)
Government contractors, state-run companies under review
Finance Ministry seeking near-term liquidity from oil, gold
<https://blinks.bloomberg.com/news/stories/S6FLWXT1UM0W>
- Mexico Sends First Immigrant Flight to Venezuela Since January
Mexico and Venezuela restart flights for Venezuela nationals
Repatriation result of effort to tackle migration to US
<https://blinks.bloomberg.com/news/stories/S6HZV3T0AFB4>
- Brazil Launches Mobility Program With \$4 Billion in Incentives
Automotive sector will have new sustainability goals
Government wants local production of new technologies
<https://blinks.bloomberg.com/news/stories/S6J351T0G1KW>
- Boric Says Investment and Jobs to Push Chile's Economic Comeback
President says in year-end speech economy will grow strongly
Boric touts new public-private partnership for lithium mining
<https://blinks.bloomberg.com/news/stories/S6JZBGT0AFB4>
- Colombia President Petro Vows to Keep Diesel Subsidies in Place
Petro says gasoline will fluctuate with international prices
In year-end speech, president said inflation is under control
<https://blinks.bloomberg.com/news/stories/S6JE2JT0AFB4>

- Poland Dec. Manufacturing PMI 47.4 vs 48.7 in Nov.
<https://blinks.bloomberg.com/news/stories/S6MJHOT0AFB5>
- Polish Stocks Post Best Annual Gain Since 2009 Amid Bank Rally
<https://blinks.bloomberg.com/news/stories/S6DL5PDWRGG2>
- Hungary Overshoots Deficit Target Casting Doubt Over 2024 Plan
Government raised 2023 deficit target to 5.9% of GDP
Last minute revision adds to doubts about this year's target
<https://blinks.bloomberg.com/news/stories/S6KXNWT1UM0W>
- Hungary Dec. Manufacturing PMI Rises to 52.8
<https://blinks.bloomberg.com/news/stories/S6MHMPMRXLVR>
- South Africa launches case at top UN court accusing Israel of genocide in Gaza
<https://blinks.bloomberg.com/news/stories/S6G850TP3SHS>
- Rand Starts 2024 Strongly Among EM Peers: Inside South Africa
<https://blinks.bloomberg.com/news/stories/S6MD6YDWX2PS>
- BRICS to Grow as Saudi, Iran, UAE, Egypt, Ethiopia Join Ranks
Argentina declines invitation to join emerging-market group
About 30 nations express interest in joining, Lavrov says
<https://blinks.bloomberg.com/news/stories/S6FAPFT1UM0W>