

DM Headlines

- US Payrolls, Wages Pick Up in Jobs Report Dotted With Caveats
Employment rose 216,000 in December after 173,000 advance
Drop in participation rate among weaker elements of data
<https://blinks.bloomberg.com/news/stories/S6SQ7CT0G1KW>
- Bond Traders Are Resolute on 2024 Fed Cuts as Data Whips Yields
Bets on lower US rates have proved resilient as year begins
Rates rose as much as 10 basis points Friday before moderating
<https://blinks.bloomberg.com/news/stories/S6SLENT1UM0W>
- Logan Says Fed Should Slow Asset Runoff as Reverse Repo Dwindles
Fed shouldn't rule out chance of another rate hike, Logan says
Dallas chief warns easing financial conditions may fuel demand
<https://blinks.bloomberg.com/news/stories/S6ULELDWRGG0>
- Bond Traders Seize on 4% Yields, Confident Fed Rate Cuts Coming
Investors piled in after strong jobs data caused yield jump
Market faces next test with inflation data, 10-year auction
<https://blinks.bloomberg.com/news/stories/S6X2VNDWRGG0>
- Fed Pivot Will Dominate Year of Rate Cuts in Turn of World Cycle
Quarterly outlook on what to expect from monetary policy
About-turn follows most aggressive tightening in decades
<https://blinks.bloomberg.com/news/stories/S5UUM4DWX2PT>
- Congress Leaders Ease Shutdown Risk With a Spending-Cap Deal (1)
House speaker presents FY24 spending cap of \$1.59 trillion
Clears way for detailed talks on federal agencies' budgets
<https://blinks.bloomberg.com/news/stories/S6WUR1DWLU68>
- Oil Drops as Saudi Pricing Cuts Counter Middle East Supply Risks
Aramco reduces Arab Light to Asia by \$2 a barrel for February
Brent slides below \$78 after rising by more than 2% last week
<https://blinks.bloomberg.com/news/stories/S6XHXYT0AFB4>
- Goldman Sees US Election Supporting Dollar, Offsetting Rate Cuts
<https://blinks.bloomberg.com/news/stories/S6X681DWX2PS>

- Italy's QT Shield Can't Last as 1Q Supply Looms Over Spreads
<https://blinks.bloomberg.com/news/stories/S6XI5BDWLU68>
- Traders Pare ECB, BOE Rate-Cut Bets Further After US Jobs Beat
Less easing seen after inflation readings across euro area
Stronger-than-expected US jobs report amplified the move
<https://blinks.bloomberg.com/news/stories/S6SLIOT1UM0W>
- Euro-Area Inflation Climb Awkward for ECB, Won't Last
<https://blinks.bloomberg.com/news/stories/S6SX93DWX2PS>
- German Factory Orders Rose Less Than Expected in November
Demand jumps just 0.3%, economists' median estimate was 1.1%
Exports increase 3.7%, biggest gain in more than a year
<https://blinks.bloomberg.com/news/stories/S6SOHAT0G1KW>



- London Tube Strike Called Off After Talks Progress, RMT Says (1)
Action from Monday to Thursday ended after progress in talks
Late announcement means travel disruption on Monday, says TfL
<https://blinks.bloomberg.com/news/stories/S6WJEKDWLU68>
- UK Employers Boosted Pay More Quickly in December, REC Says
<https://blinks.bloomberg.com/news/stories/S6S9RIT1UM0W>
- Mayor of England's Steel City Plans a New Industrial Revolution
To replace decaying 19th century industries, the region around Sheffield lures high-tech manufacturing from McLaren supercars to Boeing airplane parts.
<https://blinks.bloomberg.com/news/stories/S6XJEBT0G1KW>
- UK Economy Is Riding on Election Politics: Mohamed A. El-Erian
A focus on durable, high-quality growth risks falling prey to tax cuts aimed at the public.
<https://blinks.bloomberg.com/news/stories/S6XI0AT1UM0X>
- Interest rate cuts unlikely in 2024, warns founding MPC member
<https://blinks.bloomberg.com/news/stories/S6UH04Y2NTOH>
- Calm or Crash? What Will Happen to UK House Prices in 2024?
<https://blinks.bloomberg.com/news/stories/S6XHVET0AFB4>
- UK Households Reap £16 Billion Windfall From Higher Rates (1)
Resolution analysis helps explain resilience of UK economy
Income boost to unravel as 1.5 million mortgagors refinance
<https://blinks.bloomberg.com/news/stories/S6S85BT0AFB4>

- Aussie Dollar Faces Inflation Test After Stellar Year-End Rally
Deutsche Bank sees Aussie dollar falling to 65 cents in 1Q
Australia's consumer inflation seen easing again in November
<https://blinks.bloomberg.com/news/stories/S6OB2ST1UM0W>
- Aussie Home Rent Growth to Slow Through 2025 as Vacancies Rise
<https://blinks.bloomberg.com/news/stories/S6WRMAT1UM0W>
- Bonds Fall After US Jobs, Before Aussie CPI: Inside Australia/NZ
<https://blinks.bloomberg.com/news/stories/S6X997T0G1KW>
- Aussie Bounce May Mean Little as Inflation Data Looms
<https://blinks.bloomberg.com/news/stories/S6X777T0AFB4>

- Tokyo's Headline Inflation Likely to Rise in December, Morgan Stanley Says
<https://blinks.bloomberg.com/news/stories/S6XKEXC6YGW2>
- Japan Auto's US Sales Gains Extend to 2024 on Product Offensive
<https://blinks.bloomberg.com/news/stories/S6WT59T0AFB4>
- JAPAN PREVIEW: Tokyo CPI to Signal National Inflation Is Slowing
<https://blinks.bloomberg.com/news/stories/S6X3O7T0G1KW>
- Japan Yield Curve Seen Steeper in Q1: Consensus 77 BPS
<https://blinks.bloomberg.com/news/stories/S6WZY2GFWR28>
- More BOJ Watchers Shift Hike Forecasts, Seeing January Unlikely
<https://blinks.bloomberg.com/news/stories/S6ROFKT0AFB4>
- Yen Closes Worst Week Since 2022 as Earthquake Shifts BOJ Calls
Currency fell for three straight days after Japan earthquake
Yen saw biggest weekly drop since Aug. 2022 vs. dollar
<https://blinks.bloomberg.com/news/stories/S6T4K4T0G1KW>

EM Headlines

- Xi's Solution for China's Economy Risks Triggering New Trade War
China's shift toward high-value add manufacturing threatens to further raise trade tensions with the US, Europe and others.
<https://blinks.bloomberg.com/news/stories/S6WT0AT0AFB4>
- Troubled China Shadow Bank Zhongzhi Files for Bankruptcy (3)
Court accepted case after firm said it can't repay debts
Zhongzhi revealed a shortfall of \$36.4 billion in November
<https://blinks.bloomberg.com/news/stories/S6SHHKTOAFB4>
- China Says It Caught Foreign Consultant Spying for UK's MI6 (1)
China's spy agency said UK trained and equipped the consultant
Beijing's anti-spy crackdown recently targeted consultancies
<https://blinks.bloomberg.com/news/stories/S6XA11T0G1KW>
- Hong Kong Employees Demand 6% Raise to Work in Office Full Time
More firms to reduce office space with hybrid-work model
City's office rents expected to fall 6% in 2024 on vacancies
<https://blinks.bloomberg.com/news/stories/S6S8B7T1UM0W>
- China Leaders Sought Quick Zhongzhi Resolution to Shield Markets
Bankruptcy deemed most effective way in October, people say
Case highlights urgency to handle risks as economy struggles
<https://blinks.bloomberg.com/news/stories/S6X0N5T0G1KW>
- CNH Weakens; CPI Data Awaited for Rate-Cut Cue: Inside China
<https://blinks.bloomberg.com/news/stories/S6X645T0G1KW>
- Won Gains Amid Risk-on, Govt Vows Market Stability: Inside Korea
<https://blinks.bloomberg.com/news/stories/S6X36HT1UM0W>
- North Korea Fires Artillery Shells Near South Korean Island (2)
Island was site of a North Korean artillery assault in 2010
Kim has said it is impossible to unify with neighbor to South
<https://blinks.bloomberg.com/news/stories/S6S3BWDWLU68>
- Distressed Builder Puts Korea on Edge Again as Risk Mounts (3)
Taeyoung's request to reschedule debt triggered stock selloff
Builder's woes caused by same type of debt favored by peers
<https://blinks.bloomberg.com/news/stories/S6S761T0G1KW>
- Rupee Bonds Up as Lower Oil Prices Boost Sentiment: Inside India
<https://blinks.bloomberg.com/news/stories/S6XDXADWX2PS>
- India to Tighten Budget Deficit as Bond Index Inclusion Beckons
Officials seek to curb FY25 deficit to 5.2%-5.4%, people say
Strong economy, tax revenue growth gives boost to deficit plan
<https://blinks.bloomberg.com/news/stories/S6OLDKDWRGG0>
- Rupiah Steady With Reserves at Two-Year High: Inside Indonesia
<https://blinks.bloomberg.com/news/stories/S6XAZSDWRGG0>
- Indonesian Presidential Contenders Spar on Defense, Foreign Debt
Largest Southeast Asian economy will elect new leader Feb. 14
Defense Minister Prabowo currently holds wide lead in polls
<https://blinks.bloomberg.com/news/stories/S6WDUDDWRGG0>



RUBRICS

- Argentina's Market Honeymoon Fades as Peso Pressure Builds
Economists expect peso to weaken and FX gap to widen again
Savers prefer pesos on hand instead of certificate deposits
<https://blinks.bloomberg.com/news/stories/S6PBZ3T0G1KW>
- Milei Pitches Banks \$71 Billion Swap to Clean Up Argentina Debt
Caputo told bankers financial deficit to be cut to zero in '24
Voluntary swap to be in February and offer CPI-linked bonds
<https://blinks.bloomberg.com/news/stories/S6SSL2T0AFB4>
- Use Mexican Peso, Chinese Yuan to Bet on US Election, Citi Says
Strategists say currencies swing wider on US vote results
Peso and yuan slid in aftermath of Trump's victory in 2016
<https://blinks.bloomberg.com/news/stories/S6SQP5T1UM0W>
- Mexico's AMLO to Propose Bill to Boost Workers' Purchasing Power
Plans to bar hikes in minimum wage that fall below inflation
Mexico increased its minimum wage by 20% for this year
<https://blinks.bloomberg.com/news/stories/S6WWG7DWRGG0>
- Brazil Official Reserves Rise to Highest Since February 2022
<https://blinks.bloomberg.com/news/stories/S6TYF3GF4NPC>
- Chile Cenbank Weighed Cut of 50bps, 75bps at December Meeting
<https://blinks.bloomberg.com/news/stories/S6SE5TT0G1KW>
- Chile Plans Bond Sales of \$16.5 Billion in 2024, 90% in Local FX
<https://blinks.bloomberg.com/news/stories/S6RG3AT0G1KW>
- Colombian Peso Gains With Oil, Trims Weekly Loss: Inside Andes
<https://blinks.bloomberg.com/news/stories/S6SOLFDWRGG0>
- Colombia Finance Chief Expects 25bps Key Rate Cut in January
<https://blinks.bloomberg.com/news/stories/S6SLC7T0G1KW>

- Dovish Polish Inflation Pressures Central Bank to Resume Easing
<https://blinks.bloomberg.com/news/stories/S6S72ET0AFB4>
- Polish Bond Yields Fall After Soft December Inflation Print
<https://blinks.bloomberg.com/news/stories/S6S6QVT0G1KW>
- Europe's Detroit Is Coming Under Threat From Electric Vehicles
The Czechs and Slovaks make more cars per capita than anywhere else in the world. Now, the transition to EVs is putting a vast supply chain in jeopardy.
<https://blinks.bloomberg.com/news/stories/S6XF8GDWRGG0>
- Czech Central Banker Says Inflation Easing Key to Rate Cut Size
<https://blinks.bloomberg.com/news/stories/S6VZWFT0AFB4>
- Czech GDP dropped by 0.8% y/y and by 0.6% q/q in Q3
<https://blinks.bloomberg.com/news/stories/S6XLFKBMZA4V>
- South Africa SARB Govt Bond Holdings Rise to ZAR33.8b in Dec.
<https://blinks.bloomberg.com/news/stories/S6XI1JDWRGG0>
- Rand Makes Worst Start to Year Since 2020: Inside South Africa
<https://blinks.bloomberg.com/news/stories/S6RWYUT1UM0W>
- South Africa Sets Role for Electricity Czar After Almost a Year
Ramokgopa will oversee Eskom on ending rolling blackouts
Gordhan to steer restructuring of state-owned power utility
<https://blinks.bloomberg.com/news/stories/S6S7YAT0AFB4>