

## DM Headlines

- Morgan Stanley, JPMorgan Say Buy the Dip After Treasury Rout  
Both firms recommend investors to buy five-year Treasuries  
Five-year Treasuries sold off most since May last week  
<https://blinks.bloomberg.com/news/stories/S7NC8CT0AFB4>
- Bad Week for Bonds Worsens With Yields Reaching Year's Highs  
Treasury yields headed for highest closing levels of year  
Economic data remain inconsistent with recession forecasts  
<https://blinks.bloomberg.com/news/stories/S7IYWVTOG1KW>
- Seismic Bond Shift Has Traders Watching Yield Curve's Moves  
Market has priced big rate cuts and curve remains inverted  
Gross and Bassman are calling for a steeper yield curve  
<https://blinks.bloomberg.com/news/stories/S7IDF1T0AFB4>
- DeSantis Drops Out of 2024 Presidential Race, Endorses Trump  
DeSantis releases video saying he sees no path to victory  
Campaign burned through cash as it struggled to hone message  
<https://blinks.bloomberg.com/news/stories/S7MRG4DWLU68>
- Oil Declines as Libya's Top Field Restart Eclipses Red Sea Risks  
NOC says Sharara field back online, while Houthis menace ships  
Benchmark Brent drops toward \$78 a barrel with WTI near \$73  
<https://blinks.bloomberg.com/news/stories/S7NDJ8T1UM0W>
- 'Don't Be the Last Guest at the Bond Party,' Says Fivestar Asset  
<https://blinks.bloomberg.com/news/stories/S7N31TTOG1KW>
- Hedge Funds Set Record Net Short in US 10-Year Futures: CFTC  
<https://blinks.bloomberg.com/news/stories/S7IWHKT1UM0W>
- China US Treasuries Holdings Rise for First Time in Seven Months  
<https://blinks.bloomberg.com/news/stories/S7IKKUT0G1KW>
- Swap Spreads Widen Into Cash Selloff With \$25b IG Supply on Deck  
<https://blinks.bloomberg.com/news/stories/S7ILW8T0AFB4>
  
- EU to Upgrade Economic Security to Shield Key Tech From China  
European Commission to unveil security strategy this week  
New plan to cover investment, export controls, dual-use goods  
<https://blinks.bloomberg.com/news/stories/S7IILCT1UM0W>
- Vanguard Piles Into Europe's Periphery Debt as Rate Cuts Near  
Vanguard overweight on Spain, Greece after buying more in Jan.  
Candriam upgrades Italy, Portugal to neutral from underweight  
<https://blinks.bloomberg.com/news/stories/S7I2OFT0G1KW>
- Euro Zone's Job-Market Puzzle Shows Risk of Early ECB Rate Cuts  
Lack of clarity on pay may deter officials from April move  
Labor market's slow adjustment keeps economists guessing  
<https://blinks.bloomberg.com/news/stories/S7395RDWLU68>
- Germans Flock to Streets to Decry Far-Right Deportation Plan (1)  
Report chronicling 're-migration' scheme triggers alarm  
Chancellor says right wing 'attacking' German democracy  
<https://blinks.bloomberg.com/news/stories/S7M4JFDWLU68>



- UK Home Sellers Made £100,000 Profit Per Deal Even in Tough Year  
Average seller made about 9% less profit than in 2022  
Declining mortgage rates could help turn the tide this year  
<https://blinks.bloomberg.com/news/stories/S7IO7AT0G1KW>
- UK INSIGHT: Three Reasons Housing Market Could Surprise in 2024  
<https://blinks.bloomberg.com/news/stories/S7NGTDT0G1KW>
- Tax Squeeze on UK's Richest Unlikely to Spur Exodus, LSE Finds  
Survey suggests next government can squeeze rich for revenue  
London's culture and private schools among reasons to stay  
<https://blinks.bloomberg.com/news/stories/S7IJ48T1UM0W>
  
- Australia's PM Plans Cost-of-Living Blitz to Reverse Poll Slump  
Labor lawmakers called to Canberra for Wednesday meeting  
Electorate is dissatisfied with government action on inflation  
<https://blinks.bloomberg.com/news/stories/S7MWSET0AFB4>
- Australian House Price Growth Seen 'Muted' in 2024, Oxford Says  
Home prices are forecast to grow 2.7% nationally this year  
A shortage of places to live will keep a floor under prices  
<https://blinks.bloomberg.com/news/stories/S7J4FST0AFB4>
- Kiwi Advances Over Aussie Amid Pre-CPI Flow: Inside Australia/NZ  
<https://blinks.bloomberg.com/news/stories/S7N7Q0T1UM0W>
- RBNZ Set to Pivot to Cuts in 2Q24 as Inflation Cools – Dashboard  
<https://blinks.bloomberg.com/news/stories/S7IG4GDWRGG0>
- Tide May Turn for NZ Dollar as Bets on Interest Rate Cuts Pared  
Higher dairy prices, rate gap with Fed to support currency  
Upcoming NZ inflation data may shed light on policy direction  
<https://blinks.bloomberg.com/news/stories/S7LJXT0G1KW>
- Australia's Labor Supply Surge to Peak in '24 as Migration Ebbs  
<https://blinks.bloomberg.com/news/stories/S7IHEGT0AFB4>
  
- Japan Bond Trading Volume Hits Decade High as BOJ Loosens Grip  
December dealer-to-client transaction volume most since 2012  
Rate expectations drive up volume: Mizuho Securities' Omori  
<https://blinks.bloomberg.com/news/stories/S7N208T0G1KW>
- Japan Post Joins Insurers Delaying Bond Buying on Lower Yields  
Firm waiting for yields to increase, Japan Post's Nomura says  
Possible to see 30-year yield rise above 1.8% on BOJ view  
<https://blinks.bloomberg.com/news/stories/S7HLLUT1UM0W>
- BOJ to Hold as Market Seeks Lift-Off Hints From Ueda: Day Guide  
<https://blinks.bloomberg.com/news/stories/S7FVB5T0G1KW>
- Yen Rebounds, Bonds Rise as BOJ Decision Awaited: Inside Japan  
<https://blinks.bloomberg.com/news/stories/S7NAT0T1UM0W>
- Japan's Baseline Forecasts Show Government Missing Budget Goal  
Cabinet office says goal is still in sight by cutting spending  
Inflation will likely hover near 0.8% in long run: report  
<https://blinks.bloomberg.com/news/stories/S7HD2NT1UM0W>

## EM Headlines

- Chinese Banks Hold Rates, Expectations Rise for Easing by Spring  
Analysts see rate, RRR cuts in coming months to help economy  
PBOC easing constrained by currency, banks' profit concerns  
<https://blinks.bloomberg.com/news/stories/S7N2JBT0AFB4>
- (China) Jan. 1-Year Loan Prime Rate, actual 3.45%, est. 3.45%, prior 3.45%
- (China) Jan. 5-Year Loan Prime Rate, actual 4.20%, est. 4.20%, prior 4.20%
- China Stock Selloff Worsens as Hong Kong Index Nears 19-Year Low  
HSCEI inches away from taking out 2022 trough to hit new low  
Disappointing growth recovery and measured stimulus sour mood  
<https://blinks.bloomberg.com/news/stories/S7ND14T0AFB4>
- Yuan in Tight Range After Three Weeks of Losses: Inside China  
<https://blinks.bloomberg.com/news/stories/S7N6ONT1UMOW>
- Gloom Over China Assets Is Spreading Beyond Battered Stocks  
Yuan to remain under pressure given poor China growth: Mizuho  
Abdn underweight China bonds as yields are higher elsewhere  
<https://blinks.bloomberg.com/news/stories/S7MYWDT0AFB4>
- Won Rises as Global Funds Buy Korean Stocks: Inside Korea  
<https://blinks.bloomberg.com/news/stories/S7MYICT1UMOW>
- USD/KRW May Correct Lower And Still Remain in Trend: Major Techs  
<https://blinks.bloomberg.com/news/stories/S7DT1CT0AFB4>
- S. Korea Ruling Party Interim Leader Rejects Resignation Request  
<https://blinks.bloomberg.com/news/stories/S7MYJ4T0AFB4>
- Korea's Early Trade Data Indicate Patchy Exports Recovery (1)  
Growth in exports slows as demand in China remains weak  
Chips continue strong momentum while car sales moderate  
<https://blinks.bloomberg.com/news/stories/S7MZG3T0G1KW>
- Rupiah Slips as Traders Monitor Election Risk: Inside Indonesia  
<https://blinks.bloomberg.com/news/stories/S7ND1ZT0G1KW>
- Indonesian VP Hopeful Slams Jokowi's Nickel Investment Policy  
Iskandar says 'downstreaming' caused environmental damage  
Comments come before Indonesia heads to the polls in February  
<https://blinks.bloomberg.com/news/stories/S7M4JRDWLU68>
- Indonesia Finance Minister Indrawati Dispels Quitting Rumors (1)  
<https://blinks.bloomberg.com/news/stories/S7HWSWT1UMOW>
- Modi to Inaugurate Major Hindu Temple in Milestone for India (1)  
Ayodhya temple has fueled tension between Hindus, Muslims  
Stock market, trading in government securities shut on Monday  
<https://blinks.bloomberg.com/news/stories/S7N6WODWRGG0>
- Defying Milei's Austerity, Argentina Province Plans Own Currency  
La Rioja province to issue new bocade currency to pay salaries  
Milei warns government won't rescue bocades in the future  
<https://blinks.bloomberg.com/news/stories/S7H6B1T0G1KW>
- Brazil's Economic Struggles Deepen in Challenge for Lula (1)  
Activity grew 0.01% in Nov., compared to estimate of 0.2% drop



- President Lula facing headwinds to promises of prosperity  
<https://blinks.bloomberg.com/news/stories/S7IFEWT0G1KW>
- Colombia Debt Dumped by Traders in Record Exodus After 30% Rally  
Franklin Templeton, Norway slash holdings of peso notes  
Foreigners hold one-fifth of \$125 billion TES market  
<https://blinks.bloomberg.com/news/stories/S75XMCDWLU68>
  - Anti-AMLO Candidate Plans US Visit to Ask for Election Observers  
Galvez aims to visit Washington and New York in early February  
Opposition figure raising fraud concerns in presidential race  
<https://blinks.bloomberg.com/news/stories/S7HQ3LT0AFB4>
  - Mexico To Look For More Coal for Power Generation: El Universal  
<https://blinks.bloomberg.com/news/stories/S7IM12T0AFB4>
  - Barclays Recommends Mexico, Chile and Romania Debt (1)  
<https://blinks.bloomberg.com/news/stories/S7IKPYT1UM0X>
  - Petrobras Board Member Resigns From Brazilian Oil Giant  
Efrain Pereira da Cruz joined board of directors in April 2023  
He also left role at Mines and Energy Ministry this month  
<https://blinks.bloomberg.com/news/stories/S7MKL3DWX2PT>
  - Brazil Politics: Haddad Abandons Plan to End Payroll Tax Relief  
<https://blinks.bloomberg.com/news/stories/S7ICY3T1UM0W>
  - CHILE INSIGHT: New CPI Points to Higher Inflation Volatility  
<https://blinks.bloomberg.com/news/stories/S7GPSST0AFB4>
  - COP Falls After Outlook Cut to Negative by S&P: Inside Andes  
<https://blinks.bloomberg.com/news/stories/S7IHSCT1UM0W>
  
  - Polish Central Banker Douses Talk of Bond Sales For Now (1)  
Kightley says no current discussion on quantitative tightening  
Still, policymakers won't rule out bond sales as future tool  
<https://blinks.bloomberg.com/news/stories/S7IGEST0AFB4>
  - Poland's Duda Says EU Played Politics by Blocking Funds (1)  
'This was a purely political action,' Duda says of Commission  
President has emerged as roadblock to Tusk's reform efforts  
<https://blinks.bloomberg.com/news/stories/S7M49PDWX2PS>
  - Hungary Jan. GKI Economic Sentiment Rises to -10.8  
<https://blinks.bloomberg.com/news/stories/S7IH8M6RV5DU>
  - Czech Policymaker Says 2024 Rate Cut Forecast 'Ambitious' (1)  
<https://blinks.bloomberg.com/news/stories/S7I74FT0AFB4>
  - Czech Republic Year-to-Date Sovereign Bond Sales \$1.54B  
<https://blinks.bloomberg.com/news/stories/S7I3RIGFR45G>
  - South African 'Rise Mzansi' Party Publishes Election Manifesto  
Party commits to tackling constraints to economic growth  
At least 350 political parties could contest the 2024 election  
<https://blinks.bloomberg.com/news/stories/S7K0Y3DWX2PS>
  - Key African Economies to Leave Rate Cuts for Second Half of 2024  
Smaller ones such as Ghana may cut in first half of year  
Higher for longer rates in contrast to other emerging markets  
<https://blinks.bloomberg.com/news/stories/S7EZAFT1UM0W>