

DM Headlines

- US Business Activity Expands at Fastest Pace in Seven Months
S&P Global composite gauge increases to 52.3 in January
Inflation metrics keep cooling; outlook best since May 2022
<https://blinks.bloomberg.com/news/stories/S7RTMBDWX2PS>
- US 30-Year Yield Reaches Year-to-Date High After Poor Auction
Sale of five-year notes drew a higher-than-expected yield
Expectations for Fed interest-rate cuts continue to ebb
<https://blinks.bloomberg.com/news/stories/S7S4CIDWX2PS>
- Fed Raises Rate on Emergency Loan Program to Stop Arbitrage
Bank Term Funding Program will expire on March 11 as planned
Banks will see higher rates to borrow effective immediately
<https://blinks.bloomberg.com/news/stories/S7SJJVT1UM0W>
- Bank of Canada Holds Rate at 5%, Signals It's Done Hiking (2)
Loonie drops after central bank releases dovish statement
Debate is shifting to how long to maintain restrictive policy
<https://blinks.bloomberg.com/news/stories/S7RWCZDWX2PS>
- Oil Extends Gains to Near One-Month High as US Stockpiles Shrink
Crude gets additional lift on outlook for more China stimulus
US benchmark WTI rises above \$75 a barrel with Brent near \$80
<https://blinks.bloomberg.com/news/stories/S7SZWZDWX2PS>
- Indirect Demand Plummets at January's Five-Year Treasury Auction
<https://blinks.bloomberg.com/news/stories/S7S38UT0AFB4>

- ECB to Hold Rates as Lagarde Beats Back Cut Bets: Decision Guide
Deposit rate seen staying at 4% for third meeting on Thursday
Officials are converging around June to begin easing policy
<https://blinks.bloomberg.com/news/stories/S7PWQCDWX2PT>
- Switzerland Knows It Was Wrong to Quit EU Talks, Diplomat Says
EU ambassador comments on new negotiations on Swiss-EU ties
Talks should start in March and finish this year, he says
<https://blinks.bloomberg.com/news/stories/S7QHE7T1UM0W>
- ECB Set to Leave Guidance Intact, Roil Pricing for April Meeting
<https://blinks.bloomberg.com/news/stories/S7T1WWT0AFB4>
- ECB Risks Looking Asleep at the Wheel on Summer Rate-Cut Stance
<https://blinks.bloomberg.com/news/stories/S7SZH7DWRGG0>
- Germany Hit With Another Rail Strike as Labor Dispute Drags On
Passenger-train drivers to halt work through next Monday
BDI industry lobby warns of losses of as much as €1 billion
<https://blinks.bloomberg.com/news/stories/S7RB3ODWX2PS>
- Farmer Protests Spread in Europe Over Costs and EU Red Tape
Farm vehicles block major highways around French cities
Farming union FNSEA to present list of demands later Wednesday
<https://blinks.bloomberg.com/news/stories/S7RKLTDWLU68>



- Next UK Government Faces Worst Fiscal Inheritance in 70 Years
IFS says election winner will need to run big primary surplus
Researcher calls for honesty about tax and spending trade-offs
<https://blinks.bloomberg.com/news/stories/S7RM45DWRGG0>
- Citi Says Buy Sterling Versus Franc as BOE, SNB Paths Diverge
<https://blinks.bloomberg.com/news/stories/S7RY0CDWLU68>
- UK Inflation Concerns Return as Red Sea Attacks Lift Prices (2)
PMI and CBI reports both point to supply chain price pressures
Pound jumps on worry about delay for interest rate cuts
<https://blinks.bloomberg.com/news/stories/S7RIQ6T0AFB4>
- How UK's Hunt Could Cut Tax Without Delaying Rate Cuts
<https://blinks.bloomberg.com/news/stories/S7S4R2T0G1KZ>
- UK PMI Flags Expanding Activity, Could Overstate Growth
<https://blinks.bloomberg.com/news/stories/S7S4R2T0AFB6>

- Australia Seen Cutting Rates Late This Year as Inflation Lingers
Poll shows easing cycle expected to begin in fourth quarter
Australia stands out as seen undertaking softer policy pivot
<https://blinks.bloomberg.com/news/stories/S7QR53T0AFB4>
- Australia to Curb Tax Cuts for Rich, Help Low-Income Earners (2)
Tax cuts legislated by prior government, due to start July 1
PM Albanese pledged to maintain tax changes prior to election
<https://blinks.bloomberg.com/news/stories/S7SN0NTOG1KW>
- Australian PM Says Second Budget Surplus Is 'a Possibility'
<https://blinks.bloomberg.com/news/stories/S7SKZJT0AFB4>
- AUD Bonds Pare Loss on Budget Surplus Talk: Inside Australia/NZ
<https://blinks.bloomberg.com/news/stories/S7SW4PT1UM0W>
- New Zealand Five-Month Budget Deficit Narrower Than Projected
<https://blinks.bloomberg.com/news/stories/S7S99BT0G1KW>
- TD Recommends Betting RBNZ Stays on Hold Through May After CPI
<https://blinks.bloomberg.com/news/stories/S7QZL1DWRGG1>

- Rate Hike Bets Send Japan Bonds Lower and Undermine Debt Sale
Bid-cover ratio for 40-year bonds fell to lowest since 2011
Insurers are cautious about super-long debt: Mizuho's Omori
<https://blinks.bloomberg.com/news/stories/S7STEQT1UM0W>
- Japan's Kanda Watching Market Impact of BOJ Exit: Reuters
<https://blinks.bloomberg.com/news/stories/S7SS15T0G1KW>
- (Japan) Jan. Japan Buying Foreign Bonds, actual -JPY48b, prior JPY1.64t, revised JPY1.69t
- Tokyo Apartment Prices Reach Record for Third Straight Year (1)
High construction costs, lack of supply have driven gains
Analysts expect prices to keep rising even if BOJ raises rates
<https://blinks.bloomberg.com/news/stories/S7SX32T1UM0W>
- Sale of 40-Year Debt Sees Weak Demand on BOJ View: Inside Japan
<https://blinks.bloomberg.com/news/stories/S7SSXOT0AFB4>
- Japanese Sold Net 48 Billion Yen Overseas Debt Last Week
<https://blinks.bloomberg.com/news/stories/S7SI9MGQITJ4>

EM Headlines

- China Market Among World's Top Investments, Gavekal Founder Says
<https://blinks.bloomberg.com/news/stories/S7SK47T0AFB4>
- China Ramps Up Stimulus, Market Rescue With Sudden RRR Cut (1)
PBOC governor says RRR will be lowered by 0.5 ppts on Feb. 5
Fed's move away from raising interest rates opens room: Pan
<https://blinks.bloomberg.com/news/stories/S7ROC8DWLU68>
- China Stock Rout Sends Local Funds Scurrying to Safety of Bonds
Yield on 10-year sovereign notes heads for lowest since 2002
Chinese equities are cheapest they have ever been versus bonds
<https://blinks.bloomberg.com/news/stories/S7OWK9T0G1KX>
- Onshore Yuan Set to Halt Five-Day Rally: Inside China
<https://blinks.bloomberg.com/news/stories/S7SRZ0T0AFB4>
- Developer Logan Aims for Debt Deal With Creditors by April (1)
Representative of advisers urged full support on creditor call
Logan faces tight deadline on debt deal, representative said
<https://blinks.bloomberg.com/news/stories/S7ST2UT0AFB4>
- Some Holders of Longfor Yuan Bond Confirm Receipt of Payment
<https://blinks.bloomberg.com/news/stories/S7SP08T0G1KW>
- Won Gains as Exports Recover, SK Hynix Surprises: Inside Korea
<https://blinks.bloomberg.com/news/stories/S7SJIADWRGG0>
- KOREA REACT: Steady GDP Growth Backs Tight Rates for Time Being
<https://blinks.bloomberg.com/news/stories/S7SHBCTOG1KW>
- South Korea Growth Tepid as Property Risks Offset Export Bounce
Economy expanded 0.6% last quarter in line with consensus
Geopolitical tensions spur recalibration of economic ties
<https://blinks.bloomberg.com/news/stories/S7SH01T0AFB4>
- South Korean Feb. Manufacturers' Sentiment Rises to 71
<https://blinks.bloomberg.com/news/stories/S7R6ACGEZ1FL>
- Rupee Bond Traders to Focus on \$4bln Debt Auction: Inside India
<https://blinks.bloomberg.com/news/stories/S7SPDUDWLU68>
- Foreign Money to Help Modi Push Near-Record India Bond Sales (1)
India is likely to borrow gross 15.2 trillion rupees via bonds
Global funds likely to account 8%-9% of net demand: StanChart
<https://blinks.bloomberg.com/news/stories/S7STSRDWX2PS>
- Canada Officially Adds India to Its Probe of Election Meddling
Foreign interference inquiry to hold first hearings next week
India added to agenda alongside China, Russia, other countries
<https://blinks.bloomberg.com/news/stories/S7S4ZOT0AFB4>
- Jokowi Cabinet Shows Cracks With Finance Chief Weighing Exit (1)
Indrawati among ministers mulling to resign amid cabinet rift
Jokowi's support for Prabowo is dividing cabinet, sources say
<https://blinks.bloomberg.com/news/stories/S7SSY2T1UMOW>
- Mexico Core Inflation Slows Despite Rise in Headline Figure (2)
Headline inflation quickened to 4.90%, more than est. 4.78%



Core inflation slowed to 4.78%, in line with forecasts

<https://blinks.bloomberg.com/news/stories/S7RR0HDWRGG0>

- Gol Seeks \$950 Million in Financing to Fund Itself in Bankruptcy
Brazilian airline is planning Chapter 11 filing in the US
Company has gone through several restructurings since pandemic
<https://blinks.bloomberg.com/news/stories/S7S7AADWRGG0>
- Chile's Boric Gets Bittersweet Win as Pension Bill Approved (2)
Base text approved with 84 votes in favor and 64 against
Still, lawmakers rejected key clause on new 6% levy on wages
<https://blinks.bloomberg.com/news/stories/S7S49CDWLU68>
- Bond Deals Set Up Rebound Year for Latin America Companies (1)
Santander sees corporate issuance from region doubling in 2024
January has been best month of deals in more than two years
<https://blinks.bloomberg.com/news/stories/S7RRGODWLU68>
- Milei's Austerity Passes First Test in Congress Committees (1)
Committees passed omnibus bill in the first hours of Wednesday
Milei hopes to take the bill to a floor vote Thursday
<https://blinks.bloomberg.com/news/stories/S7RM8GDWX2PT>
- UAW Asks US Govt to Raise Tariffs on Mexico Imports: Economista
<https://blinks.bloomberg.com/news/stories/S7SOBETOAFB4>
- Brazil Is Doubling Down on Industrial Policy: Economics Daily
<https://blinks.bloomberg.com/news/stories/S7RLCNDWRGG0>
- Congress Approves Pension Bill, Rejects Key Clause: Chile Close
<https://blinks.bloomberg.com/news/stories/S7S5R5DWRGG0>
- Colombia's Foreign Affairs Minister Suspended Amid Investigation
<https://blinks.bloomberg.com/news/stories/S7SA9YDWRGG0>

- Turkey's Erdogan: Gossip Threatens to Undermine Trust in Economy
<https://blinks.bloomberg.com/news/stories/S7REYNDWX2PS>
- Poland Hopes for Bilateral Deal With Ukraine on Farming Products
<https://blinks.bloomberg.com/news/stories/S7RNYLDWLU68>
- Orban to Fold on Sweden's NATO Bid After Overplaying Hand (1)
Hungary pressured by western allies to ratify Sweden accession
Orban says will urge speedy approval in call with NATO chief
<https://blinks.bloomberg.com/news/stories/S7RODFDWX2PS>
- Hungary Plans to Ratify Sweden's NATO Bid, Orban Says on X
<https://blinks.bloomberg.com/news/stories/S7RO15DWLU68>
- Hungary's Central Bank Phases Out Longer-Term Deposit Instrument
<https://blinks.bloomberg.com/news/stories/S7RFW7DWLU69>
- Czech Bonds Shrug Off Pension Risk Before Auction: Inside CEE
<https://blinks.bloomberg.com/news/stories/S7REZDT1UM0W>
- Czech Court Upholds \$2.3 Billion Pension Curbs in Austerity Push
<https://blinks.bloomberg.com/news/stories/S7PV3CDWRGG0>
- South Africa Inflation at Four-Month Low Before Rate Verdict (2)
Consumer index rises annual 5.1% in December, est. was 5.2%
Slowdown will likely see central bank continuing to hold rates
<https://blinks.bloomberg.com/news/stories/S7RB9MDWX2PS>