

DM Headlines

- Treasuries Suffer Large Two-Day Loss as Fed Message Sinks In
Yields have risen more than 20 basis points since Thursday
For 10-year, two-day increase is biggest since June 2022
<https://blinks.bloomberg.com/news/stories/S8EDP0DWRGG0>
- Fed Says Banks Tightened Credit Standards in Fourth Quarter
Some 14.5% of banks tightened loan standards, least since 2022
Demand picture for loans, while still weak, improved somewhat
<https://blinks.bloomberg.com/news/stories/S8EDEZDWX2PS>
- Fed's Goolsbee Says More Good Data Needed Before Starting Cuts
Chicago Fed president did not explicitly rule out March cut
Need to get more inflation data like we've gotten, he says
<https://blinks.bloomberg.com/news/stories/S8DZILDWRGG0>
- Gross Places Derivative Bet on Yield Curve Turning Less Inverted
Former Pimco chief flags SOFR-contract trades on social media
Joins those betting on a steeper curve as Fed eyes cuts
<https://blinks.bloomberg.com/news/stories/S8E8EFDWLU68>
- NYCB's Talks With Watchdog Led to Moves That Rocked Market
OCC is said to have ratcheted up pressure before dividend cut
Bank's top risk and audit executives recently exited posts
<https://blinks.bloomberg.com/news/stories/S8EMDRDWLU68>
- Oil Steady as Middle East Risks Offset by Hawkish Fed Comments
US pledges more strikes; Netanyahu says victory is essential
Fed stance pushes dollar higher, making commodities pricier
<https://blinks.bloomberg.com/news/stories/S8F86PDWLU68>
- Fed's Bostic Says Goal for US Unemployment Has Shifted Lower
<https://blinks.bloomberg.com/news/stories/S8EB5IDWX2PS>
- FT Markets: Traders abandon hopes of March interest rate cut but keep betting against
Federal Reserve <https://t.co/L8kCHLKORj>

- Too Soon to Cry Victory on Inflation, OECD Tells Central Banks
Organization urges prudent policy as it cuts inflation outlook
OECD says global growth to remain moderate with 2024 GDP +2.9%
<https://blinks.bloomberg.com/news/stories/S88JLZT0AFB4>
- ECB Rate-Cut Timing Is Only First Tricky Call in Easing Process
Size of steps, easing pace and end point are all up for debate
Officials have shared widely different views on how to proceed
<https://blinks.bloomberg.com/news/stories/S8EFLXT0G1KW>
- ECB Follows Own Assessment, Not Market Expectations, De Cos Says
<https://blinks.bloomberg.com/news/stories/S8FFKYDWX2PS>
- ECB Says Consumer Inflation Expectations Mixed in Revised Survey
Outlook for next 12 months is lower; for three years, it's up
Results reflect expansion of poll to 11 countries from six
<https://blinks.bloomberg.com/news/stories/S8DZ5ODWRGG0>



- (UK) Jan. BRC Sales Like-For-Like YoY, actual 1.4%, est. 1.0%, prior 1.9%
- UK Says Bigger Population Is Making Labor Market Tighter (2)
Unemployment rate lower and inactivity higher than estimated
New data meant to improve flagship labor force survey
<https://blinks.bloomberg.com/news/stories/S8DNDSDWLU68>
- UK Retail Sales Slow as Consumers Tighten Their Belts
<https://blinks.bloomberg.com/news/stories/S8DN0KDWX2PS>
- Reuters: UK rate cut is a question of when, not if, BoE's Pill says <https://t.co/obqbfwxEum>
- BOE's Pill Says Rate Cut This Year a 'Reward' for Inflation Drop
<https://blinks.bloomberg.com/news/stories/S8EB4WT0G1KW>
- Tight UK Jobs Market Risks Delay to BOE Cuts, Wages Key
<https://blinks.bloomberg.com/news/stories/S8EG6ADWLU69>

- AUSTRALIA REACT: RBA Inflation Fears Won't Last Long, Hikes Done
<https://blinks.bloomberg.com/news/stories/S8F274T1UM0W>
- RBA Says It Can't Rule Out Further Hikes After Holding Key Rate
Rate path will depend on data, evolving assessment of risks
Australian dollar, yields rise as traders trim rate-cut bets
<https://blinks.bloomberg.com/news/stories/S8F6P0T0G1KW>
- RBA Disappoints Investors Looking for Neutral Outlook: Westpac
<https://blinks.bloomberg.com/news/stories/S8F1IRT1UM0W>
- (AU) Feb. RBA Cash Rate Target, actual 4.35%, est. 4.35%, prior 4.35%
- (AU) 4Q Retail Sales Ex Inflation QoQ, actual 0.3%, est. 0.1%, prior 0.2%, revised -0.1%
- Aussie Climbs as RBA Keeps Rate Hike Alive: Inside Australia/NZ
<https://blinks.bloomberg.com/news/stories/S8F5QJT1UM0W>
- US Dollar, China to Drive Aussie More Than RBA: OCBC
<https://blinks.bloomberg.com/news/stories/S8F14XT1UM0W>
- BE Primer: New Zealand Slowdown to Drive Rates Reversal in 2Q24
<https://blinks.bloomberg.com/news/stories/S8DYOVTOAFB4>

- Japan's Wage Data Likely Solid Enough to Keep BOJ on Track (2)
Figures that avoid sampling issues show 2% wage gains
Household spending falls on year for 10th straight month
<https://blinks.bloomberg.com/news/stories/S8EQ5GT1UM0W>
- Japan's Wage Talks Closely Watched as BOJ Mulls Rate Hike Timing
<https://blinks.bloomberg.com/news/stories/S84BWTT0G1KW>
- (Japan) Dec. Cash Earnings - Same Sample Ba, actual 1.5%, prior 2.0%
- (Japan) Dec. Scheduled Full-Time Pay - Same, actual 2.0%, est. 2.0%, prior 2.0%
- (Japan) Dec. Real Cash Earnings YoY, actual -1.9%, est. -1.5%, prior -3.0%, revised -2.5%
- (Japan) Dec. Labor Cash Earnings YoY, actual 1.0%, est. 1.4%, prior 0.2%, revised 0.7%
- (Japan) Dec. Household Spending YoY, actual -2.5%, est. -2.0%, prior -2.9%
- Bonds Fall as Fed Rate Cut Appears More Distant: Inside Japan
<https://blinks.bloomberg.com/news/stories/S8F1KNT1UM0W>
- Japan's Suzuki Sees Only Limited Impact From US Property Market
<https://blinks.bloomberg.com/news/stories/S87DCWTOAFB4>

EM Headlines

- China Stocks Rebound as Beijing Intensifies Efforts to Stem Rout
Benchmark CSI 300 Index up more than 2%, HSCEI jumps 4.2%
Huijin's move will encourage more funds to buy: Long Hui
<https://blinks.bloomberg.com/news/stories/S8F4KRT0G1KW>
- China Hedge Fund Banxia Cuts Stocks for 'Survival' in Rout (1)
Li Bei's fund decided to 'lose an arm' as declines deepen
Firm says in letter policy moves fell short of expectations
<https://blinks.bloomberg.com/news/stories/S8F7ALT0G1KW>
- Xi to Discuss China Stocks With Regulators as Rescue Bets Build
Authorities working around the clock, people familiar say
Chinese stocks rally across the board, with small caps leading
<https://blinks.bloomberg.com/news/stories/S8FCBBT0AFB4>
- Yuan Rebounds, CGB Yields Jump Most Since July: Inside China
<https://blinks.bloomberg.com/news/stories/S8F6TWT1UM0W>
- China Widens Stock Trading Curbs on Quants, Offshore Units (1)
Quants barred from cutting positions in leveraged strategy
Cross-border swaps used to short Hong Kong stocks also curbed
<https://blinks.bloomberg.com/news/stories/S8DZZRDWX2PS>
- Missed Dues on China LGFVs' Private Debt Cascade Into Bonds
Over 4,000 LGFV bonds carry cross-protection clause: report
Pace of cross-protection clause being triggered accelerates
<https://blinks.bloomberg.com/news/stories/S7PFH4DWLU69>
- Rupee Bonds Gain as RBI's MPC Rate-Meet Begins: Inside India
<https://blinks.bloomberg.com/news/stories/S8F3VCDWX2PS>
- Bond Bulls Pin Hopes on Dovish RBI Pivot to Extend Budget Rally
RBI rate decision due Feb. 8, with stance change in focus
Budget has reinforced bullish bond view: DSP Mutual Fund
<https://blinks.bloomberg.com/news/stories/S85T2TT0G1KW>
- Wall Street Pivots to India as It Searches for China Alternative
Investors are paying close attention to the contrasting trajectories of two of Asia's greatest powers.
<https://blinks.bloomberg.com/news/stories/S8EQODT1UM0W>
- Global Fund Buying of Indian Bonds Hits Nearly 3-Month High
<https://blinks.bloomberg.com/news/stories/S8ESZFGFWR28>
- Rupiah Lags Peers as Foreigners Sell Stocks: Inside Indonesia
<https://blinks.bloomberg.com/news/stories/S8F7YFDWLU68>
- Fitch Rates Indonesia Wealth Fund at BBB on Strong State Support
<https://blinks.bloomberg.com/news/stories/S8F4Z6T0G1KW>
- Indonesia to Sell 24T Rupiah of Bonds/T-Bills in Feb. 12 Auction
<https://blinks.bloomberg.com/news/stories/S8FBDCT0AFB4>
- Paraguay Taps Credit Markets With Dollar Note Amid Debt Buyback
Initial price talks suggests dollar bond carries 6.25% yield
Paraguay buying back as much as \$457 million in notes due 2026
<https://blinks.bloomberg.com/news/stories/S8DYA5DWRGG0>



- Peru Structurally Higher Deficit Could Impact Rating: Fitch
<https://blinks.bloomberg.com/news/stories/S8EDXSDWRGG0>
- AMLO Unveils Slew of Reforms to Corner Opposition, Energize Base
Proposals will be sent to lower house of Congress for debate
The wide-ranging package is unlikely to pass in its entirety
<https://blinks.bloomberg.com/news/stories/S892Q6T0AFB4>
- Banxico to Hold Rates on Thursday, Signal March Cut, Citi Says
<https://blinks.bloomberg.com/news/stories/S8E02YDWX2PS>
- Brazil Politics: Lula Targets Income Tax as Congress Returns
<https://blinks.bloomberg.com/news/stories/S8DY5LDWX2PS>
- Chile Battles Forest Fires in Deadliest Disaster in 14 Years (2)
At least 99 people have been killed in the Valparaíso region
Governor says some fires may have been set intentionally
<https://blinks.bloomberg.com/news/stories/S8COFZDWRGG0>
- Peso Hits Lowest Since October 2022 as Rout Deepens: Chile Close
<https://blinks.bloomberg.com/news/stories/S8EB9UDWX2PS>
- US Officials Urge Colombia to Engage With Venezuela Opposition
González, Finer met with President Gustavo Petro in Bogotá
The US will continue to advocate for all candidates: González
<https://blinks.bloomberg.com/news/stories/S8EKC2DWRGG0>
- Colombia Exports at \$4.45b in December, Est. \$4.125b
<https://blinks.bloomberg.com/news/stories/S8E291GQD79C>

- Turkey's Surprise Central Banker Switch Has Investors Upbeat (1)
New governor is seen intensifying drive to economic orthodoxy
Deutsche Bank sees more room for interest-rate hikes
<https://blinks.bloomberg.com/news/stories/S8DJCZDWRGG0>
- Tusk Gears Up for Push to Oust Populists From Poland's Court (1)
Constitutional tribunal overhaul likely to face Duda challenge
Top court dominated by judges appointed by nationalists
<https://blinks.bloomberg.com/news/stories/S8E0Y5DWLU68>
- Hungary's Industry Drops Most Since 2020 as Recovery Falters (1)
December output drops 8.7% from year earlier, most since 2020
Retail sales rebound in December from the previous month
<https://blinks.bloomberg.com/news/stories/S8FBV3DWLU68>
- Sweden NATO Bid Faces Delays After Orban Lawmakers' Boycott (1)
Hungary is the last holdout on Sweden's entry to the alliance
US is ratcheting up pressure on Orban to allow ratification
<https://blinks.bloomberg.com/news/stories/S8DXKJDWLU68>
- Czech December Industrial Production NSA Fell 6% on Year
<https://blinks.bloomberg.com/news/stories/S8FD6GGETF5T>
- Czech Dec. Industrial Output Falls 6.0% Y/y, Est. -7.0%
<https://blinks.bloomberg.com/news/stories/S8FD1PMRXLVN>
- South Africa Mines Lobby Urges Rail Boost to Get Coal to Ports
Trucks moved record coal volumes in 2023, straining ports
Mthenjane sees rail-revival need as overall shipments drop
<https://blinks.bloomberg.com/news/stories/S8F6CTDWRGG0>