

DM Headlines

- Mester Says Fed Should Gain Confidence to Cut 'Later This Year'
Cleveland Fed chief cautions against lowering rates too soon
Minneapolis chief Kashkari says more inflation progress needed
<https://blinks.bloomberg.com/news/stories/S8GJMSDWLU68>
- Fed's Harker Says US Nearing Soft Landing as Inflation Falls
Data point to continued disinflation, balance in labor markets
Philadelphia Fed chief says economy on path to a soft landing
<https://blinks.bloomberg.com/news/stories/S8GFCIT0G1KW>
- NYCB Cut to Junk by Moody's as Stock Hits Lowest Since 1997 (2)
Moody's cuts regional bank two notches, says it may go further
It cites governance, other risks at commercial property lender
<https://blinks.bloomberg.com/news/stories/S8GZHOT0G1KW>
- Treasury Auction Calms Nerves Before Record 10-Year Note Sale
Strong demand for three-year notes despite pre-auction rally
Wednesday's \$42 billion 10-year note to set high-water mark
<https://blinks.bloomberg.com/news/stories/S8GCIZDWRGG0>
- Newly-Long Bond Traders See Profits Vanish in Position Wash-Out
Sidelined investors likely to step-in, buy dips as yields rise
In lead-up to payrolls, bond traders ramped-up long positions
<https://blinks.bloomberg.com/news/stories/S8FYUKT0G1KW>
- Hedge Funds Trading Treasuries to Be Tagged Dealers by SEC (2)
SEC voted Tuesday to boost scrutiny of firms active in market
Industry has said new rules would impact investment strategies
<https://blinks.bloomberg.com/news/stories/S8G4MTDWX2PS>
- Bank of Canada Chief Says Rates Can't Fix High Housing Costs (2)
Shelter costs primary upside contributor to inflation
'Monetary policy can't do everything,' Macklem says in speech
<https://blinks.bloomberg.com/news/stories/S8GA0DDWRGG0>
- Treasury 3-Year Auction Stops Through After Rally Into Deadline
<https://blinks.bloomberg.com/news/stories/S8G4TLDWRGG0>
- Federated's Cunningham Says Cash 'Happily Parked' In Money Funds
<https://blinks.bloomberg.com/news/stories/S8FSVBDWX2PS>
- Reuters: Uncertainty creeps back into US Treasury market after Fed, blockbuster data
<https://t.co/DoDk6Tbj9W>
- ECB's Schnabel Says Data Caution Against Cutting Rates Soon (2)
Labor market resilient, services inflation sticky, she says
Executive Board member Isabel Schnabel in Financial Times
<https://blinks.bloomberg.com/news/stories/S8H4DNDWX2PS>
- Structural Growth, Slow Economy Split EU Industrials Scorecard
<https://blinks.bloomberg.com/news/stories/S8H25ET1UM0W>
- Dutch Election Winner Wilders Stumbles in Forming Coalition (2)
Center-right party leader refuses to join a Wilders cabinet
Populist leader must forge coalition to become prime minister
<https://blinks.bloomberg.com/news/stories/S8GGEPT0G1KW>



- UK's HS2 Is Still 'Poor Value' Even After Northern Leg Scrapped
Lawmakers say sunk costs erase benefits of completing project
MPs also question slow-running trains and Euston terminus
<https://blinks.bloomberg.com/news/stories/S8GG05T1UM0W>
- Sterling Credit Lags Euros on Gilt Rout, Yet Spreads Quite Rich
<https://blinks.bloomberg.com/news/stories/S8H25FDWX2PT>
- UK House Prices Up at Strongest Pace Since 2022, Halifax Says
<https://blinks.bloomberg.com/news/stories/S8FIMZDWLU68>
- BOE Told to Rethink QE Asset Sales Costing UK Taxpayers Billions
Members of Parliament upset program costs taxpayers billions
Report adds to pressure on the central bank to slow QT
<https://blinks.bloomberg.com/news/stories/S8FX8GDWX2PS>
- UK INSIGHT: Tories' Migration Headache Could Be £18 Billion Boon
<https://blinks.bloomberg.com/news/stories/S8GZ5XT0G1KW>

- New Zealand Jobless Rate Rises Less Than Economists Forecast (2)
Kiwi dollar rises as investors trim bets on RBNZ rate cuts
Wage inflation slows as record immigration swells workforce
<https://blinks.bloomberg.com/news/stories/S8G112DWLU68>
- RBA Chief Bullock Surprises With More Hawkish Tone Than Powell
<https://blinks.bloomberg.com/news/stories/S8GGKDT1UM0W>
- RBA's Inflation Fears Won't Last Long, Hikes Done
<https://blinks.bloomberg.com/news/stories/S8G5ZADWLU6A>
- (NZ) 4Q Average Hourly Earnings QoQ, actual 0.5%, prior 2.0%
- (NZ) 4Q Pvt Wages Ex Overtime QoQ, actual 1.0%, est. 0.8%, prior 0.8%
- (NZ) 4Q Pvt Wages Inc Overtime QoQ, actual 1.0%, est. 0.8%, prior 0.9%
- (NZ) 4Q Participation Rate, actual 71.9%, est. 72.0%, prior 72.0%
- (NZ) 4Q Unemployment Rate, actual 4.0%, est. 4.3%, prior 3.9%
- (NZ) 4Q Employment Change QoQ, actual 0.4%, est. 0.3%, prior -0.2%, revised -0.1%
- (NZ) 4Q Employment Change YoY, actual 2.4%, est. 2.1%, prior 2.4%, revised 2.7%
- Kiwi, AUD Edge Higher Amid China Sentiment: Inside Australia/NZ
<https://blinks.bloomberg.com/news/stories/S8GXEET0AFB4>

- Pimco Sees Multiple BOJ Rate Hikes Starting as Soon as March (1)
Fund favors lower-than-benchmark exposure in Japanese bonds
Pimco is bearish on the bonds issued by China's policy banks
<https://blinks.bloomberg.com/news/stories/S8GWFET0AFB4>
- Japan 30-Year Bond Sale Sees Best Tail Demand Since August
<https://blinks.bloomberg.com/news/stories/S8GJJNT1UM0W>
- Record 2 Million Foreign Workers Are Changing the Face of Japan
As a labor shortage worsens, companies procure help from overseas
<https://blinks.bloomberg.com/news/stories/S8GD0DDWX2PS>
- JGBs Supported by Demand at 30-Year Bond Auction: Inside Japan
<https://blinks.bloomberg.com/news/stories/S8H3P9T0G1KW>
- TD Recommends Selling Swiss Franc Against Yen on Hawkish BOJ Bet
<https://blinks.bloomberg.com/news/stories/S8FSZUDWRGG0>

EM Headlines

- China Stock Rally Slows as Investors Await More Policy Support
CSI 300 Index rose 0.5% following Tuesday's 3.5% jump
Foreign investors set for seventh straight session of buying
<https://blinks.bloomberg.com/news/stories/S8GSOAT0AFB4>
- US Tells China Yellen Wants a 2024 Visit as Ties Stabilize (1)
American, Chinese economic officials hold talks in Beijing
Discussions mark the latest re-engagement between rivals
<https://blinks.bloomberg.com/news/stories/S8GW0NT0G1KW>
- Yuan Steadies Amid Stock Rally, Bond Yields Fall: Inside China
<https://blinks.bloomberg.com/news/stories/S8GV14TOG1KW>
- China, US Officials Held Economic Working Group Talks in Beijing
<https://blinks.bloomberg.com/news/stories/S8FRE8DWRGG0>
- Chinese Developer Stocks Drop as MS Slashes Their Price Targets
<https://blinks.bloomberg.com/news/stories/S8GTOMT0G1KW>
- CHINA INSIGHT: Stocks-to-Deposits Shift May Gut Consumption (1)
<https://blinks.bloomberg.com/news/stories/S8GJ1ET0G1KW>
- China Share Buybacks Hit Three-Year High Amid Market Slump (1)
Share repurchases surged in January in Hong Kong, mainland
Will Semi, WuXi AppTec led in mainland, Tencent in Hong Kong
<https://blinks.bloomberg.com/news/stories/S8GR66TOG1KW>
- Won Advances as Current-Account Surplus Widens: Inside Korea
<https://blinks.bloomberg.com/news/stories/S8GM7MT1UM0W>
- S. Korea Dec. Current Account Surplus \$7.41B vs +\$3.9B Prior
<https://blinks.bloomberg.com/news/stories/S8GH2SGENSW1>
- South Korea Foreign Travel Spending Up 8.4% in December Y/Y
<https://blinks.bloomberg.com/news/stories/S8GJ73GFFW8W>
- Korean Financials Set Aside \$560 Million Amid Property Woes (1)
Woori Financial undertook analysis of 'vulnerable areas'
Mirae Asset provisions linked to Taeyoung E&C, project finance
<https://blinks.bloomberg.com/news/stories/S8FM0KDWRGG0>
- Rupee Bonds Gain Ahead of RBI's Rate Decision: Inside India
<https://blinks.bloomberg.com/news/stories/S8GZ85DWRGG0>
- RBI Ratchets Up Liquidity Draining Operations Before Policy Meet
Overnight borrowing costs had slipped below the policy rate
Central bank drained about \$11 billion via reverse repos
<https://blinks.bloomberg.com/news/stories/S8F7G0DWX2PS>
- India Still Relies on Russia for 30% of its Crude Imports
<https://blinks.bloomberg.com/news/stories/S8FSLRT0G1KW>
- Rupiah Gains as Asian Risk Sentiment Improves: Inside Indonesia
<https://blinks.bloomberg.com/news/stories/S8GPX3T1UM0W>

- Ecuador Bonds Up After Finance Chief Says Nation Seeks IMF Deal
<https://blinks.bloomberg.com/news/stories/S8FSYKDWLU68>
- Milei Overhaul Tests Argentina's \$14.3 Billion Provincial Bonds
Weaker peso makes it more expensive for provinces to pay debt



- Cuts to tax transfers could inflate some regions' deficits
<https://blinks.bloomberg.com/news/stories/S875N3T0G1KW>
- Brazil Central Bank Sizes Up Wage Pressure as Key Rate Falls (2)
Central bankers lowered benchmark Selic to 11.25% last week
Annual inflation is easing closer to the central bank target
<https://blinks.bloomberg.com/news/stories/S8FV6IDWRGG0>
 - AMLO Proposes Reforms to Energize Base Before Election (1)
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/S8FTP1DWX2PS>
 - Mexico Analysts Raise 2024 CPI Est. to 4.08% Vs. 4.00%: Citi
<https://blinks.bloomberg.com/news/stories/S8GGT5GENSW0>
 - El Niño Stoking Upside Risk for Latin America Inflation
<https://blinks.bloomberg.com/news/stories/S8G5ZADWRGG1>
 - Lula Starts Second Year With Popularity on the Rise, Poll Shows
Approval rating hits 52% in Jan. from 50% before, Atlas says
President's popularity lifted by strength of Brazil's economy
<https://blinks.bloomberg.com/news/stories/S8FW6JTOG1KW>
 - Brazil's CPI Breakevens at 3-Year Low Signal More Dovish Policy
<https://blinks.bloomberg.com/news/stories/S8G4A2DWX2PS>
 - Peso Bounces Back, Decoupling From Peer Currencies: Chile Close
<https://blinks.bloomberg.com/news/stories/S8G6A4DWX2PS>
 - Colombia Central Bank Has Room for More Rates Cuts: Minutes
<https://blinks.bloomberg.com/news/stories/S8ER49T0G1KW>
 - Local Currencies Rebound Amid Relief in US Yields: Inside Andes
<https://blinks.bloomberg.com/news/stories/S8FS9FDWRGG0>
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- Poland to Keep Rates Steady as Risks Are Weighed: Decision Guide
Derivatives show traders are paring bets on more rate cuts
Glapinski has said inflation, and rate moves, hinge on cabinet
<https://blinks.bloomberg.com/news/stories/S8DRDTDWRGG0>
 - Polish Premier Tusk to Visit Paris and Berlin to Mend EU Ties
<https://blinks.bloomberg.com/news/stories/S8H2RVDWLU69>
 - Czechs Plan Debate on Euro Entry Path as Ruling Parties Bicker
<https://blinks.bloomberg.com/news/stories/S8GCGNT0G1KW>
 - Koruna Near Two-Year Low as Bigger Rate Cut Priced: Inside CEE
<https://blinks.bloomberg.com/news/stories/S8FEHCDWLU69>
 - Putin's Posturing Puts NATO Flank on Alert It Could Be Next
Two years after the invasion of Ukraine, the Baltic states are wary of an emboldened Russia with imperialistic ambitions.
<https://blinks.bloomberg.com/news/stories/S8F4KHDWLU68>
 - Czech December Industrial Production NSA Fell 6% on Year
<https://blinks.bloomberg.com/news/stories/S8FD6GGETF5T>
 - South Africa's Kganyago Roots for Central Bank Independence
Says central bank 'dependence' has been tried and didn't work
Reserve bank governor says political capture has huge costs
<https://blinks.bloomberg.com/news/stories/S8FQXJT0AFB4>