

DM Headlines

- Treasury's Biggest-Ever 10-Year Auction Garners Solid Demand
Auction for \$42 billion awarded at 4.093%, below pre-sale rate
Yields had retreated from near highest levels of past month
<https://blinks.bloomberg.com/news/stories/S813A3DWLU68>
- Fed's Collins Sees Rate Cuts Coming 'Later This Year' (1)
Collins aligns with Powell, others in seeking more confidence
Boston Fed chief sees risk that neutral rates are now higher
<https://blinks.bloomberg.com/news/stories/S8HXWUDWRGG0>
- Fed Officials Add to Chorus Tempering Hopes for Rate Cuts Soon
Kugler says it may be appropriate to lower rates at some point
Collins, Kashkari, Barkin looking for more inflation progress
<https://blinks.bloomberg.com/news/stories/S810TQDWLU68>
- NY Fed's Remache Says Return to Pre-Covid Balance Sheet Unlikely
Remache says Fed's RRP future use will be 'important' question
Unwind has shrunk balance sheet total assets to \$7.63 trillion
<https://blinks.bloomberg.com/news/stories/S8163PDWLU68>
- US to Release More Details on Individual Treasury Trades (1)
Finra post-trade rule will publicize time, price and volume
Parties in transactions will not be identified: regulators
<https://blinks.bloomberg.com/news/stories/S8151GDWX2PS>
- CBO Warns 2025 Debt Interest Costs to Exceed World War II Levels
Deficit projections improve modestly, still climb steeply
Interest growth dominates deficit growth over next decade
<https://blinks.bloomberg.com/news/stories/S812DDDWRGG0>
- Treasury 10-Year Auction Stops Through, Breaking Streak of Tails
<https://blinks.bloomberg.com/news/stories/S8HZGKDWLU68>

- Italy Spreads Tighter Than Now May Need More Than Just QT Shield
<https://blinks.bloomberg.com/news/stories/S81WTBDWX2PS>
- EuroEco Brief: Inflation May Fall Faster Than ECB Thinks
<https://blinks.bloomberg.com/news/stories/S81ZFNT0AFB4>
- Europe Is Girding for a Transatlantic Trade Fight With Trump (2)
EU member states, Brussels have started contingency planning
A second Trump term could bring new tariffs aimed at the bloc
<https://blinks.bloomberg.com/news/stories/S813PIT0G1KW>
- US Property Fears Send German Lender Bonds Plunging (3)
PBB notes suffer record drop; Aareal, LBBW risky notes slump
New York Community Bancorp woes rekindle real estate fears
<https://blinks.bloomberg.com/news/stories/S8HL8VDWX2PS>
- German Residential Property Dropped Sharpest on Record in 2023
Multi-family buildings led the downturn with a 20% drop
Apartments fell 9% and single-family homes declined 11%
<https://blinks.bloomberg.com/news/stories/S81XKSDWX2PS>



- (UK) Jan. RICS House Price Balance, actual -18%, est. -22%, prior -30%, revised -29%
- Labour to Drop £28 Billion Green Spending Target in UK Plans (2)
Leader Keir Starmer to announce changes to key pledge Thursday
Move comes at deadline for officials to submit manifesto ideas
<https://blinks.bloomberg.com/news/stories/S8J2WRT0AFB4>
- GLOBAL INSIGHT: CPI Uncertainty Clouds BOE Path More Than Fed's
<https://blinks.bloomberg.com/news/stories/S8IVART0G1KW>
- RBA Chief Bullock Surprises With More Hawkish Tone Than Powell
<https://blinks.bloomberg.com/news/stories/S8GGKDT1UM0W>
- Trillions of Yen Pile Up at Negative Rates in Bets on BOJ Shift
Japan's big banks acting as if sub-zero rates are almost over
Cash parked in -0.1% accounts at BOJ jumped to ¥3.2 trillion
<https://blinks.bloomberg.com/news/stories/S8FRNST1UM0W>
- Bonds Pare Loss After Soft China CPI Data: Inside Australia/NZ
<https://blinks.bloomberg.com/news/stories/S8IS0AT0G1KW>
- Citi Exit Long Aussie Position as Dollar Drivers, China Weighs
<https://blinks.bloomberg.com/news/stories/S8IDPWT1UM0W>
- New Zealand's Stronger Jobs Growth Could Delay Pivot to Neutral
<https://blinks.bloomberg.com/news/stories/S8HZHUDWLU68>
- New Zealand Says Construction Spending Will Drop on Fewer Homes
Ministry projects building approvals will fall 40% by 2025
Industry expected to settle into more sustainable level
<https://blinks.bloomberg.com/news/stories/S8IGCZDWX2PS>
- Japanese Funds Bought Record Amount of US Sovereign Debt in 2023
US yields advanced to attractive level, NLI's Ueno says
Data defies fears of repatriation ahead of BOJ shift
<https://blinks.bloomberg.com/news/stories/S8IIUQT0AFB4>
- BOJ's Uchida Says Hard to See Sharp Hiking Pace Post-Liftoff (3)
Yen weakens, swaps little changed after Uchida's comments
Notes market impact of ending ETF buying would be limited
<https://blinks.bloomberg.com/news/stories/S8IYNMTOAFB4>
- BlackRock's Chiguchi Wary of Volatility as BOJ Rate Hike Nears
Volatility will increase in all asset classes, he says
Chiguchi sees lessons from a 2003 VAR shock in Japan
<https://blinks.bloomberg.com/news/stories/S8ICK3TOG1KW>
- (Japan) Jan. Bank Lending Incl Trusts YoY, actual 3.1%, prior 3.1%, revised 3.0%
- (Japan) Jan. Bank Lending Ex-Trusts YoY, actual 3.5%, prior 3.4%
- (Japan) Dec. Trade Balance BoP Basis, actual JPY115.5b, est. JPY183.1b, prior -JPY724.1b
- (Japan) Dec. BoP Current Account Balance, actual JPY744.3b, est. JPY1.14t, prior JPY1.93t
- Dovish BOJ Comments Weigh on Yen, Support Bonds: Inside Japan
<https://blinks.bloomberg.com/news/stories/S8INWST1UM0W>
- BOJ's Shimizu Says Conditions to Be Easy Even If Neg Rate Ended
<https://blinks.bloomberg.com/news/stories/S8IIWNT0AFB4>
- Japanese Bought Net 456.6 Billion Yen Overseas Debt Last Week
<https://blinks.bloomberg.com/news/stories/S8IFLWGFA9Z4>

EM Headlines

- China's Consumer Prices Drop at Fastest Pace Since 2009 (3)
Producer prices fall for 16th month in sign of weak demand
China has been beset by falling prices for much of last year
<https://blinks.bloomberg.com/news/stories/S8IOEWDWRGG0>
- US Trade Deficit With China Narrows to Lowest Since 2010 (1)
Shrinking gap reflects broader reshaping of supply chains
US trade deficits with other countries hit record highs
<https://blinks.bloomberg.com/news/stories/S8IAS4T0G1KW>
- CHINA REACT: Steepest CPI Drop Since 2009 Puts More Heat on PBOC
<https://blinks.bloomberg.com/news/stories/S8IM2IDWRGG0>
- (China) Jan. PPI YoY, actual -2.5%, est. -2.6%, prior -2.7%
- (China) Jan. CPI YoY, actual -0.8%, est. -0.5%, prior -0.3%
- Everything China's Doing to Rescue Its Battered Stock Market (1)
Beijing replaced market regulator in surprise move Wednesday
Benchmark CSI gauge rose this week, but is still down on year
<https://blinks.bloomberg.com/news/stories/S8IG3JT0AFB4>
- Emerging-Market Debt Attracts \$42.7B of Inflows in January: IIF
<https://blinks.bloomberg.com/news/stories/S8I0G2DWX2PT>
- India Eyes \$100 Billion Investment From Switzerland, Norway (1)
EFTA group closing in on free trade agreement after 16 years
Legal clarifications ongoing, parties aim to sign by April
<https://blinks.bloomberg.com/news/stories/S8IQYJDWRGG0>
- Yuan Volatility Lowest Since Nov. Before Holiday: Inside China
<https://blinks.bloomberg.com/news/stories/S8J3K3T0G1KW>
- Xi's Markets Shakeup Surprised Insiders, Showing Alarm Over Rout
Wu replaces Yi as head of markets regulator to halt decline
China tries to reverse stock slump now entering fourth year
<https://blinks.bloomberg.com/news/stories/S8HFYMT0G1KW>
- Won Trades in Range Before Long Holiday Weekend: Inside Korea
<https://blinks.bloomberg.com/news/stories/S8IGC0DWLU68>
- South Korean President Yoon Says Korea Discount Must Be Reduced
<https://blinks.bloomberg.com/news/stories/S8HMXTDWRGG0>
- N.Korea Scraps Inter-Korean Economic Cooperation Law: KCNA
<https://blinks.bloomberg.com/news/stories/S8IA3DDWRGG0>
- Rupee Bonds Erase Gains on RBI's Hawkish Stance: Inside India
<https://blinks.bloomberg.com/news/stories/S8IVGNDWX2PS>
- Global Fund Buying of Indian Bonds Hits 7-Month High
<https://blinks.bloomberg.com/news/stories/S8IBEGEZ1FK>
- Shadow Lenders Drive Bond Sales to Record High: India Credit
<https://blinks.bloomberg.com/news/stories/S8FB4ODWRGG0>

- BBVA Says Stay Defensive in LatAm FX, Says Real Is Top Pick
<https://blinks.bloomberg.com/news/stories/S8HZA5DWX2PS>
- Barclays Says Buy High-Carry EM Currencies, Fund Trade With Euro
<https://blinks.bloomberg.com/news/stories/S8HZ6EDWRGG0>



RUBRICS

- Argentina Bonds Slump as Milei Reforms Go Back to Square One (2)
Milei's omnibus bill sent back to committee over disagreements
President lambasts governors for 'destroying' his key package
<https://blinks.bloomberg.com/news/stories/S8HRKODWRGG0>
- Brazil Crackdown on \$200 Billion Market Forces Corporate Rethink
Brazil tightens rules on instruments popular with investors
Move to push companies to seek new forms of financing
<https://blinks.bloomberg.com/news/stories/S8HZOODWRGG0>
- Pimco Says US and Mexico Elections Make Buying Pesos a Bargain
Both US and Mexico are poised to elect new leaders this year
Firm also favors local assets in Brazil, Indonesia and India
<https://blinks.bloomberg.com/news/stories/S8E6ADDWLU68>
- MEXICO PREVIEW: Banxico to Hold Rates, Open Door For Cuts
<https://blinks.bloomberg.com/news/stories/S8I86KDWRRGG0>
- 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>
- Chile Nominal Wages Rose 7.7% Y/y in December
<https://blinks.bloomberg.com/news/stories/S8HIQHGFWR29>
- Colombian Inflation Rate Slows to Two-Year Low of 8.35%
Central bank may accelerate pace of monetary easing in March
Policymakers have flagged risks of drought raising food costs
<https://blinks.bloomberg.com/news/stories/S8I26SDWX2PS>

- Poland Keeps Rates Unchanged as Inflation Risks Are Weighed (1)
Central bank keeps benchmark rate at 5.75%; Glapinski to brief
Markets seek clarity as central bank chief warns of risks
<https://blinks.bloomberg.com/news/stories/S8HRUVDWX2PS>
- Inside Turkish Central Banker Downfall That Was Months in Making
Erkan's shock departure follows rift with finance chief Simsek
Governor said she quit to protect family after smear campaign
<https://blinks.bloomberg.com/news/stories/S8A5ZQDWX2PS>
- Nigeria Gets Edge Over South Africa as Bond Markets Diverge (1)
Nigeria's dollar debt returns 25% amid sweeping Tinubu reform
South Africa political, fiscal risks see bonds trade sideways
<https://blinks.bloomberg.com/news/stories/S8HT12DWLU68>
- EU Starts Legal Procedure Against Hungary's Sovereignty Law (2)
EU accuses Hungary of violating several fundamental values
Forint slumps to weakest in more than a week against euro
<https://blinks.bloomberg.com/news/stories/S8HRI9DWLU68>
- Polish Central Bank: Current Rate Level Helps Move Toward Goal
<https://blinks.bloomberg.com/news/stories/S8HR69DWRGG0>
- Czechs to Cut Rates With Half-Point Move in Play: Decision Guide
Most analysts see 25 basis-point cut but bigger move possible
Central bankers signaled debate about pace of monetary easing
<https://blinks.bloomberg.com/news/stories/S8FUHWDWLU68>