

DM Headlines

- Treasuries Slump After Tepid Demand for Twin Auctions, Firm Data
Jump in consumer confidence extends long-end selling
Two, and five-year auctions both ‘tail’ as investors step back
<https://blinks.bloomberg.com/news/stories/SE7LZ4TOG1KW>
- US Consumer Confidence Rises for First Time in Four Months
Conference Board metric surprised, topped all estimates in May
Details were more mixed as recession expectations increased
<https://blinks.bloomberg.com/news/stories/SE7B03T0AFB4>
- Fed’s Kashkari Says Interest-Rate Hikes Not Entirely Ruled Out
Says odds of rate hike low, but not taking it off the table
Still sees policy as restrictive, Fed can wait for more data
<https://blinks.bloomberg.com/news/stories/SE7B0ATOG1KW>
- Home-Price Growth in Key US Cities Accelerates as Buyers Hit (1)
San Diego and New York posted some of the biggest gains
The Northeast has been a ‘top performer’ for price growth
<https://blinks.bloomberg.com/news/stories/SE75I2T1UM0W>
- Catalyst Quant Fund Shorts 10-Year Treasuries as Key Macro Bet
Strategy is buying Treasury bills and short-dated IG credit
US government borrowing also likely to pressure bonds: Miller
<https://blinks.bloomberg.com/news/stories/SE4KB3T0AFB4>
- Trump Prosecutor Urges Conviction Over Hush-Money Plot, Cover Up
Defense lawyer calls Michael Cohen ‘greatest liar of all time’
Jurors will weigh 34 business-record counts starting Wednesday
<https://blinks.bloomberg.com/news/stories/SE7W80T1UM0W>
- US REACT: Recession Worries Increase Despite Gains in Confidence
<https://blinks.bloomberg.com/news/stories/SE7AJ0T0AFB4>
- Goldman Sachs Says US Election Risk Is Pushing Dollar Higher
<https://blinks.bloomberg.com/news/stories/SE83DDT0G1KW>
- Use of Fed’s Reverse Repo Facility Falls to Nearly Two-Week Low
<https://blinks.bloomberg.com/news/stories/SE79R8T0G1KX>
- Oil Extends Gain as Geopolitical Risks Simmer Before OPEC+ Meet
Another bulk carrier was attacked in the Red Sea on Tuesday
Brent futures climb above \$84 after rising 1.4% a day before
<https://blinks.bloomberg.com/news/stories/SE8H1STOG1KW>
- ECB Can Start Cutting Interest Rates Step by Step, Knot Says (1)
Rates will ‘slowly but gradually’ become less restrictive
Investors expect ECB to deliver a first rate cut next week
<https://blinks.bloomberg.com/news/stories/SE782CT1UM0W>
- ECB Says Consumer Inflation Expectations Declined in April
Survey reveals more optimism about the euro-area economy
Officials are preparing to start cutting rates next week
<https://blinks.bloomberg.com/news/stories/SE56FJT0G1KW>
- ECB’s Holzmann Won’t Seek 2nd Term as Austrian Bank Governor (1)
Central banker says ECB may end up cutting rates before Fed



- ECB to consider possible rate cut based on June forecasts
<https://blinks.bloomberg.com/news/stories/SB5H51DWX2PS>
- German Finance Minister Standing Firm on 2025 Budget Restraint
Lindner won't be swayed from enforcing debt limit, deputy says
Scholz's ruling coalition negotiating next year's finance plan
<https://blinks.bloomberg.com/news/stories/SE6X2TT0AFB4>
- Europe CEOs See China Ties Worsening Despite Economic Optimism
<https://blinks.bloomberg.com/news/stories/SE738VT0G1KW>
- EU Nears Deal on Failed Lenders in Path to Closer Banking Ties
Agreement by governments could come as soon as next month
German reservations have largely been addressed, sources say
- <https://blinks.bloomberg.com/news/stories/SE730ZT0G1KW>
- Labour Not Looking at New Tax Raid on Banks to Balance Budget
People familiar say no plan for windfall tax, transaction levy
Starmer's party wants to counter Tory attacks on tax and spend
<https://blinks.bloomberg.com/news/stories/SE784HT1UM0W>
- UK Police Drop Investigation into Labour's Deputy Leader
<https://blinks.bloomberg.com/news/stories/SE7AT1T1UM0W>
- Farage Attacks Sunak on Immigration in First UK Campaign Speech
Reform UK co-founder says backing Tories is a 'wasted vote'
Farage says he's helping Trump's presidential campaign in US
<https://blinks.bloomberg.com/news/stories/SE6X18DWX2PT>
- Australia's Elevated Inflation Suggests RBA to Extend Pause (3)
Inflation accelerated for a second consecutive month in April
Traders modestly lifted bets on a possible rate rise this year
<https://blinks.bloomberg.com/news/stories/SE8999T1UM0W>
- AUSTRALIA REACT: Hot CPI Adds to Case for High-For-Longer Rates
<https://blinks.bloomberg.com/news/stories/SE871RT0AFB4>
- New Zealand Seen Posting Bigger Budget Deficits, Borrowing More
Finance Minister Willis to deliver first budget on Thursday
Government to press ahead with tax cuts despite weaker revenue
<https://blinks.bloomberg.com/news/stories/SE4FRUT1UM0W>
- Adachi Says Vital to Keep Financial Settings Easy for Price Goal
<https://blinks.bloomberg.com/news/stories/SE84R9T0AFB4>
- BOJ Board Member Sees Chance Weak Yen Will Hasten Next Rate Hike
<https://blinks.bloomberg.com/news/stories/SE82N0T0AFB4>
- Japan's Yen Falls to Weakest in Almost 16 Years Versus Pound (2)
The yen has declined against all its Group-of-10 peers in 2024
Currency hit by rate gap between Japan and other big economies
<https://blinks.bloomberg.com/news/stories/SE7BBOT0AFB4>
- Yen Nears Record Low Vs Euro on Carry, Interest Rate Outlook (1)
UK pound climbed to highest level against the yen since 2008
Yen has slumped to weakest in three decades versus dollar
<https://blinks.bloomberg.com/news/stories/SE8I57T0AFB4>

EM Headlines

- IMF Lifts China Growth Forecast to 5% Citing Fast 2024 Start (1)
Restrictive trade policies are spreading, the IMF warns
About 3,000 new trade curbs in 2023, says IMF's Gopinath
<https://blinks.bloomberg.com/news/stories/SE8BY2T0G1KW>
- Chinese Mega Cities Loosen Homebuying Rules as Aid Spreads
Shanghai, Shenzhen and Guangzhou cut downpayment requirements
Policies will help home sales and prices, Morningstar says
<https://blinks.bloomberg.com/news/stories/SE81KBT0AFB4>
- China Property Rescue to Deliver Modest GDP Boost, Survey Shows
Seven of 12 economists see up to 0.3 ppt growth lift this year
Analysts expect cut to reserve requirement ratio by end-June
<https://blinks.bloomberg.com/news/stories/SE6MOXT0AFB4>
- CHINA INSIGHT: Home-Buy Plan Needs More Funding, PBOC Has It (2)
<https://blinks.bloomberg.com/news/stories/SE80L1T0AFB4>
- Xi Hosts Arab Leaders as China's 'Soft Power' Expands in Mideast
Beijing summit to be attended by UAE, Egypt heads of state
Talks seen focusing on investment links, need to end Gaza war
<https://blinks.bloomberg.com/news/stories/SE8A5NT1UM0W>
- China's Oil Demand Outlook Darkens as OPEC+ Prepares to Meet
Teapot refiners slash runs as diesel profit margins dwindle
Demand slide threatens OPEC+ strategy to shore up oil prices
<https://blinks.bloomberg.com/news/stories/SE0004DWLU68>
- Xi Pledges to Make Youth Employment a Top Policy Priority (1)
Chinese leader hints at job reforms ahead of key policy meet
He says education should be adjusted to support new industries
<https://blinks.bloomberg.com/news/stories/SE815ZT1UM0W>
- Yuan Weakens to Lowest Since November as China Allows Declines
Losses come as PBOC gradually cuts daily reference rate
Currency pressured by rate discount to US, capital outflows
<https://blinks.bloomberg.com/news/stories/SE84Z2T0G1KW>
- UAE and South Korea Sign Pact Aimed at Boosting Bilateral Trade
Deal part of UAE effort to lift non-oil trade over \$1 trillion
Agreement seen contributing to GDP of both countries by 2032
<https://blinks.bloomberg.com/news/stories/SE7166T1UM0W>
- Foreign Funds Return to Indian Bonds as JPMorgan Inclusion Nears
Inflows totaled \$358 million on Monday, most in two months
Index inclusion, lower short-term bill sales helping bonds
<https://blinks.bloomberg.com/news/stories/SE89EQT1UM0W>
- India Rupee to Be Driven More by RBI Strategy Than Elections: SC
<https://blinks.bloomberg.com/news/stories/SE8A6WT0AFB4>
- Brazil's Inflation Slowdown Keeps Interest Rate Cut in Play (1)
Prices rose 0.44% on month in early May, 3.7% on the year
Central bank's commitment to inflation target being tested
<https://blinks.bloomberg.com/news/stories/SE7342T1UM0W>



- Brazil Rates Drop as BCB Directors Align Comments, CPI Slows
<https://blinks.bloomberg.com/news/stories/SE72V3TOG1KW>
- Brazil Seeks Window to Sell Green Bonds, Treasury Head Says (1)
US interest rate uncertainty is making debt market volatile
Ceron sees growing foreign investor appetite for local notes
<https://blinks.bloomberg.com/news/stories/SE74LWT0G1KW>
- Milei Swaps Out His Cabinet Chief in Bid for Sign-Off on Reforms
Francos replaces Posse as president heads to Silicon Valley
Bonds edge higher with investors shrugging off shake-up
<https://blinks.bloomberg.com/news/stories/SE7BLDT0G1KW>
- Bondholders in Richest Argentine Region Question Milei's Resolve
Investors debate whether government will let province default
Buenos Aires' 2037 bonds trade at 43.2 cents on the dollar
<https://blinks.bloomberg.com/news/stories/SCKGQGT1UM0W>
- Sheinbaum's Lead Steadies in Final Days of Campaign
<https://blinks.bloomberg.com/news/stories/SE8168TOG1KW>
- Mexico Election Is Most Violent Since 2018 With 749 Victims
Report found that 34 candidates have been murdered since Sept.
Guerrero, Chiapas and Puebla are Mexico's most dangerous
<https://blinks.bloomberg.com/news/stories/SE8168TOG1KW>
- As Deadly Accidents Piled Up, Bond Investors Got Tough on Pemex
Neuberger Berman, JPMorgan and HSBC demanded changes
Mexican oil-driller responded with first sustainability plan
<https://blinks.bloomberg.com/news/stories/SE7APGT0G1KW>
- Peso Rises For Third Straight Day Along with Copper: Chile Close
<https://blinks.bloomberg.com/news/stories/SE7PIIT0AFB4>

- Poland May See Some Small Rate Cuts in 2025: MPC's Maslowska
<https://blinks.bloomberg.com/news/stories/SE8DW7T0AFB4>
- Poland Moves Closer to Summoning Central Banker as Probe Starts
Lawmakers filed motion to probe Governor Glapinski in March
It's still not clear when panel plans to question Glapinski
<https://blinks.bloomberg.com/news/stories/SCHV4RT0G1KW>
- Hungary Lenders' Record Profit to Decline in 2024: Central Bank
<https://blinks.bloomberg.com/news/stories/SE6SLJT0AFB5>
- TURKEY PREVIEW: Growth Likely Surged in 1Q24, But Slowdown Ahead
<https://blinks.bloomberg.com/news/stories/SE8DB5T0AFB4>
- Demand Surges at South Africa Bond Auction Before Key Election
Dealers place orders worth over four times securities on offer
Bond rally predicted in market-friendly poll result: Prescient
<https://blinks.bloomberg.com/news/stories/SE6YRXT0G1KW>
- Stability or Chaos Is South Africa Voter Choice, Says Godongwana
'If I am asked to serve I will serve,' he tells Bloomberg TV
South Africa votes Wednesday in tightest elections in 30 years
<https://blinks.bloomberg.com/news/stories/SE6T7XT0G1KW>