

DM Headlines

- Global Rate-Cut Juggernaut Is Struggling to Start: Eco Week UK, Australia, Norway seen on hold, and maybe Switzerland too
Retail sales in US and China among data highlights due
<https://blinks.bloomberg.com/news/stories/SF6KXBDWRGG0>
- How the US Mopped Up a Third of Global Capital Flows Since Covid
De-dollarization narrative swept aside by overseas investors
Key question is whether policies shift, upending the dynamic
<https://blinks.bloomberg.com/news/stories/SEV8VRDWRGG0>
- Kashkari Says Fed Well-Placed to Take Its Time Ahead of Rate Cut
Says if Fed cuts once in 2024, it would be toward year's end
Minneapolis Fed head sees US central bank needing more data
<https://blinks.bloomberg.com/news/stories/SF4Y5RT1UM0W>
- Fed's Mester Sees Inflation Risks to Upside Despite Better Data
Cleveland chief calls latest inflation numbers a 'great gift'
Mester, who retires this month, speaks in Bloomberg interview
<https://blinks.bloomberg.com/news/stories/SF346CDWX2PS>
- For Bond Traders, Data Matter More Than What the Fed Is Saying
Treasury rally as soft inflation data bolsters rate-cut bets
Fed expectations downplayed as economy keeps defying forecasts
<https://blinks.bloomberg.com/news/stories/SF1J5XT0AFB4>
- One in Four Voters Are Double-Haters, Rejecting Trump and Biden
People who disliked both candidates helped Trump win in 2016
Third parties benefit from Biden and Trump's unpopularity
<https://blinks.bloomberg.com/news/stories/SF364PT1UM0W>
- Bidenomics Leaves a Blue State Industrial Heartland Behind
<https://blinks.bloomberg.com/news/stories/SF4N02T0AFB4>
- Trump Plan to Exempt Tips From Taxes Could Cost \$250 Billion
Cost may be higher as employer behavior shifts, watchdog warns
Trump seeks to court young, service workers by exempting tips
<https://blinks.bloomberg.com/news/stories/SF2ZEUT0AFB4>

- French Yield Premium Sets Record Weekly Jump: End-of-Day Curves
<https://blinks.bloomberg.com/news/stories/SF2SHRT1UM0W>
- Le Pen Says She'll Work With Macron in Pitch to French Moderates
Far-right leader appeals to moderates in Le Figaro interview
Macron's party heading for heavy defeat in parliamentary vote
<https://blinks.bloomberg.com/news/stories/SF625LT1UM0W>
- Thousands Protest in France to Oppose Le Pen's Far Right (1)
Demonstrations seek to call attention to far-right policies
Le Pen's National Rally is expected to win the first round
<https://blinks.bloomberg.com/news/stories/SF4WHPT0G1KW>
- German Chamber in China Says EU Tariffs Won't Protect Automakers
Tariffs will not increase competitiveness of EU firms: chamber
Berlin working to prevent or soften EU tariffs on Chinese EVs
<https://blinks.bloomberg.com/news/stories/SF0JCOT0G1KW>



- More Germans Buckle Under Debt After Rocky Few Years for Economy
Adviser see rising demand for help amid high living costs
More workers, self-employed are experiencing financial stress
<https://blinks.bloomberg.com/news/stories/SEZ0S6DWX2PS>
- EU Leaders Look to Regroup With France in Turmoil: What to Watch
Von der Leyen's second commission term could be sealed Monday
Defense spending and the Green Deal also up for discussion
<https://blinks.bloomberg.com/news/stories/SF4T00T1UM0W>
- Meloni Uses G-7 to Put Focus on Global South — And Herself
Italian leader looked comfortable with guests Milei and Modi
Affection for Biden, but at odds with weakened Europeans
<https://blinks.bloomberg.com/news/stories/SF2M4AT0G1KW>
- Inflation Must Improve for ECB Cut in September, Vujcic Says
Delay in reaching 2% target would lower chances of a move
Services warrant close monitoring, Croat says in interview
<https://blinks.bloomberg.com/news/stories/SF47AHT0AFB4>
- UK Inflation May Fall to 2% Target, But Too Late to Save Sunak
Data Wednesday forecast to show CPI falling from 2.3% in April
But BOE expected to keep rates at 16-year high on Thursday
<https://blinks.bloomberg.com/news/stories/SF0HPMT0AFB4>
- Scale of Sunak's Challenge Laid Bare by Ominous UK Opinion Polls
Cabinet minister warns against giving Starmer 'blank check'
Reform, SNP set to publish election manifestos this week
<https://blinks.bloomberg.com/news/stories/SF6Q8CT0AFB4>
- The Specter of Bond Vigilantes Looms Over UK Election Campaign
<https://blinks.bloomberg.com/news/stories/SF7HS5T0G1KW>
- RBA Seen Holding Key Rate at 12-Year High as Inflation Stays Hot
Governor Bullock expected to stick with mildly hawkish bias
Australia's economy has slowed to crawl under rate pressure
<https://blinks.bloomberg.com/news/stories/SF2706T0AFB4>
- New Zealand Services Sector Slumps as Consumer Spending Declines
<https://blinks.bloomberg.com/news/stories/SF738FT0G1KW>
- New Zealand Inflation-Adjusted House Prices Fall 5.3% Y/y in May
<https://blinks.bloomberg.com/news/stories/SF6Z2MGQITJ4>
- New Zealand Economists See Slower GDP Growth in 2024: NZIER
<https://blinks.bloomberg.com/news/stories/SF7689T0G1KW>
- JGBs Gain as Politics Spur Risk-Off Mood; Yen Flat: Inside Japan
<https://blinks.bloomberg.com/news/stories/SF7JOCT0G1KW>
- BOJ REACT: July Will Be a Live Meeting on Bond-Buys, Rates (3)
<https://blinks.bloomberg.com/news/stories/SF741TT1UM0W>
- Yen Leveraged Traders Still Not Buying BOJ Hawkishness
<https://blinks.bloomberg.com/news/stories/SF74LMT1UM0W>

EM Headlines

- Emerging-Market Bond Rally Threatened as Hawkish Flags Multiply
Easy money in emerging-market bonds is gone, Nikko Asset says
T. Rowe Price says next leg up may take place toward year-end
<https://blinks.bloomberg.com/news/stories/SF72HET0AFB4>
- China Leaves Key Rate Unchanged on Currency Pressure, Liquidity
PBOC keeps MLF rate unchanged for 10th month, drains cash
Calls for rate cut have grown louder given mixed growth
<https://blinks.bloomberg.com/news/stories/SF7D6AT1UM0W>
- China Property Drag Is Getting Worse, Factory Output Disappoints
Industry expansion lost momentum in May as tariff threats loom
Retail spending picked up but remains weak by past standards
<https://blinks.bloomberg.com/news/stories/SF7EBST0AFB4>
- China Home-Price Slump Accelerates Despite More Stimulus (1)
New-home values in May dropped the most in almost a decade
Forceful efforts to support home sector haven't revived demand
<https://blinks.bloomberg.com/news/stories/SF7BT9T1UM0W>
- China Steps Up Warnings on Relentless Bond-Buying Frenzy
Financial News cautions current high returns not sustainable
Warnings may put floor on 30-year yields at 2.4%-2.5%: Huatai
<https://blinks.bloomberg.com/news/stories/SF7BFAT0G1KW>
- US, South Korea, Japan to Lock Security Ties Before Inauguration
South Korea defense minister said deal to be signed this year
Shin says North Korea had trouble with Russia's rocket tech
<https://blinks.bloomberg.com/news/stories/SF1ZVET0G1KW>
- Korea Vows Steps to Cap Excess Volatility When Won Trades Longer
Nation to extend trading hours for onshore won from July 1
Plans to boost FX trading volume during extended hours
<https://blinks.bloomberg.com/news/stories/SF27RHT1UM0W>
- Modi Seizes Center Stage at G-7 To Ambush Biden and Trudeau (1)
Indian leader made beeline to Biden in middle of family photo
Trudeau had 'interaction' with Modi, diplomatic tensions ease
<https://blinks.bloomberg.com/news/stories/SF435FT0AFB4>
- Indian Bonds Boosted by JPM Inclusion, RBI Rates on Hold
<https://blinks.bloomberg.com/news/stories/SF76T4T1UM0W>
- India's Foreign Reserves Rise to Fresh Record After Election
<https://blinks.bloomberg.com/news/stories/SF252BT0G1KW>

- 'It's Untradeable': Wild Swings Roil Brazil Swap Rates Market
<https://blinks.bloomberg.com/news/stories/SF13HJT0AFB4>
- Lula Says Tax Fight Hasn't Weakened Brazil Finance Minister (1)
President says he won't let budget measures penalize the poor
He said business must present proposal to offset tax benefit
<https://blinks.bloomberg.com/news/stories/SF5532T0G1KW>



RUBRICS

- Milei and Lula's Frosty Relationship Was on Full Display at G-7
<https://blinks.bloomberg.com/news/stories/SF2OFPT0G1KW>
- Peso 'Pandemonium' Abates After Biggest Unwinding Since 2020 (1)
Currency set to close week just 0.4% lower after wild swings
Fund managers cut bullish bets by most since March 2020
<https://blinks.bloomberg.com/news/stories/SF35DJT0G1KW>
- Asset Managers Slash Peso Bets in Biggest Unwinding Since 2020
<https://blinks.bloomberg.com/news/stories/SF34F7T0AFB4>
- Peru Economic Activity Rose 5.3% y/y in April
<https://blinks.bloomberg.com/news/stories/SF4N0DGFR4SG>
- Peru's Fiscal Deficit at 3.9% of GDP, Central Bank Says
<https://blinks.bloomberg.com/news/stories/SF31EWT0AFB4>
- Colombia Targets Widest Fiscal Deficit Since 2020 Pandemic
Finance Minister Bonilla presents mid-term fiscal plan
Government to sell an extra 3 trillion pesos of local bonds
<https://blinks.bloomberg.com/news/stories/SEZDDMT0G1KW>
- Colombian Lower House Passes Bill to Overhaul Pension System (1)
Reform will increase state control over pension provision
Law is likely to be challenged in constitutional court
<https://blinks.bloomberg.com/news/stories/SF3JVVT0G1KW>

- Poland May Consider Rate Cuts in 2Q 2025: MPC's Kotecki
<https://blinks.bloomberg.com/news/stories/SF7LZ2T1UM0W>
- Orban Vows to Avenge EU Ruling, Clouding Hungary's Presidency
Top EU court slapped heavy fine on Hungary for flouting ruling
Hungary faces budget shortfall, EU presidency start from July
<https://blinks.bloomberg.com/news/stories/SF231ST1UM0W>
- Forint Extends Slide as Citi Recommends Selling It Versus Dollar
<https://blinks.bloomberg.com/news/stories/SF2PBJT0AFB4>
- Czech May Industrial PPI Falls 1.2% M/m, Est. -0.2%
<https://blinks.bloomberg.com/news/stories/SF7Q4W6RV5E3>
- Turkey's Erdogan Sees Inflation Improving With 'Steps' on Rates
<https://blinks.bloomberg.com/news/stories/SF4E0WT0AFB4>
- Turkish Central Bank June Survey 12-Month CPI Estimate 31.79%
<https://blinks.bloomberg.com/news/stories/SF267CGFLIIO>
- South Africa Parties Reach Accord to Govern After Shock Vote (1)
ANC's Didiza elected as speaker of the National Assembly
Nation's stocks and currency rise on news deal has been struck
<https://blinks.bloomberg.com/news/stories/SF2U8KT1UM0W>
- Zuma Party Takes Up South Africa Assembly Seats, Challenges Vote
MK party boycotted first sitting that reelected Ramaphosa
Party is disputing election results at electoral court
<https://blinks.bloomberg.com/news/stories/SF6O1WT1UM0W>