

DM Headlines

- Fed's Daly Warns of Labor Market Risks, Nearing Inflection Point
Inflation not only risk at this point, says San Francisco head
Further cooling in labor market could drive up unemployment
<https://blinks.bloomberg.com/news/stories/SFLJFXDWX2PS>
- US Approves Freddie Mac Pilot Program to Buy Second Mortgages
Proposal could help households pull equity from their homes
US households have \$32 trillion in real estate equity
<https://blinks.bloomberg.com/news/stories/SFKAGQT0G1KW>
- Federal Reserve Floats Weaker Version of Bank-Capital Revamp (1)
Agencies debate changes that would push capital hike far lower
Plan's effects on banks' trading businesses being considered
<https://blinks.bloomberg.com/news/stories/SFLSO1T0AFB4>
- Real Estate Bets Gone Wrong Roil \$1.24 Trillion Canadian Funds
Pensions are now retooling property divisions after losses
Funds are dealing with challenges at some office properties
<https://blinks.bloomberg.com/news/stories/SDFGAST1UM0W>
- Goolsbee Says Fed Needs to Be Watchful of Too-Tight Policy
<https://blinks.bloomberg.com/news/stories/SFL4NTT0AFB4>
- Massachusetts Is Trying to Prevent REITs From Owning Hospitals
Move is in response to Steward Health Care bankruptcy filing
Real estate analysts cast doubt that proposal is the solution
<https://blinks.bloomberg.com/news/stories/SEZILGT1UM0W>
- Supreme Court Signals July End to Term as Trump Ruling Looms (1)
Three days of rulings this week won't finish off the term
Rulings pending on Trump immunity, abortion, regulatory power
<https://blinks.bloomberg.com/news/stories/SFLJUQDWX2PS>
- Macklem: BOC Can Beat Inflation Without Unemployment Spike (1)
Central bank is looking for wage growth to ease: governor
Unemployment rate of 6.2% is just above pre-pandemic levels
<https://blinks.bloomberg.com/news/stories/SFLNHJT0AFB4>
- CIBC Recommends Bet Loonie to Weaken Before 2025 Rebound
<https://blinks.bloomberg.com/news/stories/SFLP20T0G1KW>

- Allianz Says French Bondholders Fear a Replay of Euro Crisis
France is more reliant on foreigners than its G10 peers
Allianz's Hirt warns investors could shun French state bonds
<https://blinks.bloomberg.com/news/stories/SFKQOMT0AFB4>
- Macron Says Extreme Opposition Parties Would Cause Civil War (2)
Comments come as Macron's centrist party trails in the polls
Macron said he called for a vote to give people 'a voice'
<https://blinks.bloomberg.com/news/stories/SFLM2GT0G1KW>



RUBRICS

- ECB's Schnabel Downplays Prospect of Policy Divergence From US
<https://blinks.bloomberg.com/news/stories/SFLFBVDWRGG0>
- German Business Expectations Fall in Setback to Rebound Hope (1)
Ifo expectations dropped to 89 in June; economists saw 90.7
Economy 'having difficulty overcoming stagnation,' Fuest says
<https://blinks.bloomberg.com/news/stories/SFKT62DWX2PS>
- China Floats Perks for German Carmakers to Prevent EV Levies (1)
Beijing proposes lowering tariffs on large-engine vehicles
Move designed to appeal to luxury automakers in Germany
<https://blinks.bloomberg.com/news/stories/SFKZX0DWX2PS>

- UK Voters in 'Knowledge Vacuum' on Tax and Spend, IFS Warns (1)
Think tank warns new government faces stark choice after vote
Labour or Tories may need to cut spending or raise taxes
<https://blinks.bloomberg.com/news/stories/SFL51LT0AFB4>
- Sunak, Starmer Issue Warnings on Economy in UK Election (1)
Prime minister says Britain will suffer if Starmer wins power
Starmer tells Sun Tories have delivered 14 years of chaos
<https://blinks.bloomberg.com/news/stories/SFLSE8TOG1KW>
- UK's Housing Crisis Needs a London-Sized City to Fix It
<https://blinks.bloomberg.com/news/stories/SFMFA2DWX2PS>

- Australia's Households Remain Pessimistic on RBA Rate-Rise Fears
Sentiment edged up in June while remaining in pessimistic zone
Tax cuts and energy rebates from next week may lift households
<https://blinks.bloomberg.com/news/stories/SFLXMNT0AFB4>
- Empty Wellington Shops Send Grim Economic Message to RBNZ Hawks
Barring pandemic, economy on track for worst year since GFC
Retailers 'can't see the light at the end of the tunnel'
<https://blinks.bloomberg.com/news/stories/SFEJB4DWLU68>

- Forget 160, Traders See Yen Slumping as Far as 170 This Time
The currency is within range of recent intervention level
Short-term intervention doesn't work, ATFX's Twidale says
<https://blinks.bloomberg.com/news/stories/SFMBVUT0G1KW>
- Japan Will Respond Appropriately to Excessive FX Moves: Hayashi
<https://blinks.bloomberg.com/news/stories/SFM4PGT0AFB4>
- Yen Rise May Reflect Month-End Corporate Demand: Aozora
<https://blinks.bloomberg.com/news/stories/SFM4RKT0AFB4>

EM Headlines

- Once Avoided Like 'Plague,' EM Duration Is Back in Fashion (1)
Pictet, VanEck tout long-duration EM bonds ahead of Fed cuts
Traders grow more confident on Fed's path, boosting EM bets
<https://blinks.bloomberg.com/news/stories/SFKYKXT0AFB4>
 - Yuan Pressure Mounts as Trading Disruptions Appear Once More (3)
Overnight dollar-yuan swaps haven't traded since Tuesday
Chinese currency trading too close to the edge of fixed band
<https://blinks.bloomberg.com/news/stories/SFLT39T0G1KW>
 - China Premier Warns Decoupling Will Lead to 'Destructive Spiral'
Li Qiang defends his nation against overcapacity criticisms
Canada the latest nation to target imports of Chinese EVs
<https://blinks.bloomberg.com/news/stories/SFMA2ZT0G1KW>
 - China Imposes More Fertilizer Export Controls to Protect Farmers
Exports of urea and phosphates had already slowed this year
Curbs have been relaxed and tightened based on circumstances
<https://blinks.bloomberg.com/news/stories/SFERHEDWX2PS>
 - China's Rich Spend Millions on Shanghai Property (1)
A residence priced \$15 million was sold within hours
Buyers snatch 200 large flats priced from nearly \$5 million
<https://blinks.bloomberg.com/news/stories/SFM6F2T0AFB4>
 - Xi Urges China to Combat Rivals' Tech Dominance Amid Chip Battle
<https://blinks.bloomberg.com/news/stories/SFLYPZT1UMOW>
 - Yuan Fixing Shows PBOC Easing Control on Currency: TD Securities
<https://blinks.bloomberg.com/news/stories/SFM4GVT1UMOW>
 - Indonesia Kicks Off Sukuk Dollar Deal in Busy Day for Market (1)
NTT, Sumitomo, China Great Wall AMC are also selling bonds
Elevated yields on credit is continuing to attract investors
<https://blinks.bloomberg.com/news/stories/SFM5RFT1UMOW>
 - India Central Bank Policymakers Divided Over Rate-Growth Debate
<https://blinks.bloomberg.com/news/stories/SFHT12T1UMOW>
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- BRAZIL PREVIEW: BCB Minutes to Show If Copom Debated a Rate Hike
<https://blinks.bloomberg.com/news/stories/SFL9MWDWRGGQ>
 - Brazil Politics: Budget Rapporteur Calls for Spending Adjustment
<https://blinks.bloomberg.com/news/stories/SFL33GT1UMOW>
 - Milei Cuts Pushed Argentina Into Recession in First Quarter (1)
GDP in 1Q fell 5.1% vs year ago; declined 2.6% vs 4Q 2023
After 4Q 2023 contraction, Argentina enters recession
<https://blinks.bloomberg.com/news/stories/SFLMZQT0G1KW>
 - Mexico Inflation Accelerates, Bolstering Rate Hold Bets (1)
Mexico's central bank expected to hold interest rates Thursday
Annual inflation sped up to 4.78%, above 4.73% estimate
<https://blinks.bloomberg.com/news/stories/SFL4BWT0AFB4>



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- Mexico Fuel Imports Rise, Impeding AMLO Energy Independence Goal
Gasoline production slumped 10% in May, recent data show
Import surge shows AMLO's domestic refining goal still distant
<https://blinks.bloomberg.com/news/stories/SFLOOGT1UM0W>
- Peru's 3.9% Deficit Puts Credit Rating at Risk: Scotiabank
<https://blinks.bloomberg.com/news/stories/SFLWLKDWX2PS>
- Colombian Peso Leads Emerging Currencies as Dollar Falter
Latin America assets make gains, trimming June's losses
Ukrainian dollar bonds lead gains as traders price in EU aid
<https://blinks.bloomberg.com/news/stories/SFLQFKTOG1KW>

- CNB to Take Cue From Hungary, Deutsche Bank Says: Inside CEE
<https://blinks.bloomberg.com/news/stories/SFKWFBT1UM0W>
- Turkey April House Prices Rose 48.42% on Year
<https://blinks.bloomberg.com/news/stories/SFMJL3GFA9Z4>
- South Africa's Government Must Accelerate Reform, Ramaphosa Says
Ten political parties agreed to form unity government
New cabinet is expected to be announced in coming days
<https://blinks.bloomberg.com/news/stories/SFKKZFT1UM0W>
- South African Political Parties Near Accord on Cabinet Posts (1)
ANC criticizes 'leaking' of party demands for positions
Democratic Alliance says it remains committed to talks
<https://blinks.bloomberg.com/news/stories/SFME7LT1UM0W>