

DM Headlines

- US Yield Curve Steepens as Bond Traders See Fed Cuts Looming
Dudley said Fed should cut interest rates as soon as next week
US auctioned \$70 billion of five-year notes on Wednesday
<https://blinks.bloomberg.com/news/stories/SH569ET0G1KW>
- US Business Activity Expands by Most in More Than Two Years
S&P Global's flash July gauge edges up to 55 from 54.8
Composite measure of prices received falls to six-month low
<https://blinks.bloomberg.com/news/stories/SH4RZ7T0AFB4>
- US New-Home Sales Unexpectedly Decline to a Seven-Month Low
Contract signings eased 0.6% in June to 617,000 annual rate
New-home inventory increased to highest level since 2008
<https://blinks.bloomberg.com/news/stories/SH4TGNT0AFB4>
- Biden Says Time for 'Younger Voices' in Oval Office Speech (1)
President delivers first public remarks since campaign's end
Biden vows to finish his term 'focused on doing my job'
<https://blinks.bloomberg.com/news/stories/SH5LZDT0G1KW>
- G-7 Warns Against Unilateral Actions That Might Undermine Trade
<https://blinks.bloomberg.com/news/stories/SH5G6HT0AFB4>
- I Changed My Mind. The Fed Needs to Cut Rates Now: Bill Dudley
<https://blinks.bloomberg.com/news/stories/SH4FQCT1UM0W>
- Treasury 5-Year Auction Tails After Rally Into Bidding Deadline
<https://blinks.bloomberg.com/news/stories/SH50P5TOG1KW>
- What a Re-elected Trump Could and Couldn't Do to Sway the Fed
<https://blinks.bloomberg.com/news/stories/SH5AZYDWRGG0>
- Oil Declines as China Concerns Eclipse Draw in US Stockpiles
Crude futures fall along with other commodities and equities
Global benchmark Brent drops toward \$81 a barrel as WTI slides
<https://blinks.bloomberg.com/news/stories/SH5W8FT1UM0W>
- Bank of Canada Cuts, Shifts Focus to Economic Risks; Bonds Rally
Weak household spending is a risk amid labor market slack
BOC says it will take rate decisions one meeting at a time
<https://blinks.bloomberg.com/news/stories/SH4WJMT0G1KW>
- Bank of Canada Changes Tune as Consumers Show They're Hurting
Spending and hiring data illustrate heightened risks for BOC
'An economy that might be getting too weak for its own good'
<https://blinks.bloomberg.com/news/stories/SH4YBCT0G1KW>

- Euro-Zone Growth Grinds to Halt on Surprise German Slump (1)
Composite PMI drops to 50.1; economists expected 50.9
Services growth can't counteract manufacturing slump
<https://blinks.bloomberg.com/news/stories/SH4CUVT0G1KW>
- EURO-AREA REACT: PMI Weakness Creates Risk for Economic Recovery
<https://blinks.bloomberg.com/news/stories/SH4D8HT0G1KW>



- Euro Slips Versus Dollar After Surprisingly Weak German PMI
<https://blinks.bloomberg.com/news/stories/SH4AHWT0G1KW>
- French Business Confidences Slumped During Turbulent Elections
Insee report shows lowest reading in more than three years
Bank of France survey showed uncertainty spiked during voting
<https://blinks.bloomberg.com/news/stories/SH4SMYT0AFB4>
- UK Business Confidence and Orders Grow After Labour Election Win
Key PMI gauge rose in July and beat economist expectations
Figures a boost for premier Keir Starmer's growth ambitions
<https://blinks.bloomberg.com/news/stories/SH4CVPBKHDS3>
- BOE Reveals Design of Emergency Lending Facility for Non-Banks
Facility will offer liquidity during bouts of market stress
The tool will be open to pension funds, insurers, LDI funds
<https://blinks.bloomberg.com/news/stories/SH4U78T0AFB4>
- BOE Rate Rises Pushed 320,000 More People Into Poverty, IFS Says
Analysis shows pain for mortgage holders paying higher rates
IFS says official poverty data understate the impact of hikes
<https://blinks.bloomberg.com/news/stories/SH4C98T0AFB4>
- Aussie, Kiwi Rout Deepens as Yen Dominates: Inside Australia/NZ
<https://blinks.bloomberg.com/news/stories/SH5Y00T0AFB4>
- Australia Curve Steepens Further Amid Policy Easing Overseas
<https://blinks.bloomberg.com/news/stories/SH5QQ5T1UM0W>
- Australian PM to Unveil New Pre-Election Cabinet on Sunday
Two senior ministers announce they won't contest seats
Australia is due to hold an election by May of next year
<https://blinks.bloomberg.com/news/stories/SH5M7RT1UM0W>
- Yen Surges as Traders Bet the Big Turning Point Is Finally Near
Amundi is cutting yen shorts on view US easing may start soon
DBS sees an unwinding of carry trades, unease for yen bears
<https://blinks.bloomberg.com/news/stories/SH602FT0G1KW>
- Japan Business Service Prices Jump, Backing Case for Rate Hike
<https://blinks.bloomberg.com/news/stories/SH5KYST0G1KW>
- BlackRock Expects BOJ to Hold Rates for Longer in Boon to Stocks
Chief Japan strategist sees Topix hitting new record this year
Says accommodative conditions likely to stay, aiding companies
<https://blinks.bloomberg.com/news/stories/SGUHIGT0G1KW>
- Bank Of Japan Plans To Halve Bond Buying In Coming Years: Rtrs
<https://blinks.bloomberg.com/news/stories/SH4GB9T0G1KW>

EM Headlines

- China Unexpectedly Cuts One-Year Policy Rate by Most Since 2020
Sequence of rate cuts underlines PBOC's new policy framework
SocGen sees limited impact of easing on household confidence
<https://blinks.bloomberg.com/news/stories/SH5RFST0G1KW>
- CHINA REACT: Surprise PBOC Cut Hints at Coordinated Reboot (3)
<https://blinks.bloomberg.com/news/stories/SH5WI6T0AFB4>
- China Yield Curve Steepener Trade Gains Traction With Caveats
Analysts see a gradual steepening of China's yield curve
Questions remain about whether longer-dated yields can rise
<https://blinks.bloomberg.com/news/stories/SH24G1T1UM0W>
- China's Power Demand Growth Forecast to Slow to 5% in 2H
<https://blinks.bloomberg.com/news/stories/SH60UAT0G1KW>
- South Korea's Economy Contracts After Surge at Start of 2024
GDP shrinks 0.2% from a quarter earlier in April-June period
Investment, construction take a hit while exports keep rising
<https://blinks.bloomberg.com/news/stories/SH5M4PT0G1KW>
- Won Falls on GDP Miss, Rate Cut Buys China Bonds: Inside Asia
<https://blinks.bloomberg.com/news/stories/SH60UFT0AFB4>
- Rupiah Falls Amid Deteriorating Risk Sentiment: Inside Indonesia
<https://blinks.bloomberg.com/news/stories/SH5WFBT0AFB4>
- Bond Bulls Say Prudent India Budget Offers Hope for More Inflows
abrdn, MUFG like Sitharaman's plans for deficit reduction
Debt-sales figure disappointed traders; bonds later recovered
<https://blinks.bloomberg.com/news/stories/SH4DPJT1UM0W>
- INDIA INSIGHT: Millions of Simulations, One Path for Debt – Down
<https://blinks.bloomberg.com/news/stories/SH5ZKNT0G1KW>
- Warnings Pile Up as Indian Authorities Seek to Curb Stock Frenzy
Regulator wants retail investors to avoid speculative trading
Loss of savings could affect consumption pattern: Lotusdew
<https://blinks.bloomberg.com/news/stories/SH5UPHT1UM0W>



- G-20 Host Brazil Tests Its Global Influence With Hunger Alliance
Brazil has rotating presidency of Group of 20 nations
UN data show 733 million people experienced hunger in 2023
<https://blinks.bloomberg.com/news/stories/SGVRPCT1UM0W>
- FinMin Haddad Says Brazil Income Tax Proposals To Be Ready in 2H
<https://blinks.bloomberg.com/news/stories/SH5QVUT1UM0W>
- Brazil Politics: Public Servants Strike Threatens Spending Cuts
<https://blinks.bloomberg.com/news/stories/SH4OS3T0AFB4>
- AMLO Says Trump's Threat to Ban Mexican Cars Is Just a Bluff (1)
Mexican leader says Trump's trade proposal isn't serious
US consumers would face higher car prices, Lopez Obrador says
<https://blinks.bloomberg.com/news/stories/SH55RDT0G1KW>
- Sheinbaum Expects More Information on Tesla Delay in Mexico
<https://blinks.bloomberg.com/news/stories/SH52O8T0AFB4>
- Chilean Peso Weakness Driven by Foreign Investors
<https://blinks.bloomberg.com/news/stories/SH54V1T1UM0W>
- Colombia's Govt Seeking To Lower Corporate Tax Rate: Bonilla
<https://blinks.bloomberg.com/news/stories/SH3RXMT0G1KW>

- Holub Signals Slowdown to 25 Basis-Point Czech Rate Cuts: E15
<https://blinks.bloomberg.com/news/stories/SH4CHKT0G1KW>
- South African Inflation Slows to Six-Month Low on Food Costs (1)
June consumer prices rose 5.1% at annual rate from May's 5.2%
Median estimate in a Bloomberg poll was for a 5.1% advance
<https://blinks.bloomberg.com/news/stories/SH4CBMT1UM0X>
- South Africa to Battle to Keep Inflation Near 4.5%, Stanlib Says
High essential-services costs to continue to fuel inflation
Central bank head wants to lower inflation target to 3%
<https://blinks.bloomberg.com/news/stories/SGNYAYDWRGG0>