

DM Headlines

- Dollar Falls on Report Trump Team Is Mulling Gradual Tariffs
Aussie, kiwi lead advance against greenback after the report
The moves show the importance of tariffs in swaying sentiment
<https://blinks.bloomberg.com/news/stories/SQ25FDT0G1KX>
- Trump Team Studies Gradual Tariff Hikes Under Emergency Powers
Plan would boost import duties 2%-5% a month on trade partners
Supporters include Trump advisers Bessent, Haslett and Miran
<https://blinks.bloomberg.com/news/stories/SQ1VEAT1UM0W>
- Rolling US Tariffs Would Be 'Problematic' for Fed, UBS Says (1)
Tariff risk hasn't been priced in by markets, Kapteyn says
Goldman's Hatzius doesn't see huge tariff impact on inflation
<https://blinks.bloomberg.com/news/stories/SQ1Y3VT1UM0X>
- DOJ Report Says Trump Could Have Been Convicted in Election Case
Special Counsel report shows extensive pressure on Pence
Trump lawyers say special counsel report violates his rights
<https://blinks.bloomberg.com/news/stories/SQ2EUTDWLU68>
- Fed's Balance-Sheet Dynamics Still Weigh Heavy Five Years On
Central bank has been unwinding balance sheet since June 2022
Still questions about lowest reserve level amid new dynamics
<https://blinks.bloomberg.com/news/stories/SQ1741T0AFB4>
- Leveraged Funds Cover Shorts Across Treasury Futures Strip: CFTC
<https://blinks.bloomberg.com/news/stories/SQ1NQPT0AFB4>
- Canada Ambassador Warns of 'Tit-For-Tat' Reply to Trump Tariffs
<https://blinks.bloomberg.com/news/stories/SQ1SR0DWRRG1>
- Oil Swings Near Five-Month High as Global Supply Risks Intensify
Traders weigh up risks from US sanctions and possible tariffs
'Plenty of uncertainty' over impact of Russian curbs, ING says
<https://blinks.bloomberg.com/news/stories/SQ2DKBT0AFB4>

- ECB's Rehn Sees Interest Rates at Neutral by Mid-2025
<https://blinks.bloomberg.com/news/stories/SQ147ET0G1KW>
- Europe Will Struggle to Stand United Against Trump's Threats
<https://blinks.bloomberg.com/news/stories/SQ2B9QT0AFB4>
- French Premier's Pivotal Policy Speech: What to Watch
Government needs broader backing to address deficit concerns
Socialists push for a suspension of Macron's 2023 pension law
<https://blinks.bloomberg.com/news/stories/SPVQECT0G1KW>
- French Businesses Stuck in Uncertainty Due to Budget Impasse (1)
Bank of France sentiment gauge shows persistent doubts
Central bank reiterates estimate of zero fourth-quarter growth
<https://blinks.bloomberg.com/news/stories/SQ1IDVT0G1KW>
- Spain Seeks to Set 100% Tax on Non-EU Citizens Buying Houses (1)
Government's tax proposal will be sent to parliament
Prime Minister Sanchez announced set of measures on housing
<https://blinks.bloomberg.com/news/stories/SQ1GPZT0G1KW>



- UK Bond Sale to Gauge Investor Appetite After Market Turmoil
Debt Management Office to sell £1 billion of 30-year linkers
UK government seeks to borrow near-record sums as mood darkens
<https://blinks.bloomberg.com/news/stories/SQ0SVPT0AFB4>
- UK Markets Fall Again as Inflation Countdown Unsettles Traders
Consumer prices on Wednesday is next key data for markets
Traders also watching sales of 30-year linkers, 10-year gilts
<https://blinks.bloomberg.com/news/stories/SQ1BZZDWX2PS>
- BOE Gets Solid Demand in Bond Sale Despite UK Market Woes
Sale of £750 million of APF gilts 2.24 times oversubscribed
Central bank under pressure after yield surge over past week
<https://blinks.bloomberg.com/news/stories/SQ12YZT0AFB4>
- Reeves' Vision for Britain Faces Fresh Peril From Market Fallout
Chancellor to address Parliament, traders await inflation data
Reeves likely to face questions over UK's fiscal position
<https://blinks.bloomberg.com/news/stories/SQ18MPT0G1KW>
- Starmer Has 'Full Confidence' in Reeves, Backs Fiscal Rules (1)
British prime minister addresses rise in UK borrowing costs
Starmer says Reeves is doing a 'fantastic job' as chancellor
<https://blinks.bloomberg.com/news/stories/SQ1C4PT1UM0X>

- Australia Consumer Sentiment Edged Lower on Gloomier Outlook
<https://blinks.bloomberg.com/news/stories/SQ1RLLT0AFB4>
- NZ Bonds Slump Most in Two Months as Rate Cut Bets Trimmed
Businesses more upbeat about the NZ economic outlook
Two-year yields jump 11 basis points, biggest climb since Nov.
<https://blinks.bloomberg.com/news/stories/SQ27X0T1UM0W>

- Japan's 40-Year Yield Rises to Highest Since Debut in 2007
Twenty-year yield also reached highest since 2011 on Tuesday
Global bond yields rising amid inflation and fiscal concerns
<https://blinks.bloomberg.com/news/stories/SQ2CQLT1UM0W>
- BOJ's Deputy Chief Signals Chance of Rate Hike Next Week (1)
Board will be discussing need of rate hike, Himino says
Himino gives last scheduled board member speech before meeting
<https://blinks.bloomberg.com/news/stories/SQ2D75T1UM0W>



EM Headlines

- China Securities Regulator Vows Efforts to Stabilize Market (4)
China's stocks rise on Tuesday, snapping days of declines
CSRC says it will work on market stabilization mechanism
<https://blinks.bloomberg.com/news/stories/SQ254ST0AFB4>
- Chinese Banks Face Cash Squeeze as Yuan Defence Adds Pressure
The PBOC's increasing focus on yuan has worsened cash crunch
The central bank has held back rate cuts since September blitz
<https://blinks.bloomberg.com/news/stories/SQ1YWFT1UM0W>
- China Exports to Vietnam Rise to Record as Supply Chains Shift
Shipments to Vietnam jump almost 18% to record \$162 billion
Firms seek new suppliers while relying on China's components
<https://blinks.bloomberg.com/news/stories/SQ20QBT0AFB4>
- Korean Pension Service Begins Selling Dollars to Support Won (1)
National Pension Service could sell as much as \$50 billion
Sales start after won weakens past NPS internal trigger level
<https://blinks.bloomberg.com/news/stories/SQ1YCXDWRRGG0>
- Indonesia Central Bank May Hike Key Rate in 2Q, Bahana Says
<https://blinks.bloomberg.com/news/stories/SQ279CT1UM0W>
- Mexico Plans Nearshoring Incentives to Curb China Imports (1)
Government unveils plan to strengthen North America trade
Mexico president presented goal of building up local industry
<https://blinks.bloomberg.com/news/stories/SQ1J5VDWRGG0>
- Finance Chief Reassures Colombia Investors Over Debt Path (2)
Finance minister Diego Guevara speaks in interview in Bogota
Guevara says central bank may hold interest rates this month
<https://blinks.bloomberg.com/news/stories/SQ1MAGDWX2PS>
- Bond Risks Pile Up in East Europe Amid \$34 Billion Sales Spree
Inflation, sluggish growth, expected tariffs among key risks
Poland, Hungary, Slovenia joined early January debt sale spree
<https://blinks.bloomberg.com/news/stories/SPZEOST0AFB4>
- Poland Doesn't Sell Out at First T-Bill Auction Since Covid (1)
<https://blinks.bloomberg.com/news/stories/SQ0WLODWLU68>
- Hungarian Inflation Jumps, Breaching Central Bank Tolerance Band
<https://blinks.bloomberg.com/news/stories/SQ0V8DT0AFB4>
- Czech Inflation Below Forecast Boosts Case for February Rate Cut
Koruna weakens as Zamrazilova says CPI is 'pleasant surprise'
Central banker sees rising odds of policy easing in early 2025
<https://blinks.bloomberg.com/news/stories/SQ0VIGT0AFB4>
- South Africa's Economy Set to Escape a Decade of Growth Inertia
Economists predict South Africa will advance by 1.7% this year
Faster growth possible if government sticks to reform agenda
<https://blinks.bloomberg.com/news/stories/SPTNIJT1UM0W>