

# Global Markets Daily

## Easing Inflation Expectations

### Inflation Expectations Ease in Jun

Perhaps the only data release of note overnight is the NY Fed's survey of consumer expectations - the one-year inflation expectations eased rather considerably to 3.02% for Jun vs. previous 3.17%. The median 1Y earnings growth expectations increased to 3.0%, highest since Sep 2023. More consumers (12.26% vs. prev. 11.99%) expect not to be able to make minimum debt payment over the next three months. While equity gains were modest overnight, NASDAQ and S&P made record high. To be clear, it was a rather dull NY session with little market-moving events. Gold, oil, UST yields and FX traded sideways ahead of plenty more noteworthy events this week, including Powell's two-day Congressional testimony that starts today, the Jun CPI release on Thu. We also await US earnings reports, French President Macron's pick of PM (will it be Socialist Francois Hollande or LFI Jean Luc Melenchon?), Biden's bid to stay on in the race or depart, China's additional temporary OMO session (announced yesterday but not conducted).

### RBNZ Orr Could Pivot Dovish Tomorrow

By this time tomorrow morning, we would know RBNZ's policy decision. The central bank is known for its decisiveness throughout the hiking cycle. For much of 2024, Orr has also been one of the most hawkish and vigilant on inflation. Markets had been caught wrong-footed when he surprised on the hawkish side a few times this year. We think this time is different given the sharp decline in business sentiment, pricing intentions and wage outlook. While a rate cut could still be months away, RBNZ could be primed for a dovish pivot. The NZIER shadow committee saw one recommending a cut on 10 Jul as well. Risks on balance are skewed to the downside for the NZD.

### Data/Events We Watch Today

Data we watch today include AU Westpac consumer confidence, NAB business confidence/conditions for Jun. US NFIB small business optimism for Jun. Powell testifies to Senate banking Committee. Fed Barr speaks as well followed by Fed Bowman.

FX: Overnight Closing Levels % Change					
Majors	Prev Close	% Chg	Asian FX	Prev Close	% Chg
EUR/USD	1.0824	↓ -0.15	USD/SGD	1.35	↑ 0.10
GBP/USD	1.2807	↓ -0.06	EUR/SGD	1.4613	↓ -0.02
AUD/USD	0.6737	↓ -0.18	JPY/SGD	0.8393	↑ 0.04
NZD/USD	0.6126	↓ -0.31	GBP/SGD	1.7289	↑ 0.04
USD/JPY	160.83	↑ 0.05	AUD/SGD	0.9094	↓ -0.08
EUR/JPY	174.08	↓ -0.07	NZD/SGD	0.8269	↓ -0.23
USD/CHF	0.8977	↑ 0.22	CHF/SGD	1.5038	↓ -0.12
USD/CAD	1.3635	↓ -0.04	CAD/SGD	0.9901	↑ 0.16
USD/MYR	4.7087	→ 0.00	SGD/MYR	3.4896	→ 0.00
USD/THB	36.425	↓ -0.12	SGD/IDR	12049.77	↓ -0.09
USD/IDR	16258	↓ -0.12	SGD/PHP	43.3699	↑ 0.02
USD/PHP	58.509	↓ -0.03	SGD/CNY	5.385	↓ -0.09

Implied USD/SGD Estimates at, 9.00am

Upper Band Limit	Mid-Point	Lower Band Limit
1.3463	1.3737	1.4012

### Analysts

Saktiandi Supaat  
(65) 6320 1379  
saktiandi@maybank.com.sg

Fiona Lim  
(65) 6320 1374  
fionalim@maybank.com.sg

Alan Lau  
(65) 6320 1378  
alanlau@maybank.com

Shaun Lim  
(65) 6320 1371  
shaunlim@maybank.com

### G10: Events & Market Closure

Date	Ctry	Event
9 -10 Jul	US	Powell's Two-day Congressional Testimony
10 Jul	NZ	RBNZ Policy Decision
4 Jul	US	Market Closure

### AXJ: Events & Market Closure

Date	Ctry	Event
9 Jul	MY	Market Closure
11 Jul	MY	BNM Policy Decision
11 Jul	SK	BoK Policy Decision

## G10 Currencies

- **DXY Index - Supported on Dips.** The DXY index hovered around the 105-figure, in the absence of stronger market cues. UST yields hovered around 4.62%, steady and the 2Y10Y gap only widened a tad to -34bps. Fed Funds futures continue to imply around 2 cumulative cuts by the end of the year with around 75% of a rate cut in Sep. Recent price action continues to validate our view that USD could be softening as US exceptionalism fades but there are also factors providing support along the way. Focus could be increasingly on the US elections. There had been increasing calls for Biden to step aside for a better candidate and Biden pledged that he would remain in the race. With the Democrats Presidential nominee still in question, the Trump trade thus far is still one of positive UST yields, positive equities given that the policies that he touted (tariffs, income tax removals) are perceived to be inflationary and pro-growth. Such policies could continue to spur bear-steepeners that could be in turn, hinder the recovery of Asian currencies. Back on the DXY index, break of the 104.77-support to open the way towards 104.50 (200-dma). Momentum is rather bearish now. Resistance at 105.20 before 105.75. This week, we will eye Powell's two-day Congressional testimony from 9-10 Jul. His words might not be so different from what he said in Sintra, acknowledging the progress in disinflation but he and many other FOMC officials prefer to wait to ease given the resilience of the US economy. Jun CPI is due on Thu. Fri has Jun PPI and then prelim. Jun Univ. of Mich. Sentiment.
- **EURUSD - Recovering.** EURUSD is barely changed at 1.0830 levels this morning after trying to test the next resistance yesterday. This is expected as currencies could consolidate ahead of the Jun US CPI release (Thu). France has a hung parliament, which may not be the worse if it results in greater fiscal discipline, which could favour the EUR. Nevertheless, broader events beyond EU politics should continue to drive the pair for now. Lagarde said that ECB needs time to weigh inflation uncertainty, once again reiterating the dependence on data. Meanwhile, ECB raised inflation forecasts for 2024 and 2025, suggesting that successive cuts are unlikely. The ECB had cut rates despite an uptick in inflation, and appeared to be confident that disinflation would continue, notwithstanding some bumpiness in its path. We think buying EURGBP on dips would be a great way to express a view of further dovishness in the BOE with the market pricing for ECB cuts still being generally dovish and BOE being more hawkish. ECB speakers have all sung the same tune on data dependence and that is likely to continue. We see the possibility of convergence and think that this should be positive EURGBP. Key 0.85 support on EURGBP that has held since 2022 has been broken and has turned resistance, although we expect a rebound. Back to EURUSD daily chart, resistance at 1.0850 and 1.0900, while supports are at 1.0800 and 1.0750. USD decline remains a bumpy one but if we focus on the Eurozone, recent evidence suggests both Eurozone growth bottoming and US exceptionalism fading narratives, which we consider to be important medium term drivers, continue to be at play. Lagarde suggested that Germany could have turned a corner after major negative shocks, which is supportive of our bottoming narrative. We watch trade and CPI figures (Fri) for member states.
- **GBPUSD -Labour victory optimism could be front-loaded.** GBPUSD is barely changed at 1.2806 this morning. We do expect some consolidation in currencies ahead of Jun US CPI (Thu). Moreover, optimism for a Labour victory could be somewhat frontloaded and the GBP could consolidate from here. Meanwhile, we continue to look for 75bps of rate cuts (market pricing ~50bps) for the BOE this year. Disinflation remained intact for the UK as opposed to in the Eurozone where prices resurged. Moreover, recent UK wage gains had been edging lower, which at the margin should give BOE increased comfort to cut rates. UK inflation surprised to the downside and confirmed the disinflationary trend in the UK. Only point of contention

remains that services inflation is high at 5.7% YoY. We think buying EURGBP on dips would be a great way to express a view of further dovishness in the BOE with the market pricing for ECB cuts still being generally dovish and BOE being more hawkish. We see the possibility of convergence and think that this should be positive EURGBP. Key 0.85 support on EURGBP that has held since 2022 has been broken and we expect a rebound. Back on the GBPUSD, resistances are at 1.2850 and 1.2900, while supports are at 1.2800 and 1.2750. UK data this week includes BRC Sales Like-for-Like (Tue), Jun RICS House Price Balance, May GDP, Industrial Production, Manufacturing Production, Construction Output and Trade Balance (Thu).

- **USDCHF - Watch key levels.** USDCHF trades higher and was last seen at 0.8982 levels this morning. Currencies could consolidate ahead of US CPI (Thu) and risks at this point for CHF look two-way. Of the traditional safe-havens, it does seem that only gold and CHF retain most of the properties. Further rate cuts from SNB could pressure CHF to the upside and if a situation arises where it becomes the global funding currency of choice (like the JPY), then we could see more upside for USDCHF. We see supports at 0.8950 and 0.8900, while resistances are at 0.9000 and 0.9060. Week ahead has Sight Deposits (Mon) and 2Q Real Estate Family Homes (Tue onwards).
- **USDJPY - Tight, Upside Limited, Intervention Risks.** The pair was last seen at 160.81 as it continued to keep trading in a tight range of 160.00 - 161.00. Markets for now are on the edge awaiting Powell's congressional testimony and whether he would tilt more dovish amid the recent softening US economic data. If he does happen to move his stance more towards that direction, there is a chance for the JPY to break below 160.00 in the near term. However, that does not change our view that the pair would still end up trading much higher than current levels as we move further into the third quarter. Key support level is 160.00 with the next after that at 157.00 (around 50-dma) and 152.00. Resistance at 162.50 and 165.00. Meanwhile, Jun eco watchers survey out yesterday was better than expected with the current number at 47.0 (est. 46.1, May. 45.7) and outlook at 47.9 (est. 46.5, May. 46.3). Remaining key data releases this week include Jun PPI (Wed), May F IP (Fri) and May capacity utilization (Fri).
- **AUDUSD - Elevated, Holding Gains.** AUDUSD hovered around 0.6740. This pair benefits from the recent USD decline after a slew of weaker US data (ISM services, ADP private employment) drove the USD broadly lower. Bias seems to be tilted to the upside. Ahead of Powell's Congressional testimony that starts today, there is little directional bias. On the daily AUDUSD chart, the pair is in overbought conditions and could be susceptible to some tentative correction. Resistance is seen at 0.6770. Support at 0.6704 and term at 0.6645 (50-dma). Beyond the near-term, we remain relatively constructive on AUD. We argue that AUD remains relatively supported vs. other non-USD peers due to stickier inflation at home. Recall that RBA mentioned in its minutes that data releases thus far still insufficient to prompt cash rate hike whilst still maintaining the stance that it is difficult to rule in or out future cash rate changes. The narrow path on CPI target and jobs was "becoming narrower" as well. This suggests that there is a risk that the longer that RBA keeps cash target rate unchanged, the greater the risks it poses to the labour market. However, the hurdle to cut is still high given that inflation remains sticky. Its reluctance **suggests RBA is still the last central bank to cut in this cycle**. Data-wise, consumer confidence fell 1.1% to 82.7. We also have Jun NAB business confidence/conditions due later. Jun CBA household spending is due on Thu.
- **NZDUSD - RBNZ Could Pivot Dovish.** Pair hovered around 0.6130. By this time tomorrow morning, we would know RBNZ's policy decision. The central bank is known for its decisiveness and courage throughout the

hiking cycle. For much of 2024, Orr has also been one of the most hawkish and vigilant on inflation. Markets had been caught wrong-footed when he surprised on the hawkish side a few times this year. We think this time is different given the sharp decline in business sentiment, pricing intentions and wage outlook. While a rate cut could still be months away, RBNZ could be primed for a dovish pivot. The NZIER shadow committee saw one recommending a cut on 10 Jul as well. Risks on balance are skewed to the downside for the NZD. Back on the NZDUSD chart, NZDUSD hovered around 0.6130 and next resistance at 0.6165. We continue to remain a tad bearish on this pair. Break of the 0.6070-support (50-dma) leads the way to 0.6050 and then 0.60-figure. Resistance at 0.6100 before 0.6165. Week ahead has RBNZ policy decision on Wed. Thu has food prices for Jun and Fri has Jun BusinessNZ Mfg PMI along with card spending.

- **USDCAD - Sideways Likely.** The pair was last seen trading around 1.3640. At last check this morning, OIS has priced in 61% probability of July rate cut, compared to 50% just last Fri. Markets lean towards a rate cut within the month in light of the fall in Jun net employment and the steady rise in jobless rate. That said, the surge in wage growth (5.2% to 5.6%y/y) might be concerning. We continue to look for this pair to trade within 1.3590 - 1.3760 range and hold our view that the CAD should remain an underperformer vs. most other G10 currencies as BoC is likely to ease more than peers within 2024. As mentioned in our FX Insight published on 20 Jun, we continue to look for NZDCAD to head lower towards 0.8290 (first target met) and then 0.8240. Our trade idea was launched on 20 Jun with spot reference at 0.8403. Stop loss at 0.8460. Data wise, Building Permits and Home Sales on Fri.
- **Gold (XAU/USD) - Rising.** Gold reversed lower and was last seen around \$2363/oz. There could be some profit-taking ahead of Powell's part 1 testimony tonight. Nonetheless, its momentum remains bullish bias. The precious metal could break out of the broader 2277-2390 - range in an environment of ongoing geopolitical conflicts, falling UST yields and various political events. Gold remains an asset for risk diversification at an environment of somewhat healthy risk appetite still where equities continue to rise but remain a tad vulnerable to geopolitical shifts and trade/foreign policy changes while bonds are sandwiched between rate cut expectations and higher-for-longer narrative.

## Asia ex Japan Currencies

SGDNEER trades around +1.74% from the implied mid-point of 1.3737 with the top estimated at 1.3463 and the floor at 1.4012.

- **USDSGD - Consolidation.** USDSGD was slightly higher this morning at 1.3498 levels after the broadly softer USD post-NFP. Currencies should consolidate ahead of Jun US CPI (Thu). The SGDNEER was lower at +1.74% above the mid-point of the policy band. MAS appears to be in no hurry to ease, especially not when growth and inflation outcomes are essentially in line with their expectations. MAS Chief Economist seems to have hinted at MAS not being able to ease as easily as an interest rate regime in his speech on monetary policy. We think that the SGDNEER outperformance could taper as Fed cuts come in, although it should still stay supported. In the medium -term, we remain positive on the SGD given robust macro fundamentals and a monetary policy that has an appreciating currency as a default stance. Resistance at 1.3500 and 1.3600. Supports are 1.3450 and 1.3400. Jun Foreign Reserves came in higher at US\$371.68b (prev: US\$370.54b). Data for week ahead includes 2Q A GDP (Fri).
- **SGDMYR - Consolidation.** Cross was relatively unchanged at 3.4903 levels this morning. We think pair will range-trade between 3.45 to 3.50. SGD and MYR have been the two more resilient Asian currencies of late and we think this can continue. Supports at 3.47 and 3.45 levels. Resistances at 3.50 and 3.52 levels.
- **USDMYR - Steady.** Pair was last seen at 4.7087 on end Friday as it continued to stay steady. It continues to trade around its recent range of 4.6800 - 4.7200 and there is unlikely to be much deviation from that range. Authorities leading coordinated conversions by GLCs/GLICs into local currency may continue to give support to the currency. The MYR has been exhibiting strong resilience compared to its regional peers. Back on the chart, support is at 4.6800 and 4.6500. Resistance stands around 4.7500 and 4.8000. 28 Jun foreign reserves data out on Friday showed a decline to \$113.8bn (May, \$114.1bn). Malaysian markets are closed for a public holiday today. There will be a BNM decision due on Thu where we expect a hold. Key data releases this week include May mfg sales (Fri) and May IP (Fri).
- **USDCNH - Higher USDCNY Fix Again!** USDCNH bounced this morning, last seen at 7.2890. Risks remain to the upside for the USDCNH as its yield differential with that of the DMs continue to remain wide. PBoC fixed the USDCNY reference higher at 7.1310 this morning vs. previous 7.1286, bucking the broader USD move overnight. Despite the recent pullback, we continue to remain bearish on the yuan especially given the subtle change in FX stance of PBoC recently. In Apr and May, the USDCNY fix was raised by an average of 5.1 pips/day and 2.2 pips/day respectively. That seem to have shifted to around 9 pips/day in Jun with the 7-day moving averages rising to around 10-17 pips in the last week of June. We see some downside risks to the yuan against the USD because of this shift in FX stance of PBoC. PBoC likely recognized the higher-for-longer environment and yield gap could remain unfavourable against the yuan for a while longer and thus willing to allow more weakness in the yuan. For the USDCNH chart, next level of resistance is seen at 7.3160 before 7.3380. Week ahead has Jun credit data from 9-15 Jun. Jun CPI, PPI on Wed before trade on Thu. Jun FDI could be released from Thu onwards. In other developments, PBoC had announced an additional window of temporary OMO on the 8<sup>th</sup> of Jul but did not manage to conduct the OMO yesterday. The additional bond repo and reverse repo could be carried out on working days between 4-4.20pm in order to “maintain reasonable and sufficient liquidity in the banking system. The term of the ad hoc repos and reverse repos will be overnight, and rates will be set at 20bps below and 50bps



above the seven-day reverse repo rate, respectively (BBG). That reinforces markets' expectations that the 7-day reverse repo would be the main policy rate and also a way to establish a rate corridor. Governor Pan Gongsheng had mentioned in prior months about switching to a short-term interest rate as a policy tool that can affect banks' borrowing cost and the real economy. Policy signaling with a single benchmark rate would also be stronger.

- **1M USDKRW NDF - *Slightly higher.*** 1M USDKRW NDF trades slightly higher at 1379.88 levels this morning. USDKRW spot has seen about a week of extended trading hours and we could see some volatility as market acclimates to this change in market structure. Extending trading hours is one of the initiatives to improve investor access to Korea and is in line with the strong push the government is making to get onto global bond indices. We see resistances at 1380 and 1400. Supports are at 1360 and 1340. Longer term we watch trade data for a possible bottoming of the chip/general trade cycle and AI exuberance, which could buoy the KRW. Risks for the KRW include issues with debt mainly related to the property sector, although at this stage signs do not point to wider contagion that could weigh on the KRW in line with BOK assessment. BOK has had a tendency to hold for an extended period before pivoting to a cut and this should provide KRW with some support. Upside risks for the KRW also exist if KGBs are included in the FTSE Russell WGBI, although it seems like Sep 2024 is the earliest possible inclusion date. While we recently revised our KRW forecasts higher, we are still looking for a possible recovery with the KRW one of the more stretched currencies in Asia. Week ahead includes Jun Unemployment rate, Jun Bank Lending to Household (Wed) and BOK Policy Decision (Thu).
- **1M USDINR NDF - *Establishing a top?*** INR was last seen steady at 83.50 levels. Currencies could consolidate ahead of Jun US CPI release (Thu). Foreign Exchange Reserves released last Fri was lower at \$652.0b, lower than prior \$653.7b. This is mainly led by a larger drop in Foreign Current Assets of -\$1.25b. Governor Das reiterated RBI's preference to build on its FX reserves war chest at an event on 18 Jun. However, the decline this month should not raise any alarms or shift the pair and the balance remains sufficient. Pair could be establishing a top here with the RBI's preference for a stable INR. Our view remains for a tight range of 83.00 to 84.00 to hold. The RBI kept rates on hold earlier at 6.50% in a 4 -2 split (prev: 5 -1 split) in favour of accommodation withdrawal. RBI also raised India's growth view through March 2025 to 7.2% (prev: 7%) and maintained its inflation forecast at 4.5% (within 2% to 6% target range). Our view for 2024 is that the RBI will keep rates on hold (or at least while the Fed remains on hold) while most other global central banks are more at risk of cutting. Growth has been healthy in India, is likely to continue to flourish and inflation is also within target, so the RBI is in no hurry to slash rates to be more growth supportive. This view is supported by India's bond inclusion into JP Morgan EM Index starting from 28 Jun, which will attract billions of dollars in foreign inflows, allowing INR to steady or strengthen against the dollar. India has been an economic bright spark relative to the rest of the region, and we look to see if this can continue. 1Q BoP CA balance out Wed showed a wider surplus than expected at \$5.70bn (est. \$4.50bn, 4Q 2023. -\$8.71bn). Week ahead has CPI, Industrial Production data and Foreign Exchange Reserves on Fri.
- **1M USDIDR NDF - *Steady, Downside Limited.*** Pair was last seen at 16290 as it was steady throughout yesterday. Markets for now are awaiting Powell's congressional testimony that would be held today and tomorrow. Any dovish tilt by the Fed chair amid the softening US data can help guide the pair lower near term. However, even if the Fed does tilt slightly dovish, it is unlikely to be a strong one and the DXY can still be supported on dips. If the Fed Chair keeps to his current stance, the pair could stay

in a holding pattern. Focus on the pair for the near term is currently on these external developments. Back on the chart, support is at 16200 with the next after that at 16000. Resistance is at 16500 and 16773. Meanwhile, Jun consumer confidence out yesterday was slightly lower at 123.3 (May. 125.2), which marks a second month of decline although a downward trend is not yet established. Consumer confidence though as a whole is still high and still reflects strength in the economy. Remaining key data releases this week include Jun local auto sales (11 - 15 Jul).

- **1M USDPHP NDF - *Steady, further pullback possible.*** The pair was last seen at 58.53 as it continued to trade at levels seen throughout yesterday. Focus for the near term is on external developments, which includes Powell's congressional testimony. Any dovish tilt by the Fed chair amid the softening US data can help guide the pair lower near term. However, even if the Fed does tilt slightly dovish, it is unlikely to be a strong one and the DXY can still be supported on dips. If the Fed Chair keeps to his current stance, the pair could stay in a holding pattern. Meanwhile, Governor Eli Remolona struck a more dovish tone again as he said, "at this point in the last mile, we're almost there but we have to be more careful than before because there's a risk we might overdo". His comments were regarding inflation and the level of rates. An Aug cut is looking likely and our economist is now calling for two cuts of 25bps this year starting from Aug and the next to come in 4Q 2024. This increasing dovishness of the BSP is likely to weigh on sentiments towards the PHP given that the path of Fed easing at this point remains uncertain. On other items, Finance Secretary Ralph Recto has also said that GDP growth could hit 6% this year and that the government expects to generate 42bn pesos of additional revenue once tax measures are passed. Back on the chart, support is at 58.31 (50-dma), 58.00 and 57.36 (100-dma). Resistance is at 59.00 and 59.56. Remaining key data releases this week include May trade data (Wed) and May bank lending (Fri).
- **USDTHB - *Steady, Resistance at 37.00, Both Downside and Upside Limited.*** Pair was last seen at 36.43 as it continued to trade at levels seen throughout yesterday. Externally, focus is on Powell's congressional testimony. Any dovish tilt by the Fed chair amid the softening US data can help guide the pair lower near term. However, even if the Fed does tilt slightly dovish, it is unlikely to be a strong one and the DXY can still be supported on dips. If the Fed Chair keeps to his current stance, the pair could bounce up slightly. Domestically, we keep a close eye on the developments related to the court cases of PM Srettha, former PM Thaksin and Move Forward. Pair is testing the support at 36.43 (100-dma) with the next level after that at 36.00. Resistance is at 37.00 and 38.47 (around 2022 high). We think overall that it would continue to trade in a range of 36.00 - 37.00 near term. Key data releases this week include Jun consumer confidence (9 - 15 Jul) and 5 Jul gross international reserves/forward contracts (Fri).
- **USDVND - *Hugging the Top Bound.*** USDVND hovered around 25420 alongside lower UST yields as well as the weakening USD. USDVND was last seen at 25410 while the top of the trading band remains at 25454 based on the fix (24242) today. Equities outflows continue on Fri, clocking a net -\$88.6mn of outflow and taking the ytd outflow to -\$1849.4mn. So that could be weighing on the VND. That said, USDVND continues to remain constrained by the trading band, stabilized interbank interest rates. Gold auctions have helped to narrow the domestic-international premium from north of 20% as of end May to just sub-10% as of 3 Jul 2024. Smaller gold premium, higher interbank interest rates could probably help to ease demand for gold/ foreign currencies and reduce pressure on the VND. We continue to watch more discernible fall in the UST yields in order for VND to gain more lasting relief. Support for USDVND spot is seen at 25325. Resistance is marked by upper bound of the trading band at 25455. At

home, in news, the Ministry of Planning and Investment reported that the economy could grow 7% for 2024 with 7.4% and 7.6% expansions expected in the last two quarters of the year, respectively.



## Malaysia Fixed Income

### Rates Indicators

MGS	Previous Bus. Day	Yesterday's Close	Change (bps)
3YR ML 5/27	3.50	-	-
5YR MO 8/29	3.64	-	-
7YR MS 4/31	3.78	-	-
10YR MT 11/33	3.86	-	-
15YR MS 4/39	*3.96/95	-	-
20YR MX 5/44	4.11	-	-
30YR MZ 3/53	*4.24/22	-	-
IRS			
6-months	3.59	-	-
9-months	3.59	-	-
1-year	3.58	-	-
3-year	3.57	-	-
5-year	3.63	-	-
7-year	3.73	-	-
10-year	3.86	-	-

Source: Maybank

\*Indicative levels

### Analysts

Winson Phoon  
(65) 6340 1079  
winsonphoon@maybank.com

Se Tho Mun Yi  
(603) 2074 7606  
munyi.st@maybank-ib.com

■ Malaysia markets were closed for public holiday.

## Singapore Fixed Income

### Rates Indicators

SGS	Previous Bus. Day	Yesterday's Close	Change (bps)
2YR	3.36	3.34	-2
5YR	3.21	3.19	-2
10YR	3.22	3.20	-2
15YR	3.23	3.22	-1
20YR	3.09	3.10	+1
30YR	3.00	3.01	+1

Source: MAS (Bid Yields)

- Asian markets opened to surprising French election results, showing no clear majority. USTs traded sideways during Asian market hours. Similarly, SGS were range bound, with yields fluctuating by +/- 1-2bps. The SGS yield curve steepened slightly, with the 10y SGS benchmark yield ending the day 2bps lower at 3.20%.

## Foreign Exchange: Daily Levels

	EUR/USD	USD/JPY	AUD/USD	GBP/USD	USD/CNH	NZD/USD	EUR/JPY	AUD/JPY
R2	1.0867	161.60	0.6786	1.2870	7.2963	0.6165	175.1867	108.7823
R1	1.0845	161.21	0.6761	1.2838	7.2910	0.6146	174.6333	108.5687
<b>Current</b>	1.0827	160.91	0.6738	1.2809	7.2883	0.6125	174.2200	108.4140
S1	1.0802	160.35	0.6712	1.2783	7.2824	0.6115	173.5233	108.1497
S2	1.0781	159.88	0.6688	1.2760	7.2791	0.6103	172.9667	107.9443
	USD/SGD	USD/MYR	USD/IDR	USD/PHP	USD/THB	EUR/SGD	CNY/MYR	SGD/MYR
R2	1.3525	#VALUE!	16298	58.6263	36.5997	1.4661	0.6479	#VALUE!
R1	1.3512	#VALUE!	16278	58.5677	36.5123	1.4637	0.6479	#VALUE!
<b>Current</b>	1.3500	4.7130	16262	58.5360	36.4700	1.4616	0.6482	3.4914
S1	1.3482	#VALUE!	16243	58.4667	36.3543	1.4582	0.6478	#VALUE!
S2	1.3465	#VALUE!	16228	58.4243	36.2837	1.4551	0.6477	#VALUE!

\*Values calculated based on pivots, a formula that projects support/resistance for the day.

## Policy Rates

Rates	Current (%)	Upcoming CB Meeting	MBB Expectation
MAS SGD 3-Month SIBOR	4.0500	Jul-24	Neutral
BNM O/N Policy Rate	3.00	11/7/2024	Neutral
BI 7-Day Reverse Repo Rate	6.25	17/7/2024	Neutral
BOT 1-Day Repo	2.50	21/8/2024	Neutral
BSP O/N Reverse Repo	6.50	15/8/2024	Neutral
CBC Discount Rate	2.00	19/9/2024	Neutral
HKMA Base Rate	5.75	-	Neutral
PBOC 1Y Loan Prime Rate	3.45	-	Easing
RBI Repo Rate	6.50	8/8/2024	Neutral
BOK Base Rate	3.50	11/7/2024	Neutral
Fed Funds Target Rate	5.50	1/8/2024	Neutral
ECB Deposit Facility Rate	3.75	18/7/2024	Neutral
BOE Official Bank Rate	5.25	1/8/2024	Neutral
RBA Cash Rate Target	4.35	6/8/2024	Neutral
RBNZ Official Cash Rate	5.50	10/7/2024	Neutral
BOJ Rate (Lower bound)	0.00	31/7/2024	Tightening
BoC O/N Rate	4.75	24/7/2024	Neutral

## Equity Indices and Key Commodities

	Value	% Change
Dow	39,344.79	-0.08
Nasdaq	18,403.74	0.28
Nikkei 225	40,780.70	-0.32
FTSE	8,193.49	-0.13
Australia ASX 200	7,763.17	-0.76
Singapore Straits Times	3,404.47	-0.19
Kuala Lumpur Composite	1,611.02	-0.35
Jakarta Composite	7,250.98	-0.03
Philippines Composite	6,529.43	0.56
Taiwan TAIEX	23,878.15	1.37
Korea KOSPI	2,857.76	-0.16
Shanghai Comp Index	2,922.45	-0.93
Hong Kong Hang Seng	17,524.06	-1.55
India Sensex	79,960.38	-0.05
Nymex Crude Oil WTI	82.33	-1.00
Comex Gold	2,363.50	-1.23
Reuters CRB Index	290.91	-0.86
MBB KL	10.04	-0.59

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Published by:



**Malayan Banking Berhad**  
(Incorporated In Malaysia)

Foreign Exchange  
Singapore  
Saktiandi Supaat  
Head, FX Research  
saktiandi@maybank.com  
(+65) 6320 1379

Fiona Lim  
Senior FX Strategist  
Fionalim@maybank.com  
(+65) 6320 1374

Alan Lau  
FX Strategist  
alanlau@maybank.com  
(+65) 6320 1378

Shaun Lim  
FX Strategist  
shaunlim@maybank.com  
(+65) 6320 1371

Indonesia  
Juniman  
Chief Economist, Indonesia  
juniman@maybank.co.id  
(+62) 21 2922 8888 ext 29682

Myrdal Gunarto  
Industry Analyst  
MGunarto@maybank.co.id  
(+62) 21 2922 8888 ext 29695

Sales  
Malaysia  
Zarina Zainal Abidin  
Head, Sales-Malaysia, Global Markets  
zarina.za@maybank.com  
(+60) 03- 2786 9188

Tan Yew Yan  
Head, Sales Corporates & CFS  
yewyan.tan@maybank.com

Singapore  
Sheetal Dev Kaur  
Head, Corporates Sales (MBS)  
skaur@maybank.com  
(+65) 63201335

Tan Huilin  
Head, Sales FI  
TanHuilin@maybank.com  
(+65) 63201511

Janice Loh Ai Lin  
Head, Sales (MSL)  
jloh@maybank.com.sg  
(+65) 6536 1336

Shanghai  
Joyce Ha  
Treasury Sales Manager  
Joyce.ha@maybank.com  
(+86) 21 28932588

Indonesia  
Endang Yulianti Rahayu  
Head of Sales, Indonesia  
EYRahayu@maybank.co.id  
(+62) 21 29936318 or  
(+62) 2922 8888 ext 29611

Philippines  
Angela R. Ofrecio  
Head, Global Markets Sales  
Arofrecio@maybank.com  
(+632 7739 1739)

Fixed Income  
Malaysia  
Winson Phoon  
Head, Fixed Income  
winsonphoon@maybank.com  
(+65) 6231 5831

Se Tho Mun Yi  
Fixed Income Analyst  
munyi.st@maybank-ib.com  
(+60) 3 2074 7606

s