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Maybank

Global Markets Daily

UK Budget Ahead

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Uneven USD Pullback

USD strength eased overnight against the EUR and GBP, but the greenback was supported against the antipodeans and Asian currencies (save for the THB, likely on gold strength). The DXY formed a shooting star on the daily candle, possibly foreshadowing a bearish reversal. US equities ended broadly higher, with tech counters helping the NASDAQ to a fresh high and USTs rallied (10Y: -3bps). Gold forged a fresh high at US$2779.07/oz amid a fall in US job openings to the lowest since early 2021, running counter to Sep data that showed a robust US labour market. Election uncertainty could also be fueling demand for the bullion and gold should remain an extremely compelling buy on dips with geopolitical uncertainties set to linger. Today we have advance GDP estimates for the US and the Eurozone. We look for Eurozone growth to show more signs of picking up from a bottom, which should provide some support for the EUR. Two-way risks for currencies should continue and we hold on to our view that the USD is a sell on rally.

UK Budget Ahead

The new Labour government's first budget is due today. In comparison to the budget disaster of the Truss era in 2022, markets appear to be relatively calm. Key issues will be fiscal discipline, tax regime changes and growth objectives. Labour manifesto emphasized a balance between prioritizing investment and rebuilding public finances. Chancellor Reeves said that Labour would look to redefine public debt. She also preliminarily provided assurances that there would be no "return to austerity". GBP is the only G10 currency to hold on to its gains against the USD YTD and 22 Oct CFTC data suggests a bullish bias remains with net-long positions on GBP the highest among G10 currencies. There could be some preliminary positioning for a GBP positive budget with GBPUSD up 0.33% overnight and remaining above the 1.30 handle this morning. Risks for the GBP will remain two-way, even if the budget delivers on expectations with the US elections, and both a Fed and BOE decision looming next week.

Data/Events We Watch Today

We watch US and EC 3Q A GDP prints and UK Budget.

G10: Events & Market Closure

Date	Ctry	Event
28 Oct	NZ	Market Closure
30 Oct	UK	UK Budget
31 Oct	JP	Policy Decision

AXJ: Events & Market Closure

Date	Ctry	Event
31 Oct	MY/SG/IN	Market Closure

FX: Overnight Closing Levels % Change

Majors	Prev Close	% Chg	Asian FX	Prev Close	% Chg
EUR/USD	1.0819	0.06	USD/SGD	1.3241	0.11
GBP/USD	1.3015	0.33	EUR/SGD	1.4325	0.17
AUD/USD	0.6561	-0.33	JPY/SGD	0.8636	0.08
NZD/USD	0.5973	-0.13	GBP/SGD	1.7234	0.44
USD/JPY	153.36	0.05	AUD/SGD	0.8687	-0.24
EUR/JPY	165.91	0.11	NZD/SGD	0.791	0.00
USD/CHF	0.8673	0.22	CHF/SGD	1.5268	-0.12
USD/CAD	1.3915	0.18	CAD/SGD	0.9517	-0.06
USD/MYR	4.3785	0.37	SGD/MYR	3.3064	0.23
USD/THB	33.76	-0.28	SGD/IDR	11909.65	0.15
USD/IDR	15760	0.22	SGD/PHP	44.0056	-0.05
USD/PHP	58.269	0.05	SGD/CNY	5.383	-0.08

Implied USD/SGD Estimates at, 9.00am

Upper Band Limit	Mid-Point	Lower Band Limit
1.3159	1.3428	1.3697

G10 Currencies

- **DXY Index** – ***Still Keeping its Elevation***. DXY index touched a high of 104.63 at one point before reversing lower into Asia. UST yields were on the way up for much of the morning before easing off, taking the greenback along with it. The DXY index was last seen around 104.21, still above the 200-dma (103.83). Meanwhile, the UST yields remain elevated with 10Y at around 4.25% while 2Y was last seen around 4.06%. Data-wise, Jolts job openings fell to 7.44mn from previous 7.86mn (also revised lower) while conf. board consumer confidence jumped unexpectedly to 108.7 from previous 99.2. With such a mix of data, we cannot rule out a scenario that the US exceptionalism could continue with growth outperforming the rest of the world. On top of that, the recent CFO survey by the Atlanta Fed found 30% of respondents postponed/scaled down, delayed indefinitely or permanently cancelled investment plans ahead of the elections. As such, there lies a possibility of a rebound in activities after the US elections. We have quite a number of data releases/events ahead (NFP, US elections) and at this time, **we concede to the scenario that this re-pricing of term premium could continue regardless of data.** Data-wise, Wed has 3Q advanced GDP and Oct ADP. Thu has personal income, spending and **Sep core PCE price index**. Fri brings Oct NFP as well as ISM Mfg for Oct.

- **EURUSD** – ***Two-way risks***. EURUSD was last seen slightly higher at 1.0821 levels. Watch today's advance GDP print for evidence of improvement in Eurozone growth. Earlier comments by ECB Wunsch suggested small risk to undershooting inflation and rate cuts could be more measured. Pair remains stretched to the downside. Expectations for a 25bps Dec cut are now at 140.5%, with market suggesting that a larger cut could indeed happen. Pair is likely to remain pressured by recalibration of Fed rate cut expectations and changes in yield differentials. Pair remains below the 1.10 neckline of the earlier double top pattern. Risk reversals also show a bearish skew. Short term, we see two-way risks for the pair with a slight bias to the downside. Our longer term bullish EURUSD view is underpinned by the belief that the Eurozone economy will pick up and the recent China stimulus measures could also provide a boost to Eurozone growth. We see a total of 25bps more of cuts for ECB in 2024. Back to key levels on EURUSD, resistance at 1.0900 and 1.0950. Support at 1.0800 and 1.0750. Conditions are stretched to the downside and a reversal could be on the cards. Eurozone data this week includes Oct Consumer/Services/Economic/Industrial Confidence indices, 3QA GDP (Wed), ECB Economic Bulletin, Oct CPI Inflation and Sep Unemployment Rate (Thu).

- **GBPUSD** – ***Two-way risks***. GBPUSD is higher at 1.3015 levels this morning ahead of today's UK budget announcement. In comparison to the budget disaster of the Truss era in 2022, markets appear to be relatively calm. Key issues will be fiscal discipline, tax regime changes and growth objectives. Labour manifesto emphasized a balance between prioritizing investment and rebuilding public finances. Chancellor Reeves said that Labour would look to redefine public debt. She also preliminarily provided assurances that there would be "no return to austerity". GBP is the only G10 currency to hold on to its gains against the USD YTD and 22 Oct CFTC data suggests a bullish bias remains with net-long positions on GBP the highest among G10 currencies. There could be some preliminary positioning for a GBP positive budget with GBPUSD up 0.33% overnight and remaining above the 1.30 handle this morning. Risks for the GBP will remain two-way, even if the budget delivers on expectations with the US elections, and both a Fed and BOE decision looming next week. A 25bps Nov cut by the BOE is priced at 95.7%. Governor Bailey struck a dovish tone and suggested that the BoE can take a more aggressive approach in lowering interest rates. Markets are broadly in line with our expectations for 50bps cuts in 2024. Inflation is on a broad downtrend, which should give BOE the comfort to cut in time. We think that GBP outperformance could moderate in the near-term while remaining bullish on GBP in the longer-term. Positive outcomes from warmer EU-UK relations with Labour's victory could take time to play out. UK data this week includes Oct BRC Shop Price Index, Sep Consumer Credit, Sep Mortgage Approvals and Sep Money Supply (Tue), Oct Nationwide House Price Indices and Oct F Mfg PMI (Fri).

- **USDCHF - *Two-way risks*.** USDCHF was higher at 0.8670 levels this morning. Risk reversals show a bullish skew for CHF, likely given geopolitical concerns. Martin Schlegel said that growth and inflation in Switzerland pointed to lower rates. He added that the policy rate would be SNB's primary tool and FX intervention a secondary tool to achieving price stability. We continue to look for two-way movements for the pair with both the Fed and SNB looking to cut rates. SNB cut rates by 25bps and warned of more to come if needed. SNB has indicated a preference for a weaker CHF, and a weaker currency supporting exports could also help a tepid Swiss economy. Watch for possible intervention should CHF continue to strengthen from this point. Key resistance at 0.8700. Support is seen at 0.8600. Of the traditional safe-havens, it does seem that gold and CHF retain most of the safe-haven properties, with the JPY being pressured by yield differentials. Safe-havens could be better supported on heightened volatility and uncertainty in the lead up to key events like the US elections. Further rate cuts from SNB could pressure USDCHF higher 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. Swiss data releases this week include Oct KOF Leading Indicator, Oct UBS Survey Expectations (Wed), Oct CPI Inflation, Sep Retail Sales and Oct PMI (Fri).

- **USDJPY – *Choppy, Upside Risks*.** The pair was last seen at 153.11 and it has closed around the same levels for two sessions in a row. However, intraday moves can be quite choppy given the gyrations in the UST yield movements. The Japanese political uncertainty does have some impact on the pair although we think the UST yield movements are the bigger drive in the near term. We stay wary of upside risks in the near term given the US data/events due this week (e.g. NFP, quarterly treasury refunding, PCE core) and the US elections plus the FOMC next week. However, we are also wary that the upside can be limited by jawboning and concerns about intervention. Yesterday, Finance Minister Katsunobu Kato acknowledged that the JPY has been seeing significant weakness post election and that it is important for the exchange rate to reflect fundamentals. He also said that the government would monitor the currency market with an even more heightened sense of urgency. Meanwhile, on the political front, we continue to watch the situation on the formation of the next government. We see the LDP would remain in government together with its ally Komeito although it is uncertain which other party they would work with – whether it be Innovation, DPFP, etc. There is a BOJ decision due on Thurs and we expect them to hold but we closely watch how the BOJ's outlook would be and any hints given by Ueda on the future path of monetary policy. Back on the chart, resistance is at 155.00 and 160.00. Support is at 150.00 and 145.00. Remaining key events and data releases this week include Oct consumer confidence index (Wed), Sep retail sales (Thurs), Sep dept store, supermarket sales (Thurs), Sep P IP (Thurs), Sep housing starts (Thurs), BOJ policy decision (Thurs) and Oct F Jibun Bank PMI mfg (Fri).

- **AUDUSD – *Pressured*.** AUDUSD remained rather heavy around 0.6560. Pair has broken below the 200-dma and remains pressured by elevated UST yields ahead of the US elections. 3Q CPI came in mostly in line with expectations – headline CPI slowed to +0.2%q/q from previous +1.0%. Yearly, pace has also slowed to 2.8% from previous 3.8%. The trimmed mean also decelerated but remained rather elevated around 3.5%y/y vs. previous 4.0%. For Sep, trimmed mean has slowed to 3.2%y/y from 3.4%.

This release hardly moved the needle. Headline inflation had softened in part due to temporary government rebates and could be at risk of firming back again once these effects fade. We are unlikely to see a rate cut at all this year. Bullock mentioned recently that it could take a year or two to get inflation back into the inflation target band of 2-3%. In the near-term for the AUD, we continue to watch the negative forces at work– 1) Stronger US data brings about higher UST yields and that is typically negative for the AUDUSD pairing due to the shifts in yield differentials. 2) China's pivot towards placing greater priority on growth could be positive for AUD but right now, investors are more cautious than optimistic. 3) At the same time, the approach of the US elections could also generate more volatility. Back on the AUDUSD chart, resistance is seen at 0.6630 (200-dma) before the next at 0.67 (100-dma) while support is now seen at 0.6490. In the medium term, we remain constructive of AUD as we continue to expect US to soft-land, Eurozone to recover and China to stabilize. Data-wise, on thu, Sep retail sales and building approvals are due along with CoreLogic home value for Oct. Fri has household spending for Sep along with 3Q PPI.

- **NZDUSD – *Heavy*.** NZDUSD waffled around 0.5970. Moves remain driven by broader USD move and UST yields ahead of the US elections. The US elections may continue to be a source of volatility as markets become increasingly concerned with US fiscal trajectory, tariffs and taxes. For NZD at home, we still think that there is a possibility that the NZD may not be weighed much further by policy, especially after RBNZ has tried hard to push back against 75bps cut for Nov. OIS suggests that RBNZ is expected to take OCR lower by 56bps at the Nov meeting. This suggests that sizeable cut is already well priced. Focus is on recovery as inflation has eased enough for RBNZ to act boldly to support the economy and get it out of a downturn. Recall that RBNZ took its OCR 50bps lower to 4.75%, in line with market expectations and more than what we had expected. Back on the NZDUSD chart, support around 0.6050 is broken and the next is seen around 0.5970 before 0.5930. Resistance is now at 0.6050 before the 0.6100. Data-wise, Thu has ANZ business confidence for Oct. Friday brings building permits for Sep.

- **AUDNZD – *Sliding*.** AUDNZD remained a tad pressured and was last printed 1.0993. Next support is seen around 1.0960 before 1.0890. RBNZ's rate trajectory has been aggressively priced but RBA is not. We see potential for convergence that could lead the AUDNZD lower. Resistance is seen around 1.1092 before the next at 1.1151.

- **USDCAD – *Upside Bias*, *Doji*.** USDCAD was last seen at 1.3910, led higher by the broader USD strength that was propelled by 1) JPY weakness, 2) higher UST yields ahead of the US elections. 3)pullback in oil that weighs on CAD. In addition, CAD could also be weighed by potential for Fed-BoC divergence. BoC delivered the 50bps cut at the last meeting. Governor Macklem commented that the focus is now to "maintain a low, stable inflation. We need to stick the landing". He also mentioned "we want to see growth strengthen". Yesterday, Governor Macklem also told the Canadian legislature's finance committee that more interest rate cuts should be expected to keep inflation close to the 2% target. On the USDCAD chart, focus is on bearish reversal given overbought conditions but yet the presence of the US elections seem to continue to give this pair bullish momentum. Support is seen around 1.3765 before the next at 1.3650. Next resistance at 1.3950. There is a doji formed yesterday and that should bring about a bearish reversal. We are near a key resistance around 1.3950 and bullish momentum is waning. We see bearish reversal risks at this point.

- **Gold (XAU/USD) – *Buy, on Dips*.** Gold is still hovering around $2780, reaching all-time highs again. The approach of the US elections, caution over China's data and late cycle risks (globally) continue to keep this precious metal on the upmove. We remain constructive on gold on the medium term. Gold remains one of the few preferred hedges against the scenario of hard landing of the US economy. Gold, JPY, CHF and US treasuries may have more room to run (higher) in the late cycle of the US economy, geopolitical conflicts and other risk factors (China's hard-landing and etc). Resistance at 2775 is being tested and the next is at $2930. Support is seen around 2680.

Asia ex Japan Currencies

SGDNEER trades around +1.44% from the implied mid-point of 1.3428 with the top estimated at 1.3159 and the floor at 1.3697.

- **USDSGD – *Two-way risks*.** USDSGD was last seen higher at 1.3234 levels this morning. Sep Industrial Production climbed by 9.8% YoY (prev: 22%) and was flat SA MoM. Expansion was broad based and our economists maintain their forecast for growth at 3.5% in 2024 and 2.5% in 2025. Final 3Q GDP should come in strong at 4.6% YoY (flash estimate 4.1%), given that manufacturing was only assumed to be 1.3% YoY in MTI's flash estimate and this print takes output growth to 11% YoY. Recall that MAS stood pat in Oct. Our economists' base case is for a Jan-25 easing, although easing could be delayed if inflation is sticky and/or growth remains robust. The trade-weighted SGDNEER is at +1.50% above the mid-point this morning with the move up in USDSGD weighing on the trade-weighted index. MAS policy continues to be supportive of SGD strength and we look for the resilience to continue. Although the SGD is still subject to broader drivers, we expect it to hold up better than other currencies in times of USD-strength. At the same time, it is unlikely to outperform in times of USD-weakness. Long-term view is still for USDSGD to go lower. 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 we do not expect SGDNEER to tank. Specifically, currencies in SGDNEER basket that are more sensitive to rate differentials could outperform the SGD and offset any strength in SGDNEER that comes from a weakening USD. Such a scenario would entail a weaker SGDNEER alongside essentially a lower USDSGD (stronger bilateral SGD). 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 1.3250 and 1.3300. Supports are 1.3200 and 1.3150. Data releases for the week ahead include Money Supply (Wed) and Oct PMI and ESI (Sat).

- **SGDMYR – *Two-way risks*.** SGDMYR was last seen slightly higher at 3.3056 levels this morning. We have observed that the MYR tends to fare better when the USD is weak, whereas SGD is more resilient when USD is strong. At the same time there could be further downside for the pair should USD bears regain control. Support at 3.30 before the next at 3.27. Resistances at 3.32 and 3.35.

- **USDMYR – *Higher*.** Pair was last seen at 4.3745 as it edged higher ahead of the US data releases this week (e.g. NFP, quarterly treasury refunding, PCE core) and the US elections plus FOMC next week. Such US developments look like it could drive the pair in the near term. Idiosyncratic optimism though towards the MYR looks like it could remain strong amid the backdrop of an investment upcycle. BNM has also said that they believe there is "enduring support" for the MYR given "Malaysia's positive economic prospects and structural reforms, complemented by initiatives to encourage flows". The government's fiscal consolidation effort (with the budget deficit continuing to narrow) is also likely to instill more confidence with investors on the country's financial position. The potential for stronger China stimulus can also strengthen support for the MYR given the strong trade relations between China and Malaysia. The Fed at the end of the day is also still overall on an easing path into next year. In the medium term therefore, we believe the USDMYR would trend downwards. Back on the chart, we continue to watch if it can decisively hold above the resistance at 4.3634 with the next after that at 4.4464. Support is seen around 4.0800 and 4.0000. Key data releases this week include Oct S&P Global PMI mfg (Fri).

- **USDCNH- *Two-way Trades*.** USDCNH touched a high of 7.1642 before reversing sharply lower and this pair is last seen around 7.14. In the late session, there was an exclusive Reuters report that China is considering CNY10trn of fiscal stimulus over the next few years. Package includes CNY6trillion to address local government debt risks and to approve up to CNY4trn bonds for idle land, property purchases. The CNY6trn would be raised over three years including 2024 and via issuance of both special treasury and local government bonds. This would amount to CNY10trn of fiscal stimulus. Beijing may announce stronger fiscal stimulus if Trump wins on 5 Nov. These could be announced on the last day of the NPC meeting to be held from 4-8 Nov. CNY6trn worth of debt would be raised over three years including 2024. Markets are increasingly of the view that both Presidential candidates could be putting the US fiscal path on a path of further deterioration amid spending promises that could require more debt issuance and higher term premium. In response to concerns that China is not doing enough to support domestic demand, Vice Finance Minister Liao Min said over the weekend that the stimulus rollout is focused on lifting domestic demand and hitting the annual growth goal. On the technical charts, USDCNH was last seen around 7.14. The arguable inverted head and shoulders pattern may not come to fruition. The right shoulder is not compelling and recent price action might have formed a rising wedge. Still, there is quite a bit of uncertainty due to the upcoming US elections. Onshore, USDCNY reference rate is fixed at 7.1390 vs. pervious 7.1283. The fix is in line with overnight market action and market fixing estimates. Price action is likely to remain very two-way. Data-wise, CNY share of SWIFT payment is due on Thu along with Oct NBS PMI prints. Caixin version of Oct Mfg PMI is due on Fri.

- **1M USDKRW NDF - *Upside risks*.** 1M USDKRW NDF was seen higher at 1381.47. Pair seems to largely be tracking developments in USDJPY. This morning 3Q A GDP showed that the economy expanded by less than expected at 1.5% YoY (exp: 2.0%; prev: 2.3%) and 0.1% SA QoQ (exp: 0.4%; prev: -0.2%). BOK commented that it would check whether growth momentum is slowing and that it saw a temporary correction in export momentum. This softer than expected growth figure could prompt an earlier expected easing by the BOK. BOK cut rates by 25bps to 3.25% after an extended hold citing easing inflation and a cooling property market. BOK also judged that risks in the FX market had somewhat eased. We see BOK cutting by another 25bps in 2024 and by 50bps in 2025 as they pivot away from a restrictive stance. However, concerns over the KRW could ultimately prevail and we cannot rule out BOK cutting rates slower than we expect. Despite the inclusion on FTSE WGBI, pair should face upside risks with support for the USD building. South Korean government bonds will feature on FTSE Russell's WGBI in 2025, with a weighting of 2.22% in the index. We think that the resulting inflows should buoy the KRW with official (South Korean Finance Ministry) estimates of inflows at about US$56b. Extending KRW trading hours to improve access has seen average daily trading volumes in the extended hours almost double from Aug to US$2.46b (Aug: US$1.26b) in the first two weeks of Oct. Market chatter suggests that major conglomerates have traded during extended hours. We see resistances at 1390 and 1400. Supports are at 1380 and 1370. Longer term we watch trade data for a possible bottoming of the chip/general trade cycle and AI exuberance, which could buoy the KRW. We also think KRW and TWD could play catch up to their peers as the narrative for a soft landing continues to build and monetary policy becomes less restrictive. Korean data includes Sep Industrial Production, Cyclical Leading Index (Thu) and Oct Exports/Imports/Trade Balance and Oct Mfg PMI (Fri).

- **1M USDINR NDF - *Pivoting to Neutral*.** USDINR 1M NDF is barely changed at 84.16 levels. Sep trade deficit narrowed to US$20.78b (exp: US$24.63b; prev: US$29.60b) which should have been net positive for the INR. However, RBI is ensuring that volatility remains low. RBI held steady on its policy rate but notably pivoted to a neutral stance. We think this opens the door for a rate cut in Dec. RBI is expecting food prices to fall and is convinced in the broad disinflationary trajectory. However, they are being a tad more cautious and keeping the policy rate steady (5-1 vote). Sep CPI inflation resurged to 5.49% YoY (exp: 5.10%; prev: 3.65%). This faster than expected acceleration could give the RBI reason to hold rates in Dec. We watch to see if this resurgence in prices continues or there is a return to the broad disinflationary trajectory RBI expects. The USD has been better supported following the stellar NFP print and repricing of Fed rate cut expectations. RBI preference for stability appears to prevail after pair moved in tandem with USD declines earlier. Part of the rupee's allure could be due to Indian Finance Minister Nirmala Sitharaman's recent reaffirmation on the commitment to bring the fiscal deficit down to at least 4.5% of GDP by Mar 2026. In addition, IGBs are due to join the FTSE EM GBI from Sep 2025 onwards with a weightage of 9.35%, the second highest after China. Inflows from the inclusion should be positive INR, though RBI's leanings could keep the INR relatively stable. We look to see if India could continue to be an economic bright spark relative to the rest of the region. Note that RBI's preference for INR stability could also weigh on any gains. Resistance at 84.30. Support at 84.00 before the next at 83.40. India data includes Sep Fiscal Deficit, Eight Infrastructure Industries (Wed) and 25 Oct FX Reserves (Fri)

- **1M USDIDR NDF – *Steady, Cautious*.** 1M NDF was last seen at 15774 as it held steady around yesterday's levels with UST yields slightly lower. Market looks to be cautious ahead of the various risks ahead including US data releases this week (e.g. NFP, quarterly treasury refunding, PCE core) and US elections plus FOMC next week. We continue to stay wary on further upside climb for the pair given these uncertainties. The US election race itself at this point appears to be very close but we note that a Trump win can sap appetite for EM Asia FX including the IDR given his proposed tariffs and the negative impact it can have on global growth. Meanwhile, domestically, with Prabowo's new cabinet announced, we watch closely the policies that he looks to implement. For investors, there is some relief that Sri Mulyani has been reappointed as Finance Minister although it is important to note that she is operating under different leadership. Back on the chart, resistance at 15777 and 16060. Support is at 15200 and 15000. Key data releases this week include Oct S&P Global PMI mfg (Fri) and Oct CPI (Fri).

- **1M USDPHP NDF – *Lower, Cautious*.** The 1M NDF was last seen at 58.20 in line with some declines in the UST yields and the broad dollar. We continue to stay wary on the upside risks for the 1M NDF given the US data releases this week (e.g. NFP, quarterly treasury refunding, PCE core) and US elections plus FOMC next week. The US election race is looking to be close and a Trump win can risk weighing on appetite for EM Asia FX given his proposal to implement additional tariffs. External events in the near term looks like it could remain the main concern for the 1M USDPHP NDF. BSP Governor Eli Remolona has warned that the USDPHP can hit 59 "overtime" if geopolitical worries and risks related to the US election do not dissipate. Back on the chart, resistance is at 58.50 and 59.13 (year to date high). Support is at 57.16 (200-dma) and 56.00. Key data releases this week include Sep M3 money supply (Thurs) and Sep bank lending (Thurs).

- **USDTHB - *Lower*, *Upside Risks*.** Pair was last seen at 33.65 as it declined in line with the UST yields and the broad dollar. Gold prices are also trading higher. We remain cautious on the USDTHB and see upside risks building up to the US election. A Trump win can risk weighing on regional economies and hurt appetite for regional EM FX given the tariffs that he has proposed to implement. However, we also note that higher safe haven demand for gold can go some way to help the THB and possibly lead it to hold up better compared to peers. Domestically, we are keeping a close eye on the political situation and the outcome regarding the petition on allegations of former PM Thaksin Shinawatra's influence over the Pheu Thai Party. Meanwhile, the Finance Minister mentioned that the BOT inflation target of 1-3% could be retained if the BOT comes up with policies to push up inflation to 2%. His comments after a discussion between the Finance Minister and the BOT Governor. Back on the chart, resistance is at 34.00 and 34.57. Support at 33.00 and 32.15 (year to date low). Remaining key data releases/events this week include Sep ISIC mfg prod index (Wed), Sep ISIC capacity utilization (Wed), Sep BoP CA balance (Thurs), Sep trade data (Thurs), Sep BoP overall balance (Thurs), Oct S&P Global PMI mfg (Fri), Oct business sentiment index (Fri) and 25 Oct gross international reserves/forward contracts (Fri).

- **USDVND – *Capped for now.*** USDVND hovered around 25304. This pair continues to be driven by broader USD movement as well as the swings of the UST yields. This pair is back to test the upper bound of the daily trading band. 25500 is still likely to cap this pair. Recent price action has been more consolidative, likely taking the cue from the USD as well as UST yields. Key resistance is seen around 25475 now. Support at 25086 (100-dma). Just as we are looking for the USD index to start to consolidate, so is there a possibility for the USDVND to start to trade sideways within the 25100-25500 range. At home, the UAE PM Sheikh Mohammed bin Rashid Al Maktoum and the PM of Vietnam Pham Minh Chinh just inked the Comprehensive Economic partnership (CEPA) between the two countries, ushering in a new phase of cooperation. The government just posted on its website that the UAE seeks build a centre for the storage and transshipment of crude oil and petrochemical products in Vietnam to serve the regional demand. The UAE also looks forward to collaborating with Veitnam to develop oil refining, LNG and renewable energy projects.

Malaysia Fixed Income

Rates Indicators

MGS	Previous Bus. Day	Yesterday's Close	Change (bps)
3YR ML 5/27	3.51	3.51	Unchg
5YR MI 8/29	3.64	3.67	+3
7YR MS 4/31	3.86	3.90	+4
10YR MS 7/34	3.90	3.93	+3
15YR MS 4/39	4.02	4.02	Unchg
20YR MX 5/44	4.14	4.14	Unchg
30YR MZ 3/53	4.24	4.24	Unchg
IRS			
6-months	3.58	3.58	-
9-months	3.57	3.58	+1
1-year	3.58	3.58	-
3-year	3.53	3.53	-
5-year	3.57	3.58	+1
7-year	3.66	3.66	-
10-year	3.76	3.77	+1

Source: Maybank
**Indicative levels*
***Daily Trade Data: 1) Government bonds and 2) PDS/corporate bonds*

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- Ringgit bonds had a muted session with the auction in the spotlight. Despite soft liquidity, prices were quoted wide, and yields 3-4bp higher in the 5y10y. UST steadied during Asia time following weak demand in the 2y and 5y Treasury note auctions – both tailed slightly. The 7y MGII reopening, at issuance size of MYR5.0b, garnered decent reception with a BTC of 1.997x after yields cheapened by c.8bp since the tender announcement. Post auction, the stock was last dealt at 3.92%.

- A strong BTC at 7y MGII auction did not dissuade MYR IRS payers, as the curve remained well paid throughout the session. Both the 4y and 5y IRS traded marginally higher, with the 5y aligning with 3M KLIBOR at 3.58%. The IRS curve ended flat to 1bp higher. Market sentiment may remain jittery next week. 4y IRS traded at 3.54% and 5y traded at 3.575%, 3.58%, and 3.585%.

- In the PDS market, no GG names were traded. In AAA, Danum Capital 2/25 spread narrowed 4bp, while TNB, BPMB, and CIMB were traded at MTM. Notable trades were Putrajaya Holdings and Putrajaya Bina, which were traded 6bp lower with sizeable amount changing hands. Single-A rated names like MBSB and Yinson Holdings were transacted in smaller amount.

Singapore Fixed Income

Rates Indicators

SGS	Previous Bus. Day	Yesterday's Close	Change (bps)
2YR	2.76	2.73	-3
5YR	2.77	2.74	-3
10YR	2.87	2.85	-2
15YR	2.92	2.90	-2
20YR	2.87	2.85	-2
30YR	2.77	2.75	-2

Source: MAS (Bid Yields)

- The SGS curve reversed the rise from the previous session, with yields falling 2-3bp across all tenors due to easing in selling pressures. The 2-5y fell 3bp to 2.73% and 2.74%, while the longer tenors 10-30y fell 2bp. The overnight SORA rose 4bp to 3.07%.

Indonesia Fixed Income

Rates Indicators

IDR Gov't Bonds	Previous Bus. Day	Latest Day's Close	Change
1YR	6.72	6.59	(0.13)
2YR	6.52	6.53	0.01
5YR	6.65	6.73	0.08
7YR	6.80	6.83	0.03
10YR	6.82	6.86	0.04
20YR	7.01	7.06	0.04
30YR	7.00	7.02	0.02

** Source: Bloomberg, Maybank Indonesia*

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- Most Indonesian government bonds, except 1Y tenor, weakened yesterday. A profit taking mode seemed existing on the end of month period amidst relative minimal on the new positive sentiment from the domestic side. We thought that most investors were still being nervous with recent high geopolitical tension on the Gaza area and uncertainty for incoming results of both Fed's policy rate decision and the U.S. Presidential election. Currently, the market players are still on "wait & see" mode for various incoming results of macroeconomic data, such as U.S. PCE inflation, U.S. Nonfarm Payroll, PMI Manufacturing index by local & major countries, and Indonesian CPI inflation. Yesterday, we also witnessed a relative lack of investors' enthusiasm on the latest government's conventional bond auction, as shown by investors' total incoming bids that only reached Rp29.58 trillion. Going forward, we saw that the pressures on the global side have reached a culmination after witnessing a gradual drop on several financial indicators, such as the yield of U.S. government bonds, the position of DXY Dollar index, and a persisting low on the Brent oil prices. Moreover, the latest result of JOLTS Job Opening on the U.S. also indicated a weakening monthly expansion in Sep-24. Hence, we expect a relative limited rebound on Indonesian government bond market.

Foreign Exchange: Daily Levels

	EUR/USD	USD/JPY	AUD/USD	GBP/USD	USD/CNH	NZD/USD	EUR/JPY	AUD/JPY
R2	1.0862	154.44	0.6605	1.3056	7.1726	0.6008	166.6367	101.3233
R1	1.0840	153.90	0.6583	1.3035	7.1577	0.5991	166.2733	100.9707
Current	1.0824	153.20	0.6568	1.3018	7.1418	0.5976	165.8100	100.6170
S1	1.0783	152.79	0.6542	1.2976	7.1344	0.5955	165.3533	100.2677
S2	1.0748	152.22	0.6523	1.2938	7.1260	0.5936	164.7967	99.9173

	USD/SGD	USD/MYR	USD/IDR	USD/PHP	USD/THB	EUR/SGD	CNY/MYR	SGD/MYR
R2	1.3291	4.3903	15817	58.4070	33.9293	1.4366	0.6177	3.3206
R1	1.3266	4.3844	15788	58.3380	33.8447	1.4345	0.6160	3.3135
Current	1.3238	4.3780	15775	58.2300	33.6430	1.4331	0.6144	3.3074
S1	1.3213	4.3667	15733	58.1750	33.6727	1.4294	0.6109	3.2922
S2	1.3185	4.3549	15707	58.0810	33.5853	1.4264	0.6075	3.2780

**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	3.3000	Jan-25	Neutral
BNM O/N Policy Rate	3.00	6/11/2024	Neutral
BI 7-Day Reverse Repo Rate	6.00	20/11/2024	Neutral
BOT 1-Day Repo	2.25	18/12/2024	Neutral
BSP O/N Reverse Repo	6.00	19/12/2024	Easing
CBC Discount Rate	2.00	19/12/2024	Neutral
HKMA Base Rate	5.25	-	Easing
PBOC 1Y Loan Prime Rate	3.10	-	Easing
RBI Repo Rate	6.50	6/12/2024	Neutral
BOK Base Rate	3.25	28/11/2024	Neutral
Fed Funds Target Rate	5.00	8/11/2024	Easing
ECB Deposit Facility Rate	3.25	12/12/2024	Easing
BOE Official Bank Rate	5.00	7/11/2024	Easing
RBA Cash Rate Target	4.35	5/11/2024	Neutral
RBNZ Official Cash Rate	4.75	27/11/2024	Easing
BOJ Rate (Lower bound)	0.00	31/10/2024	Tightening
BoC O/N Rate	3.75	11/12/2024	Easing

Equity Indices and Key Commodities

	Value	% Change
Dow	42,233.05	-0.36
Nasdaq	18,712.75	0.78
Nikkei 225	38,903.68	0.77
FTSE	8,219.61	-0.80
Australia ASX 200	8,249.24	0.34
Singapore Straits Times	3,590.36	0.18
Kuala Lumpur Composite	1,615.08	0.29
Jakarta Composite	7,606.60	-0.37
Philippines Composite	7,239.98	-1.41
Taiwan TAIEX	22,926.59	-1.17
Korea KOSPI	2,617.80	0.21
Shanghai Comp Index	3,286.41	-1.08
Hong Kong Hang Seng	20,701.14	0.49
India Sensex	80,369.03	0.45
Nymex Crude Oil WTI	67.21	-0.25
Comex Gold	2,781.10	0.91
Reuters CRB Index	278.33	0.22
MBB KL	10.46	0.58

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