

# Global Markets Daily

## Data Stronger, USD Rebound Continues

### Greenback Rebound Continues Amid Strong NFP Reading

Sep NFP surprised quite strongly on the upside as the reading came out at 223k (est. 125k, Aug. 114k) and created concerns that the economy may still be growing too strongly. UST yields moved higher with the 10y and 2y narrowing quite a bit. Markets looked to have heavily pared back rate cut expectations as futures now imply at 94.6% probability of a 25bps cut in Nov, which compares 35% chance of a 50bps cut last Thursday, just before the Fri NFP release. We do have to note that last month, a deceleration in inflation and job weakness may have pushed the Fed to consider a 50bps cut. The Fed may still continue to ease this year as inflation eases but with a job market looking to hold up still, they may be more measured. US CPI due this week would be closely watched with expectations for the headline to slowdown although the core could remain steady. The Sep FOMC minutes would also be released this week and key Fed officials speaking including Kashkari, Goolsbee, Bowman, Logan, Collins would all be speaking. Our economist sees a cumulative 50bps of rate cuts this year. Near term, we have been calling for a greenback rebound and that looks to have played out. DXY was last seen at 102.49 with resistance at 102.88.

### Keep the Eye on China

China would be returning back from the holiday tomorrow and all eyes would be on the press conference that the NDRC would be hosting to discuss on the implementation of incremental economic policy support packages. The market rally in HK stocks over the last week have continued to remain strong even as China was on holiday and this only serves to set expectations high for the press conference. USDCNH though has been moving higher recently as it traces the rebound in the broad greenback. Two - way risks for the pair depending on the policy announcements and the US data.

### Data/Events We Watch Today

Data docket today has EC Aug retail sales, UK report on jobs and CH foreign reserves.

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### G10: Events & Market Closure

Date	Ctry	Event
9 Oct	NZ	RBNZ Policy Decision

### AXJ: Events & Market Closure

Date	Ctry	Event
7 Oct	CH	Market Closure
9 Oct	KR	Market Closure
11 Oct	HK	Market Closure
11 Oct	KR	BOK Policy Decision

FX: Overnight Closing Levels % Change					
Majors	Prev Close	% Chg	Asian FX	Prev Close	% Chg
EUR/USD	1.0974	↓ -0.52	USD/SGD	1.3045	↑ 0.55
GBP/USD	1.3122	↓ -0.02	EUR/SGD	1.4314	↑ 0.01
AUD/USD	0.6795	↓ -0.66	JPY/SGD	0.8772	↓ -0.66
NZD/USD	0.6159	↓ -0.87	GBP/SGD	1.712	↑ 0.55
USD/JPY	148.7	↑ 1.20	AUD/SGD	0.886	↓ -0.16
EUR/JPY	163.26	↑ 0.72	NZD/SGD	0.8036	↓ -0.31
USD/CHF	0.8584	↑ 0.64	CHF/SGD	1.5203	↓ -0.06
USD/CAD	1.3576	↑ 0.15	CAD/SGD	0.9609	↑ 0.39
USD/MYR	4.2197	↓ -0.05	SGD/MYR	3.2526	↓ -0.06
USD/THB	33.037	↓ -0.18	SGD/IDR	11953.19	↑ 0.38
USD/IDR	15485	↑ 0.42	SGD/PHP	43.4118	↓ -0.24
USD/PHP	56.285	↓ -0.19	SGD/CNY	5.3809	↓ -0.55

Implied USD/SGD Estimates at, 9.00am

Upper Band Limit	Mid-Point	Lower Band Limit
1.3019	1.3285	1.3550

## G10 Currencies

- **DXY Index - Squeeze Higher.** Sep NFP turned out much stronger than expected at 254K vs. previous 159K. The two-month payroll saw an upward revision of 72K. Unemployment rate fell to 4.1% from 4.2% previously. Average hourly earnings came in firmer than expected at 0.4% m/m from previous 0.5%. The DXY index broke above the 50-dma (101.70) and last printed 102.50. Thus far, other labour market indicators release also seemed more resilient. Initial jobless claims might have risen a tad more than expected yesterday but on average, initial jobless claims have been declining. Continuing claims remain rather stable around 1.8mn. Sep ADP was also higher than expected. Markets have continued to recalibrate bets on policy trajectory and Fed Fund Futures are now implying around 50bps cut by the end of the year, taking into account signs of a healthy labour market. The DXY index rose to a high of 102.50. Support is seen around 101.80 before the next at 100.20. Resistance at 101.80 is broken and the next is seen at 102.88. Week ahead has NFIB small business optimism for Sep on Tue. Wholesale trade sales for Aug is also due on Wed. Thu has Sep CPI and weekly claims. Fri has Sep PPI and prelim. Oct Univ. of Mich. Sentiment.
- **EURUSD - Stellar NFP Buys USD.** EURUSD was last seen lower at 1.0972 levels below the 1.10 neckline of the earlier double top pattern. Fri's stellar NFP print has led to some sustained strength in the USD, with Fed cut expectations retracing with odds of a cut in Nov at 94.6% (pre NFP: 135%). Markets almost completely expect ECB to cut on 17 Oct after a slew of weak PMI prints for Sep and sub-2% inflation print. Markets and ECB are generally congruent in terms of rate cut expectations, although we suggest that the ECB may be more measured in terms of easing. 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. Lagarde mentioned that there was greater confidence that prices were coming back towards target and that would be reflected in the next ECB decision in Oct. We see a total of 50bps more of cuts for ECB in 2024 with one likely in Oct. Back to key levels on EURUSD, resistance at 1.10 and 1.11. Support at 1.09 and 1.0850. Bias is to the downside for the pair. Data this week includes Oct Sentix Investor Confidence and Aug Retail Sales (Mon).
- **GBPUSD - Bailey Dovish.** GBPUSD hovers around 1.3124 levels after Governor Bailey suggested that the BoE can take a more aggressive approach in lowering interest rates and Fed expectations pared back significantly after a stellar NFP print. Conditions are stretched and the bearish divergence formed with MACD forest could continue to favour pullbacks. Support is seen around 1.32. Recall that BOE voted 8-1 to keep rates steady at 5%. Governor Bailey warned that the central bank prefers a more gradual reduction in rates as "it's vital that inflation stays low". 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. Focus is also on the 2024 Autumn Budget on 30 Oct, where Chancellor Reeves has given preliminary assurances that there would be no "return to austerity". 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. 2Q F GDP grew by 0.7% YoY (exp: 0.9%; prev: 0.9%) and 0.5% QoQ (exp: 0.6%; prev: 0.6%), slightly lower than the preliminary prints suggested. Back on the GBPUSD, resistances at 1.3200 and then at 1.3300. Supports are at 1.3100 and 1.3000. UK data this week includes UK Jobs Report (Mon), Sep BRC Sales Like-for-Like YoY (Tue), Sep RICS House Price Balance, BOE Liabilities/Credit Conditions (Thu), Aug Monthly GDP, Industrial/Manufacturing Production and Trade Balance (Fri).

- **USDCHE - *Two-way risks***. USDCHE rose to 0.8583 levels as the USD found better support after a stellar NFP print as Fed cut expectations pared back. SNB Chief Schlegel also struck a dovish tone in his first speech as President - promising more rate cuts to come and not ruling out intervention or possible negative rates. 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. USDCHE has been trading within the 0.84-0.8550 range for a while and eyes are on whether this range could sustain for a while more. Key resistance at 0.8600 (50-ma). Next support is seen at 0.8500. 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 USDCHE 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 USDCHE. Swiss data this week includes Sep FX reserves, 4 Oct Sight Deposits (Mon) and SECO Consumer Confidence (Fri).
- **USDJPY - *Higher, Likely to be Ranged***. The pair was last seen at 148.45 as it sharply moved higher following the release of the stronger than expected US jobs data. Rate cut bets were pared back and UST yields rose, which guided the pair higher. Domestically, the new PM Ishiba looked to retain support for an accommodative monetary policy stance as he stated in his first speech to parliament that he “will decisively end deflation and build a future for our economy”. USDJPY we believe will be more subjected to the whimsical of the US data and UST yields. We still expect the pair to remain ranged traded eventually although it could be quite wide between 140.00 - 150.00 as markets continue US data and Ishiba’s stance. Back on the chart, resistance at 150.00. Support at 140.60 and 135.60. Meanwhile, Key data releases this week include Aug P leading/coincident index (Mon), Aug cash earnings (Tues), Aug CA balance/trade (Tues), Sep eco watchers survey (Tues), Sep P machine tool orders (Wed), Sep PPI (Thurs), Sep bank lending (Thurs), Sep Tokyo average office vacancies (Thurs) and Sep M2/M3 (Fri).
- **AUDUSD - *Stretched***. AUDUSD remained a tad above the 21-dma. We cannot rule out further move lower towards 0.6720 (50-dma). Last printed 0.6810. There are plenty of risk events to watch that can drag the AUD this month - 1) the US elections, 2) China’s stimulus efficacy and data, 3) broadening of the Middle-East conflict. We continue to look for this pair to slide further. Resistance at 0.6950 remains intact. We are of the view that RBA could be closer to a rate cut in Nov than the central bank like to admit. Technical indicators still suggest that momentum indicators are turning lower. 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, M-I inflation to pick up pace to 2.6%/y from previous 2.5%. Tue has Westpac consumer confidence for Oct as well as Minutes of the Sep meeting and NAB business survey for Sep. Thu has ANZ job advertisements for Sep. Thu has Oct consumer inflation expectation (Oct).
- **NZDUSD - *Bearish Divergence Plays Out***. NZDUSD continues to find support around 0.6150. (50-dma). The double-top at 0.6370 remains intact. Not all double tops play out completely. However, at this point, with bearish divergence seen with MACD forest, this bearish pullback plays out and has broken the 0.6250-support. The next support is at 0.6215 (21-dma) before the next at 0.6170. Data-wise, filled jobs rose +0.2%/m in Aug vs. prev. -0.2%. More are calling for RBNZ to cut policy rate by a larger 50bps vs. the Aug 25bps. Markets have already priced in 50bps cut for each of

the next two meetings by the end of 2024. We think based on the inflation trajectory and improvement in business sentiment, RBNZ has reason to continue to its easing pace of 25bps. This week, we have RBNZ decision on Wed. Thu has REINZ house sales for Sep. Fri has Mfg PMI and food prices for Sep.

- **USDCAD - Double Bottom Plays Out Further.** USDCAD rose on weaker risk appetite, notwithstanding the rise in oil price recently. Pair has broken above the 21-dma (around 1.3545) which has acted as a resistance for this pair. Spot is last printed 1.3553. A decisive break of the 1.3545-resistance could open the way towards the next resistance at 1.36 (200-dma) before 1.3630 (50-dma). A double bottom at 1.3440 remains intact. A possible bullish extension towards 1.3560 cannot be ruled out before the next at 1.3650. Week ahead has Aug trade on Tue. Fri has Sep labour data.
- **Gold (XAU/USD) - Range.** Gold remained elevated as conflicts continue in the Middle-East. Bullion was last seen around \$2646. Even though UST yields were higher, USD was higher, risk appetite was stronger, gold did not fall much. This puts a formidable support around 2630. Any test of this level to bring this metal towards \$2560 but 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 and US treasuries may have more room to run (higher) in the late cycle of the US economy. While geopolitical conflicts seem to become less concerning at this point, the potential for equities to come under pressure as the US election nears could also drive some demand for the gold.

## Asia ex Japan Currencies

SGDNEER trades around +1.84% from the implied mid-point of 1.3285 with the top estimated at 1.3019 and the floor at 1.3550.

- **USDSGD - Two-way risks.** USDSGD was last seen higher at 1.3042 levels this morning. USD remains better bid after a stellar NFP print and a repricing of Fed rate cuts expectations. The trade-weighted SGDNEER is at +1.84% above the mid-point this morning. 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 1.3100 and 1.3150. Supports are 1.3000 and 1.2900. Our economists expect a 4.3% Flash GDP figure for 3Q2024 (prev: 2.9%) and upgraded the full year forecasts to 3.5% for 2024 (prev: 3%) and 2.5% in 2025 (prev: 2.4%) on the back of the superb Aug Industrial Production print. SG data releases include Sep FX reserves (Mon) and possibly 3QA GDP (Thu onwards) and MAS MPS (Mon onwards).
- **SGDMYR - Higher on USD rebound.** SGDMYR was last seen higher at around 3.2735 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 3.27 before the next at 3.25. Resistances at 3.30 and 3.32.
- **USDMYR - Higher.** USDMYR was last seen trading higher at 4.2680 in line with the climb in the broad dollar and UST yields following the release of stronger than expected NFP data. Overall, optimism towards the MYR looks like it could remain strong amid the backdrop of an investment upcycle as the Forest City Special Financial Zone (SFZ) is launched with incentives to attract businesses and investors such as concessionary corporate tax rate, special deductions on relocation costs. The SFZ would be included in the Johor Singapore Special Economic Zone. Malaysia remains in pole position to attract investors and that is generating significant support for the MYR. Meanwhile, BNM has 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”. China stimulus is also set to strengthen support for the MYR given the strong trade relations between China and Malaysia. Back on the chart, support is seen around 4.0800 and 4.0000. Resistance is at 4.3000. Key data releases this week include 30 Sep foreign reserves (Mon), Aug mfg sales (Fri) and Aug IP (Fri).
- **USDCNH - Rebound.** USDCNH hovered around 7.0870, softening after quite a bit of rally last week. We will monitor how well the box office will do in China this Golden Week along with other spending as well as whether property transactions can rise. Beyond the Golden Week data, we watch the next set of property data for Sep. New home prices have fallen for 15 consecutive months and a failure to see some stabilization on this front is



likely to quickly deflate the recent euphoria seen in the stock markets and the yuan post -stimulus announcement. Onshore markets in China are out and will return tomorrow. News floated that the NDRC will hold a press briefing tomorrow to discuss a package of policies aimed at boosting economic growth. It is scheduled to start at 10am. USDCNH continues to take the cue from the broader USD action (higher) and that is amplifying the USD move against other Asian currencies this morning. We see two-way risk form here. A rebound of the USDCNH above the 7.0330-resistance before the next at 7.0660 (21-dma) and then at 7.1125. Support around 6.9710. Onshore markets in mainland China will open tomorrow.

- **1M USDKRW NDF - Higher.** 1M USDKRW NDF was last seen at 1343.94 levels this morning. Now that the Fed has cut, the BOK could start to discuss rate cuts. However, their concerns over currency volatility and weakness that could arise from cuts could ultimately still prevail. We see resistances at 1350 and 1360. Supports are at 1340 and 1330. 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. Further upside risks for the KRW also exist if KGBs are included in the FTSE Russell WGBI, with rumours saying that approval could be delayed to a later date. Inflation coming off should give BOK comfort to cut rates, although concerns over KRW weakness linger. Sep Foreign Reserves rose to US\$419.97b (prev: US\$415.92b). South Korean data this week includes Aug BoP Goods/CA Balance (Tue), Bank Lending to Household and BOK Policy Decision (Fri).
- **1M USDINR NDF - Edging Higher.** USDINR 1M NDF has quietly edged up and has steadied around last seen levels of 84.11 levels this morning. The USD has been better supported following the stellar NFP print and repricing of Fed rate cut expectations. RBI preference for stability appears to be prevailing 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. 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. Indian data this week includes RBI Policy Decision (Wed) and Aug Industrial Production (Fri).
- **1M USDIDR NDF - Higher, Further Upside Likely Limited.** 1M NDF was last seen higher at 15668 amid a climb in the broad dollar and UST yields following the release of stronger than expected NFP data. The rise in the 1M NDF has been in line with our call as markets pare back on rate cut expectations. We think upside can be more limited given that markets have already pared back rate cut expectations to 25bps easing in Nov, which looks more likely to play out. However, we are also wary of US election uncertainty being priced in more and the impact it can have on hurting sentiment towards the riskier EM assets. We do note markets as a whole does not appear as much concern about US elections currently although we cannot rule out complacency. Other risks we are aware of include uncertainty related to Prabowo's policies as he takes offices but even then, it does appear that potential figures of the new incoming administration at this point are looking cautious about causing major movements in markets. Back on the chart, resistance at 15777 and 16060. Support is at 15200 and 15000. Meanwhile, BI has stated that they are ready to intervene in spot, DNDF and bond markets to ensure FX supply and demand balance is well maintained. Key data releases this week include Sep foreign reserves (Mon), Sep consumer confidence index (Tues) and Sep local auto sales (11 - 15 Oct).

- **1M USDPHP NDF - Higher, *Upside Risks*.** The pair was last seen at 56.62 as it rose in line with the climb in the broad dollar and UST yields following the release of stronger than expected NFP data. Near term, it looks like external events could be the main driver of the 1M NDF, particularly those related to US data and the Fed's rate path. Upside risks remains for the pair albeit it may be more limited. Back on the chart, support is at 55.27 and 54.50. Resistance is at 56.50 and 57.20. Remaining key data releases this week include Sep foreign reserves (Mon), Aug unemployment rate (Tues) and Aug trade data (Thurs).
- **USDTHB - *Gap Up, Upside Risks*.** Pair was last seen at 33.46 as it gapped up in line with the climb in UST yields and the broad dollar following the release of stronger than expected NFP data. Gold also edged lower, which could have also weighed on the THB. We stay wary of upside risks for the pair if gold prices decline near term and broad continues its climb. We are also cognizant of geopolitical risks and the impact it can have on oil prices and inflation concerns. China stimulus optimism on the other hand can provide support to the THB given the strong trade links between China and Thailand. Meanwhile, on other items, we also remain wary of the ongoing pressure from the government on the central bank to ease rates. The Bangkok Post has reported, citing a ministry source that Thailand's Finance Ministry has proposed raising the inflation target to 1.5% - 3.5% range for next year to create more room for the BOT to cut interest rates. The Bangkok Post article also mentioned that Finance Minister Pichai Chunhavajira would be scheduled to hold discussions with BOT on the inflation management framework for 2025 later this month. Back on the chart, support at 32.57 with the next at 31.81. Resistance is at 33.61 and 34.25. Key data releases this week include Sep CPI (Mon), Sep consumer confidence (7 - 15 Oct) and 4 Oct gross international reserves/forward contracts (Fri).
- **USDVND - *Bullish Retracements*.** USDVND rallied in line with most USDAsians, last seen around 24840. This pair has continued to make headway towards the next resistance seen around 24870 (50-dma). Support at 24695 before the next at 24530. Vietnam just released data with 3Q GDP outperforming at 7.4%y/y in the third quarter from an upward-revised 7.1% in 2Q. Our economist noted that the 3Q outturn surpassed our above-consensus estimate of 6.7%, GDP rose 6.8% in first nine months, led by trade, tourism and transportation. SBV should stand pat on rates as inflation cools in Sep. Our economist now looks for GDP to grow 6.7% in 2024 and 6.4% in 2025, an upgrade from 6.4% and 6.2% previously.

## Malaysia Fixed Income

### Rates Indicators

MGS	Previous Bus. Day	Yesterday's Close	Change (bps)
3YR ML 5/27	3.36	3.37	+1
5YR MI 8/29	3.52	3.53	+1
7YR MS 4/31	3.70	3.71	+1
10YR MS 7/34	3.73	3.74	+1
15YR MS 4/39	*3.90/3.88	*3.90/3.88	Unchg
20YR MX 5/44	*4.05/4.03	*4.05/4.03	Unchg
30YR MZ 3/53	4.18	4.18	Unchg
IRS			
6-months	3.57	3.57	-
9-months	3.54	3.54	-
1-year	3.53	3.53	-
3-year	3.43	3.44	+1
5-year	3.47	3.47	-
7-year	3.56	3.56	-
10-year	3.66	3.66	-

Source: Maybank

\*Indicative levels

\*\*Daily Trade Data: 1) Government bonds and 2) PDS/corporate bonds

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- Ringgit bonds ended the week on a weaker note as market participants trimmed exposure ahead of the release of US nonfarm payroll data. Trading activities were subdued with overall liquidity remaining thin as market participants remained cautious amid continued selloffs in global bonds. MGS yields rose 1bp up to the 10y point at Asia close on Friday and will likely open weaker Monday morning following the sharp bear-flattening move in UST.
- MYR IRS levels were little changed with light hedging interest in the 5y tenor. The higher US rates overnight movement did not translate into the MYR rates space as trading activity was muted. 3M KLIBOR was unchanged at 3.56%. 5y IRS traded at 3.46%, 3.465% and 3.47%.
- In the PDS market, GG Danainfra 44 traded at MTM. AAA space was relatively active with trades on many names. BPMB 6/31 and ALR 10/31 spreads tightened 1bp, while Infracap 4/31, Digi 5/30, PSEP 11/29 and Spetchem 7/30 traded close to MTM. In AA1/AA+, GENM Capital and HLBank 6/33 saw trades at odd lots. In AA3/AA-, Edra Energy traded at MTM, and Gamuda 3/31 spread tightened 1bp.



## Singapore Fixed Income

### Rates Indicators

SGS	Previous Bus. Day	Yesterday's Close	Change (bps)
2YR	2.53	2.59	+6
5YR	2.57	2.63	+6
10YR	2.69	2.75	+6
15YR	2.75	2.81	+6
20YR	2.74	2.80	+6
30YR	2.70	2.75	+5

Source: MAS (Bid Yields)

- The SGS curve saw a near parallel shift higher tracking the extended weakness in UST. The 2y20y yields rose 6bp while the 30y SGS yield rose 5bp to 2.75%. The overnight SORA eased slightly further by 1bp to 3.59% after the squeeze higher at quarter-end.

## Indonesia Fixed Income

### Rates Indicators

IDR Gov't Bonds	Previous Bus. Day	Latest Day's Close	Change
1YR	6.44	6.41	(0.03)
2YR	6.27	6.30	0.02
5YR	6.38	6.40	0.02
7YR	6.52	6.53	0.01
10YR	6.54	6.65	0.11
20YR	6.95	6.98	0.03
30YR	6.95	6.93	(0.02)

\* Source: Bloomberg, Maybank Indonesia

- Most Indonesian government bonds weakened on the last trading days of previous week (07 Oct-24). The market players grabbed momentum for applying “sell on rally” strategy amidst higher geopolitical tension on the Gaza Area and their “wait & see” mode for incoming release of the latest U.S. labour data.
- Surprisingly, the U.S. Nonfarm Payrolls increased drastically from 159,000 in Aug-24 to be 254,000 in Sep-24. It's above the market players' consensus in investing.com at 147,000. The average of U.S. hourly earnings grew higher from 3.9% YoY in Aug-24 to be 4.0% YoY in Sep-24. The U.S. unemployment rate slightly decreased from 4.2% in Aug-24 to be 4.1% in Sep-24.
- Those latest results of U.S. labour data gave a signal of solid condition on the economic prospects, especially through transmission of stronger consumers' purchasing activities due to recently higher numbers of wage growth and employment recruitments. Then, several market players' consensus indicated a lower room for the Fed to cut its policy rate this year.
- Hence, we believe this condition to give pressures for the emerging markets, such as Indonesian bond market, although we expect this condition to be temporary. Indonesian economic fundamental remains sound with low inflation pressures during recent unfavourable of geopolitical tension. Bank Indonesia is expected to continue its measures for cutting the policy rate to support the domestic economic activities being stronger. This week, the market players wait for incoming latest results of U.S. CPI inflation, the monetary statements by various Fed's policy members, and the latest Fed's meeting minutes.

## Foreign Exchange: Daily Levels

	EUR/USD	USD/JPY	AUD/USD	GBP/USD	USD/CNH	NZD/USD	EUR/JPY	AUD/JPY
R2	1.1077	150.95	0.6877	1.3227	7.1401	0.6249	164.9067	102.0977
R1	1.1026	149.83	0.6836	1.3175	7.1192	0.6204	164.0833	101.5543
<b>Current</b>	1.0975	148.44	0.6805	1.3128	7.0906	0.6166	162.9100	101.0080
S1	1.0937	146.75	0.6770	1.3070	7.0623	0.6130	161.7233	100.1853
S2	1.0899	144.79	0.6745	1.3017	7.0263	0.6101	160.1867	99.3597
	USD/SGD	USD/MYR	USD/IDR	USD/PHP	USD/THB	EUR/SGD	CNY/MYR	SGD/MYR
R2	1.3126	4.2462	15558	56.4523	33.7083	1.4347	0.6049	3.2740
R1	1.3086	4.2329	15522	56.3687	33.3727	1.4331	0.6030	3.2633
<b>Current</b>	1.3040	4.2740	15690	56.6600	33.4660	1.4312	0.6089	3.2779
S1	1.2981	4.2103	15458	56.2277	32.7877	1.4294	0.5999	3.2461
S2	1.2916	4.2010	15430	56.1703	32.5383	1.4273	0.5986	3.2396

\*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	Oct-24	Neutral
BNM O/N Policy Rate	3.00	6/11/2024	Neutral
BI 7-Day Reverse Repo Rate	6.00	16/10/2024	Easing
BOT 1-Day Repo	2.50	16/10/2024	Neutral
BSP O/N Reverse Repo	6.25	16/10/2024	Easing
CBC Discount Rate	2.00	19/12/2024	Neutral
HKMA Base Rate	5.25	-	Easing
PBOC 1Y Loan Prime Rate	3.35	-	Easing
RBI Repo Rate	6.50	9/10/2024	Neutral
BOK Base Rate	3.50	11/10/2024	Easing
Fed Funds Target Rate	5.00	8/11/2024	Easing
ECB Deposit Facility Rate	3.50	17/10/2024	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	5.25	9/10/2024	Easing
BOJ Rate (Lower bound)	0.00	31/10/2024	Tightening
BoC O/N Rate	4.25	23/10/2024	Easing

## Equity Indices and Key Commodities

	Value	% Change
Dow	42,352.75	0.81
Nasdaq	18,137.85	1.22
Nikkei 225	38,635.62	0.22
FTSE	8,280.63	-0.02
Australia ASX 200	8,150.00	-0.67
Singapore Straits Times	3,589.13	0.33
Kuala Lumpur Composite	1,629.97	-0.71
Jakarta Composite	7,496.09	-0.63
Philippines Composite	7,467.92	1.07
Taiwan TAIEX	22,302.71	-0.39
Korea KOSPI	2,569.71	0.31
Shanghai Comp Index	0.00	#DIV/0!
Hong Kong Hang Seng	22,736.87	2.82
India Sensex	81,688.45	-0.98
Nymex Crude Oil WTI	74.38	0.91
Comex Gold	2,667.80	-0.43
Reuters CRB Index	291.65	0.17
MBB KL	10.50	-0.38

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