Macro | FX Research & Strategy

Global

Global Markets Daily

US ISM Mfg Watched

Dollar Rises Against Asian FX

US markets were closed for labour day on Monday but European markets were mixed. While the DAX inched to record highs, FTSE 100 closed marginally lower. Within the FX space, Aug top performers MYR, IDR and THB prove to be more susceptible to corrective reversal, down -0.9%, -0.5% and -1.1% respectively. JPY also clocked considerable decline of -0.5%, in light of the recent rebound of the rising UST yields. We suspect that the retracements of USDAsians could be limited as the Fed easing narrative is rather entrenched. Fed Fund Futures still imply around 34% probability of a 50bps rate cut in Sep. China's Caixin Mfg PMI rose more than expected to 50.4 from previous 49.8. This "improvement" was a contradiction to the official NBS Mfg PMI which had worsened for Aug and yuan weakened in spite of the stronger Caixin release. Concerns over China's growth, concomitant yuan decline had likely weighed on regional currencies.

US Aug ISM Mfg on the radar Today

The greenback remains at risk of further bullish extension should the US Aug ISM Mfg surprises to the upside and spurs a more material re-pricing of rate cut bets on the Fed. UST yields are already on the upmove with 10y and 2Y yields up around 2bps each this morning after the long weekend. The Aug NFP release on Fri is still the elephant in the room. Adding to tentative KRW weakness was the softening inflation pressures at home with core inflation slowing to 2.1%y/y from previous 2.2% in the month prior. Headline CPI eased to 2%, reaching BoK's target. Governor Rhee mentioned that four members were open to cutting rates over the next three months and this implies a plausible rate cut in Oct or Nov.

Data/Event We Watch Today

We watch AU current account bal (2Q), Boe Breeden speaking, US ISM Mfg (Aug), S&P Mfg PMI (Aug F), construction spending (Jul) and Nagel's speech.

FX: Overnight Closing Levels % Change

Majors	Prev Close	% Chg	Asian FX	Prev Close	% Chg
EUR/USD	1.1072	0.22	USD/SGD	1.3069	0.02
GBP/USD	1.3146	0.14	EUR/SGD	1.4472	0.27
AUD/USD	0.6791	0.38	JPY/SGD	0.8896	-0.46
NZD/USD	0.6233	-0.26	GBP/SGD	1.7182	0.17
USD/JPY	146.92	0.51	AUD/SGD	0.8876	0.35
EUR/JPY	162.66	0.72	NZD/SGD	0.8145	-0.24
USD/CHF	0.8517	0.25	CHF/SGD	1.5347	-0.16
USD/CAD	1.3494	0.01	CAD/SGD	0.9686	0.03
USD/MYR	4.3575	0.86	SGD/MYR	3.3344	0.52
USD/THB	34.194	0.45	SGD/IDR	11884.05	0.08
USD/IDR	15525	0.45	SGD/PHP	43.1669	0.11
USD/PHP	56.397	0.44	SGD/CNY	5.4457	0.23

Implied USD/SGD Estimates at, 9.00am

Upper Band Limit	Mid-Point	Lower Band Limit
1.3063	1.3330	1.3597

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G10: Events & Market Closure

Date	Ctry	Event
2 Sep	US	Market Closure
2 Sep	CA	Market Closure
4 Sep	CA	Policy Decision

AXJ: Events & Market Closure

Date	Ctry	Event
2,3 Sep	VN	Market Closure
5 Sep	MY	Policy Decision

G10 Currencies

- **DXY Index – *On the Upmove*.** US markets were closed for labour day on Monday but European markets were mixed. While the DAX inched to record highs, FTSE 100 closed marginally lower. Within the FX space, Aug top performers MYR, IDR and THB prove to be more susceptible to corrective reversal, down -0.9%, -0.5% and -1.1% respectively. JPY also clocked considerable decline of -0.5%, in light of the recent rebound of the rising UST yields. We suspect that the retracements of USDAsians could be limited as the Fed easing narrative is rather entrenched. Fed Fund Futures still imply around 34% probability of a 50bps rate cut. China's Caixin Mfg PMI rose more than expected to 50.4 from previous 49.8. This "improvement" was a contradiction to the official NBS Mfg PMI which had worsened for Aug and yuan weakened in spite of the stronger Caixin release. Concerns over China's growth, concomitant yuan decline had likely weighed on regional currencies. The greenback remains at risk of further bullish extension should the US Aug ISM Mfg surprises to the upside and spurs a more material re-pricing of rate cut bets on the Fed. UST yields are already on the upmove with 10y and 2Y yields up around 2bps each this morning after the long weekend. The Aug NFP release on Fri is still the elephant in the room, likely to determine whether the Fed will kick off the easing cycle with a measured 25bps cut or a larger 50bps one. Back on the DXY index, momentum is bullish and stochastics are rising from oversold conditions. The index, last at 101.75 may extend higher but resistance is now seen at 102 (76.4% Fibonacci retracement of the Dec 23 -Apr 24rally). Support at 101.40. Week ahead has S&P Mfg PMI (Aug F), Construction spending (Jul), ISM Mfg (Aug) on Tue. Wed has Factory orders (Jul), Durable goods orders (Jul F), Fed's Beige Book, Jolt Job Openings. Thu has ADP employment (Aug), S&P Services PMI (Aug F), ISM Services (Aug), Initial jobless claims. Fri has NFP (Aug), Unemployment rate (Aug), Fed William speaks.

- **EURUSD – *Testing Key Support*.** EURUSD remains below the 1.11 figure, last printed 1.1060. Given how dovish Fed cut bets are at this point, one risk Is that Fed cut bets could pare and USD could rebound. At the same time, we view rebounds in the USD (lower EURUSD) as opportunities to sell the USD (buy EURUSD). The backdrop is favourable for USD softness as the case for a Goldilocks/soft-landing scenario continues to build. We look once again to buy EURGBP on dips as we continue to believe perceived central bank divergences should narrow and see value in fading the latest rally in the GBP. ECB are likely adopting a cautious approach despite having cut in the face of an uptick in inflation previously. We closely watch developments in French politics, namely who is chosen as the new PM although this is likely to happen on the conclusion of the Olympics as Macron had expressed a preference for. Nevertheless, broader events beyond EU politics should continue to be drive the pair for now, such as the Eurozone's recovery trajectory. Support is at 1.1060 and 1.0970 and then at 1.0920 (50-dma), resistance at 1.1140 and 1.12. Eurozone data this week includes Aug Svcs/Comp PMI, Jul PPI Inflation (Wed) and Jul Retail Sales (Thu).

- **GBPUSD – *Lower*.** GBPUSD steadied around 1.3140 this morning. Options earlier showed that the market was most bullish GBP since 2020 and we highlighted the risk of a pullback in the pair. We view this latest dip as one such pullback, but we also cannot rule out further or larger pullbacks. Two-way risks however exist, as the backdrop of a soft landing/Goldilocks scenario builds, conditions become more favourable for GBP strength (and USD weakness). BOE is priced as the most hawkish DM central bank at this point and that is providing the GBP some lift. However, we continue to see potential for 50bps cuts from the BOE in 2024, which could keep the GBPUSD from rising much further. Services inflation, the main source of discomfort for the BOE, has come off in the latest print. We think risks are two-way at this juncture, although we continue to suggest that GBP outperformance could moderate in the near-term while remaining bullish on GBP in the longer-term. Talks of a re-negotiation of Brexit terms and warmer relations with the EU could provide GBPUSD support on dips. BRC also revealed stronger retail sales in Aug, up +1%y/y vs. Jul +0.5%. Separately, figures from Reed Recruitment revealed that wage growth has started to rebound in recent months, hitting its highest in 2024 during the three months to Jul. On foreign policy, Starmer had dropped some hints on re-engaging the EU post-Brexit and positive outcomes could have significant upside for the pair. We look once again to buy EURGBP on dips as we continue to believe perceived central bank divergences should narrow and see value in fading the latest rally in the GBP. Back on the GBPUSD, resistances at 1.3260. Supports are at 1.3120 and 1.3090. UK data this week includes Aug Official Reserves Change, Aug Svcs/Comp PMIs (Wed), Aug Construction PMI and Aug DMP 3M Output Price/1Y CPI Expectations (Thu).

- **USDCHF - *Two-way risks*.** USDCHF is higher at 0.8520 levels this morning. We continue to look for two-way movements for the pair. Two-way risks are present given the current state of affairs for both the Fed and SNB. 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. 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. Nevertheless, we do see USDCHF lower into quarters ahead alongside fading US economic exceptionalism and Fed rate cuts. Supports are at 0.8490 and 0.8410. Rebounds to meet resistance at 0.8550 and 0.8600 thereafter. Swiss data this week includes Jul retail Sales, Aug Mfg/Svcs PMI, 30 Aug Sight Deposits (Mon), Aug CPI Inflation, 2Q GDP (Tue), Aug Unemployment Rate (Thu), Aug FX Reserves and Aug SECO Consumer Confidence (Fri).

- **USDJPY - *Higher, Upside Risks*.** The pair was last seen at 146.86 as it ended higher yesterday. There were limited developments overnight given that it was a US holiday but markets may be growing cautious as we enter the Sep month, where risk sentiment can seasonally weaken and the volatility could rise too. Both the broad greenback and the UST yields also tend to rise in that month too. Also, markets are awaiting the release of the US NFP data due on Friday, which could be a solid reading. Unemployment may also not see a sharp increase. This can lead to a paring back of the market Fed rate cut expectations (which still sees around 100bps cuts by year end) and support UST yields to mover higher too. We ourselves have been calling for the USDJPY to climb back up higher in the near term and so far, there is a possibility that could be starting to play out already. Key resistance that we look out for are 150.00 and 152.00. Support is at 143.60 and 140.25. Remaining key data releases this week include Aug monetary base (Tues), Aug F Jibun Bank PMI composite/services (Wed), Jul cash earnings (Thurs), Jul household spending (Fri) and leading/coincident index (Fri).

- **AUDUSD - *Double Topped, Still intact*.** AUDUSD last printed 0.6785 this morning. This pair trapped in narrow range trade within 0.6760-0.6820. On the daily chart, stochastics are turning from overbought conditions and bullish momentum is waning. We still look out for a technical pullback towards the 0.67-figure. The balance of risks for the AUDUSD could continue to remain to the downside. Should the US data show some resilience, UST yields may continue to correct higher in the interim and that would be positive for the USD and negative for the AUDUSD pairing. In addition, further signs of deterioration in China’s economy could also weigh on the AUD via its terms of trade. Beyond the near-term, we still hold a glass half full view of the world where global growth is more likely to soft land and bottom out as major central banks (ex BoJ) start to ease monetary policies. Support at 0.6655 before 0.6610. Rebound to extend towards 0.71 in the next twelve months. Data-wise, Tue has net exports of GDP for 2Q as well as BoP current account bal. Wed has 2Q GDP and Jul housing spending. Jul trade data is out on Thu before Jul home loans data on Fri.

- **NZDUSD -*Still See Bearish Risks*.** NZDUSD edged lower was last seen around 0.6225. The bearish risks we flagged could be panning out now. Recent price action has also formed a rising wedge though but apex is still far away at around 0.6400. The pair is vulnerable to correction as stochastics show signs of turning from overbought conditions. Bullish momentum is plateauing. Resistance at 0.6250 has turned into a support. Next resistance is seen at 0.6370. Beyond the 0.6250-support, next levels to watch on bearish retracements are seen at 0.6170 before 0.6110. Data-wise, we have 2Q terms of trade due on Tue. Wed has Aug ANZ commodity price, CoreLogic Home value for Aug.

- **USDCAD – *Bullish Reversal Could Falter*.** USDCAD was last seen around the 1.3500. Bearish momentum is waning and stochastics show signs of turning from oversold conditions. Pair has bounced off support at 1.3440 and further bullish extension to meet resistance at 1.3560 before 1.3650. That said, there is a rising wedge formed. As such, the bullish reversal could be at risk of faltering. There could be two-way trades within 1.3440-1.3560. Looking ahead, we look for BoC to take policy rate by another 25bps next week, given the emergence of a negative output gap, noted in the summary of deliberations for the Jul meeting. In addition, they also "expressed that a pickup in economic growth was needed to sustainably achieve the inflation target over the projection horizon". Focus right now is on growth supportive measures rather than inflation. Current slack is projected not likely to be absorbed until 2026. As long as inflation trajectory continues to trend lower towards the 2% (Jul CPI eased to 2.5%y/y from previous 2.7%), the BoC is likely to ease monetary policy further in order to support growth and employment. We now look for BoC to cut almost every meeting for the rest of the year. Apart from the policy decision on Wed, we have Mfg PMI for Aug on Tue. Jul trade is also due on wed. Thu has Services composite PMI for Aug before Aug labour report on Fri.

- **Gold (XAU/USD) – *Still Consolidative*.** Gold remained around $2490 this morning. The bullion is kept within $2480-2530 range. Recent consolidative action of the UST yields have likely also kept gold within this range. That said, we are wary of bearish reversal. A bearish divergence is seen between the price action and the MACD forest. Stochastics are plateauing as well in overbought conditions. As such, we see potential for gold to make a deeper pull back. Resistance is still seen at 2530 and a pullback could potentially bring the bullion towards 2425 (50-dma) before 2380 (100-dma). Any sign of geopolitical escalation (Middle-East tensions) could give gold a nudge higher.

Asia ex Japan Currencies

SGDNEER trades around +1.86% from the implied mid-point of 1.3330 with the top estimated at 1.3063 and the floor at 1.3597.

- **USDSGD - Two-way risks.** USDSGD was higher at 1.3082 levels this morning. The case for a Goldilocks/soft landing scenario continues to build, which weighs on the USD. Singapore's own growth and inflation trajectory is somewhat in line with this narrative as growth is healthy and inflation is coming off. SGD remains resilient after MAS' hold, and the trade-weighted SGDNEER is at +1.83% 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 1.3050 and 1.3000. Datawise, we have COE auction on Wed, Jul retail sales on Thu.

- **SGDMYR - *Higher*.** Cross was higher at 3.3387 levels this morning. The MYR looks to fare better as USD is weak, whereas SGD is more resilient as USD is strong. Risks are two-way as we believe rebounds are likelier as pair gets more stretched. At the same time, the soft-landing narrative favours the MYR more than the SGD. Support at 3.3000 with the next support at 3.2800. Resistances at 3.3300 and 3.3500 levels.

- **USDMYR - *Higher*.** Pair was last seen at 4.3565 as it climbed throughout yesterday in line with the bounce back in the broad greenback and the USDCNH. Markets may be cautious ahead of the jobs data due on Friday, which can still come out solid and lead to a paring back of market Fed rate cut expectations (that calls for around 100bps cuts by year end). Also, there could be some wariness about Sep being a month that seasonally sees the broad dollar stronger, UST yields higher and volatility climbing up. Regardless of these concerns, we still emphasize that as a whole, there is strong positive idiosyncratic optimism towards the MYR amid the government reforms, strong growth and more foreign investor interest. Authorities leading coordinated conversions by GLCs/GLICs into local currency too has given much support to the currency. We also expect BNM to keep rates on hold this year and that is another positive factor for the MYR given other central banks globally are looking to ease. The next BNM policy decision is due later this week on Thurs with consensus too being for a hold and hence, there could be limited impacted from the decision. External events especially those related to the US, China and Japan are likely to remain the key drivers going forward. Back on the chart, resistances are at 4.4000 and 4.4439. Support is at 4.2250. Key data releases this week include 30 Aug foreign reserves (Fri).

- **USDCNH - *Bullish Reversal in Play*.** USDCNH was last seen around 7.1220, bringing to fruition our view for USDCNH to make a bullish reversal. USDCNY reference rate is fixed at 7.1112, higher than the prev. fix of 7.1027. The direction of the fix remains broadly in line with market forces. The fix is 5 pips lower than the median estimate. This fix threatens the theory that PBoC wants to use the fix to lean against the strength of the CNY. However, we are rather sure that the USDCNH has room to rebound based on technical analysis. In addition, recent data releases (China NBS Mfg PMI fell to 49.1 from previous 49.4, Non-mfg rose to 50.3 from previous 50.2 but only because of the services PMI) indicated little cause for cheer and positivity for the yuan. With the USD also not likely to extend much lower before NFP release, the balance of risks for USDCNH is skewed to the upside. Rebound beyond the resistance at 7.1125 now looks likely to extend towards the 7.14-handle. CFETS TWI had dropped 2.8% from its high in Apr and we continue to see more room for it to fall. In news, China holds NPC standing committee meeting on 10-13 Sep. Wed has Aug services PMI from Caixin. IN news from home,

- **1M USDKRW NDF - *Higher.*** 1M USDKRW NDF was last seen higher at 1337.98 levels this morning. Aug Mfg PMI improved to 51.9 (prev: 51.4). As we expected, and as widely anticipated by markets, the BOK stood pat, unsurprising given their penchant to hold for an extended period before pivoting to a cut. BOK remains concerned about upside risks to inflation and potential overheating of the property sector on rate cuts. Tight Jul job market with unemployment falling to 2.5% (exp: 2.9%; prev: 2.8%) is also supportive of a BOK hold. Apart from the aforementioned concerns, there could also be concerns about KRW weakness if they were to cut ahead of the Fed. We see resistances at 1340 and 1350. Supports are at 1320 and 1300. 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 next month (Sep 2024) the earliest possible inclusion date. South Korean data releases include Aug CPI Inflation (Tue), Aug FX Reserves (Wed), 2QP GDP (Thu) and Jul BoP Current Account/Goods Balance (Fri).

- **USDINR 1M NDF - *Steady.*** USDINR 1M NDF was relatively steady at 83.93 this morning. The INR has yet to meaningfully retrace carry trade unwind losses even as recession fears fade and the case for a soft landing/Goldilocks scenario builds. RBI will likely keep rates on hold at least while Fed remains on hold as data releases continue to reaffirm that India experiences a satisfactory pace of growth. India's budget for the new fiscal year targets narrowing the budget deficit to 4.9% of GDP, which should be INR supportive. We look to see if India could continue to be an economic bright spark relative to the rest of the region. Support at 83.65 (100 -dma) before the next at 83.55 (50 -dma). RBI has introduced trading and settlement of sovereign green bonds issued by India in the International Financial Services Centre (IFSC). Foreigners are eligible to invest and inflows from this initiative could benefit the INR. 23 Aug FX Reserves came in higher at US$681.7b(prev: US$674.7b) potentially hinting at sizeable purchase of USD by RBI. 2Q GDP missed slightly at 6.7% YoY (exp: 6.8%; prev: 7.8%), while 2Q GVA rose to 6.8% YoY (exp: 6.4%; prev: 6.3%). Jul Fiscal Deficit expanded to 276945 crore (prev: 135712 crore). India data this week includes Aug Mfg PMI (Mon), Aug Svcs/Comp PMI (Wed) and 30 Aug FX Reserves (Fri).

- **1M USDIDR NDF - *Higher, Cautious*.** Pair was last seen at 15554 as it finished higher yesterday with both the broad dollar and USDCNH rebounding. There were little developments overnight given that it was a US holiday. Markets though may be cautious ahead of the jobs data due on Friday, which can still come out solid and lead to a paring back of market Fed rate cut expectations (that calls for around 100bps cuts by year end). Also, there could be some wariness about Sep being a month that seasonally sees the broad dollar stronger, UST yields higher and volatility climbing up. We see that these factors can play out and guide the 1M NDF to keep climbing up in the near term. Resistance is at 15777 and 15893 (200-dma). Support at 15318 and 15000. Meanwhile, Aug CPI stayed low with the headline number at 2.12% YoY (est. 2.10% YoY, Jul. 2.13% YoY) whilst the core number was at 2.02% YoY (est. 2.00% YoY, Jul. 1.95% YoY). The former was the weakest reading since Feb 2022. Cooling food inflation looks to be the driver of the softness. Regardless, the numbers are still within BI's target inflation range at 1.5% - 3.5% and they therefore, this avoids any urgency for them to cut rates just immediately. Our in-house economist still expects the central bank to ease by 25bps in 4Q 2024 as they focus on IDR stability in 3Q 2024. Remaining key data releases this week include Aug foreign reserves (Fri).

- **1M USDPHP NDF – *Higher, Cautious*.** The pair was last seen at 56.51 as it climbed up throughout yesterday with both the broad dollar and USDCNH recently rebounding. There were little developments overnight given that it was a US holiday. Markets though may be cautious ahead of the jobs data due on Friday, which can still come out solid and lead to a paring back of market Fed rate cut expectations (that calls for around 100bps cuts by year end). Also, there could be some wariness about Sep being a month that seasonally sees the broad dollar stronger, UST yields higher and volatility climbing up. We see that these factors can play out and guide the 1M NDF to keep climbing up in the near term. Other key data to watch this week include Aug CPI. Back on the chart, support at 56.21 with the next after that at 55.27. Resistance is at 56.89 and 57.50. Key data releases this week include Aug CPI (Thurs), Jul unemployment rate (Fri) and Aug foreign reserves (Fri).

- **USDTHB – *Higher*, *Cautious*.** Pair was last seen at 34.23 as it climbed up throughout yesterday with both the broad dollar and USDCNH recently rebounding whilst gold prices declined. There were little developments overnight given that it was a US holiday. Markets though may be cautious ahead of the jobs data due on Friday, which can still come out solid and lead to a paring back of market Fed rate cut expectations (that calls for around 100bps cuts by year end). Also, there could be some wariness about Sep being a month that seasonally sees the broad dollar stronger, UST yields higher and volatility climbing up. We see that these factors can play out and guide the USDTHB to keep climbing up in the near term. Gold prices may also pullback further from current levels given it is stretched on the upside. Meanwhile on the political front, PM Paetongtarn Shinawatra has said that the new cabinet lineup has been finalized and that she expects to submit it for royal endorsement this week. We continue to keep a close eye on the political situation. Back on the chart, support is at 34.00 and 33.61. Resistance at 34.50 and 35.00. Remaining key data releases this week include Aug CPI (Thurs) and 30 Aug gross international reserves/forward contracts (Fri).

Malaysia Fixed Income

Rates Indicators

MGS	Previous Bus. Day	Yesterday's Close	Change (bps)
3YR ML 5/27	3.35	3.35	Unchg
5YR MI 8/29	3.51	3.53	+2
7YR MS 4/31	3.71	3.70	-1
10YR MS 7/34	3.76	3.77	+1
15YR MS 4/39	*3.91/3.89	3.92	+1
20YR MX 5/44	4.06	*4.07/05	Not Traded
30YR MZ 3/53	4.19	4.19	Unchg
IRS			
6-months	3.50	3.50	-
9-months	3.48	3.49	+1
1-year	3.45	3.46	+1
3-year	3.37	3.38	+1
5-year	3.43	3.46	+3
7-year	3.50	3.55	+5
10-year	3.62	3.65	+3

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

- It was a quiet start to the week with US market closed for Labour Day. Government bond sentiment skewed towards slightly cautious amid the higher global bond yields coupled with weaker Ringgit. Trading volume was light with the yields inching higher by 1-2bps.

- MYR IRS traded 1-5bp higher with a steeper curve as paying/hedging interest continued from last week while local bond market was softer. 3M KLIBOR was unchanged at 3.53%. 5y IRS traded between 3.45% and 3.47% and 7y IRS traded at 3.55%.

- The PDS market was muted. GG Danainfra 3/34 traded at MTM for MYR30m. AAA energy names TNB 8/38 and PASB 6/28 traded range-bound. AA1/AA+ KLK 9/34 and AA3/AA- Gamuda 11/29 traded at MTM, each for MYR10m. No single-A names were traded.

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Singapore Fixed Income

Rates Indicators

SGS	Previous Bus. Day	Yesterday's Close	Change (bps)
2YR	2.55	2.57	+2
5YR	2.56	2.61	+5
10YR	2.71	2.75	+4
15YR	2.79	2.84	+5
20YR	2.83	2.89	+6
30YR	2.82	2.86	+4

Source: MAS (Bid Yields)

- Global bond sentiment wavers with yields 2-3bp higher for JGB and German Bund while the US market closed for Labour Day. SGS yields increased 2-6bp from mid-tenor to the long-end. The SORA OIS curve bear-steepened.

Foreign Exchange: Daily Levels

	EUR/USD	USD/JPY	AUD/USD	GBP/USD	USD/CNH	NZD/USD	EUR/JPY	AUD/JPY
R2	1.1099	148.01	0.6819	1.3175	7.1397	0.6282	164.0533	100.7147
R1	1.1085	147.47	0.6805	1.3161	7.1277	0.6258	163.3567	100.2423
Current	1.1066	146.79	0.6786	1.3142	7.1171	0.6231	162.4400	99.6120
S1	1.1050	146.08	0.6767	1.3126	7.0949	0.6215	161.4967	98.9233
S2	1.1029	145.23	0.6743	1.3105	7.0741	0.6196	160.3333	98.0767

	USD/SGD	USD/MYR	USD/IDR	USD/PHP	USD/THB	EUR/SGD	CNY/MYR	SGD/MYR
R2	1.3095	4.3812	15573	56.5470	34.4240	1.4516	0.6150	3.3545
R1	1.3082	4.3694	15549	56.4720	34.3090	1.4494	0.6136	3.3445
Current	1.3073	4.3650	15530	56.4200	34.2010	1.4468	0.6126	3.3392
S1	1.3052	4.3351	15507	56.2530	34.0170	1.4430	0.6102	3.3154
S2	1.3035	4.3126	15489	56.1090	33.8400	1.4388	0.6082	3.2963

**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	3.7000	Oct-24	Neutral
BNM O/N Policy Rate	3.00	5/9/2024	Neutral
BI 7-Day Reverse Repo Rate	6.25	18/9/2024	Easing
BOT 1-Day Repo	2.50	16/10/2024	Neutral
BSP O/N Reverse Repo	6.25	17/10/2024	Easing
CBC Discount Rate	2.00	19/9/2024	Neutral
HKMA Base Rate	5.75	-	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	5.50	19/9/2024	Easing
ECB Deposit Facility Rate	3.75	12/9/2024	Easing
BOE Official Bank Rate	5.00	19/9/2024	Easing
RBA Cash Rate Target	4.35	24/9/2024	Neutral
RBNZ Official Cash Rate	5.25	9/10/2024	Easing
BOJ Rate (Lower bound)	0.00	20/9/2024	Tightening
BoC O/N Rate	4.50	4/9/2024	Easing

Equity Indices and Key Commodities

	Value	% Change
Dow	41,563.08	0.55
Nasdaq	17,713.63	1.13
Nikkei 225	38,700.87	0.14
FTSE	8,363.84	-0.15
Australia ASX 200	8,109.92	0.22
Singapore Straits Times	3,463.08	0.59
Kuala Lumpur Composite	1,678.19	-0.04
Jakarta Composite	7,694.53	0.31
Philippines Composite	6,923.41	0.38
Taiwan TAIEX	22,235.10	-0.15
Korea KOSPI	2,681.00	0.25
Shanghai Comp Index	2,811.04	-1.10
Hong Kong Hang Seng	17,691.97	-1.65
India Sensex	82,559.84	0.24
Nymex Crude Oil WTI	73.55	-3.11
Comex Gold	2,527.60	-1.28
Reuters CRB Index	277.03	-1.02
MBB KL	10.76	-0.19

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