Maybank

Macro | FX Research & Strategy

Global

Global Markets Daily

Consolidative Phase for the USD

US Equities, Treasuries Recover; Not so much for the USD
US bourses clocked the third consecutive session of gains on Thu. However, the USD did not get as much of a foothold as US equities, still slipping against most G10 peers for much of Thu. Regional currencies including KRW, VND, TWD and CNH continued to trade on a backfoot against the greenback. With the US dollar's safe haven status questioned, the broad picture is still somewhat negative for the greenback. Key resistance is seen around 100.20 in the near-term. CHF continues to remain in laggard amongst G10 and Asian currencies as markets start to unwind CHF. We continue to expect the USD to consolidate for now with some risks of a near-term bullish extension.

JPY and KRW under Pressure
Scott Bessent's mention that exchange rate targets were not discussed in his talks with Finance Minister Katsunobu Kato seemed to have triggered modest position unwinding of the JPY and allowed the USDJPY to rise towards 142.90, in spite of stronger-than-expected Tokyo inflation numbers released today for Apr - headline CPI at 3.5%y/y vs. previous 2.9%. Ex- fresh food and energy Core CPI also jumped to 3.1%y/y from previous 2.2%, also beating expectation at 2.8%. Kato also added that there was no talk on a framework to manage currencies as well. Meanwhile, KRW became the laggard because of its weaker 1Q GDP release yesterday. However, we suspect that KRW would find support soon as US and South Korea are said to have an "agreement of understanding" on trade as soon as next week according to Treasurer Scott Bessent.

Data/Events We Watch Today
Singapore's industrial production for Mar is due late. UK retail sales, FR manufacturing confidence for Apr, Ca retail sales for Feb and Univ. of Mich. Sentiment for Apr (F) are due today as well.

FX: Overnight Closing Levels % Change

Majors	Prev Close	% Chg	Asian FX	Prev Close	% Chg
EUR/USD	1.1390	0.65	USD/SGD	1.3113	-0.36
GBP/USD	1.3342	0.66	EUR/SGD	1.4935	0.30
AUD/USD	0.6408	0.75	JPY/SGD	0.9194	0.23
NZD/USD	0.5998	0.89	GBP/SGD	1.7493	0.30
USD/JPY	142.63	-0.57	AUD/SGD	0.8405	0.47
EUR/JPY	162.41	0.04	NZD/SGD	0.7865	0.55
USD/CHF	0.827	-0.43	CHF/SGD	1.5856	0.11
USD/CAD	1.3853	-0.21	CAD/SGD	0.9466	-0.16
USD/MYR	4.3723	-0.41	SGD/MYR	3.3331	-0.46
USD/THB	33.426	-0.42	SGD/IDR	12850.04	-0.12
USD/IDR	16873	0.01	SGD/PHP	43.0891	-0.03
USD/PHP	56.562	-0.01	SGD/CNY	5.5573	0.35

Implied USD/SGD Estimates at, 9.00am

Upper Band Limit	Mid-Point	Lower Band Limit
1.3043	1.3309	1.3575

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G10: Events & Market Closure

Date	Ctry	Event
21 Apr	AU,NZ, UK,CA	Market Closure
21-26 Apr	Global	2025 Spring Meetings of the World Bank Group and IMF
23-24 Apr	G20	G20 Finance Ministers and Central Bank Meeting
25 Apr	AU, NZ	Market Closure

AXJ: Events & Market Closure

Date	Ctry	Event
21 Apr	CH	Chinese Banks Set Loan Prime Rates
21 Apr	ID	BI Policy Decision

The Trump Tracker 2025

Date	Market-Moving Events Since Trump's Inauguration on 20th Jan 2025	Impact on Markets
20th Jan	Declares National Energy Emergency, roll back on Biden's climate regulations, enable new O&G development on federal lands	Negative for Oil, Better for Inflation Outlook if crude production expands
27th Jan	Trump threatened to impose 25% tariff on Columbia but did not do so eventually after Columbia reportedly agreed "to all of President Trump's terms" including the "unrestricted acceptance" of immigrants who entered the US illegally within a few hours of the threat.	DXY clocked the low for Jan that day but headed higher thereafter in anticipation of tariffs on Canada and Mexico.
30th Jan	Eases Regulations on Crypto-Currency Industry. SEC rescinded an accounting rule (SAB 121) which required banks and FIs to treat cryptocurrencies as a liability on their balance sheet.	Supportive of cryptocurrencies but arguably, great expectations may already be in the price. Last check, bitcoin has been gyrating around $100,000, within $90-110K, after rising around 60% since Trump won the elections.
1st Feb - 3rd Feb	To impose tariffs on China, Canada and Mexico. Trump had issued executive order on 1st Feb (Sat) under the International Emergency Economic Powers Act to impose 25% tariffs on most goods from Canada and Mexico as well as 10% tariffs on goods from China that will take effect on Tue. Canada's energy and oil exports will be taxed at 10%. On top of that, the US legislators have halted the de minimis provision that allows packages worth under $800 to be exempted from tariffs. Trump said tariffs on EU goods could happen "pretty soon" while trade issues with the UK can be worked out.	USDCAD and USDMXN rose on 3rd Feb (Mon) before making a complete reversal by the end of the session when it was made known that tariffs on the two countries are to be delayed for a month. USDCAD was up 2.5% from open to high, while USDMXN was up 4.6% during the session.
4th Feb	Trump wants access to Ukraine's rare earths resources in return for aiding its defence against Russia.	An end to the war in Ukraine would be positive for EUR. However, recent tariff threats are likely to weigh.
4th Feb	Tariffs on China take effect. Trump mentioned about talks with Xi but in the end, the 10% tariff on China came into effect on 4th Feb. China's Retaliation. Almost immediately, China announced a probe into Google, added several US companies to a "blacklist" of entities, impose new export controls on critical minerals[1]. imposed 10% tariffs on US products, including coal, LNG and agricultural equipment with effect from 10 Feb.	USDCNH rose at first when US tariffs on China took effect. China's retaliatory moves were seen as mild and restrained, resulting in some retracements. We suspect that markets are confident that PBoC would continue to defend the yuan for now and this is a reflection of cautious optimism that there could be a quick deal. In addition, China also pledged to take the case to the WTO. Its foreign ministry pointed out that "fentanyl is America's problem".
7th Feb	Trump said "reciprocal tariffs" that could "affect everyone could be announced the following week.	USD started the week on 10th Feb stronger in anticipation of it.
9th Feb	Trump told the press that he would impose 25% tariffs on all steel and aluminium.	
10th Feb	Trump signed executive orders to order 25% tariffs on all steel and aluminium.	Pro-cyclical AUD, CAD, NZD fell more than G10 and Asian peers this morning.
13th Feb	Trump announces that talks with Putin for a peace deal with Ukraine will begin.	EUR small rebound, within range.

Note[1]: Critical minerals include tungsten, tellurium, bismuth, molybdenum and indium products.

Sources: Bloomberg, various news sources, Maybank FX Research & Strategy

Date	Market-Moving Events Since Trump's Inauguration on 20th Jan 2025	Impact on Markets
13 Feb	Trump signs measure directing USTR and commerce secretary to propose new levies on a county-by-country basis. Howard Lutnick said that studies should be completed by 1 Apr and Trump could act immediately after.	DXY declines on hopes that the tariff timeline can provide some leeway for country to country negotiations.
18 Feb	Trump threatened 25% tariffs on semiconductor, pharmaceuticals and automobiles - "can go substantially higher over the course of a year".	The DXY index rose a tad in reaction.
25 Feb	Trump orders investigation into national security risks of dependency on copper imports that could lead to tariffs on the product	US copper futures gain but limited reaction in currency markets
27 Feb	Trump said tariffs on Canada, Mexico will take effect as scheduled, announced another 10% blanket tariff on China for its role in fentanyl flows into the US	USDCAD, USDMXN and USDCNH rose, taking the DXY broadly higher
3 Mar	Trump mentioned levies on agriculture imports to take effect on 2 Apr.	
3 Mar	Threatened to impose tariffs on Japan and China for keeping their currencies undervalued.	JPY strengthened and pressure on CNY (owed to upcoming tariffs) was mitigated by this recent threat.
3 Mar	Trump stopped military aid to Ukraine. Europe and Uk plan to ramp up on military spending.	EUR and GBP surge.
4 Mar	25% tariffs on Canada, Mexico and additional 10% for China take effect. Commerce Secretary Howard Lutnick hinted of a compromise	USDCAD, USDMXN were higher before coming off on Lutnick's comments.
6 Mar	US gives a one-month delay to Mexico and Canada on auto tariffs whilst also considering tariff exemptions for some agricultural products for these two countries	USDCAD, USDMXN both pullback
7 Mar	Trump signs an order pausing tariffs on Canadian and Mexican goods compliant with the USMCA deal until 2 Apr. About 62% of Canadian imports and 50% of Mexican products would remain subject to tariffs.	USDCAD, USDMXN falls further
12 Mar	25% tariffs on steel and aluminium take effect. Canada will impose 25% tariff on C$30bn of American goods that will take effect on Thu (14 Mar) EU also targeted EUR26bn of American imports with effect on 13 Apr. Mexico said it will wait until 2 Apr before making further announcements.	EURUSD softened a tad. USDCAD is lower.
14 Mar	Trump threatens 200% tariffs on wine, champagne and other alcoholic products	EURUSD softer. DXY rises marginally.
21 Mar	Trump referred to 2nd Apr as "Liberation Day"	USD finds some support as DXY rises above 104 handle.

23 Mar	US officials said that 2nd Apr reciprocal tariffs would be more focused than markets expected.	DXY comes off slightly, but remains above 104 level.
25 Mar	Trump vows a 25% tariff on any country importing Venezuelan oil.	DXY is better supported as oil prices rise round 1%.
27 Mar	Trump announces a 25% on all automobiles not made in the USA (effective 2 Apr). Separately hints that reciprocal tariffs on 2 Apr may not be as high as expected and suggests tariffs on China could be eased if TikTok sale happens.	DXY rose (+0.27%) but USD looks weaker going into Asian open on 27 Mar.
2 Apr	Trump imposes minimum 10% tariff on all exporters to the US, and higher rates on specific trading partners. https://www.whitehouse.gov/presidential-actions/2025/04/regulating-imports-with-a-reciprocal-tariff-to-rectify-trade-practices-that-contribute-to-large-and-persistent-annual-united-states-goods-trade-deficits/	DM FX rose against AxJ FX as Asian countries were hit with a higher rate of reciprocal tariffs vs. DM peers. USD gave up all gains vs. the AxJ by the end of 3rd Apr.
2 Apr	The US has also decided to end the de minimis tariff exemption. Low value packages would face a tax rate of 30% of their value or $25 per item wef 2 May. The dollar amount will be raised to $50 after 1 Jun.	
4 Apr	China gave its strongest retaliation yet for Trade war 2.0, imposing 34% tariff on all American imports wef 10 Apr, export controls on rare earths, launching an anti-dumping probe into medical CT X-ray tubes from the US and India, and halting imports of poultry products from two American firms. 11 US defense firms are added to an unreliable entity list and imposing export controls on 16 US firm. USDCNH rose a tad in response, pending further response from the US.	Onshore yuan was closed. USDCNH fell ahead of the retaliatory measures announced within the session. AUD was the worst hit, down 4.60% amid the rippling risk aversion.
8 Apr	Trump threatens an additional 50% tariff on China unless they remove their 34% retaliatory tariff on US goods.	USDCNH and USDCNY trades higher with the USDCNY fixing set above 7.20, the weakest level since Sep 2024.
9 Apr	Trump announces that he would impose an additional 104% tariff on China	USDCNH broke above 7.40 before pulling back below it.
10 Apr	Trump announces a 90-day pause on the higher reciprocal tariffs although the 10% tariffs would be in place for all countries However, US additional tariffs on China stay in place and would be even higher at 125% after China again announced an additional 50% tariff on US goods	EUR, JPY, CHF all pulled back from their highs and DXY climbed from its lows. DXY though is still lower than its pre-liberation day levels and it has not fully pared back its losses. USDCNH still remains close to the 7.40 mark even it has pulled back further.s
11 Apr	The White House announces that the tariffs on China would be 145% and not the previously thought of 125%.	USDCNH has come off from its recent highs but remain above the 7.30 level DXY continues to soften and tests the 100.00 level
11 Apr	US provides tariff exemptions for computers, smartphones and various electronics products	
14 Apr	Commerce Secretary Lutnick though would later on said that the exemptions were temporary and that those items would be subjected to	CNY fixing was done at the weakest level since Sep 2023

	"semiconductor tariffs" that will likely come in "a month or two" and mentioned that a notice would be published in the federal registry this week. Trump himself has also warned that tariffs could be coming on them soon.	DXY edges lower as JPY strengthens
16 Apr	US – Japan trade talks where Trump said there had been "big progress" although little details are known except that the Japanese had said FX was not discussed.	DXY soften as the JPY initially appreciated but later it pared back, resulting in DXY climbing when Akazawa said FX was not discussed.
22 Apr	Solar tariffs imposed on Vietnam, Cambodia, Malaysia and Thailand	Minimal impact on currencies as focus was on Trump's threats to fire Powell.

Sources: Bloomberg, various news sources, Maybank FX Research & Strategy

G10 Currencies

- **DXY Index - *Retracements Risks*.** The DXY index slipped overnight and was last seen around 99.60. There remains a sense of fatigue in safe havens, less affected by the timing and details of a deal and more reactive to the shift in narrative that keeps them on the decline. Even without any negotiations with China, Trump had started to soften his stance with mentions of a new tariff rate for the country and an exemption of Chinese car parts from tariffs (FT). Should China reciprocate by allowing negotiations to start, the balance of risk is likely for a de-escalation rather than an intensification of conflict. We continue to see room for the CHF to retrace vs. peers, holding our view for AUD, NZD and even JPY to outperform this currency. On the DXY index, the index was last seen around 99.70 and next support is seen around 97.70 before 95.20. Resistance at 100.20. Further extension of this rebound is possible. There are signs of stochastics turning higher from oversold conditions. Key resistance at 100.20 needs to be broken for greater bullish extension. Data-wise, Fri. has Univ. of Mich. Sentiment for Apr (final) and Kansas city Fed services activity (Apr).

- **EURUSD - *Stabilizing*.** EURUSD was last seen slightly higher at 1.1358 levels. Pair has shown signs of stabilizing as market continued to digest the US position on tariffs and Trump's about turn on Powell. ECB Guindos suggested that the EUR could become an alternative to the USD if Europe increased its integration efforts. ECB Lagarde said that recent EUR appreciation was "a bit counterintuitive" but believed that it reflected on the fundamentals and confidence in Europe. ECB cut rates by 25bps to 2.25% last Thu and notably the word "restrictive" was removed from the statement. The ECB recognized the downside risks to growth from tariffs with explicit mention by Lagarde at the presser. Market is now pricing in three more cuts for the ECB in 2025 and a terminal rate of 1.5%. The EUR could be better supported by a potential flight to quality and a loss of US credibility. Note that Germany, Luxembourg and the Netherlands are all rated AAA across all major rating agencies. See two-way risks for the pair at this juncture – defence spending optimism/flight to quality could buoy the EUR while USD rebounds cannot be ruled out. The EU and larger member states (France and Germany) have vowed retaliation if negotiations fail, looking to negotiations as the first port of call. Some suggest that the ECB could ease rates more to prevent excessive EUR strength. It is likely the 20% tariff announced on the EU looked relatively small compared to tariffs on other countries, considering the floor of 10%. Rising Bund yields and falling UST yields are likely also supportive of the EUR. In conjunction with optimism over defence spending after the landmark spending bill has passed in Germany, we could see upward bias for the EUR in the absence of any other extraordinary US trade action. While increased fiscal spending leading to economic expansion should be positive for the EUR and GBP, there remain risks over how the fiscal expansion can be funded and if there might be loss of confidence from the increased borrowing. It should also be considered that an early peace in Ukraine could diminish current resolve for the EU and UK to increase fiscal spending and a correction in their respective currencies should then be seen. We recently turned bullish on the EUR given that fiscal expansion optimism could outweigh US trade policy, divergent monetary policy and political uncertainty. Support at 1.13. Resistance level at 1.14 followed by 1.15. Data releases this week include ECB Survey of Professional Forecasts, 2024P Govt Debt/GDP Ratio, Apr P Consumer Confidence (Tue), Apr P Manufacturing/Services/Composite PMIs, Feb Construction Output and Feb Trade Balance (Wed).

- **GBPUSD - *Higher*.** GBPUSD was last seen higher at 1.3306 levels as market continued to digest the US position on tariffs and Trump's about turn on Powell. Pricing for a May BOE cut rose to 111.2%. The suggestion that GBP could be better sheltered from tariff jitters seems to be playing out. GBP earlier rallied after the “Liberation Day” tariff announcement in line with other G10 FX. Risks for GBP are two-way at this juncture. Watching trade talks which the UK is preferring. Apr has been a seasonally bullish month for the GBP with positive returns vs G10 peers on average in the past 15 years. The defence spending narrative (£2.2b confirmed) with the implied easing stagflation risks (lower inflation, better future growth) for the UK, should be positive for the GBP in the longer-term. BOE held its policy rate at 4.50% in an 8-1 decision, with Governor Bailey urging caution amid a turbulent global outlook and highly uncertain effects on inflation and growth. This was the most hawkish decision in half a year, with members of the MPC that supported rate cuts switching to prefer standing pat. Dhingra was the sole dissenting vote for a 25bps cut. We see a further 50bps of cuts for the BOE in 2025. We maintain our view that the GBP could be somewhat sheltered from tariffs as it avoids specific trade action from the Trump administration as a close ally and as a services based economy. On the GBP daily chart, resistance is at 1.3400 with support at 1.3300 and 1.3200. UK data releases this week includes Mar Public Finances, Public Sector Net Borrowing, Apr P Manufacturing/Services/Composite PMIs (Wed), Apr CBI Trends/Business Optimism (Thu), Apr GfK Consumer Confidence and Mar Retail Sales (Fri).

- **USDCHF - *Outperformer, possible intervention risk*.** USDCHF was higher at 0.8307 levels as market continued to digest the US position on tariffs and Trump’s about turn on Powell. CHF was the standout performer in the currency space following tariffs, which is not surprising given its safe haven status and AAA sovereign rating. However, we caution for possible further intervention from SNB if CHF continues to strengthen. Data showed that SNB bought about CHF1.2b last year to weaken the CHF. We expect safe-havens to remain well supported through tariff turmoil. SNB cut rates to 0.25% as expected to continue to deter inflows to the CHF. Even with the latest rally in EUR and GBP, CHF NEER & REER have remained elevated. The strong CHF has downside implications for Swiss inflation, and while SNB did not rule out negative rates, the risk of them moving there has now been reduced (with rally in EUR and GBP). We look for CHF to remain stable against a backdrop of heightened global uncertainty. Continue to look for CHF to be supported as a safe-haven in uncertain times. SNB President Schlegel said that rates would only go negative if necessary to keep inflation within the 0 to 2% target band. CHF as a safe-haven should continue to stay resilient as long as tariff fears and threats are still at play. We expect the traditional safe-havens to be better supported on heightened volatility and uncertainty. It could however take some time to catch up with the USD. On the USDCHF chart, resistance is at 0.84 and support is at 0.83 and 0.82. Data for week ahead includes Mar Money Supply and 18 Apr Sight Deposits (Tue).

- **USDJPY - *Sideways, Remain Positive on JPY*.** USDJPY was last seen at 143.10 as it trades sideways after having bounced up from around the crucial 140.00 level a few days back. Market sentiments looks to be better overnight with equity markets climbing amid hopes of trade deals with countries such as India. Trump also said his administration is discussing with China but the China side is denying that negotiations have happened. Additionally, hints of a more dovish tilt by Fed officials looks to have lifted sentiments too. Safe haven demand therefore could have been softer. Meanwhile, on talks between Kato and Bessent, the former has told reporters that currency targets were not discussed in the meeting. Speculation has been rife that addressing JPY weakness would be a point to be addressed in US – Japan talks but so far the two side have refrained from any new comments on it with Bessent reiterating that he expects Japan to adhere to G7 agreements on market determined exchange rates. In particular, Kato mentioned that they did not talk about “target levels” or “framework to manage currencies”. Nonetheless, we stay wary of the currency weakness remaining a point of contention between the two sides.

At this point, it looks two – ways on the USDJPY given how volatile events are but further climb ups are likely limited. Market is taking a bit of a breather from the recent JPY rally after it had breach the 140.00 key support. We remain positive medium term though on the JPY expect it to keep strengthening on safe haven demand. Meanwhile, Apr headline Tokyo CPI was higher than expected at 3.5% YoY (est. 3.3% YoY, Mar. 2.9% YoY) whilst the core core number was at 3.1% YoY (est. 2.8% YoY, Mar. 2.2% YoY). The numbers continue to back a BOJ hike but JPY flows for now look to be mainly supported by the safe haven demand. Back on the chart, support is at 140.00 and 135.00. Resistance is at 145.00 and 148.00. Remaining key data releases this week include Mar nationwide/Tokyo dept sales (Fri).

- **AUDUSD –** ***Whipsaw.*** AUDUSD remained in whipsaw action and last printed 0.6396. The bearish rising wedge is being broken out and we continue to look out for shallow retracements. Support at 0.6300 and resistance at 0.6470 (200-dma) before the next at 0.6540. Bullish bias remains intact but stochastics showed signs of plateauing in overbought conditions. At home, the General Election is in focus and the opposition team led by Peter Dutton has pledged to raise defense spending by $A21bn over five years if his coalition wins. He also promised to unveil his full policy budget before 3 May (polling day). his will be the first election where Millenials and Gen Z voters outnumber those above 60yrs of age. Separately, OIS still implies almost 5 cuts (accumulative -117bps) expected from the RBA with some expectations for a larger 50bps cut in May. Without a significant deterioration on the data front, bets on a 50bps cut for may could ease further. Australia markets will be out tomorrow.

- **NZDUSD –** ***Sideway Trades***. NZDUSD remained in sideway trades as rally takes a pause. Last printed 0.5980. We had warned about the risk of retracement (lower) and this is playing out. Resistance at 0.6050. Support at 0.5880. Downside risks to growth and potential for deeper cuts could see some of the NZD gains moderate. We recall that RBNZ Chief Economist Paul Conway had warned that higher tariffs and global trade uncertainty will pose downside risks to NZ's growth. We reckon that with NZD already on the upmove and outperforming many peers, it is unlikely for exports to maintain its stellar performance. Conway also spoke about scope to lower OCR further should impacts of changes in global trade policies on medium-term inflation pressures in NZ becomes clearer. He also mentioned that the global macro model for trade disruption is being refined for better clarity. Resistance at 0.6050. Support at 0.5880 before 0.5740. Near-term, consolidation likely for the NZDUSD.

- **USDCAD –** ***Supported.*** USDCAD hovered around 1.3870, in tandem with the broader USD upmove. As the US shifts into a negotiation phase with multiple countries, the USDCAD could start to consolidate for now. We see potentially sideway trades within 1.38-1.41, albeit with downside bias given the persistent sell-off of the USD. Support is seen at 1.3820 before the next at 1.3560. Resistance at 1.4310. Week ahead retail sales for Feb on Fri. At home, the lead held by Carney's Liberal Party is a slim one at 43% among decidd voters vs. Pierre Polievre's Conservative Party with 39% nod. Voting day is 28 Apr but 7.3million Canadians have already casted their votes at advance polls.

- **Gold (XAU/USD) –** ***Taking A Breather.*** Gold rebounded after a substantial decline, still seeing a substantial buy-on-dip interests. Gold is seen as the ultimate safe haven as the USD was being sold and diversified away in the face of Trump's policies – the latest being his tirade on Powell for the Fed's decision to keep monetary policy settings unchanged. After Trump clarified that there was no intention to fire Powell, market recovered and gold reversed lower. We continue to suspect that the speculation on Mar A Largo accord could be spurring a structural shift towards gold. One of the proposals within the accord was to term out the US treasuries to century bonds to anchor the yield curve and borrowing costs. That could have contributed to the sell-off of the USTs to a certain extent in the earlier part of the month. The de-dollarization theme has been happening for a few years now and seem to have accelerated in the first three months of Trump's second term. Key support at 3140 before 3030. Resistance at 3410 before the next at 3516. Support at 3285.

Asia ex Japan Currencies

SGDNEER trades around +1.38% from the implied mid-point of 1.3309 with the top estimated at 1.3043 and the floor at 1.3575.

- **USDSGD – *Lower*.** USDSGD was lower at 1.3126 levels this morning with the SGDNEER higher at +1.38% above the mid-point of the policy band amid broad USD strength. SGD could also be a beneficiary of a potential flight to quality. MAS eased its slope of the policy band "slightly" in line with our economists' view. There appears to be sufficient concern on the possible impact to growth to warrant the adjustment, as alluded to in the growth downgrade (0% to 2%, prev: 1% to 3%) and as mentioned in the April 2025 statement. 1QA (advance) estimates for growth were at 3.8% YoY (exp: 4.5%; prev: 5.0%). USDSGD moved lower and SGDNEER higher in the wake of the announcement, a possible indication that the market was expecting a larger easing move or for further MAS dovishness. We note that this is the first time that policy has been eased consecutively in smaller steps. Nevertheless, we expect support for the SGD to remain and note that Singapore has other levers apart from monetary policy to respond to a more challenging external environment. House view is now for MAS to hold for 2025, although a shift to a flat slope cannot be ruled out in a deep technical recession or trade war intensification. SG Budget 2025 was released earlier with a projected S$6.8b fiscal surplus (or about 0.9% of GDP). Budget is expansionary even with the healthy surplus. Vouchers are expected to cushion consumption amid an uncertain global environment. We expect that SGD could be sheltered given the correlation of SG/US rates. Moreover, Singapore is unlikely to be singled out by the US for additional tariffs given that it has a bilateral trade deficit with the US. Regional safe-haven properties are also likely to be supportive for the SGD. MAS policy continues to be supportive of SGD strength and we look for the resilience to continue even with this easing. We do not expect SGDNEER to weaken too much further even with MAS easing (slight slope reduction). 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 1.3200. Support at 1.3100. Data releases this week include Mar CPI inflation, COE bidding (Wed), 1QF URA Private Home Prices and Mar Industrial Production (Fri).

- **SGDMYR - *Lower*.** SGDMYR was last seen lower at 3.3307 levels. SGD and MYR have been the more resilient currencies in the ASEAN space against the uncertain backdrop. Resistance at 3.40. Support at 3.35 and 3.30.

- **USDMYR – *Sideways*.** Pair was last seen at 4.3755 with the broad dollar somewhat trading around levels seen yesterday. USDMYR did move lower yesterday and it was an outperformer being second only to the JPY in the region. We do take note that the Second Finance Minister Amir Hamzah Azizan and BNM Governor Abdul Rasheed Ghaffour did talk about revising Malaysia's growth forecast lower due to the tariffs. The IMF on its part did lower Malaysia's 2025 GDP growth forecast to 4.1% from 4.7%, which was in line with the downgrade across the region amid the tense trade situation. Meanwhile, on the trade talks, Zafrul has said that he had a "positive" meeting with US trade representative Greer but that the details were confidential. He also said they will have more talks scheduled next month with the USTR again. Back on the chart, the USDMYR, support is at 4.3600 and 4.3000. Resistance at 4.5000 and 4.6300. There are no remaining key data releases due this week.

- **1M USDKRW NDF – *Higher*.** 1M USDKRW NDF was last seen higher at 1431.61 levels this morning even as South Korea and the US agreed on an "in principle" framework for trade talks. 1QA GDP showed that the Korean economy weakened as GDP declined by -0.2% QoQ (exp: 0.1%; prev: 0.1%). On a YoY basis, GDP fell by -0.1% (exp: 0.0%; prev: 1.2%). Risks for growth also remain skewed to the downside with consensus estimates expecting growth to slow to 1.3% YoY (prev: 2.1%). BOK elected to hold on rates at 2.75%, a move that was largely expected. The stand pat comes amid heightened uncertainty and volatility in FX after the USDKRW reached a high of 1490. BOK cuts should however resume with central banks generally pivoting towards growth support given the downside risks to both growth and inflation from tariffs. Stay cautious on potential whipsaws in price action if the Trump administration reverses its course. South Korea rejected the notion that it would jointly retaliate with China and Japan after earlier reports that the three would band together. Yoon's impeachment verdict was upheld 4 Apr in a unanimous decision by South Korea's constitutional court after a delay. There could have been some negative impact on confidence as South Korea's constitutional court has delayed the Yoon's impeachment verdict. Public opinion was divided 58% in favour and 37% against impeachment. Given the split in sentiment, there could be some unrest that could weigh on the Won. Elections will need to be held on or before 3 Jun 2025, 60 days after impeachment, and there are many potential headwinds for the KRW given both the highly uncertain external environment and political turmoil within Korea. President Yoon has been indicted, and elections will need to be held within 60 days should he be removed from office. However, there remains plenty of concerns for the KRW. Opposition leader Lee Jae-myung had proposed compiling an extra budget worth at least KRW30trn to prop up the economy in the face of headwinds posed by political uncertainties and tariff threats. We see markets are likely to stay cautious too and so are we too amid these concerns on the KRW. For near term, we are watching how both the political and Trump tariff developments pan out. Back on the chart, resistance is at by 1430. Support is at 1420. Data releases this week include Apr Exports/Imports (Mon), Mar PPI (Tue), Apr Consumer Confidence (Wed), Apr Business Survey Manf/Non-Manf, 1Q A GDP, Mar Retail Sales (Thu).

- **USDCNH – *Two-Way Risks*.** USDCNH was last seen around 7.2970. Fix-estimate gap narrowed to around 800pips after USDCNY central parity into 7.2066 vs. previous 7.2098. Strong countercyclical adjustment factor is still in play. We are in the stage of deal-making and diplomacy. Treasury Secretary Bessent had noted that a standoff with China cannot be sustained and there has to be a way to de-escalate this tension. Trump had even mentioned about bringing the 145% tariff on China substantially lower from 145%, albeit not zero. That said, the White House clarified that there is no unilateral offer and there has to be a deal between the two nations. Trump mentioned that a new tariff rate will come in a few weeks. We continue to look for USDCNH to remain in sideway trades. As the USD rise, the gains in the USDCNH seem to be moderated by Trump's optimism over a trade deal. Key resistance at 7.4270 right now before the next at 7.4620 and then at 7.52. Key support levels seen at 7.2770 before 7.2225. Industrial profit is due this Sun.

- **1M USDIDR NDF – *Sideways, Cautious*.** 1M USDIDR NDF was last seen at 16838 as it continued to hold at levels seen in the last few sessions. We are staying cautious on the IDR given the uncertain global environment. However, we do think that the 1M NDF can in the near term remain below the 17000 mark pending there is no substantial rebound in the broad dollar. Whilst the domestic concerns would still linger in the background, we could be on somewhat of a monitoring mode regarding it for now as we watch Danantara's ongoing operations and the government's fiscal expenditure. After a period of decline, the JCI has also managed to avoid consolidating below the 6000 mark and has instead actually rebounded from that level. Cheap valuations do actually make the stock market attractive. In addition, the authorities have constantly mentioned their commitment to be in the market to stabilize the currency. Meanwhile, we continue to look out for updates for any trade talks between Indonesia and the US. Back on the chart, resistance is at 17000, 17450 and 17800.

Support is at 16800 and 16600. There are no remaining key data releases this week.

- **1M USDPHP NDF – *Lower, PHP Holding Up*.** Pair was last seen at 56.43 as it declined further. The climb looks could have been driven by the monetary board expanding its list of allowable FX hedging instruments including non-deliverable swaps, non-deliverable cross currency swaps and FX options. This would help improve market liquidity for a currency that is not known to be as heavily traded compared to other regional peers. However, the BSP did though lift requirements for deliverable FX forwards to have maturity dates matching the underlying FX exposure. As a whole, PHP has been holding up well despite the global uncertainty and this could be due to the country being less trade exposed whilst the currency is relatively less sensitive to the CNH compared to regional peers. A weaker dollar has also given support for the currency. Nonetheless, we stay cautious on the USDPHP given the global volatility. EM currencies such as PHP can get some pressure from a weaker risk sentiment although softness in the dollar can offset some of the negative impact from this. We remain positive on the PHP that it can keep strengthening over time as the positive factors outweigh the negative factors. Back on the chart, we watch if the pair can decisively hold below the 56.50 level with the next after that at 56.00. Resistance is at 58.00 and 59.00. There are no remaining key data releases this week.

- **USDTHB – *Sideways, Still Lean Downside*.** Pair was last seen slightly lower at 33.47 with gold prices higher and the broad dollar having declined overnight. There was better sentiment overnight given hopes of trade deals with countries such as India. Trump also said his administration is discussing with China but the China side is denying that negotiations have happened. Nonetheless, trade developments look very uncertain. Thailand is vulnerable to the global trade tensions given that the country has a high trade exposure. However, we are positive on the THB medium term seeing that softening USD and elevated gold prices offset the negative trade effects and support THB appreciation. Near term, risks are two ways but any bounce up we think could be limited. For now, USDTHB has been hovering around the 33.00 - 33.50 level since last week. Support is at 33.00 and 32.00. Resistance for the pair at 33.50 and 34.00 (around 100-dma). Meanwhile, on economic data, Mar exports saw strong growth beyond expectations at 17.8% YoY (est. 12.8% YoY, Feb. 14.0% YoY), which could be due to frontloading ahead of tariff risks and may not necessarily hold up going forward. Remaining key data releases this week include Mar customs trade data (Thurs) and 18 Apr gross international reserves/forward contracts (Fri).

- **1M USDINR NDF- *Steady*.** USDINR 1M NDF was last seen steady at 85.48 levels. US VP JD Vance acknowledged that “good progress” had been made towards a trade deal with India after meeting with PM Modi. India was levied with a 26% “reciprocal” tariff and are looking to negotiate with the US. RBI’s short positions in USD in their forward book surged to US$88.75b as at end Feb 2025 (prev: -US$77.5b). This suggests that some forward intervention could have occurred in Feb. Feb CPI Inflation in India eased to a seven-month low at 3.61% YoY (exp: 3.98%; prev: 4.30%). This should provide RBI with the space to cut rates further. RBI Chief has hinted at some willingness to allow more flexible currency moves. There was likely some RBI intervention earlier as INR rallied by about 1.2%. Some have suggested that the RBI has been less interventionist under new governor Sanjay Malhotra, but this episode is evidence to the contrary. RBI could be trying to draw a line in the sand, with INR weakness pretty much a one-way street since Trump’s election win. RBI’s latest bout of intervention could necessitate a further injection of liquidity into INR money markets. Modi has already sought to directly engage Trump as India also warms ties with China with the resumption of direct flights between the two countries resuming in late Jan. Both countries could be aware of the potential mutual benefit from close collaboration amid a more challenging and uncertain external environment. Growth support is likely to be a major concern for the RBI, as more generally central banks have shown a preference to opt to be more growth supportive and are generally less worried about inflation. INR could face some near-term pressures as expectations of easing build, although it remains one of the more sheltered against the impact of US tariffs. Also contrary to what some might suggest, we think RBI maintains a relatively tight grip on the INR. Resistance at 86.00. Support at 85.00. Data releases this week include Apr P Manufacturing/Services/Composite PMIs (Wed) and 18 Apr FX Reserves (Fri).

- **USDVND – *Slow Creep Higher*.** USDVND was last seen a tad bid this morning, last printed 26050. The reference rate was fixed slightly higher yesterday at 24948 vs. prev. 24928 and we suspect that as the USD continues to extend its rebound, the reference rates could continue higher. There are no tier-one data due this week but our eyes remain on any deal struck with the US and Vietnam. USDVND is on a slow creep higher, with SBV allowing room via the reference rates. Resistance is marked at record high of 26125. Thus far, the authorities have been using all means to cope with the tariffs and support growth. VND is allowed to weaken and earlier this week, the Finance Ministry proposed to delay the implementation of alcohol excise tax to 2027 from 2026. There was also plan for a more diversified export markets for its agricultural, forestry and fishery products. Deputy Director Nguyen Xuan Hoa of the National Authority of Agro-Forestry-Fishery Quality highlighted that Southeast Asia, the EU, Japan, South Korea and the Middle East offer promising opportunities for the long-term sustainability of Vietnam’s agriculture sector (Saigon News). A shift will not just be in reaction to trade war fluctuations.

Malaysia Fixed Income

Rates Indicators

MGS	Previous Bus. Day	Yesterday's Close	Change (bps)
3YR ML 5/27	3.27	3.27	Unchg
5YR MI 8/29	3.39	3.37	-2
7YR MO 7/32	3.56	3.56	Unchg
10YR MS 7/34	3.67	3.67	Unchg
15YR MS 4/39	3.81	3.81	Unchg
20YR MX 5/44	3.92	3.92	Unchg
30YR MZ 3/53	4.07	4.05	-2
IRS			
6-months	3.49	3.53	+4
9-months	3.40	3.44	+4
1-year	3.40	3.42	+2
3-year	3.21	3.24	+3
5-year	3.26	3.28	+2
7-year	3.35	3.38	+3
10-year	3.47	3.50	+3

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

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- Local government bond market had a choppy session. Trade flow was healthy from front end up to the 5y, with good 2-way activity in the 7-10y sector. Sentiment skewed toward selling, driven by profit taking interest on uptick in prices. At the long end, we saw some real money accounts were seen adding duration. Overall, the MGS curve closed mixed ahead of the US jobless claims and durable goods orders data.

- MYR IRS closed 2-4bp higher after stretching as much as 6bp higher at the 5y point before retracing in the afternoon session. IRS underperformed bonds for a second consecutive day, narrowing swap spreads i.e. less negative. 3M KLIBOR was flat at 3.65%. 5y IRS traded in 3.25-3.26%.

- PDS had another active session. In GG, Cagamas Dec 2025 traded for MYR280m with spread tightening by 3bp, and Prasarana 2030 and 2032 also traded. AAA-rated Danum 2034 spread widened by 1bp.

Singapore Fixed Income

Rates Indicators

SGS	Previous Bus. Day	Yesterday's Close	Change (bps)
2YR	2.13	2.13	-
5YR	2.23	2.25	+2
10YR	2.53	2.54	+1
15YR	2.61	2.61	-
20YR	2.64	2.64	-
30YR	2.65	2.65	-

Source: MAS (Bid Yields)

- The SGS market was largely stable, with a bias toward selling in the belly of the curve. The 5y SGS yield rose by 2bp to 2.25%, while other tenors were mostly unchanged on the day. Yesterday's 6-month T-bill auction drew a healthy 2.24x bid/cover ratio. Not surprisingly the cut-off yield eased to 2.38% from 2.50% in the previous auction a fortnight ago.

Indonesia Fixed Income

Rates Indicators

Gov't Bonds	Previous Bus. Day	Latest Day's Close	Change
1YR	6.55	6.48	(0.08)
2YR	6.58	6.56	(0.02)
5YR	6.69	6.69	(0.01)
10YR	6.96	6.95	(0.01)
15YR	7.06	7.07	0.01
20YR	7.04	7.04	0.00
30YR	7.15	7.14	(0.01)

** Source: Bloomberg, Maybank Indonesia*

Most short tenor series of Indonesian government bonds strengthened yesterday. We suspected that it's mostly driven by 1.) better climates on global investment environment after the U.S. President Donald Trump posed a loosening stance on his views on both U.S. imported goods tariffs and the Fed Government Jerome Powell's policy measures, 2.) maintained Indonesian investment attractiveness after Bank Indonesia's retaining BI Rate decision. Meanwhile, the long tenor series of government bonds weakened yesterday. It's in line with current investors' preferences that have short term orientation on their investment activities due to persistent high economic uncertainty during global trade war era. Furthermore, we still see an adequate room for Indonesian short-medium tenor series of government bonds to appreciate during relative conducive on the global investment environment today.

The VIX index, as the reflection of global volatility condition on the financial market, is gradually lower from 30.57 on 22 Apr-25 to be 26.47 this morning. The cost for global investors to invest on Indonesian financial markets also became cheaper from 101.71 on 23 Apr-25 to be 97.80 this morning. Recent pressures on the imported inflation are also mild enough, as shown by the undervalued of DXY Dollar Index at 99.58 and the Brent oil prices at US$66.80/barrel this morning.

We also received the latest positive update on one of Indonesian investment activities in 1Q25. Indonesian Direct Investment activities grew double-digits by 15.9% YoY to Rp465.2 trillion of investment realization during 1Q25. It equals with 24.4% of target on total national investment target by Rp1,905.6 trillion in 2025. This investment realization activities have absorbed 594,104 of labour forces. The labour absorption activities by investment increased by 8.5% YoY in 1Q25. Indonesia Investment Authority Board (BKPM) stated that the realization of both domestic direct investment and foreign direct investment reached by Rp234.8 trillion and Rp230.4 trillion, respectively, during 1Q25. Singapore booked the highest country that doing direct investment in Indonesia during 1Q25.

Monetary Update: Bank Indonesia's Strong Stances For Maintaining Economic Stability. Bank Indonesia decided to maintain BI Rate at the same level at 5.75% at its latest monetary meeting. The Indonesian Monetary Authority also retained its both funding and lending facilities rates at 5.00% and 6.50%, respectively. As expected, Bank Indonesia is still seen focusing on maintaining domestic macroeconomic stability, especially through the transmission of Rupiah exchange rate movements from fund flow activities in the financial market and real sector. Bank Indonesia is also seen to be more anticipatory in maintaining Rupiah exchange rate movements by intervening widely, through NDF intervention. In response to the current high tensions in the trade war with the US, Bank Indonesia is also seen to continue to maintain domestic macroeconomic stability through monetary and non-interest rate policies, such as the implementation of payment system facilities, Macroprudential Liquidity Policy incentives. Bank Indonesia sees the current less conducive global conditions will cause the Indonesian economy to grow below 5.1% in 2025. On the other hand, the low inflation condition of 1.03% YoY in Mar-25, the large trade balance surplus of US$4.33 billion, and the foreign exchange reserve position that was an all-time high by US$157.1 billion in Mar-25, apparently still have not made Bank Indonesia lower its monetary interest to a lower level. Furthermore, we estimate that Bank Indonesia will begin to consider implementing a lower BI Rate policy when the Rupiah exchange rate movement reverses direction to strengthen sharply and is also accompanied by low inflationary pressure and domestic economic growth that needs a stimulant to grow more aggressively. We see that the room for lowering the BI Rate is still maintained this year and is projected to fall more aggressively if inflation conditions are still low and the domestic economy needs access to lower interest rates to grow higher.

For more details, we summarized the latest monetary meeting by Bank Indonesia. Bank Indonesia applies a policy mix to maintain stability in order to strengthen sustainable economic growth through the following steps:

1.) Strengthening the Rupiah exchange rate stabilization strategy through intervention in Non-Deliverable Forward transactions in the overseas market, spot transactions, Domestic Non-Deliverable Forward (DNDF) in the domestic market, and purchasing Government Securities in the secondary market

2.) Strengthening the pro-market monetary operations strategy by maintaining the interest rate structure of monetary instruments and foreign exchange swaps, term-repo transactions and foreign exchange swaps, and strengthening the role of Primary Dealers (PD)

3.) Strengthening the implementation of loose macroprudential policies for sustainable economic growth by implementing the strengthening of the Macroprudential Liquidity Incentive Policy on 01 Apr-25, maintaining the Countercyclical Capital Buffer ratio of 0%Macroprudential Intermediation Ratio in the range of 84-94%, Macroprudential Liquidity Buffer Ratio of 5% with repo flexibility of 5%, Sharia Macroprudential Liquidity Buffer Ratio of 3.5% with repo flexibility of 3.5%, and strengthening the implementation of the Foreign Funding Ratio provisions

4.) Strengthening the publication of transparency assessments of the Basic Credit Interest Rate with an in-depth study of priority sector credit

5.) Strengthening digital acceptance with the implementation of the QRIS target achievement strategy, QRIS education between countries, expanding the implementation of the National Standard for Open Application Programming Interface Payments (SNAP), and strengthening the stability of payment infrastructure and supervision of Payment Service Providers and supporting institutions.

Bank Indonesia also continues to strengthen policy synergy with the government to maintain stability and encourage economic growth by focusing on seven policy areas, such as (i) Rupiah exchange rate stabilization policy, (ii) coordination of monetary and fiscal policies, (iii) efforts to encourage economic financing through Macroprudential Liquidity Policy, (iv) acceleration of government digital transformation, (v) strengthening downstreaming and food security, (vi) support for the development of a green, sharia, and inclusive economy, and (vii) support for human resource development.

Furthermore, Bank Indonesia also provides updates and views on global economic developments. Bank Indonesia highlighted the increasingly high level of global economic uncertainty due to the high tension of the global trade war which will increase global economic fragmentation and decrease world trade volume. As a result of this situation, Bank Indonesia lowered its economic growth projection for this year from 3.2% to 2.9%. Bank Indonesia also views the tariff war and its negative impact on the decline in global economic growth as triggering increased uncertainty in global financial markets and encouraging risk aversion behavior among capital owners. World capital flows have also shifted from the U.S. to countries and safe haven assets, especially to financial assets in Europe and Japan and gold commodities.

On the domestic side, Bank Indonesia estimates that Indonesia's economic growth will remain stable during 1Q25, amid increasing global uncertainty. Government spending related to the provision of Eid Allowances, social spending, and various other incentives, as well as the increase in seasonal demand during the Eid al-Fitr 1446 H celebrations also support household consumption. Non-oil and gas exports also increased in 1Q25, mainly supported by manufactured commodities, such as machinery and iron and steel, to ASEAN countries. Looking ahead, Bank Indonesia sees the US reciprocal tariff policy and retaliatory measures taken by China and possibly other countries as being able to affect Indonesia's economic growth prospects. Bank Indonesia estimates that Indonesia's economic growth will be slightly below the midpoint of the 4.7-5.5% range in 2025.

Based on Bank Indonesia's records, foreign capital inflows into domestic financial instruments recorded a net inflow of US$16 billion during 1Q25. As of 21 Apr-25, portfolio investment recorded a net outflow of US$2.8 billion. Bank Indonesia estimates that Indonesia's balance of payments performance in 2025 will remain good, supported by a low current account deficit of around 0.5% to 1.3% of GDP and a continuing surplus in capital and financial transactions. Then, Bank Indonesia believes that the inflation rate will remain under control at around 2.5±1% in 2025 and 2026. The latest update as of 21 Apr-25 also shows that the total position of SRBI, SVBI, and SUVBI instruments is Rp881.86 trillion, US$1.40 billion, and US$277 million, respectively. Foreign ownership in SRBI was recorded at Rp209.90 trillion (23.80% of the total outstanding) as of 21 Apr-25. Bank Indonesia has also purchased government securities amounting to Rp80.98 trillion as of 22 Apr-25, namely through the secondary market of Rp54.98 trillion and the primary market in the form of Government Treasury Bills, including sharia, of Rp26.00 trillion. On the monetary policy transmission side, the money market interest rate (INDONIA) continued to decline from 6.03% at the beginning of Jan-25 to 5.77% on 21 Apr-25. The SRBI interest rate for 6, 9, and 12-month tenors also declined from 7.16%, 7.20%, and 7.27% in Jan-25 to 6.59%, 6.61%, and 6.64% as of 16 Apr-25. On Mar-25, the 1-month deposit interest rate and credit interest rate were recorded at 4.77% and 9.20% respectively, relatively stable compared to the previous month's level.

Bank Indonesia also noted that banking credit growth slowed from 10.30% YoY in Feb-25 to 9.16% in Mar-25, in line with less conducive global conditions. Growth in investment credit, consumer credit, and working capital credit was recorded at 13.36% YoY, 9.32% YoY, and 6.51% YoY in Mar-25, in line with interest in credit distribution and adequate liquidity conditions, although a number of banks began to face obstacles in increasing funding, both Third Party Funds and other sources for credit distribution. From the demand side, the contribution of credit growth was mainly supported by the industrial, mining, and social services sectors, while the contribution of credit growth in the construction and trade sectors was still limited. Sharia financing and MSME credit were recorded to have grown by 9.18% YoY and 1.95% YoY in Mar-25. Bank Indonesia also continues to encourage the implementation of strengthening the Macroprudential Liquidity Policy to support banking credit growth. Starting from 1 Apr-25, the Macroprudential Liquidity Policy was increased from a maximum of 4% to up to 5% of DPK. Bank Indonesia has provided Macroprudential Liquidity Policy incentives of IDR370.6 trillion until the second week of April-25. Macroprudential Liquidity Policy incentives were given to State-Owned Enterprises banks of Rp161.7 trillion, National Private Commercial Banks of Rp167.4 trillion, Regional Development Banks of IDR35.7 trillion, and Foreign Bank Branch Offices of Rp5.8 trillion. Sectorally, Macroprudential Liquidity Policy incentives were distributed to priority sectors, namely agriculture, real estate, public housing, construction, trade and manufacturing, transportation, warehousing, tourism and creative economy, as well as MSME, Ultra Micro, and green. Bank Indonesia predicts that banking credit growth will head towards the lower limit of the 11-13% range in 2025.

Meanwhile, banking resilience indicators appear to remain strong in supporting financial system stability until Mar-25. Banking liquidity is adequate, as reflected in the ratio of Liquid Assets to Third Party Funds of 26.22% in Mar-25. In terms of capital, the banking Capital Adequacy Ratio was recorded as high at 26.95% in Feb-25. Credit risk remains under control, as reflected in low banking Non-Performing Loans of 2.22% (gross) and 0.81% (net) in Feb-25. Bank Indonesia's stress test results also show that banking resilience remains strong, and is supported by maintained corporate repayment capacity and profitability.

In the development of the payment system, digital payment transaction performance grew 33.50% YoY to 10.76 billion transactions in 1Q25. The transaction volume of mobile applications and internet continued to grow aggressively by 34.51% YoY and 18.89% YoY in 1Q25, respectively. Likewise, the transaction volume of digital payments through QRIS continued to grow high by 169.15% YoY, supported by an increase in the number of users and merchants until 1Q25. In terms of infrastructure, the volume of retail transactions processed through BI-FAST reached 1.07 billion transactions or grew 57.68% YoY, with a value of Rp2,741.81 trillion. The volume of large value transactions processed through BI-RTGS grew 0.69% YoY to 2.47 million transactions with a value of Rp46,281.21 trillion. Meanwhile, in terms of Rupiah money management, Circulating Currency grew 15.51% YoY to Rp1,240.12 trillion in 1Q25.

Foreign Exchange: Daily Levels

	EUR/USD	USD/JPY	AUD/USD	GBP/USD	USD/CNH	NZD/USD	EUR/JPY	AUD/JPY
R2	1.1450	143.97	0.6457	1.3411	7.3143	0.6039	162.9033	92.0440
R1	1.1420	143.30	0.6433	1.3376	7.3022	0.6019	162.6567	91.7220
Current	1.1351	142.94	0.6403	1.3308	7.2966	0.5989	162.2500	91.5240
S1	1.1338	142.12	0.6364	1.3280	7.2796	0.5960	162.0067	90.8160
S2	1.1286	141.61	0.6319	1.3219	7.2691	0.5921	161.6033	90.2320

	USD/SGD	USD/MYR	USD/IDR	USD/PHP	USD/THB	EUR/SGD	CNY/MYR	SGD/MYR
R2	1.3186	4.4216	16903	56.7313	33.6833	1.4987	0.6052	3.3572
R1	1.3149	4.3970	16888	56.6467	33.5547	1.4961	0.6025	3.3452
Current	1.3130	4.3795	16837	56.3850	33.4680	1.4903	0.6002	3.3360
S1	1.3091	4.3595	16862	56.4607	33.3397	1.4895	0.5983	3.3257
S2	1.3070	4.3466	16851	56.3593	33.2533	1.4855	0.5968	3.3182

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	Jul-25	Neutral
BNM O/N Policy Rate	3.00	8/5/2025	Neutral
BI 7-Day Reverse Repo Rate	5.75	21/5/2025	Easing
BOT 1-Day Repo	2.00	30/4/2025	Neutral
BSP O/N Reverse Repo	5.50	19/6/2025	Easing
CBC Discount Rate	2.00	19/6/2025	Neutral
HKMA Base Rate	4.75	-	Easing
PBOC 1Y Loan Prime Rate	3.10	-	Easing
RBI Repo Rate	6.00	6/6/2025	Easing
BOK Base Rate	2.75	29/5/2025	Easing
Fed Funds Target Rate	4.50	8/5/2025	Easing
ECB Deposit Facility Rate	2.25	5/6/2025	Easing
BOE Official Bank Rate	4.50	8/5/2025	Easing
RBA Cash Rate Target	4.10	20/5/2025	Neutral
RBNZ Official Cash Rate	3.50	28/5/2025	Easing
BOJ Rate (Lower bound)	0.00	1/5/2025	Tightening
BoC O/N Rate	2.75	4/6/2025	Easing

Equity Indices and Key Commodities

	Value	% Change
Dow	40,093.40	1.23
Nasdaq	17,166.04	2.74
Nikkei 225	35,039.15	0.49
FTSE	8,407.44	0.05
Australia ASX 200	7,920.51	1.33
Singapore Straits Times	3,831.92	-0.01
Kuala Lumpur Composite	1,506.52	0.36
Jakarta Composite	6,613.48	n/a
Philippines Composite	6,158.48	-0.16
Taiwan TAIEX	19,478.81	-0.82
Korea KOSPI	2,522.33	-0.13
Shanghai Comp Index	3,297.29	0.03
Hong Kong Hang Seng	21,909.76	-0.74
India Sensex	79,801.43	-0.39
Nymex Crude Oil WTI	62.79	0.84
Comex Gold	3,348.60	1.65
Reuters CRB Index	297.83	0.75
MBB KL	9.95	0.00

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