10 December 2025

Macro | FX Research & Strategy

Global

Global Markets Daily

FOMC Decides Tonight

Elephant in the Room

The DXY index edged higher overnight, in the absence of strong market cues as market players await the Fed's decision and guidance tonight. Expectations are for the Fed to lower Fed Fund Target Rate Range to 3.50-3.75% tonight and our house view concurs. The dot plot will be scrutinized for any shift. The Sep dot plot implied one cut expected tonight and one more in 2026. Our economist looks for one more cut as well this year but another two more next year. We bear in mind that the composition of the voting committee next year will be tilting dovish. A rate cut is already in the price, so the market reaction could be swung by how hawkish Fed can be and the reality is, in spite of the dramatic swing in the bets on the Dec decision that we have seen in the past few weeks, Fed Fund Futures consistently imply 2-3 more cuts for 2026 and it takes strong inflation prints for this to shift. Upticks of the USD from any hawkish guidance should be seen as opportunities to sell into 2026.

BOC To Keep Policy Rate Unchanged, Ringgit Stablecoin

We do not expect BoC to cut tonight and in fact, throughout 2026 as core CPI remained sticky around 3.0%. BoC wants to be focused on ensuring that "Canadians continue to have confidence in price stability through this period of global upheaval", noting the limitation in the role that monetary policy can play to boost demand affected by the trade conflict. This BoC-Fed divergence will also be supportive of the CAD against the USD. We continue to look for USDCAD to head lower towards 1.34 in 2026. Closer to home, Bullish Aim Sdn., chaired and owned by son of Sultan Ibrahim Iskandar of the royal family, had unveiled a stablecoin called RMJDT that would be pegged to the ringgit. It will be backed by local-currency cash deposits and short-term Malaysian government bonds according to sources cited by Bloomberg.

Other Data/Events We Watch

NZ Net migration rose to 2400 in Oct from 1700 in the month prior. China's CPI picked pace in line with expectations to +0.7%y/y from previous +0.2%. PPI fell a steeper -2.2%y.y from previous -2.1%. China's credit data could be out anytime by the 15th.

FX: Overnight Closing Levels % Change

Majors	Prev Close	% Chg	Asian FX	Prev Close	% Chg
EUR/USD	1.1627	-0.09	USD/SGD	1.2976	0.01
GBP/USD	1.3297	-0.19	EUR/SGD	1.5088	-0.08
AUD/USD	0.6642	0.27	JPY/SGD	0.8270	-0.61
NZD/USD	0.578	0.09	GBP/SGD	1.7255	-0.17
USD/JPY	156.88	0.62	AUD/SGD	0.8618	0.27
EUR/JPY	182.40	0.52	NZD/SGD	0.7502	0.11
USD/CHF	0.8063	-0.06	CHF/SGD	1.6094	0.07
USD/CAD	1.3846	-0.08	CAD/SGD	0.9372	0.07
USD/MYR	4.1135	0.03	SGD/MYR	3.1729	0.03
USD/THB	31.83	-0.15	SGD/IDR	12858	-0.13
USD/IDR	16676	-0.11	SGD/PHP	45.60	0.24
USD/PHP	59.21	0.44	SGD/CNY	5.4452	-0.09

Implied USD/SGD Estimates at, 9.00am

Upper Band Limit	Mid-Point	Lower Band Limit
1.2846	1.3108	1.3370

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G10: Events & Market Closure

Date	Ctry	Event
9 Dec	AU	RBA Policy Decision
9-10 Dec	US	FOMC Policy Decision
10 Dec	Ca	BoC Policy Decision
11 Dec	SZ	SNB Policy Decision

AXJ: Events & Market Closure

Date	Ctry	Event
8 Dec	PH	Market Closure
10 Dec	TH	Market Closure
11 Dec	PH	BSP Policy Decision

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G10 Currencies

- **DXY Index - *Edging Higher ahead of a Hawkish Cut*. The** DXY index edged higher overnight, in the absence of strong market cues as market players await the Fed's decision and guidance tonight. Expectations are for the Fed to lower Fed Fund Target Rate Range to 3.50-3.75% tonight and our house view concurs. The dot plot will be scrutinized for any shift. The Sep dot plot implied one cut expected tonight and one more in 2026. Our economist looks for one more cut as well this year but another two more next year. We bear in mind that the composition of the voting committee next year will be tilting dovish. A rate cut is already in the price, so the market reaction could be swung by how hawkish Fed can be and the reality is, in spite of the dramatic swing in the bets on the Dec decision that we have seen in the past few weeks, Fed Fund Futures consistently imply 2-3 more cuts for 2026 and it takes strong inflation prints for this to shift. Upticks of the USD from a hawkish guidance should be seen as opportunities to sell into 2026. Beyond just data and policy decision, markets will be watching the announcement of the next Fed Chairperson in early 2026. The current frontrunner is seen to be his Chief Economic Adviser Kevin Hassett. He has mentioned about his preference to cut rates "right now". **Trump has started the final found of interviews that could pit Hassett against other candidates. FT said that although frontrunner is still Hassett, his position is not "not guaranteed". There are some rumours that the Hassett may serve a shortened term.** The Fed Chair nominee has to be a Governor and the only available vacancy in 2026 will be the one vacated by former Governor Adriana Kugler and that Stephen Miran had stepped into. Her 14-year term was meant to expire on 31 Jan 2026. The new Chair (if not a current Governor) will have to begin a 14-year term in Feb. Powell's term as chair ends in May but his term as governor ends on 31 Jan 2028. The DXY index continued to remain in sideway trades within 98.60-100.40. The bearish double top pattern played out. We continue to prefer to sell the DXY index on upticks. Break of the support at 99.00 (50-dma) opens the way to the next support at 98.60 (100-dma) and then at 97.40. Break of the 100.40-resistance to open the way towards the next key resistance at 101.65. Data-wise, Tue could bring NFIB small business optimism, NY Fed 1Y inflation expectations (Nov), JOLTS job openings (Oct) due on Tue. Fed decides policy rate on Wed night into Asia morning on Thu (03:00 11 Dec). Thu has weekly claims and Sep trade.

- **EURUSD - *Range 1.1500-1.1750*.** EURUSD drifted just a tad lower to levels around 1.1620. This was in spite of the social security bill that was approved by the French National Assembly and that is taken as a litmus test for the new budget to be approved later this year and for the survival of PM Sebastien Lecornu. Elsewhere, the EU unanimity rule, where all member states must agree, has been a sore point of late for pro-Ukraine states as Hungary's Orban veto-ed EU funding to Ukraine. Developments over Ukraine should continue to be a major risk for the EUR, and Putin seems to be biding his time and playing it a bit coy in negotiations. Trump on the other hand, criticized Europe for excessive dialogue that had little progress so far and described Russia as having the upper hand. The situation remains uncertain. Range-trade could continue within the 1.15-1.1750 range. We are looking for no further cuts from the ECB in 2025 and the Fed-ECB divergence could provide tailwinds to drive the pair higher, but French political risks linger as well as the war in Ukraine (although they are no longer underpriced). We stay cautious of potential whipsaws in the EUR.

- **GBPUSD - *Two-way Risks within 1.30-1.33*.** GBPUSD softened to levels around 1.3320 in line with broader developments. BoE projects the budget to bring inflation lower by half a ppt, raising expectations that the central bank will be able to cut at the policy meeting next week.

Meanwhile, Chancellor Reeves was accused of misrepresenting the state of public finances ahead of the budget. The OBR revealed a larger than expected cash buffer of £22b, with Reeves' self-imposed "stability" rule - that day-to-day spending should be covered by tax revenues in the 29-30 FY and the principle that borrowing is only for investment show the commitment to fiscal discipline. Nevertheless, risks still exist as the fiscal tightening is largely backloaded. The Starmer administration could still have to balance between fiscal prudence and the political will of lawmakers against cost-cutting measures. This had already been an issue when welfare reform came about earlier. We remain cautiously optimistic on the GBP even though this budget clears the way for the BOE to cut rates as we anticipate the USD to continue to weaken against its counterparts. **BoE Taylor spoke at a McKinsey Global event, noting that the central bank still has "its foot on the brake a bit" even as UK price and wage pressure cool.** He described the current environment as a low R-star world. **We believe that the fiscal risks for the UK remain fairly priced and remain cautiously optimistic for the GBP.** Back on the GBPUSD chart, this pair staged a rather strong rebound before softening to levels around 1.3320. Resistance at 1.3390 to cap rallies but a break there could open the way towards 1.3510. Support at 1.3140.

- **USDCHF - *Two-way trades*.** USDCHF was higher at 0.8060 levels in line with broader developments and trapped within the 0.7870-0.8160 range. Pair remained in two-way trades, within the 0.7860-0.8120 range. The moving averages have compressed and we see potential for a break out from here. Bullish momentum seems to be fading. Price action needs to break out of the 0.7870-0.8160 range for stronger directional cue. SNB reluctance to take rates below zero could see CHF better supported than peers on safe-haven demand. Former Governor Jordan also opined that negative interest rate should be avoided whenever possible. We see no further cuts from SNB this year unless inflation heads into negative territory, which is a possibility but not our base case.

- **USDJPY - *Under Upside Pressure*.** Pair edged higher again overnight as it pushed towards the 157.00 but did not break above it. Yesterday, Ueda speech to parliament did not present any big surprising comments on a BOJ hike in Dec nor directly on the currency. The BOJ Governor simply said that they would make the appropriate decision come around Dec although his hints previously of a Dec hike were already strong as he had said last week that "rate hikes wouldn't put brakes on economic activity" and that they "will consider the pros and cons of raising the policy interest rates". At a recorded FT interview on Monday, Ueda mentioned that the economy closer to hitting the 2% inflation "on a sustained basis". However, what was more interesting was his comments on the JGB markets, where he said that the bank would nimbly increase bond buying in exceptional cases as he recognized that the recent pace of long term bond yields increase is "somewhat fast". The 10Y and super long ends did not push any higher yesterday and today but the currency was still under substantial pressure. Other external drivers could have weighed in including markets taking some chips off the table on betting on the extent of Fed dovishness into 2026. Dollar had climbed up further overnight whilst the UST 10Y2Y spread was just the slight bit narrower. The FOMC is crucially watched tonight although we actually think a hawkish outcome is not necessarily the best of news. The potential of Hassett being the Fed Chair and Trump's push for more rate easing could come into contradiction with a hawkish Fed and in turn create more concerns regarding Fed independence. This also leads to increased anxiety about upside long term inflation risks and the term premium. However, if the Fed does come out hawkish, we don't rule some further unwind of rate cut bets, leading some mild temporary climb in the DXY near term but it should eventually end up declining again. Meanwhile, a dovish outcome could reignite rate cut bets and spell for further dollar softening. Ironically, whilst the immediate reaction for the DXY could be different (in that dollar could move lower instead of higher), there is actually no difference eventually as the dollar in both cases would soften. For the USDJPY, upside pressure can remain in the near term but intervention uncertainty can still keep markets more wary about pushing too high too rapidly. PM Takaichi has actually said that the measures would be taken if FX moves become excessive or unstable. Resistance at 157.00,158.00 and 160.00. Support at 155.00 and 153.64. Remaining key data releases this week include 4Q BSI (Thurs), 5 Dec Japan/foreign buying Japan/foreign stocks/bonds (Thurs) and Oct capacity utilization (Fri).

- **AUDUSD - *A Windy Recovery Continues*.** AUDUSD hovered around 0.6630 this morning. RBA kept cash target rate unchanged at 3.60%. True to our expectations, the initial reaction was a pullback in the AUDUSD before it was pushed to new intra-day high yesterday. RBA Bullock was more hawkish than expected, expressing concerns that the board is worried about persistent inflation and that "additional cuts aren't needed". That reduces the possibility of a rate cut next year. Cash rate futures now imply a 50bps hike by the end of 2026. Growth of employment rate has been on a downtrend and the Oct report does not change this view. We continue to look for AUD recovery to take the windy road based on the volatility in the equity markets. Our view for AUDUSD to head towards the 0.66-figure has played out and next resistance is seen around 0.6625 and then at 0.6707. Support at 0.6415. Data-wise, Nov labour report is due on Thu.

- **NZDUSD - *An inverted H&S Forming*.** NZDUSD rose and was last seen around 0.5770, in line with fellow antipode. The NZD is also supported by the RBNZ hawkish cut in Nov. RBNZ had cut 25bps as expected but RBNZ has noted that the weakness in the economy could be "overstated" by the GDP decline in the Jun quarter. There was an unusually large seasonal balancing item that contributed to the weakness in the headline which could reversed eventually. OCR is now at 2.25% and the central bank projects the average OCR to be around 2.2% in 2Q 2026 which could mean little need for further rate cut. NZDUSD has likely formed a base around 0.5580. We hold a constructive outlook for NZD from here as we look for recovery to extend. Interim resistance is seen around 0.5815 (100-dma) before the next resistance at 0.5860 (200-dma). A failure to break above the 0.58-figure could form an arguable neckline for an inverted head and shoulders shoulder that could a very bullish reversal and take this pair back above the 0.60-figure. Data-wise, net migration for Oct rose to 2400 from 1700 in the prior month, BusinessNZ Mfg PMI and card spending for Nov due Fri.

- **USDCAD - *BoC to Hold*.** USDCAD was last seen around 1.3855 after a sharp drop last Fri that was triggered by the surprisingly steep fall in the unemployment rate. The labour report for Nov turned out stronger than expected with jobless rate down to 6.5% from previous 6.9% against the expectation for a 7.0% print. The country added a net 53.6K employment in Nov and interestingly, employment gains were heavily concentrated among those between the ages of 15 and 24 (likely entry-level roles). Nonetheless, this still suggest a recovery in the making. In addition, PM Carney, Trump and Mexcian Sheinbaum were said to be in constructive talks on the margins of the World Cup in Washington and that likely added boost to the CAD as well. A formal review of the USMCA agreement is due to take place next year. We continue to look for gradual bearish moves amid swing in risk sentiment (Japan's overnight earthquake for one) that could still undermine the CAD from time to time. **On the USDCAD chart, the pair hovered around 1.3850, testing the support around 1.3840.** Next support is seen around 1.3730 before the next at 1.3630. We see a potential break of the rising trend channel and it is happening now. We prefer to sell the pair on rallies towards 1.36. Week ahead has BoC decision on Wed. We do not expect BoC to shift its rate from 2.25% given the upside surprise in the labour report and it is likely that BoC could be more hawkish from here given that core inflation (trim) is still sticky at target at 3.0% for Oct.

- **Gold (XAU/USD) – *Consolidation***. Gold rose a little and was last seen around 4213 awaiting fresh cues after it broke out of the pennant formation that could see an extension towards 5000 in the first half of next year. We continue to keep an eye on geopolitical hotspots - simmering Sino-Japan conflict could continue to provide fresh tailwinds for gold but it seems that Trump, Carney and Sheinbaum are ready to review the USMCA agreement, keeping the gold in consolidation. Nonetheless, gold remains up around 9% from Oct low. Fresh and old geopolitical risks likely added boost to the bullion. The macro environment of (Fed easing, global growth slowing, inflation lingering) continues to remain supportive of gold. 4300 is next resistance before the next at 4420. Support remains at 4080 before 3890.

Asia ex Japan Currencies

SGDNEER trades around +1.11% from the implied mid-point of 1.3116 with the top estimated at 1.2853 and the floor at 1.3378.

- **USDSGD - *Turning Point?*** USDSGD was slightly lower at 1.2970 levels in line with the broader USD trend. SG Oct CPI showed signs of increasing towards MAS' preferred 2% level with Oct core inflation at 1.2% (exp: 0.7%; prev: 0.4%), SGDNEER was at +1.11% above the implied mid-point, remaining well supported. SGDNEER has retraced from lows and remains well supported. Pharma tariffs could weigh on SGD, although DPM Gan Kim Yong clarified that many pharmaceutical companies already have plans to build and invest in the US (and as such could be relatively unharmed by tariffs), but the government's concern remains a longer term impact on the overall investment climate. MAS should be in a relatively comfortable position (in contrast to the Fed) to maintain current policy stance of slight (0.5% p.a.) appreciation which should provide support for the SGD. SORA has found some supported and bounced up from lows although we take the outperformance of SGD rates and firmness in the SGDNEER as evidence of Singapore's safe-haven appeal. Back on the USDSGD chart, support is at 1.2900. Resistance at 1.2950 and 1.3000.

- **SGDMYR - *Eye 3.10*.** SGDMYR was lower at 3.1777 levels. Recent low was 3.1642. Pair retains a downside bias amid relative MYR outperformance rather than outright SGD weakness. Earlier double bottom pattern has been violated with the move down. Support at 3.15 and 3.10 with resistance at 3.20 and 3.25.

- **USDMYR - *Sideways, Lean Downside*.** The pair was last seen at 4.1195 as traded sideways around yesterday's levels with the broad dollar edging up. CNH/CNY remains stable though and helping to anchor the MYR. Nonetheless, immediate reaction for the broad dollar could differ somewhat depending on the outcome of the FOMC but we still think broad dollar would come off into month end. Therefore, we still lean downside on the USDMYR given our view that the dollar would come off again after the temporary climb due as concerns on Hassett's appointment and Fed independence can cloud the mindset of investors. Resistance is at 4.130 and 4.150. Support at 4.100. A clear decisive break below the latter can open the way towards the 4.000 support. Take note, sentiment overall remains strong towards the MYR whilst there is still substantial FC deposits that are yet to be converted. Momentum indicators look stretched on the downside although take note that it can also do so for quite a while. Key data releases this week include Oct IP (Fri) and Oct mfg sales (Fri).

- **USDCNH - *New Consolidating Range of 7.05-7.10 Intact. Lower Bound is a Line in the Sand*.** USDCNH was last seen around 7.0605. The fix today came in at 7.0753 vs. predicted 7.0752, higher for the tenth consecutive session. USDCNH was little moved. The line in the sand is drawn and markets respect that. Fix continues to serve two purposes – to serve as a leash on the yuan regardless of where market forces drive it to so as to smoothen volatility and during periods of geopolitical escalations, the yuan anchors sentiment for financial markets at home. The USDCNY has reached our year end forecast 7.07 and based on the fixing behavior, we are looking for this pair to remain in a new established range within 7.05-7.10. The elephant in the room is still the tension between China and Japan and we can continue to monitor the headlines. We have quite a number of data releases this week – Nov trade today, credit data between 9-15 Dec. China's CPI picked pace in line with expectations to +0.7%y/y from previous +0.2%. PPI fell a steeper -2.2%y.y from previous -2.1%. An editorial from the People's daily urged the country to boost agricultural output to ensure basic self-sufficiency in grain and food supplies with a focus on corn and soybeans.

- **1M USDKRW NDF – *Upside Bias*.** 1M USDKRW NDF was last seen lower at 1467.85 levels. In line with the broader consensus, the BOK held its policy rate at 2.50% amid financial stability concerns (officially) and what we think are potential concerns over FX stability. Governor Rhee reaffirmed the BOK's easing bias in an earlier interview, although he cautioned that future cuts would be data dependent. The KRW could be reaching levels where the National Pension Service (NPS) could step in. BOK and the NPS reportedly held a meeting over FX yesterday, with the welfare and finance ministries also joining in to establish a body to assess the impact of overseas investment on FX – in particular how to harmonize the profitability of the NPS with FX stability. There was talk of Korea's national pension service helping to stabilize FX and that should help shore up sentiment. Strangely, the confirmation of the US-South Korea deal does not seem to be stemming negative pressures on the KRW. Trump declared a deal, while South Korea later followed up to say that tariffs would be reduced to 15% (from 25%) and South Korea would invest US$350b (US$200b in cash investment and US$150b in shipbuilding) in the US. BoK had kept its base rate unchanged at 2.50% on 23 Oct amid lingering concerns on its financial stability tied to the housing market. In addition, Governor Rhee had recently tried to dispel rumors that the recent won depreciation is a sign of a financial crisis at home. He assured that won volatility is a reflection of global economic trends but acknowledged its impact on inflation and economic conditions. We suggest that KRW volatility is another reason for the stand pat. BoK had also mentioned that the economy had rebounded in 2Q but still faces headwinds from US trade talks with major economies. Financial stability risks were also highlighted in light of rising delinquency rates amongst small businesses and regional developers. Back on the chart, resistance is at 1480. Support is at 1460, 1430 (23.6% Fibonacci retracement of the Jul low and Nov high), followed by 1417.

- **1M USDINR NDF- *Lower as RBI Steps In*.** 1M USDINR NDF was last seen higher at 90.24 levels as the pair continues to trade with upside momentum. RBI cut rates by a quarter point, in line with consensus, but against our view. Governor Maholtra offered that the cut was in line with medium-term growth-inflation dynamics. Rumours that India would make defence purchases from Russia threaten to scupper a trade deal. RBI seems to have stepped away and has not defended 89.00 on USDINR despite hinting it could be a line in the sand earlier. RBI Governor Maholtra said that INR weakness was largely due to India's inflation differentials with a historical 3% to 3.5% depreciation seen annually and offered that RBI's efforts were "to contain excess volatility". RBI's absence had earlier driven USDINR higher. There could be some positivity on the INR as rumours that the US and India were closer to a trade deal abound. India was said to be agreeable to gradually reduce reliance on Russian oil and in exchange would get reduced tariffs from the earlier mooted 50%. RBI held at 5.50% on 1 Oct, although two members (of six) preferred a more accommodative setting (independent of rate decision). We suggest that the hold was likely driven by the RBI's longstanding preference for currency stability. Pharma tariffs could continue to weigh on the INR with India among the largest exporters of pharmaceuticals to the US in 2024. The H1B visa fee hike could be weighing on the INR over fears of potentially lower remittances and likely outflows from India's IT sector. There were reports that RBI had stepped in last week to stabilize the INR. Global funds buying of Indian bonds hit a 1-month high last Fri (12 Sep) after four straight days of buying. Indian bonds steadied as the expected loss from GST-related reforms was lower than expected. Modi, Xi and Putin have met and that could be a sign of intent that BRICS will be here to stay. Navarro took aim at India "cozying up to Xi Jinping". China's ambassador Xu Feihong has said that China will firmly stand with India in opposing the 50% tariff on the country. They also firmly stand with India to uphold the multilateral trading system, with the WTO at its core. The uncertainty with the tariff situation is creating upside risks for the USDINR. Back on the chart, resistance at 90.00. Support stands at 89.00, 88.50 (21-dma, 50-dma) and 87.70.

- **USDTHB - *Sideways*.** Pair was last seen at 31.84 as it traded around levels seen in prior session. USDTHB has been moving lower in prior session even as the broad dollar edged up. Take note around this time, there can be seasonal tourism inflows that can support the currency (although we are aware that tourism levels could be lower compared to last year). FOMC tonight is closely watched for a dovish or hawkish outcome. Immediate reaction for the broad dollar could differ somewhat depending on the outcome of the FOMC as a hawkish outcome could temporarily push up the broad dollar whilst a dovish could guide weaker. Nonetheless, we still think broad dollar would come off into month end in both scenarios. USDTHB therefore can still see further downside into month end albeit we are wary it can be limited given government discomfort with the currency strength. Support is at 31.80 and 31.57. Resistance is at 32.00 and 32.50. Meanwhile, Trump has said he would call Thailand and Cambodia after border clashes emerged again between the two sides. Key data releases this week include 5 Dec gross international reserves (Fri) and 4 Dec forward contracts (Fri).

- **1M USDIDR NDF - *Sideways*.** 1M USDIDR NDF was last seen at 16705 as it traded a little higher but nonetheless remains sideways. Broad dollar did somewhat edge up slightly. FOMC tonight is closely watched for a dovish or hawkish outcome. Immediate reaction for the broad dollar could differ somewhat depending on the outcome of the FOMC as a hawkish outcome could temporarily push up the broad dollar whilst a dovish could guide weaker. Nonetheless, we still think broad dollar would come off into month end in both scenarios. Therefore, we believe 1M NDF could still range trade around the 16600 – 16750 levels overall. Key support levels are at 16600 and 16530. Resistance at 16700 and 16800.Menawhile, on other news, the FT has reported that US Trade Representative Jamieson Greer is set to speak with Economic Affairs Minister Airlangga Hartarto this week on trade matters. Talks would revolve around trying to ensure that the trade framework previously agreed would not collapse especially as the US could be concern that Jakarta is reneging on agreements to eliminate non-tariff barriers. Any collapse in the trade talks between the two does appear to be some risk now and can weigh on sentiment towards Indonesian assets. Remaining key data releases this week include Nov local auto sales (10 – 15 Dec).

- **1M USDPHP NDF - *Testing 59.50*.** Pair was last seen at around 59.30 as it pushed pass the 59.50 level by then pulled back. Technical trading around key levels continue to guide the pair. FOMC is closely watched tonight. Immediate reaction for the broad dollar could differ somewhat depending on the outcome of the FOMC as a hawkish outcome could temporarily push up the broad dollar whilst a dovish could guide weaker. Nonetheless, we still think broad dollar would come off into month end in both scenarios. There we believe 1M NDF can risk pushing up higher but not necessarily so much more and would eventually edge lower into month end. Back on the chart, key support levels are at 58.50 and 58.00. Resistance at 59.50 and 60.00. Meanwhile, a BSP decision is due on Thurs, where we believe there would be a cut of 25bps. 3y and 5y RPGBs can still rally more given that the BSP would still express a dovish tilt with the inflows being some support for the currency. Key data releases this week include Oct unemployment rate (Wed).

- **USDVND - *Ranged*.** USDVND was last seen around 26368, little moved within the 26300-26440 range. The reference rate is set steady at 25155, also keeping the USDVND steady. SGDVND was last seen hovering around

20330, within the range of 20120 – 20500. Momentum remains bullish. MYRVND was last seen around 6400, continuing to test the upper bound of the 6300-6400 range. Momentum is flat and next resistance is seen around 6410. Vietnam released its Nov data dump recently – CPI picked up pace again to 3.58% from previous 3.25%, a likely reason for SBV to keep reference rate for the USDVND steady recently. A weaker VND could fan inflation pressure higher. Trade weakened only slightly with exports slower at 15.1%y/y from prev. at 17.5% while imports came in at 16.0%y/y from previous 16.8%. Trade surplus halved to $1.1bn in Nov. IP steadied at 10.8%y/y while retail sales weakened just a tad to 7.1%y/y in Nov vs. previous 7.2%.

Malaysia Fixed Income

Rates Indicators

MGS	Previous Bus. Day	Yesterday's Close	Change (bps)
3YR MI 4/28	3.01	3.04	+3
5YR MI 5/30	3.27	3.28	+1
7YR MO 7/32	3.46	3.48	+2
10YR MS 7/35	*3.50/47	3.53	+3
15YR MS 4/39	3.75	*3.78/75	Not Traded
20YR MX 5/44	*3.86/84	3.87	+2
30YR MZ 7/55	*4.00/96	3.99	Unchanged
IRS			
6-months	3.26	3.27	+1
9-months	3.24	3.25	+1
1-year	3.22	3.24	+2
3-year	3.26	3.31	+5
5-year	3.36	3.41	+5
7-year	3.43	3.48	+5
10-year	3.57	3.63	+6

Source: Maybank

**Indicative levels*

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

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- GII bellies traded 1bp cheaper, likely driven by unwinding of bond-swap spread positions and firmer hedging flows as the IRS curve steepened by 2-3bp. Onshore foreign banks were active sellers while local investors were also net sellers.

- MYR IRS climbed by 1-6bp with a steepening bias amid active trading as continued softness in the local government bond market drove strong hedging demand. 3m KLIBOR remained unchanged at 3.26%. The front-end (1-3y) was traded at 3.23-3.29% while the mid-segment (4-7y) was traded at 3.36-3.47%.

Singapore Fixed Income

Rates Indicators

SGS	Previous Bus. Day	Yesterday's Close	Change (bps)
2YR	1.42	1.46	+4
5YR	1.77	1.83	+6
10YR	2.16	2.23	+7
15YR	2.18	2.25	+7
20YR	2.19	2.26	+7
30YR	2.25	2.30	+5

Source: MAS (Bid Yields)

- Global bond yields continued to edge higher ahead of the upcoming US FOMC decision. Following global rates, SGS yields rose 4-7bp, led by the 10-20y segment, which gained 7bp. Overnight SORA maintained the upward momentum, inching up to 1.15% on 8 December.

Indonesia Fixed Income

Rates Indicators

Gov't Bonds	Previous Bus. Day	Latest Day's Close	Change
1YR	4.93	4.93	0.00
2YR	5.09	5.09	(0.00)
5YR	5.66	5.66	(0.00)
10YR	6.21	6.21	0.00
15YR	6.48	6.48	(0.00)
20YR	6.57	6.57	0.00
30YR	6.79	6.79	0.00

** Source: Bloomberg, Maybank Indonesia*

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Most Indonesian government bonds stagnated yesterday. We thought that investors kept being cautious for investing on Indonesian government bonds before various releases of economic data, especially the U.S. CPI inflation and Fed's monetary policy meeting since tonight. Moreover, recently narrowing gap of yields between Indonesian government bonds with the U.S. government bonds to be below 220 bps (yesterday at 202 bps for 10Y series) was also being major factors for selling Indonesian government bonds by the investors. Investors seemed being sensitive with the gap of yields between Indonesian government bonds with the U.S. government bonds.

Actually, on the domestic side, the global investors still have a good risk perception about Indonesian financial markets, as shown by relatively low of 5Y CDS position at 73.28 yesterday. It's in line with recent positive developments on various economic data, such as stronger consumers' confidences index from 121.2 in Oct-25 to be 124.0 in Nov-25, positive number by US$4.05 billion of national current account in 3Q25, modest inflation by 2.72% YoY in Nov-25, stronger PMI manufacturing index in Nov-25, and sustainable position on the national trade surplus in Oct-25. Today, we foresaw that the investors will keep on "wait and see" mode for incoming releases of various macroeconomic data from both and domestic side. Tonight, the investors will watch several U.S. labour data, such as CPI inflation and Fed's policy rate. Furthermore, for 10Y series of Indonesian government bonds, we suspect the global investors to be more attractive for bidding as the yield on this series has the yield gap by more than 220 bps with the U.S. 10Y government bond.

Indonesian government successfully absorbed Rp8 trillion from its Sukuk auction yesterday. It exceeded the government's indicative target by Rp7 trillion for this auction. However, we saw a less investors' interests for participating this auction, as shown by investors' total incoming bids that only reached Rp18.85 trillion. We suspected that most investors, especially from the local side, had taken for the end of year holiday, then other most investors were on "wait&see" mode anticipating tonight's key macroeconomic data releases, such as U.S. CPI inflation and the Fed's policy rate decision. SPNS10082026 (9M Series) became the most attractive series for investors, with Rp5.80 trillion of total investors' incoming bids. The government, then, absorbed Rp1.55 trillion and awarding 4.83323% of weighted average yields for investors on their bids on SPNS10082026.

Foreign Exchange: Daily Levels

	EUR/USD	USD/JPY	AUD/USD	GBP/USD	USD/CNH	NZD/USD	EUR/JPY	AUD/JPY
R2	1.1675	157.73	0.6680	1.3382	7.0765	0.5809	183.4200	105.2617
R1	1.1651	157.31	0.6661	1.3339	7.0687	0.5795	182.9100	104.7323
Current	1.1626	156.66	0.6634	1.3300	7.0615	0.5768	182.1300	103.9270
S1	1.1609	156.10	0.6616	1.3271	7.0566	0.5767	181.6200	103.3383
S2	1.1591	155.31	0.6590	1.3246	7.0523	0.5753	180.8400	102.4737

	USD/SGD	USD/MYR	USD/IDR	USD/PHP	USD/THB	EUR/SGD	CNY/MYR	SGD/MYR
R2	1.2998	4.1264	16733	59.2890	31.9683	1.5141	0.5833	3.1807
R1	1.2987	4.1199	16704	59.2470	31.9007	1.5115	0.5828	3.1768
Current	1.2974	4.1161	16694	59.2100	31.8500	1.5078	0.5838	3.1787
S1	1.2963	4.1096	16654	59.1210	31.7857	1.5067	0.5818	3.1690
S2	1.2950	4.1058	16633	59.0370	31.7383	1.5045	0.5814	3.1651

**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 SORA	1.2144	Jan-26	Neutral
BNM O/N Policy Rate	2.75	1/22/2026	Neutral
BI 7-Day Reverse Repo Rate	4.75	12/17/2025	Easing
BOT 1-Day Repo	1.50	12/17/2025	Easing
BSP O/N Reverse Repo	4.75	12/11/2025	Easing
CBC Discount Rate	2.00	12/18/2025	Neutral
HKMA Base Rate	4.25	-	Easing
PBOC 1Y Loan Prime Rate	3.00	-	Easing
RBI Repo Rate	5.25	2/6/2026	Easing
BOK Base Rate	2.50	1/15/2026	Easing
Fed Funds Target Rate	4.00	12/11/2025	Easing
ECB Deposit Facility Rate	2.00	12/18/2025	Neutral
BOE Official Bank Rate	4.00	12/18/2025	Easing
RBA Cash Rate Target	3.60	2/3/2026	Easing
RBNZ Official Cash Rate	2.25	2/18/2026	Neutral
BOJ Rate (Lower bound)	0.00	12/19/2025	Tightening
BoC O/N Rate	2.25	12/10/2025	Neutral

Equity Indices and Key Commodities

	Value	% Change
Dow	47,560.29	-0.38
Nasdaq	23,576.49	0.13
Nikkei 225	50,655.10	0.14
FTSE	9,642.01	-0.03
Australia ASX 200	8,585.94	-0.45
Singapore Straits Times	4,513.24	0.14
Kuala Lumpur Composite	1,614.17	0.09
Jakarta Composite	8,657.18	-0.61
Philippines Composite	5,976.64	0.46
Taiwan TAIEX	28,182.60	-0.43
Korea KOSPI	4,143.55	-0.27
Shanghai Comp Index	3,909.52	-0.37
Hong Kong Hang Seng	25,434.23	-1.29
India Sensex	84,666.28	-0.51
Nymex Crude Oil WTI	58.25	-1.07
Comex Gold	4,236.20	0.44
Reuters CRB Index	299.63	-0.61
MBB KL	10.10	-0.20

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