Maybank

Global Markets Daily

Awaiting US Jobs Data

Macro | FX Research & Strategy

Global

Markets on the Edge Ahead of Crucial NFP Release

There was limited trading in the US markets, resulting in less action on that side of the world overnight. Regardless, there were still some important developments that include Fed officials such as Collins and Schmid saying that they favor a slower approach to easing whilst Harker noted there would be more additional rate cuts though timing would depend on the data. In the UK, sentiments continued to be hit by concerns about the government's fiscal position and its ability to be able to keep within the budget amid rising borrowing costs. The GBPUSD fell further and was last seen trading below the 1.2300 mark whilst gilts remain under heavy pressure. We are cautious on the GBP and do not rule out further downside as there is quite substantial long positioning in the currency amid a multitude of negative factors including the domestic uncertainty, Trump policy anxiety and US economic resilience linger. For today, markets are awaiting the crucial US jobs data with NFP expected to see a slowdown to 165k (Nov. 227k) as the effects of the one off weather impact wears off. Markets are also keeping a close eye on unemployment rate and hourly earnings. Readings in line with estimates can keep the DXY around elevated levels. However, a number quite above or below the expectations can risk resulting in substantial moves for the DXY in either direction. We are cautious on the greenback understanding the vulnerabilities it faces for downward moves amid stretch conditions but also that strong risk-off sentiment at this point can lead to a move higher in the greenback. Meanwhile, UST yields took a breather overnight coming off slightly more from its recent highs but faces upside risks.

On the Edge with the JPY, PBOC Halt Bond Buying

USDJPY continues to hover around the 158.00 mark as intervention risks continue to linger. A multitude of crucial events in the coming days including the US jobs data and BOJ Deputy Governor Ryozo Himino's speech (next Tuesday) can lead to substantial moves in the currency. At this point, we are wary of the USDJPY hitting the 160.00 level and of intervention that could occur at that point. Such an action had occurred last year around that level. Meanwhile, the PBOC has halted bond buying as they continue to try to support an under pressure CNY/CNH.

Data/Events We Watch Today

US Dec Jobs data and US Jan P UMich indexes

FX: Overnight Closing Levels % Change

Majors	Prev Close	% Chg	Asian FX	Prev Close	% Chg
EUR/USD	1.0300	-0.17	USD/SGD	1.3683	0.03
GBP/USD	1.2308	-0.44	EUR/SGD	1.4094	-0.15
AUD/USD	0.6196	-0.32	JPY/SGD	0.8653	0.17
NZD/USD	0.56	-0.16	GBP/SGD	1.6841	-0.41
USD/JPY	158.14	-0.13	AUD/SGD	0.8477	-0.29
EUR/JPY	162.87	-0.32	NZD/SGD	0.7662	-0.14
USD/CHF	0.9121	0.11	CHF/SGD	1.5	-0.07
USD/CAD	1.4395	0.13	CAD/SGD	0.9507	-0.09
USD/MYR	4.5027	-0.01	SGD/MYR	3.2885	-0.18
USD/THB	34.627	0.03	SGD/IDR	11835.71	-0.15
USD/IDR	16200	0.03	SGD/PHP	42.662	-0.18
USD/PHP	58.495	0.17	SGD/CNY	5.3593	0.02

Implied USD/SGD Estimates at, 9.00am

Upper Band Limit	Mid-Point	Lower Band Limit
1.3493	1.3768	1.4044

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G10: Events & Market Closure

Date	Ctry	Event
9 Jan	US	Market Closure

AXJ: Events & Market Closure

Date	Ctry	Event
No Major Event this Week		

G10 Currencies

- **DXY Index - *Eyes on the NFP.*** The DXY index edged higher and was remained above the 109-figure. We suspect the modest rise in the USD is due to a few factors, namely the sell-off in the GBP amid concerns on its fiscal trajectory and its growth prospect, as well as somewhat hawkish Fed speaks we heard overnight. While NY was closed to honor the late former President Jimmy Carter and 180K people flee from the LA fires, plenty of Fed officials spoke with most looking to slow the pace of easing on the monetary policy front. Fed Collins noted “considerable uncertainty” over the US economic outlook, Fed Bowman said Fed should not be “prejudging incoming administration’s policies” and favours “cautious approach” while Schmid expects inflation to hit 2% only in 2026. Harker looks for rate cuts but timing is data-dependent. Barkin believes the rise in long-term rate reflects higher risk-premium, not inflation. Fed fund futures now imply a cut by Jun though, an adjustment ahead of the Dec NFP release tonight. There has been quite a bit of hawkish re-pricing and as such, risks are skewed to the downside for the USD. There is also a rising wedge forming for the DXY index which could suggest some retracement soon. That said, the apex is far at around 112. We will be cautious of chasing the USD higher from this level. Resistance is seen around 109.50 before the next at 110.10 and then at 111. Support is seen around 107.80. NFP is due today and consensus looks for a 165k addition in payrolls, unemployment rate to steady at 4.2%. Univ. of Mich. Sentiment is also due for Jan, the preliminary print.

- **EURUSD - *Falling Wedge Still in Play*.** EURUSD pressed lower and was last seen around 1.03. Next key support is still seen around 1.0200. EU-US 10y yield gap has widened to -226bp, the widest discount since 2019. That was a key drive of EURUSD weakness in 4Q 2024. However, more recent retracements due to the rebound in 10y yields of the EU bonds likely enabled the EURUSD to find support above the 1.02-figure. The divergent monetary policy outlooks and the political uncertainties surrounding the French and the German seem to be priced well in the EURUSD and there could be some unwinding from here. Afterall, back-to-back rate cuts for Jan, Mar and Apr are well priced based on OIS. On the EURUSD chart, the next support is seen at 1.0200. Pair was arguably breaking out of the falling wedge but it is less certain now since it was unable to break above the 21-dma at 1.392, acting as a resistance. As a result, this falling wedge is still in play. The next resistance is seen at 1.0520 (50-dma). The data docket has lightened today and eyes on the US NFP for cues on the next swing of global bonds.

- **GBPUSD - *Capital Flight?*** GBPUSD slumped to a low of 1.2239 before rebound back above the 1.23-figure. The price action for gilts was also similar with 10y yield touching a high not seen since 2008 at 4.92% before easing back to levels around 4.81%. It seems that the appetite for any British asset seems to have weakened given the dump of the gilts and the pound. The Chancellor of the Exchequer Rachel Reeves is said to reaffirm her fiscal rules in a speech in the coming weeks based on unnamed sources and that she will prefer cutting fiscal spending to raising taxes if the rising borrowing costs takes up the fiscal headroom. The prospect for further cut in fiscal spending weigh on risk appetite and the GBP. In addition, data has been underwhelming these include 3Q GDP, Mfg PMI and net consumer credit. Latest Construction PMI also slipped more than expected in Dec to 53.3 from previous 55.2. Growth concerns do not help in the least. GBPUSD remains close to 2024 low of around 1.2300. Last seen around 1.2302. There could be some rebound risks given stretched conditions but bias seems to be to the downside for now. Resistance at 1.2490.

- **USDCHF - *Rising Wedge*, *Bearish risks*.** USDCHF hovered around 0.9120, not making much movements. This pair is still about to break out of the rising wedge (to the downside). At this point, there are signs that the bullish forces are weakening on the MACD, there is a bearish divergence and stochastics seem to be plateauing in overbought conditions. We expect SNB to cut rates by 50bps in 2025 to bring the policy rate to 0%. Recall that SNB Chief had flagged about negative rates (Reuters) in a bid to weaken the CHF. CHF had weakened as markets priced in the scenario of SNB cutting rates to near zero by Sep 2025. With that, one can arguably said that policy divergence between the Fed and SNB is at its widest at this point. The room for CHF to fall because of policy divergence might be less as well. With the USD in a corrective mode (lower), USDCHF may move lower from here. The next support is at 0.8820. Resistance is the 0.9000. Of the traditional safe-havens, it does seem that gold and CHF retain most of the safe-haven properties, with the JPY being pressured by yield differentials. Safe-havens could be better supported on heightened volatility and uncertainty in the lead up to key events like the US elections. Further rate cuts from SNB could pressure USDCHF higher and if a situation arises where it becomes the global funding currency of choice (like the JPY), then we could see more upside for USDCHF. Week ahead has labour report on Fri.

- **USDJPY - *Little Changed, Cautious*.** The pair was last seen at around 158.06 as it continued to trade sideways. The release of US jobs data later today and Deputy Governor Ryozo Himino's speech (next Tuesday) both pose risks to the USDJPY. However, at the same time, intervention risks linger on the horizon, approaching the 160.00 level, which was also around the level where intervention had likely occurred in 2024. We are cautious on the USDJPY and whilst we do not rule out the pair hitting 160.00, the intervention risks we have mentioned can also bring it back down at that point. Back on the chart, resistance is at that 160.00 level with the next at 162.00 (around 2024 high). Support is at 156.00 and 150.00. Meanwhile, on domestic economic data, Nov household spending declined less than expected at -0.4% YoY (est. -0.9% YoY, Oct. -1.3% YoY). Remaining key data releases this week include Nov P leading index (Fri) and Nov P coincident index (Fri).

- **AUDUSD - *Interim bottom*.** AUDUSD headed lower to touch a low of 0.6170 pressed lower because of the broad USD strength. Still, this pair remains well within the 0.6170-0.6410 range. While we see conditions for a rebound in the near-term, we remain bearish on the currency as we look for trade frictions between the US and China to impact Australia's resource exports and RBA could risk cutting more than expected. Since the last trade war in 2018, non-commercial positions of the AUD have hardly been in net long. Further signs of de-coupling between Australia's traditional ally and biggest trading partner would continue to hurt AUD sentiment this year. We continue to see RBA easing in Feb but most of markets have come joined our view with cash rate futures now implying 70% probability and this view is supported by the latest CPI release. AUDUSD might find some support around the 0.6170-figure for now. We see rebound towards 0.64 as opportunities to sell into. On data, Fri has household spending for Nov.

- **NZDUSD - *Heavy*.** NZDUSD hovered around 0.5600. Support is seen at 0.5588 before the next at 0.5510. Momentum is no longer bearish. We see two-way trades. Resistance is last seen around 0.5660 before 0.5680. At home, building costs increased 1.1% in 2024 according to CoreLogic, a slowdown from the 2.4% rise in 2023 and the 10.4% record surge in 2022. The slowdown was due to the elevated interest rates that have dampened confidence and demand.

- **USDCAD - *Upmove within Range*.** USDCAD edged higher and was last seen around 1.4410. Eyes are on the labour data for dec. Unemployment rate has been on the steady rise to above-pre-pandemic levels at 6.8% and consensus looks for another tick higher to 6.9%. Amid the plenty of threats of annexation and tariffs from the incoming US administration, China's embassy in Ottawa had put out a statement that it's willing to talk about increasing trade and ties, in a respond to a question on whether the country is interested in resuming talks on trade agreement with Canada in light of the trade threats from the US. Back on the USDCAD chart, momentum is now bearish and resistance at 1.4450 is eyed. The rebound seems to be keeping USDCAD within the 1.43-1.4450 range and the upper bound is now susceptible to be tested. Data-wise, we have Dec labour report on Fri.

- **Gold (XAU/USD) -** ***Rising a Tad on Specter of Conflicts***. Gold hovered around $2670/oz, a tad higher within the 2600-2720 range. The bullion had been inching higher and we allude its rise to the specter of conflicts conjured by Trump's ambition to make Canada, Greenland, the Panama Canal as part of the US. In addition, there has been report that PBoC has also been buying gold on dips. That said, the elevated UST yields continue to slow the rise of the precious metal. The prospect of a ceasefire or deal of peacemaking for the war in Ukraine could be dampening as well. Range of 2600-2720 could remain intact. Interim resistance at 2680.

Asia ex Japan Currencies

SGDNEER trades around +0.63% from the implied mid-point of 1.3768 with the top estimated at 1.3493 and the floor at 1.4044.

- **USDSGD - *Sideways*.** USDSGD was last seen higher at 1.3682 levels. 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. Recall that MAS stood pat in Oct. Our economists' base case is for a Jan-25 easing, although easing could be delayed if inflation is sticky and/or growth remains robust. Robust 3Q GDP print could delay easing by MAS. The trade-weighted SGDNEER is at +0.98% above the mid-point this morning. MAS policy continues to be supportive of SGD strength and we look for the resilience to continue. MAS appears to be in no hurry to ease, especially not when growth and inflation outcomes are essentially in line with their expectations. MAS Chief Economist seems to have hinted at MAS not being able to ease as easily as an interest rate regime in his speech on monetary policy. We think that the SGDNEER outperformance could taper as Fed cuts come in, although we do not expect SGDNEER to tank. 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 1.3490 and 1.3530. Supports are 1.3400 and 1.3340. Nov FX Reserves came in lower at US$377.23b (prev: US$383.72b). Waiting for MAS' balance sheet update (likely mid-month) to see if there is a corresponding drop in government deposits that could indicate transfer of reserves to GIC for longer term management. Unlikely that drop in reserves was MAS selling USD to slow pace of SGDNEER moderation given that SGDNEER still remains at a relatively strong level in the band.

- **SGDMYR - *Hovering around the 3.30 level*.** SGDMYR was last seen at 3.2856 levels this morning with both SGD and MYR trading sideways. Resistances at 3.32 followed by 3.35. Support at 3.28.

- **USDMYR - *Sideways, Cautious*.** Pair was last seen at 4.4950 as it remained around levels seen in recent sessions given broad dollar was little change around the 109.00 mark, with limited trading in the US and markets awaiting the release of US jobs data later. CNY/CNH has also remained under pressure, weighing on the MYR given Malaysia's strong trade links with China. However, the PBOC announced they halt bond buying, which gave a lift to the CNH. UST yields had slightly edge down lower from recent highs but remain elevated. We are cautious on the MYR given that global sentiments are prone to swings amid anxiety on US economic resilience and Trump policy announcements. However, we note domestically there are positive developments such as the formalization of an agreement to establish the Johor Singapore Special Economic Zone (JSSEZ) between Singapore and Malaysia. The potential investment that the zone can attract may work favorably in the long term for both the economy and the currency. Back on the chart, resistance at around 4.5300 and 4.6300. Support at 4.4400 before the next at 4.3600. Key data releases this week include Nov IP (Fri) and Nov Mfg sales (Fri).

- **USDCNH - *Flat-lining Likely*.** USDCNH traded around 7.3475, inching a tad lower after PBoC announced that it would halt temporarily halt the purchase of government bonds as supply-demand conditions seem to have tilted into deficit. The USDCNY which has reached the upper bound of the trading band at around 7.3320, is flat-lining. Daily fix has become a flat line around 7.1890, last at 7.1891. Another sub-7.20 fix sends a messaging that the PBoC still wants to slow the pace of depreciation of the CNY and cap the USDCNY around 7.33 for now. PBoC officially declared that it will sell a record CNY60bn of 6m bills in the city on 15 Jan. The issuance intends to reduce CNH liquidity and drive up funding costs to support the yuan. Those tools including the bill issuance in HK make the fixing a credible policy guidance. Credit data are due by 15 Jan. In other news, more than 10 provinces have rolled out a new round of consumption vouchers since the beginning of the year to boost spending during the LNY holidays.

- **1M USDKRW NDF - *Sideways, cautious*.** 1M USDKRW NDF was last seen at 1455.73 as it traded sideways. Markets for now are awaiting the release of the US jobs data later. CNH/CNY and JPY remain under pressure weighing on Asian FX but the PBOC announcing a halt to bond buying has lifted the CNH. As a whole, we are staying cautious on the 1M USDKRW NDF given market anxiety on the extent of US economic resiliency and Trump first policy announcements especially after he takes office in around two weeks' time. Domestically, we also remain wary of the political situation and continue to watch if President Yoon Suk Yeol would be arrested. A Gallup Korea poll has shown that the ruling People Power Party support rating has jumped 34% whilst that the opposition Democratic Party support rating declined to 36%. Some better KOSPI performance recently and National Pensions Service potential currency hedging and offloading some dollar holdings could be tempering the KRW weakness. Back on the chart, resistance at 1480 with the next level after that at 1500. Support is at 1440 and 1415. There are no remaining key data releases this week.

- **1M USDINR NDF- *Pivoting to Neutral*.** USDINR 1M NDF is steady at 86.07 levels this morning. Governor Das will be replaced by a career bureaucrat Sanjay Malhotra who will start a three-year term tomorrow (11 Dec). Last Friday, RBI held its rate steady on Fri in line with consensus although it also cut the cash reserve ratio that banks are required to hold, making conditions easier as growth slows. We see RBI potentially cutting rates at their next meeting (7 Feb) to align with their current neutral stance especially if disinflationary path progresses. Resistance at 85.00. Support at 84.50 before the next at 84.00. Data releases this week include Nov CPI, Oct Industrial Production, Nov trade Balance and Nov Exports/Imports.

- **1M USDIDR NDF - *Little Changed, Cautious*.** 1M USDIDR NDF was last seen at 16222 as it continued to trade sideways with the broad dollar little change around the 109.00 mark. There was limited trading in the US market whilst investors as a whole are likely awaiting the release of the US jobs data. CNY/CNH and JPY have also remained under pressure, weighing on the Asian FX given the strong regional trade links with those two countries. The PBOC did say it will halt bond buying, which has given a lift to the CNH though. The 1M USDIDR NDF is currently still holding around recent levels of 16150 - 16300 as a whole. We do take note of some domestic developments that could help support the IDR, which includes reports that Indonesia could require exporters of natural resources to keep part of their foreign currency earnings onshore for at least one year. Overall, we remain cautious on 1M USDIDR NDF and for any move upwards higher given the fragile global environment. Resistance is seen at 16300 and 16519 (2024 high). Support at 16150 and 15800. There are no remaining key data releases this week

- **1M USDPHP NDF - *Lower, cautious*.** The 1M USDPHP NDF was last seen just a tad lower at 58.41. Markets await the release of US jobs data later today and the move downwards in the 1M USDPHP NDF could just represent some cautious closing off of positions ahead of the data release later as the pair has been trading elevated. CNY/CNH and JPY have also remained under pressure, weighing on the Asian FX given the strong regional trade links with those two countries. The PBOC did say it will halt bond buying, which has given a lift to the CNH though. Domestically, Governor Eli Remolona has said there is room to ease policy as it is still restrictive even as he also commented that tariff threats pose challenges to the Philippine economy. He also noted that the BSP does not decide monetary policy based only on the Fed even as he sees the Fed has become more cautious than before. BSP rate easing is already expected by the market though and the impact on the currency can therefore be limited. We are cautious at this point of any upside risks for 1M USDPHP NDF given US economic resilience and uncertainty on Trump policies. The 1M USDPHP NDF is currently bounded in a range between the 200-dma (57.82) and 50-dma (58.60). We watch out if it can break above the upper end of the range and resistance at 58.60 (50-dma). The next level of resistance after that is at 59.13 (YTD high). Support is at 57.82 (200-dma) and 57.00. Remaining key data releases this week include Nov bank lending (Fri) and Nov money supply (Fri).

- **USDTHB -** ***Sideways*, *Cautious***. Pair was last seen at 34.59 as it traded sideways. Broad greenback continued to hold elevated just above the 109.00 mark whilst the UST yields had come off just slightly off from its recent highs. For now, markets are awaiting the release of the US jobs data later. We stay cautious on the USDTHB and for now, it is still testing the upper end of the 34.00 – 34.80 range that it has been trading in. Resistance is at 34.80 with the next level at 35.10 (high on Nov 2024 post Trump election before a retracement). CNY/CNH and JPY have also remained under pressure, weighing on the Asian FX given the strong regional trade links with those two countries. The PBOC did say it will halt bond buying, which has given a lift to the CNH though. Markets remain anxious on the extent of US economic resiliency and Trump first policy announcements especially after he takes office in around two weeks' time. However, we do take note that the broad dollar is stretched and sentiment is prone to shifts and therefore, any sign of goods news such as an easing in US – China relations or more than expected cooling in US data can provide quite some relief for USDAsian pairs. Meanwhile, support is at 33.50 and 33.00. Remaining key data releases this week include 3 Jan gross international reserves/forward contracts (Fri).

- **USDVND -** ***Capped for now.*** USDVND was last seen around 25378. This pair seems to be rather stable recently with the 25500-resistance capping this pair. USDCNY pullback this morning might also have inspired the USDVND to fall as well. Support is seen around 25325 before the next at 25255. Remittances have grown around $140mn in 2023 to reach $9.6bn in 2024.

Malaysia Fixed Income

Rates Indicators

MGS	Previous Bus. Day	Yesterday's Close	Change (bps)
3YR ML 5/27	3.45	3.44	-1
5YR MI 8/29	3.61	3.61	Unchg
7YR MO 7/32	3.79	3.79	Unchg
10YR MS 7/34	3.82	3.82	Unchg
15YR MS 4/39	3.94	3.94	Unchg
20YR MX 5/44	4.04	4.04	Unchg
30YR MZ 3/53	4.18	4.18	Unchg
IRS			
6-months	3.64	3.64	Unchg
9-months	3.59	3.60	+1
1-year	3.57	3.57	Unchg
3-year	3.51	3.52	+1
5-year	3.56	3.57	+1
7-year	3.64	3.64	Unchg
10-year	3.73	3.74	+1

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

- Ringgit government bonds traded rangebound with healthy two-way interests in 5y, 7y and 10y. Market was mostly on the side line ahead of US nonfarm payrolls data release on Friday night after Asia close. MGS yields ended largely unchanged except for 3y MGS yield which declined 1bp to 3.44%, while 10y MGS was unchanged at 3.82%.

- MYR IRS edged higher again by another 1bp with the 5y point trading very actively on solid paying interest. Overnight US rates were volatile after ADP Jobs, initial claims and Dec FOMC minutes threw uncertainty into market expectations for 2025 Fed policy but MYR rates largely brushed this off with local bonds holding up well and IRS price action simply carrying on from the previous session. 3M KLIBOR was unchanged at 3.70%. 5y IRS traded at 3.57% and 3.575%.

- In the PDS market, activities remained muted with GG seeing Danainfra and Prasarana long-tenor bonds 2bp lower in yield. In AAA segment, ALR 10/30 and Cagamas 12/25 spread tightened 1bp and 2bp respectively. AA2-rated Guthrie Perp spread narrowed 4bp for MYR10m. Other remaining names were largely unchanged.

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Singapore Fixed Income

Rates Indicators

SGS	Previous Bus. Day	Yesterday's Close	Change (bps)
2YR	2.87	2.87	Unchg
5YR	2.90	2.88	-2
10YR	3.01	3.00	-1
15YR	3.02	3.00	-2
20YR	2.94	2.93	-1
30YR	2.89	2.89	Unchg

Source: MAS (Bid Yields)

- SGS traded slightly stronger as the selloffs in UST took a breather. Yields declined 1-2bp across the tenors except for the front-end 2y SGS and back-end 30y SGS both remained unchanged. 10y SGS declined 1bp to 3.00%. The overnight SORA rose 6bp to 2.84%.

Indonesia Fixed Income

Rates Indicators

RPGov't Bonds	Previous Bus. Day	Latest Day's Close	Change
1YR	7.14	6.98	(0.16)
2YR	7.01	6.98	(0.04)
5YR	7.04	7.10	0.05
10YR	7.14	7.18	0.04
15YR	7.17	7.22	0.05
18YR	7.17	7.18	0.01
30YR	7.10	7.11	0.01

** Source: Bloomberg, Maybank Indonesia*

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- Most Indonesian government bonds remained on selling mode until yesterday. The yield of Indonesian 10Y government bonds broke above 7.2% to 7.21% on 09 Jan-25. We thought a selling mode pressures to keep existing for responding incoming various policies by the new U.S. President Donald Trump. On the other side, recent various positive sentiments from the local side didn't give progressive impacts for domestic financial markets.

- Yesterday, Bank Indonesia announced that the national consumers' confidences level increased from 125.9 on Nov-24 to be 127.7 on Dec-24. The consumers' confidences for purchasing durable goods also strengthened from 108.4 in Nov-24 to be 111.8 in Dec-24. Stronger on Indonesian consumers' confidences usually occur during the holiday season at the end of year. However, we believe an increase on recently Indonesian consumers' confidence index is also driven by positive consumers' responses for recent various government's policies for 2025, such as increasing regional minimum wage by 6.5%, higher teacher salaries, limited increment on the VAT just only for the luxury goods category, and also fiscal stimulus packages for the low-middle income people. Higher confidences on Indonesian consumers will give positive correlation for the consumers' spending behaviour. Furthermore, we believe Indonesian consumers' confidences to continue strengthening on the peak season of Moslem Festivities since next February and March and also if Bank Indonesia decides to cut its BI Rate.

- The Indonesian government has succeeded in securing state financing for national development spending needs by issuing global bonds at a relatively reasonable cost in early 2025 amidst unfavourable global conditions for anticipating various policies by the new elected U.S. President Donald Trump and incoming smaller rooms for the Fed to cut its policy rates. Unfavourable on global conditions have made investors ask for high compensation to continue investing in emerging markets, such as Indonesia. We can see recent unfavourable conditions on Indonesian financial market from the latest result of first auction on the conventional government bond on 07 Jan-25.

- The government issued the global bonds on both US$ and Euro denominations by US$2 billion and EUR1.4 billion, respectively, with pricing period on 08 Jan-25, then settlement period on 15 Jan-25 through SEC Shelf Registered format. Investors welcomed recent government's global bonds issuances, as shown by strong investors' total incoming bids that reached US$6.1 billion and EUR2.5 billion, respectively. Those new Indonesian global bonds obtained ratings by Baa2 from Moody's, then BBB from both Standard & Poor's and Fitch. The government will release two series on each both US$ and Euro denominations of its newly global bonds. For US$ denomination bonds, the government will release RI0130 series and RI0135 series by US$900 million and US$1.1 billion with 5.250% and 5.600%, respectively, of coupon rates until 15 Jan-30 and 15 Jan-35, respectively. The yields of 5Y and 10Y of U.S. government bonds were at 4.46% and 4.69%, respectively, on 08 Jan-25. For Euro denomination bonds, the government will issue RIEUR0133 series and RIEUR0137 series by EUR700 million and EUR700 million, subsequently, with 3.875% and 4.125%, respectively, of coupon rates until 15 Jan-33 and 15 Jan-37. The yields of 5Y and 10Y of Euro government bonds were at 2.30% and 2.55%, respectively, on 08 Jan-25.

Foreign Exchange: Daily Levels

	EUR/USD	USD/JPY	AUD/USD	GBP/USD	USD/CNH	NZD/USD	EUR/JPY	AUD/JPY
R2	1.0339	158.86	0.6240	1.2433	7.3681	0.5636	163.9433	98.7930
R1	1.0319	158.50	0.6218	1.2370	7.3621	0.5618	163.4067	98.3830
Current	1.0300	158.26	0.6199	1.2304	7.3485	0.5598	163.0200	98.1000
S1	1.0282	157.68	0.6173	1.2242	7.3469	0.5577	162.3567	97.6180
S2	1.0265	157.22	0.6150	1.2177	7.3377	0.5554	161.8433	97.2630

	USD/SGD	USD/MYR	USD/IDR	USD/PHP	USD/THB	EUR/SGD	CNY/MYR	SGD/MYR
R2	1.3737	4.5226	16307	58.7037	34.8130	1.4137	0.6159	3.3054
R1	1.3710	4.5126	16254	58.5993	34.7200	1.4116	0.6150	3.2970
Current	1.3682	4.4980	16190	58.3650	34.6210	1.4093	0.6136	3.2878
S1	1.3663	4.4951	16174	58.3843	34.5390	1.4080	0.6134	3.2832
S2	1.3643	4.4876	16147	58.2737	34.4510	1.4065	0.6126	3.2778

**Values calculated based on pivots, a formula that projects support/resistance for the day.*

Policy Rates

Rates	Current (%)	Upcoming CB Meeting	MBB Expectation
MAS SGD 3-Month SIBOR	3.3000	Jan-25	Neutral
BNM O/N Policy Rate	3.00	22/1/2025	Neutral
BI 7-Day Reverse Repo Rate	6.00	15/1/2025	Easing
BOT 1-Day Repo	2.25	26/2/2025	Neutral
BSP O/N Reverse Repo	5.75	20/2/2025	Easing
CBC Discount Rate	2.00	20/3/2025	Neutral
HKMA Base Rate	4.75	-	Easing
PBOC 1Y Loan Prime Rate	3.10	-	Easing
RBI Repo Rate	6.50	7/2/2025	Easing
BOK Base Rate	3.00	16/1/2025	Easing
Fed Funds Target Rate	4.50	30/1/2025	Easing
ECB Deposit Facility Rate	3.00	30/1/2025	Easing
BOE Official Bank Rate	4.75	6/2/2025	Easing
RBA Cash Rate Target	4.35	18/2/2025	Neutral
RBNZ Official Cash Rate	4.25	19/2/2025	Easing
BOJ Rate (Lower bound)	0.00	24/1/2025	Tightening
BoC O/N Rate	3.25	29/1/2025	Easing

Equity Indices and Key Commodities

	Value	% Change
Dow	42,635.20	0.25
Nasdaq	19,478.88	-0.06
Nikkei 225	39,605.09	-0.94
FTSE	8,319.69	0.83
Australia ASX 200	8,329.17	-0.24
Singapore Straits Times	3,862.60	-0.63
Kuala Lumpur Composite	1,600.81	-0.87
Jakarta Composite	7,064.59	-0.22
Philippines Composite	6,511.57	0.23
Taiwan TAIEX	23,081.13	-1.39
Korea KOSPI	2,521.90	0.03
Shanghai Comp Index	3,211.39	-0.58
Hong Kong Hang Seng	19,240.89	-0.20
India Sensex	77,620.21	-0.68
Nymex Crude Oil WTI	73.92	0.82
Comex Gold	2,690.80	0.69
Reuters CRB Index	297.39	-0.63
M B B KL	10.08	0.20

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