23 January 2025

Maybank

Global Markets Daily

Room for Retracements and Some Patience

Kick-starting Trump's Agenda in Earnest - Immigration, AI

Trump's administration has started to enforce his immigrant policy by sending an additional 1500 troops to the US-Mexico border. The House has also passed the Laken Riley Act that would allow the detention of undocumented immigrants accuse of theft related crimes. Apart from his immigration policy, eyes are on Trump's plan for the US to become a AI powerhouse - Softbank Group Corp., OpenAI and Oracle Corp are forming a $100bn joint venture to fund artificial intelligence infrastructure, with the hope that the investment will grow to at least $500bn for its new infrastructure for OpenAI. US equities eked out some gains. UST yields continue to creep higher, now fanned by concerns of heavier supply ahead. We see risks of some retracements higher for the DXY index.

EUR Buoyed by Patient ECB Rhetoric

ECB Holzmann opined that the central bank should "wait a bit more" before easing further as "some inflation measures are still very high". Separately, ECB Lagarde told CNBS the central bank is "not overly concerned" on the impact of inflation abroad on the euro zone. She assured that the ECB "isn't behind the curve on rate cuts" even though here risks are to the downside on growth this year. EURUSD took a peak above the 50-dma and reached a high of 1.0457 before easing back towards the 1.04-handle. Nearer to home, China just rolled out a basket of measures to stabilize its stock markets including plans to boost the amount pension can invest in SOEs. The CSRC posted a directive to "steady the stock market, and clear bottlenecks for the introduction of mid-long term capital". Mutual funds, insurers, pensions and wealth management units at banks can participate in listed firms' share placements as strategic investors (BBG).

Data/Events We Watch Today

We have US initial jobless claims, SK GDP (4Q adv.), JP trade (Dec), SG CPI (Dec), Ca retail sales (Nov).

FX: Overnight Closing Levels % Change

Majors	Prev Close	% Chg	Asian FX	Prev Close	% Chg
EUR/USD	1.0409	-0.18	USD/SGD	1.3555	0.20
GBP/USD	1.2316	-0.28	EUR/SGD	1.411	0.01
AUD/USD	0.6274	0.00	JPY/SGD	0.8659	-0.47
NZD/USD	0.5665	-0.25	GBP/SGD	1.6693	-0.11
USD/JPY	156.53	0.65	AUD/SGD	0.8505	0.21
EUR/JPY	162.93	0.49	NZD/SGD	0.7678	-0.04
USD/CHF	0.9069	0.10	CHF/SGD	1.495	0.12
USD/CAD	1.4379	0.40	CAD/SGD	0.9427	-0.18
USD/MYR	4.437	-0.86	SGD/MYR	3.2797	-0.37
USD/THB	33.883	-0.24	SGD/IDR	12022.9	0.02
USD/IDR	16280	-0.39	SGD/PHP	43.1623	0.24
USD/PHP	58.507	0.04	SGD/CNY	5.3682	-0.04

Implied USD/SGD Estimates at, 9.00am

Upper Band Limit	Mid-Point	Lower Band Limit
1.3399	1.3673	1.3946

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G10: Events & Market Closure

Date	Ctry	Event
20 - 24 Jan	World	Davos Day: World Economic Forum
20 Jan	NZ	Market Closure
20 Jan	US	US Market Closure
24 Jan	JN	BoJ Policy Decision

AXJ: Events & Market Closure

Date	Ctry	Event
22 Jan	MY	BNM Policy Decision
24 Jan	SG	MAS Policy Decision

G10 Currencies

- **DXY Index - *Retracement Risks (higher)*.** The DXY index ended a session with a doji, underscoring uncertainties and two-way risks, last around 108.30. The falling wedge seems to have become a rising trend channel with the recent move lower. The 50-dma, last at 107.60 is close to the lower bound of the rising trend channel. Resistance at 110. While Trump is trying to get Mexico and Canada to renegotiate the USMCA, China to talk about fentanyl flow, things are in the works for Trump's border controls. DXY index show signs of rising back above. Resistance at 108.80 before the next around 110.10. As usual, the weekly jobless claims are due on Thu. Fri has prelim. Mfg, Services PMI for Jan along with the final Univ. of Mich. Sentiment survey on Fri.

- **EURUSD - *Rejected by 50dma*.** EURUSD was last seen at 1.0410 levels and was rejected after a brief period above the 50dma yesterday. Pair has rose amid broader USD weakness as Trump has appeared to be less focused on tariffs. In addition, Trump had said to add Russia sanctions if there were no talks on Ukraine. The EU has thus far not been singled out by Trump, unlike Canada and Mexico. Still, the divergent monetary policy outlooks and the political uncertainties surrounding the French and the German should continue to weigh on the EURUSD. However, 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 1.03 figure. The falling wedge is still in play and stochastics continue to rise from oversold conditions. Rebounds to meet resistance at 1.0433 (50dma) and 1.05 figure. Data this week includes Jan P Consumer Confidence (Thu) and Jan P PMIs (Fri).

- **GBPUSD - *Rebounds post Trump inauguration*.** GBPUSD was last seen around 1.2310 levels, not able to extend much higher. GBPUSD is still at risk of two-way trades given markets' doubts on the UK growth prospects. Eyes are on Chancellor of the Exchequer Rachel Reeves and how she will deal with the rising borrowing costs due to higher gilt yields. She had mentioned that her fiscal rules (self-imposed) were non-negotiable. There have been some concerns that the rise in the gilt yields have taken up the fiscal headroom and may force the labour-led government to reduce spending ahead of a fiscal update from the OBR on 26 Mar. 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. Back on the cable chart, rebounds to meet resistance at 1.2405. Support at 1.2100. Data this week includes Jan CBI Trends (Thu) and Jan P PMIs (Fri).

- **USDCHF - *Rising Wedge, Bearish risks*.** USDCHF fell after Trump's inauguration and was last seen at 0.9063. This appears to be a reversal from overbought conditions and may extend towards the next support around 0.8970. With the USD in a corrective mode (lower), USDCHF may move lower from here towards 0.9070 (21-dma) before the next support is at 0.8940. Resistance is the 0.9220. 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.

- **USDJPY - *Higher, Two-Way Risk*.** The pair was last seen at around 156.38 as it rose overnight with the UST yields a little higher. A BOJ policy decision is due tomorrow where we expect a hike of 25bps to 0.50%. The OIS implies a strong probability that the BOJ would move 25bps tomorrow and a move already looks to have been priced in. Therefore, the move itself is unlikely to guide the USDJPY lower. Rather, market may instead focus on the forward guidance provided by Ueda and developments affecting UST yields. On the former, Ueda may not necessarily want to sound too committal to any future movements and may instead just say he is data and for that matter US (Trump) policy dependent. This may make markets hesitant to take any further long positions on the JPY. On UST yields, uncertainty on Trump trade policies can keep it (UST yields) elevated and weigh on the JPY. Whilst, we do note that US – JP yield differentials do indicate do indicate the pair should trade much lower possibly below 150.00, sentiment may not back this move lower given the volatile global macro situation. We do note however that data is showing quite substantial put positioning compared to call on the USDJPY. Whilst this may be puzzling, we would not rule out that taking a put position may be less expensive way to bet in case the USDJPY falls lower. Back on the chart, key support levels are 155.00 and 150.00. Resistance is at 160.00 and 162.00. Remaining key data releases this week include Dec trade data (Thurs), Jan 17 Japan/foreign buying bonds/stocks (Thurs), Dec Tokyo condominium for sale (Thurs), Dec CPI (Fri), Jan P Jibun Bank PMI composite/mfg/services (Fri), Dec nationwide/Tokyo dept sales (Fri) and BOJ policy decision (Fri).

- **AUDUSD –** ***Range-trading?*** AUDUSD was last seen around 0.6270, albeit still within the 0.6130-0.6315 range. We had looked for a rebound in the near-term towards the 50-dma (last at 0.6330) and the news of a tariff delay for China seems to be bringing this to fruition. Support is seen around 0.6210. If this holds, the rebound can extend towards 0.6335 (50-dma). If not, range-trading is likely to continue. Beyond this current retracement, we remain bearish on the currency for 1H 2025 as trade frictions between the US and China could still 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 has hardly been in net long. Further signs of de-coupling between Australia's traditional ally and biggest trading partner could hurt AUD sentiment this year. Data-wise, Westpac leading index for is due on Wed. Fri has prelim. Manufacturing and services PMI for Jan.

- **NZDUSD –** ***Softens on Inflation Report***. NZDUSD softened and was last seen around 0.5670. Support is seen at 0.5540 before the next at 0.5510. Momentum is still bullish. We see some risks of further bullish extension towards next resistance at 0.5730. Break there could bring this pair towards the next resistance around 0.5670. Markets have priced in 120bps cut for NZD, a tad more than seen at the start of the week. Soft inflation report might have nudged markets towards more cuts. Aggressive rate cuts vs. the Fed's expected trajectory continue to weigh on the NZDUSD. We continue to look for NZD to outperform AUD as dovish trajectory of the RBNZ for 2025 is sufficiently priced while markets are only starting to price in more rate cuts by RBA. That said, the recent labour report from Australia has casted doubts on a Feb cut, allowing AUDNZD to rise to levels around 1.1080. We still look for AUDNZD to head towards 1.0970 (200-dma) before the next at 1.0880.

- **USDCAD –** ***Whipsaw***. USDCAD hovered around 1.4390, still within the 1.43-1.4450 range that has held since early Dec. The rounding top is intact for now but the pair seems to be regaining bullish bias, possibly due to the anticipation of more trade frictions with the US with Trump in charge. Support around 1.4385 could bring the pair towards 1.43 and then at 1.4180 (50-dma). Resistance at 1.4450 before 1.4668 (2020-high). Week ahead has industrial product price for Dec on Wed. Thu has Nov retail sales. The campaign to be the next PM to replace Trudeau is running hot now with ex FinMin Chrystia Freeland pledging to drop the capital gains hike if she is elected.

- **Gold (XAU/USD) –** ***Rising on Trump***. Gold rose and was last seen around $2750. The bullion has been on the rise. There seems to be an asymmetric relationship between gold and real yields where rise in yields do not have dampen the gold while the drop in real yields on the other hand, can play a part to boost gold prices. Fundamentally, Trump's ambitions to make Canada, Greenland, the Panama Canal as part of the US have likely been underpinning gold as well. Next resistance at 2750 before 2790. Support around 2645.

Asia ex Japan Currencies

SGDNEER trades around +0.88% from the implied mid-point of 1.3673 with the top estimated at 1.3399 and the floor at 1.3946.

- **USDSGD - *Steady*.** USDSGD was last seen at 1.3553 levels, barely changed from yesterday. 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, and we keenly watch hints in MAS MPS for their leanings tomorrow. The trade-weighted SGDNEER is at +0.88% above the mid-point this morning. MAS policy continues to be supportive of SGD strength and we look for the resilience to continue even if MAS eases. 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 1.3600 and 1.3650. Support at 1.3500. MAS decision is scheduled for 24 Jan (Fri) later this week while Dec CPI inflation data is out a day earlier (Thu).

- **SGDMYR - *Lower*.** SGDMYR was last seen lower at 3.2780 levels this morning as MYR outperformed the SGD. Cross has come off recent high of 3.3162 (21 Jan). Resistances at 3.28 followed by 3.32. Support at 3.25.

- **USDMYR - *Lower*.** Pair was last seen lower at 4.4425 as it broke below the 4.4500 mark. The move had come at mid-morning yesterday and possible corporate demand for MYR could have backed it to move lower. BNM held rates at 3.00% amid sustained growth momentum, muted domestic inflation and relatively stable Ringgit vs USD and our economist thinks it would stay at 3.00% for the rest of this year. We do understand that can be of support for the MYR but the move was already widely expected. For now, we keep a close eye to see if the USDMYR can hold decisively below the 4.4500 mark. As it stands, external developments as a whole remain the main focus for the MYR especially those related to the US and China. We do note domestic fundamentals are strong (robust growth, strong investment interest and pick-up of inflation, which lead to less easing pressure on BNM) and acts as a support for the currency. Back on the chart, resistance at around 4.5300 and 4.6300. Support as mentioned at at 4.4500 before the next at 4.3600. Meanwhile, Dec CPI was at 1.7% YoY (est. 1.8% YoY, Nov. 1.8% YoY) whilst 15 Jan foreign reserves at $115.5bn (prior. $116.2bn).

- **1M USDKRW NDF - *Slightly higher*.** 1M USDKRW NDF was last seen slightly higher at 1435.44, alongside the retracement in USDCNH. However, there remains plenty of concerns for the KRW. The political situation is highly uncertain and a Gallup Korea poll is now showing that the ruling People's Power Party support rating has risen to 39% from 34% and now surpasses that of the opposition Democratic Party. There also remains risks that the BOK could cut rates in the coming months given the economic concerns. 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 1440 with the next level after that at 1460. Support is at 1415. 4QA GDP came in slightly worse than expected at 1.2% YoY (exp: 1.4%; prev: 1.5%) and 2024 A GDP was also off expectations at 2.0% YoY (exp: 2.1%; prev: 1.4%).

- **USDCNH - *Eyes on 7.30*.** There seems to be increasing optimism that Trump may go easy on China. Tariffs are Still Likely and the Key dates to watch 1 Feb, 1 Apr. Trump has a more experienced and prepared team compared to his first term. While Trump's comments on tariffs post inauguration turned out to be a little less combative than expected, we note that he issued a Memorandum on America's First Trade Policy (AFTP) memo that directed executive departments and agencies to issue reports to him by 1 Apr on action the new administration could take to address specific international trade problems. Section 3 of the memo was dedicated to the economic and trade relations with China and the United States Trade Representative (USTR) is tasked to review the Economic and Trade agreement, assess China's compliance to the agreement and to recommend appropriate actions based on the findings including the imposition of tariffs or other measures as needed. The USTR is also tasked to assess the 14 May 2024 report "Four-Year review of actions taken in the Section 301 investigation" to consider additional tariff modifications as needed under section 2411 of title 19 United States Code. Secretary of Commerce and the USTR also tasked to assess the legislative proposals regarding Permanent Normal Trade Relations with the PRC and make recommendations regarding any proposed changes to such legislative proposals. Reports on section 3 along with most others in the Memo shall be delivered as a unified report coordinated by the Secretary of Commerce by 1 Apr 2025. More recently, Trump has mentioned about considering a 10% tariff on China by 1 Feb for China's fentanyl flows to Mexico and Canada. Markets are likely hoping that the Secretary of Commerce Howard Lutnick's plenty of businesses interests in China may mean a less hostile outcome in terms of tariffs on China.

- At home, China just rolled out a basket of measures to stabilize its stock markets including plans to boost the amount pension can invest in SOEs. The CSRC posted a directive to "steady the stock market, and clear bottlenecks for the introduction of mid-long term capital". Mutual funds, insurers, pensions and wealth management units at banks can participate in listed firms' share placements as strategic investors. USDCNH has been rather steady of late. **We watch if the USDCNH can break above the 7.2960 (50-dma). If not, range-trading could continue within 7.21-7.30 range.**

- **USDVND - *Sliding*.** USDVND was last seen around 25080. This pair seems to have come off rather precipitously. We cannot rule out that there could be some invisible hands to ensure that VND will not be scrutinized for its huge trade surplus with the US and at risk of being labelled as a currency manipulator. USDCNY stability recently might also have given room for the USDVND to fall as well. Support at 25325 is already broken and the next is seen around 25030 and 24775. Recall that PM Pham Minh Chinh said that Vietnam is working "on solutions" to rebalance its trade surplus with the US by buying Boeing planes and other American high-tech items. Trump remains rather silent on Vietnam and with Vietnam pro-actively trying to re-balance their trade surplus, there is a good chance for VND to outperform this year.

- **1M USDIDR NDF - *Sideways, Cautious*.** 1M USDIDR NDF was last seen at 16300 similar to levels seen yesterday. Broad dollar and UST yields higher as Trump tariffs remain a threat as he talked about 10% tariffs on China and the EU. We do not rule out some limited move downwards can happen if the broad dollar does pullback further although we remain cautious on the 1M USDIDR NDF at the same time amid the uncertain global environment. A bounce back up can eventually occur again after some downwards move. Back on the chart, resistance is at 16500 (around 2024 high) and 16750. Support at 16200 and 15800. There are no key data releases this week.

- **1M USDPHP NDF - *Higher, Cautious*.** The 1M USDPHP NDF was last seen at 58.64 as it climbed slightly but as a whole remained around recent levels. There was some move up in the broad dollar and the UST yields amid Trump tariff talk of 10% on China and the EU and that may have backed the climb in the 1M USDPHP NDF. We remain cautious on the 1M USDPHP NDF given the uncertain global environment although we do not rule out it coming lower if the broad dollar can pullback more. Not much in terms of domestic developments for today. Back on the chart, resistance is at 59.47 (around the recent Dec high) and 60.60. Support is at 57.88 (200-dma) and 57.00. Remaining key data releases this week include Dec trade data (Fri).

- **USDTHB -** ***Lower, Outperformer, Further Downside Possible Albeit Cautious***. Pair was last seen at 33.94 as it moved lower throughout yesterday though it is a bit higher this morning albeit some climb up in broad dollar and UST yields. THB has been a regional outperformer recently as trade exposed currencies such as both THB look to have gotten a lift post inauguration at the CNH also rallied on the possibility of the US and China relations looking warmer somewhat at the start and that the two sides can possibly resolve their issues. However, Trump did say he was weighing 10% tariff on China and that sap some of the optimism but it is still lower than the talked about 60% and CNH still holding much of the post inauguration gains. Meanwhile, higher gold prices also provided a lift to the THB given the currency's sensitivity to it due to Thailand's position as gold trading hub. Ironically, gold prices could have been lifted by the concerns of Trump thinking of 25% tariffs on Mexico and Canada and even the 10% on the EU. At the same time, there is some improved sentiment for the SET as it climbed during yesterday's session. We do see the possibility of further downside on the USDTHB as broad dollar can still pullback more although we are also cautious given the immense uncertainty regarding Trump's tariff plans. Back on the chart, resistance is at 34.80 with the next level at 35.10 (high on Nov 2024 post Trump election before a retracement). Support is at 33.50 and 33.00. Key data releases this week include Dec customs traded data (Thurs), Dec car sales (23 – 24 Jan) and 17 Jan gross international reserves/forward contracts.

- **1M USDINR NDF-** ***Currency Flexibility.*** USDINR 1M NDF was last seen lower at 86.72 levels this morning. RBI Chief has hinted at some willingness to allow more flexible currency moves. 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 89.00. Support at 84.50 before the next at 84.00. Data releases this week include Jan P PMIs.

Malaysia Fixed Income

Rates Indicators

MGS	Previous Bus. Day	Yesterday's Close	Change (bps)
3YR ML 5/27	3.44	3.44	Unchg
5YR MI 8/29	3.61	3.61	Unchg
7YR MO 7/32	3.79	3.78	-1
10YR MS 7/34	3.82	3.81	-1
15YR MS 4/39	3.97	3.97	Unchg
20YR MX 5/44	4.06	4.06	Unchg
30YR MZ 3/53	4.18	4.18	Unchg
IRS			
6-months	3.64	3.64	Unchg
9-months	3.60	3.60	Unchg
1-year	3.58	3.58	Unchg
3-year	3.52	3.52	Unchg
5-year	3.57	3.57	Unchg
7-year	3.65	3.65	Unchg
10-year	3.74	3.74	Unchg

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

- Ringgit bonds saw an uptick in trading activities but traded sideways going into the first BNM MPC meeting for the year. As expected, BNM kept interest rate unchanged at 3.00%, citing resilient growth and manageable price pressures. Market participants will be giving close attention to today's MYR5.5b 3y GII auction. The WI was traded at 3.545% then 3.550% before last quoted at 3.555/3.545. MGS/GII yields ended the day little changed except for the 7y and 10y MGS which declined 1bp.

- MYR IRS barely reacted to the broadly neutral statement tone at MPC meeting. 3M KLIBOR was unchanged at 3.68%. 2y IRS traded at 3.515%, 5y IRS traded at 3.565% and 7y IRS traded at 3.65%.

- PDS market activity dialled down with fewer names dealt. In GG, Danainfra, Prasarana and MRL traded 1-2bp lower in yield. In AAA segment, PLUS mid-tenor bonds tightened 1bp in spread with total MYR65m exchanged. In AA2, RHB 1/33 traded 2bp lower for MYR30m. In AA3/AA-, PKNS traded 2-3bp lower and Edra Energy dealt 1bp lower for MYR20m. Other names generally dealt in odd amounts.

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Singapore Fixed Income

Rates Indicators

SGS	Previous Bus. Day	Yesterday's Close	Change (bps)
2YR	2.85	2.83	-2
5YR	2.88	2.88	Unchg
10YR	2.94	2.94	Unchg
15YR	2.94	2.95	+1
20YR	2.91	2.91	Unchg
30YR	2.85	2.85	Unchg

Source: MAS (Bid Yields)

- SGS took a breather after a good c.10bp rally over the past one week. Yields ended largely unchanged on the day except the front-end 2y SGS which declined 2bp to 2.83% while the 15y SGS yield rose 1bp to 2.95%. The overnight SORA rose 24bp to 2.49% on 21 Jan 2025 – latest available at time of writing.

Indonesia Fixed Income

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Rates Indicators

RPGov't Bonds	Previous Bus. Day	Latest Day's Close	Change
1YR	6.92	6.94	0.02
2YR	6.87	6.89	0.01
5YR	6.92	6.90	(0.02)
10YR	7.13	7.09	(0.03)
15YR	7.24	7.22	(0.02)
20YR	7.29	7.28	(0.01)
30YR	7.26	7.23	(0.03)

** Source: Bloomberg, Maybank Indonesia*

- Most Indonesian medium-long tenor series of government bonds strengthened yesterday. It can be an indication that the market players have a positive expectation for investing on the emerging markets, such as Indonesia, after the U.S. President Donald Trump has planned to apply only 10% of tariff for Chinese imported goods, not 60% as expected before.

- However, we still saw a weakening movements on Indonesian short tenor series of government bonds, especially due to recent higher uncertainty on short term global economic outlook after the U.S. President Trump finally made a statement about new trade tariffs plan for China, Mexico, Canada, and also European Union since 01 Feb-25. Regarding to those conditions, we foresee a persistent volatility for Indonesian short tenor series of government bonds. The yields of short tenor series of Indonesian government bonds have potential possibility to come back above 7.00% again.

- Global financial market volatility is back as global geopolitical tensions increase following the latest statements by The U.S. President Donald Trump about the implementation of import tariffs from products from various trading partner countries. President Trump also wants to apply broader import duties for 25% tariffs on Canada and Mexico with a new deadline of 01 Feb-25, as well as import duties on China and the European Union. President Trump confirmed his plan to impose import duties of 10% on imports from China since 01 Feb-25. President Trump also threatened to impose import tariffs on the European Union. Trump said the European Union and other countries also have a worrying trade surplus with the United States. Previously, President Trump was considering imposing import duties on Canada and Mexico unless they stopped the trade of illegal migrants and fentanyl, including precursor chemicals from China, crossing the U.S. border. Trump had previously threatened to impose import duties of 10% on China because of the trade, but adjusted it with a deadline of 01 Feb-25.

- White House trade adviser Peter Navarro said Trump's tariff threats against Canada and Mexico are to pressure the two countries to stop illegal migrants and drugs from entering the U.S. The reason President Trump is considering tariffs of 25, 25 and 10 [percent], or whatever, on Canada, Mexico and China is because 300 Americans die every day from fentanyl overdoses. President Trump has also signed a broad trade memorandum of understanding. The memo directs federal agencies to complete a comprehensive review of a range of trade issues by April 1-25. The review includes an analysis of the U.S.'s persistent trade deficit, unfair trade practices and currency manipulation among partner countries, including

China. Trump’s memo asks for recommendations on solutions, including additional global tariffs and changes to the $800 de minimis duty-free exemption for low-value shipments that is often blamed for the illegal import of fentanyl precursor chemicals. The review was ordered to provide space to resolve reported disagreements among Trump's cabinet nominees over how to approach his promise of universal tariffs and duties on Chinese goods of up to 60%.

- For the long term series of Indonesian government bonds, we expect a less volatile movements, especially after seeing current solid Indonesian economic development from the domestic side, driven by various stimulus fiscal policies with healthy position of fiscal deficit ratio during the era of low global oil prices, and further prospects of lower interest rate environment.

Foreign Exchange: Daily Levels

	EUR/USD	USD/JPY	AUD/USD	GBP/USD	USD/CNH	NZD/USD	EUR/JPY	AUD/JPY
R2	1.0484	157.55	0.6317	1.2401	7.3059	0.5706	164.0167	98.8983
R1	1.0446	157.04	0.6296	1.2359	7.2937	0.5686	163.4733	98.5477
Current	1.0410	156.35	0.6274	1.2318	7.2821	0.5665	162.7500	98.0770
S1	1.0382	155.69	0.6253	1.2291	7.2654	0.5647	162.1333	97.6367
S2	1.0356	154.85	0.6231	1.2265	7.2493	0.5628	161.3367	97.0763

	USD/SGD	USD/MYR	USD/IDR	USD/PHP	USD/THB	EUR/SGD	CNY/MYR	SGD/MYR
R2	1.3598	4.4893	16361	58.6703	34.1483	1.4161	0.6163	3.3132
R1	1.3576	4.4632	16321	58.5887	34.0157	1.4136	0.6132	3.2965
Current	1.3553	4.4450	16284	58.5240	33.9200	1.4108	0.6105	3.2802
S1	1.3520	4.4232	16259	58.4177	33.7687	1.4083	0.6083	3.2704
S2	1.3486	4.4093	16237	58.3283	33.6543	1.4055	0.6066	3.2610

**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	6/3/2025	Neutral
BI 7-Day Reverse Repo Rate	5.75	19/2/2025	Easing
BOT 1-Day Repo	2.25	26/2/2025	Neutral
BSP O/N Reverse Repo	5.75	13/2/2025	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	25/2/2025	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	44,156.73	0.30
Nasdaq	20,009.34	1.28
Nikkei 225	39,646.25	1.58
FTSE	8,545.13	-0.04
Australia ASX 200	8,429.79	0.33
Singapore Straits Times	3,781.21	-0.37
Kuala Lumpur Composite	1,587.80	0.46
Jakarta Composite	7,257.13	1.05
Philippines Composite	6,348.34	0.13
Taiwan TAIEX	23,300.01	0.14
Korea KOSPI	2,547.06	1.15
Shanghai Comp Index	3,213.62	-0.89
Hong Kong Hang Seng	19,778.77	-1.63
India Sensex	76,404.99	0.75
Nymex Crude Oil WTI	75.44	-0.59
Comex Gold	2,770.90	0.42
Reuters CRB Index	309.38	0.17
MBB KL	10.36	0.78

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