Macro | FX Research & Strategy

Global

Global Markets Daily

Mexico and Canada Tariff Threats

Trump Reiterates Mexico, Canada Tariffs

Overnight, both the MXN and CAD took a hard hit as Trump again said that he would go ahead with imposing 25% tariffs on Canadian and Mexican imports on 1 Feb. He mentioned reasons such as the flow of fentanyl and large trade deficits as among the reasons for such tariffs. More specifically, the President actually said that 25% could represent a floor and "may or may not raise with time". He did suggest that oil could be exempted depending upon the price but nonetheless, the WTI price rose on his remarks. Trump did also talk again about tariffs on China but nothing specific was mention about the actual levels. There is a risk that MXN and CAD can weaken further given positioning for the two currencies. 1M risk reversals for USDMXN has been on the rise, implying markets are turning more bearish on the MXN given the tariff threats but the level is still much lower compared to that seen in Oct 2024, ahead of the elections or in Jun 2024 during the carry trade unwind. As for the CAD, we believe that there can be further downside risks given that US - CA rate differentials can widen further as the BOC would come under further pressure for easing amidst an already weak economy whilst US inflationary pressures can keep the Fed on hold for longer. USDCNH had also moved up on the tariff threats. Importantly, the DXY pared is early session losses and it currently remains supported at above 108.00 given the safe haven demand. The index has been trading sideways the last few sessions as it continues to test the 107.80 support but a decisive break lower would depend on the Trump tariff developments. We stay wary of moves lower as a whole. US core PCE numbers due today but it is expected to see a slight pick-up.

ECB Cuts Rates by 25bps to 2.75%

ECB decision was quite balanced as they cut rates by 25bps to 2.75% and did not deviate from earlier "data-dependent" guidance. 4Q German GDP dropping by more than expected however weighed on the EUR. Market narrative seems to be that the ECB will opt for growth support with odds of a Mar cut at 129.1% this morning (prev: 86.1%). ECB is facing a challenging task of balancing inflation control and growth support, with latest data suggesting prices in Europe are resurging. US tariff threats, the divergent monetary policy outlooks and the political uncertainties surrounding France and Germany should continue to weigh on the EURUSD. On the EURUSD chart, the next support is seen at 1.0350.

Data/Events We Watch Today

US Dec core PCE, ECB 1Y, 2Y and 3Y CPI expectations

FX: Overnight Closing Levels % Change

Majors	Prev Close	% Chg	Asian FX	Prev Close	% Chg
EUR/USD	1.0391	-0.29	USD/SGD	1.3527	0.24
GBP/USD	1.2419	-0.27	EUR/SGD	1.4057	-0.05
AUD/USD	0.6209	-0.35	JPY/SGD	0.8763	0.78
NZD/USD	0.5635	-0.42	GBP/SGD	1.6797	-0.02
USD/JPY	154.29	-0.60	AUD/SGD	0.84	-0.10
EUR/JPY	160.32	-0.89	NZD/SGD	0.7623	-0.17
USD/CHF	0.9097	0.32	CHF/SGD	1.4868	-0.12
USD/CAD	1.4486	0.46	CAD/SGD	0.9335	-0.28
USD/MYR	4.3945	0.00	SGD/MYR	3.2549	-0.07
USD/THB	33.728	-0.11	SGD/IDR	12047.73	0.35
USD/IDR	16260	0.54	SGD/PHP	43.2095	-0.20
USD/PHP	58.308	-0.21	SGD/CNY	5.3653	0.07

Implied USD/SGD Estimates at, 9.00am

Upper Band Limit	Mid-Point	Lower Band Limit
1.3383	1.3656	1.3929

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G10: Events & Market Closure

Date	Ctry	Event
27 Jan	AU, NZ	Market Closure
29 Jan	Ca	BoC Policy Decision
28-29 Jan	US	FOMC Policy Meeting
30 Jan	EZ	ECB Policy Meeting

AXJ: Events & Market Closure

Date	Ctry	Event
29 - 30 Jan	SG, MY	Market Closure
25 Jan - 2 Feb	VN	Market Closure
27-29 Jan	ID	Market Closure
27-30 Jan	SK	Market Closure
28 Jan -4 Feb	CH	Market Closure
29 Jan	PH	Market Closure
29-31 Jan	HK	Market Closure

SEE PAGE 12 FOR IMPORTANT DISCLOSURES AND ANALYST CERTIFICATIONS

G10 Currencies

- **DXY Index - *Rebound*.** The DXY index edged up higher as Trump threatened 25% tariffs on Canada and Mexico. He mentioned reasons such as the flow of fentanyl and large trade deficits as among the reasons for such tariffs. More specifically, the President actually said that 25% could represent a floor and "may or may not raise with time". He did suggest that oil could be exempted depending upon the price but nonetheless, the WTI price rose on his remarks. Safe haven demand for the DXY caused it to erase its earlier losses and move back up above the 108.00. The index has been trading sideways the last few sessions as it continues to test the 107.80 support but a decisively break lower would depend on the Trump tariff developments. We stay wary of moves lower as a whole. US core PCE numbers due today although it is expected to see a slight pick-up. Resistance at 108.80 before the next around 110.10. Other data due today include Dec personal income, spending.

- **EURUSD - *Lower*.** EURUSD was last seen at 1.0388 levels following the ECB rate cut and Fed rate hold. ECB decision was quite balanced and did not deviate from earlier "data-dependent" guidance. 4Q German GDP dropping by more than expected however weighed on the EUR. Market narrative seems to be that the ECB will opt for growth support with odds of a Mar cut at 129.1% this morning (prev: 86.1%). ECB is facing a challenging task of balancing inflation control and growth support, with latest data suggesting prices in Europe are resurging. Trump mentioned EU tariffs on US goods being unfair and had an overarching message that tariffs would be imposed on goods not produced in America. Still, the divergent monetary policy outlooks and the political uncertainties surrounding the French and the German should continue to weigh on the EURUSD. On the EURUSD chart, the next support is seen at 1.0350. The falling wedge is still in play and stochastics continue to rise from oversold conditions. Rebounds to meet resistance at 1.0422 (50dma) followed by 1.05 figure. Remaining data this week includes 1Y/3Y ECB CPI Expectations (Fri).

- **GBPUSD - *Lower*.** GBPUSD was last seen around lower at 1.2420 levels with the rebound indeed capped by the 1.2510 (50dma) level as we suggested. 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 1.2510 (50dma). Support at 1.2400. Data this week includes Jan UK Mfg PMI and Jan Nationwide House Px Indices (Fri).

- **USDCHF - *Rising Wedge, Bearish risks*.** USDCHF was higher at 0.9099, following the hold from the Fed. With the USD in a corrective mode (lower), USDCHF may move lower from here towards 0.90 before the next support is at 0.8950. Resistance is the 0.9200. 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 - *Yo-Yoing Lower, Downside Risks*.** The pair was last seen at 154.08 as it continued to keep edging lower as UST yields similarly has been similarly moving lower. JPY did also get some lift from Deputy

Governor Himino's speech as he leaned more hawkish. In particular, he had said that real rates are clearly still negative and for it to remain negative for a long time is not normal. This appeared to signal that the central bank remains on a tightening path albeit there is a possibility that it could still be gradual. The phasing out of the BOJ's fund provisioning program may have also given some support to the JPY. For now, the main driver for the JPY is likely to remain the UST yields given the slow pace of BOJ tightening still allows uncertainty on Japan rates to prevail rather than any reassurance of a clear path of tightening. Back on the chart, we continue to watch for a clear decisive break below the 155.00 support with the next support at 150.00. Resistance is at 158.00 and 162.00. Meanwhile, on economic data out this morning, Jan Tokyo core core CPI was higher at 1.9% YoY (est. 1.9% YoY, Feb. 1.8% YoY), which continues to back a BOJ tightening cycle. Dec P IP also turned positive at 0.3% MoM (est. 0.2% MoM, Nov. -2.2% MoM) whilst Dec retails sales was stronger at 3.7% YoY (est. 3.2% YoY, Nov. 2.8% YoY). Remaining key data releases this week include Dec housing starts.

- **AUDUSD -** ***Play the Range***. AUDUSD was last seen lower at 0.6213, still within the 0.6130-0.6315 range. We earlier suggested that pair was overbought and the mini rising wedge has been broken out and this pair may continue to trade within range, as we have forewarned. Weaker Jan PMI prints from China likely have weakened the pairing and latest reignition of universal tariff talks do not help in the least. Support is seen around 0.6210 before 0.6130. 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, NAB business survey for Fri has PPI for 4Q.

- **NZDUSD -** ***In Tandem with the AUD***. NZDUSD softened alongside fellow antipodean, last seen around 0.5634. Support is seen at 0.5540 before the next at 0.5510. Bullish momentum is waning and the pair is overbought. Break of the 50-dma at 0.5720 is required for further bullish extension but that resistance could remain intact. Markets have priced in 120bps cut for RBNZ. 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. Even with soft inflation report from the NZD and strong AU labour report, still look for AUDNZD to head towards 1.0970 (200-dma) before the next at 1.0880.

- **USDCAD -** ***Range intact for now***. USDCAD rose this morning and was last seen around 1.4483, breaking the earllier 1.43-1.4450 range that has held since early Dec. Tariffs could come into effect on Sat and trade frictions could underpin a bullish bias in the pair. 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. Potential successors to Trump have vowed to retaliate to tariffs dollar-for-dollar and Trump responded that the US does not need oil, gas, vehicles or lumber imports from his allies to the north.

- **Gold (XAU/USD) -** ***Watch break of 2800 figure***. Gold was last seen at 2795.58 levels after hitting an ATH of 2799.65. Earlier double top pattern will be refuted if gold can break the 2800 figure decisively and a refutation of a bearish chart pattern should be taken as bullish. Gold may remain supported on dips by a combination of news on more tensions between the US and Colombia/Brazil as the latter countries called out Trump for treating migrants like criminals. The fall in UST yields could also buoy. Watch technical levels closely with support at

Asia ex Japan Currencies

SGDNEER trades around +0.89% from the implied mid-point of 1.3656 with the top estimated at 1.3383 and the floor at 1.3929.

- **USDSGD - *Rebounds along with broad USD*.** USDSGD was last seen higher at 1.3537 levels, amid the broader USD rebound. MAS eased for the first time since 2020 (24 Jan 2025) and the market reaction has been rather muted - a possible indication that this move was expected. The move looks to be one that is calculated to be a tad more growth supportive while continuing to hold the reins on inflation. The trade-weighted SGDNEER is at +0.89% above the mid-point this morning and looks to remain supported in line with our expectations. We expect that SGD could be sheltered given the correlation of SG/US rates. Moreover, Singapore is unlikely to be singled out by the US for additional tariffs given that it has a bilateral trade deficit with the US. Regional safe-haven properties are also likely to be supportive for the SGD. MAS policy continues to be supportive of SGD strength and we look for the resilience to continue even with this easing. We do not expect SGDNEER to weaken too much further even with MAS easing (slight slope reduction). In the medium-term, we remain positive on the SGD given robust macro fundamentals and a monetary policy that has an appreciating currency as a default stance. Resistance at 1.3500 and 1.3600. Support at 1.3400.

- **SGDMYR - *Slightly higher*.** SGDMYR was last seen slightly higher at 3.2597 levels this morning as SGD outperformed the MYR on the back of news that new Treasury Secretary Bessent supports a 2.5% minimum global tariff. Cross has come off recent high of 3.3162 (21 Jan). Resistances at 3.28 followed by 3.31. Support at 3.25.

- **USDMYR - *Higher*.** Pair was last seen higher at 4.4125 as it bounced back up higher amid a bit of a rebound in the broad dollar. 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 4.3600. There are no remaining key data releases this week.

- **1M USDKRW NDF - *Steady*.** 1M USDKRW NDF was last seen higher at 1452.85 on falling chip stocks which had a delayed reaction from earlier news on China's AI DeepSeek. President Yoon has been indicted, and elections will need to be held within 60 days should he be removed from office. However, there remains plenty of concerns for the KRW. 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 - *Range-Trade Within 7.21-7.30?*** Focus for the yuan is on domestic data. USDCNH may still continue to trade within 7.21-7.30 given that Trump has been taking a softer approach with China at this point after issuing the executive order to delay the ban on tiktok and suggesting a mere 10% tariff earlier this week. His latest comments on "rather not have to use tariffs on China"' suggest his reluctance to do so and markets are likely to reduce bets on tariffs right now. USDCNH may continue to trade under 7.2960 for now. **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. **We watch if the USDCNH can break above the 7.2988 (50-dma). If not, range-trading could continue within 7.21-7.30 range.**

- **USDVND - *Out for the week*.** USDVND was last seen around 25083. This pair seems to have come off rather precipitously ahead of Tet. 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. Last Fri, US Secretary of State Marco Rubio encouraged Vietnam to address its trade imblanaces with the US in a call with Foreign Minister Bui Thanh Son.

- **1M USDIDR NDF - *Higher, Cautious*.** 1M USDIDR NDF was last seen at 16314 as it climbed higher amid the move up in the broad dollar given Trump reiterating imposing tariffs on Canada and Mexico. He had also spoke on tariffs on China although no specific level was mentioned. The tariff threats and the possibility of tariff implementation on 1 Feb is weighing on EM sentiment but it remains to be seen what he would eventually go ahead with. We are cautious on the 1M USDIDR NDF, noting of two way risks given that it is uncertainty surrounding Trump tariffs. As a note, the FX market seems to be reacting a lot more negatively to the tariff developments than the US rates markets. The latter could be getting support though from concerns about the frothy valuation of US tech stocks. 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 - *Within Range, Cautious*.** The 1M USDPHP NDF was last seen at 58.42 as it continued to trade around recent ranges of 58.00 –

59.00. We remain cautious on the 1M USDPHP NDF given the ongoing uncertainty on Trump's trade and tariff policies although we do note that the FX markets seem to be reacting a lot more negatively to recent development than US rates. The latter could be getting support though from concerns about the frothy valuation of US tech stocks. We are staying cautious given the uncertainty surrounding Trump tariffs and whether he would really impose tariffs on Canada, Mexico and China on 1 Feb. Back on the chart, resistance is at 59.47 (around the recent Dec high) and 60.60. Support is at 57.92 (200-dma) and 57.00. There are no remaining key data releases this week.

- **1M USDINR NDF-** ***Currency Flexibility?*** USDINR 1M NDF was last seen higher at 86.81 levels this morning. RBI Chief has hinted at some willingness to allow more flexible currency moves. The central bank announced plans to inject about US$18b of liquidity to ease a crunch in their banking system that arose largely from aggressive FX intervention. Liquidity shortfall is estimated to be about 3 trillion rupees and the planned liquidity injection will take place via OMO purchases of bonds (US$6.9b), FX swaps (US$5b) and repos (US$5.8b). This large shortfall due largely to intervention shows that Governor Sanjay is perhaps not letting go of the reins on the INR as much as some might suggest. 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 Dec Fiscal Deficit and 24 Jan FX Reserves (Fri).

- **USDTHB -** ***Lower, Sideways***. Pair was last seen at 33.65 as it edged down. Whilst the THB is trade exposed and sensitive to the CNH (of which had weakened again overnight), gold prices look to have given it a lift. The latter had risen on the back of Trump reiterating his tariff threats on Canada, Mexico and China. It remains to be seen tomorrow on 1 Feb if he would really implement such tariffs. USDTHB may keep trading sideways (33.50 – 34.00) given the balance of factors with gold supporting THB but tariff threats and China weakness, broad dollar strength and elevated UST yields weighing on it. USDTHB can find support at 33.35 before the next at 33.00. Rebounds to meet resistance at 34.30. Key data releases due this week include Dec trade data (Fri), Dec ISIC mfg production index and capacity utilization (Fri), Dec BoP CA and overall balance and 24 Jan gross international reserves/forward contracts (Fri).

Malaysia Fixed Income

Rates Indicators

MGS	Previous Bus. Day	Yesterday's Close	Change (bps)
3YR ML 5/27	3.43	3.44	+1
5YR MI 8/29	3.60	3.59	-1
7YR MO 7/32	3.77	3.77	Unchg
10YR MS 7/34	3.80	3.80	-1
15YR MS 4/39	3.97	3.96	-1
20YR MX 5/44	4.06	4.06	Unchg
30YR MZ 3/53	4.18	4.18	Unchg
IRS			
6-months	3.62	3.62	-
9-months	3.57	3.57	-
1-year	3.55	3.55	-
3-year	3.47	3.47	-
5-year	3.53	3.53	-
7-year	3.60	3.60	-
10-year	3.71	3.71	-

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

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- It was a muted session for Ringgit government bonds ahead of CNY holiday. Yields were quoted little changed and flows were thin. Overall, MGS closed mixed in +/-1bp on the day. The US FOMC kept the Fed funds rate unchanged at 4.25-4.50%, the first pause in this easing cycle. At press conference, Chair Powell signaled patience on additional rate cut, raising possibility of an extended hold and the market is only fully pricing in the next 25bp cut in June.

- MYR IRS stayed flat in absence of follow-through receiving momentum despite the risk aversion sentient drove UST yields prior to the CNY break, and market liquidity deteriorated in the second half of the day with price action almost non-existent. 3M KLIBOR was unchanged at 3.67%. 5y IRS traded at 3.525%.

- In the PDS, GG Danainfra traded rangebound with total MYR60m volume. AAA traded mixed, with Danum Capital 5/27 2bp lower for MYR20m, TNB Power Gen 6/42 was 3bp higher, while Petroleum Sarawak 27s spread widened 1bp with MYR80m volumes. Other names were largely unchanged.

Singapore Fixed Income

Rates Indicators

SGS	Previous Bus. Day	Yesterday's Close	Change (bps)
2YR	2.82	2.81	-1
5YR	2.83	2.82	-1
10YR	2.90	2.89	-1
15YR	2.91	2.90	-1
20YR	2.88	2.88	-
30YR	2.83	2.82	-1

Source: MAS (Bid Yields)

- SGS yields fell by almost 1bp across the curve ahead of the CNY break. 10y SGS eased 1bp to 2.89%. UST has since held steady with 10y yields mostly fluctuating in a tight range of 4.50-4.55% prior to and after the FOMC meeting which saw unanimous vote for a hold. The overnight SORA was last at 2.98% on 27 January – latest available at the time of writing.

Indonesia Fixed Income

Rates Indicators

Gov't Bonds	Previous Bus. Day	Latest Day's Close	Change
1YR	6.92	6.94	0.02
2YR	6.85	6.85	(0.00)
5YR	6.81	6.85	0.04
10YR	7.05	6.97	(0.08)
15YR	7.15	7.15	(0.00)
20YR	7.17	7.13	(0.04)
30YR	7.19	7.15	(0.05)

** Source: Bloomberg, Maybank Indonesia*

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- Most Indonesian government bonds strengthened yesterday. The yield of Indonesian 10Y government bond finally dropped reaching below 7.00%. Yesterday, the government also successfully absorbed Rp10 trillion from its Sukuk auction. Investors' total incoming bids reached Rp20.52 trillion, quite strong during current condition.

- A rally on Indonesian government bond market is in line with relative minimal pressures from the global side. There weren't yet a drastic measures that applied by the new President Donald Trump, then giving negative impact for the global economy. So far, President Trump isn't yet applying the new trade tariff for China by more than 10%. On the domestic side, we kept seeing a positive measures by the government after applying a shifting fiscal spending allocation by more than Rp306 trillion from unproductive spending to be more productive for the domestic economy.

- The diversion of spending of more than Rp306 trillion by the government will be diverted to spending in accordance with the government's priority programs (AstaCita), such as improving the quality of human resources, downstreaming and industrialization, and energy and food independence. So the impact will certainly increase the acceleration of sectoral growth from programs related to the government's main programs. Well, this is what I see will be the driver of the Indonesian economy in the current government era. Meanwhile, spending affected by efficiency seems to be decreasing spending activities such as official travel and procurement of equipment and machinery, as well as infrastructure spending. Of course, this will lead to state and central government meetings that will be carried out more in their own buildings, rather than in hotels. The infrastructure program also seems to be carried out for old project programs, not new initiation projects. Then official travel is not for priority development needs that are in accordance with AstaCita will also be reduced. Meanwhile, the purchase of new office stationery and other office equipment will also likely be reduced, so old stock will still be used, until it breaks. In terms of economic output, we see that our economy is still on track to grow 5.17% this year.

- Going forward, we keep Indonesian government bond market to keep on positive track although it's still prone from the side impacts from uncertainty on the global economic development. The Fed just decided unchanged policy rate at 4.25%-4.50% on 30 Jan-25. It seemed that the Fed kept maintaining a stability policy for anticipating various development on the U.S. economy under the new era of Donald Trump. The Fed's officials, while, removed a reference to having made progress toward their 2% goal.

Foreign Exchange: Daily Levels

	EUR/USD	USD/JPY	AUD/USD	GBP/USD	USD/CNH	NZD/USD	EUR/JPY	AUD/JPY
R2	1.0496	155.90	0.6262	1.2502	7.3171	0.5687	162.3667	97.2593
R1	1.0443	155.10	0.6236	1.2461	7.3053	0.5661	161.3433	96.5307
Current	1.0387	154.22	0.6220	1.2422	7.2948	0.5642	160.1900	95.9260
S1	1.0362	153.64	0.6191	1.2393	7.2703	0.5616	159.7533	95.3807
S2	1.0334	152.98	0.6172	1.2366	7.2471	0.5597	159.1867	94.9593

	USD/SGD	USD/MYR	USD/IDR	USD/PHP	USD/THB	EUR/SGD	CNY/MYR	SGD/MYR
R2	1.3570	4.3940	16300	58.4953	33.9560	1.4138	0.6064	3.2589
R1	1.3548	4.3943	16280	58.4017	33.8420	1.4097	0.6064	3.2569
Current	1.3545	4.4195	16313	58.3900	33.6460	1.4069	0.6100	3.2631
S1	1.3492	4.3943	16235	58.2677	33.5810	1.4029	0.6064	3.2535
S2	1.3458	4.3940	16210	58.2273	33.4340	1.4002	0.6064	3.2521

**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	Apr-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	20/3/2025	Easing
ECB Deposit Facility Rate	2.75	6/3/2025	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	19/3/2025	Tightening
BoC O/N Rate	3.00	12/3/2025	Easing

Equity Indices and Key Commodities

	Value	% Change
Dow	44,882.13	0.38
Nasdaq	19,681.75	0.25
Nikkei 225	39,513.97	0.25
FTSE	8,646.88	1.04
Australia ASX 200	8,493.70	0.55
Singapore Straits Times	3,801.07	0.11
Kuala Lumpur Composite	1,552.69	-0.40
Jakarta Composite	7,073.48	-1.29
Philippines Composite	6,107.66	-0.74
Taiwan TAIEX	0.00	N/A
Korea KOSPI	2,536.80	N/A
Shanghai Comp Index	3,252.63	N/A
Hong Kong Hang Seng	20,197.77	0.66
India Sensex	76,759.81	0.30
Nymex Crude Oil WTI	72.73	0.15
Comex Gold	2,845.20	1.85
Reuters CRB Index	306.39	-0.39
MBB KL	10.24	-1.16

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