6 January 2025

Maybank

Global Markets Daily

Dollar Strength

Fed Officials Imply Fight Not Over

Over the weekend, Fed officials looked to have expressed caution on further rate cuts as they imply that there is still some way to go before they can bring inflation down to the 2% target. It started off with Barkin who said that there "more upside risk than downside risk" to inflation and noted his preference to keep restrictive rates for longer. He also appeared to believe in labor market strength as he mentioned that it is "more likely to break toward hiring than toward firing". His colleague Daly echoed similar comments as she mentioned that inflation remains "uncomfortably" above target. Kugler also said that the "job is not done". However, both were more measured as they said that the Fed had to remain watchful over the labor market. On top of the Fed's hawkishness, there is also some edginess regarding Trump's inauguration and the potential first policy announcements he could make related to tariffs, immigration and taxes. Under such circumstance, dollar strength looks like it would stay supported although some cautions pullback cannot be ruled out after a strong run. The DXY index was last seen still hovering around the 109.00 mark. UST 10Y yields edged back up and was last seen at ~4.62%. Asian FX meanwhile continued to be weighed down by a multitude of factors that not only includes the dollar strength but also by the both CNH and JPY weakness.

Keep Watching the Renminbi

China continue to provide support to its currency as the fixing was again set below the 7.20 mark and more than 1000 pips stronger than the estimate. This comes even as the USDCNH/CNY has come under increasing upward pressure amid dollar strength, potential monetary easing and Trump's inauguration anxiety. The onshore USDCNY had breached the key level of 7.30 on Friday and even amid the PBOC determination to stabilize the currency, we stay wary of the upside risks. We do note though that the PBoC's Financial News highlighted that the PBoC 4Q statement had omitted the call to "increase exchange rate flexibility" and there was an emphasis on crackdown on market disruption and one-sided market expectation. There was also a highlight on how the central bank has had tools and experience in handling depreciation of yuan exchange rate.

Data/Events We Watch Today

We watch US Nov factory orders, Dec PMI services/composite, GE Dec P CPI and EC Sentix investor confidence.

FX: Overnight Closing Levels % Change

Majors	Prev Close	% Chg	Asian FX	Prev Close	% Chg
EUR/USD	1.0308	0.42	USD/SGD	1.3702	-0.02
GBP/USD	1.2423	0.35	EUR/SGD	1.4125	0.41
AUD/USD	0.6216	0.21	JPY/SGD	0.8711	0.17
NZD/USD	0.5613	0.32	GBP/SGD	1.7019	0.34
USD/JPY	157.26	-0.15	AUD/SGD	0.8517	0.22
EUR/JPY	162.08	0.23	NZD/SGD	0.7689	0.33
USD/CHF	0.9085	-0.42	CHF/SGD	1.5077	0.41
USD/CAD	1.4447	0.31	CAD/SGD	0.948	-0.34
USD/MYR	4.5002	0.49	SGD/MYR	3.2847	-0.09
USD/THB	34.458	0.52	SGD/IDR	11803.64	-0.75
USD/IDR	16190	-0.03	SGD/PHP	42.4734	-0.10
USD/PHP	58.196	0.50	SGD/CNY	5.3416	0.27

Implied USD/SGD Estimates at, 9.00am

Upper Band Limit	Mid-Point	Lower Band Limit
1.3484	1.3759	1.4034

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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		

SEE PAGE 14 FOR IMPORTANT DISCLOSURES AND ANALYST CERTIFICATIONS

G10 Currencies

- **DXY Index – *Firm above 109, vulnerable to Pullbacks*.** The DXY index maintained much of its elevation above the 109-figure. Sluggish EUR (owed to upcoming Germany elections and weak activity in the Eurozone) as well as JPY (as market players pared bets on a rate hike this month, OIS implied 40% of a move last check) continue to lift the DXY index. Fed Daly's mention that inflation is still "uncomfortably above our target" was also not helping sentiment in the least as UST 10y yield rose to 4.62%, widening the gap with 2Y to around 33.3bps. Eyes are on the final Dec Services PMI, Nov factory orders and durable goods orders for Nov due today. Back on the daily DXY index, stochastics suggest stretched conditions for the dollar index and that stochastics could be turning lower. There is also a rising wedge forming for the 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.

- **EURUSD – *Falling Wedge*.** EURUSD has been pressed lower and was last seen around 1.0310. Divergent monetary policy outlooks and the political uncertainties surrounding the French and the German continue to weigh on the EUR against the greenback. Last week, Lagarde had spoken about how inflation has made great strides towards the 2% but the target is not reached yet. Dec PMIs are due today followed by Germany CPI for last month as well. Back-to-back rate cuts for Jan, Mar and Apr are well priced based on OIS. We see continued headwinds for the EUR on political uncertainty in both France and Germany. Factors that weigh on EUR could remain a drag on the currency – including political uncertainty in France and Germany, the potential escalation of the war in Ukraine, weak Eurozone growth prints that could sharpen the Fed-ECB policy divergence. Trump tariffs could also have an additional Eurozone specific element which should weigh on the EUR. Back on the EURUSD chart, support at 1 1.0200 before 1.066. Resistance for pair is at 1.0335 before 1.0410. Data this week includes Dec Services PMI (F) today, ECB 1Y, 3Y CPi expectations for Nov and Dec prelim. CPI estimate on Tue. Wed has Consumer confidence, industrial confidence and services confidence for Dec. ECB publishes Economic Bulletin and Nov retail sales on Thu.

- **GBPUSD – *Key Support at 1.23*.** GBPUSD edged higher in the past two sessions and was last seen around 1.2435 levels. Data has been underwhelming these include 3Q GDP, Mfg PMI and net consumer credit. In addition, Starmer's government had been attacked by Trump's advisor Elon Musk. The latter had said that a "civil war is inevitable" in Britain and Starmer's ally Farage does not have what it takes to lead the Reform party. GBPUSD is close to 2024 low of around 1.2300. Last seen around 1.2440. There could be some rebound risks given stretched conditions. Resistance at 1.2490. Week ahead has Services PMI for Dec (F) due today. Tue has Construction PMI for Dec. Thu has BRC Shop Price index for Dec.

- **USDCHF – *Rising Wedge, Bearish risks*.** USDCHF hovered around 0.9096 this morning. The pair has moved higher in recent weeks, in line with broader USD strength 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 plaateauing in overbought conditions. On top of that, USDCHF has formed a rising wedge, another sign of bearish retracement. 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 Nov retail sales today, Dec CPI on Tue and labour report on Fri.

- **USDJPY - *Sideways, Cautious*.** The pair was last seen at around 157.58 as it continued to hover around the 157.00 level. For now, we expect the pair to keep trading sideways around the 157.00 mark given that markets are likely to stay cautious of intervention risks whilst also being wary of any BOJ surprise. For this week, the catalysts that would drive would mainly be external and related to the US as we look out for how jobs data would pan out to be like. Domestically, there is the wage data on Friday and it its likely to edgy up slightly on nominal terms. However, even if it met expectations, it is unlikely to move markets much given that focus is really on the BOJ's words rather than data. Data has gradually been turning supportive of a hike but yet Ueda last month had seemed to imply patience waiting for more wage data and how Trump's policies pan out to be. Importantly, we do note next week that we do have Deputy Governor Ryozo Himino speaking next Tuesday 14 Jan and markets maybe looking out for that to see what more hints he can give on the path of interest rates. The move had been seen as unusual as board members haven't held this kind of event before the first policy meeting of the year at least since former Gov. Haruhiko Kuroda began his term in 2013. Back on the chart, key remains as to whether the pair can decisively break out of its recent range of which we mention we think it may not do so just yet. Resistance is at 158.00 and 162.00 (around 2024 high). Support is at 156.00 and 150.00. Key data releases this week include Dec monetary base (Tues), Dec consumer confidence (Wed), Nov cash earnings (Thurs), Nov household spending (Fri), Nov P leading index (Fri) and Nov P coincident index (Fri).

- **AUDUSD - *Interim bottom*.** AUDUSD was last seen at levels around 0.6230. We have been bearish on AUD and it seems like we are no longer a contrarian. 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. AUDUSD might find some support around the 0.6170-figure for now. Two-way trades are likely within the 0.6170-0.6315. Retracements are seen as opportunities to sell into. Week ahead has building approvals for Nov tomorrow. Nov CPI on Wed and Nov retail sales, trade on Thu, Fri has household spending for Nov.

- **NZDUSD - *Heavy*.** NZDUSD edged lower to levels around 0.5620, dragged by cautious sentiment all around. Support is seen at 0.5588 before the next at 0.5510. Momentum is no longer bearish. We also see two-way trades. Resistance is last seen around 0.5660 before 0.5680. BusinessNZ Mfg PMI slipped further into contraction at 45.5 vs. previous 45.7. Net migration is higher at 2790 vs. previous 2190.

- **USDCAD - *Rounding Top*.** USDCAD was last seen around 1.44. This pair was not able to head beyond key resistance at 1.4450. Pair has been lifted because of political uncertainty at home. PM Trudeau is expected to resign this week according to Globe, before the national Caucus meeting. Back on the USDCAD chart, momentum is now bearish and resistance at 1.4450 could remain intact. Tentative pullbacks could bring the pair towards support 1.43 first before 1.4220.

- **Gold (XAU/USD) -** ***Rising***. Gold hovered around $2644/oz, within the 2600-2720 range. The rise in UST yields continue to weigh on gold and the prospect of a ceasefire or deal of peacemaking for the war in Ukraine. Range of 2600-2720 could remain intact. Interim resistance at 2680.

Asia ex Japan Currencies

SGDNEER trades around +0.48% from the implied mid-point of 1.3759 with the top estimated at 1.3484 and the floor at 1.4034.

- **USDSGD - *Bearish Risks*.** USDSGD was last seen higher at 1.3692 levels. SGD is in the middle of the pack in terms of performance and we expect that it 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 3.2900 levels this morning amid both pressure on the SGD and MYR simultaneously. Resistances at 3.32 followed by 3.35. Support at 3.28.

- **USDMYR - *Supported, Cautious*.** Pair was last seen at 4.5025 as it remained supported in line with the DXY strength and CNH weakness. For now, pair is likely to take cues from external development, particularly in relation to both China, the US and the Eurozone. Expect pair to stay supported as we build up to Trump's inauguration in two weeks' time as markets await to see the first policy announcements the new president would make. For this week, we closely watch how US jobs data would pan out this week as well as the potential for any China related developments (especially in relation to stimulus support). Domestically, there are some positive developments that include Johor – Singapore special economic zone agreement to be signed today. 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 31 Dec foreign reserves (Wed), Nov IP (Fri) and Nov Mfg sales (Fri).

- **USDCNH - *FIX Remains Below 7.20*.** USDCNH traded around 7.3530, slightly softer because of the fix. This pair is reined in by the daily fix this morning, still below 7.20. 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. The PboC has ample tools at their disposal to support the yuan indeed and they have used them before. Those tools make the fixing a credible policy guidance. The pullback in USDCNY post fix shows that players are taking heed of this warning. PBoC's Financial News highlighted that the PBoC 4Q statement had omitted the call to "increase exchange rate flexibility" in the 3Q statement and there was an emphasis on crackdown on market disruption and one-sided market expectation. There was also a highlight on how the central bank has had tools and experience in handling depreciation of yuan exchange rate. Anchoring the yuan sentiment seems key at this point, There is little benefit in allowing the yuan to weaken too much right now and yuan weakness tend to have negative spillovers to other asset classes. How the PBoC wants to react to any curveballs for the rest of the year could be another question. This morning, Caixin PMI services came in a tad stronger at 52.2, adding to the tailwinds of the yuan. For the rest of the week, foreign reserves for Dec are due on Tue before Dec inflation on Thu. Credit data are due between 9-15 Jan.

- **1M USDKRW NDF - *Sideways, cautious*.** 1M USDKRW NDF was last seen trading sideways around the 1467.53 level as political uncertainty continues to grip the country. Last Friday, the impeached President Yoon Suk Yeol had successfully managed to resist arrest. The arrest warrant for the President is slated to expire by the end of today but the Corruption Investigation Office (CIO) for High-Ranking Officials has asked that the court extend it, according to Yonhap News. The CIO has asked that the police handle an arrest again of the President although it remains unclear whether the police can do it or when it would even be done. The court has dismissed an appeal by lawyers of President Yoon against the a warrant for his arrest. For now, 1M NDF may continue to trade sideways although we stay wary of upside risks. The KOSPI though is trading higher amid tech optimism after Hon Hai Precision had reported better than expected sales growth. Back on the chart, interim resistance at 1480 with the next level after that at 1500. Support is at 1440 and 1415. Key data releases this week include Nov BoP goods balance and CA balance (Wed).

- **1M USDINR NDF- *Pivoting to Neutral*.** USDINR 1M NDF is steady at 86.02 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 – *Sideways, Cautious*.** 1M NDF at 16209 as it continues to trade sideways. The 1M NDF has been under upward pressure given elevated UST yields and dollar strength due to a more hawkish Fed and Trump inauguration anxiety. However, we do take note that authorities have likely been trying to stabilize the currency. Given this, we expect it to continue to keep trading sideways near term around the 16200 mark and at least around the recent range of 16100 - 16400. However, we are cautious of upside risks especially if there can be factors that can further support dollar strength including strong US jobs data, Eurozone weakness or Trump announcements. CNH weakness is also weighing on the Asian FX space. Domestically, the decision to scale back on the VAT hike coverage to mainly only cover luxury items had hurt IDR sentiment. However, we should take note that the VAT increase had not actually been mentioned in the budget 2025 and that the fiscal deficit was still targeted below the 3.00% ceiling. We believe that the fragility of the currency under the global current conditions could be making it vulnerable to any form of negative news. Back on the chart, break out of the recent range of 16100 – 16400 would be key. Resistance is seen at 16400, 16519 (2024 high) and 16750. Support at 16100 and 15800. Key data releases this week include Dec foreign reserves (Wed) and Dec local auto sales (11 – 15 Jan).

- **1M USDPHP NDF - *Sideways, cautious*.** The 1M NDF was last seen at 58.35 as it keeps trading sideways around the 58.30. The 1M NDF can keep trading around those levels and at least within a range of 58.00 – 58.50 as markets stay edgy on Fed hawkishness and the Trump inauguration. Further US data strength, Eurozone and China weakness can all also be negative concerns for the PHP. Therefore, we also being cautious of the upside risks. For now, drivers are likely to be external as any future BSP easing is kind of expected given the Governor having already hinted at the possibility of it. Back on the chart, a breakout of the range is key with at 58.50 and 59.13 (YTD high). Support is at 57.75 and 57.00. Key data releases this week include Dec CPI (Tues), Dec foreign reserves (Tues), Nov unemployment rate (Wed), Nov trade data (Thurs), Nov bank lending (Fri) and Nov money supply (Fri).

- **USDTHB - *Higher, Cautious*.** Pair was last seen at 34.50 as it moved up amid dollar strength, higher UST yields and some softness in gold. Markets remain edgy amid Fed hawkishness and Trump's weakness. CNH weakness may also be weighing on Asian FX broadly given the strong trade links between China and the other regional countries. Signs of Eurozone weakness can also support the broad dollar, hurting Asian FX too. Meanwhile, domestically, the BOT has said that the Thai economy faces challenges from external competition and higher uncertainty. Our economist though does not see the BOT moving this year. An opinion poll by Nida has also found that 50.6% of Thai respondents also expect political tensions staying at current levels in 2025, which highlights fragility in sentiments in the country. We cautious on the USDTHB and for now, it is testing the upper end of the 33.50 – 34.50 range that it has been trading in. Any decisive break above the 34.50 resistance level can open the way for it to move higher with the next resistance level at 35.10 (high on Nov 2024 post Trump election before a retracement). Support is at 34.00 and 33.50. Key data releases this week include Dec CPI (Mon), Dec consumer confidence (7 – 13 Jan) and 3 Jan gross international reserves/forward contracts (Fri).

- **USDVND - *Capped for now*.** USDVND was last seen around 25390. 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. The SBV targets 16% credit growth for 2025 according to the Voice of Vietnam reported last week.

Indonesia Fixed Income

Rates Indicators

RPGov't Bonds	Previous Bus. Day	Latest Day's Close	Change
2YR	7.06	7.07	0.01
4YR	7.05	7.04	(0.00)
5YR	7.03	6.98	(0.04)
10YR	7.00	7.02	0.02
15YR	7.10	7.10	0.01
20YR	7.11	7.13	0.02
30YR	7.07	7.07	(0.00)

** Source: Bloomberg, Maybank Indonesia*

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- The yields of Indonesian government bonds remained being underpressures at early year of 2025. It's inline with recent increasing trends on the positions of both DXY Dollar Index and the yields of U.S. government bonds after the Fed hinted narrowing rooms for cutting its policy rate in 2025. The yield of Indonesian 10Y government bonds stood above 7.00% on the last trading days of previous week (03 Jan-25). Recent Bank Indonesia's decision for maintaining BI Rate at 6.00% have successfully restrained drastic weakening on both Indonesian Rupiah and the government bonds. Going forward, we expect Indonesian government bonds to keep being underpressures during this week due to unfavorable global economic conditions for anticipating incoming strict policies on trade activities and loosening tax collection by the new era of U.S. government under Donald Trump.

- On the local side, actually, Indonesian economy is on positive mode after the government blesses various fiscal stimulus packages with limited increase on the value added tax in 2025. Indonesia also kept booking low inflation pressures so far. Furthermore, we estimate that Indonesian consumers' purchasing power will increase in 2025, along with the government's policy to increase the Minimum Regional Wage by 6.5% and teacher salaries as well as various fiscal stimuli, such as discounts on basic electricity rates, provision of 10kg of rice for beneficiary families, tax relief for MSMEs and also the decision to increase the value added tax from 11% to 12% for only the luxury goods. Then, we also see inflationary pressures strengthening from the imported inflation side, especially from imported food commodities and commodities whose supply chains will be disrupted due to protectionist policies implemented by the new US government of Donald Trump. We project that Indonesia's inflation will increase from 1.57% in 2024 to 2.57% in 2025. Despite the increase, the projected inflation rate in 2025 is still within Bank Indonesia's inflation target of 1.5%-3.5%. Thus, we estimate that there is still room for Bank Indonesia to lower the BI Rate by 50 bps in 2025. The room for BI to lower the BI Rate is estimated to be open since the end of 2Q25 when pressure on the Rupiah due to fluctuations in the financial market has decreased, along with the impact of the latest policies from the Donald Trump administration and the possibility that the Fed will also start implementing a policy of lowering its monetary interest rates.

Malaysia Fixed Income

Rates Indicators

MGS	Previous Bus. Day	Yesterday's Close	Change (bps)
3YR ML 5/27	3.47	3.45	-2
5YR MI 8/29	3.61	3.61	Unchg
7YR MS 4/31	3.77	3.77	Unchg
10YR MS 7/34	3.82	3.82	Unchg
15YR MS 4/39	*3.98/96	3.94	-3
20YR MX 5/44	4.04	4.04	Unchg
30YR MZ 3/53	*4.19/17	4.17	-1
IRS			
6-months	3.64	3.64	-
9-months	3.59	3.59	-
1-year	3.56	3.55	-1
3-year	3.49	3.48	-1
5-year	3.53	3.52	-1
7-year	3.60	3.60	-
10-year	3.70	3.69	-1

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

- Ringgit bonds saw buying across the tenors as market participants started to build up inventories in the new financial year. However, the buying momentum dissipated after the announcement of 7y MGS with issue size of MYR5b - no private placement. Throughout the session, WI was given at 3.79%, last 3.795% at the close and was quoted 3.80/78%. Bond prices parred earlier gains (c.3bp lower) closing the day flat to c.2bp. 15y MGS was the outperformer.

- MYR IRS activity picked up with levels largely 1bp lower across the curve and receiving interest observed again at the 5y point. Payers did show up late in the session and after local bonds reversed earlier gains on risk reduction. 3M KLIBOR was unchanged at 3.73%. 4y IRS traded at 3.49%. 5y IRS traded between 3.515% and 3.52%.

- The PDS market closed the week with increased activity. GG traded mixed. Pengurusan Air and Danainfra spread tightened 1-2bp, but PTPTN 7/26 spread widened 1bp. In AAA segment, PLUS 1/37 and Danum 5/27 tightened 1bp, while Danga Capital 2/36 saw MYR40m traded 4bp lower. There was interest in mid-tenor ALR bonds which tightened 6-7bp though for only MYR20m in volume. AA2 Imtiaz Sukuk II traded 1-2bp lower. Maybank Perp saw MYR60m trades and the spread narrowed 1bp.

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Singapore Fixed Income

Rates Indicators

SGS	Previous Bus. Day	Yesterday's Close	Change (bps)
2YR	2.75	2.75	-
5YR	2.81	2.78	-3
10YR	2.88	2.89	+1
15YR	2.91	2.91	-
20YR	2.83	2.83	-
30YR	2.81	2.80	-1

Source: MAS (Bid Yields)

- SGS posted mixed performance. 5y SGS led rally as yield fell 3bp but 10y SGS yield increased 1bp to 2.89% while other parts of the curve was mostly unchanged. Meanwhile, the SORA curve flattened as the front-end increased 2-3bp while mid to long tenors were flat to 1bp lower. The overnight SORA increased to 2.52% on 2 Jan – the latest at the time of writing.

Foreign Exchange: Daily Levels

	EUR/USD	USD/JPY	AUD/USD	GBP/USD	USD/CNH	NZD/USD	EUR/JPY	AUD/JPY
R2	1.0345	157.93	0.6240	1.2472	7.3870	0.5630	162.7133	98.1257
R1	1.0327	157.59	0.6228	1.2447	7.3727	0.5622	162.3967	97.9533
Current	1.0317	157.70	0.6230	1.2438	7.3559	0.5621	162.6900	98.2390
S1	1.0273	156.90	0.6201	1.2385	7.3342	0.5598	161.5767	97.5523
S2	1.0237	156.55	0.6186	1.2348	7.3100	0.5582	161.0733	97.3237

	USD/SGD	USD/MYR	USD/IDR	USD/PHP	USD/THB	EUR/SGD	CNY/MYR	SGD/MYR
R2	1.3757	4.5133	16267	58.3480	34.6540	1.4192	0.6169	3.2976
R1	1.3729	4.5067	16228	58.2720	34.5560	1.4159	0.6159	3.2912
Current	1.3693	4.5085	16190	58.2400	34.5700	1.4126	0.6153	3.2934
S1	1.3674	4.4894	16168	58.0360	34.3590	1.4066	0.6142	3.2742
S2	1.3647	4.4787	16147	57.8760	34.2600	1.4006	0.6135	3.2636

**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	A Field Not Applica	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	42,732.13	0.80
Nasdaq	19,621.68	1.77
Nikkei 225	39,894.54	#DIV/0!
FTSE	8,223.98	-0.44
Australia ASX 200	8,250.49	0.60
Singapore Straits Times	3,801.83	0.03
Kuala Lumpur Composite	1,629.46	-0.21
Jakarta Composite	7,164.43	0.02
Philippines Composite	6,603.81	0.82
Taiwan TAIEX	22,908.30	0.33
Korea KOSPI	2,441.92	1.79
Shanghai Comp Index	3,211.43	-1.57
Hong Kong Hang Seng	19,760.27	0.70
India Sensex	79,223.11	-0.90
Nymex Crude Oil WTI	73.96	1.13
Comex Gold	2,654.70	-0.54
Reuters CRB Index	296.77	-0.74
MBB KL	10.14	-0.39

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