

Global Markets Daily

IMF Slashes Growth Outlook

UST10Y Yield Pushing Near 3%, DXY Near 101

UST yields continued to push higher yesterday and this morning, with UST10Y (2.96%) not too far from potential resistance at 3%. Dollar pushed higher again yesterday but showed very tentative signs of retracing a tad this morning, as Fed's Bostic cautioned on growth risks from raising rates too rapidly or too high beyond the neutral rate to fight inflation. Oil is broadly lower on demand concerns, following growth warnings from World Bank and IMF. The IMF has cut its 2022 world growth forecast to 3.6% from 4.4%, and warned of rising risks from more aggressive withdrawal in central bank monetary stimulus. It said that the war threatened to erase much of the recent recovery from the pandemic, and identified "frequent and wider-ranging lockdowns in China—including in key manufacturing hubs", as another driver of slowing activity due to bottlenecks in global supply chains.

China LPRs Kept Unchanged

1Y LPR was left unchanged at 3.70% by Chinese banks while 5Y LPR was also unmoved at 4.60%. This was a surprise to most as consensus had looked for 5bps cuts. In our RMB watch, we had noted that the chance of a LPR cut still exists but has become smaller. The last 5bps LPR cut was provided in Dec 2021 only after two 50bps RRR cuts in Jul and Nov last year. The combination of a lack of policy support and zero-covid stance has weakened China's growth prospects and weighed on yuan sentiments. In addition, USDCNY reference rate was fixed 101pips above median estimate this morning, a policy greenlight for USDCNY and USDCNH to rise further (tailwinds on other USD-AxJs).

US Existing Home Sales, EU Industrial Production Due

Key data we watch today include US Existing home sales (Mar), EU Industrial production, Trade (Feb). Japan's Mar exports growth moderated to 14.7%/y from 19.1% prior while imports growth remained robust near 31.2% (prior 34.1%). Trade deficit came in at -JPY412bn vs expected -JPY72bn. Fed's Daly, Evans will be speaking.

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G7: Events & Market Closure

Date	Ctry	Event
18 Apr	AU, NZ, UK, EU, HK	Market Closure

AXJ: Events & Market Closure

Date	Ctry	Event
19 Apr	MY	Market Closure
19 Apr	ID	BI Policy Decision

FX: Overnight Closing Levels/ % Change

Majors	Prev Close	% Chg	Asian FX	Prev Close	% Chg
EUR/USD	1.0788	↑ 0.06	USD/SGD	1.3678	↑ 0.43
GBP/USD	1.2998	↓ -0.16	EUR/SGD	1.4755	↑ 0.52
AUD/USD	0.7374	↑ 0.34	JPY/SGD	1.0611	↓ -1.05
NZD/USD	0.6736	↑ 0.09	GBP/SGD	1.7779	↑ 0.28
USD/JPY	128.91	↑ 1.51	AUD/SGD	1.0087	↑ 0.80
EUR/JPY	139.06	↑ 1.56	NZD/SGD	0.9211	↑ 0.55
USD/CHF	0.9521	↑ 0.79	CHF/SGD	1.4364	↓ -0.30
USD/CAD	1.2618	↑ 0.03	CAD/SGD	1.0837	↑ 0.36
USD/MYR	4.2555	→ 0.00	SGD/MYR	3.1194	↓ -0.20
USD/THB	33.745	↑ 0.24	SGD/IDR	10510.11	↓ -0.35
USD/IDR	14344	↓ -0.07	SGD/PHP	38.4276	↑ 0.15
USD/PHP	52.463	↑ 0.37	SGD/CNY	4.6756	↓ -0.03

Implied USD/SGD Estimates at 20 April 2022, 9.00am

Upper Band Limit	Mid-Point	Lower Band Limit
1.3435	1.3709	1.3983

G7 Currencies

■ **DXY Index - Elevated on Risk Aversion.** DXY extended its move higher. Heightened geopolitical concerns, growth slowdown fears as well as threat from aggressive Fed tightening continue to shape USD sentiments. Following World Bank's move to cut global growth to 3.2% for 2022 (down from earlier estimate of 4.1%), IMF lowered global growth to 3.6%, down from 4.4% earlier projection. Growth downgrade was due to Russia invasion and China lockdowns. Euro-area forecast was also cut sharply due to impact from war in Ukraine. IMF also cautioned that inflation expectations risk becoming unanchored, prompting more aggressive central bank tightening. Rising debt levels in Ems is also a risk as policymakers in advanced economies tighten monetary policy. IMF also cautioned for global trade to slow to 5% in 2022, half the rate of 2021. Elsewhere UST yields continue to drift higher with 10y UST yield coming close to 3% and TIPs 10y yield turned positive for first time since 2020. Tightening of financial conditions (as seen from Chicago Fed) YTD can undermine risk assets, pose another upward boost to USD and weigh on AXJ FX. Not forgetting Bullard's latest hawkish rhetoric that he expects rates to move quickly to get rates up to around 3.5% this year with multiple 50bps hike and that it should not rule out the option of 75bps hike. Fed's Evans also talked about expecting rates to get above neutral level. We also believe markets are waking up to the reality of double tightening (via rates and balance sheet roll-down) and at faster pace. The proposed balance sheet run-down with a cap of \$95bn/month (\$60bn in Treasuries and \$35bn in MBS) -is nearly 2x the peak cap of \$50bn/ month in the 2017 - 19 QT episode. The key focus is on 4th May FOMC when a vote is expected with balance sheet rolldown commencing as soon as the same month or Jun latest. **We further opined that one should not rule out the case of buy rumor, sell fact on QT, such that the run-up in UST yields may even ease when QT announcement is made. We also noticed gradual paring down of long USD positioning even as DXY continued to test fresh multi-year highs. The divergence between price and position is not sustainable and further unwinding in USD long will exert downward pressure on price.** We also noted Bostic's overnight comments about wary of raising rates too high to cool inflation as such a move risk harming the economy especially with a weaker global outlook. DXY was last at 100.93 levels. Bullish momentum on daily chart intact while RSI is near overbought conditions. Resistance at 101, 103 levels. Support at 100.6, 99.73 (76.4% fibo retracement of 2020 high to 2021 double-bottom low), 99.40 (21 DMA) and 97.70/97.95 (61.8% fibo, 50 DMA). Week remaining brings Existing home sales (Mar) on Wed; Philly Fed business outlook (Apr); Fed's Powell, ECB's Lagarde speak in IMF panel on Thu; Prelim PMIs (Apr) on Fri.

■ **EURUSD - Under Pressure but Pace of Decline Shows Signs of Moderating.** EUR continued to trade near recent lows amid growth risks (sharp cut to 2.8% for 2022, from 3.8%), heightened geopolitical concerns (offensive in Eastern Ukraine, Lviv), French election uncertainty (ahead of 2nd round election this weekend) and widening 2y EU-UST yield differentials (-255bps vs. -227bps a week ago) amid

policy divergence in favour of Fed. Later this week on Sunday, French run-off election between Macron and Le Pen is eyed. While the first round (10 Apr) was a convincing victory for Macron, the run-off may be a close fight. Some opinion polls such as Ifop polls gave the smallest margin of lead for Macron at 51%-49%. This margin is too narrow for comfort as victory either way is within the margin of error. Election uncertainty is another source of volatility for EUR. But in the event of a surprise convincing victory for Macron, EUR could jump higher like how it did in the first round of elections. EUR was last at 1.0795 levels. Bearish momentum on daily chart intact while RSI falling towards near oversold conditions. Risks to the downside but pace of decline shows tentative signs of moderating. Support at 1.0760 (2022 brief low), 1.0650 levels. Resistance at 1.0865 (76.4% fibo retracement of 2016 low to 2018 high), 1.0950 (21 DMA), 1.1040. This week brings Industrial production, Trade (Feb) on Wed; CPI (Mar); Consumer confidence (Apr); Fed's Powell, ECB's Lagarde in IMF panel on Thu; Prelim PMIs (Apr); Debt to GDP ratio (2021); ECB's Lagarde speaks on Fri.

■ **GBPUSD - Not Ruling Out Tactical Rebound.** GBP continued to trade near recent lows amid USD strength. Pair was last at 1.3025 levels. Daily bullish momentum is not showing a clear bias while RSI is near oversold conditions. Risks remain skewed to the downside though we do not rule out tactical rebound play. Support here at 1.30 (double bottom), 1.2820 levels. Resistance at 1.31 (21 DMA), 1.3150 (23.6% fibo), 1.3245 (38.2% fibo), 1.3320 (50% fibo retracement of Feb high to Mar low). This week brings GfK consumer confidence, Prelim PMIs (Apr); Retail sales (Mar) on Fri.

■ **USDJPY - Relentless Spikes, Bullish But Overbought.** Pair spiked at one point to above the 129-handle, highest since 2002, before paring gains (to below 129) at last seen. Relentless spikes in the pair in recent days have brought it near to psychological resistance near 130. Rather than moderating in pace, upswings in the pair have been accelerating since the start of the week. Besides widening UST-JGB yield divergence (UST10Y yield at 2.96%, UST2Y yield at 2.61%), broad dollar strength (DXY near 101), we also note elevated oil prices (Japan as net oil importer) as another driver of JPY weakness. Higher energy bills likely contributed to the downside surprise in trade balance for March released this morning (deficit of -JPY412.4bn versus expected -JPY71.5bn). Exports growth moderated to 14.7%/y/y from 19.1% prior while imports growth remained robust near 31.2% (prior at 34.1%). Verbal intervention on JPY by Japanese officials remains ineffective in the absence of signs of real shifts in policy. But we do not rule out stronger retaliation from authorities (e.g., adjusting YCC yield cap) if one-way moves in USDJPY continues past 130 at a rapid pace. Resistance at 130, 135.15 (2002 high). Support some distance away at 125.90 (23.6% fibo retracement from Jan low to Apr high), 123.75 (38.2% fibo). RSI is in severe overbought territory, while momentum in pair remains bullish. CPI and Japan PMIs due Fri.

■ **NZDUSD - Rebound Risks; Focus on CPI Tomorrow (645am).** NZD rebounded this morning. Pair was last at 0.6760 levels. Bearish

momentum on daily chart intact while RSI turned higher from near-oversold conditions. Rebound risks ahead. Resistance at 0.6780 (50% fibo) 0.6840 (38.2% fibo). Support at 0.6720 (61.8% fibo retracement of 2022 low to high), 0.6650 (76.4% fibo). CPI (1Q) on Thu a key focus. Another upside surprise (7.1% consensus) could add to further expectations for RBNZ to tighten - a potential positive for Kiwi.

■ **AUDUSD - *Rebound in Play***. AUDUSD extended its rebound past the 0.74-figure this morning but a slowdown in the rise of base metals could also translate to slower gains for the AUDUSD. Back on the AUDUSD daily chart, bearish momentum is still intact but stochastics show signs of turning higher from oversold conditions. Beyond interim support at 0.7344 (50-dma), the 0.7314-support awaits. Resistance at 0.7396 (38.2% Fibonacci retracement of the Jan-Mar rally) before the next at 0.7470 (21-dma). This morning, RBA released the Minutes of its Apr meeting, noting that the pick-up in wage growth and core inflation have brought forward the likely timing of the first rate hike. Week ahead has Westpac leading index for Mar on Wed, Apr (prelim.) PMIs on Fri.

■ **USDCAD - *Lean Against Strength***. USDCAD hovered around 1.26-figure, seemingly changed from this time yesterday. The swing lower in crude oil prices as well as the rise in USD lifted the pair from intra-day low of 1.2568. Weaker-than-expected housing starts at 246.2K vs. previous 250.2K might have also dampened the CAD. Given Canada's hot inflation, strong labour market conditions and benign crude oil environment, we still prefer to lean against USDCAD rallies. On the daily chart, momentum is bullish but stochastics show signs of turning from overbought conditions and we still prefer to lean against the USDCAD strength. 50-dma is a resistance at 1.2654 before the next at 100-dma at 1.2680. Pullbacks to meet support at 1.2550 (21-dma) before the next at 1.2450. Data-wise, Mar CPI is due today. Expectations are for CPI to drift higher to 6.1%/y from previous 5.7% while price pressure is expected to slow to 0.9%/m from previous 1.0%. Fri has Feb retail sales due.

Asia ex Japan Currencies

SGDNEER trades around +0.22% from the implied mid-point of 1.3709 with the top estimated at 1.3435 and the floor at 1.3983.

- **USDSGD - Following Broader USD Cues.** USDSGD last seen at 1.3675, about ~40pips higher versus levels seen yesterday morning, largely on another bout of broad dollar strengthening. Bullish pressures on DXY remain somewhat intact amid UST10Y yield's climb towards the 3%-handle (last at 2.97%, vs. 2.84% yesterday morning), and increasing concerns over global growth. The IMF cut its 2022 world growth forecast to 3.6% from 4.4%, and warned of a rising risk of more aggressive central bank tightening to combat inflation. It said that the war threatened to erase much of the recent recovery from the pandemic. USDSGD pair could remain in elevated ranges in the interim as broad dollar strength remains buoyant. There is room for SGD NEER (USDSGD) to head higher (lower), but recovery could be delayed for now. On USDSGD daily chart, bullish momentum has picked up, while RSI is on a mild uptick. Resistance at 1.3690 (Feb high), 1.3750 (Nov high). Support at 1.3625 (23.6% fibo retracement from Feb low to Mar high), 1.3520 (61.8% fibo).
- **SGDMYR - Bid; Near Overbought.** SGDMYR continued to push higher to multi-month high amid relative MYR weakness. Cross was last at 3.1325 levels. Bullish momentum on daily chart intact while RSI is near overbought conditions. Bullish bias remains though cross is potentially entering overbought conditions. Immediate resistance at 3.1350 (2021 double-top), 3.15 levels. Support at 3.1180 (76.4% fibo retracement of 2021 double top to 2022 low), 3.1070/90 levels (21 DMA, 61.8% fibo).
- **USDMYR - Break-Out; Watch the Close?** USDMYR rose sharply this morning. IMF's downgrade of global growth, risks of China slowdown amid extended lockdowns, decline in CNH since overnight, sharper rise in UST yields and softer oil prices dampened MYR sentiments. Pair was last at 4.2825 levels, breaking out of key levels. Bullish momentum on daily chart intact while RSI rose into overbought conditions. Immediate resistance at 4.2850, 4.30 levels. Support at 4.25. We watch closing price to confirm break out play. Local equities was +0.75% this morning. Foreigners net sold \$17.7mio local equities on Mon.
- **1m USDKRW NDF - Sell Rallies.** 1m USDKRW NDF traded a high of 1241 this morning. Move higher tracked UST yield, USDJPY and USDCNH higher while broad risk sentiment remains soggy on global growth downgrade concerns. Pair was since eased off. Last at 1237 levels. Mild bullish momentum intact while RSI shows tentative signs of turning lower. We are still bias to sell rallies (tactical). Resistance at 1238, 1244 levels. Support at 1224 (21 DMA), 1215 (50 DMA) and 1208 (61.8% fibo retracement of 2020 high to 2021 low).
- **USDCNH - Break-Out Higher.** USDCNH rallied above the 6.41-figure this morning before a much higher-than-expected USDCNY reference rate lifted the pair towards the 6.44-figure, last printed 6.4341. As we have noted in our RMB watch, the correlation between USDCNY and US-CH yield differential has strengthened more recently. The rally in the UST

yields have widened the US-CH yield premium and spurred the USDCNY and USDCNH higher. In addition, USDCNY reference rate was fixed 101pips above median estimate, a policy greenlight for USDCNY and USDCNH to rise further. With this move, USDCNH has broken out of a gentle falling wedge and risks have tilted to the upside. 200-dma at 6.4014 has become a support level. 1Y LPR was left unchanged at 3.70% by Chinese banks while 5Y LPR was also unmoved at 4.60%. This was a surprise to most as the 25bps RRR cut was perceived to have lowered funding cost for the banks to lower their loan prime rates, underscoring PBoC's preference for prudence. In our RMB watch, we had noted that the chance of a LPR cut still exists but has become smaller. The last 5bps LPR cut was provided in Dec 2021 after two 50bps RRR cuts in Jul and Nov last year. The combination of a lack of policy support and zero-covid stance weaken the prospect of China's growth and weigh on yuan. Back on the daily USDCNH chart, momentum has turned bullish. Next key resistance is seen at 6.4540 before 6.4950. Support at 6.4014 (200-dma), before 6.38 (21-dma). For the rest of the week, SWIFT releases global payment data on Thu before FX Net settlement on Fri.

- **1M USDINR NDF - Rising Wedge.** The 1M NDF hovered around 76.80, underpinned by elevated UST yields and supported greenback. Softer crude oil might have capped gains. Resistance at 76.73 is being tested before the next at 77.00. MACD is bullish and stochastics are in overbought condition. That said, a rising wedge has formed and this pair may be susceptible to a pullback. This is determined by predominantly by UST yield swings. Support remains at the 76-figure (50-dma) before the next at 75.56 (100-dma) and then at 75.04. Data-wise, Minutes of the Policy meeting is due on Fri.
- **USDVND - Upside Risks.** USDVND closed higher at 22930 on 19 Apr vs. previous 22919. USDVND could be buoyed by elevated oil prices and the strong USD. Momentum indicators are turning a tad bullish with MACD forest rising. Finance Ministry assured that fiscal policies including various tax reductions and payment freeze had helped anchor inflation. Separately, sales of automobile improved in Mar, up 60% on the month after recording monthly declines in Jan and Feb. In other news, the world bank noted in a report on Vietnam that economic growth for 1Q is driven by its strong manufacturing sector as well as some recovery in the service sector. That said, the rise in CPI to 2.4%/y in Mar from previous 1.4% warrant closer scrutiny.
- **1M USDIDR NDF - BI Stood Pat.** 1M NDF last seen near 14,380, mildly higher versus levels seen yesterday morning. Pair has been trading in narrow ranges in recent weeks. On the NDF daily chart, momentum and RSI are not showing a clear bias. Drags from climbing UST yields are not particularly discernible at the moment, with recent modest outflows from bonds mitigated to some extent by inflows to equities. On monetary policy, BI maintained its policy rate to maintain IDR stability while supporting the economic recovery. BI cut its GDP growth forecast range to 4.5%-5.3% (from 4.7%-5.5%) on the back of slower global growth and weaker domestic demand due to higher energy and food prices, while keeping its inflation target range at 2%-4%. Notably, BI also raised its 2022 current account balance forecast to a narrower deficit of 0.5%-1.3% of GDP (from 1.1%-1.9% of GDP), on the back of higher commodity prices. Healthier current account

balance should be IDR-positive. House view looks for BI to deliver its first +25bps rate hike this quarter, which could be as early as the next meeting on 24 May, following the US Fed's anticipated +50bps hike in early May. Base case is for the BI to raise its policy rate by +75bps this year, but risks are on the upside if inflation exceeds BI's target range. The government is considering hikes in prices for Peralite, 3-kg LPG cylinders, and electricity tariffs in the coming months to protect the state budget. Assuming a 15%-20% price hike for Peralite (63% of fuel consumption) around June, our economist team expects headline inflation to increase to around 4.5% to 5% in 2022 (vs. current forecast of 3.7%). In this scenario, BI could tighten more aggressively by around 125 to 150bps (5 to 6 hikes). Signs of BI "catch-up" in policy tightening could help avoid excessive IDR drags. Resistance at 14,450 (76.4% fibo retracement from early Dec high to late Dec low), 14,550 (Dec high). Support at 14,370 (21-dma), 14,290 (38.2% fibo), 14,220 (23.6% fibo).

- **USDTHB - Range, Supported.** Pair last seen at 33.86, pushing higher after exiting prior 33.40-33.70 trading range seen for the past two weeks. Aside from upward push in UST yields, dollar support could have come from incremental risks to global growth. Following the World Bank's revisions earlier, the IMF also cut global growth forecast to 3.6% from 4.4% prior, while warning of rising risks from more aggressive withdrawal of monetary policy stimulus. Forecast for 2022 Thailand growth has been reduced from 4.1% (in Jan) to 3.3%. Alongside these developments, USDTHB could see more interim support. Recovery in THB could be pushed out to latter part of the year. Momentum and RSI on daily chart is mildly bullish. Resistance at 33.80 (Mar high) is being tested, next at 34.00 (Sep, Dec double-top). Support at 33.20 (100-dma), 32.85 (38.2% fibo retracement from Jun 2021 low to Sep, Dec double-top). Custom trade due Fri.
- **1M USDPHP NDF - Modestly Bullish.** 1m USDPHP NDF last seen at 52.68, modestly higher than levels seen yesterday morning, alongside some strengthening in broad dollar strength. PHP sentiments could be more cautious this morning, as IMF cut global and ASEAN-5 growth forecasts and as the 10Y treasury yield pushes towards the psychological 3%-handle. Some spillovers from weakening yuan, on weaker-than-expected fixing and unchanged LPRs, are likely also in play. Developments could be compounding the dampened sentiments from earlier underwhelming reading for remittances. On the 1M USDPHP NDF daily chart, momentum and RSI are modestly bullish. Resistance at 52.94 (Mar high). Support at 52.15 (23.6% fibo retracement from Dec low to Mar high), 51.65 (38.2% fibo).

Malaysia Fixed Income

Rates Indicators

Analysts

MGS	Previous Bus. Day	Yesterday's Close	Change (bps)
3YR MH 3/25	3.40	-	-
5YR MO 11/26	3.60	-	-
7YR MS 6/28	4.01	-	-
10YR MO 7/32	4.14	-	-
15YR MS 4/37	4.53	-	-
20YR MY 10/42	4.70	-	-
30YR MZ 6/50	*4.90/80	-	-
IRS			
6-months	2.09	-	-
9-months	2.23	-	-
1-year	2.38	-	-
3-year	3.27	-	-
5-year	3.66	-	-
7-year	3.84	-	-
10-year	4.08	-	-

Source: Maybank KE

*Indicative levels

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- Malaysia markets closed for public holiday.

Singapore Fixed Income

Rates Indicators

SGS	Previous Bus. Day	Yesterday's Close	Change (bps)
2YR	1.88	1.88	-
5YR	2.41	2.37	-4
10YR	2.60	2.57	-3
15YR	2.76	2.74	-2
20YR	2.77	2.78	+1
30YR	2.78	2.77	-1

Source: MAS (Bid Yields)

- SGS had mixed performance. Yields were generally lower by 1-4bp, except for the 2y benchmark which was flat at 1.88% and the 20y benchmark which climbed 1bp higher to 2.78%. The 10y UST yield, which initially came off a tad during Asian morning hours, jumped higher near market closing and briefly touched 2.91% before easing back to 2.89%.

Indonesia Fixed Income

Rates Indicators

Analysts

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IDR Gov't Bonds	Previous Bus. Day	Yesterday's Close	Change
1YR	3.91	4.04	0.13
3YR	4.65	4.77	0.12
5YR	5.94	5.98	0.03
10YR	6.98	6.98	0.00
15YR	6.86	6.85	(0.00)
20YR	7.25	7.26	0.01
30YR	7.04	7.04	0.00

* Source: Bloomberg, Maybank Indonesia

- Indonesian short term government bond yields increased significantly yesterday. We thought most investors applied safety action after watching increasing risks on the short term. Several risks factors that possibly coming for Indonesian bond market on the short term are 1.) aggressive increase by 50 bps on the policy rate by the Fed, 2.) stronger inflation pressures, driven by more expensive global commodity prices and the side effects of government's possibility energy subsidy rationing, 3.) global economic slowing pace of growth due to uncondusive geopolitical factor and persisting contagion virus by COVID-19. Hence, we foresee those conditions to lead the market players shifting their investment destination to the safe haven asset, such as the U.S. government bonds. U.S. Treasury yields continued to march to three-year highs on Tuesday and 30-year yields tapped the 3% level as investors prepared for the Federal Reserve to aggressively raise rates as it tries to stem soaring inflation. The Federal Reserve looks all but certain to raise its interest rate by 50 basis points when it meets next month and a 75 basis point hike has not been ruled out as Fed officials work to curtail inflation. U.S. inflation is far too high", St. Louis Federal Reserve Bank President James Bullard said on Monday as he repeated his case for increasing interest rates to 3.5% by the end of the year. Benchmark 10-year note yields rose to 2.930%, the highest since December 2018. Thirty-year yields reached 3.018%, the highest since March 2019. This situation is different with Indonesian bond market as we saw relative silent of investors' bidders on yesterday's the government's Sukuk auction. Investors' total incoming bids only reached Rp7.54 trillion during yesterday's Sukuk auction. The government, then, only absorbed Rp2.01 trillion from this Sukuk auction. Hence, it enforces the government to hold another auction (Greenshoe Option) for absorbing additional funds from investors today.
- Meanwhile, the International Monetary Fund slashed its world growth forecast by the most since the early months of the Covid-19 pandemic, and projected even faster inflation, after Russia invaded Ukraine and China renewed virus lockdowns. Global expansion will slow to 3.6% in 2022, down from a forecast of 4.4% in January before the war, the IMF said in an update to its World Economic Outlook released on Tuesday.
- Yesterday, Bank Indonesia decided keeping its monetary rate at 3.50% on its latest monetary meeting. BI sounded that this decision is still capable to rein domestic inflation pressures amidst current momentum for supporting the economic recovery progress. We believe Bank Indonesia to begin changing its monetary rate as domestic inflation level exceeds the policy rate level. We expect this situation will occur after the announcement of domestic inflation for period of May-22 in early June.

Foreign Exchange: Daily Levels

	EUR/USD	USD/JPY	AUD/USD	GBP/USD	USD/CNH	NZD/USD	EUR/JPY	AUD/JPY
R2	1.0841	130.28	0.7428	1.3067	6.4519	0.6784	140.5733	96.3520
R1	1.0814	129.59	0.7401	1.3032	6.4356	0.6760	139.8167	95.7100
Current	1.0798	129.02	0.7406	1.3030	6.4232	0.6763	139.3100	95.5500
S1	1.0761	127.60	0.7346	1.2972	6.3903	0.6716	137.5867	93.8560
S2	1.0735	126.30	0.7318	1.2947	6.3613	0.6696	136.1133	92.6440

	USD/SGD	USD/MYR	USD/IDR	USD/PHP	USD/THB	EUR/SGD	CNY/MYR	SGD/MYR
R2	1.3735	4.2554	14378	52.5710	33.8963	1.4840	0.6692	3.1271
R1	1.3706	4.2554	14361	52.5170	33.8207	1.4798	0.6673	3.1233
Current	1.3678	4.2885	14345	52.4600	33.8370	1.4769	0.6698	3.1353
S1	1.3629	4.2546	14323	52.3620	33.6607	1.4691	0.6642	3.1174
S2	1.3581	4.2538	14302	52.2610	33.5763	1.4626	0.6631	3.1153

*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	0.9750	-/10/2022	Tightening Bias
BNM O/N Policy Rate	1.75	11/5/2022	Neutral
BI 7-Day Reverse Repo Rate	3.50	24/5/2022	Neutral
BOT 1-Day Repo	0.50	8/6/2022	Neutral
BSP O/N Reverse Repo	2.00	19/5/2022	Neutral
CBC Discount Rate	1.38	16/6/2022	Tightening
HKMA Base Rate	0.75	-	Neutral
PBOC 1Y Loan Prime Rate	3.70	-	Easing
RBI Repo Rate	4.00	8/6/2022	Neutral
BOK Base Rate	1.50	26/5/2022	Tightening
Fed Funds Target Rate	0.50	5/5/2022	Tightening Bias
ECB Deposit Facility Rate	-0.50	9/6/2022	Easing Bias
BOE Official Bank Rate	0.75	5/5/2022	Tightening
RBA Cash Rate Target	0.10	3/5/2022	Neutral
RBNZ Official Cash Rate	1.50	25/5/2022	Tightening
BOJ Rate	-0.10	28/4/2022	Easing Bias
BoC O/N Rate	1.00	1/6/2022	Tightening Bias

Equity Indices and Key Commodities

	Value	% Change
Dow	34,911.20	1.45
Nasdaq	13,619.66	2.15
Nikkei 225	26,985.09	0.69
FTSE	7,601.28	-0.20
Australia ASX 200	7,565.21	0.56
Singapore Straits Times	3,307.13	0.12
Kuala Lumpur Composite	1,581.14	-0.50
Jakarta Composite	7,199.23	-1.05
Philippines Composite	7,037.74	0.60
Taiwan TAIEX	16,993.40	0.56
Korea KOSPI	2,718.89	0.95
Shanghai Comp Index	3,194.03	-0.05
Hong Kong Hang Seng	21,027.76	-2.28
India Sensex	56,463.15	-1.23
Nymex Crude Oil WTI	102.56	-5.22
Comex Gold	1,959.00	-1.88
Reuters CRB Index	306.90	-2.86
MBB KL	8.75	-0.46

MYR Bonds Trades Details

MGS & GII	Coupon	Maturity Date	Volume (RM 'm)	Last Done	Day High	Day Low
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Total

Sources: BPAM

MYR Bonds Trades Details

PDS	Rating	Coupon	Maturity Date	Volume (RM 'm)	Last Done	Day High	Day Low
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Total

Sources: BPAM

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