

Global Markets Daily

“Stable” RMB Anchors AXJs

USD Mixed amid Supported Risk Sentiment

USD was mixed overnight - with relative strength felt vs. G3 (GBP, EUR, JPY) but soft against antipodeans and AXJs. This could be due to trade war fears unwinding - sell on fear, buy on fact on risk assets - a play we called for last week and relative strength in CNH (helping to provide an anchor for AXJs). As of writing, CNH was nearly testing 6.60 vs. USD. This represents nearly 2% of gains over the past 1 week. PBoC adviser Liu Wei told China Daily that China is confident of RMB stability. Most equities in the region are also in positive territories. That said caution is still warranted - in the event trade war escalates beyond what had been flagged, USD downside pressure could dissipate.

Political Risks Building in UK or Good Riddance of Hard Brexiters?

GBP was dragged lower overnight on news of another high profile resignation - this time from UK Foreign Secretary Boris Johnson. Though a common brexit stance (EU-UK FTA for goods) may have been achieved, high-profile resignations from Boris Johnson and David Davis (also May's allies) raises the likelihood that PM May's leadership could be challenged. Renewed fear on this front is a source of uncertainty for GBP. But we wish to add that any failed attempt to weaken her leadership will only further strengthen her stand. And this could well be positive for the GBP. In addition, riddance of “opposition (hard Brexiters)” within her party only suggests a more unified voice and solidarity when negotiating with the EU. This could in fact add to GBP strength.

Focus on UK IP, Trade Data Today

Some of the key events to focus on today include ZEW survey expectations; UK trade, industrial production, construction output.

FX: Overnight Closing Prices					
Majors	Prev Close	% Chg	Asian FX	Prev Close	% Chg
EUR/USD	1.1751	↑ 0.04	USD/SGD	1.3567	↓ -0.10
GBP/USD	1.326	↓ -0.17	EUR/SGD	1.5942	↓ -0.07
AUD/USD	0.7467	↑ 0.50	JPY/SGD	1.2238	↓ -0.45
NZD/USD	0.6837	↑ 0.13	GBP/SGD	1.7989	↓ -0.29
USD/JPY	110.85	↑ 0.34	AUD/SGD	1.013	↑ 0.39
EUR/JPY	130.25	↑ 0.37	NZD/SGD	0.9275	↓ -0.01
USD/CHF	0.9915	↑ 0.22	CHF/SGD	1.3683	↓ -0.30
USD/CAD	1.3107	↑ 0.18	CAD/SGD	1.035	↓ -0.18
USD/MYR	4.028	↓ -0.30	SGD/MYR	2.9782	↑ 0.33
USD/THB	33.069	↓ -0.22	SGD/IDR	10581.95	↑ 0.13
USD/IDR	14330	↓ -0.31	SGD/PHP	39.4474	↑ 0.59
USD/PHP	53.4	↑ 0.10	SGD/CNY	4.8785	↓ -0.26

Implied USD/SGD Estimates @ 10 Jul-18, 9.00AM

Upper Band Limit	Mid-Point	Lower Band Limit
1.3379	1.3650	1.3921

Analysts

Saktiandi Supaat
(65) 6320 1379
saktiandi@maybank.com.sg

Christopher Wong
(65) 6320 1347
wongkl@maybank.com.sg

Fiona Lim
(65) 6320 1374
fionalim@maybank.com.sg

Leslie Tang
(65) 6320 1378
leslietang@maybank.com.sg

G7: Events & Market Closure

Date	Ctry	Event
11 Jul	CA	BOC Policy Meeting

AXJ: Events & Market Closure

Date	Ctry	Event
11 Jul	MY	BNM Policy Meeting
12 Jul	KR	BoK Policy Meeting

G7 Currencies

- **DXY Index - *Still Looking for Downside Play***. USD was mixed - with strength felt vs. G3 (GBP, EUR, JPY) but the same cannot be said against antipodeans and AXJs. This could be due to trade war fears unwinding - sell on fear, buy on fact on risk assets - a play we called for since Fri. That said caution is still warranted in the event trade war escalates beyond what had been flagged. We shared if there isn't, risk assets could well remain supported and the USD should see further downside play but if trade war risks escalate, USD downside pressure could fade. Elsewhere, US PPI (Wed) and CPI (Thu) data are of interest and should drive USD direction. Softer than expected prints could add to USD downside pressure. DXY was last seen at 94.03 levels. Bullish momentum on weekly chart is showing signs of waning while stochastics is showing tentative signs of turning from overbought conditions. Bearish momentum on daily chart remains intact. On price action, the double top formed at 95.53 levels could serve as an interim top. On price pattern, a potential rising wedge pattern also appears to have played out - this is associated with a bearish reversal. Last week's close below 94-levels support could point to further downside play towards 93.80 (50 DMA), 93.12 levels (38.2% fibo retracement of Apr low to Jun high) this week. Resistance at 95.50 before 96 levels. (50% fibo retracement of 2017 high to 2018 low). Focus for the week on JOLTS Job Openings (May) on Tue; PPI (Jun); Fed's Williams speaks on Wed; CPI (Jun); Fed's Kashkari and Harker speak; real avg weekly earnings (Jun) on Thu; Import, Export Price Index (Jun); Uni of Mich Sentiment (Jul); Fed releases Monetary Policy Report to Congress; Fed's Bostic speaks on Fri.
- **EURUSD - *Accumulate on Dips***. EUR was dragged lower after news of UK Foreign Secretary Boris Johnson's resignation hits the wires, pulling GBP much lower. Draghi's reiteration that rates are expected to remain unchanged through summer 2019 and that "we need to be patient, persistent and prudent in our policy to ensure that inflation remains on a sustained adjustment path" also weighed on the EUR. Pair was last seen at 1.1755 levels. Mild bullish momentum on daily chart remains intact though stochastics is rising into overbought conditions. Resistance at 1.1760 (23.6% fibo retracement of 2018 high to low), 1.1850. Support at 1.1660 (21 DMA), 1.16 before 1.1520 levels. We remain biased to accumulate EUR on dips as Fed tightening this year may already be in the price while ECB may potentially need to tighten ahead of its own timeline with inflation in Euro-area showing signs of further uptick. Last week there was report that some ECB members saw rate hike at end-2019 as too late. Moreover Draghi's term as ECB President ends sometimes in 4Q 2019 and the talk about Bundesbank President Weidmann (long-time critic of ECB's ultra-loose policies whom could push for faster pace of policy normalisation) possibly succeeding Draghi could quietly and gradually brew the upward pressure for EUR. We favour positioning ahead for ECB-Fed policy convergence at some stage. We also argue that recent data from Germany (factory orders, IP, trade surplus widening) and Euro-area (PMI reports) show signs of rebound. Citi

surprise index for Eurozone has also shown a rebound since mid-Jun. Sustained rebound should see EUR play catch up. Focus for the week on ZEW Survey Expectations (Jul) on Tue; Industrial Production (May) on Thu.

- **GBPUSD - Good Riddance or Renewed Fears?** Resignation of another high profile cabinet Minister, Boris Johnson (Foreign Secretary) in response to PM May's soft brexit proposal dragged GBP lower. Though a common brexit stance (EU-UK FTA for goods) may have been achieved, high-profile resignations from Boris Johnson and David Davis (also May's allies) raises the likelihood that PM May's leadership could be challenged. **Renewed fear on this front is a source of uncertainty for GBP.** 48 of her lawmakers' signatures would be required to prompt a confidence vote in parliament (and subsequently 159 out of 316 Conservative votes are required to remove PM May) or if 3 Conservative members declare they have no confidence in the government and invite Labour to call a formal vote (a toxic option to bring down the government as current ruling Conservative party could lose the election). Caution on another election is warranted but we see a relatively low risk for that at the moment given that Ministers only managed to reach a rare consensus on Brexit stance last Fri. Nonetheless the talk of the possibility of another election may well be sufficient to subject GBP to wild swings. Apart from drastic options above, there are other disruptive ways hard-Brexiters can frustrate PM May's soft Brexit stance such as the refusal to support the government on both Brexit and non-Brexit related matters (i.e. driving the growing divide in Conservative party resulting in no majority to pass laws, etc.) - will also be another source of volatility for GBP. The concerns highlighted above may seem negative for GBP, but we wish to add that any failed attempt to weaken her leadership will only further strengthen her stand. And this could well be positive for the GBP. In addition, riddance of "opposition (hard Brexiters)" within her party only suggests a more unified voice and solidarity when negotiating with the EU. This could in fact add to GBP strength. Elsewhere BoE Governor Carney last week said that incoming data had given him greater confidence that a sluggish 1Q was due to poor data. This has somewhat saw increased bets on rate hike at the upcoming MPC (2 Aug). Probability of Aug rate hike implied from OIS futures jumped to 81% from below 50% a month ago. Now seen slightly lower at 70% after the recent resignations prompted fears of PM leadership being challenged. Pair was last seen at 1.3250 levels. Daily momentum remains mild bullish while stochastics shows signs of easing off. On 4-hourly chart, near term bias is to the downside. Bearish candlestick pattern formed yesterday also negate some of the bullish bias in the interim. We caution that decisive move lower below 1.3190 could nullify the mild bullish bias and see the pair trading lower towards the range of 1.3050 - 1.3250. Resistance at 1.3360 (50 DMA). Immediate support at 1.3240 (21 DMA), 1.3190 levels. We still look for opportunities on dips to buy into. Focus for the week on Trade, Industrial Production, Construction Output (May) on Tue; BoE's Carney speaks on Wed; RICS House Price Balance (Jun) on Thu; BoE's Cunliffe speaks on Fri.

- **USDJPY - Pressured Higher.** USDJPY traded higher overnight amid fading concerns over the trade war fears between China and US, which lifted UST yields and USD higher. 10Y UST yield rose back above the 2.85% levels, widening the yield differentials between the 10Y UST and JGB even as 10Y JGB yield edged higher. The gap of 282bp was supportive of the pair. At the same time, pair was supported by the sell-off in the JPY against the G10 currencies. Last seen around 110.98 levels. Momentum indicators now show very mild bullish bias on both the daily and weekly charts, while stochastics remains at overbought conditions. Risks now tilts to the upside. With our resistance level at 110.90 taken out this morning, pair appears to be on the brink of breaking above the 111-levels towards 111.30-levels (76.4% fibo retracement of the 2018 high to low). A break of this level should embolden USDDJPY bulls for further upmoves towards 112, 113 levels. Support remains around 110-levels (61.8% fibo, 50DMA). Already the 21DMA has cut the 200DMA to the upside, a potential bullish signal. Week ahead has machine tool orders (Jun P) on Tue; PPI (Jun), core machine orders, tertiary industry index (May) on Wed; industrial production, capacity utilization (May) on Fri. In his speech yesterday, BOJ governor Kuroda provided an upbeat assessment of the inflation, saying that the improvement in the output gap and a rise in mid-to-long term price expectations will push inflation towards the 2% target amid a modest expansion in the economy.
- **NZDUSD - Rebound Underway but Plenty of Resistance.** NZD remained better bid on sell on fear, buy on fact. Last seen at 0.6850 levels. Daily momentum has turned mild bullish while stochastics is rising. Bullish divergence on daily chart also appears to be playing out. Rebound risk is underway but plenty of resistance to watch out for - 0.6860 (21 DMA), 0.6920 (50 DMA). Support at 0.6820, 0.6760, 0.67 levels. Focus for the week on Food Prices (Jun) on Thu; PMI Mfg (Jun) on Fri.
- **AUDUSD - Eyes on 0.7550.** AUDUSD continued to extend higher as trade tensions ease. The pair was last seen at 0.7475. Resistance is seen at 0.7484, also close to 50-dma at 0.7496, likely to be tested today and a break there on current bullish momentum could bring this pair towards the upper bound of the downward sloping trend channel at 0.7550. Break-out to the topside could lift the pair towards the next target 0.7630. In the medium term, monetary policy divergence could continue to weigh on the AUD in the medium term and its recovery, should global growth gain traction could lag that of other majors. We no longer look for RBA to hike until early next year (still earlier than consensus) possibly in Feb when the SoMP will be out. The lack of impetus for monetary policy to change could keep the AUD on the backfoot vs. the USD given the tightening Fed in the next couple of months. That said, we caution for rising price pressure due to the weakened AUD and higher energy prices. Eyes are on 2Q CPI out this month. This week, NAB releases business survey for Jun, Westpac Jul consumer confidence and May home loans are due on Wed.

- **USDCAD - *Bearish, Careful Overstretched*** - USDCAD touched a low of 1.3066 before rebounding on overnight USD strength. Pair could remain somewhat pressured to the downside with the 1.30-figure seen as the next strong support. Eyes are on BoC's rate decision, widely expected to hike 25bps. Concerns of trade conflicts with the US could continue to keep BoC from hiking so soon after this but inflation data could still be the major driver. Key support is seen at the 1.30-figure, the middle of the upward sloping trend channel that we have been watching. Rebounds to test the upper bound of the upward sloping trend channel at 1.3360. Week ahead has housing starts, permits today, BoC decision on Wed, new housing price on Thu and existing home sale on Fri.

Asia ex Japan Currencies

- **SGD trades around 0.83% above the implied mid-point of 1.3650 with the top estimated at 1.3379 and the floor at 1.3921.**
- **USDSGD - *Bearish Bias*.** USDSGD continues to trade softer amid waning trade war concerns between China and US. Continued USDCNY softness weighs on the pair as is the sell-off in most of the G10 currencies against the SGD. Last seen around 1.3539-levels. Daily momentum indicators now shows very mild bearish bias, while stochastics is falling. On the weekly chart, a shooting star formation could potentially be in the making. This is typically a bearish reversal pattern found at the end of an uptrend (Apr-Jul). If confirmed, we could see the USDSGD trade lower ahead. Support at 1.35-levels before 1.3460-levels (38.2% fibo retracement of the 2018 low to high, 50DMA). Resistance around 1.3630-levels ahead of 1.3750-levels (2018 high). Week ahead brings retail sales (May) on Thu; GDP (2Q A) on Fri.
- **AUDSGD - *Bullish Bias*.** The cross remained rather supported and was last seen around 1.0120. Gains have been slow as AUD and SGD bulls were almost evenly matched though AUD still has a slightly higher beta than the latter. Momentum is increasingly bullish on the daily chart. Double bottom seen around year low of 0.9980 and this cross could head higher to the 1.0200 in the next few weeks.
- **SGDMYR - *Mild Bullish but In Overbought Conditions*.** SGDMYR eased slightly this morning. Last seen at 2.9720 levels. Daily momentum is mild bullish while stochastics is rising into near overbought conditions. These could suggest potential retracement risks ahead. Support at 2.9630 (21, 50, 100 DMAs). Resistance at 2.98.
- **USDMYR - *Retracement Underway*.** USDMYR fell, tracking the decline in other USD/AXJ as risk appetite improved while oil price rose. Pair was last seen at 4.0210 levels. Daily momentum turned mild bearish while stochastics is falling from overbought conditions. Retracement risks underway. Immediate support at 4.02 (21, 200 DMAs) before 4.0050 (23.6% fibo retracement of 2018 low to Jul high). Resistance at 4.05. Focus this week on BNM meeting (Wed).
- **1m USDKRW NDF - *Mild Bearish*.** 1m USDKRW NDF remains under pressure as trade war fears unwind amid supported risk sentiment. Pair was last seen at 1110 levels. Daily momentum has turned bearish bias while stochastics is falling. We continue to reiterate our bias to lean against strength looking for a move beyond 1110. We do not rule out acceleration in the down-move towards 1102 on a decisive break below 1110 support. Resistance at 1120, 1124 levels. We retain our view for BoK to keep policy rate on hold at 1.5% at the upcoming MPC meeting on Thu. Though inflation is showing signs of picking up, the level remains below BoK's target of 2%. We see room for BoK to remain patient and keep monetary policy accommodative for the time being but expect a 25bps hike in 4Q 2018 if demand-induced price pressures picks up pace amid

reacceleration in growth momentum. Minimum wage will increase by 16% this year, its largest magnitude of increase since 2001. Wage pass-through may have positive impact on consumption spending, growth and lead to inflationary pressures.

- **USDCNH - 6.61 taken out.** USDCNH broke out of the 6.6160-6.7330 range to the downside with bulls more wary of PBoC after a stern warning last week. Momentum indicators are not compelling at this point. Support is seen around 6.6160, before the next at 6.5430. USDCNY reference rate at **6.6259**, 134 pips lower than the previous **6.6393**. CNYMYR was fixed at **0.6074**, 9 pips lower than the previous **0.6083**. EURCNY was fixed **81 pips lower at 7.7905 vs. the previous at 7.7986**. This week has inflation today, liquidity data between 10-15th, trade on Fri. In news, PboC adviser Liu Wei told China Daily that there is still room for further liquidity injection in the short term to ensure economic growth and financial stability. He also expressed confidence that the yuan can be kept at a stable level. Separately, German Chancellor Merkel praised China for opening up to foreign investment after her meeting with Premier Li Keqiang.
- **1m USDINR NDF - Rangy.** 1M USDINR NDF did not show much directional bias, last seen around 69-figure, hovering in range. The rupee remains caught in opposing forces that include moves of equities and lofty crude prices. Momentum indicators are flat. Resistance at 69.20 before 70.05 (2013 high). Support is seen around 68.30 before the 21-dma at 68.34 and 67.70. Eyes are still on the trade war and crude prices that still dictate sentiments and the external balance for India. At home, monsoon rainfall was below 7% on 5 Jul and rainfall in the whole of India has been falling short of historical mean levels since the 1 Jun.
- **1m USDIDR NDF - Near-Term Downside Risk.** 1m USDIDR NDF traded higher this morning, tracking the USDSGD moves lower, amid fading trade war concerns. Softer USDCNH also weighs on the 1m NDF. 1m NDF though is trading mildly higher this morning possibly on profit taking. In addition, firmer oil prices continues to putt upside pressure on the 1m NDF given the country's twin deficit,. The BI's 100bp hike in its benchmark policy rate so far this year and potential for even further moves should provide an anchor for the IDR, though simmering concerns over possible escalating of trade tensions could keep the 1m NDF supported. Risk aversion weighed on Indonesian equities yesterday with USD33.8mn sold by foreign investors. Meanwhile, foreign investors had purchased USD134.6mn in debt on 6 Jul (latest data available). With sentiments improving amid fading trade war concerns, we could see further net foreign portfolio inflows into Indonesian assets. Net foreign portfolio inflows could thus weigh on the 1m NDF. Spot USDIDR gapped lower at the opening to 14318 this morning from yesterday's closing of 14330 amid waning trade war concerns. Last seen around 14365-levels, 1m NDF has lost most of its bullish bias on the daily chart, while stochastics is falling from overbought conditions. Weekly chart though remains bullish bias. This suggests that risks remain to the upside but there is potential for a near-term pullbacks ahead. Support nearby is around 14290-levels (21DMA) before 14265-levels (23.6% fibo retracement of the 2018 low to high). Resistance remains around 14570-levels (2018 high). Note that BI is likely to remained in the market to curb IDR and IndoGB volatility. JISDOR was fixed at 14332 yesterday,

77bp lower than the fixing on Fri. There are no Tier 1 data out this week.

■ **1m USDPHP NDF - Supported.** 1m USDPHP NDF traded higher this morning following the larger-than-expected trade deficit of USD3.701bn in May (cons.: -USD3.539bn) vs. Apr's -USD3.615bn after exports fell by 3.8% y/y and imports rose by 11.4% y/y. This is the largest trade deficit so far in 2018 and should widen the current account deficit, which is supportive of the 1m NDF. Mitigating this partially is the downside pressure from a softer USDCNH as well as expectations that the BSP will hike its policy rate further to anchor inflationary expectations after inflation came in higher-than-expected in Jun. Risk appetite continued to deteriorate with foreign investors selling USD13.74mn in equities yesterday. Further deterioration in risk appetite could see even more sell-off in equities, keeping the 1m NDF supported. Last seen around 53.58-levels. Daily momentum remains very mildly bearish bias, and stochastics continues to fall towards oversold conditions. Weekly chart shows bullish momentum intact but waning while stochastics remains at overbought conditions. This suggests risks remains to the downside in the near term and this could cap upside intraday. Resistance remains around 53.90 levels (2018 high). Support around 52.80-levels (23.6% fibo retracement of the 2018 low to high) before the 21DMA at 52.60-levels. Watch out for BSP intervention to curb excessive volatility in the PHP.

■ **USDTHB - Edging Higher.** USDTHB trades mildly bid after slipping lower yesterday, possibly on profit-taking activities amid receding trade war concerns. Pressure on the pair though remains to the downside given softer USDCNH and firmer gold prices (negative relationship between gold and USDTHB), capping upside to the pair intraday. Weighing on the pair though is the sell-off in Thai assets by foreign investors. Foreign investors sold USD76.8mn and USD3.6mn in equities and debt yesterday. Further sell-off should put upside pressure on the pair. Last seen around 33.099-levels. Daily chart shows very mild bearish bias, while stochastics is turning lower from overbought conditions. Weekly chart shows bullish momentum still intact and stochastics at overbought conditions. This suggests risks are still to the upside though in the near term there is a risk of a pullback ahead. Resistance is around 33.160-levels ahead of 33.300-levels (2018 high). Support nearby is around the 33-handle before 32.875-levels (21DMA). Foreign reserves (6 Jul) is on tap Fri.

Malaysia Fixed Income

Rates Indicators

Analysts

MGS	Previous Bus. Day	Yesterday's Close	Change (bps)
3YR MJ 11/21	3.56	3.55	-1
5YR MI 4/23	3.79	3.77	-2
7YR MK 3/25	3.98	*3.99/96	Not traded
10YR MO 6/28	4.11	4.09	-2
15YR MT 11/33	4.57	*4.59/56	Not traded
20YR MX 6/38	4.84	4.82	-2
30YR MZ 7/48	4.94	*4.95/92	Not traded
IRS			
6-months	3.70	3.70	-
9-months	3.71	3.71	-
1-year	3.72	3.71	-1
3-year	3.76	3.76	-
5-year	3.86	3.85	-1
7-year	3.98	3.97	-1
10-year	4.16	4.15	-1

Winson Phoon
(65) 6231 5831
winsonphoon@maybank-ke.com.sg

Se Tho Mun Yi
(603) 2074 7606
munyi.st@maybank-ib.com

Source: Maybank KE

*Indicative levels

- In Ringgit government bonds, bids steadied after the rise in prices last week. There was some foreign inflows in selected government bonds ahead of Wednesday's MPC meet, and the benchmark MGS yield curve ended 1-2bps firmer. We expect OPR to stay at 3.25% anticipating BNM to lean towards supporting growth after the change in government, while domestic inflation remains subdued.
- Onshore IRS traded lower with rates mostly down by about 1bp. This was on the back of strong receiving interest as some players rushed to position ahead of the MPC meeting this week. 4y IRS got dealt at 3.79% while 3M KLIBOR was unchanged at 3.69%.
- For corporate bonds, GGs continued to rally given firmer govies supported by domestic buyers. Long end GGs tightened 2bps with Danainfra, Prasarana and BPMB dealt. AAA space saw better buying of Cagamas front end bonds as the 2y traded 2bps tighter, while Digi 2024 dealt unchanged. In AA space, Samalaju saw better buying at the belly which tightened 1-2bps and this curve has been well bid over the past few weeks.

Singapore Fixed Income

Rates Indicators

SGS	Previous Bus. Day	Yesterday's Close	Change (bps)
2YR	1.88	1.89	+1
5YR	2.15	2.17	+2
10YR	2.41	2.44	+3
15YR	2.65	2.67	+2
20YR	2.67	2.69	+2
30YR	2.76	2.77	+1

Source: Maybank KE

- SGD rates climbed as market appetite for risk improved. SGD IRS and SGS yields were 1-5bps higher after market opened, following higher USD rates and a selloff in SGS. In addition, higher short term money market rates also put upward pressure on yields. Lower USDSGD spot and forwards helped capped the rise in rates, with SGD IRS ending 1-2bps up and SGS yields rebounding slightly to end 1-3bps higher.
- Asian credits traded on a stronger note. EM sovereign bonds largely tightened 5-8bps, with long dated INDONs and INDOIs being sought after. China IGs rebounded with credits such as CHGRID and HAOHUA changing hands at 3-4bps tighter levels. Notable issuances in the primary pipeline include State Bank of India and Korean Development Bank which are looking to issue USD and EUR bonds respectively.

Indonesia Fixed Income

Rates Indicators

IDR Gov't Bonds	Previous Bus. Day	Yesterday's Close	Change (bp)
2YR	7.45	7.36	(8.75)
5YR	7.46	7.33	(13.51)
10YR	7.54	7.37	(17.68)
15YR	8.04	7.87	(17.17)
20YR	8.06	7.95	(10.39)
30YR	7.82	7.82	-

* Source: IBPA, Bloomberg, Maybank Indonesia

Analysts

Anup Kumar (Fixed Income Analyst)
(62) 21 2922 8888 ext 29692
akumar@maybank.co.id

Myrdal Gunarto (Economist)
(62) 21 2922 8888 ext 29695
MGunarto@maybank.co.id

- Indonesia bond market closed with a daily gain during Monday transaction amid U.S. threaten Indonesia of a trade war. The country plans to retaliate by increasing imports tariff. It would be unfavourable towards the IndoGB market upon the implementation of the trade war (if it ever occurs) as the local currency may weaken. 5-yr, 10-yr, 15-yr and 20-yr benchmark series yield stood at 7.326%, 7.368%, 7.868% and 7.954% while 2y yield moved lower to 7.359%. During the day, FR0061 (4y) yield decline the most by 37bps while FR0050 (20y) yield increased the most by 3bps. Trading volume at secondary market was noted moderate at government segments amounting Rp13,736b with FR0053 as the most tradable bond. FR0053 total trading volume amounting Rp2,760b with 18x transaction frequency.
- DMO will be conducting their scheduled bi-weekly conventional auction today with six series to be auctioned which are SPN-S11012019 (Coupon: discounted; Maturity: 11 Jan 2019), SPN-S11042019 (Coupon: discounted; Maturity: 11 Apr 2019), PBS016 (Coupon: 6.250%; Maturity: 15 Mar 2020), PBS002 (Coupon: 5.450%; Maturity: 15 Jan 2022), PBS012 (Coupon: 8.875%; Maturity: 15 Nov 2031) and PBS015 (Coupon: 8.000%; Maturity: 15 Jul 2047)
- Foreign ownership stood at Rp831.7t or 37.7% of total tradable government bond as of Jul 6th. Considering a 2-day's settlement, Foreigner booked net buy worth of Rp2.7t from begin month of Jul 18.
- Corporate bond traded heavy amounting Rp1,203b. SMBNII01CN2 (Shelf Registration Sukuk Mudharabah I Bank Maybank Indonesia Phase II Year 2016; B serial bond; Rating: $idAAA_{(sy)}$) was the most actively traded corporate bond with total trading volume amounted Rp122b yielding 8.150%.

Foreign Exchange: Daily Levels

	EUR/USD	USD/JPY	AUD/USD	GBP/USD	USD/CNH	NZD/USD	EUR/JPY	AUD/JPY
R2	1.1816	111.28	0.7516	1.3444	6.6872	0.6871	130.7167	83.3413
R1	1.1784	111.07	0.7492	1.3352	6.6552	0.6854	130.4833	83.0497
Current	1.1758	111.01	0.7476	1.3259	6.6072	0.6847	130.5100	82.9790
S1	1.1726	110.47	0.7435	1.3179	6.6032	0.6825	129.7933	82.2217
S2	1.1700	110.08	0.7402	1.3098	6.5832	0.6813	129.3367	81.6853

	USD/SGD	USD/MYR	USD/IDR	USD/PHP	USD/THB	EUR/SGD	CNY/MYR	SGD/MYR
R2	1.3618	4.0427	14355	53.4793	33.2110	1.5987	0.6170	2.9855
R1	1.3593	4.0353	14342	53.4397	33.1400	1.5965	0.6129	2.9819
Current	1.3539	4.0200	14330	53.4500	33.0770	1.5919	0.6095	2.9694
S1	1.3535	4.0238	14320	53.3367	33.0320	1.5922	0.6030	2.9739
S2	1.3502	4.0197	14311	53.2733	32.9950	1.5901	0.5972	2.9695

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

Equity Indices and Key Commodities

	Value	% Change
Dow	24,776.59	1.31
Nasdaq	7,756.20	0.88
Nikkei 225	22,052.18	1.21
FTSE	7,687.99	0.92
Australia ASX 200	6,286.04	0.22
Singapore Straits Times	3,228.82	1.16
Kuala Lumpur Composite	1,672.63	0.53
Jakarta Composite	5,807.38	1.97
Philippines Composite	7,186.62	0.00
Taiwan TAIEX	10,720.28	1.05
Korea KOSPI	2,285.80	0.57
Shanghai Comp Index	2,815.11	2.47
Hong Kong Hang Seng	28,688.50	1.32
India Sensex	35,934.72	0.78
Nymex Crude Oil WTI	73.85	0.07
Comex Gold	1,259.60	0.30
Reuters CRB Index	198.23	0.09
MBB KL	9.08	1.23

Rates	Current (%)	Upcoming CB Meeting	MBB Expectation
MAS SGD 3-Month SIBOR	1.6294	Oct-18	Modest and Gradual Appreciation
BNM O/N Policy Rate	3.25	11/7/2018	Neutral
BI 7-Day Reverse Repo Rate	5.25	19/7/2018	Tightening
BOT 1-Day Repo	1.50	8/8/2018	Tightening Bias
BSP O/N Reverse Repo	3.50	9/8/2018	Tightening Bias
CBC Discount Rate	1.38	27/9/2018	Neutral
HKMA Base Rate	2.25	-	Tightening
PRC 1Y Lending Rate	4.35	-	Tightening Bias
RBI Repo Rate	6.25	1/8/2018	Tightening
BOK Base Rate	1.50	12/7/2018	Tightening
Fed Funds Target Rate	2.00	2/8/2018	Tightening
ECB Deposit Facility Rate	-0.40	26/7/2018	Neutral
BOE Official Bank Rate	0.50	2/8/2018	Neutral
RBA Cash Rate Target	1.50	7/8/2018	Neutral
RBNZ Official Cash Rate	1.75	9/8/2018	Neutral
BOJ Rate	-0.10	31/7/2018	Easing
BoC O/N Rate	1.25	11/7/2018	Tightening

MYR Bonds Trades Details

MGS & GII	Coupon	Maturity Date	Volume (RM 'm)	Last Done	Day High	Day Low
MGS 5/2011 3.580% 28.09.2018	3.580%	28-Sep-18	241	3.219	3.251	3.219
MGS 5/2015 3.759% 15.03.2019	3.759%	15-Mar-19	196	3.381	3.381	3.381
MGS 4/2014 3.654% 31.10.2019	3.654%	31-Oct-19	24	3.39	3.398	3.375
MGS 6/2012 3.492% 31.03.2020	3.492%	31-Mar-20	5	3.448	3.448	3.442
MGS 3/2015 3.659% 15.10.2020	3.659%	15-Oct-20	2	3.463	3.463	3.458
MGS 5/2017 3.441% 15.02.2021	3.441%	15-Feb-21	3	3.542	3.542	3.542
MGS 1/2011 4.16% 15.07.2021	4.160%	15-Jul-21	30	3.595	3.595	3.595
MGS 3/2014 4.048% 30.09.2021	4.048%	30-Sep-21	50	3.582	3.582	3.582
MGS 4/2016 3.620% 30.11.2021	3.620%	30-Nov-21	2	3.546	3.546	3.546
MGS 1/2017 3.882% 10.03.2022	3.882%	10-Mar-22	80	3.669	3.675	3.669
MGS 1/2012 3.418% 15.08.2022	3.418%	15-Aug-22	58	3.749	3.768	3.749
MGS 3/2013 3.480% 15.03.2023	3.480%	15-Mar-23	183	3.844	3.868	3.832
MGS 2/2018 3.757% 20.04.2023	3.757%	20-Apr-23	130	3.765	3.802	3.765
MGS 1/2016 3.800% 17.08.2023	3.800%	17-Aug-23	1	3.865	3.865	3.865
MGS 1/2014 4.181% 15.07.2024	4.181%	15-Jul-24	134	3.927	3.936	3.917
MGS 2/2017 4.059% 30.09.2024	4.059%	30-Sep-24	120	3.958	3.958	3.939
MGS 1/2018 3.882% 14.03.2025	3.882%	14-Mar-25	30	3.972	3.972	3.972
MGS 1/2015 3.955% 15.09.2025	3.955%	15-Sep-25	8	4.035	4.035	4.035
MGS 3/2007 3.502% 31.05.2027	3.502%	31-May-27	10	4.272	4.272	4.272
MGS 4/2017 3.899% 16.11.2027	3.899%	16-Nov-27	10	4.172	4.172	4.172
MGS 5/2013 3.733% 15.06.2028	3.733%	15-Jun-28	188	4.094	4.142	4.086
MGS 4/2011 4.232% 30.06.2031	4.232%	30-Jun-31	20	4.593	4.609	4.593
MGS 4/2012 4.127% 15.04.2032	4.127%	15-Apr-32	17	4.665	4.688	4.665
MGS 4/2013 3.844% 15.04.2033	3.844%	15-Apr-33	112	4.663	4.675	4.635
MGS 4/2015 4.254% 31.05.2035	4.254%	31-May-35	22	4.839	4.839	4.812
MGS 3/2017 4.762% 07.04.2037	4.762%	7-Apr-37	11	4.843	4.868	4.843
MGS 4/2018 08.06.2038	4.893%	8-Jun-38	100	4.807	4.818	4.806
MGS 2/2016 4.736% 15.03.2046	4.736%	15-Mar-46	1	4.931	4.931	4.922
GII MURABAHAH 7/2013 30.04.2019	3.558%	30-Apr-19	375	3.414	3.426	3.414
PROFIT-BASED GII 7/2012 15.05.2020	3.576%	15-May-20	19	3.602	3.602	3.563
GII MURABAHAH 2/2016 3.743% 26.08.2021	3.743%	26-Aug-21	100	3.708	3.721	3.708
GII MURABAHAH 3/2017 3.948% 14.04.2022	3.948%	14-Apr-22	63	3.823	3.831	3.823
GII MURABAHAH 1/2015 4.194% 15.07.2022	4.194%	15-Jul-22	100	3.882	3.882	3.879
GII MURABAHAH 1/2016 4.390% 07.07.2023	4.390%	7-Jul-23	1	3.975	3.975	3.975
GII MURABAHAH 1/2018 4.128% 15.08.2025	4.128%	15-Aug-25	80	4.095	4.095	4.078
GII MURABAHAH 1/2017 4.258% 26.07.2027	4.258%	26-Jul-27	1	4.312	4.312	4.312
GII MURABAHAH 2/2018 4.369% 31.10.2028	4.369%	31-Oct-28	190	4.233	4.243	4.233
GII MURABAHAH 5/2013 4.582% 30.08.2033	4.582%	30-Aug-33	1	4.84	4.84	4.84
Total			2,715			

Sources: BPAM

MYR Bonds Trades Details

PDS	Rating	Coupon	Maturity Date	Volume (RM 'm)	Last Done	Day High	Day Low
PRASARANA IMTN 4.08% 12.03.2019 - Tranche 1	GG	4.080%	12-Mar-19	5	3.753	3.753	3.753
DANAINFRA IMTN 3.850% 30.10.2020 - Tranche No 9	GG	3.850%	30-Oct-20	20	4.022	4.022	4.018
KHAZANAH 0% 14.08.2023	GG	0.000%	14-Aug-23	10	4.321	4.321	4.321
DANAINFRA IMTN 3.960% 07.02.2025 - Tranche No 6	GG	3.960%	7-Feb-25	5	4.392	4.392	4.392
BPMB GG IMTN 4.75% 12.09.2029 - ISSUE NO 5	GG	4.750%	12-Sep-29	10	4.697	4.701	4.697
DANAINFRA IMTN 4.950% 19.03.2032 - Tranche No 58	GG	4.950%	19-Mar-32	20	4.809	4.814	4.809
DANAINFRA IMTN 4.890% 25.05.2032 - Tranche No 64	GG	4.890%	25-May-32	30	4.821	4.821	4.821
PRASARANA SUKUK MURABAHAH 5.01% 14.09.2037 - S4	GG	5.010%	14-Sep-37	30	5.02	5.021	5.02
DANAINFRA IMTN 5.380% 21.04.2039 - Tranche No 18	GG	5.380%	21-Apr-39	35	5.064	5.071	5.064
DANAINFRA IMTN 5.140% 22.07.2039 - Tranche No 24	GG	5.140%	22-Jul-39	10	5.074	5.074	5.074
CAGAMAS MTN 4.100% 16.3.2020	AAA	4.100%	16-Mar-20	20	4.1	4.128	4.1
DIGI IMTN 4.380% 14.04.2022 - Tranche No 1	AAA	4.380%	14-Apr-22	5	4.41	4.41	4.41
GENM CAPITAL MTN 1826D 11.7.2023	AAA (S)	Pending	11-Jul-23	9	4.929	4.93	4.78
GENM CAPITAL MTN 3653D 11.7.2028	AAA (S)	Pending	11-Jul-28	26	5.149	5.235	5.1
BPMB IMTN 4.98% 02.03.2032 - Issue No 12	AAA	4.980%	2-Mar-32	10	5.008	5.01	5.008
ASIANFIN IMTN 4.600% 29.05.2019	AA1	4.600%	29-May-19	10	4.455	4.466	4.455
SBPC 4.400% 03.07.2019 (SERIES 5)	AA1	4.400%	3-Jul-19	20	4.188	4.199	4.188
SAMALAJU IMTN 5.35% 28.12.2026 - Issue No. 4	AA1 (S)	5.350%	28-Dec-26	10	4.904	4.907	4.904
SAMALAJU IMTN 5.65% 28.12.2029 - Issue No. 7	AA1 (S)	5.650%	28-Dec-29	20	5.129	5.131	5.129
OCBC 6.750% 15.04.2039	AA2	6.750%	15-Apr-39	3	4.604	4.604	4.604
UEMED IMTN 4.850% 26.04.2022	AA- IS	4.850%	26-Apr-22	2	4.719	4.722	4.719
RHBA 4.88% 27.04.2027(Series 2)	AA3	4.880%	27-Apr-27	2	4.772	4.775	4.772
SPG IMTN 5.090% 30.04.2029	AA- IS	5.090%	30-Apr-29	20	4.997	5.001	4.997
CIMB 6.35% 05.04.2060 - Tranche No. 3	AA3	6.350%	5-Apr-60	1	4.972	4.972	4.972
HLFG Perpetual Capital Securities (Tranche 1)	A1	5.230%	30-Nov-17	1	5.026	5.026	5.026
ALLIANCEB MTN 3653D 27.10.2025	A2	5.750%	27-Oct-25	1	4.577	4.577	4.577
Total				335			

Sources: BPAM

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Published by:



Malayan Banking Berhad
(Incorporated In Malaysia)

Foreign Exchange

Singapore

Saktiandi Supaat
Head, FX Research
saktiandi@maybank.com.sg
(+65) 6320 1379

Christopher Wong
Senior FX Strategist
Wongkl@maybank.com.sg
(+65) 6320 1347

Leslie Tang
Senior FX Strategist
leslietang@maybank.com.sg
(+65) 6320 1378

Fiona Lim
Senior FX Strategist
Fionalim@maybank.com.sg
(+65) 6320 1374

Fixed Income
Malaysia
Winson Phoon Wai Kien
Fixed Income Analyst
winsonphoon@maybank-ib.com
(+60) 3 20747176

Se Tho Mun Yi
Fixed Income Analyst
munyi.st@maybank-ib.com
(+60) 3 2074 7606

Indonesia

Juniman
Chief Economist, Indonesia
juniman@maybank.co.id
(+62) 21 2922 8888 ext 29682

Anup Kumar
Fixed Income Analyst
akumar@maybank.co.id
(+62) 21 2922 8888 ext 29602

Myrdal Gunarto
Industry Analyst
MGunarto@maybank.co.id
(+62) 21 2922 8888 ext 29695

Sales

Malaysia

Adoni Mastura Bte Mohamed Idris
Head of Global Markets, KL
adonimastura@maybank.com
(+60) 3 27869106

Singapore
Loo Hin Chong
Head of Corporate Sales, Singapore
Loohc@maybank.com.sg
(+65) 6320 1339

Indonesia
Sales, Indonesia
(+62) 21 29936399
(+62) 21 2300888 ext 22122

China (Shanghai)
Eddy Lui
GM Head, Greater China
eddy.lui@maybank.com.hk
(+852) 35188816

Joyce Ha
Senior Sales Dealer
joyce.ha@maybank.com.cn
(+86) 21 28932588