Maybank

Macro | FX Research & Strategy

Global

Global Markets Daily

Easing Trade Tensions Lifts AXJs

USD Drifted Lower Overnight

USD index's drift lower overnight coincided with the rise in crude oil prices, particularly the WTI ahead of the impending storm. WTI hit a high of 71.26 overnight before easing to hover just above the 70-levels in the Asian session. USD was also dragged even lower as risk sentiments improved overnight on news that the Trump administration has reached out to China for another round of trade talks to de-escalate trade tensions as well as on a "high chance" of a Canada-US trade deal. USD Index drifted lower back below the 95-levels consequently, aided as well by softer-than-expected US core PPI print for Aug, though it has since rebounded slightly from its overnight low of 94.747. US CPI data will be eyed today for further directional cues.

GBP, EUR, AXJs Mostly Higher

In Asia, the AXJs were mostly firmer against the USD on easing global trade tensions. KRW continues to trade higher on easing geopolitical tensions on the Korean peninsula, while the MYR remains supported by higher oil prices. Elsewhere, GBP received a boost from the EU commission will redraft the language on the Irish Brexit protocol to provide leeway for a British compromise that could pave the way for a Brexit deal. EUR was lifted higher along with the GBP. Eyes ahead will be on ECB and BoE meetings later today, which are expected to be non-events. Both central banks are poised to hold policy steady. Most G10 currencies with the exception of the JPY and NZD gained against the USD this morning.

US, EU CPI On Tap

Eyed today are US, EU CPIs; NZ food prices; ECB and BoE MPC policy meetings; ECB's Draghi speaks; JP PPI; AU employment data; JP PPI, core machine orders. Note that India onshore markets are closed tomorrow.

FX: Overnight Closing Prices

Majors	Prev Close	% Chg	Asian FX	Prev Close	% Chg
EUR/USD	1.1626	0.17	USD/SGD	1.372	-0.25
GBP/USD	1.3045	0.09	EUR/SGD	1.5951	-0.08
AUD/USD	0.7169	0.70	JPY/SGD	1.2331	0.07
NZD/USD	0.6564	0.58	GBP/SGD	1.7898	-0.16
USD/JPY	111.26	-0.33	AUD/SGD	0.9836	0.46
EUR/JPY	129.36	-0.15	NZD/SGD	0.9003	0.33
USD/CHF	0.9709	-0.14	CHF/SGD	1.4131	-0.11
USD/CAD	1.2998	-0.53	CAD/SGD	1.0555	0.28
USD/MYR	4.147	0.02	SGD/MYR	3.0131	0.06
USD/THB	32.717	-0.18	SGD/IDR	10777.8	-0.12
USD/IDR	14833	-0.16	SGD/PHP	39.3051	0.26
USD/PHP	54.059	0.19	SGD/CNY	4.9924	0.04

Implied USD/SGD Estimates @ 13 Sep-18, 9.00AM

Upper Band Limit	Mid-Point	Lower Band Limit
1.3571	1.3845	1.4120

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G7: Events & Market Closure

Date	Ctry	Event
13 Sep	EU, UK	ECB, BoE Meetings

AXJ: Events & Market Closure

Date	Ctry	Event
10-11 Sep	MA	Market Closure
11 Sep	ID	Market Closure
14 Sep	IN	Market Closure

SEE PAGE 14 FOR IMPORTANT DISCLOSURES

G7 Currencies

- **DXY Index - *CPI Data Tonight*.** USD fell overnight, in line with our bias to lean against strength. And the weakness this episode is seen much more broad based extending to most currencies including AXJs and antipodeans. Policy measures from the region including China's re-introduction of CCAF, Indonesia's commitment and priority to stabilise FX and possible steps from India to stabilise currency should anchor sentiment and slow the pace of depreciation. In addition, overnight news of White House Advisor Larry Kudlow extending "invitation" to Chinese officials for new trade talks helped to ease sentiment on the trade war front. Adding to this, we reiterate there are more signs to support our technical bias to fade USD strength - progress on NAFTA should remain supportive of gains in CAD, concerns with Italy budget gradually easing supports EUR while signs of a potential brexit deal in Nov EU summit should negate GBP. DXY was seen at 94.80 levels. Bullish momentum on weekly chart is waning while stochastics is falling. These suggest diminishing momentum for DXY bulls. On the daily chart, momentum has turned bearish while stochastics is falling. On the monthly chart, the DXY created a gravestone doji candlestick for the month of August. This implies an interim top of the rise in DXY since Feb 2018 and strength is likely to fade going forward. We stand firm on our call for USD weakness to continue (though concerns on trade war still warrant caution). Support at 94.60 (61.8% fibo), 94 levels (76.4% fibo) and 93.2 levels. Resistance at 95 levels, 95.5 (21 DMA, 38.2% fibo retracement of Jun low to Aug high), 96 levels (23.6% fibo). Bias remains to lean against strength for DXY. Focus for the week on CPI, Real average weekly earnings (Aug); Fed's Quarles, Bostic speak on Thu; Retail sales, IP, Import, export price indexes (Aug); Fed's Rosengren, Evans speak; Uni of Mich sentiment (Sep) on Fri. This week Treasury is selling $73bn of bonds ($35bn in 3Y tenor on Wed; $23bn of bonds in 10Y tenor on Thu and $15bn in 30Y on Fri). This could add to further support for bond yields.

- **EURUSD - *ECB Meeting, Draghi Speaks*.** EUR remains better bid, consistent with our call to buy dips. Pair was last seen at 1.1630 levels. Mild bullish momentum on daily chart remains intact. 21 DMA looks on track to cut 50 DMA to the upside. Short term risk remains skewed to the upside. Resistance at 1.1650 levels. Key area of resistance at 1.1690 (100 DMA) - 1.1710 (38.2% fibo retracement of 2017 low to 2018 high). This needs to be decisively broken for further upside towards 1.1850 to gather momentum. On price pattern, an inverted head-and-shoulders appears to be in the making (S1 at 1.1510; S2 at 1.1540; H at 1.13; neckline around 1.17 levels). The complete bullish reversal of the pattern should bring the pair back to 1.21 levels. Support at 1.1590 (21 DMA). Focus for the week on CPI (Aug); ECB Meeting (policy status quo); ECB's Draghi speaks on Thu; Trade (Jul); Labour cost (2Q) on Fri. Details from Italy budget remains a key event risk. We should expect further details soon before final budget draft (with targets) is made known end-Sep and the submission to EU for review by 15th Oct. More clarity (less of clash with EU) should see BTP-Bund yield spread narrow. Further narrowing in yield spread should help to consolidate EUR strength.

- **GBPUSD - *BoE Meeting Today*.** GBP continued to trade higher, albeit in choppy fashion on news that EU is said to redraft Irish brexit protocol to help UK. According to news report, EU is cautiously optimistic on the prospects of reaching a deal on all remaining withdrawal issues including governance and geographical indicators. Officials also note a convergence on internal security, external affairs on future relationship between the 2 side. Brexit will be discussed at the Salzsburg summit of EU leaders on 20 Sep and this will serve as a preparation of the Oct Summit including a preliminary discussion on the future relationship. An extraordinary EU summit could occur in Nov, depending on progress. We noted that brexit development on the EU front is more forthcoming and conciliatory (EU's Barnier ready to offer a bespoke deal to UK; EU is said to explore Irish backstop options) and this help to partially negate pessimism on GBP. We maintain a constructive outlook on GBP but remain cautious of volatility associated with "no-deal brexit". Domestic downside risks should not be ruled out - Brexiters are said to plot to oust PM May (according to unidentified sources. This reinforced the divide within the conservative party and may pose risks to PM May's leadership in the lead up to the annual party conference (30 Sep -3 Oct). Uncertainties on the domestic front are also sources of uncertainty for GBP. Pair was last seen at 1.3040 levels. Mild bullish momentum on daily chart remains intact; sustained price action above 1.30 (50 DMA) could see GBP build on further gains. Key resistance at 1.3070 (23.6% fibo retracement of 2018 high to low) A recovery towards 1.32 levels (100 DMA) should not be ruled out on a decisive break above the key resistance. Support at 1.2910 (21 DMA). Focus for the week on BOE MPC Meeting (policy status quo); RICS House Price Balance (Aug) on Thu; BoE's Carney speaks on Fri. PM May is said to gather her inner circle on Thu for a no-deal brexit planning session. Any news flow relating to "no-deal brexit" will dampen GBP's momentum.

- **USDJPY - *Mild Bullish Bias*.** USDJPY trades bid, tracking USD moves. Pair is also supported by widening yield differentials between 10Y UST and JGB. Firmer USDCNH also puts upside pressure on the pair. Pair though continues to hover in a tight range within the 110.50-111.90 range whilst awaiting breakout cues. Last seen around 111.41-levels. Very mild bullish bias on the daily chart remains intact, and stochastics is climbing higher. In the absence of fresh catalyst, pair should remain in sideway trades with familiar ranges for now. Resistance is still around the 111.90-levels, 112.60-levels. Support nearby around 111-handle (21DMA), 110.60-levels (100DMA). Capacity utilization, industrial production (Jul) are on tap tomorrow.

- **NZDUSD - *Rebound Risk*.** NZD rebounded, tracking gains in AUD and CNH following report that US confirms extension of invite to China for trade talks. Pair was last seen at 0.6550 levels. Bearish momentum on daily chart remains intact but is waning. Stochastics shows tentative signs of turning from oversold conditions. A bullish divergence appears to be in the making. This could point to further upside risks. Resistance at 0.6620 (21 DMA). Immediate support at 0.65 levels, 0.6450. Focus for the week on Mfg PMI (Aug) on Fri.

- **AUDUSD - *Bearish*.** AUD was last seen just under the 0.71-figure this morning, amid signs of re-escalation of the trade war between China and the US. As we wait for an announcement on the next tranche of tariff from the US on China vice versa, some American officials revealed that the US may consider sanctions against Chinese senior officials and companies for China's detention of ethnic Uighers and other minority Muslims in large internment camps (NYT). Meanwhile, China will seek the support of WTO on 21st Sep to impose sanctions on the US according to the WTO meeting agenda. Pair was last seen at 0.7105 levels. Bearish momentum on daily chart remains intact while stochastic flags oversold conditions. Bias remains to the downside but we are cautious of a bullish divergence potentially emerging. This could force an abrupt squeeze of AUD short position. Still, AUD remains vulnerable. Resistance at 0.7270 (21 DMA), 0.7350 (50 DMA). Support at 0.71. A clean break below this may see more downside play towards 0.70. Focus for the week on Westpac Consumer confidence (Sep) on Wed; Employment Change (Aug) on Thu.

- **AUDUSD – *Turning Bullish*.** AUD rallied yesterday in a backdrop of broad USD retreat, last seen around 0.7170. The move up came amid news that Treasury Secretary Steven Mnuchin has invited Beijing to another round of trade negotiations later this month. This came after the US mulls over imposing sanctions on China for detentions of ethnic Muslims and ahead of the WTO's Dispute Settlement Body meeting on 21st Sep where China is said to seek the permission to impose sanctions on the US. Momentum seems to be turning higher and barring any nasty surprises from Trump, AUDUSD could head towards the 0.7244 (21-dma) before 0.7330 (50-dma). Labour report for Aug is out soon.

- **USDCAD - *1.2900 Next*.** This pair continued to drop and tested the support at 1.2990 this morning before hovering around 1.30-figure as we write. Apart from the broad USD retreat seen on Wed, higher crude prices continue to support the CAD even as Trudeau reiterated no Nafta is better than a bad Nafta for Canada. With new polls showing sharp declines in Trump's approval rating, there could be an increasing likelihood that trade strategy might change. Bullish momentum is on the decline and stochs show signs of falling from overbought conditions. Break of the support at 1.2990 exposes the next at 1.2900. Capacity utilization rate came in at 85.5% vs. previous at 83.7% (which was revised lower). New housing price for Jul will be out today. Rebounds to meet resistance around 1.3060.

Asia ex Japan Currencies

- **SGD trades around 0.93% above the implied mid-point of 1.3845. The top is estimated at 1.3571 and the floor at 1.4120.**

- **USDSGD - *Edging Lower*.** USDSGD trades softer amid improving risk sentiments on easing global trade tensions. Firmer EUR is weighing on the pair. Softer CNH though is limiting downside to the pair. Last seen around 1.3711-levels, pair has lost most of its very mild bullish bias on the daily chart and stochastics is turning lower from overbought conditions. A triple-top formation appears to be in the making, which could portend a potential pullback in the pair in the near term. A break above triple-top formation around the 1.3819-levels on a weekly close could see bullish extension toward 1.3850-levels, 1.39-levels. Failure though to do so though could see the pair trade in familiar ranges within 1.3650-1.3820 for the time being.

- **AUDSGD** – ***Bottoming?*** AUDSGD rebounded recently and was last seen around 0.9840. Bearish momentums on weekly and daily chart are decreasing while stochastics are rising from oversold conditions. Resistance at 0.9950, 1.00 levels. Next support at 0.97 (previous double bottom in 2015-16).

- **SGDMYR - *Range-Trade*.** SGMYR continues to inch higher. Cross was last seen at 3.0180 levels. Daily momentum is not indicating a clear bias while stochastics is near overbought conditions. immediate resistance at 3.02. Support at 3.0020. Expect 3.01 – 3.02 range intra-day.

- **USDMYR - *Pullback Risk*.** USDMYR gapped lower in the open, tracking the moves in other USDAXJ lower (in reaction to news that US confirms extension of invite to China for trade talks). Pair was last seen at 4.14 levels. Bullish momentum on daily chart remains intact but shows signs of waning while stochastics is showing signs of turning from overbought conditions. Risk of pullback not ruled out. Support at 4.12, 4.11 levels. Resistance seen at 4.15.

- **1m USDKRW NDF - *Fade*.** 1m USDKRW NDF fell sharply to sub-1120 levels from a high of 1129 yesterday amid signs of trade tensions easing. Pair was last seen at 1119 levels. Mild bullish momentum on daily chart is waning while stochastics is falling from near overbought conditions. Key support at 1118 (21 DMA). Break below this could see the pace of decline accelerating. Next support at 1112 levels. Resistance at 1121 (50 DMA), 1129 levels. While caution remains warranted on the US-China trade war front, we see increasing signs that the recent sell-off in AXJ FX could stabilise. Policy measures from the region including China's re-introduction of CCAF, Indonesia's commitment and priority to stabilise FX and possible steps from India to stabilise currency should anchor sentiment and slow the pace of depreciation in the AXJ FX complex.

- **USDCNH - *Head and Shoulders formed*, *Bearish*.** USDCNH slipped on broad USD decline, helped also by the fact that the US Steven Mnuchin has invited China for another round of trade negotiation. We are not sure if China has accepted that invitation as the Chinese officials had raised the possibility that no further negotiations could happen until after Nov's mid-term elections in the US after the last talk in late Aug. While Trump could definitely make some ugly surprises, technical indicators on the chart suggest that bias is to the downside with a head and shoulders formed, a bearish reversal signal. We still look for a firm break of the 50-dma at 6.8140 for this pair to head towards 6.7880 before the 6.75-figure, 6.68 (38.2% Fibonacci retracement of the Mar-Jul rally). **USDCNY reference rate at 6.8488, 58 pips lower than the previous 6.8546**. China released the liquidity numbers for Aug yesterday with money supply M2 growth easing to 8.2%y/y from previous 8.5%. Lending growth contracted from the last month to CNY1.28trn from previous 1.45trn. Breakdown suggests that shadowing financing via trust loan has slowed to 4.4%y/y from previous 6.8%, banker's acceptance bill recorded steeper declines in the past few months while entrusted loans continue to contract for the sixth consecutive month.

- **1M USDINR NDF - *Turning Lower*.** 1M NDF had a bearish engulfing candle yesterday and this pair looks very bearish at this point. Momentum indicators are turning lower and it helps that officials had told the press in New Delhi that there could be some currency and oil measures after Modi reviews the economy. There were also comments that the government had not made decision to cut excise duty yet and the government remains committed to meeting fiscal deficit targets and does not see merit in cutting expenditure (BBG). This came after CPI softed to 3.69%y/y in Aug vs. 4.2% in Jul. However without further assurance from the government on support for the rupee, the inflation print is likely to be overlooked as brent touched the U$80/bbl-level. With the latest comments, sentiments could be shifting for the rupee with RBI possibly hiking in early Oct and a concerted effort from the government might just stem the rupee's decline especially in a backdrop of weaker USD. Eyes will remain on the twin deficit of this economy with rising crude price as a key driver. Should crude rise further, expect INR to remain vulnerable but with authorities now forming policies, INR might not see as much weakness as before. Support at 71.80 (23.6% Fibonacci retracement of the May-Sep highs). Foreign investors sold USD192.9mn of equities and bought USD12.4mn of local debt on Tue (11 Sep). Trade data data will be released between 12-15th, WPI on Fri.

- **1m USDIDR NDF - *Turning Bearish*.** 1m USDIDR NDF trades back below the key 15000-psychological level overnight amid a softer USD tone. Ongoing BI intervention in both the FX and IndoGB markets to curb the rapid and sharp depreciation of the IDR and yields, and measures introduced by the government and BI to trim its current account deficit and temper the sell-off in the IDR (including scrutinising buyers of USD to ensure that their purchases are backed up by underlying assets) should also weigh on the 1m NDF. Increasing speculation that BI could act again by hiking its policy rate through an out-of-cycle meeting (BI's scheduled policy meeting is on 27 Sep) should also slow the 1m NDF's grind higher. Further support for the IDR could from tightening rules espoused by FinMin Sri Mulyani that would make Indonesian exporters not only bring their earnings onshore but to also convert their foreign currency earnings into IDR. While she suggested that capital control was justified for some countries, there was no indication from her that Indonesia would be heading down that path anytime soon. Instead, she called for more global coordination to tackle the EM turmoil. There was no relief for the 1m NDF from the asset front. Foreign investors continued to sell off Indonesian assets with USD46.1mn in equities sold yesterday. Meanwhile, they had also sold USD83.5mn in debt on 10 Sep (latest data available). Further foreign sell-off of Indonesian assets intraday could keep the 1m NDF supported. Spot USDIDR gapped lower at the opening to 14810 this morning from yesterday's close of 14833 amid a softer USD tone overnight. Last seen around 14970-levels. Daily momentum indicators now show bearish bias and stochastics continuing to fall from overbought conditions. Support nearby is around 14900-levels (21DMA) before 14675-levels (50DMA). Immediate resistance around 15000-levels, 15200-levels. JISDOR was fixed at 14863 yesterday, 28bp higher than the fixing on Mon.

- **1m USDPHP NDF - *Sideways*.** 1m USDPHP NDF trades bid ahead of the impending typhoon that could hit Northern Luzon. Concerns that the typhoon could stoke inflation are also supporting the 1m NDF higher. Also supportive of the 1m NDF was the foreign sell-off of USD16.4mn in equities yesterday. Further sell-off should keep the 1m NDF supported intraday. Spot USDPHP gapped lower at the opening to 53.955 this morning from yesterday's close of 54.059 amid a softer USD tone overnight. Last seen around 54.21-levels. Bullish bias on the daily chart remains intact but waning, and stochastics remains at overbought conditions. We look for the pair to remain in sideway trades around current levels ahead. Resistance is around the 54.45-levels (2018 high), 55-handle. Support around 54-handle, 53.70-levels (21DMA).

- **USDTHB - *Bearish*.** USDTHB trades softer, tracking its regional peers lower. Pair though continues to trade within familiar ranges of 32.590-32.950. Limiting downside though is softer gold prices that are putting upside pressure on the pair given the negative correlation between gold prices and USDTHB. Weighing on the pair was the net foreign inflows to Thai assets. Yesterday, foreign investors had sold USD49.8mn of equities that was more than offset by their purchases of USD180.9mn of debt. Last seen around 32.635-levels. Daily momentum indicators show very mild bullish bias dissipating, and stochastics falling. Support is around 32.595-levels (38.2% fibo retracement of the Mar-Jul upswing) before 32.306 (50% fibo). Immediate resistance around 32.781 (21DMA) ahead of 32.950-levels (23.6% fibo). Foreign reserves (7 Sep) is on tap tomorrow.

Malaysia Fixed Income

Rates Indicators

MGS	Previous Bus. Day	Yesterday's Close	Change (bps)
3YR MJ 11/21	3.62	3.64	+2
5YR MI 4/23	3.82	*3.83/81	Not traded
7YR MK 3/25	4.05	*4.06/04	Not traded
10YR MS 6/28	*4.17/14	4.15	+1
15YR MT 11/33	4.59	4.55	-4
20YR MX 6/38	*4.78/74	*4.78/74	Not traded
30YR MZ 7/48	4.92	4.94/90	Not traded
IRS			
6-months	3.69	3.69	-
9-months	3.70	3.70	-
1-year	3.70	3.71	+1
3-year	3.76	3.77	+1
5-year	3.86	3.87	+1
7-year	3.98	4.00	+2
10-year	4.17	4.19	+2

Source: Maybank KE
**Indicative levels*

- Lukewarm MGS market with little activity and hardly any trades on benchmark bonds. Besides thin volume, bids were broadly defensive following the rise in UST yields after the strong labor data last Friday. MGS and GII volume cumulatively amounted to just MYR1.1b.

- MYR IRS curve shifted 1-2bps higher, tracking the rise in global rates over the long weekend. Only reported trade was the 4y IRS dealt at 3.825%. 3M KLIBOR was unchanged at 3.69%.

- Quiet day for local corporate bond market after the long weekend. Interest was skewed towards selling in long end GGs, while better buying interest was seen for ultra-short dated bonds. Levels generally unchanged from last week's close. AA space saw some profit taking with SEB 2032s trading 1bp wider and Celcom 2026s trading 2bps wider.

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Singapore Fixed Income

Rates Indicators

SGS	Previous Bus. Day	Yesterday's Close	Change (bps)
2YR	1.89	1.89	-
5YR	2.15	2.17	+2
10YR	2.43	2.44	+1
15YR	2.73	2.75	+2
20YR	2.77	2.78	+1
30YR	2.83	2.83	-

Source: Maybank KE

- SGS was resilient as better buying interest at the long end capped the rise in bond yields, while SGD IRS rates climbed in tandem with the increase in USD rates overnight. On the back of low funding rates, SGS outperformed and swap spreads improved. SGS yields closed 1-2bps higher and SGD IRS rates 2-3bps up.

- Asian credit market generally stable with sovereign bonds, China and Korea IGs trading sideways. High beta Japan IG credits traded firmer by 1-2bps given still tight supply in the space. India IGs widened 3bps while its HYs lowered 0.25pts. S&P downgrading the ratings of 7 Chinese local government financing vehicle (LGFV) caused the curve to underperform; bids widened 8-10bps but offers were unchanged amid thin volume for the bonds.

Indonesia Fixed Income

Rates Indicators

IDR Gov't Bonds	Previous Bus. Day	Yesterday's Close	Change (bp)
2YR	7.88	7.83	(5.28)
5YR	8.36	8.39	2.53
10YR	8.51	8.59	7.81
15YR	8.65	8.74	9.28
20YR	9.04	9.11	7.39
30YR	9.14	9.14	0.75

** Source: IBPA, Bloomberg, Maybank Indonesia*

- Indonesia bond market closed lower during Wednesday trading session amid Central Bank intervention in the market during the day, LCY appreciation and moderate demand during the auction. 5-yr, 10-yr, 15-yr and 20-yr benchmark series yield stood at 8.389%, 8.591%, 8.742% and 9.110%. During the day, FR0069 (7mo) yield decline the most by 12bps while FR0074 (14y) yield increased the most by 10bps. Trading volume at secondary market was noted moderate at government segments amounting Rp13,925b with FR0063 as the most tradable bond. FR0063 total trading volume amounting Rp3,302b with 85x transaction frequency.

- Indonesian government conducted their bi-weekly conventional auction yesterday and received moderate incoming bids worth of Rp36.88t versus its target issuance of Rp10.00t or oversubscribed by 3.69x. However, DMO only awarded Rp20.00t bids for its 3mo, 1y, 5y, 10y, 15y, 20y and 30y offered series. Incoming bids were more clustered on the money market instrument and 5y offered series. 3mo SPN was sold at a weighted average yield (WAY) of 5.57533%, 1y SPN was sold at 6.34756%, 5y FR0063 was sold at 8.52820%, 10y FR0064 was sold at 8.66918%, 15y FR0065 was sold at 8.80531%, 20y FR0075 was sold at 9.15981% while 30y FR0076 was sold at 9.21923%. No bids were rejected during this auction.

- Foreign ownership stood at Rp837.0t or 36.9% of total tradable government bond as of Sep 10th. Considering a 2-day's settlement, Foreigner booked net sell worth of Rp12.0t from begin month of Sep 18.

- Corporate bond traded moderate amounting Rp937b. FIFA03BCN3 (Shelf registration III Federal International Finance Phase III Year 2018; B serial bond; Rating: $_{id}$AAA) was the most actively traded corporate bond with total trading volume amounted Rp161b yielding 6.442%.

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Foreign Exchange: Daily Levels

	EUR/USD	USD/JPY	AUD/USD	GBP/USD	USD/CNH	NZD/USD	EUR/JPY	AUD/JPY
R2	1.1695	111.87	0.7236	1.3134	6.9127	0.6607	130.2400	80.5520
R1	1.1661	111.57	0.7203	1.3089	6.8742	0.6586	129.8000	80.1630
Current	1.1637	111.39	0.7190	1.3044	6.8470	0.6557	129.6300	80.0900
S1	1.1581	111.04	0.7115	1.2990	6.8121	0.6523	128.9300	79.2320
S2	1.1535	110.81	0.7060	1.2936	6.7885	0.6481	128.5000	78.6900

	USD/SGD	USD/MYR	USD/IDR	USD/PHP	USD/THB	EUR/SGD	CNY/MYR	SGD/MYR
R2	1.3800	4.1543	14896	54.2563	32.8903	1.6036	0.6084	3.0183
R1	1.3760	4.1507	14864	54.1577	32.8037	1.5994	0.6068	3.0157
Current	1.3715	4.1410	14790	54.0100	32.6320	1.5961	0.6060	3.0196
S1	1.3698	4.1442	14817	53.9327	32.6637	1.5921	0.6021	3.0109
S2	1.3676	4.1413	14802	53.8063	32.6103	1.5890	0.5989	3.0087

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

Equity Indices and Key Commodities

	Value	% Change
Dow	25,998.92	0.11
Nasdaq	7,954.23	-0.23
Nikkei 225	22,604.61	-0.27
FTSE	7,313.36	0.55
Australia ASX 200	6,175.92	-0.06
Singapore Straits Times	3,124.65	0.47
Kuala Lumpur Composite	1,785.25	-0.77
Jakarta Composite	5,798.15	-0.57
Philippines Composite	7,449.20	-0.92
Taiwan TAIEX	10,722.57	-0.28
Korea KOSPI	2,282.92	-0.01
Shanghai Comp Index	2,656.11	-0.33
Hong Kong Hang Seng	26,345.04	-0.29
India Sensex	37,413.13	-1.34
Nymex Crude Oil WTI	70.37	1.62
Comex Gold	1,210.90	0.72
Reuters CRB Index	193.36	0.88
MBB KL	9.80	-0.91

Policy Rates

Rates	Current (%)	Upcoming CB Meeting	MBB Expectation
MAS SGD 3-Month SIBOR	1.6377	Oct-18	Modest and Gradual Appreciation
BNM O/N Policy Rate	3.25	8/11/2018	Neutral
BI 7-Day Reverse Repo Rate	5.50	27/9/2018	Tightening
BOT 1-Day Repo	1.50	19/9/2018	Neutral
BSP O/N Reverse Repo	4.00	27/9/2018	Tightening Bias
CBC Discount Rate	1.38	27/9/2018	Neutral
HKMA Base Rate	2.25	-	Tightening
PBOC 1Y Lending Rate	4.35	-	Tightening Bias
RBI Repo Rate	6.50	5/10/2018	Tightening
BOK Base Rate	1.50	18/10/2018	Tightening
Fed Funds Target Rate	2.00	27/9/2018	Tightening
ECB Deposit Facility Rate	-0.40	13/9/2018	Neutral
BOE Official Bank Rate	0.75	13/9/2018	Neutral
RBA Cash Rate Target	1.50	2/10/2018	Neutral
RBNZ Official Cash Rate	1.75	27/9/2018	Neutral
BOJ Rate	-0.10	19/9/2018	Easing
BoC O/N Rate	1.50	24/10/2018	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	20	3.522	3.522	3.522
MGS 5/2015 3.759% 15.03.2019	3.759%	15-Mar-19	9	3.354	3.354	3.344
MGS 2/2009 4.378% 29.11.2019	4.378%	29-Nov-19	37	3.495	3.522	3.469
MGS 3/2015 3.659% 15.10.2020	3.659%	15-Oct-20	2	3.568	3.568	3.568
MGS 5/2017 3.441% 15.02.2021	3.441%	15-Feb-21	7	3.593	3.61	3.593
MGS 1/2011 4.16% 15.07.2021	4.160%	15-Jul-21	23	3.61	3.616	3.599
MGS 3/2014 4.048% 30.09.2021	4.048%	30-Sep-21	14	3.645	3.697	3.636
MGS 4/2016 3.620% 30.11.2021	3.620%	30-Nov-21	104	3.625	3.635	3.625
MGS 1/2017 3.882% 10.03.2022	3.882%	10-Mar-22	8	3.694	3.697	3.691
MGS 1/2012 3.418% 15.08.2022	3.418%	15-Aug-22	21	3.764	3.816	3.764
MGS 2/2015 3.795% 30.09.2022	3.795%	30-Sep-22	38	3.789	3.822	3.768
MGS 3/2013 3.480% 15.03.2023	3.480%	15-Mar-23	3	3.868	3.885	3.868
MGS 1/2016 3.800% 17.08.2023	3.800%	17-Aug-23	59	3.901	3.923	3.863
MGS 1/2014 4.181% 15.07.2024	4.181%	15-Jul-24	45	4.031	4.073	4.031
MGS 2/2017 4.059% 30.09.2024	4.059%	30-Sep-24	11	4.059	4.059	4.059
MGS 1/2018 3.882% 14.03.2025	3.882%	14-Mar-25	8	4.05	4.05	4.05
MGS 1/2015 3.955% 15.09.2025	3.955%	15-Sep-25	25	4.158	4.193	4.149
MGS 3/2011 4.392% 15.04.2026	4.392%	15-Apr-26	1	4.202	4.202	4.202
MGS 3/2016 3.900% 30.11.2026	3.900%	30-Nov-26	4	4.241	4.256	4.241
MGS 4/2017 3.899% 16.11.2027	3.899%	16-Nov-27	6	4.277	4.277	4.25
MGS 5/2013 3.733% 15.06.2028	3.733%	15-Jun-28	33	4.154	4.186	4.154
MGS 3/2010 4.498% 15.04.2030	4.498%	15-Apr-30	10	4.531	4.531	4.503
MGS 4/2011 4.232% 30.06.2031	4.232%	30-Jun-31	5	4.565	4.565	4.549
MGS 4/2013 3.844% 15.04.2033	3.844%	15-Apr-33	3	4.603	4.603	4.603
MGS 3/2018 4.642% 07.11.2033	4.642%	07-Nov-33	30	4.563	4.563	4.549
MGS 4/2015 4.254% 31.05.2035	4.254%	31-May-35	5	4.761	4.761	4.733
MGS 2/2016 4.736% 15.03.2046	4.736%	15-Mar-46	3	4.903	4.909	4.903
GII MURABAHAH 7/2013 30.04.2019	3.558%	30-Apr-19	233	3.407	3.423	3.407
GII MURABAHAH 2/2016 3.743% 26.08.2021	3.743%	26-Aug-21	150	3.706	3.706	3.696
GII MURABAHAH 3/2017 3.948% 14.04.2022	3.948%	14-Apr-22	120	3.797	3.797	3.782
GII MURABAHAH 1/2015 4.194% 15.07.2022	4.194%	15-Jul-22	20	3.825	3.825	3.825
GII MURABAHAH 3/2018 4.094% 30.11.2023	4.094%	30-Nov-23	60	3.954	3.964	3.954
GII MURABAHAH 8/2013 22.05.2024	4.444%	22-May-24	1	4.006	4.006	4.006
Total			**1,117**			

Sources: BPAM

MYR Bonds Trades Details

PDS	Rating	Coupon	Maturity Date	Volume (RM 'm)	Last Done	Day High	Day Low
PASB IMTN (GG) 4.23% 16.06.2023 - Issue No. 25	GG	4.230%	16-Jun-23	20	4.061	4.061	4.061
PASB IMTN (GG) 4.63% 05.02.2026 - Issue No. 23	GG	4.630%	05-Feb-26	20	4.251	4.251	4.251
SEB IMTN 4.500% 04.07.2019	AA1	4.500%	04-Jul-19	10	4.109	4.116	4.109
PUBLIC SUB-NOTES 4.80% 25.9.2023	AA1	4.800%	25-Sep-23	1	4.919	4.919	4.919
KLK IMTN 4.650% 24.04.2026 - IMTN 2	AA1	4.650%	24-Apr-26	80	4.53	4.546	4.53
CTX IMTN 5.270% 28.10.2026 - Series 8	AA+ IS	5.270%	28-Oct-26	5	4.801	4.801	4.801
TMSB Senior Sukuk Murabahah 23.10.2029 (Tranche 8)	AA1	5.250%	23-Oct-29	6	4.78	4.781	4.78
SEB IMTN 5.320% 03.12.2032	AA1	5.320%	03-Dec-32	40	4.899	4.901	4.899
BGSM MGMT IMTN 6.600% 27.12.2019 - Issue No 5	AA3	6.600%	27-Dec-19	25	4.343	4.343	4.343
BGSM MGMT IMTN 4.670% 27.08.2021 - Issue No 12	AA3	4.670%	27-Aug-21	50	4.483	4.483	4.477
RHBBANK MTN 3653D 08.7.2024	AA3	4.990%	08-Jul-24	4	4.426	4.432	4.426
BGSM MGMT IMTN 4.920% 29.08.2025 - Issue No 13	AA3	4.920%	29-Aug-25	60	4.671	4.674	4.671
TANJUNG O&M IMTN 5.270% 01.07.2026	AA- IS	5.270%	01-Jul-26	5	4.8	4.801	4.8
CIMB 5.800% Perpetual Capital Securities - T1	A1	5.800%	25-May-16	1	5.272	5.272	5.272
ALLIANCEB MTN 3653D 27.10.2025	A2	5.750%	27-Oct-25	2	4.996	5.317	4.996
POI 7.600% 27.06.2022 (Tranche 1)	A3	7.600%	27-Jun-22	1	6.522	6.528	6.522
MAH SING 6.800% UNRATED PERPETUAL SUKUK MUSHARAKAH	NR(LT)	6.800%	29-Mar-15	1	6.349	6.349	6.349
Total				**329**			

Sources: BPAM

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