

Global Markets Daily

Stronger CNY Fix a Steady Anchor for AXJs

USD Mixed

USD was mixed overnight with mild gains seen vs. AUD, NZD but losses seen vs. GBP and most AXJs including CNH, SGD, TWD, etc. Focus for USD/AXJ remains fixated on daily USDCNY fix and headlines over latest development on US-China trade situation. China is apparently looking to ask for more - such as removal of planned US tariff hike on Chinese goods on 15th Dec and more talks before signing phase-1 deal. A slightly stronger CNY fix today as compared to previous sessions is an indication of China's sincerity in doing a deal. A stronger CNY will provide a steady anchor for AXJs.

Limited Downside for USDSGD; Short SGDTWD

SGD NEER has always clocked in at a level in the lower half of the policy band, one month post the easing announcement. We expect this time to be different. SGD NEER is currently around +1.5% above the estimated mid-point of the policy band, and there is a lack of triggers to cause SGD to weaken by such a large extent in the near term. A more likely outcome is for SGD NEER to see a more gentle decline (perhaps to below +1.0% relative to implied policy mid) in the next few weeks. We expect USDSGD to take cue from USDCNH in the interim, but further downsides for the pair could be limited, given the elevated nature of the SGD NEER. Support at 1.3650 could prove hard to break in the near term. We reiterate our short SGDTWD on monetary policy and growth divergence play.

US Empire Mfg; UK Employment Today; BoK to Cut Tomorrow

Data of interests today include US empire manufacturing; EU ZEW survey; UK labor report and BoK MPC tomorrow - we are looking for 25bps cut.

FX: Overnight Closing Prices					
Majors	Prev Close	% Chg	Asian FX	Prev Close	% Chg
EUR/USD	1.1042	↑ 0.34	USD/SGD	1.3733	↓ -0.17
GBP/USD	1.2668	↑ 1.81	EUR/SGD	1.5167	↑ 0.19
AUD/USD	0.6794	↑ 0.49	JPY/SGD	1.2662	↓ -0.61
NZD/USD	0.6337	↑ 0.27	GBP/SGD	1.738	↑ 1.55
USD/JPY	108.29	↑ 0.29	AUD/SGD	0.9327	↑ 0.28
EUR/JPY	119.71	↑ 0.74	NZD/SGD	0.8705	↑ 0.15
USD/CHF	0.9974	↑ 0.04	CHF/SGD	1.3772	↓ -0.18
USD/CAD	1.3203	↓ -0.66	CAD/SGD	1.0398	↑ 0.50
USD/MYR	4.1865	↓ -0.07	SGD/MYR	3.0468	↑ 0.13
USD/THB	30.4	↓ -0.13	SGD/IDR	10282.45	↑ 0.14
USD/IDR	14138	↓ -0.08	SGD/PHP	37.5452	↑ 0.09
USD/PHP	51.595	↓ -0.20	SGD/CNY	5.1693	↓ -0.06

Implied USD/SGD Estimates at 15-Oct-19, 9.00am

Upper Band Limit	Mid-Point	Lower Band Limit
1.3634	1.3912	1.4190

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G7: Events & Market Closure

Date	Ctry	Event
14 Oct	US	Market Closure
	CA	
	JP	

AXJ: Events & Market Closure

Date	Ctry	Event
14 Oct	TH	Market Closure
16 Oct	KR	BoK Meeting

G7 Currencies

- **DXY Index - *Still Bias to Sell Rallies.*** USD was mixed overnight with mild gains seen vs. AUD, NZD but losses seen vs. GBP and most AXJs including CNH, SGD, TWD, etc. Focus for USD/AXJ remains fixated on daily USDCNY fix and headlines over latest development on US-China trade situation. To some extent, there is still a mix of optimism and pessimism on phase-1 partial deal. Despite positive vibes, the actual signing of the agreement is still 4 - 5 weeks away and past experience suggests there is still room for disappointment. China is apparently looking to ask for more - such as removal of planned US tariff hike on Chinese goods on 15th Dec and more talks before signing phase-1 deal. A slightly stronger CNY fix today as compared to previous sessions is an indication of China's sincerity in doing a deal. A stronger CNY will provide a steady anchor for AXJs. For USD in general, we hold to our bias looking for further downside. Continued USD appreciation and slowing global growth will result in tighter financial conditions, resulting in the need for Fed to turn more dovish. This could take the USD lower, especially when USD long positions are stretched at 30-month high. DXY was last seen at 98.43 levels. Daily momentum is mild bearish while stochastics is falling. Immediate support at 98.40 (50 DMA), 97.80 (100 DMA) before 97.30 (200 DMA). Resistance at 98.70 (21 DMA), 99.60 (2019 high) levels. Data/Events of focus this week include Empire Mfg (Oct); Fed's Bostic, Bullard, Daly speak on Tue; Retail sales (Sep); NAHB Housing Market Index (Oct); Fed's Evans speak; Fed's Beige Book on Wed; Building Permits, Housing Starts, IP (Sep); Philly Fed (Oct); Fed's Evans speaks on Thu; Fed's Williams speaks on Fri.
- **EURUSD - *Buy Dips Preferred.*** EUR was steady; last seen at 1.1030 levels. Bullish momentum on daily chart remains intact while stochastics is rising. Key resistance at 1.1045 (50 DMA). Upside break could see further gains towards 1.1080, 1.1140 (100 DMA). Support at 1.0980 (21 DMA), 1.0950 levels. Focus this week on ZEW Survey expectations (Oct) on Tue; CPI (Sep); Trade (Aug); ECB's Knot, Lane, Weidmann, Villeroy speak on Wed; Construction output (Aug); ECB's Villeroy, Visco, Knot, De Cos speak on Thu; Current account (Aug) on Fri.
- **GBPUSD - *2-Way Trades Continue; Labor Market Report.*** GBP rebounded on Telegraph reports that "last minute compromises are made" (on brexit deal over potential solution to Northern Irish border) and that BoJo appears to be winning more backing from MPs for brexit deal (closing the divide and increasing odds for acceptance of proposed brexit deal). It was understood BoJo is cancelling planned cabinet meeting today to avoid leakage that could derail ongoing EU-UK brexit negotiations. Positive development is constructive for GBP gains. Nonetheless fluid developments will continue to drive 2-way trades for GBP. Our bias remains for GBP to trend higher on the back of our base case assumption that calls for a smooth, orderly exit (i.e. either UK to leave EU with a modified deal by 31st Oct or another brexit extension). GBP was last seen at 1.2610 levels. Momentum and

stochastics indicators on weekly, daily chart are bullish bias. Bullish divergence on weekly MACD is underway. Immediate resistance at 1.2710 (200 DMA). Break above this could accelerate more gains towards 1.2880 (38.2% fibo retracement of 2018 high to 2019 low), 1.3170 (50% fibo) and 1.3450 (61.8% fibo). Support at 1.2530 (23.6% fibo), 1.2410 (100 DMA). Focus this week on BoE's Carney, Vlieghe speak; Labor report (Aug) on Tue; CPI, PPI. RPI; BoE's Carney speaks on Wed; Retail sales (Sep) on Thu.

- **USDJPY - Key Resistance at 108.45.** The pair moved up by -50pips last Friday evening when news of the partial trade deal between US and China broke. Intraday high on Friday was at 108.60. Pair has pared some gains since, as cautiousness crept in among market participants. Pair last seen at 108.25. We note that it will take another 4-5 weeks for the actual "partial deal" agreement to be inked, and pair could remain volatile in the interim. Brexit developments also remain fluid, with European negotiators warning that BoJo's current plan wasn't good enough. Further gains for the pair could be an upward grind. Momentum on daily chart is mildly bullish and stochastics are inching towards near-overbought territory. Resistance at 108.45 (Sep high), 109. Support at 107.50 (23.6% Fibonacci retracement from Aug low to Sep high), 106.90 (38.2% fibo), then 106.50 (50% fibo).
- **NZDUSD - 3Q CPI in Focus Tomorrow.** NZD consolidated in relatively tight range of 0.6280 - 0.6340 yesterday amid optimism-scepticism on US-China partial deal. Pair was last seen at 0.6312 levels. Daily momentum turned mild bullish while stochastics is rising. Immediate resistance at 0.6360 (50 DMA) needs to be decisively broken for gains to extend towards 0.6430 (38.2% fibo retracement of Jul high to Oct low). Support at 0.63 (21 DMA), 0.6250 levels. We look for 0.63 - 0.6350 range intra-day ahead of CPI (3Q) release tomorrow. A pick-up in 3Q CPI above expectations of +0.6% q/q could point to Kiwi upside.
- **AUDUSD - Capped.** AUDUSD remained a touch heavy in overnight trade, weighed by poor trade data out of China as well as some uncertainty surrounding the US-China mini-deal. Last seen around 0.6770, this pair was further weighed by the Minutes of the RBA meeting released this morning. There were some emphasis that the case for taking interest rate below 1% to current level of 0.75% outweighs the risks posed by its dwindling policy ammunition even as some members expressed concerns about a lack of stimulus to address future shocks and potential for cuts to be less effective than in the past. Does that mean more rate cuts in the future? As long as growth does not pick up and wage growth remains subdued, that remains a risk and drag on the AUDUSD. Price was last seen around 0.6777. Although MACD shows increasing bullish bias for this pair, price action is capped by the 0.6810-resistance before 0.6840. Support at 0.6760/25. Week ahead has labour report for Sep on Thu - a key data that could swing the AUD, China's activity numbers on Fri.
- **USDCAD - Range-Trades Likely.** USDCAD rose on the back of firmer USD and lower oil prices and was last seen around 1.3230, not very much different from where it was this time yesterday.

Range-bound action seems likely to continue within 1.3150 and 1.3340. Week ahead has existing home sales for Sep today, Sep CPI on Wed, Aug manufacturing sales for Thu and ADP payroll on Thu.

Asia ex Japan Currencies

- **SGD trades around 1.5% above the implied mid-point of 1.3912 with the top estimated at 1.3634 and the floor at 1.4190.**
- **USDSGD - *Downsides Likely Limited.*** The pair has largely hovered just below the 1.37-level after MAS' slight policy easing yesterday. In past easing cycles, SGD NEER has always clocked in at a level in the lower half of the policy band, one month post the easing announcement. We expect this time to be different. SGD NEER is currently around +1.5% above the estimated mid-point of the policy band, and there is a lack of triggers to cause SGD to weaken by such a large extent in the near term. A more likely outcome is for SGD NEER to see a more gentle decline (perhaps to below +1.0% relative to implied policy mid) in the next few weeks. We expect USDSGD to take cue from USDCNH in the interim, but further downsides for the pair could be limited, given the elevated nature of the SGD NEER. Momentum on the USDSGD daily chart is mildly bearish, while stochastics are inching down towards near-oversold conditions. Support at 1.3650 (200 DMA), 1.36 (76.4% Fibonacci retracement from Jul low to Sep high). Resistance at 1.3780/1.3820 (21, 50 DMA), 1.3840 (23.6% fibo). Trade due Thurs.
- **AUDSGD - *Still Capped.*** In the midst of the positive risk sentiment, AUDSGD remained soft and was last seen around 0.9270. Support is seen at 0.9250. Resistance at 0.9333, 0.9385 before 0.9430. On the weekly chart, the downtrend is very much intact. Watch if the 0.9250-support go, the next support at 0.9060 comes into view.
- **SGDMYR - *Bullish Crossovers Underway.*** SGDMYR remains on the upmove consistent with our caution for bullish crossovers. Cross was last seen at 3.0590 levels. Daily momentum is mild bullish while stochastics is rising. 50 DMA cuts 200 DMA to the upside while 21 DMA cut 100 DMA to the upside. Near term upside risks in the interim. Resistance at 3.0680 levels. Support at 3.0520, 3.0430.
- **USDMYR - *Near Term Upside Pressure Eases.*** USDMYR remains relatively steady despite lower USD/AXJs. Last seen at 4.1870 levels. Daily momentum is showing tentative signs of turning bearish while stochastics is falling. Upside pressure has faded for now. Key support at 4.16 (neckline of the head & shoulders pattern) before 4.14, 4.10 levels (objective of bearish reversal). Resistance at 4.20, 4.22 levels.
- **1m USDKRW NDF - *Eyeing BoK.*** We expect the central bank to cut policy rate by 25bps at the upcoming MPC on 16th Oct. Though Korea may have averted a technical recession in 2Q, ongoing trade disputes and rising concerns of slowing global growth have resulted in shifts in supply chain network and had dented demand. With Sep inflation slowing to -0.4% y/y, S. Korea may be at risk of entering into a few months of deflation. If this is not quickly addressed and becomes longer than expected, investments, asset values and incomes could be affected and this can lead to lower consumption and further weigh on its currency. 1m USDKRW NDF slipped, tracking moves lower in other USDAXJs including USDCNH. Pair was

last seen at 1182 levels. Bearish momentum and stochastics remain intact. Support at 1177 (61.8% fibo retracement of Jul low to Aug high) before 1166 (76.4% fibo). Resistance at 1185, 1195 levels. While external development may be supportive of risk-on play, domestic growth concerns, deflation risks, ongoing Japan-Korea trade spat and potential BoK rate cut (16th Oct) could limit gains in KRW. Intra-day we look for pair to trade 1177 - 1185 range

- **USDCNH - Neckline Threatened.** Premier Li Keqiang said in a meeting with local government leaders that China's economy is facing rising downward pressure and the proper use of countercyclical tools is needed to support growth. This was cited by state TV CCTV and sets an ominous tone ahead of the Sep activity numbers due this Fri along with 3Q GDP. The comments were released ahead of the PBoC's targeted 50bps RRR cut that takes effect today and the central bank stated that CNY 40bn of long-term funds will be provided. China also released its inflation numbers. CPI rose to 3.0%/y from +2.8%, a high not seen since 2013. The headline was underpinned by China's pork prices which surged almost 70% in Sep. PPI, on the other hand, printed in line with the consensus at -1.2%/y, another negative indicator for industrial profit. These numbers are likely to depress expectations of the Sep activity numbers along with the 3Q GDP. That said, we note that the improvements in the PMI-mfg prints released earlier this month hint that the infrastructure boosts and other fiscal stimulus including tax cuts and fee reductions could start to see effect. The OECD composite leading indicator also project a stable growth momentum in China with a turning point already emerged the latest report published 8 Oct. So we do think that there is a potential for an upside surprise in the activity prints and the 3Q GDP number that can take the USDCNH and USDCNY lower, along with the rest of USDAsians including USDSGD. **PBoC fixed USDCNY reference rate at 7.0708 (our estimate was spot on), 17 pips lower than the previous 7.0725.** PboC is allowing the USDCNY fix to respond to market forces but the central bank prefers a more gradual pace of decline in the USDCNY. The stronger CNY fix could also be a show of sincerity towards Trump to ink a deal in Nov. We continue to watch the USDCNY fix, the spread between the USDCNY spot and the fix as well as the spread between the USDCNY fix and our estimate of the fix for a sense of policy guidance from PBoC and also clues of trade talk development. Right now, the sentiment channel has provided strength for the RMB but there is still some uncertainty given the fact that the agreement is only to be inked 4-5 weeks later. Given the swings markets have seen last week, there could still be some caution leading into the main APEC event in Chile on 17th Nov where both Trump and Xi Jinping would attend and where the deal is expect to sealed. Should the head and shoulders play out for USDCNH with the neckline threatened around 7.06, this could usher in the next leg of RMB gains. This leg of the RMB rally could bring the USDCNH to test the 7.0. We take partial profit on our short USDCNH here at 7.11 (25 Sep) at 7.0760. We still maintain the view that the break of the 7.07 would open the way towards 7.0 and then at 6.95, 6.90. Stoploss at 7.19. Risk reward

ratio of 1:2.63. In the near-term, resistance at 7.1150 (21-dma). We also hold our short SGD against the CNH as the rising wedge seems to have been violated. This cross is still supported by the 21-dma at 5.16. Break there would bring this cross towards 5.1450 before 5.1430. First target at 5.0970 before the next target at 5.0788. Spot reference at 5.1620 (25 Sep). Stoploss at 5.20 with a risk-reward ratio of 1:2.19. Week ahead has aggregate financing, money supply numbers and new yuan loans for Sep by 15th Oct. Activity data that includes 3Q GDP on Fri.

- **1M USDINR NDF - *Sideways***. This pair is seen around 71.50, likely to be settling into side way trades within 71.00-71.60 range. WPI turn out to be much softer than expected at 0.33%/y vs. previous 1.08%. On the other hand, CPI has risen to 3.99%/y from previous 3.21%, underpinned by a sharp rise in food inflation. That cuts dangerously close to the inflation target of 4% with a band +/-2%. Even so, headline CPI is expected to soften in the next six months on monsoon surplus that bodes well for harvest and lower crude prices that should temper fuel prices. That could also mean that RBI may still ease further in its next policy meet. The move up in the 1M USDINR NDF coincided with the turn higher in USDCNY. However, there are domestic concerns at home that undermined INR vs. the rest of regional peers. FinMin Sitharaman said that Big Indian companies owe micro, small and medium enterprises INR400bn and she urged faster payments to these businesses. Trade data for Sep today.
- **1M USDPHP NDF - *Consolidation***. NDF traded fairly ranged yesterday. It slipped past 51.50 at one point, but rebounded quickly after, probably on news that China wanted more talks before concretizing details of the partial trade deal. Last seen at 51.60, not too different from yesterday morning. Even as sentiments are swinging at the margin on trade talk developments, PHP will likely continue to see some support, on good news at home. Prior tax reforms seem to be working, with collections above target for the first half of 2019. The agricultural commodities deficit narrowed in 2Q (by -16.95%/y), on higher exports and lower imports. Moody's recent review of PH credit profile indicates that it largely remains in a position of strength, with moderate public debt levels and improving debt servicing ability due to tax reforms. Momentum on daily chart is modestly bearish, while stochastics are in oversold conditions. NDF currently hovering at 51.60 (61.8% Fibonacci retracement from Jul low to Aug high). Next support at 51.30 (76.4% fibo). Other resistances at 52.10 (38.2% fibo, 50/200 DMA), 52.90 (Aug high). Overseas remittances due today. BoP due Friday.
- **1m USDIDR NDF - *Range***. NDF continued to see ranged trading just below the 14200 level. Last seen at 14180. We note that IDR did not benefit as much from trade talk news as its AxJ peers. News at home indicate that some political uncertainty is unfolding, as parliament discusses amendments to the constitution that could see reduced influence for President Jokowi and potentially return power to traditional Indonesian elites. The World Bank just cut Indonesia's 2019 growth forecast from 5.2% previously to 5.0% now, citing weakening global demand and heightened global trade policy uncertainty. Such

negative news contend with positive news of continued progress in key infrastructure projects, including in West Kalimantan's international port, which is expected to begin operations in 2020. We see fair chance of ranged trading around the 14200 level in the interim. Momentum on daily chart is largely neutral while stochastics are inching down towards near-oversold conditions. Support at 14100 (23.6% Fibonacci retracement from Aug high to Sep low), 14000. Resistance at 14200-level (38.2% fibo), then 14300, 14430 (76.4% fibo). Trade data due today.

- **USDTHB - Range.** With markets closed yesterday, pair opened slightly lower earlier today, and is last seen at 30.385. Ranged behavior has largely dominated after the step-up last Thurs (on news that BoT will soon relax rules relating to capital outflow and gold trading, in a bid to curb THB strength). Compared to mid-last week, just before news of the partial US-China trade deal broke, most AxJ currencies have strengthened against the USD, but the magnitude of strengthening of the THB was one of the lowest among Asian FX. One reason could be the easing off in gold price, to below US\$1500, which could have led to some downward pressure on the THB. On net, we still look for THB to stay supported, given firm macro fundamentals (current account balance >5% of GDP, growth between 2-3%). Momentum on daily chart is mildly bearish, while stochastics remain in oversold conditions. 30.40 (longer-term 23.6% fibo retracement from 2009 high to 2013 low) has turned from support to resistance for now. Resistance at 30.51 (21 DMA), 30.62 (50 DMA), then 31.00 (38.2% Fibonacci retracement from May high to Sep low). Next support at 30.00.

Malaysia Fixed Income

Rates Indicators

Analysts

MGS	Previous Bus. Day	Yesterday's Close	Change (bps)
3YR MI 3/22	3.10	3.10	Unchanged
5YR MI 6/24	3.20	3.22	+2
7YR MK 7/26	3.36	3.37	+1
10YR MO 8/29	3.41	3.42	+1
15YR MS 7/34	3.59	*3.61/58	Not traded
20YR MX 6/38	3.65	3.72	+7
30YR MZ 7/48	3.97	3.97	Unchanged
IRS			
6-months	3.33	3.33	-
9-months	3.28	3.28	-
1-year	3.22	3.24	+2
3-year	3.21	3.24	+3
5-year	3.27	3.29	+2
7-year	3.30	3.33	+3
10-year	3.38	3.41	+3

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Source: Maybank KE

*Indicative levels

- Government bonds market remained in a defensive tone with selling seen into strength. Secondary levels of 20y MGS and GII re-priced upwards after the 20y GII 9/39 reopening, though it garnered a strong bid/cover of 3.32x. Trading accounts remained defensive and preferred the short end of the curve while awaiting new catalysts.
- MYR IRS rates gapped 2-3bps higher at the open following the surge in UST yields last Friday. 3y and 5y IRS rates dealt a tad higher at 3.23% and 3.29% respectively. 3M KLIBOR was unchanged at 3.38%.
- PDS market was muted and flows appeared skewed towards better selling interest. GGs were unchanged and only saw short and belly tenor bonds dealt. There was better selling at the long end and belly of the curve. AAA space also saw little activity given lack of quotes. In AA space, SEB 2025 and 2027 and DRB HICOM 2022 dealt unchanged. Demand seem slightly skewed towards high beta AA credits, possibly due to the tight spreads for low beta credits.

Singapore Fixed Income

Rates Indicators

SGS	Previous Bus. Day	Yesterday's Close	Change (bps)
2YR	1.57	1.58	+1
5YR	1.59	1.60	+1
10YR	1.68	1.70	+2
15YR	1.77	1.78	+1
20YR	1.88	1.89	+1
30YR	1.99	2.01	+2

Source: MAS

- MAS eased the slope of the S\$NEER policy band as expected with the width and center of the band unchanged. 3Q19 GDP flash data grew at 0.1% YoY/0.6% QoQ, escaping a technical recession. SGD rates opened higher by as much as +3bps, but gradually lost ground over the day with the SDGD IRS curve largely unchanged from last Friday's levels. SGS underperformed as yields rose 1-2bps higher.
- Asian USD credit market was tepid with Japan market closed for holiday. Tighter CDS, albeit marginally, led IGs to rally by 4-8bps in Chinese credits amid thin liquidity. Chinese banks also tightened 3-4bps. India, Korea and Japan credits were rather muted trading 1-2bps tighter. There was better real money interest in Malaysian USD corporate credit, such as TNBMK 2026 and 2028, probably driven by the higher UST yields and low supply of Malaysian USD bonds.

Indonesia Fixed Income

Rates Indicators

IDR Gov't Bonds	Previous Bus. Day	Yesterday's Close	Change (bp)
1YR	5.93	5.95	0.02
3YR	6.50	6.50	(0.00)
5YR	6.68	6.65	(0.03)
10YR	7.25	7.23	(0.02)
15YR	7.68	7.63	(0.05)
20YR	7.88	7.85	(0.03)
30YR	8.03	8.00	(0.03)

* Source: Bloomberg, Maybank Indonesia

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- Indonesian bond market sustained its appreciation trends until yesterday. Positive sentiments lingered here. Investors welcomed to recent positive development on the trade deal between U.S. and China. Regarding the negotiations on the last Thursday and Friday, both U.S. and China reached an agreement on the first phase of a trade deal. Nevertheless, it's no brief detail regarding this new trade truce between U.S. and China. The agreement reportedly will delay the implementation of tariffs that were scheduled to begin this week and covers several different subjects that have been heavily contested, including intellectual property, access to the Chinese financial markets, and purchases of agricultural products. U.S. President Donald Trump expected a potential win in China buying US\$40 billion to US\$50 billion in agricultural products from struggling U.S. farmers.
- Furthermore, it's also bolstered by the announcement from the Federal Reserve that starting on Tuesday, it would begin purchasing Treasury bills in the open market at a pace of US\$60 billion per month. The purchases are expected to provide enough extra reserves and liquidity into the banking system to alleviate the strains experienced in the repurchase market over the past few weeks.
- Meanwhile, from domestic side, sentiment was relative silent yesterday. Investors seemed waiting for the announcement of today's trade data result and Sukuk auction by the government. From today's Sukuk auction, the government targets Rp7 trillion of funds absorption. The government offers five series of Sukuks from today's auction. Sukuks that will be offered for today's auction are SPN-S 02042020 (reopening), PBS002 (reopening), PBS026 (new issuance), PBS022 (reopening), and PBS015 (reopening). We expect the government can easily reach its target for today's auction given that strong local market players' enthusiasm for seeking asset investment with attractive yields during recent manageable condition in the domestic economic side. Furthermore, we expect Indonesia to book US\$115 million of trade surplus in Sep-19. The trade balance is expected to keep positive for Indonesia during Sep-19, due to recent condition of larger drop on imports, compared exports. Total domestic demands for imported goods are expected to significantly drop, following recent slower pace of economic growth. On the flip side, Indonesian exports are expected to pose weak performance during recent weakening global demand due to economic slowdown in the trade war era.

Foreign Exchange: Daily Levels

	EUR/USD	USD/JPY	AUD/USD	GBP/USD	USD/CNH	NZD/USD	EUR/JPY	AUD/JPY
R2	1.1097	109.04	0.6844	1.2893	7.1299	0.6374	120.7500	74.5540
R1	1.1070	108.66	0.6819	1.2780	7.1055	0.6355	120.2300	74.0560
Current	1.1028	108.36	0.6790	1.2606	7.0838	0.6322	119.5000	73.5770
S1	1.1008	107.88	0.6761	1.2482	7.0636	0.6317	118.9600	72.9620
S2	1.0973	107.48	0.6728	1.2297	7.0461	0.6298	118.2100	72.3660

	USD/SGD	USD/MYR	USD/IDR	USD/PHP	USD/THB	EUR/SGD	CNY/MYR	SGD/MYR
R2	1.3790	4.1918	14163	51.7157	30.5227	1.5241	0.5933	3.0509
R1	1.3761	4.1892	14150	51.6553	30.4613	1.5204	0.5919	3.0489
Current	1.3708	4.1795	14140	51.5990	30.4300	1.5118	0.5909	3.0492
S1	1.3703	4.1837	14126	51.5083	30.3483	1.5125	0.5882	3.0437
S2	1.3674	4.1808	14115	51.4217	30.2967	1.5083	0.5859	3.0405

*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	1.8748	Oct-19	Easing Bias
BNM O/N Policy Rate	3.00	5/11/2019	Easing Bias
BI 7-Day Reverse Repo Rate	5.25	24/10/2019	Easing
BOT 1-Day Repo	1.50	6/11/2019	Neutral
BSP O/N Reverse Repo	4.00	14/11/2019	Easing
CBC Discount Rate	1.38	19/12/2019	Neutral
HKMA Base Rate	2.25	-	Neutral
PBOC 1Y Lending Rate	4.35	-	Easing
RBI Repo Rate	5.15	5/12/2019	Easing
BOK Base Rate	1.50	16/10/2019	Easing
Fed Funds Target Rate	2.00	31/10/2019	Easing
ECB Deposit Facility Rate	-0.50	24/10/2019	Easing Bias
BOE Official Bank Rate	0.75	7/11/2019	Neutral
RBA Cash Rate Target	0.75	5/11/2019	Easing Bias
RBNZ Official Cash Rate	1.00	13/11/2019	Easing Bias
BOJ Rate	-0.10	31/10/2019	Easing
BoC O/N Rate	1.75	30/10/2019	Neutral

Equity Indices and Key Commodities

	Value	% Change
Dow	26,787.36	-0.11
Nasdaq	8,048.65	-0.10
Nikkei 225	21,798.87	1.15
FTSE	7,213.45	-0.26
Australia ASX 200	6,642.59	0.54
Singapore Straits Times	3,124.45	0.34
Kuala Lumpur Composite	1,567.59	0.69
Jakarta Composite	6,126.88	0.35
Philippines Composite	7,884.29	0.44
Taiwan TAIEX	11,066.95	1.63
Korea KOSPI	2,067.40	1.11
Shanghai Comp Index	3,007.88	1.15
Hong Kong Hang Seng	26,521.85	0.81
India Sensex	38,214.47	0.23
Nymex Crude Oil WTI	53.59	-2.03
Comex Gold	1,497.60	0.60
Reuters CRB Index	173.58	#DIV/0!
MBB KL	8.53	1.07

MYR Bonds Trades Details

MGS & GII	Coupon	Maturity Date	Volume (RM 'm)	Last Done	Day High	Day Low
MGS 4/2014 3.654% 31.10.2019	3.654%	31-Oct-19	50	3.062	3.062	3.062
MGS 2/2009 4.378% 29.11.2019	4.378%	29-Nov-19	507	3.076	3.076	2.994
MGS 3/2015 3.659% 15.10.2020	3.659%	15-Oct-20	19	3.088	3.106	3.088
MGS 1/2011 4.16% 15.07.2021	4.160%	15-Jul-21	2	3.114	3.114	3.114
MGS 3/2014 4.048% 30.09.2021	4.048%	30-Sep-21	17	3.141	3.141	3.141
MGS 1/2017 3.882% 10.03.2022	3.882%	10-Mar-22	64	3.098	3.124	3.098
MGS 3/2013 3.480% 15.03.2023	3.480%	15-Mar-23	270	3.174	3.199	3.173
MGS 1/2016 3.800% 17.08.2023	3.800%	17-Aug-23	5	3.222	3.222	3.222
MGS 3/2019 3.478% 14.06.2024	3.478%	14-Jun-24	2	3.224	3.224	3.224
MGS 1/2014 4.181% 15.07.2024	4.181%	15-Jul-24	2	3.242	3.242	3.242
MGS 2/2017 4.059% 30.09.2024	4.059%	30-Sep-24	11	3.291	3.291	3.282
MGS 1/2015 3.955% 15.09.2025	3.955%	15-Sep-25	8	3.372	3.372	3.372
MGS 1/2019 3.906% 15.07.2026	3.906%	15-Jul-26	25	3.374	3.374	3.374
MGS 3/2016 3.900% 30.11.2026	3.900%	30-Nov-26	10	3.461	3.461	3.461
MGS 4/2017 3.899% 16.11.2027	3.899%	16-Nov-27	28	3.491	3.491	3.47
MGS 2/2019 3.885% 15.08.2029	3.885%	15-Aug-29	176	3.418	3.432	3.393
MGS 3/2018 4.642% 07.11.2033	4.642%	07-Nov-33	3	3.696	3.696	3.696
MGS 4/2015 4.254% 31.05.2035	4.254%	31-May-35	5	3.739	3.739	3.739
MGS 3/2017 4.762% 07.04.2037	4.762%	07-Apr-37	1	3.684	3.684	3.684
MGS 4/2018 4.893% 08.06.2038	4.893%	08-Jun-38	2	3.718	3.718	3.718
MGS 5/2018 4.921% 06.07.2048	4.921%	06-Jul-48	1	3.965	3.965	3.965
GII MURABAHAAH 3/2017 3.948% 14.04.2022	3.948%	14-Apr-22	20	3.128	3.128	3.128
GII MURABAHAAH 6/2015 4.786% 31.10.2035	4.786%	31-Oct-35	20	3.735	3.735	3.735
GII MURABAHAAH 2/2019 4.467% 15.09.2039	4.467%	15-Sep-39	100	3.831	3.834	3.824

Total	1,347
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Sources: BPAM

MYR Bonds Trades Details

PDS	Rating	Coupon	Maturity Date	Volume (RM 'm)	Last Done	Day High	Day Low
PTPTN IMTN 4.670% 28.03.2024	GG	4.670%	28-Mar-24	60	3.339	3.339	3.339
SARAWAKHIDRO IMTN 4.580% 13.10.2028	GG	4.580%	13-Oct-28	25	3.63	3.63	3.63
ZAMARAD ABS-IMTN 25.03.2022 (Class A - Series 2)	AAA	4.700%	25-Mar-22	20	3.868	3.883	3.868
CAGAMAS IMTN 4.230% 03.11.2022	AAA IS	4.230%	03-Nov-22	5	3.503	3.503	3.503
SEB IMTN 4.750% 18.08.2025	AA1	4.750%	18-Aug-25	20	3.597	3.604	3.597
SEB IMTN 4.850% 19.01.2027	AA1	4.850%	19-Jan-27	20	3.673	3.673	3.667
ESSB IMTN 4.400% 09.10.2026	AA2	4.400%	09-Oct-26	1	4.398	4.4	4.398
UEMED IMTN 4.850% 26.04.2022	AA- IS	4.850%	26-Apr-22	2	3.816	3.82	3.816
SPG IMTN 5.130% 31.10.2029	AA- IS	5.130%	31-Oct-29	10	3.968	3.971	3.968
DRB-HICOM IMTN 6.100% 14.02.2022	A+ IS	6.100%	14-Feb-22	80	4.38	4.442	4.38
ECO CAPITAL MTN 6.10% 13.8.2024	NR(LT)	6.100%	13-Aug-24	2	6.098	6.098	6.098
Total				246			

Sources: BPAM

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