

# Global Markets Daily

## AXJs Mixed

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USD remained on the backfoot following Trump's tweet accusing China and Russia of currency manipulation. US equities were not affected by the tweet, climbing higher on improving risk sentiments, while Asian equities were mixed this morning following China data releases. Not surprisingly, the AXJs were also mixed with the CNY, CNH, and MYR weaker while the KRW, SGD and THB stronger. Higher oil prices should keep commodity currencies like the CAD supported intraday.

### Trump Tweet Sends USD Lower

USD slipped lower after Trump tweeted accusations of China and Russia manipulating their currencies as the US increased interest rate. This was despite the US Treasury's semi-annual FX report released on Fri makes no such claims against both China and Russia. The tweet was perceived by the market as an attempt to see a weaker USD vis-à-vis its trading partners. The tweet not only ratchets up the risks of a trade war but a currency war as well.

### China Data, US IP, UK Labor Report, SG NODX In Focus

Key data/events we are watching today include US IP; RBA minutes; EU Zew Survey Expectations; UK labor report; CN GDP, retail sales, IP, Urban FAI; and SG NODX. Japan-US summit starts today and ends tomorrow.

#### FX: Overnight Closing Prices

Majors	Prev Close	% Chg	Asian FX	Prev Close	% Chg
EUR/USD	1.238	↑ 0.40	USD/SGD	1.3102	↓ -0.14
GBP/USD	1.4339	↑ 0.71	EUR/SGD	1.622	↑ 0.25
AUD/USD	0.7781	↑ 0.22	JPY/SGD	1.2232	↑ 0.08
NZD/USD	0.7363	↓ -0.03	GBP/SGD	1.8787	↑ 0.57
USD/JPY	107.12	↓ -0.21	AUD/SGD	1.0195	↑ 0.01
EUR/JPY	132.61	↑ 0.17	NZD/SGD	0.9647	↓ -0.02
USD/CHF	0.96	↓ -0.23	CHF/SGD	1.3649	↑ 0.09
USD/CAD	1.2567	↓ -0.33	CAD/SGD	1.0428	↑ 0.20
USD/MYR	3.8877	↑ 0.20	SGD/MYR	2.9646	↑ 0.22
USD/THB	31.215	↑ 0.11	SGD/IDR	10502.74	↑ 0.15
USD/IDR	13780	↑ 0.18	SGD/PHP	39.7023	↑ 0.15
USD/PHP	52.07	↑ 0.15	SGD/CNY	4.7853	↑ 0.03

#### Implied USD/SGD Estimates @ 17 Apr-18, 9.00AM

Upper Band Limit	Mid-Point	Lower Band Limit
1.2954	1.3216	1.3478

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### AXJ: Events & Market Closure

Date	Ctry	Event
16 Apr	TH	Market Closure
19 Apr	ID	BI Meeting

## G7 Currencies

- **DXY - *More Fed Speaks Today.*** Broad USD decline resumed overnight. Sentiment recovered as markets moved on from geopolitical tensions while US retail sales data came in stronger than expected. Some attributed the decline in the USD to Trump's tweet saying Russia and China are playing the currency devaluation game, which somewhat is not consistent with the US Treasury FX Report. Focus for the week remains on China data (coming soon at 10am SG/KL time) and the string of Fed speaks lined up for the week. Reiteration of hawkish rhetoric would reinforce expectations for faster pace of Fed normalisation and pose upside risk to UST yields and USD. China data (1Q GDP and Mar activity data - retail sales, IP, FAI) today should provide some insights on how the world's second largest economy performed and possibly serve as a chance for markets to take stock of the global synchronised recovery thus far. Singapore's economy typically viewed as a bellwether of global economic health saw its 1Q GDP (released Fri at +4.3%) powering to the upside, with manufacturing sector showing no signs of slowing. We think risk assets could continue to enjoy another leg up if China's growth report card this Tue manages to score (i.e. momentum intact), restoring confidence that growth remains steady. Renewed focus back on synchronised recovery could benefit AUD, NZD, selected AXJs at the expense of a lower USD. DXY was last seen at 89.40 levels. Daily momentum remains mild bearish while stochastics is falling. Support levels seen at 89.28 (61.8% fibo retracement of Feb low to Mar high) before 88.25 (2018 low). Resistance at 90.50 before 90.96 (61.8% fibo retracement of 2018 high to low), 91.60 (76.4% fibo). Bias remains for downside play. Week ahead brings Housing Starts, Building Permits, Industrial Production (Mar); Fed's Quarles, Harker, Williams, Evans, Bostic speak on Tue; Fed's Dudley, Quarles, Brainard speak; Philly Fed (Apr) on Thu; Fed's Mester, Evans speak on Fri.
- **EURUSD - *Upside Risks.*** EUR traded higher amid broad USD weakness. Last seen at 1.2380 levels. Daily momentum and stochastics indicators show a mild bullish bias. Next resistance at 1.2410 before 1.2450. Support seen at 1.2320 (21, 50 DMAs), 1.2235 (38.2% fibo retracement of Dec low to 2018 high), 1.22. Suggest intra-day range of 1.2330 - 1.2420. Week ahead brings ZEW Survey Expectations (Apr) on Tue; CPI (Mar); Construction Output (Feb) on Wed; Current Account (Feb) on Thu; Consumer Confidence (Apr) on Fri. While we remain constructive of EUR outlook in the medium term, lack of progress on government formation in Italy is another source of volatility that could undermine EUR in the short term. Moreover ECB policy normalisation is expected to be gradual as inflation remains soft for now and ECB sequencing of stimulus removal sees no rate hike before APP ends. Slower than expected pick-up in inflation should continue to reinforce expectations for gradual pace of policy normalisation and see a slower pace of gains for EUR.
- **GBPUSD - *Labour Report on Tap.*** GBP rose as market positioned for the return of real wage growth turning positive, ahead of labour and CPI report today and tomorrow, respectively. Focus is on weekly earnings where consensus is expecting a pick-up to 3% y/y (vs. +2.8%

prior) while headline CPI is expected to stay unchanged at 2.7% y/y. This could see real wage growth turn positive for the first time in nearly 1 year. “Wage-squeeze” conditions for UK consumers could ease. Unemployment rate falling to 43-year low of 4.3% and signs of real wages turning positive underscores the tightness of labor market conditions and this could generate domestic price pressures and builds the case for BoE to normalize policies earlier than expected. And this could add to upside pressure for GBP. OIS-implied probability shows 82.7% chance of 25bps rate hike at the next meeting on 10th May. We see a fairly good chance of one-hike-and-pause at the upcoming meeting. GBP was last seen at 1.4345 levels. Bullish momentum on daily chart remains intact while stochastics is rising into overbought conditions. Yesterday and last Fri’s FX weekly, we shared that a sustained close above 1.4270/80 is needed for further upside to gather momentum towards 1.4345 levels (2018 high). This has now materialised. Next resistance at 1.4440 before 1.45 levels. Support seen at 1.4270/80 before 1.4190 and 1.41 levels. We maintain our bias to buy on dips. We retain our broadly “more optimistic” outlook than street consensus for GBP on the back of our expectation for orderly Brexit (boost to sentiment), continued improvement in labor market (upward pressure for wage growth providing room for BoE to tighten) and potentially greater tolerance (from policymakers) for GBP appreciation (to help curb imported inflation) and rising market expectation for BoE rate increase to come earlier than expected. That said we do not expect a one way trade and still see a great deal of variability on GBP, driven by headlines on Brexit progress (which can be improvement or deterioration). 3-day talks between UK and EU are ongoing and expected to conclude tomorrow. The first two days are on withdrawal issues while the 3rd day will be on Ireland/North Ireland and future relationship. According to various media outlets, the EU has offered the UK an extensive free trade agreement for their future deal but that fell short of the “bespoke” deal the Brits have wished for. Other matters such as the Irish border remains unresolved. We expect talks to be preliminary and inconclusive at this stage. We do not rule out the risks of negative headlines on Brexit that could pose temporary downside pressure on GBP. Next round of meeting will be scheduled on 30 Apr and a similar round will be scheduled once every 2 weeks in the lead-up to next EU summit on 28-29 Jun. Week ahead brings Labor Report (Feb) on Tue; CPI, PPI, RPI (Mar) on Wed; Retail sales (Mar) on Thu. Talks between EU and UK on future trade relationship are scheduled to begin this week.

- **USDJPY - Downside Bias.** USDJPY move higher ended yesterday as cautiousness reign ahead of the Japan-US summit starting today and then in the US session on Trump’s tweet accusing China and Russia of currency manipulation. Market is wary that the summit may not produce any substantial results but instead produce renewed Trump attack on Japan’s trade and currency practices. In addition, weighing on the pair in the background remains the ongoing political scandals surrounding PM Abe, which has so far resulted in a drop in the cabinet’s popularity lower as reflected in recent opinion polls. Failure to bounce back from the scandals is likely to undermine PM Abe and embolden a challenge to his leadership of the ruling LDP in Sep, potentially putting Abenomics in doubt. This scenario should keep pressure on the pair to the downside. Last seen at 107.03-

levels. Momentum indicators on the daily chart remain bullish bias but waning, while stochastics shows tentative signs of turning lower from overbought conditions. Support is at 106.80 levels (38.2% fibo retracement of the Feb-Mar downswing), 106-handle (23.6% fibo). Key resistance remains around 107.50 levels (50% fibo). Week ahead brings capacity utilisation, IP (Feb) on Tue; trade (Mar) on Wed; CPI (Mar), tertiary industry index (Feb) on Fri. Japan-US summit starts today and ends tomorrow.

- **NZDUSD - Tactical Bias to Long AUDNZD.** NZD was little changed; last seen at 0.7360 levels. Bullish momentum on daily chart remains intact but shows tentative signs of waning while stochastics is in overbought conditions. We still see limited room for gains; possibly capped at 0.7390 - 0.7410 area of resistance. Key area of support at 0.7290 - 0.7310. Focus this week on 1Q CPI data on Thu. Consensus is looking for +1.1% y/y (vs. +1.6% in 4Q). Our internal forecast is also looking for a softer number at sub-1%. A sharper moderation than market expectation could reinforce expectations that RBNZ will remain on hold for longer and add to further downward pressure on Kiwi. We prefer to pair Kiwi short vs. AUD long, looking for AUDNZD to trade higher on tactical bias. Falling wedge pattern indicated bullish reversal. We shared yesterday that we are targeting a move higher towards 1.0630 (23.6% fibo retracement of 2018 double top to 2018 low), 1.0710, 1.0780 (50% fibo). SL below 1.05. Current spot ref at 1.0565. Cross was last seen at 1.0570 levels. Daily momentum has turned mild bullish while stochastics is showing signs of rising from oversold conditions. Week remaining brings GDT auction tonight; CPI (1Q) on Thu - slower than expected number could pare back expectations for RBNZ to tighten and that may weigh on Kiwi.
  
- **AUDUSD - Upside Risks.** AUD is still flirting with the upper bound of the falling wedge, poised for a break out to the upside. Last seen around 0.7780. Key resistance levels to watch include the 200-DMA. Risk-on mood lifted the AUD and broad USD weakness exacerbate the moves. Price action shows a falling wedge pattern - typically associated with bullish reversal. Daily momentum and stochastics are bullish bias. Key resistance at 0.7820 (200 DMA) - 0.7830 (38.2% fibo retracement of 2018 high to low). Break above this puts next resistance at 0.7890 (50% fibo), 0.7950 (61.8% fibo). Support seen at 0.7760 (23.6% fibo). We stick to our call for further upside. Downside risk to our view include a re-escalation of tensions (geopolitical and trade war) or worse than expected China GDP/activity data. On the latter, we believe this set of data should provide some insights on how the world's second largest economy performed and possibly serve as a chance for markets to take stock of the global synchronised recovery thus far. Singapore's economy typically viewed as a bellwether of global economic health saw its 1Q GDP (released today at +4.3%) powering to the upside, with manufacturing sector showing no signs of slowing. We think risk assets including FX proxies such as AUD and NZD could continue to enjoy another leg up if China's growth report card this Tue manages to score (i.e. momentum intact), restoring confidence that growth remains steady. Week ahead brings RBA Meeting Minutes today; Westpac Leading Index (Mar) on Wed; Labor Report (Mar); NAB Business Confidence (1Q) on Thu.

- **USDCAD - 1.2560 supports.** The Summit of the Americas did not witness the agreement on the NAFTA as what many of the officials had warned. That said, Pence and Trudeau said that an agreement could be reached in weeks. On the USDCAD daily chart, 21-DMA is about to cut the 50,100 and 200-DMA to the downside, signalling bearish risks. USDCAD was pressed on the 1.2560-level. A break there opens the way towards 1.2470 before 1.2259 (2018 lows). In addition to NAFTA hopes, markets are repricing BoC to hike again and the rise in crude is weighing on USDCAD. The OIS implied probabilities of a hike are almost a 72% of a rate hike in Jul. This is amid strong hiring momentum, housing starts and firmer-than-anticipated inflation numbers. CAD is one that benefits from risk rally and a spike in oil prices. Risks are for USDCAD to head lower.

## Asia ex Japan Currencies

- **SGD trades around 0.89% above the implied mid-point of 1.3216. We estimate the top at 1.2954 and the floor at 1.3478.**
- **USDSGD - *Still Awaiting Breakout.*** USDSGD continues to trade lower, breaking below the 1.31-levels, amid US weakness prompted by Trump's tweet accusing China and Russia of currency manipulation. Pressuring the pair lower as well was MAS move last Fri to normalise policy with a shift back to a "modest and gradual appreciation" path for the SGD NEER by increasing slightly the policy slope. NODX contracted 2.7% y/y in Mar - the second straight month of contraction but a moderation from Feb's -6.0%. Dragging NODX lower was electronics shipments, which fell 7.1% y/y. The data release had little significant impact on the pair. Last seen at 1.3094-levels, pair has lost most of its mild bullish momentum on daily chart, while stochastics is fast approaching oversold conditions. Price action though remains consolidative within the symmetrical triangle pattern that had formed since Oct 2017. Support at 1.3080-levels (upward sloping trend-line support from the lows of Jan and Mar). A break below this trend-line support could see a move towards the year's low around 1.3010 levels. Resistance is around 1.3120-levels (downward sloping trend-line resistance).
- **AUDSGD - *Area of Resistance at 1.0240-50 Needs to be Broken.*** AUDSGD's rebound continues, in line with our call for further upside. Cross was last seen at 1.0190 levels. Daily momentum is bullish bias though stochastics shows signs of entering overbought conditions. Area of resistance at 1.0240 (50 DMA) - 1.0250 (50 DMA, 38.2% fibo retracement of 2018 high to low). Break above this could see an extension of the up-move towards 1.0320 (50% fibo, 100 DMA). Support at 1.0160 (23.6% fibo), 1.0120 (21 DMA).
- **SGDMYR - *Upside Risk but Bias to Fade.*** SGDMYR continued to trade higher this morning, in line with our caution for interim upside risks. Cross was last seen at 2.9680 levels. Mild bullish momentum on daily chart remains intact while stochastics is rising into near-overbought conditions. Resistance at 2.9750 (61.8% fibo retracement of 2016 low to 2017 high). But bias to lean against strength. With MAS decision (mild tightening) out of the way, we believe the balance could be tilted towards the downside as Malaysia GE draws near (potentially a positive factor for MYR). Support at 2.94 (interim double bottom). Need a decisive break below the interim double bottom at 2.94 to open way for further downside towards 2.92, 2.90.
- **USDMYR - *Mild Rebound Risks.*** USDMYR traded a touch higher, in line with our call for rebound risks ahead. Pair was last seen at 3.8890 levels. Daily momentum is turning mild bullish while stochastics is rising. Technical indicators suggest further rebound towards 3.90 possible. Key area of support at 3.84 - 3.85 remains. Decisive break below this area of support puts next key support at 3.82 (50% fibo retracement of late 2013-14 double bottom to 2015-2017 double top). **While our study of past General elections since 1980 shows that MYR typically appreciates up to 2% (vs. the USD) between parliament dissolution day and polling day, the current period may be slightly unique. For the current episode, MYR has**

appreciated around 6% vs. the USD in the 90 days prior to the dissolution of parliament. This is the largest magnitude of gains in the same period (90D before dissolution date) relative to previous episodes of Malaysia GEs since 1982. We caution that excessive optimism might already be in the price and the MYR could potentially trade cautiously in the lead up to polling day. External environment of trade tensions between US and China and/or fresh concerns of US-Syria conflict could heighten geopolitical risks are some factors that may pose risks to MYR outlook. That said we maintain our medium term bias for MYR strength on the back of improving domestic factors amid favourable external environment. Some of these factors include (1) sustained growth pick-up backed by consumption, investment and exports; (2) BNM initiatives (Apr-2017) to deepen and broaden domestic financial markets were positive steps to restore foreign investors' confidence; (3) BNM's pre-emptive move in Jan described the hike as pre-emptive to ensure that the stance of monetary policy is appropriate to prevent the build-up of risks that could arise from interest rates being too low for a prolonged period of time; (4) Sustained current account surplus and rising FX reserves to retained imports & short-term debt should also provide an anchor for Ringgit. Current external environment of monetary policy continuity, relative oil price stability and still subdued inflationary pressures in US amid synchronous global economic recovery should continue to bode well for exports recovery and benefit countries that are trade-dependent including the MYR. Malaysia CPI on tap on Wed and FX reserves on Fri.

- **1m USDKRW NDF - *Near Term Upside Risk; Bias to Fade.*** 1m USDKRW NDF slipped; last seen at 1168 levels. Mild bullish momentum on daily chart remains intact while stochastics is rising into near-overbought conditions. Price action on the weekly chart shows a falling wedge pattern potentially forming. This is typically associated with a bullish reversal in the near term. We do not rule out rebound risks in the near term but bias remains to sell into. Next resistance at 1072 (50 DMA) before 1075. Immediate support at 1162. Bigger area of support at 1050 - 1055.
- **USDCNH - *GDP Eyed.*** USDCNH takes a rather soft tone this morning, amid broad USD weakness. Trump's tweet on Russia and China "playing the Currency Devaluation" game is said to have triggered the USD. Pair was last seen around 6.2694. We see price moves likely to hover within 6.2360-6.3510. **PBoC fixed the USDCNY reference rate at 6.2771, 113 pips lower than the previous 6.2884. CNYMYR was fixed at 0.6187, 19 pips higher vs. the previous 0.6168. EURCNY was fixed 178 pips higher at 7.7700 vs. the previous at 7.7522. PBoC injected net CNY130bn in OMO today.** GDP (1Q), retail sales, IP, urban FAI (Mar) on Tue. Some officials have been talking up the data release in spite of the trade deficit for Mar. An upside surprise in industrial production and retail sales could lift sentiments. China might be counted upon to boost risk appetite again.
- **1M USDINR NDF - *Buoyed By Oil.*** The surprise inclusion into the US FX Watchlist dampened appetite for domestic equities. Elevated oil prices also weigh on the INR as investors remain concerned about

India's current account deterioration. The India Meteorological Department stated that the Jun-Sep monsoon is expected to be normal, which should keep food costs in check. 1M NDF USDINR is seen around 65.70, risking a break above the 65.76-resistance level towards the 2017-high of 66.20. Support at 65.47. Risks are to the upside. CADINR could be a trade to look into for an environment of elevated oil. Buy on break of the 52.30 towards the 54-figure. Support at 51.00. Week ahead has few data on taps.

- **1m USDIDR NDF - *Still Trading Sideways***. 1m USDIDR NDF trades softer amid USD weakness, retracing from yesterday's move back above the 13800-levels. Further upside move yesterday though appeared capped by the large trade surplus posted in Mar of USD1.09bn that suggested an improving current account deficit. BI expects the current account deficit to come in around 2% of GDP vs. 2.23% in 4Q 2017. Weak sentiments continued to dominate, resulting in a sell-off of USD40mn in equities yesterday. Meanwhile, foreign investors had purchased USD118.4mn in debt on 13 Apr (latest data available). Further net foreign portfolio inflows should add downside pressure to the 1m NDF intraday. Focus this week will be on BI meeting this Thu. The meeting though is unlikely to produce any surprises with our expectations that the BI will stand pat on policy for now amid benign inflationary pressures. 1m NDF was last seen around 13800-levels. Daily chart very mild bearish bias still intact but dissipating, while stochastic shows no clear bias. This suggests that sideways trades are likely to hold in the absence of fresh catalyst. 1m NDF remains trapped within its recently traded range of 13730-13875. Watch for official agents' activities to smooth out IDR volatility. JISDOR was fixed at 13766 yesterday, 13 pips higher than the fixing on Fri. Remaining week's focus will be on BI meeting on Thu. In the news, FinMin Sri Mulyani expects 1Q18 GDP to come in at 5.2% given the rising income tax and value-added tax collections to date.
- **1m USDPHP NDF - *Stuck-In-Range***. 1m USDPHP NDF trades little changed this morning amid a pullback in the USD. 1m NDF had traded higher yesterday following the underperformance of overseas remittances, which came in at just 4.5% y/y in Feb vs. consensus' +10.6%. This together with the trade deficit of USD3.07bn in Feb suggested that the nation's current account deficit is unlikely to show any significant improvement. This should keep the 1m NDF supported above the 52-levels. The 1m NDF has been stuck within its recent 51.90-52.40 range for a while now. Foreign portfolio inflows yesterday weighed on the 1m NDF yesterday, helping to cap upside. Foreign funds bought USD2.7mn in equities yesterday. Further purchases should put downside pressure on the 1m NDF intraday. Last seen around 52.17 levels, 1m NDF has lost most of its bearish momentum, while stochastics continues to climb higher from oversold conditions. In the absence of fresh catalyst, price action should remain in the 51.90-52.40 range for now. We need a break of either side of the range for the pair to trade in a wider of 51.80-52.70 range. Remaining week has BoP overall (Mar) on Thu.
- **USDTHB - *Bearish Within Range***. Onshore markets re-opened after closing for the past four days for Songkran with the USDTHB edging lower amid USD weakness. Pair though continues to trade within its current trading range of 31.090-31.320. Last seen around 31.163-



levels. Daily momentum indicators continue to show no clear bias, while stochastics is turning lower. In the absence of fresh directional cues, we look for the current narrow range of 31.090-31.320 to hold intraday. Quiet week ahead with just foreign reserves (13 Apr) due on Fri.

## Malaysia Fixed Income

### Rates Indicators

### Analysts

MGS	Previous Bus. Day	Yesterday's Close	Change (bps)
3YR MH2/21	3.51	3.51	Unchanged
5YR MI3/22	3.60	*3.62/59	Not traded
7YR MK3/25	3.89	3.90	+1
10YR MO11/27	4.00	4.00	Unchanged
15YR MX4/33	4.49	4.48	-1
20YR MX4/37	4.60	*4.62/59	Not traded
30YR MZ3/46	4.83	*4.85/80	Not traded
IRS			
6-months	3.71	3.71	-
9-months	3.73	3.73	-
1-year	3.75	3.75	-
3-year	3.82	3.82	-
5-year	3.88	3.88	-
7-year	3.99	3.98	-1
10-year	4.10	4.10	-

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Source: Maybank KE

\*Indicative levels

- Lackluster domestic government bonds market as most players were defensive amid the weaker Ringgit. Trading volume was low, with a handful done on 10y benchmark MGS 11/27 at last done levels. Expect market to remain defensive ahead of the general election.
- Cautious sentiment in MYR IRS market with rates little changed ahead of GE14. There was still keen receivers seen at the 5y point with trades given at 3.87%, reckon flow related. 3M KLIBOR stayed at 3.69%.
- Corporate bonds space was subdued as the USDMYR pair moved higher. There was some buying at the front end of the GG curve with GovCo 2023 trading 1bp tighter. AAA space was muted, though skewed towards better buying, and AA space saw subdebts exchange hands 1bp wider in yields.

## Singapore Fixed Income

### Rates Indicators

SGS	Previous Bus. Day	Yesterday's Close	Change (bps)
2YR	1.88	1.88	-
5YR	2.06	2.06	-
10YR	2.39	2.40	+1
15YR	2.66	2.67	+1
20YR	2.72	2.72	-
30YR	2.83	2.84	+1

Source: Maybank KE

- A slow start to the week for SGS which traded in a tight range even as UST yields climbed. SGD IRS opened 1-2bps higher, traded back down then moved up again to end the day up by 1-3bps. SGS yields started a tad higher by roughly 1bp and remained there for the rest of the day despite sporadic selling interest. The outperformance of SGS against SGD IRS and UST came on the support of low funding rates. Swap spreads widened 1-2bps.
- Asian credit spreads mostly remain unchanged, while primary pipeline is building up decently. Sovereign bonds had decent two-way interest, with the INDON and PHILIP curves unchanged. In primary, SoftBank plans to issue USD and EUR bonds in 5y and 7y tenors. Active primary issuance by China property names has driven China HY credits slightly lower.

## Indonesia Fixed Income

### Rates Indicators

IDR Gov't Bonds	Previous Bus. Day	Yesterday's Close	Change (bp)
2YR	5.65	5.68	2.82
5YR	5.95	5.99	4.22
10YR	6.53	6.59	5.61
15YR	6.82	6.87	4.13
20YR	7.21	7.26	4.73
30YR	7.36	7.34	(1.66)

\* Source: Maybank Indonesia

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- Indonesia bond market closed lower during Monday trading session amid surprising Mar 2018 trade balance surplus (biggest trade surplus in six months) and rising UST 10y yield trend. Indonesia Mar 2018 trade balance number came in surplus of \$1.09b (vs consensus expectation of \$0.09b deficit). The country is preparing for another global bond issuance soon, as DMO seeks to raise around \$4b from Samurai and Euro bonds. Indonesia have already issued USD denominated global bond worth of Rp95t since begin year. 5-yr, 10-yr, 15-yr and 20-yr benchmark series yield stood at 5.989%, 6.588%, 6.866% and 7.261% while 2y yield moved higher to 5.680%. During the day, FR0068 (15y) yield decline the most by 2bps while FR0059 (9y) yield increased the most by 9bps. 15y20y G-Spread is the widest on YTD basis currently (15y20y current spread: 40bps). Trading volume at secondary market was noted thin at government segments amounting Rp7,835b with FR0064 (10y benchmark series) as the most tradable bond. FR0064 total trading volume amounting Rp1,050b with 73x transaction frequency.
- DMO will be conducting their scheduled bi-weekly sukuk auction today with seven series to be auctioned which are SPNS04102018 (Coupon: discounted; Maturity: 4 Oct 2018), PBS016 (Coupon: 6.250%; Maturity: 15 Mar 2020), PBS002 (Coupon: 5.450%; Maturity: 15 Jan 2022), PBS017 (Coupon: 6.125%; Maturity: 15 Oct 2025), PBS012 (Coupon: 8.875%; Maturity: 15 Nov 2031), PBS004 (Coupon: 6.100%; Maturity: 15 Feb 2037) and PBS015 (Coupon: 8.000%; Maturity: 15 Jul 2047). We believe that the demand would be oversubscribing by 2.0x - 3.0x from its indicative minimal target issuance of Rp8t.
- Foreign ownership stood at Rp873.3t or 39.8% of total tradable government bond as of Apr 15<sup>th</sup>. Considering a 2-day's settlement, Foreigner booked net buy worth of Rp6.5t from begin month of Apr 18.
- Corporate bond traded heavy amounting Rp1,540b. WOMF02ACN4 (Shelf Registration II WOM Finance Phase IV Year 2018; A serial bond; Rating: AA<sub>(idn)</sub>) was the top actively traded corporate bond with total trading volume amounted Rp788b yielding 6.742%.

## Foreign Exchange: Daily Levels

	EUR/USD	USD/JPY	AUD/USD	GBP/USD	USD/CNH	NZD/USD	EUR/JPY	AUD/JPY
R2	1.2439	107.83	0.7803	1.4417	6.2924	0.7393	133.4167	83.9147
R1	1.2409	107.47	0.7792	1.4378	6.2794	0.7378	133.0133	83.6273
<b>Current</b>	1.2385	107.01	0.7785	1.4344	6.2704	0.7361	132.5300	83.2950
S1	1.2336	106.90	0.7761	1.4266	6.2587	0.7341	132.1633	83.0803
S2	1.2293	106.69	0.7741	1.4193	6.2510	0.7319	131.7167	82.8207

  

	USD/SGD	USD/MYR	USD/IDR	USD/PHP	USD/THB	EUR/SGD	CNY/MYR	SGD/MYR
R2	1.3145	n/a	13805	52.2007	31.3257	1.6291	0.6217	2.9717
R1	1.3124	n/a	13792	52.1353	31.2703	1.6255	0.6205	2.9681
<b>Current</b>	1.3099	3.8905	13774	52.0860	31.1780	1.6223	0.6196	2.9704
S1	1.3091	n/a	13763	51.9713	31.1423	1.6176	0.6173	2.9584
S2	1.3079	n/a	13747	51.8727	31.0697	1.6133	0.6152	2.9523

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

## Equity Indices and Key Commodities

	Value	% Change
<b>Dow</b>	24,573.04	0.87
<b>Nasdaq</b>	7,156.29	0.70
<b>Nikkei 225</b>	21,835.53	0.26
<b>FTSE</b>	7,198.20	-0.91
<b>Australia ASX 200</b>	5,841.34	0.21
<b>Singapore Straits Times</b>	3,497.19	-0.12
<b>Kuala Lumpur Composite</b>	1,878.76	0.55
<b>Jakarta Composite</b>	6,286.75	0.26
<b>Philippines Composite</b>	7,870.25	-0.38
<b>Taiwan TAIEX</b>	10,954.55	-0.10
<b>Korea KOSPI</b>	2,457.49	0.10
<b>Shanghai Comp Index</b>	3,110.65	-1.53
<b>Hong Kong Hang Seng</b>	30,315.59	-1.60
<b>India Sensex</b>	34,305.43	0.33
<b>Nymex Crude Oil WTI</b>	66.22	-1.74
<b>Comex Gold</b>	1,350.70	0.21
<b>Reuters CRB Index</b>	199.55	-0.08
<b>MBB KL</b>	10.60	0.57

## Policy Rates

Rates	Current (%)	Upcoming CB Meeting	MBB Expectation
MAS SGD 3-Month SIBOR	1.5041	Apr-18	Neutral
BNM O/N Policy Rate	3.25	10/5/2018	Neutral
BI 7-Day Reverse Repo Rate	4.25	19/4/2018	Neutral
BOT 1-Day Repo	1.50	16/5/2018	Tightening Bias
BSP O/N Reverse Repo	3.00	10/5/2018	Tightening Bias
CBC Discount Rate	1.38	21/6/2018	Neutral
HKMA Base Rate	2.00	-	Tightening
PBOC 1Y Lending Rate	4.35	-	Tightening Bias
RBI Repo Rate	6.00	6/6/2018	Neutral
BOK Base Rate	1.50	24/5/2018	Tightening
Fed Funds Target Rate	1.75	3/5/2018	Tightening
ECB Deposit Facility Rate	-0.40	26/4/2018	Easing Bias
BOE Official Bank Rate	0.50	10/5/2018	Neutral
RBA Cash Rate Target	1.50	1/5/2018	Neutral
RBNZ Official Cash Rate	1.75	10/5/2018	Neutral
BOJ Rate	-0.10	27/4/2018	Easing
BoC O/N Rate	1.25	18/4/2018	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	1	3.251	3.276	3.251
MGS 5/2015 3.759% 15.03.2019	3.759%	15-Mar-19	1	3.284	3.284	3.284
MGS 4/2014 3.654% 31.10.2019	3.654%	31-Oct-19	53	3.451	3.451	3.417
MGS 6/2012 3.492% 31.03.2020	3.492%	31-Mar-20	12	3.481	3.502	3.481
MGS 5/2017 3.441% 15.02.2021	3.441%	15-Feb-21	15	3.496	3.496	3.477
MGS 1/2011 4.16% 15.07.2021	4.160%	15-Jul-21	4	3.517	3.536	3.501
MGS 3/2014 4.048% 30.09.2021	4.048%	30-Sep-21	15	3.627	3.643	3.627
MGS 4/2016 3.620% 30.11.2021	3.620%	30-Nov-21	184	3.512	3.515	3.5
MGS 2/2015 3.795% 30.09.2022	3.795%	30-Sep-22	28	3.758	3.77	3.758
MGS 1/2016 3.800% 17.08.2023	3.800%	17-Aug-23	25	3.81	3.81	3.81
MGS 1/2014 4.181% 15.07.2024	4.181%	15-Jul-24	51	3.889	3.92	3.889
MGS 2/2017 4.059% 30.09.2024	4.059%	30-Sep-24	16	3.903	3.917	3.903
MGS 1/2018 3.882% 14.03.2025	3.882%	14-Mar-25	80	3.898	3.898	3.898
MGS 1/2015 3.955% 15.09.2025	3.955%	15-Sep-25	3	3.97	3.97	3.97
MGS 3/2016 3.900% 30.11.2026	3.900%	30-Nov-26	4	4.038	4.038	4.038
MGS 4/2017 3.899% 16.11.2027	3.899%	16-Nov-27	300	4.006	4.013	3.999
MGS 3/2010 4.498% 15.04.2030	4.498%	15-Apr-30	4	4.358	4.358	4.358
MGS 4/2011 4.232% 30.06.2031	4.232%	30-Jun-31	11	4.367	4.377	4.367
MGS 4/2013 3.844% 15.04.2033	3.844%	15-Apr-33	66	4.474	4.481	4.467
MGS 7/2013 4.935% 30.09.2043	4.935%	30-Sep-43	7	4.835	4.835	4.832
GII MURABAHAH 5/2015 3.508% 15.05.2018	3.508%	15-May-18	114	3.284	3.284	3.205
PROFIT-BASED GII 3/2013 30.11.2018	3.399%	30-Nov-18	5	3.259	3.259	3.259
GII MURABAHAH 4/2016 3.226% 15.04.2020	3.226%	15-Apr-20	10	3.614	3.635	3.614
GII MURABAHAH 3/2017 3.948% 14.04.2022	3.948%	14-Apr-22	4	3.846	3.846	3.846
GII MURABAHAH 8/2013 22.05.2024	4.444%	22-May-24	10	4.079	4.079	4.079
GII MURABAHAH 1/2017 4.258% 26.07.2027	4.258%	26-Jul-27	23	4.186	4.186	4.186
GII MURABAHAH 3/2015 4.245% 30.09.2030	4.245%	30-Sep-30	450	4.585	4.596	4.585
GII MURABAHAH 6/2017 4.724% 15.06.2033	4.724%	15-Jun-33	70	4.581	4.59	4.581
<b>Total</b>			<b>1,564</b>			

Sources: BPAM

## MYR Bonds Trades Details

PDS	Rating	Coupon	Maturity Date	Volume (RM 'm)	Last Done	Day High	Day Low
GOVCO IMTN 4.270% 06.06.2023	GG	4.270%	6-Jun-23	50	4.153	4.153	4.153
PUBLIC SUB-NOTES 4.77% 27.10.2023	AA1	4.770%	27-Oct-23	10	4.325	4.363	4.325
HLIBB IMTN 4.800% 17.06.2024	AA1	4.800%	17-Jun-24	2	4.307	4.316	4.307
NGISB MTN 5113D 29.8.2031 (SERIES 12)	AA1	5.300%	29-Aug-31	5	5.041	5.041	5.041
SEB IMTN 5.320% 03.12.2032	AA1	5.320%	3-Dec-32	3	5.279	5.28	5.279
WCT IMTN 5.320% 11.05.2022	AA- IS	5.320%	11-May-22	10	5.039	5.041	5.039
WCT IMTN 5.550% 03.01.2025	AA- IS	5.550%	3-Jan-25	4	5.408	5.412	5.408
SPG IMTN 5.060% 31.10.2028	AA- IS	5.060%	31-Oct-28	10	4.919	4.921	4.919
SPG IMTN 5.290% 31.10.2031	AA- IS	5.290%	31-Oct-31	10	5.109	5.111	5.109
SPG IMTN 5.330% 30.04.2032	AA- IS	5.330%	30-Apr-32	10	5.139	5.151	5.139
CIMB 6.35% 05.04.2060 - Tranche No. 3	AA3	6.350%	5-Apr-60	31	4.772	5.649	4.772
<b>Total</b>				<b>145</b>			

Sources: BPAM

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