

Global Markets Daily

This is War!

Macro | FX Research & Strategy

Global

Fire Away

USD was resurrected against most currencies on equity outflow except safe havens like JPY and CHF in overnight trades. Trump inked the executive memorandum last night that would impose tariff on U\$50-60bn of Chinese imports. As he did so, he said this would be the “first of many”. The US trade office will spend up to the next 15 days to list of products that will face higher tariffs. New investment restrictions on Chinese firms will also be imposed within the next 60 days to “safeguard strategic technologies”. In retaliation, China Ministry of Commerce said it plans to add 15% tariffs on U\$977mn worth of imports of US fresh fruit, dried fruit, nuts, wine, denatured ethyl alcohol, American ginseng and seamless steel pipes. 25% tariffs on U\$1.99bn worth of imports of US pork, pork products and recycled aluminum.

Stocks Lower, Crude Higher

US equities slipped at the announcement of US trade measures and early Asian movers took the cue from overnight trades. Expect USDxJs to remain elevated on equity outflows. Risk off trade could continue to keep USDJPY and USDCHF pressured to the downside. The break of 105 for the USDJPY with a weekly close below this level (today) could beckon the 101. Amid the soured trading sentiments, crude oil rose 1% this morning. Perhaps the mere word “war” has triggered some algorithm trading to buy WTI, Brent or... it could be the comments by Saudi Energy Minister that two-thirds of global oil glut is gone. He also said that oil price at around U\$70/bbl “isn’t spurring enough investment”.

More Data But Focus Shift on the Trade War Brewing

Day ahead has more data including US durable good order, Japan and Singapore’s CPI. However, the theme has been set overnight. China is poised for retaliation with a list of suspension of concessions ready should the two biggest economies fail to reach a trade compensation agreement within a stipulated time, China can choose to exercise the right (in accordance of the WTO agreement on Safeguard Measures). We shall monitor closely. In the meantime, Asian FX, antipodes seem vulnerable vs. safe haven JPY, CHF and even gold.

FX: Overnight Closing Prices					
Majors	Prev Close	% Chg	Asian FX	Prev Close	% Chg
EUR/USD	1.2302	↓ -0.29	USD/SGD	1.3172	↑ 0.36
GBP/USD	1.4096	↓ -0.32	EUR/SGD	1.6204	↑ 0.07
AUD/USD	0.7693	↓ -0.93	JPY/SGD	1.2512	↑ 1.10
NZD/USD	0.7207	↓ -0.29	GBP/SGD	1.8567	↑ 0.04
USD/JPY	105.28	↓ -0.73	AUD/SGD	1.0133	↓ -0.59
EUR/JPY	129.52	↓ -1.02	NZD/SGD	0.9492	↑ 0.04
USD/CHF	0.9492	↓ -0.05	CHF/SGD	1.3876	↑ 0.40
USD/CAD	1.2939	↑ 0.28	CAD/SGD	1.018	↑ 0.09
USD/MYR	3.9135	↓ -0.31	SGD/MYR	2.9771	↑ 0.05
USD/THB	31.307	↑ 0.51	SGD/IDR	10472.87	↑ 0.33
USD/IDR	13755	↓ -0.04	SGD/PHP	39.8573	↑ 0.79
USD/PHP	52.32	↑ 0.38	SGD/CNY	4.8114	↑ 0.19

Implied USD/SGD Estimates @ 23 Mar-18, 9.00AM

Upper Band Limit	Mid-Point	Lower Band Limit
1.2977	1.3240	1.3503

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G7: Events & Market Closure

Date	Ctry	Event
19-20 Mar	G20	G20 Summit (1 st meeting of Finance Ministers and Central Bank Governors)
20-21 Mar	US	FOMC Meeting
22 Mar	UK	BOE Meeting
22 Mar	NZ	RBNZ Meeting

AXJ: Events & Market Closure

Date	Ctry	Event
22 Mar	PH	BSP Meeting
22 Mar	ID	BI Meeting

G7 Currencies

- **DXY - Mixed on Trade Tensions.** After-effects of post-FoMC on markets took the back seat as escalating fears of trade war hit risk sentiment overnight. Dow Jones index was down over 720 points (nearly 3% down) while JPY surged. Trump announced new tariffs on about \$60bn worth of Chinese imports to the US on the premise of “tremendous intellectual property theft situation” and “out of control” trade deficit. China retaliated with plans for reciprocal tariffs on \$3bn of imports from US including products from steel to pork (25% tariff on US pork imports and recycled aluminium, 15% tariff on American steel pipes, fruits and wine). Another shakeup in Trump Administration - National White House Security Advisor McMaster was replaced by John Bolton (former US Ambassador to UN) further weighed on sentiment. We had shared that fears of protectionism measures escalating and extending beyond trade could hurt sentiment - a risk factor that may derail gains in AXJs and result in risk-aversion flows to favor long JPY and CHF (via the sentiment channel). We see risks of further upside in JPY vs. AXJs (in particular KRW) - JPYKRW a proxy trade for fear of trade war. USD impact is expected to be mixed amid trade tensions rising - likely to stay soft vs. JPY, CHF and EUR to some extent but to stay supported vs. AXJs including KRW and antipodeans (AUD and NZD). Rising prospects of trade war could pose risks to synchronised economic recovery and detail USD downtrend. That said we expect broad USD downtrend to resume on unwinding of trade tensions. USD index was last seen at 89.63 levels. Mild bullish momentum on daily chart is waning. Close below support at 89.60 (23.6% fibo) puts next support at 88.25 (previous low). Resistance as previously highlighted around 90.50 still holds. Week remaining brings Fed's Bostic, Kashkari speak; Durable Goods, New Home Sales (Feb) on Fri.
- **EURUSD - Supported amid Trade Tensions.** EUR firmed this morning amid fears of trade tensions rising. Our FX sensitivity matrix shows EUR should remain supported in times of trade tensions rising (proxied by changes in equity markets and bond yields). Fear of trade typically see equities falling and bond yields falling (risk aversion). Pair was last seen at 1.2330 levels. Mild bearish momentum showed signs of waning. Resistance at 1.2355 (50% fibo retracement of Feb high to Mar low), 1.2405 (61.8% fibo retracement of 2018 high to low). Support at 1.2250 and 1.2150 levels. Suggest 1.2280 - 1.2410 range intra-day.
- **GBPUSD - Risk of pullback in the Near Term.** GBP's knee-jerk gain on BOE MPC decision (vote count of 7-2) to 1.4219 unwound amid wave of risk-off tone overnight (due to trade tensions rising). Though there were 2 dissenters at the MPC meeting - Saunders and McCafferty wanted an earlier rate increase as wage growth was picking up (presenting upside risks to inflation in the medium term), there appeared to be a lack of commitment on the timing of rate increase. Back in Sep-2017. BoE made mention of “rate hike over the coming months) and a rate hike was delivered in Nov-2017. The lack of commitment this round could be due to recent activity data that have somewhat surprised to the downside. Even OECD leading indicator showed that momentum appeared to be turning lower for UK. GBP was last seen at 1.4120

levels. Bullish momentum on daily chart remains intact though showing tentative signs of waning while stochastics is near overbought conditions. We do not rule out short term pullback from recent highs. Support at 1.41 (61.8% fibo), 1.4030 (50% fibo). Resistance at 1.42 (76.4% fibo retracement of 2018 high to Mar low) before 1.4345 (2018 high). Look for pull-back towards 1.4030-50 to buy into.

- **USDJPY - Eyeing Weekly Close Below 105-Levels.** USDJPY move lower overnight extended into the Asian session with the pair slipping to a 2018 low (not seen since Nov 2016) of 104.64 on escalating trade war concerns. Already China has announced retaliatory tariff measures against US exports to China. Risk-off sentiments are likely to keep pressure on the pair to the downside. These concerns are being reflected in the Nikkei 225 index, which is down 3.6% this morning. The focus on trade has taken the limelight away from inflation. Headline inflation rose 1.5% y/y in Feb (Jan: 1.4%), coming in slightly stronger than the 1.4% estimated by market. Core inflation (headline inflation less fresh food) and core-core inflation (headline inflation less fresh food, energy) rose by the same pace as in Jan by 1.0% and 0.5% y/y respectively in Feb, in line with market expectations. Despite the move higher, inflation by the different measures remains way off the BOJ's 2% inflation target and reinforces the pledge made by Kuroda to continue with "powerful" monetary easing. That said, the modest rise in inflation is likely to give market more reasons to look for signs of BOJ normalising policy that could encourage JPY bulls and capping any upside to the pair. In addition, underscoring weakness in the pair are concerns over the political scandal surrounding PM Abe. Last seen at 104.89-levels, pair has lost most of its bullish momentum on the daily chart and stochastics continues to fall. Weekly chart continues to indicate a bearish bias with stochastics still in oversold conditions. With our several of our support levels taken out, we watch for a weekly close below the 105-levels to confirm bearish extension towards the 101-levels. Interim support is at 103.80 levels. Resistance at 106-levels (23.6% fibo retracement of the Feb high to Mar low) ahead of 106.90 levels (38.2% fibo). Note that BOJ Deputy Governor Wakatabe will again appear in Parliament this morning, while BOJ Governor Kuroda will attend later in the afternoon.
- **NZDUSD - Bullish Divergence?** NZD was last seen at 0.7220 levels this morning. Bearish momentum on daily chart shows tentative signs of waning while stochastics shows signs of turning. A potential bullish divergence maybe forming if Kiwi cannot break lower beyond 0.7180/0.7120 over the next few sessions. Next resistance at 0.7245 before 0.7280/90 levels (50 DMA). Room for more upside towards 0.7340 should not be ruled out on decisive break above 50DMA.
- **AUDUSD - Bearish for now but beware of Bullish Divergence.** This pair almost entirely reversed out its gain from the previous session, making small recovery this morning as we write, last seen around 0.77. We continue to prefer to buy towards 0.76 (the lower bound of the upward sloping trend channel that acts as a support). Momentum is slightly bearish. Rebounds to meet 200-DMA at 0.78-figure. Our mildly bullish medium term view for AUD remains, as domestic and external demand continues to strengthen and we look for the

AUDUSD pair to break above 0.80 within this half of the year. We see some signs that RBA is poised to hike this Aug after a recent observation by RBA that the “rate of wage growth appears to have troughed”. This is something that we have been observing for the past few months and back our call for RBA to raise cash rate in May (now in Aug). However, the Fed will move first and with RBA move likely deferred to the next half of the year, it will be more prudent to wait for a visit towards 0.76-figure for better risk-reward ratio. Week ahead brings House Price Index (4Q); RBA Meeting Minutes; RBA Bullock speaks on Tue; Westpac Leading Index (Feb) on Wed; Labor Market Report (Feb) on Thu.

- **USDCAD - Risks to the Downside.** The 21-DMA is still supportive of this pair but momentum indicators are turning south now and USDCAD, last seen at 1.2920. We think it is only a matter of time before the pair makes a decisive break below the current support (21-DMA) and the pair head towards 1.27. CAD had been underpinned by a report that the US is prepared to drop a contentious requirement for auto content at the NAFTA talks. With the 21-DMA being tested now, a break here could open the way towards 1.2650-1.2700 where most of the SMA (50,100,200) are meeting on the daily chart. We had looked for a downside given the fact that this pair has retraced around 61.8% of the BoC rate hike play in 2017 and BOC’s rate pause is likely to have been well in the price. Week ahead has Feb CPI on Fri along with retail sales.

Asia ex Japan Currencies

- **SGD trades around 0.69% above the implied mid-point of 1.3240. We estimate the top at 1.2977 and the floor at 1.3503.**
- **USDSGD - Consolidation.** USDSGD trades softer this morning amid UST yields and USD softness on concerns of escalating trade war. These fears come on the back of China's retaliatory tariffs on USD3bn of US imports into China following the US announcement of USD50bn of tariffs on Chinese imports into the US,. Aside from trade wars, market focus will also be on Feb CPI this afternoon, which will be the last inflation data point ahead of Apr's MAS semi-annual monetary policy meeting in mid-Apr. Further evidence of firming core inflationary pressures should increase speculation of a MAS move, which could see reduced long-USDSGD positions, putting downside pressure on the pair. Trade war concerns sent UST yields lower, dragging the 3-month SOR lower by 35 pips to 1.56%. Continued softness in UST yields today should weigh on the 3-month SOR intraday. Pair was last seen at 1.3152 levels. Daily and weekly chart show no strong bias in either direction. Pair is back within the symmetrical triangle and this suggests consolidative trades are likely ahead. Support nearby is at 1.3135 levels (61.8% fibo retracement of the Jan-Feb upswing) before 1.3090 levels (76.4% fibo). Immediate resistance at 1.3135 levels (61.8% fibo) ahead of 1.3175 (50% fibo).
- **AUDSGD - Mild USD strength.** AUDSGD is pressed against the 1.0120-support. Bearish momentum is still intact but like the AUDUSD pair, we are also wary of bullish divergence with the third lower trough of price action poised to be formed soon. Prefer to buy on dips towards 1.01. Resistance is seen now at 1.0240 opens the way towards 1.0320 (38.2% fibo) before the 50-DMA at 1.0420.
- **SGDMYR - Upside Risk amid Central Bank Divergence but Bias to Fade.** SGDMYR was little changed; last seen at 2.9760 levels. Mild bullish momentum shows signs of waning while stochastics is showing signs of turning lower. These suggests that near term upside risks previously cautioned may be waning. Nonetheless, our bias to sell on rally remains intact. Resistance seen at 3.0060 (38.2% fibo retracement of Nov high to Jan low). Sustained price action above 3.0060 could see the cross head higher towards 3.0260 (50% fibo). Support at 2.9720 (50 DMA), 2.9670 (21 DMA). The risk of MAS "Normalisation" vs BNM "On Hold" suggest potential monetary policy divergence (or catch-up) play and this could present risks for SGDMYR to head higher in the lead-up to MAS meeting, which is likely to be held in second or third week of April (actual date to be announced closer to April).
- **USDMYR - Range-Bound.** USDMYR held steady despite fears of trade tensions rising. Pair was last seen at 3.9130 levels. Mild bullish momentum on daily chart seems intact. Interim upside risks but bias to lean against strength. Resistance at 3.9280 (50 DMA), 3.9510 levels (38.2% fibo retracement of Jan high to low). Support at 3.88, 3.8660 (previous low). 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) General election could lend further support for Ringgit. Typically Malaysian equities, MYR tend to strengthen in the lead-up to elections due to rising confidence; (5) 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.

- **1m USDKRW NDF - *Upside Risks amid Rising Trade Tensions.*** Our call for 1m USDKRW to trade higher amid “trade tensions to sour sentiment” materialised. China retaliated with tariffs on \$3bn of imports from the US after Trump announced new tariffs on about \$60bn worth of Chinese imports to the US on the premise of “tremendous intellectual property theft situation” and “out of control” trade deficit. Pair was last seen at 1078 levels. Daily momentum and stochastics indicators are bullish bias. Resistance at 1079 (100 DMA), 1082, 1088 levels. Support at 1072 (50 DMA). Suggest range-bound play of 1072 - 1082 intra-day.
- **USDCNH - *Still In Range.*** USDCNH rallied higher but this pair seems determined to remain within the 6.28-6.35 range. We remain wary of upside as Trump inked the executive memorandum last night that would impose tariff on U\$50-60bn of Chinese imports. As he did so, he said this would be the “first of many”. The US trade office will spend up to the next 15 days to list of products that will face higher tariffs. New investment restrictions on Chinese firms will also be imposed within the next 60 days to “safeguard strategic technologies”. In retaliation, China Ministry of Commerce said it plans to add 15% tariffs on U\$977mn worth of imports of US fresh fruit, dried fruit, nuts, wine, denatured ethyl alcohol, American ginseng and seamless steel pipes. 25% tariffs on U\$1.99bn worth of imports of US pork, pork products and recycled aluminum. **PBoC** fixed the USDCNY reference rate at **6.3272**, 105 pips lower than the previous **6.3167**. **CNYMYR** was fixed at **0.6184**, 17 pips lower than **0.6202**. **EURCNY** was fixed 45 pips lower at **7.7975** vs. the previous at **7.8020**. China is poised for retaliation with a list of suspension of concessions ready should the two biggest economies fail to reach a trade compensation agreement within a stipulated time, China can choose to exercise the right (in accordance of the WTO agreement on Safeguard Measures). US Secretary of Commerce recommends China to buy more LNG to reduce the trade surplus with the US. The Chinese government stands firm on the ground that the country has “no fear of trade war” but they urge dialogue and consultations to resolve the trade differences.
- **1M USDINR NDF - *Interim Top.*** 1M hovered around 65.50, hardly moved. This pair seems a little lofty, unwilling to head much lower. Still, we remain wary of a bearish divergence with the MACD forest so we look for the break of the support level at 65.10 for bears to

take firmer control. Support at 65.50 before 65.10 (61.8% retracement of the Sep-Jan rally). We caution that the rupee could also benefit from an upgrade in the Fitch rating agency. Economic Affairs Secretary Subhash Chandra Garg said that the rating agency is “extremely positive” of the “economy, reforms and path forward”. Investors bought US\$75.7mn of equities on Tue (20 Mar) and US\$88.1mn of bonds. We see opportunity to short the pair at the break of 65.10 towards 64.45. Stoploss at 65.50. This week has no key data. In domestic news, according to the Defense Production Policy, India aims defense exports target of US\$5bn by 2025 and US\$28bn turnover on defense goods and services.

- **1m USDIDR NDF - Higher But Within Range.** 1m USDIDR NDF continues to trade bid in the absence of monetary policy support and on trade war concerns. 1m NDF came under renewed selling pressures after BI left its benchmark policy rate unchanged at 4.25%, highlighting its divergence in monetary policy from other major central banks that could trigger further portfolio outflows particularly from debt. Nevertheless, this sell-off could be short-lived as our house view remains for the BI to hike its policy rate sometime in 2Q that could be supportive of the IDR. Improving risk appetite saw foreign investors purchasing USD9.2mn in equities yesterday. Meanwhile, they had also purchased USD42.9mn in debt on 21 Mar (latest data available). We could see a reversal in foreign portfolio flows intraday and this could put upside pressure on the 1m NDF intraday. Spot USDIDR gapped higher at the opening to 13763 this morning from yesterday’s close of 13755 amid concerns over trade wars and foreign portfolio outflows. Last seen around 13816-levels. Momentum is still to the downside but weak on the daily chart, while stochastics is tentatively climbing higher. Weekly chart continues to show bullish bias. Look for the pair to trade bid within its current trading range of 13730-13875. JISDOR was fixed at 13737 yesterday, 22 pips lower than Wed’s fixing.
- **1m USDPHP NDF - Bearish Tilt.** 1m USDPHP NDF is returning some of its gains from yesterday amid softer UST yields and USD and on the Philippines’ first budget surplus since Aug 2017 in Jan. 1m NDF had come under selling pressure yesterday following BSP decision to keep its benchmark policy rate unchanged at 3.0% on the uptick this morning despite softer UST yields and USD. While the status quo was expected, expectations of monetary policy divergence with the US that could trigger foreign portfolio outflows weighed on the PHP and lift the 1m NDF higher. Still, we continue to expect the BSP to hike its policy rate twice by 25bp each this year and this expectation should keep the PHP supported ahead. Deteriorating risk appetite continues to weigh on equities with foreign investors selling USD3.4mn yesterday. Further sell-off today should put upside pressure on the 1m NDF and limit downside on the 1m NDF. Last seen around 52.52-levels, pair has lost most of its bearish momentum on the daily chart, while stochastics is climbing higher. Weekly chart remains bullish bias and stochastics in overbought conditions. Support is at 52.30. With our resistance level at 52.50 taken out, next resistance is at 52.70 levels (2018 high) ahead of 52.90, 53.30 levels.
- **USDTHB - Weighed.** USDTHB pared some of its gains from yesterday’s move higher amid softer UST yields and USD. Still

concerns that the trade dispute between the US and China could escalate into a trade war should limit downside to the pair. THB was supported yesterday by continued net foreign portfolio inflows into Thai assets. Foreign investors had purchased USD30.3mn and USD333.2bn in equities and debt yesterday. Further net foreign portfolio inflows should keep the THB supported and put further downside pressure on the pair. Last seen around 31.251-levels, pair still shows no clear directional bias on the daily and weekly charts. Stochastics on the daily chart is climbing higher, while that on the weekly chart remains in oversold conditions. Support is at 31.185 before 31.090 (2018 low). Resistance at 31.420 (38.2% fibo retracement of the Feb-Mar downswing).

Malaysia Fixed Income

Rates Indicators

Analysts

MGS	Previous Bus. Day	Yesterday's Close	Change (bps)
3YR MH2/21	3.39	3.40	+1
5YR MI3/22	3.54	3.54	Unchanged
7YR ML9/24	3.84	3.83	-1
10YR MO11/27	3.96	3.94	-2
15YR MX4/33	4.42	4.42	Unchanged
20YR MX4/37	4.56	4.54	-2
30YR MZ3/46	4.82	*4.83/78	Not traded
IRS			
6-months	3.71	3.71	-
9-months	3.73	3.73	-
1-year	3.75	3.75	-
3-year	3.81	3.81	-
5-year	3.87	3.86	-1
7-year	3.99	3.98	-1
10-year	4.11	4.10	-1

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Source: Maybank KE

*Indicative levels

- Malaysian government bond yields lowered 1-2bps on the back of the USD weakness overnight. Trading volume was fair and concentrated at the belly of the curve. Response for the 15y GII 6/33 auction was decent with bid/cover close to 2.0x, and yields hovered around WI levels.
- IRS rates curve lowered back about 1bp at the tail end as market retrace levels back to pre-FOMC event. Quiet day with few quotes and no trades concluded. Current momentum could continue if domestic bond market and Ringgit remain firm. 3M KLIBOR flat at 3.69%.
- Corporate bonds trading activity was more concentrated in the AA space. For AAA, Danga 2033 saw some profit taking but still traded 2bps tighter after firmer rates globally post-FOMC. AA space was more active at the front end, which traded unchanged, while long end generally tightened 1bp. Liquidity remained thin as market is still cautious.

Singapore Fixed Income

Rates Indicators

SGS	Previous Bus. Day	Yesterday's Close	Change (bps)
2YR	1.91	1.89	-2
5YR	2.18	2.15	-3
10YR	2.43	2.39	-4
15YR	2.73	2.69	-4
20YR	2.77	2.74	-3
30YR	2.91	2.89	-2

Source: Maybank KE

- SGS prices opened higher post-FOMC, which hike rates by 25bps as expected. Dots plot for 2018 remain unchanged, but Fed forecasts steeper hikes in 2019 and 2020. SGS curve flattened as short dated bonds remain well offered on the back of a sharp rise in SOR fixings and supply concerns. Yields were flat to -3bps at the open, whilst SGD IRS was down 1-2bps. SGS strengthened further after 24w MAS bill auction cut off at 1.88%, lower than the 12w bill's cut off on Tuesday. Dealers bought SGS across maturities which led the short end and belly to catch up to the longer end. Furthermore, rise in bond prices was aided by firmer USTs in the afternoon. SGS yield curve closed 2-4bps lower and SGD IRS circa 4bps lower.
- Asian credits traded firmer. CDS tightened 2bps which drove long end Indonesia sovereign bonds to outperform, rising 1pt in cash price. China IGs gapped tighter on short covering, but later gave back gains and ended flat. India IGs wider by 2bps due to tight valuations. HY credits generally lowered about 1pt, except for India HY which traded 1pt higher on UST gains.

Indonesia Fixed Income

Rates Indicators

IDR Gov't Bonds	Previous Bus. Day	Yesterday's Close	Change (bp)
2YR	5.61	5.61	(0.55)
5YR	5.93	5.93	0.02
10YR	6.73	6.71	(2.67)
15YR	6.92	6.97	4.51
20YR	7.32	7.33	0.71
30YR	7.38	7.38	(0.01)

* Source: Maybank Indonesia

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- Indonesia bond market closed lower on Thursday trading session following FOMC decision on raising Fed rate while during the day, Indonesia Central Bank decided to keep its reference rate unchanged at 4.25% while maintaining deposit and lending facility at 3.5% and 5.0% respectively. The statement post meeting is considered rather neutral. 5-yr, 10-yr, 15-yr and 20-yr benchmark series yield stood at 5.931%, 6.706%, 6.968% and 7.331% while 2y yield moved lower to 5.609%. During the day, FR0066 (2mo) yield decline the most by 4bps while FR0065 (20y benchmark series) yield increased the most by 5bps. 15y20y G-Spread is the widest on YTD basis currently (15y20y current spread: 36bps). Trading volume at secondary market was noted moderate at government segments amounting Rp12,413b with FR0070 (6y) as the most tradable bond. FR0070 total trading volume amounting Rp2,275b with 26x transaction frequency.
- Foreign ownership stood at Rp842.1t or 39.2% of total tradable government bond as of Mar 21st. Considering a 2-day's settlement, Foreigner booked net sell worth of Rp0.5t from begin month of Mar 18. Foreigner seen purchasing since mid Mar.
- Corporate bond traded moderate amounting Rp885b. PIHC01ACN2 (Shelf Registration I Pupuk Indonesia Phase II Year 2017; A serial bond; Rating: AAA_(idn)) was the top actively traded corporate bond with total trading volume amounted Rp165b yielding 7.140%.

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	2	3.078	3.078	3.046
MGS 4/2014 3.654% 31.10.2019	3.654%	31-Oct-19	4	3.283	3.283	3.283
MGS 6/2012 3.492% 31.03.2020	3.492%	31-Mar-20	1	3.383	3.383	3.383
MGS 3/2015 3.659% 15.10.2020	3.659%	15-Oct-20	6	3.362	3.395	3.362
MGS 5/2017 3.441% 15.02.2021	3.441%	15-Feb-21	246	3.411	3.411	3.393
MGS 1/2011 4.16% 15.07.2021	4.160%	15-Jul-21	1	3.433	3.433	3.433
MGS 1/2017 3.882% 10.03.2022	3.882%	10-Mar-22	216	3.54	3.54	3.514
MGS 2/2015 3.795% 30.09.2022	3.795%	30-Sep-22	4	3.715	3.715	3.715
MGS 3/2013 3.480% 15.03.2023	3.480%	15-Mar-23	6	3.747	3.747	3.747
MGS 1/2016 3.800% 17.08.2023	3.800%	17-Aug-23	14	3.768	3.779	3.768
MGS 1/2014 4.181% 15.07.2024	4.181%	15-Jul-24	30	3.865	3.865	3.865
MGS 2/2017 4.059% 30.09.2024	4.059%	30-Sep-24	8	3.884	3.884	3.884
MGS 1/2018 3.882% 14.03.2025	3.882%	14-Mar-25	192	3.834	3.834	3.827
MGS 1/2015 3.955% 15.09.2025	3.955%	15-Sep-25	5	3.955	3.955	3.955
MGS 3/2016 3.900% 30.11.2026	3.900%	30-Nov-26	33	4.005	4.005	3.996
MGS 2/2012 3.892% 15.03.2027	3.892%	15-Mar-27	9	4.114	4.114	4.114
MGS 4/2017 3.899% 16.11.2027	3.899%	16-Nov-27	13	3.943	3.943	3.936
MGS 5/2013 3.733% 15.06.2028	3.733%	15-Jun-28	50	3.96	3.972	3.959
MGS 4/2011 4.232% 30.06.2031	4.232%	30-Jun-31	25	4.367	4.382	4.367
MGS 4/2013 3.844% 15.04.2033	3.844%	15-Apr-33	20	4.417	4.417	4.407
MGS 3/2017 4.762% 07.04.2037	4.762%	7-Apr-37	75	4.541	4.545	4.529
GII MURABAHAH 5/2015 3.508% 15.05.2018	3.508%	15-May-18	338	3.249	3.249	3.16
GII MURABAHAH 7/2013 30.04.2019	3.558%	30-Apr-19	226	3.35	3.369	3.35
GII MURABAHAH 4/2016 3.226% 15.04.2020	3.226%	15-Apr-20	11	3.607	3.607	3.607
GII MURABAHAH 3/2017 3.948% 14.04.2022	3.948%	14-Apr-22	267	3.835	3.843	3.821
GII MURABAHAH 1/2018 4.128% 15.08.2025	4.128%	15-Aug-25	30	4.006	4.017	4.006
GII MURABAHAH 1/2017 4.258% 26.07.2027	4.258%	26-Jul-27	120	4.143	4.153	4.14
GII MURABAHAH 9/2013 06.12.2028	4.943%	6-Dec-28	60	4.307	4.313	4.307
GII MURABAHAH 6/2017 4.724% 15.06.2033	4.724%	15-Jun-33	370	4.557	4.563	4.543
Total			2,380			

Sources: BPAM

MYR Bonds Trades Details

PDS	Rating	Coupon	Maturity Date	Volume (RM 'm)	Last Done	Day High	Day Low
KHAZANAH 0% 27.08.2019	GG	0.000%	27-Aug-19	70	3.788	3.788	3.78
RANTAU IMTN 0% 28.08.2019 - Tranche No 7	AAA (S)	4.140%	28-Aug-19	60	4.029	4.029	4.029
NBAD 4.9% 28.12.2020	AAA	4.900%	28-Dec-20	30	4.273	4.273	4.273
B LAND MTN 2557D 16.12.2021	AAA (FC)	5.350%	16-Dec-21	7	4.994	4.997	4.994
DANGA IMTN 5.020% 21.09.2033 - Tranche 9	AAA (S)	5.020%	21-Sep-33	30	4.982	4.982	4.982
SEB IMTN 4.700% 22.06.2018	AA1	4.700%	22-Jun-18	20	3.986	4.027	3.986
UNITAPAH 5.01% Series 07 12.06.2019	AA1	5.010%	12-Jun-19	1	4.125	4.133	4.125
TMSB Senior Sukuk Murabahah 23.10.2024 (Tranche 3)	AA1	4.850%	23-Oct-24	5	4.712	4.712	4.712
UOBM 4.650% 08.05.2025	AA1	4.650%	8-May-25	10	4.493	4.493	4.488
TMSB Senior Sukuk Murabahah 23.10.2025 (Tranche 4)	AA1	4.950%	23-Oct-25	5	4.772	4.772	4.772
TMSB Senior Sukuk Murabahah 23.10.2026 (Tranche 5)	AA1	5.000%	23-Oct-26	5	4.841	4.841	4.841
PUBLIC SUB-NOTES 4.85% 23.04.2027	AA1	4.850%	23-Apr-27	50	4.678	4.683	4.678
YTL POWER IMTN 5.050% 03.05.2027	AA1	5.050%	3-May-27	10	4.889	4.89	4.889
ANIH IMTN 4.90% 29.11.2019 - Tranche 6	AA IS	4.900%	29-Nov-19	20	4.245	4.251	4.245
UMWH IMTN 5.020% 04.10.2021	AA2	5.020%	4-Oct-21	5	4.564	4.564	4.564
CIMBBANK 4.770% 07.08.2026 - Issue No 4	AA2	4.770%	7-Aug-26	3	4.739	4.743	4.739
GAMUDA IMTN 0% 26.10.2018 - ISSUE NO 4	AA3	5.250%	26-Oct-18	20	4.201	4.201	4.201
BUMITAMA IMTN 5.25% 18.03.2019	AA3	5.250%	18-Mar-19	30	4.457	4.478	4.457
MMC CORP IMTN 5.200% 12.11.2020	AA- IS	5.200%	12-Nov-20	10	4.875	4.879	4.875
MALAKOFF POW IMTN 5.150% 17.12.2020	AA- IS	5.150%	17-Dec-20	1	4.445	4.449	4.445
TBEI IMTN 5.130% 15.09.2021	AA3	5.130%	15-Sep-21	20	4.525	4.538	4.525
GAMUDA IMTN 4.825% 23.11.2022	AA3	4.825%	23-Nov-22	25	4.698	4.71	4.698
MMC CORP IMTN 5.800% 12.11.2025	AA- IS	5.800%	12-Nov-25	5	5.278	5.28	5.278
RHBA 4.88% 27.04.2027(Series 2)	AA3	4.880%	27-Apr-27	10	4.681	4.692	4.681
TBEI IMTN 6.050% 13.09.2030	AA3	6.050%	13-Sep-30	10	5.008	5.01	5.008
KESTURI IMTN 5.25% 02.12.2031 - IMTN 13	AA- IS	5.250%	2-Dec-31	1	5.065	5.066	5.065
TBEI IMTN 6.200% 16.03.2032	AA3	6.200%	16-Mar-32	10	5.12	5.12	5.119
EDRA ENERGY IMTN 6.270% 05.07.2032 - Tranche No 22	AA3	6.270%	5-Jul-32	10	5.879	5.879	5.879
CIMB 5.500% Perpetual Capital Securities - T2	A1	5.500%	25-May-16	1	4.854	4.854	4.854

Total**483**

Sources: BPAM

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