

Global Markets Daily

EUR Swings With Draghi, Again

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Amongst the central bankers in the developed world, ECB is likely the only one that has moved its currency at almost every post decision press conference. EUR spiked against the USD on Draghi's comments that "ECB expects growth to remain solid, broad-based", no discussion on EUR volatility, "certain encouraging signs on wage growth". The move towards 1.22 did not last long. Prices seemed to have deflated right after Draghi ended his press conference, in disappointment.

No Pressure on BoJ This Time

While Draghi is a master at influencing the EUR, we cannot say the same for BOJ Kuroda. In fact, notwithstanding the pullback in UST 10y yield overnight, USDJPY has been lifted by market forces that has more to do with rise in UST yields rather than any anticipation for BOJ action. This leaves BOJ with not much pressure to do anything. The policy decision is due at mid-Asia session and no surprises are expected as the central bank is unlikely to deviate from its current policy stance. Market though, will watch for how new Deputy Governor Wakatabe will vote - whether he joins dovish board member Goushi Kataoka in dissenting. BOJ Governor in his post-meeting press conference is unlikely to veer away from his script and continue to reiterate persistent easing until the 2% inflation target is achieved. The meeting and post-meeting press conference is unlikely to impact the JPY significantly.

USD's Lead Slips

The USD retracement that we looked for play out against the Asians more than the G10 currencies. PHP, IDR, INR, SGD and even JPY eked out modest gains in the session yesterday while the rest still traded on the backfoot. On the other hand, USD retained much of its lead against the G10 despite the fall in the UST 10y yield back under the 3%. We are likely to see a quiet close to the week with just the US and UK GDP due today. Eyes also on the historic North-South Korean Summit.

FX: Overnight Closing Prices					
Majors	Prev Close	% Chg	Asian FX	Prev Close	% Chg
EUR/USD	1.2103	↓ -0.48	USD/SGD	1.3274	↓ -0.11
GBP/USD	1.3919	↓ -0.09	EUR/SGD	1.6067	↓ -0.58
AUD/USD	0.7554	↓ -0.15	JPY/SGD	1.2145	↔ 0.00
NZD/USD	0.7062	↓ -0.10	GBP/SGD	1.8476	↓ -0.19
USD/JPY	109.3	↓ -0.12	AUD/SGD	1.0029	↓ -0.24
EUR/JPY	132.3	↓ -0.58	NZD/SGD	0.9374	↓ -0.18
USD/CHF	0.9891	↑ 0.59	CHF/SGD	1.3421	↓ -0.70
USD/CAD	1.287	↑ 0.20	CAD/SGD	1.0313	↓ -0.30
USD/MYR	3.9177	↑ 0.16	SGD/MYR	2.9517	↑ 0.09
USD/THB	31.605	↑ 0.29	SGD/IDR	10463.85	↓ -0.29
USD/IDR	13891	↓ -0.22	SGD/PHP	39.2631	↓ -0.48
USD/PHP	52.111	↓ -0.41	SGD/CNY	4.7718	↑ 0.18

Implied USD/SGD Estimates @ 27 Apr-18, 9.00AM

Upper Band Limit	Mid-Point	Lower Band Limit
1.3084	1.3349	1.3615

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G7: Events & Market Closure

Date	Ctry	Event
25 Apr	AU/NZ	Market Closure
26 Apr	EC	ECB Meeting
26-27 Apr	JN	BOJ Meeting

AXJ: Events & Market Closure

Date	Ctry	Event
27 Apr	SK	North-South Korean Summit

G7 Currencies

- **DXY - More Room to Run on Break Above 91.60.** USD enjoyed another leg higher overnight. DXY was last seen at 91.56 levels. Bullish momentum on daily chart remains intact while stochastics is running into overbought conditions. Key resistance at 91.60 (76.45% fibo retracement of Feb low to Mar high). A decisive break above this could see further upmove towards 92 levels (200 DMA). Area of support at 90.5-90.90 (previous area of resistance now-turned support). We reiterate our view that USD upside may have further room to run especially if 10Y UST yield pushes on above 3%. The recent move higher for USD remains in line with our caution for the potential return of policy divergence thematic where Fed is the only central bank tightening vs. other major central banks which are not in a hurry to tighten especially for this quarter. Typically monetary policy divergence thematic favors higher UST yields and USD strength. And for this quarter, only the Fed is expected to tighten amongst the developed world central banks. It is even more compelling when one looks at the recent flow of data and notice that a divergence between US and other countries is growing. US IP, housing data continue to surprise to the upside but data from EU (PMIs, consumer confidence) and UK (retail sales, inflation) surprised to the downside. The monetary policy and economic data divergence thematic should continue to keep USD broadly supported over the next few weeks. USD rhetoric is switching from sell rallies to buy dips in the near term (4-6w time horizon), especially in the event 10Y UST yield continue to trade above 3%. But we do not expect this to last beyond Jun. Higher energy and commodity prices globally as well as tightness in labor markets in various countries including UK, EU, Australia, Korea etc. should feed through to inflation and brings back the case of monetary policy convergence as other central banks shift into tightening phase in 2H 2018. Week remaining brings Durable Goods Order (Mar); Kansas City Fed Mfg (Apr) on Thu; GDP, Core PCE (1Q); Uni of Mich Sentiment (Apr) on Fri.
- **EURUSD - Bearish Bias.** ECB kept policy rates and APP on hold overnight as widely expected. There was no discussion on monetary policy, in particular how the APP may end. This is in line with our call that we do not expect ECB to commit to a decision ahead of Sep-2018 (supposedly the end date of the current APP) as inflation remains soft for now and have yet to show signs of re-acceleration. We reiterate there is no incentive for ECB to jump the gun ahead of inflation upticks. The press conference devoted a fair amount of time on the flow of economic growth data since start of 2018. ECB acknowledged the moderation in the pace of growth but added that moderation may in part reflect a pullback from the high pace of growth while temporary factors may also be at work. He emphasized that ECB will have to monitor the development and try to get a better view on the temporariness of the slowdown. On inflation, Draghi reaffirmed his confidence that inflation will eventually rise to ECB's target of just under 2% even if there are still no convincing signs of a sustained upward trend. EUR traded 1 big figure lower post press conference. We believe this can be attributed to softer economic data and an absence of ECB's commitment to end QE. This underscores our call that yield differentials between EU and UST bonds are widening amid deepening of policy and economic data divergence between EU and US and this should continue to weigh on EUR in the interim. Policy divergence

thematic could potentially deepen further over the next 4 - 6 weeks. Fed tightening (probably by another 2 to 3 hikes this year) is almost a base line scenario while the ECB somewhat do not seem to be in a hurry to quicken their pace of normalisation, at least for next month or so (No ECB meeting scheduled in May while Fed is expected to raise rates by 25bps in Jun). EUR was last seen at 1.2110 levels. Bearish momentum on daily chart remains intact but stochastics is falling into oversold conditions. Next support 1.2040 (61.8% fibo retracement of Dec low 2018 high). Resistance at 1.2160. Day ahead brings Consumer Confidence (Apr) on Fri.

- **GBPUSD - Further Downside Not Ruled Out.** GBP continues to trade near recent lows amid renewed uncertainty on Brexit. House of Commons yesterday voted for UK to stay in customs union after Brexit. Though the vote is not legal-binding, recent development suggests that Conservatives pro-Europe may have enough support to defeat Theresa May in crucial votes in coming months. Split views between MPs is a source of uncertainty for GBP. More downside can be expected if split views persist and May's leadership is threatened. GBP downside could be amplified in current environment of USD resurgence. Pair was last seen at 1.3920 levels. Bearish momentum on daily chart remains intact while stochastics is entering oversold conditions. Support at 1.3910 before 1.3860 (100 DMA). Area of resistance at 1.4020-40 levels before 1.41 levels. Day ahead brings GDP (1Q); GfK Consumer Confidence (Apr) on Fri.
- **USDJPY - Eyes On BOJ Meeting.** USDJPY climb higher took a slightly breather overnight amid a slippage in the EURUSD that lifted the DXY index higher. The broad sell-off in most of the majors against the JPY is putting mild downside pressure on the pair this morning. Market eyes BOJ policy decision today late morning. We do not expect any surprises with the central bank unlikely to deviate from its current policy stance. Market though will watch for how new Deputy Governor Wakatabe will vote - whether he joins dovish board member Goushi Kataoka in dissenting. BOJ Governor in his post-meeting press conference is unlikely to veer away from his script and continue to reiterate persistent easing until the 2% inflation target is achieved. Unless the BOJ or BOJ governor surprises, we do not expect any significant impact on the JPY today. Monetary policy divergence between Fed and BOJ should continue to drive the pair for the time being and we expect upside pressure to the pair to remain for now. As well, geopolitical tensions on the Korean peninsula are easing with the historic meeting between the presidents of the North and the South. Still, there is underlying downside pressure on the pair over the ongoing political scandals surrounding PM Abe. These scandals have weighed on support for the cabinet with recent opinion polls by Yomiuri and Mainichi newspapers showing further dips in the cabinet's popularity with the public. The inability to ride out these scandals is likely to undermine PM Abe's position and embolden a challenge to his leadership of the ruling LDP in Sep, potentially putting Abenomics and BOJ's massive stimulus programme at risk and puts downside pressure on the pair. Last seen around 109.29-levels. Momentum indicators remains mildly bullish bias on the daily chart, and stochastics at overbought conditions. Resistance is at 109.80 levels and then the 110-levels. Failing which we could see the pair headed back towards the 106-107 levels. All eyes today will be on BOJ meeting and its outlook report due later this morning as well as jobless rate, IP, retail sales, housing starts (Mar).

- **NZDUSD - Watch 61.8% Fibi.** NZD remains soggy amid broad USD strength. Pair was last seen at 0.7054 levels. Momentum on daily chart remains bearish, stochastics is falling into oversold conditions. Downside risks may persist. We caution that a weekly close below key support at 0.7058 (61.8% fibo retracement of Dec low to 2018 high) could see further downside towards 0.6970 levels. Resistance at 0.7130 (50% fibo). **For AUDNZD, we close our long position (initiated on 16 Apr at 1.0565) at 1.07 this morning with a profit of +1.2%.** Price action overnight suggests some fatigue. We will re-assess the trade opportunity again on dips.

- **AUDUSD - Eye a rebound above 0.76 for Bulls To get back on foot.** AUDUSD remained offered, last seen around 0.7556. We stick to our view that USD's gains against the antipode are likely to slow. Prices have been pressed lower by the USD strength and rising UST rates but the rise in iron ore, copper prices supported this pair on dips. The current focus on monetary policy divergence and this is playing out against the AUD. Market players are penalizing the AUD for RBA's reluctance to hike in this current theme of monetary policy divergence. Assistant Governor also reiterated recently that gradual economic progress means no rush to move interest rate. We remain of the view that AUDUSD pullback could be a chance for us to buy the antipode as AUD typically rises in a growth environment with modest inflation. We also think the swift increase in brent prices are likely to filter into the inflation prints in the second half of the year and that could force RBA to hike. We stick to our view that we dips are seen as opportunities to accumulate. As we have noted before, the weekly chart is getting increasingly compelling for AUD bulls and we await a rebound above the 0.76-figure for bulls to get back on foot. Break above this puts next resistance at 0.7890 (50% fibo), 0.7950 (61.8% fibo). *Week ahead brings Import, Export Price Index (1Q) on Thu; PPI (1Q) on Fri.*

- **USDCAD - Grinding Higher.** USDCAD traded sideways and was last seen around 1.2870. CAD had been the most resilient against the USD strength in overnight trade in the G10 space. More comments from Canada's Foreign Affairs Minister Chrystia Freeland in Washington for NAFTA talks. She said that the negotiators have progressed from a "conceptual level on rules of origin on cars to really talking about the details". Still, there was no indication on when an agreement is likely to be reached. Support is seen around 1.2720/40 (marked by the 21-DMA) before the next at 1.2625 (200-DMA). The uncertainty surrounding NAFTA has been holding BoC back from hiking policy rates further. We continue to watch NAFTA developments and oil prices. Support at 1.2680 (100-DMA). Next resistance at 1.2930/60.

Asia ex Japan Currencies

- **SGD trades around 0.55% above the implied mid-point of 1.3349 with the top estimated at 1.3084 and the floor at 1.3615.**
- **USDSGD - Risks Still Pointing Higher.** USDSGD is trading mildly bid possibly as markets reduce their short-SGD positions vs. the USD amid expectations of elevated UST yields. Pair though appears to be in consolidation around current levels after its recent climb higher. Last seen around 1.3284-levels. Bullish momentum on the daily chart remains intact, while stochastics is now at overbought conditions. This suggests risk to the pair remains to the upside. Resistance is around 1.3360-levels (50% fibo retracement of the Oct 2017 to Jan 2018 downswing). Support around 1.3225-levels (100DMA) before 1.3175 levels (23.6% fibo). Unemployment rate (1Q) is on tap today.
- **AUDSGD - Prefer to Accumulate on dips.** AUDSGD is testing the year-low, last seen around 1.0030. Eyes are on the next support at 1.0020 (year low). Moves lower could be a grind as stochs enter oversold levels. Resistance at 1.0160. With stochs and MACD turning lower on the daily chart, this cross may extend its pullback before heading higher (possibly last chance to buy). The USD strength continues to press on the AUDSGD as AUD has an inherently higher beta than SGD. Rise in the UST also affects AUD more than the SGD as the latter has started to normalize while the former has not. However, we continue to hold the view that RBA would move before the end of this year and this is only a moment of weakness. Resistance is seen around 1.0113 (21-DMA) before the next at 1.0164.
- **SGDMYR - Lean against Strength.** SGDMYR remains relatively stable; last seen at 2.9510 levels. Daily momentum is showing signs of mild bearish bias while stochastics is falling. Bias remains to lean against strength. 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. Resistance at 2.9750 (61.8% fibo retracement of 2016 low to 2017 high), 2.9830 (100 DMA).
- **USDMYR - Cautious Trading.** USDMYR continues to trade near recent highs; last seen at 3.9190 levels. Trading range remains relatively narrow. Daily momentum is mild bullish while stochastics is rising into overbought conditions. **Further rebound towards 3.92, 3.95 not impossible but bias to fade.** Interim support at 3.87. Key area of support at 3.84 - 3.85 remains. 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 rapidly rising UST yield could extend the USD rebound and that may pose risks to MYR outlook in the near term. 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.

- **1m USDKRW NDF - 1070 - 1082 Range Intra-day.** 1m USDKRW NDF traded a touch softer this morning amid supported sentiment (both risk assets and geopolitical on Korea peninsula). First summit between North and South Korea is taking place today for the first time in 11 years. Unwinding of geopolitical tensions is a positive for KRW but external development in the yield and equity space will continue to drive FX direction. Pair was last seen at 1076 levels. Bullish momentum remains intact but stochastics shows signs of turning from near-overbought conditions. It is too soon to judge that the pair may turn lower but we do note that the rise in USDKRW may be running into a fatigue. Support at 1070 (50 DMA). Resistance seen at 1082, 1089 levels. Pair could trade 1070 - 1082 range intra-day.
- **USDCNH - Eye 6.3250.** USDCNH remains bid on the back of USD strength, last seen around 6.3285. Momentum is increasingly bullish and a break above the 6.3250-resistance could see this pair head towards the 6.35-figure. PBoC fixed the USDCNY reference rate at **6.3393, 110 pips lower than the previous 6.3283.** CNYMYR was fixed at **0.6183, 4 pips higher than the previous at 0.6179.** EURCNY was fixed **271 pips lower at 7.6714 vs. the previous at 7.6985.** Industrial profits for Mar is due today. The National Development and Reform Commission (NDRC) stated on its website that the gasoline price is raised by CNY255/ton and diesel price is also hiked by CNY245/ton. In other news, Director of the White House's National Economic Council Larry Kudlow said that Senior Trump administration officials will push China to address a wide range of trade irritants when they visit the country "in coming days".
- **1M USDINR NDF - Bulls Rally On.** 1M NDF hovered around 67.20 as bulls took a rest. Oil decline and the fall in UST 10y yield capped gains in the last session. Support at 66.50 before 66.00. Pair has breached the 67-figure and could head higher towards 67.60 before the next at 68.20. Risks are to the upside. USDINR remains buoyed by the rise in oil prices and UST yields as investors remain concerned about India's current account deterioration and INR is one of the most sensitive to UST rates amongst regional peers. Foreign investors sold US\$15.0mn of equities and US\$90.8mn of bonds on 25 Apr. Outflows continue into this week from the last but the sell-off seems to have slowed for the first half of this week.
- **1m USDIDR NDF - Upside Momentum Easing.** 1m USDIDR NDF slipped lower below the 14000-levels towards the end of the trading session yesterday in anticipation of an unscheduled press conference by BI governor Agus Martowardojo after onshore markets closed. At the press

conference, the BI governor warned that the central bank would not hesitate to hike its policy rate to stabilize the IDR and would serve as the next line of defense of the IDR after intervention in the currency and bond markets. Earlier yesterday, FinMin Sri Mulyani had opted to view the recent depreciation of the IDR as a positive, particularly to exports. Since then, the 1m NDF has inched higher, possibly on profit taking activities amid a firmer USD tone, as well as month-end exporters USD demand. Selling pressure on Indonesian assets continued yesterday with foreign investors selling USD93.9mn in equities. Meanwhile, they had sold USD593mn in debt on 25 Apr (latest data available). Further foreign portfolio outflows today is likely to be supportive of the 1m NDF intraday. In addition, elevated commodity prices, including oil, could translate into a greater financial burden on the government's fiscal position on higher subsidies on fuel. This concern amid current account deficits is likely to impact sentiments and keep the 1m NDF supported. Spot USDIDR gapped lower at the opening to 13875 this morning from yesterday's close of 13891, playing catch-up with the overnight domestic news. Last seen around 13957-levels. Daily chart shows bullish bias intact but waning, while stochastic is turning lower from overbought conditions. Resistance is around 14000-handle, 14114 levels (2018 high). Support at 13875 levels. Watch for further official agent activities to smooth our IDR volatility. JISDOR was fixed at 13930 yesterday, 42 pips higher than Wed's fixing.

- **1m USDPHP NDF - S&P Lifts Outlook To Positive.** 1m USDPHP NDF slipped lower overnight amid a pullback in UST yields as well as S&P revision of its outlook for the nation to positive from stable. The move was attributed to its strong external position and improving policymaking that has contributed to sustainable public finances. This could be a prelude to an upgrade in the Philippines credit-rating by S&P 12-24 months down the road that should be positive for the PHP. Philippines' credit rating is currently BBB, which S&P reaffirmed. Positive sentiments from the S&P move together with softer UST yields is putting downside pressure on the 1m NDF. Some upside pressure on the 1m NDF though is likely to limit downside. Risks sentiments have not improved and this is weighing on Philippine equities. Yesterday, foreign investors sold USD9.3mn of equities. Though the S&P move could improve sentiments, we doubt it should be enough to prevent a further sell-off today. This should limit 1m NDF downside intraday. Spot USDPHP gapped lower at the opening to 52.007 this morning from yesterday's close of 52.111 amid S&P outlook revision overnight. Last seen around 52.06-levels. Daily momentum is now mildly bearish bias, while stochastics is falling from overbought conditions. With our support level around 52.25 levels taken out overnight, support nearby is around the 52-handle. A clean break here on a weekly close could see the move headed toward the 51.60 levels (38.2% fibo retracement of Jan-Feb upswing). Failing which a bounce back towards 52.20-levels (21DMA), 52.50 cannot be ruled out. Watch for official agent activities to smooth our PHP volatility ahead.
- **USDTHB - Pressured Higher.** USDTHB saw gains for the third consecutive session as the sell-off in Thai assets continued. Foreign investors sold USD15.4mn and USD249.5mn in equities and debt yesterday. Further unwinding of their holdings in Thai assets should put downside pressure on the THB. Last seen around 31.626-levels. Daily momentum indicators remain bullish bias, though stochastics is now at overbought conditions. With risks to the upside, further moves higher

should be capped around 31.680 levels (100DMA), 31.750 levels (76.4% fibo retracement of the Feb-Mar downswing). Support at 32.520 levels (50% fibo). Foreign reserves (20 Apr) is on tap today.

Malaysia Fixed Income

Rates Indicators

Analysts

MGS	Previous Bus. Day	Yesterday's Close	Change (bps)
3YR MH2/21	3.77	3.79	+2
5YR MI4/23 WI	3.88	3.89	+1
7YR MK3/25	4.09	4.11	+2
10YR MO11/27	4.18	4.21	+3
15YR MX4/33	4.66	4.70	+4
20YR MX4/37	4.62	4.75	+13
30YR MZ3/46	4.90	*4.99/92	Not traded
IRS			
6-months	3.71	3.71	-
9-months	3.73	3.73	-
1-year	3.76	3.77	+1
3-year	3.84	3.85	+1
5-year	3.93	3.93	-
7-year	4.06	4.06	-
10-year	4.20	4.20	-

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Source: Maybank KE

*Indicative levels

- The selloff in Malaysian govies continued with yields ending 1-13bps higher. Decent trading volume, centered on the belly sector where 7y and 10y MGS benchmarks rose 2-3bps higher. Players turn to the 10y GII 10/28 auction on Friday. There were no trades in the WI and quotes ranged wide at 4.45/30%. We expect the auction to see some support from local real money.
- Quiet local IRS market given continued weakness in bonds. There was interest in 3y to 5y rates, with trades done on the 4y at 3.885% and was offered on. IRS to trade range bound or biased to the upside should bond sentiment remain weak amid the 10y UST yield hovering above 3%. 3M KLIBOR unchanged at 3.69%.
- Corporate bonds were slightly more active but selling pressure did not let-up. The belly of the AAA curve widened 2bps, while the long end saw support to stay flat. AA credits gave up some gains at the long end, trading 1-4bps wider with MEX II, DUKE 3 and SPG given to the bid side. The selling may continue as govies weakened further.

Singapore Fixed Income

Rates Indicators

SGS	Previous Bus. Day	Yesterday's Close	Change (bps)
2YR	1.95	1.96	+1
5YR	2.20	2.20	-
10YR	-	2.64	-
15YR	2.79	2.82	+3
20YR	2.79	2.82	+3
30YR	2.90	2.94	+4

Source: Maybank KE

- SGS cheapened ahead of the 10y benchmark auction with prices marked down sharply as PDs sold long end bonds to lighten duration. Yields rose by as much as 6bps initially. SGS prices later rebounded as buyers returned and the 10y WI headed towards 2.67/61%. Auction result was within market expectations with a cut off of 2.65%. Post auction, long end SGS remained top heavy and paying in short dated forwards dampened market sentiment. Yields closed 1-4bps higher with the curve steeper. SGD IRS little changed except for the 5y which rose by about 4bps.
- Asian credit market traded on a weak note given the uncertainty in UST and at the same time, market is digesting a heavy primary supply, contributing to the widening of credit spreads especially in China IG space. HUAWEI was in focus again, widening 20bps on the back of negative headline news as well as pulling its EUR issuance.

Indonesia Fixed Income

Rates Indicators

IDR Gov't Bonds	Previous Bus. Day	Yesterday's Close	Change (bp)
2YR	6.24	6.44	19.92
5YR	6.47	6.67	19.50
10YR	7.10	7.08	(2.21)
15YR	7.30	7.31	0.33
20YR	7.49	7.55	5.62
30YR	7.45	7.45	-

* Source: Maybank Indonesia

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- Indonesia bond market closed lower during Thursday trading session. The volatility of IndoGB yield eased yesterday compared to Wednesday trading session. Indonesia Central Bank in a statement during the day, vows to remain guarding the IDR, prepare a second line of defence to guard the IDR and will ensure to keep liquidity ample in the market. Indonesia Central Bank also sounded much hawkish as they stated that they “won’t hesitate” to raise reference rate (despite last resort) to guard the local currency. This Central Bank statement supported by DMO official’s statement which sees current weakening in IndoGB market to be “Temporary”, has resulted in a calmer IndoGB yield movement during the day. 5-yr, 10-yr, 15-yr and 20-yr benchmark series yield stood at 6.668%, 7.076%, 7.308% and 7.551% while 2y yield moved higher to 6.439%. During the day, FR0066 (1mo) yield decline the most by 7bps while FR0070 (6y) yield increased the most by 29bps. 15y20y G-Spread is the widest on YTD basis currently (15y20y current spread: 24bps). Trading volume at secondary market was noted heavy at government segments amounting Rp29,701b with FR0064 (10y benchmark series) as the most tradable bond. FR0064 total trading volume amounting Rp6,605b with 124x transaction frequency.
- Foreign ownership stood at Rp852.8t or 38.8% of total tradable government bond as of Apr 25th. Considering a 2-day’s settlement, Foreigner booked net sell worth of Rp14.0t from begin month of Apr 18.
- Corporate bond traded moderate amounting Rp724b. PNMP02ACN2 (Shelf Registration II PNM Phase II Year 2018; B serial bond; Rating: _{id}A) was the top actively traded corporate bond with total trading volume amounted Rp113b yielding 7.961%.



















Foreign Exchange: Daily Levels

	EUR/USD	USD/JPY	AUD/USD	GBP/USD	USD/CNH	NZD/USD	EUR/JPY	AUD/JPY
R2	1.2250	109.68	0.7605	1.4040	6.3454	0.7110	133.5733	83.0563
R1	1.2177	109.49	0.7580	1.3980	6.3361	0.7086	132.9367	82.8127
Current	1.2106	109.31	0.7553	1.3917	6.3283	0.7059	132.3200	82.5560
S1	1.2063	109.09	0.7538	1.3877	6.3129	0.7047	131.9767	82.4277
S2	1.2022	108.88	0.7521	1.3834	6.2990	0.7032	131.6533	82.2863

	USD/SGD	USD/MYR	USD/IDR	USD/PHP	USD/THB	EUR/SGD	CNY/MYR	SGD/MYR
R2	1.3317	n/a	13957	52.3897	31.7250	1.6218	0.6246	2.9618
R1	1.3295	n/a	13924	52.2503	31.6650	1.6142	0.6215	2.9567
Current	1.3283	3.9220	13893	52.1180	31.6340	1.6081	0.6187	2.9529
S1	1.3248	n/a	13874	52.0383	31.5300	1.6025	0.6141	2.9458
S2	1.3223	n/a	13857	51.9657	31.4550	1.5984	0.6099	2.9400

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

Equity Indices and Key Commodities

	Value	% Change	
Dow	24,322.34	0.99	
Nasdaq	7,118.68	1.64	
Nikkei 225	22,319.61	0.47	
FTSE	7,421.43	0.57	
Australia ASX 200	5,910.77	-0.18	
Singapore Straits Times	3,570.02	0.06	
Kuala Lumpur Composite	1,852.27	0.02	
Jakarta Composite	5,909.20	-2.81	
Philippines Composite	7,617.42	0.79	
Taiwan TAIEX	10,488.58	-0.68	
Korea KOSPI	2,475.64	1.10	
Shanghai Comp Index	3,075.03	-1.38	
Hong Kong Hang Seng	30,007.68	-1.06	
India Sensex	34,713.60	0.62	
Nymex Crude Oil WTI	68.16	0.22	
Comex Gold	1,317.80	-0.50	
Reuters CRB Index	201.22	0.26	
MBB KL	10.68	0.95	

Policy Rates

Rates	Current (%)	Upcoming CB Meeting	MBB Expectation
MAS SGD 3-Month SIBOR	1.5070	Apr-18	Neutral
BNM O/N Policy Rate	3.25	10/5/2018	Neutral
BI 7-Day Reverse Repo Rate	4.25	17/5/2018	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	14/6/2018	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	30/5/2018	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	324	3.384	3.57	3.384
MGS 5/2015 3.759% 15.03.2019	3.759%	15-Mar-19	90	3.486	3.486	3.463
MGS 3/2004 5.734% 30.07.2019	5.734%	30-Jul-19	30	3.615	3.615	3.615
MGS 4/2014 3.654% 31.10.2019	3.654%	31-Oct-19	30	3.589	3.589	3.589
MGS 2/2009 4.378% 29.11.2019	4.378%	29-Nov-19	129	3.667	3.667	3.647
MGS 6/2012 3.492% 31.03.2020	3.492%	31-Mar-20	10	3.599	3.599	3.599
MGS 3/2015 3.659% 15.10.2020	3.659%	15-Oct-20	28	3.723	3.766	3.723
MGS 5/2017 3.441% 15.02.2021	3.441%	15-Feb-21	137	3.828	3.828	3.8
MGS 1/2011 4.16% 15.07.2021	4.160%	15-Jul-21	50	3.844	3.844	3.821
MGS 3/2014 4.048% 30.09.2021	4.048%	30-Sep-21	138	3.827	3.874	3.827
MGS 4/2016 3.620% 30.11.2021	3.620%	30-Nov-21	110	3.785	3.785	3.761
MGS 1/2017 3.882% 10.03.2022	3.882%	10-Mar-22	51	3.888	3.909	3.853
MGS 1/2012 3.418% 15.08.2022	3.418%	15-Aug-22	184	3.966	3.99	3.966
MGS 2/2015 3.795% 30.09.2022	3.795%	30-Sep-22	170	3.974	3.981	3.956
MGS 3/2013 3.480% 15.03.2023	3.480%	15-Mar-23	31	4.022	4.052	4.002
MGS 2/2018 3.757% 20.04.2023	3.757%	20-Apr-23	71	3.891	3.891	3.871
MGS 1/2016 3.800% 17.08.2023	3.800%	17-Aug-23	8	4.032	4.032	4.013
MGS 1/2014 4.181% 15.07.2024	4.181%	15-Jul-24	47	4.083	4.116	4.083
MGS 2/2017 4.059% 30.09.2024	4.059%	30-Sep-24	2	4.067	4.075	4.067
MGS 1/2018 3.882% 14.03.2025	3.882%	14-Mar-25	154	4.097	4.109	4.066
MGS 1/2015 3.955% 15.09.2025	3.955%	15-Sep-25	104	4.193	4.201	4.108
MGS 3/2016 3.900% 30.11.2026	3.900%	30-Nov-26	10	4.165	4.229	4.165
MGS 2/2012 3.892% 15.03.2027	3.892%	15-Mar-27	1	4.253	4.253	4.163
MGS 3/2007 3.502% 31.05.2027	3.502%	31-May-27	5	4.376	4.376	4.376
MGS 4/2017 3.899% 16.11.2027	3.899%	16-Nov-27	141	4.213	4.213	4.194
MGS 3/2008 5.248% 15.09.2028	5.248%	15-Sep-28	1	4.313	4.313	4.313
MGS 3/2010 4.498% 15.04.2030	4.498%	15-Apr-30	9	4.553	4.553	4.553
MGS 4/2011 4.232% 30.06.2031	4.232%	30-Jun-31	50	4.588	4.588	4.588
MGS 4/2013 3.844% 15.04.2033	3.844%	15-Apr-33	130	4.692	4.698	4.683
MGS 3/2017 4.762% 07.04.2037	4.762%	7-Apr-37	11	4.747	4.77	4.747
PROFIT-BASED GII 1/2011 30.08.2018	3.872%	30-Aug-18	320	3.455	3.455	3.387
GII MURABAHAH 4/2016 3.226% 15.04.2020	3.226%	15-Apr-20	80	3.76	3.76	3.758
GII MURABAHAH 2/2016 3.743% 26.08.2021	3.743%	26-Aug-21	8	3.832	3.903	3.832
GII MURABAHAH 3/2017 3.948% 14.04.2022	3.948%	14-Apr-22	130	3.926	3.939	3.92
GII MURABAHAH 1/2016 4.390% 07.07.2023	4.390%	7-Jul-23	6	4.065	4.065	4.065
GII MURABAHAH 2/2017 4.045% 15.08.2024	4.045%	15-Aug-24	20	4.126	4.126	4.126
GII MURABAHAH 1/2018 4.128% 15.08.2025	4.128%	15-Aug-25	100	4.175	4.175	4.156
GII MURABAHAH 6/2017 4.724% 15.06.2033	4.724%	15-Jun-33	5	4.752	4.752	4.752
GII MURABAHAH 6/2015 4.786% 31.10.2035	4.786%	31-Oct-35	2	4.885	4.885	4.885

Total

2,923

Sources: BPAM

MYR Bonds Trades Details

PDS	Rating	Coupon	Maturity Date	Volume (RM 'm)	Last Done	Day High	Day Low
MKDK IMTN 4.330% 27.04.2023	GG	4.330%	27-Apr-23	210	4.326	4.326	4.326
PLUS BERHAD IMTN 5.000% 31.12.2038 - Series 2	GG	5.000%	31-Dec-38	15	5.109	5.109	5.098
PUTRAJAYA IMTN 18.09.2020 SERIES 6 TRANCHE 009	AAA IS	4.300%	18-Sep-20	10	4.245	4.254	4.245
TELEKOM IMTN 4.580% 03.09.2027	AAA	4.580%	3-Sep-27	10	4.649	4.651	4.649
PLUS BERHAD IMTN 5.150% 12.01.2032 - Series 1 (16)	AAA IS	5.150%	12-Jan-32	5	4.961	4.961	4.961
DANGA IMTN 5.020% 21.09.2033 - Tranche 9	AAA (S)	5.020%	21-Sep-33	15	5.031	5.031	5.028
TENAGA IMTN 03.08.2037	AAA	5.180%	3-Aug-37	15	5.1	5.105	5.1
SCC IMTN 4.450% 22.12.2021	AA1	4.450%	22-Dec-21	40	4.714	4.714	4.714
MAYBANK 4.900% 29.01.2024	AA1	4.900%	29-Jan-24	4	4.499	4.499	4.499
PIBB SUBORDINATED SUKUK MURABAHAH 07.06.2024	AA1	4.750%	7-Jun-24	15	4.406	4.406	4.406
CIMB 5.150% 23.12.2025 - Tranche 1	AA	5.150%	23-Dec-25	1	5.18	5.18	5.18
EONBANK TIER-1 8.25% 09.09.2039	AA2	8.250%	9-Sep-39	1	5.28	5.28	4.87
EDRA ENERGY IMTN 5.670% 05.01.2023 - Tranche No 3	AA3	5.670%	5-Jan-23	5	5.251	5.251	5.251
EDRA ENERGY IMTN 5.700% 05.07.2023 - Tranche No 4	AA3	5.700%	5-Jul-23	10	5.279	5.283	5.279
UITM SOLAR IMTN 5.500% 25.04.2025	AA- IS	5.500%	25-Apr-25	5	5.4	5.4	5.4
EDRA ENERGY IMTN 5.970% 05.01.2028 - Tranche No 13	AA3	5.970%	5-Jan-28	10	5.581	5.581	5.578
MEX II IMTN 5.900% 27.04.2029 - Issue No. 9	AA- IS	5.900%	27-Apr-29	5	5.221	5.221	5.221
SPG IMTN 5.090% 30.04.2029	AA- IS	5.090%	30-Apr-29	10	4.978	4.983	4.978
EDRA ENERGY IMTN 6.270% 05.07.2032 - Tranche No 22	AA3	6.270%	5-Jul-32	5	5.909	5.909	5.909
MEX II IMTN 6.300% 29.04.2033 - Issue No. 13	AA- IS	6.300%	29-Apr-33	5	5.539	5.539	5.539
LDF3 IMTN 6.040% 23.08.2035	AA- IS	6.040%	23-Aug-35	1	5.348	5.349	5.348
UMWH Perpetual Sukuk Musharakah 6.35% - Tranche 1	A1	6.350%	20-Apr-18	1	6.105	6.105	6.105
ALLIANCEB MTN 3653D 27.10.2025	A2	5.750%	27-Oct-25	1	4.96	4.969	4.96
EWIB IMTN 6.650% 27.04.2023	NR(LT)	6.650%	27-Apr-23	93	6.296	6.55	6.296
JAYA PERSADA 6.800% 26.04.2030	NR(LT)	6.800%	26-Apr-30	25	6.8	6.8	6.8
JAYA PERSADA 6.900% 25.04.2031	NR(LT)	6.900%	25-Apr-31	25	6.9	6.9	6.9
JAYA PERSADA 7.000% 27.04.2032	NR(LT)	7.000%	27-Apr-32	30	7	7	7
Total				571			

Sources: BPAM

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