

Highlights

Global	<p>Wall Street gained yesterday after sharp declines in the prior session. The big news yesterday was that UK Prime Minister decided to postpone the Brexit vote in parliament and instead try to seek additional assurances from EU leaders. However, the EU council President Donald Tusk has called for an EU leaders meeting on Thursday and reiterated that they will not renegotiate the deal although he also said they are ready to discuss how to facilitate ratification. There is still a possibility at this point that the deal can be brought back in parliament for another vote in January. Meanwhile, on the regarding the Huawei Technologies CFO court proceedings, Canadian Judge William Ehrcke has voiced some opposition to granting a bail request on the basis that it would be difficult to guarantee that there would be no flight risk. In India, the RBI Governor Urjit Patel announced his resignation, citing personal reasons but it is noted that his decision comes ahead of a meeting this coming Friday between government representatives and the central bank whilst general elections are also due in the first half of 2019. Asian markets are likely to have a mixed start today. Key economic data releases today include UK jobs data, Germany's Zew survey, US PPI and Philippines trade data.</p>
UK	<p>The EU is reportedly ready to add some wording to the effect that it would not wish to force the UK to a never-ending "backstop" arrangement in the scenario that there is no border trade deal and that it will do all it can to prevent this from happening. However, the EU will still not be legally obliged to stop this from happening and hence, in reality, there wouldn't actually be any changes to the agreement.</p>
MY	<p>Minister in the Prime Minister's Department Mujahid Yusof Rawa confirmed reports that Tabung Haji (TH) has a RM4.1 billion deficit in terms of assets as of 2017 but it was still paying out dividends in contravention of the law. The Minister also announced that Tabung Haji will be placed under BNM's supervision administratively starting from 1st January 2019. Malaysiakini had also reported that based on a financial position review for 2017 by PwC, the fund effectively used depositor's savings to pay out dividends.</p>
ID	<p>The central bank confirmed that it was intervening yesterday in the domestic non-deliverable forward (DNDF) and spot currency markets. Meanwhile, according to kontan.co.id, the Energy and Mineral Resources Ministry's Oil and Gas Director, Djoko Siswanto, was quoted as saying that the B100 fuel was currently being tested by the Ministry. The government is also reportedly carrying out research to increase the portion of biodiesel in fuels from 20 (B20) percent to 30 percent (B30). Pertamina supply chain operations manager Gema Iriandus Pahalawan has also reportedly been quoted as saying that three more biodiesel refineries would be developed, possibly in Plaju in South Sumatera, Dumai in Riau and Balikpapan in East Kalimantan.</p>

Major Markets

- **US:** JOLTS job openings rose to 7.079m for the month of October from a 6.96m figure revised downward in September. The print is the second highest registered by the Labor Department.
- Wall Street ended mixed on Monday, with the S&P500 up 0.18%, the DJIA rising 0.14% whilst the Nasdaq composite increased by 0.74%.
- **Philippines:** The government sold 15b pesos worth of 3-month to 1-year debt at an auction yesterday, with yields little changed.

Bond Market Updates

- **Market Commentary:** The SGD swap curve flattened yesterday, with swap rates trading 1-2bps lower across most tenors. The Bloomberg Barclays Asia USD IG Bond Index average OAS widened 1bps to 163bps while the Bloomberg Barclays Asia USD HY Bond Index average OAS was unchanged at 618bps. Overall, 10Y UST yields traded little changed to close 1bps higher at 2.86% as Wall Street stocks recovered.
- **New Issues:** Shimao Property Holdings Ltd has priced a USD570mn re-tap of its SHIMAO 6.375%'21s at 7.125%, tightening from its initial price guidance of 7.375% (subsidiary guarantors: certain of the company's restricted subsidiaries outside the PRC). Industrial & Commercial Bank of China Ltd/Dubai DIFC has priced a USD100mn 2-year bond at 3mL+60bps. Shandong Commercial Group Co Ltd has scheduled for investor meeting from 11 Dec for its potential USD bond issuance. Guangzhou Metro Investment Finance (BVI) Ltd has scheduled for conference call on 10 Dec for its potential USD bond issuance (guaranteed by Guangzhou Metro Investment Finance (HK) Ltd). Hungary has hired banks for its potential CNY bond issuance.

Key Financial Indicators

Foreign Exchange

	Day Close	% Change		Day Close	% Change
DXY	97.219	0.73%	USD-SGD	1.3737	0.27%
USD-JPY	113.330	0.57%	EUR-SGD	1.5602	0.04%
EUR-USD	1.1356	-0.20%	JPY-SGD	1.2122	-0.27%
AUD-USD	0.7190	-0.25%	GBP-SGD	1.7256	-1.06%
GBP-USD	1.2561	-1.30%	AUD-SGD	0.9877	0.06%
USD-MYR	4.1715	0.11%	NZD-SGD	0.9443	0.43%
USD-CNY	6.9117	0.54%	CHF-SGD	1.3873	0.42%
USD-IDR	14555	0.52%	SGD-MYR	3.0441	0.05%
USD-VND	23307	-0.04%	SGD-CNY	5.0388	0.37%

Interbank Offer Rates (%)

Tenor	EURIBOR	Change	Tenor	USD LIBOR	Change
1M	-0.3680	--	O/N	2.1809	--
2M	-0.3360	--	1M	2.4002	--
3M	-0.3150	--	2M	2.5453	--
6M	-0.2460	--	3M	2.7711	--
9M	-0.1940	--	6M	2.8858	--
12M	-0.1370	--	12M	3.1006	--

Fed Rate Hike Probability

Meeting	Prob Hike	2.25-2.5	2.5-2.75	2.75-3	3-3.25
12/19/2018	67.4%	67.4%	0.0%	0.0%	0.0%
01/30/2019	69.4%	65.2%	4.2%	0.0%	0.0%
03/20/2019	81.4%	51.7%	28.1%	1.6%	0.0%
05/01/2019	82.9%	48.9%	30.0%	3.8%	0.1%
06/19/2019	87.4%	40.5%	35.0%	10.8%	1.1%
07/31/2019	88.0%	39.3%	35.3%	11.8%	1.5%

Commodities Futures

Energy	Futures	% chg	Soft Commodities	Futures	% chg
WTI (per barrel)	51.00	-3.06%	Coffee (per lb)	1.005	1.67%
Brent (per barrel)	59.97	-2.76%	Cotton (per lb)	0.7988	-0.44%
Heating Oil (per gallon)	1.8441	-2.23%	Sugar (per lb)	0.1272	-1.17%
Gasoline (per gallon)	1.4189	-4.50%	Orange Juice (per lb)	1.3940	-2.59%
Natural Gas (per MMBtu)	4.5450	1.27%	Cocoa (per mt)	2,156	-0.87%
Base Metals	Futures	% chg	Grains	Futures	% chg
Copper (per mt)	715.6	-1.16%	Wheat (per bushel)	5.1475	-0.91%
Nickel (per mt)	10,729.5	-1.10%	Soybean (per bushel)	9.098	-0.76%
Aluminium (per mt)	1,933.8	-1.16%	Corn (per bushel)	3.7425	0.07%
Precious Metals	Futures	% chg	Asian Commodities	Futures	% chg
Gold (per oz)	1,243.7	-0.25%	Crude Palm Oil (MYR/MT)	1,835.0	2.34%
Silver (per oz)	14.478	-0.65%	Rubber (JPY/KG)	140.4	-0.35%

Source: Bloomberg, Reuters

(Note that rates are for reference only)

Equity and Commodity

Index	Value	Net change
DJIA	24,423.26	34.31
S&P	2,637.72	4.64
Nasdaq	7,020.52	51.27
Nikkei 225	21,219.50	-459.18
STI	3,072.44	-38.68
KLCI	1,663.31	-17.23
JCI	6,111.36	-15.00
Baltic Dry	1,372.00	--
VIX	22.64	-0.59

Government Bond Yields (%)

Tenor	SGS (chg)	UST (chg)
2Y	2.00 (-)	2.73 (+0.02)
5Y	2.08 (+0.01)	2.71 (+0.03)
10Y	2.23 (-)	2.86 (+0.01)
15Y	2.47 (-0.01)	--
20Y	2.52 (-0.01)	--
30Y	2.64 (-0.02)	3.13 (-0.01)

Financial Spread (bps)

	Value	Change
LIBOR-OIS	40.06	0.47
EURIBOR-OIS	4.27	0.04
TED	38.51	--

Economic Calendar

Date Time	Event	Survey	Actual	Prior	Revised	Relevance	
12/11/2018 05:00	NZ ANZ Truckometer Heavy MoM	Nov	--	-1.90%	4.60%	4.30%	2.12766
12/11/2018 05:45	NZ Card Spending Retail MoM	Nov	0.30%	-0.40%	0.10%	0.00%	6.38298
12/11/2018 05:45	NZ Card Spending Total MoM	Nov	--	-0.20%	-0.10%	-0.20%	23.4043
12/11/2018 07:50	JN Money Stock M3 YoY	Nov	2.30%	2.10%	2.30%	--	75.2809
12/11/2018 07:50	JN Money Stock M2 YoY	Nov	2.60%	2.30%	2.70%	--	76.4045
12/11/2018 07:50	JN BSI Large All Industry QoQ	4Q	--	4.3	3.8	--	25.8427
12/11/2018 07:50	JN BSI Large Manufacturing QoQ	4Q	--	5.5	6.5	--	24.7191
12/11/2018 08:01	AU Manpower Survey	1Q	--	14%	15%	--	21.7391
12/11/2018 08:01	NZ Manpower Survey	1Q	--	17%	16%	--	21.2766
12/11/2018 08:01	JN Manpower Survey	1Q	--	27	26	--	22.4719
12/11/2018 08:30	AU House Price Index QoQ	3Q	-1.60%	-1.50%	-0.70%	--	7.24638
12/11/2018 08:30	AU House Price Index YoY	3Q	-2.00%	-1.90%	-0.60%	--	5.7971
12/11/2018 10:45	HK Manpower Survey	1Q	--	--	17%	--	4.54545
12/11/2018 14:30	FR Total Payrolls	3Q	0.20%	--	0.00%	0.00%	5.26316
12/11/2018 14:30	FR Private Sector Payrolls QoQ	3Q F	0.20%	--	0.20%	--	2.63158
12/11/2018 15:00	RO CPI YoY	Nov	3.70%	--	4.25%	--	89.4737
12/11/2018 16:00	SO Construction Constant YoY	Oct	--	--	12.50%	--	25
12/11/2018 16:00	HU CPI YoY	Nov	3.30%	--	3.80%	--	90
12/11/2018 16:45	IR Bloomberg Dec. Ireland Economic Survey						0
12/11/2018 17:00	BP Trade Balance	Oct	--	--	-0.5b	--	25
12/11/2018 17:30	UK Claimant Count Rate	Nov	--	--	2.70%	--	81.6092
12/11/2018 17:30	UK Jobless Claims Change	Nov	--	--	20.2k	--	93.1034
12/11/2018 17:30	UK Weekly Earnings ex Bonus 3M/YoY	Oct	3.20%	--	3.20%	--	26.4368
12/11/2018 17:30	UK ILO Unemployment Rate 3Mths	Oct	4.10%	--	4.10%	--	89.6552
12/11/2018 17:30	UK Employment Change 3M/3M	Oct	25k	--	23k	--	13.7931
12/11/2018 18:00	GE ZEW Survey Current Situation	Dec	55	--	58.2	--	95.082
12/11/2018 18:00	GE ZEW Survey Expectations	Dec	-25	--	-24.1	--	96.7213
12/11/2018 19:00	IR Property Prices YoY	Oct	--	--	8.20%	--	3.84615
12/11/2018 19:00	IR Property Prices MoM	Oct	--	--	0.70%	--	7.69231
12/11/2018 19:00	LV Trade Balance	Oct	--	--	-349.1m	--	86.6667
12/11/2018 21:30	US PPI Final Demand MoM	Nov	0.00%	--	0.60%	--	86.7188
12/11/2018 21:30	US PPI Ex Food, Energy, Trade MoM	Nov	0.20%	--	0.20%	--	10.9375
12/11/2018 21:30	US PPI Ex Food, Energy, Trade YoY	Nov	--	--	2.80%	--	10.1562
12/12/2018 07:00	SK Unemployment rate SA	Nov	3.90%	--	3.90%	--	85.2941
12/12/2018 07:30	AU Westpac Consumer Conf Index	Dec	--	--	104.3	--	27.5362
12/12/2018 07:30	AU Westpac Consumer Conf SA MoM	Dec	--	--	2.80%	--	82.6087
12/12/2018 07:50	JN PPI YoY	Nov	2.40%	--	2.90%	--	92.1348
12/12/2018 07:50	JN Core Machine Orders MoM	Oct	9.70%	--	-18.30%	--	93.2584
12/12/2018 11:00	SK Money Supply L SA MoM	Oct	--	--	0.10%	--	14.7059
12/12/2018 11:00	SK Money Supply M2 SA MoM	Oct	--	--	-0.10%	--	17.6471
12/12/2018 12:30	JN Tertiary Industry Index MoM	Oct	0.80%	--	-1.10%	--	89.8876
12/12/2018 15:00	RO Industrial Sales MoM	Oct	--	--	8.10%	--	26.3158
12/12/2018 15:00	FI Retail Sales Volume YoY	Oct F	--	--	0.80%	--	29.4118
12/12/2018 16:30	SW CPI MoM	Nov	0.00%	--	-0.10%	--	83.7838
12/12/2018 16:30	SW CPI YoY	Nov	2.00%	--	2.30%	--	89.1892
12/12/2018 16:30	SW CPI Level	Nov	330.64	--	330.72	--	94.5946
12/12/2018 17:00	BP CPI YoY	Nov	3.20%	--	3.70%	--	93.75
12/12/2018 19:00	PO CPI EU Harmonized YoY	Nov F	--	--	1.00%	--	83.3333
12/12/2018 20:00	US MBA Mortgage Applications	Dec-07	--	--	2.00%	--	92.3077
12/12/2018 21:30	CA Teranet/National Bank HP Index	Nov	--	--	225.38	--	20.9302
12/12/2018 21:30	CA Teranet/National Bank HPI YoY	Nov	--	--	2.80%	--	27.907
12/12/2018 21:30	US CPI MoM	Nov	0.00%	--	0.30%	--	96.0938
12/12/2018 21:30	US CPI Ex Food and Energy MoM	Nov	0.20%	--	0.20%	--	76.875
12/12/2018 21:30	US Real Avg Weekly Earnings YoY	Nov	--	--	0.90%	0.80%	9.375
12/12/2018 21:30	US Real Avg Hourly Earning YoY	Nov	--	--	0.70%	0.60%	3.125

Source: Bloomberg

OCBC Treasury Research	
Macro Research Selena Ling LingSSSelena@ocbc.com Emmanuel Ng NgCYEmmanuel@ocbc.com Tommy Xie Dongming XieD@ocbc.com Terence Wu TerenceWu@ocbc.com Alan Lau AlanLau@ocbc.com	Credit Research Andrew Wong WongVKAM@ocbc.com Ezien Hoo EzienHoo@ocbc.com Wong Hong Wei WongHongWei@ocbc.com Seow Zhi Qi ZhiQiSeow@ocbc.com

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