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Highlights

Global	<p>Asian markets will open this week to the news that Italians have voted to reject a constitutional overhaul proposed by PM Matteo Renzi, who has conceded defeat and is offering his resignation. While the 'No' win has been expected by polls, market sentiment is still likely to be weighed down by political uncertainties there. Specifically, even though a caretaker government is expected to be formed, potentially headed by current Finance Minister, Pier Padoan, there are concerns that there will be increasing pressure for an early general election that opens the door for the anti-European Five Star Party to win the race and form a government next year. Euro weakened by more than 1% against the greenback this morning on the news, before recovering some grounds.</p> <p>Meanwhile, market is also digesting US nonfarm payrolls from Friday, showing 178k jobs were added in November, just a tad short of market expectations of 180k while unemployment rate declined by 0.3ppt to 4.6%, the lowest in nine years. Hourly wage did decline for the first time since 2014, but the overall takeaway for the market seems to be a robust US employment outlook that would add to the conviction that the Federal Reserve will be due for a rate hike next week.</p>
US	<p>Labour data released failed to give directionality to the markets, with equities ended largely unchanged on Friday. Overall, the major indices traded near 2-week lows, with the S&P 500 and Nasdaq ending marginally positive, but the Dow slightly in the red. Equities are expected to open weaker for this week as they react to the Italian referendum results. VIX closed at 14.12. US Treasuries whipsawed in reaction to the labour data, but ultimately ended higher in late trading in line with global bonds. Yields moved lower by 4-7 bps, with 2- and 10-year benchmark yields standing at 1.10% and 2.38%.</p>
CH	<p>PBoC senior official Shen Songcheng said over the weekend that it is the best time to stabilize RMB exchange rate as all the 50K USD individual quota will be refilled from next month. The increasing volatility in Euro this morning as a result of the failure of Italian referendum may create additional pressure for RMB due to EUR's high weightage in China's RMB basket. The USDCNY is expected to be fixed higher this morning around 6.8860, up from last Friday's 6.8794. The optimism about the China-US relationship from President Xi Jinping's meeting with former US Secretary of State Henry Kissinger on Friday failed to last more than 24 hours after President elect Donald Trump exchanged a phone call with Taiwan President Tsai.</p>
ID	<p>Bank Indonesia said that it is monitoring the inflows of offshore assets that were declared as part of the ongoing Tax Amnesty program. Into year end, the central bank expects the inflows to amount to around IDR100tn (~USD7.4bn), as up to IDR40tn of the total IDR143tn repatriation commitment has come in so far.</p>
MA	<p>Bank Negara has announced new measures to support ringgit and boost liquidity. In a Friday statement, BNM said that exporters could only retain up to 25% of their export proceeds in foreign currency, while the rest has to be converted into ringgit. The exporters are able to hedge and unhedge up to 6 months of their foreign currency obligations. It added that all ringgit proceeds from exporters can enjoy a higher deposit rate of 3.25% per annum.</p>

Bond Market Updates

- **Market Commentary:** The SGD swap curve bear-steepened last Friday as swap rates traded mostly 1-5bps higher across the curve. In the broader dollar space, the spread on JACI IG corporates was relatively unchanged at 199bps while the yield on JACI HY corporates increased 1bps to 6.92%. 10y UST yield decreased 6bps to 2.39% as the non-farm payroll results released last Friday were mixed. The unemployment rate tumbled to a nine-year low while the report also showed 178,000 jobs were created in November (Bloomberg's median estimate: 180,000). That said, results remain supportive of an interest rate hike in December (100% priced-in).
- **New Issues:** Tewoo Group Finance No. 2 Ltd. has scheduled investor meetings from 5 – 6 December for potential USD bond issue with expected issue ratings of “NR/NR/BBB-“.
- **Rating Changes:** Moody's withdrew its credit rating on RKI Finance 2013 Ltd (part of Road King Infrastructure Ltd). The rating prior to withdrawal was “B1” with a stable outlook. Additionally, Moody's also withdrew its credit ratings on AusNet Electricity Services Pty. Ltd..

Key Financial Indicators

Foreign Exchange

	Day Close	% Change		Day Close	% Change
DXY	100.770	-0.27%	USD-SGD	1.4196	-0.46%
USD-JPY	113.510	-0.52%	EUR-SGD	1.5138	-0.43%
EUR-USD	1.0664	0.03%	JPY-SGD	1.2502	0.03%
AUD-USD	0.7457	0.57%	GBP-SGD	1.8067	0.62%
GBP-USD	1.2729	1.10%	AUD-SGD	1.0575	0.02%
USD-MYR	4.4532	-0.23%	NZD-SGD	1.0134	0.27%
USD-CNY	6.8800	-0.08%	CHF-SGD	1.4049	-0.43%
USD-IDR	13512	-0.39%	SGD-MYR	3.1319	0.23%
USD-VND	22680	-0.04%	SGD-CNY	4.8480	0.67%

Interbank Offer Rates (%)

Tenor	EURIBOR	Change	Tenor	USD LIBOR	Change
1M	-0.3710	0.0010	O/N	0.4348	0.0006
2M	-0.3360	--	1M	0.6467	0.0122
3M	-0.3130	--	2M	0.7486	0.0047
6M	-0.2180	0.0010	3M	0.9464	0.0047
9M	-0.1350	--	6M	1.2916	0.0006
12M	-0.0760	0.0030	12M	1.6446	0.0011

Eurozone & Russia Update

	2Y Bond Ylds (bpschg)	10Y Bond Ylds (bpschg)	10Y Bund Spread
Portugal	0.35	-2.20	3.70
Italy	0.05	-3.90	1.90
Ireland	-0.51	--	0.83
Greece	7.65	--	6.49
Spain	-0.14	-4.40	1.54
Russia	2.55	-11.10	4.50

Equity and Commodity

Index	Value	Net change
DJIA	19,170.42	-21.51
S&P	2,191.95	0.87
Nasdaq	5,255.65	4.55
Nikkei 225	18,426.08	-87.04
STI	2,919.37	-9.21
KLCI	1,628.96	2.52
JCI	5,245.96	47.20
Baltic Dry	1,198.00	2.00
VIX	14.12	--

Government Bond Yields (%)

Tenor	SGS (chg)	UST (chg)
2Y	1.21 (+0.06)	1.10 (-0.05)
5Y	1.85 (+0.11)	1.82 (-0.08)
10Y	2.45 (+0.09)	2.38 (-0.07)
15Y	2.80 (+0.08)	--
20Y	2.87 (+0.07)	--
30Y	2.82 (+0.07)	3.06 (-0.05)

Financial Spread (bps)

	Value	Change
LIBOR-OIS	32.89	0.30
EURIBOR-OIS	3.80	-0.10
TED	48.46	2.00

Commodities Futures

Energy	Futures	% chg	Soft Commodities	Futures	% chg
WTI (per barrel)	51.68	1.21%	Coffee (per lb)	1.412	-0.42%
Brent (per barrel)	54.46	0.96%	Cotton (per lb)	0.7198	0.25%
Heating Oil (per gallon)	1.6581	0.62%	Sugar (per lb)	0.1912	-1.24%
Gasoline (per gallon)	1.5591	0.78%	Orange Juice (per lb)	2.2065	-0.59%
Natural Gas (per MMBtu)	3.4360	-1.97%	Cocoa (per mt)	2,388	-0.38%
Base Metals	Futures	% chg	Grains	Futures	% chg
Copper (per mt)	5,760.0	-0.54%	Wheat (per bushel)	3.8750	4.31%
Nickel (per mt)	11,414.8	2.20%	Soybean (per bushel)	10.275	-0.22%
Aluminium (per mt)	1,716.5	-0.35%	Corn (per bushel)	3.3750	1.73%
Precious Metals	Futures	% chg	Asian Commodities	Futures	% chg
Gold (per oz)	1,175.1	0.70%	Crude Palm Oil (MYR/MT)	3,120.0	0.16%
Silver (per oz)	16.753	1.98%	Rubber (JPY/KG)	220.9	-2.52%

Source: Bloomberg, Reuters

(Note that rates are for reference only)

CFTC Commodities Futures and Options

For the week ended: 29 Nov 2016

	Current	Previous	Net Chg		Current	Previous	Net Chg
Live Cattle	50,970	43,898	7,072	Corn	36,170	106,158	-69,988
Copper	44,770	39,483	5,287	Gold	174,738	223,148	-48,410
Nymex Crude	332,162	327,706	4,456	Soybean	136,624	167,735	-31,111
Palladium	9,185	6,540	2,645	Wheat	-113,512	-95,230	-18,282
Cotton	90,389	88,821	1,568	Natural Gas	-94,029	-77,487	-16,542
Lean Hogs	30,653	30,216	437	Sugar	266,062	282,519	-16,457
RBOB Gasoline	58,637	61,823	-3,186	Cocoa	8,315	18,889	-10,574
Silver	65,397	68,971	-3,574	Coffee	60,665	67,942	-7,277
Heating Oil	27,067	30,661	-3,594	Platinum	23,832	29,484	-5,652

Source: CFTC

Key Economic Indicators

Date	Time	Event		Survey	Actual	Prior	Revised
12/02/2016	07:00	SK GDP YoY	3Q F	2.70%	2.60%	2.70%	--
12/02/2016	07:50	JN Monetary Base YoY	Nov	--	21.50%	22.10%	--
12/02/2016	08:30	AU Retail Sales MoM	Oct	0.30%	0.50%	0.60%	--
12/02/2016	15:30	TH Foreign Reserves	Nov-25	--	\$175.7b	\$177.2b	--
12/02/2016	17:30	UK Markit/CIPS UK Construction PMI	Nov	52.2	52.8	52.6	--
12/02/2016	18:00	EC PPI MoM	Oct	0.50%	0.80%	0.10%	--
12/02/2016	21:00	SI Purchasing Managers Index	Nov	50	50.2	50	--
12/02/2016	21:30	CA Labor Productivity QoQ	3Q	1.00%	1.20%	-0.30%	-0.20%
12/02/2016	21:30	CA Unemployment Rate	Nov	7.00%	6.80%	7.00%	--
12/02/2016	21:30	US Change in Nonfarm Payrolls	Nov	180k	178k	161k	142k
12/02/2016	21:30	CA Net Change in Employment	Nov	-15.0k	10.7k	43.9k	--
12/02/2016	21:30	US Change in Manufact. Payrolls	Nov	-2k	-4k	-9k	-5k
12/02/2016	21:30	US Unemployment Rate	Nov	4.90%	4.60%	4.90%	--
12/05/2016	08:00	NZ ANZ Commodity Price	Nov	--	--	0.70%	--
12/05/2016	08:30	SI Nikkei Singapore PMI	Nov	--	--	50.5	--
12/05/2016	08:30	HK Nikkei Hong Kong PMI	Nov	--	--	48.2	--
12/05/2016	08:30	JN Nikkei Japan PMI Services	Nov	--	--	50.5	--
12/05/2016	08:30	JN Nikkei Japan PMI Composite	Nov	--	--	51.3	--
12/05/2016	09:45	CH Caixin China PMI Services	Nov	--	--	52.4	--
12/05/2016	09:45	CH Caixin China PMI Composite	Nov	--	--	52.9	--
12/05/2016	13:00	IN Nikkei India PMI Services	Nov	--	--	54.5	--
12/05/2016	13:00	IN Nikkei India PMI Composite	Nov	--	--	55.4	--
12/05/2016	16:45	IT Markit/ADACI Italy Services PMI	Nov	51.6	--	51	--
12/05/2016	16:45	IT Markit/ADACI Italy Comp PMI	Nov	51.6	--	51.1	--
12/05/2016	16:50	FR Markit France Services PMI	Nov F	52.6	--	52.6	--
12/05/2016	16:50	FR Markit France Composite PMI	Nov F	52.3	--	52.3	--
12/05/2016	16:55	GE Markit Germany Services PMI	Nov F	55	--	55	--
12/05/2016	16:55	GE Markit/BME Germany Comp PMI	Nov F	54.9	--	54.9	--
12/05/2016	17:00	EC Markit Eurozone Services PMI	Nov F	54.1	--	54.1	--
12/05/2016	17:00	EC Markit Eurozone Composite PMI	Nov F	54.1	--	54.1	--
12/05/2016	17:30	UK Markit/CIPS UK Services PMI	Nov	54	--	54.5	--
12/05/2016	17:30	UK Markit/CIPS UK Composite PMI	Nov	54.6	--	54.8	--
12/05/2016	18:00	EC Retail Sales MoM	Oct	0.80%	--	-0.20%	--
12/05/2016	22:45	US Markit US Services PMI	Nov F	54.8	--	54.7	--
12/05/2016	22:45	US Markit US Composite PMI	Nov F	--	--	54.9	--
12/05/2016	23:00	US ISM Non-Manf. Composite	Nov	55.5	--	54.8	--

Source: Bloomberg

<u>OCBC Treasury Research</u>	
<u>Macro Research</u> Selena Ling LingSSSelena@ocbc.com Emmanuel Ng NgCYEmmanuel@ocbc.com Wellian Wiranto WellianWiranto@ocbc.com Tommy Xie Dongming XieD@ocbc.com Barnabas Gan BarnabasGan@ocbc.com Terence Wu TerenceWu@ocbc.com	<u>Credit Research</u> Andrew Wong WongVKAM@ocbc.com Wong Liang Mian (Nick) NickWong@ocbc.com Ezien Hoo EzienHoo@ocbc.com Wong Hong Wei WongHongWei@ocbc.com

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