

### Highlights

Global	Global risk appetite continued to improve overnight, notwithstanding the US market being closed for holiday, as ECB president sustained his verbal jawboning to say that “in light of the recent financial turmoil, we will analyse the state of transmission of our monetary impulses by the financial system and in particular by banks” and also the impact of falling energy prices and “if either of these two factors entail downward risks to price stability, we will not hesitate to act”. Of note today, will be the OPEC talks between the Saudi and Russian oil ministers, US’ NAHB housing market index, EZ/German ZEW survey, UK’ PPI and Taiwan’s Jan trade data. BOK left rates at 1.5%.
AU	RBA minutes suggest low inflation may provide scope to ease, should that be appropriate to lend further support to demand.
Singapore	Dec retail sales came in above our expectations to print at -2.1% mom sa (+2.9% yoy), but marked a slowdown from the Nov print of +1.4% mom sa (+4.7% yoy). Notably, motor vehicle sales surged 1.6% mom and 62.5% yoy. Excluding motor vehicles, retail sales fell 2.8% mom and 3.6% yoy. Other contributors included petrol service station (+1.9% mom but -6.2% yoy), F&B (+0.8% mom but -10.0% yoy) and supermarkets (+0.1% mom and yoy). Main drags to retail sales were telecom apparatus (-8.9% mom), watches & jewellery (-4.9%), department stores (-4.3%), furniture & household equipment (-3.5%), medical goods & toiletries (-2.6%), wearing apparel (-2.5%) and mini-marts and convenience stores (-0.6%), which is indicative of softening consumer confidence and spending. Meanwhile, private home sales softened 16% mom to 322 units in Jan amid a dearth of new launches.
China	January’s export growth declined to -11.2%yoy as compared to the previous print of -7.6%yoy while import growth declined to -18.8%yoy. This was mainly due to economic contractions in Japan and the U.S. since end 2015, although an earlier Lunar New Year may have added some bias to the print. On the flipside, trade surplus figures stood at a record high of \$63.29 billion, which may help to lower the rate of capital outflows and the devaluation pressure on RMB. CNY will likely appreciate modestly against USD this week.
Indonesia	Trade balance swung back into surplus in January, at USD51mn, compared to a deficit of 241mn the month before, due to a heavy contraction in imports which fell by over 17%yoy, counterbalancing a subpar exports print which shows over 20%yoy contraction. Meanwhile, Indonesia’s car industry association said that car sales have risen from 73,264 units in December to 84,885 in January. Sales of motorcycles, however, dropped from December’s 520k to just 416,263 units in January.
Thailand	GDP grew a respectable 2.8% in 4Q15, bringing full-year growth to 2.8%. Still, note that NESDB downgraded 2016’s growth and export estimates to 2.8 – 3.8% and 1.2% respectively.
Commodities	WTI rallied above its \$30/bbl handle once again, but this time due to news that Saudi Arabia and Russia are to meet today to discuss the oil market. This news, coupled with initial rumours of an arbitrary 5% production cut in a supposedly emergency OPEC meeting somewhere this month (though no recent developments are seen so far), is enough to give oil bulls reasons to cheer. On this, do expect oil prices to rally substantially should any consensus within the two nations are reached.

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## Major Market

- **US markets closed yesterday:** Euro Stoxx climbed 2.82% while FTSE 100 also jumped 2.04% as market sentiments improved.
- **UK:** Brexit may endanger GBP466b of UK trade with European nations and others, according to the Centre for Economic and Business Research.
- **Singapore:** The STI bounced 2.68% to close at 2607.90 yesterday, but the rally may run out of steam soon if there are no further market catalysts for optimism. Morning leads from Nikkei and Kospi are already mixed. The STI's support and resistance are 2580 and 2640 respectively. The SGS bonds are likely to range trade in the interim.
- **Thailand:** Despite the extremely weak external environment faced, Thailand posted a respectable 2.8% on-year growth in 4Q15, significantly stronger compared to our expectation, and bringing full-year growth to an encouraging 2.8% in 2015.
- Domestic growth pillars, which include private consumption, investment and government expenditure, stood strong and effectively cushioned the downside seen in the insipid export prints over the last year.
- Still, the drag expected from the external environment will likely be sizable, prompting NESDB to downgrade growth expectations to 2.8 – 3.8% yoy (from 3 – 4% earlier), while exports is now forecasted to come in at 1.2% growth (from a previous 3.0% estimate).
- With Thailand's growth fundamentals still appearing sound till date, the outlook for the year ahead should continue to bank on the relatively stable economic and political climate, while any improvement in the external environment would lend strength to overall growth.

## Bond Market Updates

- **Market Commentary:** The SGD swap curve traded higher yesterday, with the short-end rates trading 6bps-8bps higher and the long-end rates trading 8bps-9bps higher. It was a public holiday in the US yesterday.
- **Rating Changes:** Moody's downgraded Anglo American PLC senior unsecured ratings to junk grade; "Ba3" from "Baa3". Outlook is negative. Moody's has also withdrawn Anglo American PLC's issuer rating as of 15 February 2016. S&P upgraded BG Energy Holdings Ltd long-term rating to "A+" from "A-". S&P had placed BG Energy Holdings Ltd long-term rating on Negative Creditwatch, to reflect the CreditWatch on the Royal Dutch Shell PLC. Moody's downgraded the corporate family rating of Dar Al Arkan Real Estate Development Company ("DAAR") to "B1" from "Ba3". Outlook is negative. S&P downgraded Oi SA (a fixed-line and mobile telecommunications services in Brazil) to "BB-" from "BB+". Moody's Japan K.K. upgraded Sumitomo Mitsui Financing Group's subordinated bonds with contractual point of non-viability loss absorption features (Basel III Tier 2 bonds) to "A2" from "Baa2".

## Key Financial Indicators

### Foreign Exchange

	Day Close	% Change		Day Close	% Change
<b>DXY</b>	95.940	--	<b>USD-SGD</b>	1.4005	0.18%
<b>USD-JPY</b>	114.600	1.19%	<b>EUR-SGD</b>	1.5625	-0.70%
<b>EUR-USD</b>	1.1156	-0.89%	<b>JPY-SGD</b>	1.2220	-1.02%
<b>AUD-USD</b>	0.7139	0.38%	<b>GBP-SGD</b>	2.0219	-0.27%
<b>GBP-USD</b>	1.4435	-0.47%	<b>AUD-SGD</b>	0.9999	0.59%
<b>USD-MYR</b>	4.1310	-0.79%	<b>NZD-SGD</b>	0.9310	0.51%
<b>USD-CNY</b>	6.4962	-1.19%	<b>CHF-SGD</b>	1.4188	-0.85%
<b>USD-IDR</b>	13379	-0.82%	<b>SGD-MYR</b>	2.9536	-1.00%
<b>USD-VND</b>	22370	0.24%	<b>SGD-CNY</b>	4.6374	-1.41%

### Interbank Offer Rates (%)

Tenor	EURIBOR	Change	Tenor	USD LIBOR	Change
<b>1M</b>	-0.2400	--	<b>O/N</b>	0.3708	--
<b>2M</b>	-0.2210	--	<b>1M</b>	0.4305	--
<b>3M</b>	-0.1830	--	<b>2M</b>	0.5161	--
<b>6M</b>	-0.1160	--	<b>3M</b>	0.6182	--
<b>9M</b>	-0.0640	--	<b>6M</b>	0.8579	--
<b>12M</b>	-0.0090	--	<b>12M</b>	1.1156	--

### Eurozone & Russia Update

	2Y Bond Ylds (bpschg)	10Y Bond Ylds (bpschg)	10Y Bund Spread %
<b>Portugal</b>	1.09	-10.80	3.54
<b>Italy</b>	0.06	-1.90	1.60
<b>Ireland</b>	-0.24	-0.30	1.00
<b>Greece*</b>	14.52	-66.30	11.32
<b>Spain</b>	0.05	-0.90	1.70
<b>Russia^</b>	3.66	-5.40	6.00

\* Greece's bond yields data reflect 3-year (instead of 2-year) tenor

^ Russia's bond yields data reflects 3-year and 15-year tenors instead

### Equity and Commodity

Index	Value	Net change
<b>DJIA</b>	15,973.84	--
<b>S&amp;P</b>	1,864.78	--
<b>Nasdaq</b>	4,337.51	--
<b>Nikkei 225</b>	16,022.58	1070.00
<b>STI</b>	2,607.90	68.00
<b>KLCI</b>	1,649.96	6.20
<b>JCI</b>	4,740.73	26.30
<b>Baltic Dry</b>	295.00	4.00
<b>VIX</b>	25.40	--

### Government Bond Yields (%)

Tenor	SGS (chg)	UST (chg)
<b>2Y</b>	1.05 (+0.05)	0.71 (--)
<b>5Y</b>	1.85 (+0.09)	1.21 (--)
<b>10Y</b>	2.20 (+0.12)	1.75 (--)
<b>15Y</b>	2.57 (+0.12)	--
<b>20Y</b>	2.63 (+0.11)	--
<b>30Y</b>	2.73 (+0.12)	2.60 (--)

### Financial Spread (bps)

	Value	Change
<b>LIBOR-OIS</b>	24.52	-0.15
<b>EURIBOR-OIS</b>	14.10	0.40
<b>TED</b>	33.84	--

### Commodities Futures

Energy	Futures	% chg	Soft Commodities	Futures	% chg
WTI (per barrel)	29.44	--	Coffee (per lb)	1.156	--
Brent (per barrel)	33.39	0.09%	Cotton (per lb)	0.5890	--
Heating Oil (per gallon)	1.069	--	Sugar (per lb)	0.1315	--
Gasoline (per gallon)	1.04	--	Orange Juice (per lb)	1.2980	--
Natural Gas (per MMBtu)	1.966	--	Cocoa (per mt)	2,827	--
Base Metals	Futures	% chg	Grains	Futures	% chg
Copper (per mt)	4,562.0	1.38%	Wheat (per bushel)	4.5750	--
Nickel (per mt)	8,247	5.86%	Soybean (per bushel)	8.728	--
Aluminium (per mt)	1,514.0	1.03%	Corn (per bushel)	3.5875	--
Precious Metals	Futures	% chg	Asian Commodities	Futures	% chg
Gold (per oz)	1,239.1	--	Crude Palm Oil (MYR/MT)	2,510.0	-1.49%
Silver (per oz)	15.790	--	Rubber (JPY/KG)	141.6	1.14%

Source: Bloomberg, Reuters

(Note that rates are for reference only)

### Key Economic Indicators

Date Time	Event	Survey	Actual	Prior	Revised	
02/15/2016 07:50	JN GDP SA QoQ	4Q P	-0.20%	-0.40%	0.30%	--
02/15/2016 07:50	JN GDP Annualized SA QoQ	4Q P	-0.80%	-1.40%	1.00%	1.30%
02/15/2016 07:50	JN GDP Nominal SA QoQ	4Q P	-0.10%	-0.30%	0.40%	0.60%
02/15/2016 07:50	JN GDP Deflator YoY	4Q P	1.60%	1.50%	1.80%	--
02/15/2016 08:01	UK Rightmove House Prices MoM	Feb	--	2.90%	0.50%	--
02/15/2016 08:01	UK Rightmove House Prices YoY	Feb	--	7.30%	6.50%	--
02/15/2016 08:30	AU New Motor Vehicle Sales MoM	Jan	--	0.50%	-0.50%	-0.10%
02/15/2016 08:30	AU New Motor Vehicle Sales YoY	Jan	--	5.10%	2.20%	2.40%
02/15/2016 10:00	NZ Non Resident Bond Holdings	Jan	--	67.60%	67.40%	--
02/15/2016 10:26	CH Trade Balance	Jan	\$60.60b	\$63.29b	\$60.09b	--
02/15/2016 10:26	CH Exports YoY	Jan	-1.80%	-11.20%	-1.40%	--
02/15/2016 10:26	CH Imports YoY	Jan	-3.60%	-18.80%	-7.60%	--
02/15/2016 10:30	TH GDP SA QoQ	4Q	0.80%	0.80%	1.00%	--
02/15/2016 10:30	TH GDP YoY	4Q	2.60%	2.80%	2.90%	--
02/15/2016 12:01	ID Exports YoY	Jan	-15.20%	-20.72%	-17.66%	-17.46%
02/15/2016 12:25	ID Trade Balance	Jan	-\$241m	\$51m	-\$236m	-\$161m
02/15/2016 12:30	JN Industrial Production MoM	Dec F	--	-1.70%	-1.40%	--
02/15/2016 12:30	JN Industrial Production YoY	Dec F	--	-1.90%	-1.60%	--
02/15/2016 12:30	JN Capacity Utilization MoM	Dec	--	-1.00%	-0.10%	--
02/15/2016 12:30	JN Tertiary Industry Index MoM	Dec	-0.10%	-0.60%	-0.80%	-0.90%
02/15/2016 13:00	SI Retail Sales SA MoM	Dec	-2.40%	-2.10%	1.40%	1.20%
02/15/2016 13:00	SI Retail Sales YoY	Dec	3.60%	2.90%	4.70%	4.60%
02/15/2016 14:30	IN Wholesale Prices YoY	Jan	-0.13%	-0.90%	-0.73%	--
02/15/2016 17:10	ID Local Auto Sales	Jan	--	84885	73264	--
02/15/2016 21:12	IN Imports YoY	Jan	--	-11.00%	-3.90%	--
02/15/2016 21:12	IN Exports YoY	Jan	--	-13.60%	-14.70%	--
02/16/2016 05:45	NZ Retail Sales Ex Inflation QoQ	4Q	1.50%	1.20%	1.60%	1.50%
02/16/2016 10:00	NZ 2Yr Inflation Expectation	1Q	--	--	1.85%	--
02/16/2016 12:00	JN Tokyo Condominium Sales YoY	Jan	--	--	-34.10%	--
02/16/2016 15:00	EC EU27 New Car Registrations	Jan	--	--	16.60%	--
02/16/2016 16:00	TA Trade Balance	Jan	\$4.32b	--	\$4.17b	--
02/16/2016 16:00	TA Exports YoY	Jan	-14.50%	--	-13.90%	--
02/16/2016 16:00	TA Imports YoY	Jan	-14.40%	--	-15.60%	--
02/16/2016 17:00	IT Trade Balance Total	Dec	--	--	4409m	--
02/16/2016 17:30	UK CPI MoM	Jan	-0.70%	--	0.10%	--
02/16/2016 17:30	UK CPI YoY	Jan	0.30%	--	0.20%	--
02/16/2016 17:30	UK CPI Core YoY	Jan	1.30%	--	1.40%	--
02/16/2016 17:30	UK Retail Price Index	Jan	259	--	260.6	--
02/16/2016 17:30	UK RPI MoM	Jan	-0.60%	--	0.30%	--
02/16/2016 17:30	UK RPI YoY	Jan	1.40%	--	1.20%	--
02/16/2016 17:30	UK RPI Ex Mort Int.Payments (YoY)	Jan	1.40%	--	1.30%	--
02/16/2016 17:30	UK PPI Output NSA MoM	Jan	-0.20%	--	-0.20%	--
02/16/2016 17:30	UK PPI Output NSA YoY	Jan	-0.90%	--	-1.20%	--
02/16/2016 17:30	UK ONS House Price YoY	Dec	--	--	7.70%	--
02/16/2016 18:00	GE ZEW Survey Current Situation	Feb	55	--	59.7	--
02/16/2016 18:00	GE ZEW Survey Expectations	Feb	0	--	10.2	--
02/16/2016 18:00	EC ZEW Survey Expectations	Feb	--	--	22.7	--
02/16/2016 21:30	CA Manufacturing Sales MoM	Dec	0.50%	--	1.00%	--
02/16/2016 21:30	US Empire Manufacturing	Feb	-10.5	--	-19.37	--
02/16/2016	SK BoK 7-Day Repo Rate	Feb-16	1.50%	--	1.50%	--
02/15/2016 02/18	VN Domestic Vehicle Sales YoY	Jan	--	--	44.90%	--
02/15/2016 02/17	CH New Yuan Loans CNY	Jan	1900.0b	--	597.8b	--
02/15/2016 02/17	CH Money Supply M2 YoY	Jan	13.50%	--	13.30%	--
02/15/2016 02/17	CH Money Supply M1 YoY	Jan	14.70%	--	15.20%	--

Source: Bloomberg

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