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Highlights

Global	<p>Asia woke up to the news of a 7.3-magnitude earthquake hitting Japan this morning, with tsunami alerts triggered near the Fukushima nuclear plant facility that was hit by the 2011 tremors. Fortunately, news flow suggests that the damage has been relatively minimal. While the cooling system of the nuclear plant was briefly knocked offline, it was soon restored. That is a good thing, since the global markets have dealt with more than its fair share of messes this year. Meanwhile, US President-elect Donald Trump outlined his policy priorities in a video that was just released this morning. In what was the first public address since his acceptance speech, he reverted to his core principle of “putting America first”. Among other things, he stated his plan to issue a formal withdrawal from Trans-Pacific Partnership, and to seek to negotiate “fair” bilateral trade agreements.</p>
US	<p>Equities rallied on Monday, with major indices all setting record highs. Markets were encouraged by an increase in oil price, in hopes of an OPEC deal. The Nasdaq led gains, up 0.89%, to 5368.86. The S&P 500 and Dow pushed against their respective 2200 and 19000 handles in a late surge, eventually closing just a shade lower at 2198.18, up 0.75%, and 18956.69, up 0.47%. VIX declined 3.35% to 12.42. In the US Treasury space, a new auction of 2-year notes saw weak demand, with primary dealers taking up more than 50% of the sale, at a yield of 1.085%. Benchmark yield for the 2-year note ended effectively unchanged at 1.07%, while the 10-year yield saw a decrease of 3 bps to 2.32%.</p>
MU	<p>Macau’s cost of living continued to grow at a slower pace, up merely by 1.33% yoy in October, despite a rebound in gasoline prices. The deceleration in overall price growth was mainly attributed to the slower inflation of Food & Non-alcoholic beverages (+1.68% yoy). Another culprit points to the third straight month of deflation in housing & fuels prices (-1.18% yoy) amid lower electricity charges and reduced housing rentals. Though visitor consumption looks set to pick up, the effect of high base may still sustain the longest streak of loss in clothing and footwear prices since 2007. Looking ahead, with the government pledging to increase supply of car parking spaces next year, rentals for parking spaces may be corrected and shrug off some inflationary risks. Also, sour consumer sentiment associated with stagnant wage growth means that the pressure on overall prices growth is more likely to tilt to the downside. In all, composite CPI is expected to print around 2.5% in 2016 and 1.5% in 2017.</p>
ID	<p>Police chief, Tito Karnavian, reportedly said that the authorities have refused to issue permit for a December 2nd demonstration that aimed to demand prosecution of Jakarta’s Governor, Basuki Purnama (Ahok) for blasphemy. A previous rally had descended into violence, for which President Jokowi had blamed it on political actors capitalizing on the issue.</p>

Bond Market Updates

- **Market Commentary:** The SGD swap curve traded downwards yesterday as swap rates traded 1-4bps lower across all tenors. In the broader dollar space, the spread on JACI IG corporates was steady at 201bps while the yield on JACI HY corporates also remained unchanged at 6.91%. 10y UST yield decreased 4bps to 2.3%.
- **New Issues:** CMB Financial Leasing has priced a two-tranche deal with the USD300mn 3-year bond at CT3+140bps, tightening from its initial guidance at CT3+155bps. The USD900mn 5-year bond was priced at CT5+152.5bps, tightening from its initial guidance at CT5+175bps. The expected issue ratings are “BBB+/Baa1/NR”. Industrial and Commercial Bank of China Ltd., London Branch has priced a USD500mn 3-year bond at 3mL+87.5bps, tightening from its initial guidance at 3mL+110bps. The expected issue ratings are “NR/A1/NR”. Shougang Corp has mandated banks for a potential USD bond issue. China National Chemical Corp. has scheduled investor road shows from 22 November onwards for a potential USD bond issue with expected issue ratings of “BBB/Baa2/BBB+”. Hong Kong Airlines has also scheduled investor road shows from 22 November for a potential USD perpetual bond issue.
- **Rating Changes:** S&P affirmed Swire Pacific Ltd.’s “A-” credit rating, and indicated that Swire Pacific’s proposed acquisition has no impact on its rating although the acquisition will potentially lead to higher financial leverage and reduce its buffer against potential further weakness in the aviation and marine services segments. The outlook on the rating remains negative. On the other hand, Moody’s revised its outlook on Swire Pacific’s “A3” rating to negative with the view that the acquisition of additional beverage bottling territories will increase leverage and delay an improvement in Swire’s credit profile, which is at the weak end for its current rating. Moody’s has placed all ratings on Swiss-based building materials manufacturer LafargeHolcim Ltd. and its subsidiaries on review for downgrade. The rating action follows the announcement made by the group to increase its dividend pay-out and to implement share buybacks at a time when Moody’s views its credit metrics as already weak for its current rating. Fitch assigned Shougang Corp. an issuer default rating of “A-” with a stable outlook. The key rating driver behind the rating assignment is the company’s strong linkage with the Beijing municipality and the municipality’s creditworthiness, which indicate a strong level of financial support, if needed. Fitch also lowered the issuer default rating on STATS ChipPAC Pte Ltd one notch to “B+” with no further details provided.

Key Financial Indicators

Foreign Exchange

	Day Close	% Change		Day Close	% Change
DXY	101.050	-0.16%	USD-SGD	1.4241	-0.15%
USD-JPY	110.820	-0.08%	EUR-SGD	1.5138	0.23%
EUR-USD	1.0630	0.40%	JPY-SGD	1.2853	-0.10%
AUD-USD	0.7369	0.42%	GBP-SGD	1.7792	1.09%
GBP-USD	1.2494	1.23%	AUD-SGD	1.0492	0.25%
USD-MYR	4.4198	0.03%	NZD-SGD	1.0064	0.67%
USD-CNY	6.8928	0.09%	CHF-SGD	1.4119	0.04%
USD-IDR	13406	-0.16%	SGD-MYR	3.1026	0.06%
USD-VND	22493	--	SGD-CNY	4.8453	0.22%

Interbank Offer Rates (%)

Tenor	EURIBOR	Change	Tenor	USD LIBOR	Change
1M	-0.3730	--	O/N	0.4337	--
2M	-0.3390	--	1M	0.5660	--
3M	-0.3130	--	2M	0.7067	--
6M	-0.2170	--	3M	0.9162	--
9M	-0.1360	--	6M	1.2793	--
12M	-0.0770	--	12M	1.6207	--

Eurozone & Russia Update

	2Y Bond Ylds (bpschg)	10Y Bond Ylds (bpschg)	10Y Bund Spread
Portugal	0.49	-3.10	3.71
Italy	0.06	0.60	2.07
Ireland	-0.42	-1.40	0.99
Greece	7.65	--	6.92
Spain	-0.15	-0.80	1.61
Russia	2.62	-6.60	4.49

Equity and Commodity

Index	Value	Net change
DJIA	18,956.69	88.76
S&P	2,198.18	16.28
Nasdaq	5,368.86	47.35
Nikkei 225	18,106.02	138.61
STI	2,816.67	-21.98
KLCI	1,627.28	3.48
JCI	5,148.32	-21.79
Baltic Dry	1,240.00	-17.00
VIX	12.42	-0.43

Government Bond Yields (%)

Tenor	SGS (chg)	UST (chg)
2Y	1.12 (-0.01)	1.07 (--)
5Y	1.74 (--)	1.77 (-0.03)
10Y	2.35 (-0.01)	2.32 (-0.04)
15Y	2.70 (-0.01)	--
20Y	2.77 (-0.01)	--
30Y	2.73 (-0.02)	2.99 (-0.04)

Financial Spread (bps)

	Value	Change
LIBOR-OIS	34.52	0.21
EURIBOR-OIS	3.50	--
TED	48.49	--

Commodities Futures

Energy	Futures	% chg	Soft Commodities	Futures	% chg
WTI (per barrel)	47.49	3.94%	Coffee (per lb)	1.587	0.51%
Brent (per barrel)	48.90	4.35%	Cotton (per lb)	0.7360	0.27%
Heating Oil (per gallon)	1.5245	4.58%	Sugar (per lb)	0.2035	0.99%
Gasoline (per gallon)	1.3965	4.29%	Orange Juice (per lb)	2.1260	0.14%
Natural Gas (per MMBtu)	2.9500	3.76%	Cocoa (per mt)	2,438	0.25%
Base Metals	Futures	% chg	Grains	Futures	% chg
Copper (per mt)	5,559.0	2.51%	Wheat (per bushel)	4.1025	0.55%
Nickel (per mt)	11,367.5	5.11%	Soybean (per bushel)	10.203	2.67%
Aluminium (per mt)	1,724.3	1.56%	Corn (per bushel)	3.4975	1.23%
Precious Metals	Futures	% chg	Asian Commodities	Futures	% chg
Gold (per oz)	1,209.8	0.09%	Crude Palm Oil (MYR/MT)	2,923.0	1.78%
Silver (per oz)	16.521	-0.62%	Rubber (JPY/KG)	214.8	5.29%

Source: Bloomberg, Reuters

(Note that rates are for reference only)

Key Economic Indicators

Date	Time	Event		Survey	Actual	Prior	Revised	
11/21/2016	07:50	JN	Trade Balance	Oct	¥610.0b	¥496.2b	¥498.3b	¥497.6b
11/21/2016	07:50	JN	Trade Balance Adjusted	Oct	¥404.3b	¥474.3b	¥349.0b	¥358.5b
11/21/2016	07:50	JN	Exports YoY	Oct	-8.50%	-10.30%	-6.90%	--
11/21/2016	07:50	JN	Imports YoY	Oct	-16.10%	-16.50%	-16.30%	--
11/21/2016	08:26	SK	Imports 20 Days YoY	Nov	--	-3.10%	-4.60%	--
11/21/2016	08:26	SK	Exports 20 Days YoY	Nov	--	-0.20%	1.20%	--
11/21/2016	10:00	NZ	Credit Card Spending MoM	Oct	--	2.80%	2.60%	3.20%
11/21/2016	10:00	NZ	Credit Card Spending YoY	Oct	--	10.20%	8.20%	8.50%
11/21/2016	10:30	TH	GDP YoY	3Q	3.40%	3.20%	3.50%	--
11/21/2016	10:30	TH	GDP SA QoQ	3Q	0.70%	0.60%	0.80%	--
11/21/2016	11:38	MU	CPI Composite YoY	Oct	--	1.33%	1.59%	--
11/21/2016	12:30	JN	All Industry Activity Index MoM	Sep	0.00%	0.20%	0.20%	--
11/21/2016	13:00	JN	Supermarket Sales YoY	Oct	--	0.60%	-3.20%	--
11/21/2016	15:00	JN	Convenience Store Sales YoY	Oct	--	0.20%	0.00%	--
11/21/2016	16:00	TA	Export Orders YoY	Oct	3.70%	0.30%	3.90%	--
11/21/2016	16:20	TA	BoP Current Account Balance	3Q	--	\$17090m	\$17131m	\$17195m
11/22/2016	08:30	TA	Unemployment Rate	Oct	3.92%	--	3.93%	--
11/22/2016	13:30	JN	Nationwide Dept Sales YoY	Oct	--	--	-5.00%	--
11/22/2016	13:30	JN	Tokyo Dept Store Sales YoY	Oct	--	--	-3.40%	--
11/22/2016	15:00	MA	Foreign Reserves	Nov-15	--	--	\$97.8b	--
11/22/2016	16:30	HK	CPI Composite YoY	Oct	2.00%	--	2.70%	--
11/22/2016	17:30	UK	Public Finances (PSNCR)	Oct	--	--	13.3b	--
11/22/2016	17:30	UK	Central Government NCR	Oct	--	--	22.5b	--
11/22/2016	17:30	UK	Public Sector Net Borrowing	Oct	6.0b	--	10.1b	--
11/22/2016	17:30	UK	PSNB ex Banking Groups	Oct	6.0b	--	10.6b	--
11/22/2016	19:00	UK	CBI Trends Total Orders	Nov	-8	--	-17	--
11/22/2016	19:00	UK	CBI Trends Selling Prices	Nov	--	--	8	--
11/22/2016	21:30	CA	Retail Sales MoM	Sep	0.60%	--	-0.10%	--
11/22/2016	21:30	CA	Retail Sales Ex Auto MoM	Sep	0.50%	--	0.00%	--
11/22/2016	23:00	US	Richmond Fed Manufact. Index	Nov	0	--	-4	--
11/22/2016	23:00	EC	Consumer Confidence	Nov A	-7.8	--	-8	--
11/22/2016	23:00	US	Existing Home Sales	Oct	5.44m	--	5.47m	--
11/22/2016	23:00	US	Existing Home Sales MoM	Oct	-0.60%	--	3.20%	--
11/22/2016		NZ	Net Migration SA	Oct	--	--	6340	--
11/20/2016	11/27	TH	Car Sales	Oct	--	--	63641	--

Source: Bloomberg

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