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Highlights

Global	Market players appear to remain largely on the sidelines ahead of a number of key events this week, including general elections in the Netherlands tomorrow and FOMC meeting results out the day after. In the interim, some attention is paid to the fact that UK's PM Theresa May has secured the parliamentary approval necessary for triggering the Article 50 of the Lisbon Treaty to formally start the Brexit negotiation process with the EU. Any relief she might have had in securing the vote in the parliament was probably short-lived, however, as Scotland's First Minister, Nicola Sturgeon announced her plans to hold another referendum on Scottish independence – on the premise that the Scots did not vote for Brexit.
US	Equities ended mixed on Monday on low volume, as the market looked further directionality pending the Fed. The S&P 500 ended essentially unchanged, while the Nasdaq ended higher by 0.24% and the Dow slid 0.10%. Materials stocks led gains as the commodity complex stabilized, and utilities also recovered from recent declines. VIX traded lower at 11.35, down 2.7%. Heavy corporate issuance continue to depress US Treasuries. Yields rose 2-5 bps, with 2- and 10-year benchmark yields standing at 1.37% and 2.63% respectively.
SG	STI rose for the second day to 3,147.15, the highest since Aug 2015. Gainers include City Development (+3.5%), Golden Agri-Resoures (+2.7%), but gains were cushioned by losses in oil names including Keppel Corp (-1.6%), Sembcorp Industries (-1.2%) and YZJ Shipbuilding Holdings (-0.9%). We expect the index to range-trade for the day given the major events (FOMC, Dutch elections, BOJ meeting) into the week.
ID	Bank Indonesia's Governor Agus Martowardojo said that the central bank is ready to stabilize the rupiah to anticipate impact of rate increase by the Federal Reserve. He added that BI expects growth to be weaker than the initial target of 5.05% due to government spending, even as it sees trade balance improving because of stronger exports. Meanwhile, March's inflation is expected to come in at 3.81%yoy.
MA	Bank Negara is reportedly working closely with Malaysian Anti-Corruption Commission and Inland Revenue Board of Malaysia to enhance strategic cooperation to combat financial crimes, corruption and tax evasion. The central bank's governor reportedly said that collaboration between the agencies will stem channeling of illegal proceeds and illegal transactions through the financial system.
Commodities	Market-watchers are likely on the side-lines just waiting for the events that are expected to happen into the week, thus explaining the relatively flattish behaviour we are seeing in both energy and precious metal prices. Even the dollar's rally has softened its momentum yesterday, thus explaining gold's support around its \$1,200/oz handle. We opine that commodity prices, especially those those which traditionally trend with the dollar (crude oil and gold), are likely to range-trade until more clarity FOMC rhetoric and dot-plot chart later this week.

Bond Market Updates

- **Market Commentary:** The SGD swap curve traded downwards yesterday, with swap rates trading 2-6bps lower across all tenors. In the broader dollar space, the spread on JACI IG corporates held steady at around 193bps while the yield on JACI HY corporates fell 3bps to 6.77%. 10y UST yields rose 4bps yesterday to 2.61%, as corporate bond sales topped USD26bn ahead of the Federal Open Market Committee's (FOMC) rate decision on 15th March.
- **Rating Changes:** S&P affirmed IREIT Global's 'BB' corporate credit rating with a stable outlook. The rating affirmation reflects IREIT's relatively small scale, concentrated lease expiry profile compared with rated peers, and its stable portfolio of quality assets with high occupancy rates and strong tenants. In addition, at IREIT's request, S&P withdrew all ratings on IREIT. Moody's affirmed P.T. Sri Rejeki Isman Tbk's (Sritex) 'B1' corporate family rating and the 'B1' rating on the senior unsecured notes (issued by Golden Legacy Pte. Ltd.) guaranteed by Sritex. The outlook on the ratings are positive. The rating action reflects the company's robust revenue and EBITDA growth in 2016, and Moody's view that the recent completion of its capacity expansion project positions it for solid earnings and cash flow growth in 2017. Fitch also affirmed the Issuer Default Rating (IDR) of Sritex at 'BB-', but with a stable outlook. Fitch has affirmed Deutsche Bank AG's and its subsidiaries' ratings, which includes the 'A-' Issuer Default Rating, and removed them from Rating Watch Negative (RWN). The rating outlook on the IDR is negative. The rating action follows the revised strategy and EUR8bn capital raising, and it reflects Fitch's expectation of significantly improved capitalisation following completion of the rights issue in early April and strategic reorientation towards a more balanced universal banking business model.

Key Financial Indicators

Foreign Exchange

	Day Close	% Change		Day Close	% Change
DXY	101.310	0.06%	USD-SGD	1.4142	0.11%
USD-JPY	114.880	0.08%	EUR-SGD	1.5066	-0.09%
EUR-USD	1.0653	-0.19%	JPY-SGD	1.2311	0.07%
AUD-USD	0.7571	0.38%	GBP-SGD	1.7280	0.56%
GBP-USD	1.2219	0.43%	AUD-SGD	1.0707	0.48%
USD-MYR	4.4465	-0.15%	NZD-SGD	0.9792	0.16%
USD-CNY	6.9143	0.07%	CHF-SGD	1.4041	0.48%
USD-IDR	13356	-0.15%	SGD-MYR	3.1488	0.27%
USD-VND	22805	0.02%	SGD-CNY	4.8944	0.21%

Interbank Offer Rates (%)

Tenor	EURIBOR	Change	Tenor	USD LIBOR	Change
1M	-0.3720	--	O/N	0.6819	--
2M	-0.3400	--	1M	0.8906	--
3M	-0.3290	--	2M	0.9583	--
6M	-0.2410	--	3M	1.1212	--
9M	-0.1690	--	6M	1.4260	--
12M	-0.1090	--	12M	1.8184	--

Eurozone & Russia Update

	2Y Bond Ylds (bpschg)	10Y Bond Ylds (bpschg)	10Y Bund Spread
Portugal	0.07	-0.40	4.02
Italy	0.04	0.20	2.36
Ireland	-0.33	2.60	1.16
Greece	8.04	8.60	7.21
Spain	-0.07	-0.80	1.91
Russia	2.05	2.20	4.32

Commodities Futures

Energy	Futures	% chg	Soft Commodities	Futures	% chg
WTI (per barrel)	48.40	-0.19%	Coffee (per lb)	1.405	0.61%
Brent (per barrel)	51.35	-0.04%	Cotton (per lb)	0.7687	-0.54%
Heating Oil (per gallon)	1.5006	-0.20%	Sugar (per lb)	0.1818	-0.22%
Gasoline (per gallon)	1.5807	-1.21%	Orange Juice (per lb)	1.7530	1.86%
Natural Gas (per MMBtu)	3.0430	1.16%	Cocoa (per mt)	2,050	4.22%
Base Metals	Futures	% chg	Grains	Futures	% chg
Copper (per mt)	5,768.4	1.16%	Wheat (per bushel)	4.1225	-2.48%
Nickel (per mt)	10,113.5	2.77%	Soybean (per bushel)	9.963	--
Aluminium (per mt)	1,865.5	-0.13%	Corn (per bushel)	3.5450	-0.98%
Precious Metals	Futures	% chg	Asian Commodities	Futures	% chg
Gold (per oz)	1,203.1	0.14%	Crude Palm Oil (MYR/MT)	2,950.0	-1.34%
Silver (per oz)	16.935	0.31%	Rubber (JPY/KG)	286.5	0.00%

Source: Bloomberg, Reuters
(Note that rates are for reference only)

Equity and Commodity

Index	Value	Net change
DJIA	20,881.48	-21.50
S&P	2,373.47	0.87
Nasdaq	5,875.78	14.06
Nikkei 225	19,633.75	29.14
STI	3,147.15	13.80
KLCI	1,721.92	4.34
JCI	5,409.37	18.70
Baltic Dry	1,099.00	13.00
VIX	11.35	-0.31

Government Bond Yields (%)

Tenor	SGS (chg)	UST (chg)
2Y	1.25 (-0.04)	1.37 (+0.02)
5Y	1.67 (-0.03)	2.14 (+0.04)
10Y	2.43 (-0.04)	2.63 (+0.05)
15Y	2.55 (-0.04)	--
20Y	2.59 (-0.03)	--
30Y	2.61 (-0.04)	3.21 (+0.05)

Financial Spread (bps)

	Value	Change
LIBOR-OIS	23.13	-0.16
EURIBOR-OIS	2.00	0.90
TED	37.98	--

Key Economic Indicators

Date	Time	Event		Survey	Actual	Prior	Revised	
03/13/2017	04:30	NZ	REINZ House Sales YoY	Feb	--	-14.20%	-14.70%	--
03/13/2017	05:45	NZ	Food Prices MoM	Feb	--	0.20%	2.80%	--
03/13/2017	07:50	JN	PPI MoM	Feb	0.20%	0.20%	0.60%	--
03/13/2017	07:50	JN	PPI YoY	Feb	1.00%	1.00%	0.50%	--
03/13/2017	07:50	JN	Machine Orders MoM	Jan	-0.10%	-3.20%	6.70%	2.10%
03/13/2017	07:50	JN	Machine Orders YoY	Jan	-3.70%	-8.20%	6.70%	--
03/13/2017	12:00	MA	Industrial Production YoY	Jan	5.30%	3.50%	4.70%	--
03/13/2017	12:30	JN	Tertiary Industry Index MoM	Jan	0.10%	0.00%	-0.40%	-0.30%
03/13/2017	16:30	HK	PPI YoY	4Q	--	4.00%	3.90%	--
03/13/2017	16:30	HK	Industrial Production YoY	4Q	--	-0.80%	-0.10%	--
03/13/2017	17:00	IT	Industrial Production NSA YoY	Jan	--	5.70%	3.40%	3.50%
03/13/2017	17:00	IT	Industrial Production WDA YoY	Jan	3.20%	-0.50%	6.60%	6.80%
03/13/2017	17:00	IT	Industrial Production MoM	Jan	-0.80%	-2.30%	1.40%	--
03/14/2017	05:00	SK	Export Price Index MoM	Feb	--	-1.60%	1.10%	1.20%
03/14/2017	05:00	SK	Export Price Index YoY	Feb	--	4.90%	7.40%	7.40%
03/14/2017	05:00	SK	Import Price Index YoY	Feb	--	9.10%	13.20%	13.30%
03/14/2017	08:01	IN	Manpower Survey	2Q	--	--	21%	--
03/14/2017	08:30	AU	NAB Business Conditions	Feb	--	--	16	--
03/14/2017	08:30	AU	NAB Business Confidence	Feb	--	--	10	--
03/14/2017	09:00	PH	Unemployment Rate	Jan	--	--	4.70%	--
03/14/2017	10:00	CH	Retail Sales YTD YoY	Feb	10.60%	--	10.40%	--
03/14/2017	10:00	CH	Fixed Assets Ex Rural YTD YoY	Feb	8.30%	--	8.10%	--
03/14/2017	10:00	CH	Industrial Production YTD YoY	Feb	6.20%	--	6.00%	--
03/14/2017	14:30	IN	Wholesale Prices YoY	Feb	6.10%	--	5.25%	--
03/14/2017	15:00	GE	CPI MoM	Feb F	0.60%	--	0.60%	--
03/14/2017	15:00	GE	CPI YoY	Feb F	2.20%	--	2.20%	--
03/14/2017	15:00	GE	CPI EU Harmonized MoM	Feb F	0.70%	--	0.70%	--
03/14/2017	15:00	GE	CPI EU Harmonized YoY	Feb F	2.20%	--	2.20%	--
03/14/2017	18:00	EC	Industrial Production SA MoM	Jan	1.30%	--	-1.60%	--
03/14/2017	18:00	EC	Industrial Production WDA YoY	Jan	0.90%	--	2.00%	--
03/14/2017	18:00	GE	ZEW Survey Current Situation	Mar	78	--	76.4	--
03/14/2017	18:00	EC	ZEW Survey Expectations	Mar	--	--	17.1	--
03/14/2017	18:00	GE	ZEW Survey Expectations	Mar	13	--	10.4	--
03/14/2017	18:00	US	NFIB Small Business Optimism	Feb	105.6	--	105.9	--
03/14/2017	20:00	IN	CPI YoY	Feb	3.60%	--	3.17%	--
03/14/2017	20:30	US	PPI Final Demand MoM	Feb	0.10%	--	0.60%	--
03/14/2017	20:30	US	PPI Ex Food and Energy MoM	Feb	0.20%	--	0.40%	--
03/14/2017	20:30	US	PPI Final Demand YoY	Feb	1.90%	--	1.60%	--
03/14/2017	20:30	US	PPI Ex Food and Energy YoY	Feb	1.50%	--	1.20%	--
03/13/2017	03/31	IN	BoP Current Account Balance	4Q	-\$12.00b	--	-\$3.40b	--

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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