

### Highlights

Global	The game of putting on the hawkish hat lives on, as yet another Fed official talked up the prospect of FOMC rate hike yesterday. This time, St. Louis Fed President James Bullard chimed in by saying that the Fed should consider raising interest rates at the next meeting in April, as economic outlook has stayed broadly unchanged while inflation and unemployment could exceed targets. Such talks have prompted a reversal in US dollar movement, with the strongest rally in almost a month against other major currencies.
US	Wall Street dipped on Wednesday, adding to the previous day's losses. Dow -0.45%, S&P500 -0.64% and Nasdaq -1.1%. VIX 5.43% to 14.94. On the other hand, the UST bond market rallied yesterday, with 2-and 10year bond yields at 0.85% (-4bps) and 1.88% (-6bps) respectively.
Singapore	The Singapore Budget is slated to be out today at 3.30pm, where we expect a marginal overall FY16 budget surplus of \$0.37b (equivalent to 0.1% of GDP). Note that Finance Minister Heng had previously mentioned that the Budget will be 'particularly prudent' given that this is the government's first year in its new 5-year term. Elsewhere, Feb's industrial production would be closely watched as well, with the print expected to remain in contraction territory (-2.3% yoy, -2.4% momsa). Note that car premiums were mixed yesterday, with prices for Cat A gained \$504 (to \$45,504) while Cat B fell \$1.102 (to \$46,502).
China	Former Commerce Minister Chen Deming said that he supported the overseas expansion of big financial institutions via acquisitions. However, he did not support acquisitions with high leverage as China is in the process of deleveraging to control risks. RMB weakened against the dollar in the offshore market with the USDCNH broke above 6.50 dragged down by weak sentiment generated by terrorist attack in Brussels as well as rising swap points. RMB's forward price has spiked in the past few days after PBoC reduced its intervention in the longer end.
Malaysia	Bank Negara's Governor Zeti Aziz said that she wants to bring closure to 1MDB case, in order to hand over clean slate to her successor. She added that the underlying trends support stronger currency and that Malaysia's interest rates are at appropriate levels. Separately, the central bank forecasts growth to be at a range of 4-4.5% for 2016, in line with government expectations.
Thailand	BOT left its benchmark rate unchanged at 1.50%, with all members singing in unison. Note that the central bank downgraded both its exports and overall GDP growth to -0.2% (previous 0%) and 3.1% (3.5%) respectively. Inflation was downgraded as well to 0.6% (0.8%).
Commodities	Profit-taking in the energy space, as stronger-than-expected US crude oil inventories, and a relatively stronger dollar left crude oil prices falling back to their \$40/bbl handles. However, do note that the US inventory print still reflects robust demand, with gasoline inventories falling substantially by 4.6 million barrels (vs est: -2.2 million barrels). Elsewhere, gold appears significantly duller than when it first started in the year, now with the bullion printing \$1,224/oz.

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## Major Market

- **Singapore:** The STI was mainly flat, gaining 1.3points yesterday to close at 2881.98. Top gainers include Global Logistics Properties Ltd (5.32%), Yangzijiang Shipbuilding (1.99%) and Singapore Exchange Ltd (1.83%) though gains were weighed down by Hutchison Port Holdings (-1.87%), Golden Agri-Resources (-1.15%) and UOL Group Ltd (-0.83%). As Wall Street remained weak last night, the STI could continue to see support at 2860 and resistance at 2900.
- **Macau:** Visitor arrivals jumped by 8.1% mom to 2,644,289 in February. Notably, overnight visitors increased for the seventh straight month, up by 7.94% yoy. This was thanks to the effects of the festive season and the opening of new hotels which offered favourable room rates. However, visitor arrivals dropped further by 1.19% on yearly basis amid the significant decline of same-day visitors (-7.57% yoy). This indicates that new hotel openings may not be able to lure enough visitors to offset the loss of same-day tourists who used to visit Macau to try their luck. As such, the tourism sector remains far from a solid recovery.
- **Myanmar:** National League for Democracy's leader Aung Sang Suu Kyi, has been nominated for a cabinet position by the newly elected President of Myanmar. The specific post which the noble peace laureate will take is still unknown but local media reports that Aung Sang Suu Kyi may take on multiple portfolios including foreign affairs, energy and education.

## Bond Market Updates

- **Market Commentary:** The SGD swap curve bear steepened yesterday with the curve 1.5bps higher at the short end while the long-end rates traded up 3bps. In the broader dollar space, JACI IG corporates spread continued to be somewhat range bound decreasing 2bps to 230bps, while the yield on the JACI HY corporates stayed flat at 7.80%. 10y UST declined by 6bps to 1.88% as oil and US stocks fell.
- **New Issues:** Thailand's TMB Bank sets final price guidance for a USD300m 5.5 year bond at 170-175bps. The issuer has a ratings of Baa2/BBB-/BBB-. ABN AMRO Bank priced a 10NC5 Tier 2 bond at 4.75%, issuance size was SGD450m, tightening from an earlier guidance of 4.85%. The issuer has a ratings of A2/A/A. Hong Kong Airlines via subsidiary Blue Sky Fliers Co. Ltd priced a USD120m 3 year bond at 99.75, representing a yield of 6.9%. Yunnan Provincial Investment Holdings Group sets final price guidance for a USD300m 3 year bond at 270bps. The issuer has a rating of BBB+.
- **Rating Changes:** Hilong Holdings Ltd, a HK listed oil field equipment and services company's long term corporate family rating has been downgraded to B1 from Ba3 by Moody's, citing increased financial leverage at the company against a backdrop of low and volatile oil prices as key concerns. Outlook is negative. Sharp's long term foreign and local issuer credit rating has been downgraded to CCC with a negative outlook from CCC+ by S&P. S&P views that the likelihood of Sharp fulfilling its own debt obligations as extremely low. Eni SpA, a major oil exploration and production company's rating has been downgraded to BBB+ from A- by S&P, citing concerns over low oil prices which will have a lasting negative effect on the issuer's credit metrics, despite its recent debt reduction following the deconsolidation of Saipem. Outlook is stable.

## Key Financial Indicators

### Foreign Exchange

	Day Close	% Change		Day Close	% Change
<b>DXY</b>	96.046	0.42%	<b>USD-SGD</b>	1.3667	0.51%
<b>USD-JPY</b>	112.380	0.01%	<b>EUR-SGD</b>	1.5279	0.18%
<b>EUR-USD</b>	1.1132	0.00%	<b>JPY-SGD</b>	1.2167	0.55%
<b>AUD-USD</b>	0.7532	-1.18%	<b>GBP-SGD</b>	1.9299	-0.09%
<b>GBP-USD</b>	1.4117	-0.64%	<b>AUD-SGD</b>	1.0299	-0.62%
<b>USD-MYR</b>	3.9930	-0.42%	<b>NZD-SGD</b>	0.9172	-0.12%
<b>USD-CNY</b>	6.5066	0.25%	<b>CHF-SGD</b>	1.4014	0.26%
<b>USD-IDR</b>	13183	-0.01%	<b>SGD-MYR</b>	2.9249	-0.63%
<b>USD-VND</b>	22371	0.32%	<b>SGD-CNY</b>	4.7642	-0.12%

### Interbank Offer Rates (%)

Tenor	EURIBOR	Change	Tenor	USD LIBOR	Change
<b>1M</b>	-0.3280	--	<b>O/N</b>	0.3743	--
<b>2M</b>	-0.2770	--	<b>1M</b>	0.4315	--
<b>3M</b>	-0.2390	--	<b>2M</b>	0.5197	--
<b>6M</b>	-0.1320	--	<b>3M</b>	0.6284	--
<b>9M</b>	-0.0700	--	<b>6M</b>	0.9049	--
<b>12M</b>	-0.0020	--	<b>12M</b>	1.2244	--

### Eurozone & Russia Update

	2Y Bond Ylds (bpschg)	10Y Bond Ylds (bpschg)	10Y Bund Spread %
<b>Portugal</b>	0.63	-1.30	2.93
<b>Italy</b>	-0.00	1.10	1.30
<b>Ireland</b>	-0.35	-0.90	0.83
<b>Greece*</b>	9.66	-52.30	8.73
<b>Spain</b>	0.03	0.40	1.53
<b>Russia^</b>	3.32	2.00	5.50

\* 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>	17,502.59	-80.00
<b>S&amp;P</b>	2,036.71	-13.10
<b>Nasdaq</b>	4,768.86	-52.80
<b>Nikkei 225</b>	17,000.98	-47.60
<b>STI</b>	2,881.98	1.30
<b>KLCI</b>	1,724.55	-0.20
<b>JCI</b>	4,854.18	-1.90
<b>Baltic Dry</b>	401.00	3.00
<b>VIX</b>	14.94	0.80

### Government Bond Yields (%)

Tenor	SGS (chg)	UST (chg)
<b>2Y</b>	0.93 (--)	0.85 (-0.03)
<b>5Y</b>	1.71 (--)	1.35 (-0.06)
<b>10Y</b>	2.06 (--)	1.88 (-0.06)
<b>15Y</b>	2.44 (+0.01)	--
<b>20Y</b>	2.54 (--)	--
<b>30Y</b>	2.71 (--)	2.66 (-0.06)

### Financial Spread (bps)

	Value	Change
<b>LIBOR-OIS</b>	23.03	0.07
<b>EURIBOR-OIS</b>	10.80	0.22
<b>TED</b>	33.00	-0.33

### Commodities Futures

Energy	Futures	% chg	Soft Commodities	Futures	% chg
WTI (per barrel)	39.79	-4.00%	Coffee (per lb)	1.311	-2.64%
Brent (per barrel)	40.47	-3.16%	Cotton (per lb)	0.5839	0.03%
Heating Oil (per gallon)	1.204	-3.84%	Sugar (per lb)	0.1671	0.78%
Gasoline (per gallon)	1.45	-2.87%	Orange Juice (per lb)	1.3585	1.38%
Natural Gas (per MMBtu)	1.794	-3.70%	Cocoa (per mt)	2,963	-2.37%
Base Metals	Futures	% chg	Grains	Futures	% chg
Copper (per mt)	4,949.5	-2.28%	Wheat (per bushel)	4.6300	-0.80%
Nickel (per mt)	8,669	-1.07%	Soybean (per bushel)	9.053	-0.55%
Aluminium (per mt)	1,472.3	-1.21%	Corn (per bushel)	3.6850	-0.41%
Precious Metals	Futures	% chg	Asian Commodities	Futures	% chg
Gold (per oz)	1,224.0	-1.97%	Crude Palm Oil (MYR/MT)	2,639.0	-0.49%
Silver (per oz)	15.263	-3.87%	Rubber (JPY/KG)	165.8	-1.01%

Source: Bloomberg, Reuters

(Note that rates are for reference only)

### Key Economic Indicators

Date Time	Event	Survey	Actual	Prior	Revised	
03/23/2016 09:00	PH Imports YoY	Jan	-15.60%	30.80%	-25.80%	--
03/23/2016 09:00	PH Trade Balance	Jan	-\$160m	-\$2638m	\$603m	--
<b>03/23/2016 12:42</b>	<b>MU Visitor Arrivals</b>	<b>Feb</b>	--	<b>2644t</b>	<b>2446t</b>	--
03/23/2016 13:00	SI CPI NSA MoM	Feb	0.20%	-0.10%	-0.20%	--
<b>03/23/2016 13:00</b>	<b>SI CPI YoY</b>	<b>Feb</b>	<b>-0.70%</b>	<b>-0.80%</b>	<b>-0.60%</b>	--
<b>03/23/2016 14:00</b>	<b>PH BSP Borrowing Rate</b>	<b>Mar-23</b>	<b>4.00%</b>	<b>4.00%</b>	<b>4.00%</b>	--
<b>03/23/2016 15:15</b>	<b>TH BoT Benchmark Interest Rate</b>	<b>Mar-23</b>	<b>1.50%</b>	<b>1.50%</b>	<b>1.50%</b>	--
03/23/2016 16:00	TA Industrial Production YoY	Feb	-5.30%	-3.65%	-5.65%	-5.99%
03/23/2016 16:00	SI COE Open Bid Cat A	Mar-23	--	45504	45000	--
03/23/2016 16:00	SI COE Open Bid Cat B	Mar-23	--	46502	47604	--
<b>03/23/2016 19:00</b>	<b>US MBA Mortgage Applications</b>	<b>Mar-18</b>	--	<b>-3.30%</b>	<b>-3.30%</b>	--
<b>03/23/2016 22:00</b>	<b>US New Home Sales</b>	<b>Feb</b>	<b>510k</b>	<b>512k</b>	<b>494k</b>	<b>502k</b>
03/23/2016 22:00	US New Home Sales MoM	Feb	3.20%	2.00%	-9.20%	-7.00%
<b>03/24/2016 05:45</b>	<b>NZ Trade Balance</b>	<b>Feb</b>	<b>90m</b>	<b>339m</b>	<b>8m</b>	<b>13m</b>
03/24/2016 05:45	NZ Exports	Feb	4.01b	4.25b	3.90b	3.89b
03/24/2016 05:45	NZ Imports	Feb	3.90b	3.91b	3.89b	3.88b
<b>03/24/2016 11:00</b>	<b>VN CPI YoY</b>	<b>Mar</b>	<b>1.55%</b>	--	<b>1.27%</b>	--
03/24/2016 13:00	SI Industrial Production SA MoM	Feb	-0.70%	--	9.30%	--
<b>03/24/2016 13:00</b>	<b>SI Industrial Production YoY</b>	<b>Feb</b>	<b>-1.50%</b>	--	<b>-0.50%</b>	--
03/24/2016 15:00	GE Import Price Index MoM	Feb	-0.20%	--	-1.50%	--
03/24/2016 15:00	GE Import Price Index YoY	Feb	-5.10%	--	-3.80%	--
03/24/2016 15:00	GE GfK Consumer Confidence	Apr	9.5	--	9.5	--
<b>03/24/2016 15:45</b>	<b>FR Manufacturing Confidence</b>	<b>Mar</b>	<b>103</b>	--	<b>103</b>	--
03/24/2016 17:00	IT Industrial Orders NSA YoY	Jan	--	--	1.50%	--
03/24/2016 17:00	IT Industrial Orders MoM	Jan	--	--	-2.80%	--
03/24/2016 17:30	UK Retail Sales Ex Auto Fuel YoY	Feb	3.50%	--	5.00%	--
03/24/2016 17:30	UK BBA Loans for House Purchase	Feb	47900	--	47509	--
03/24/2016 18:00	IT Retail Sales YoY	Jan	--	--	0.60%	--
<b>03/24/2016 18:00</b>	<b>IT Retail Sales MoM</b>	<b>Jan</b>	--	--	<b>-0.10%</b>	--
<b>03/24/2016 20:30</b>	<b>US Initial Jobless Claims</b>	<b>Mar-19</b>	<b>269k</b>	--	<b>265k</b>	--
03/24/2016 20:30	US Continuing Claims	Mar-12	2235k	--	2235k	--
<b>03/24/2016 20:30</b>	<b>US Durable Goods Orders</b>	<b>Feb P</b>	<b>-3.00%</b>	--	<b>4.70%</b>	--
03/24/2016 20:30	US Durables Ex Transportation	Feb P	-0.30%	--	1.70%	--
03/24/2016 20:30	US Cap Goods Orders Nondef Ex	Feb P	-0.50%	--	3.40%	--
03/24/2016 20:30	US Cap Goods Ship Nondef Ex Air	Feb P	0.30%	--	-0.40%	--
03/24/2016 21:45	US Markit US Services PMI	Mar P	51.4	--	49.7	--
03/24/2016 21:45	US Markit US Composite PMI	Mar P	--	--	50	--
03/24/2016 21:45	US Bloomberg Consumer Comfort	Mar-20	--	--	44.3	--
<b>03/24/2016</b>	<b>TA CBC Interest Rate</b>	<b>Mar-24</b>	<b>1.50%</b>	--	<b>1.63%</b>	--

Source: Bloomberg

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