

Highlights

Global	<p>Global stocks dipped as investors continue to hold a wait-and-see stance ahead of corporate earnings reports and major central bank meetings. For this week, market focus will be on FOMC (likely no change on 28 April but the rhetoric will be carefully monitored for any hints as to the future inclination for the June's meeting) and BOJ (market is split between more easing and no change on 28 April). US New Home Sales were unexpectedly down by 1.5% mom in March. Nevertheless, cheap borrowing cost, tight supply and a robust labour market will vow support to the housing market. Elsewhere, German IFO Business Climate Index in April fell short of expectations, registering 106.6, providing an additional indicator that Eurozone's largest economy still faces headwinds from lacklustre business sentiment.</p> <p>Key data today include US' March durable goods orders, April Markit Composite and Services PMI, Singapore's March industrial production and HK's March trade data.</p>
US	<p>New home sales figures came in below expectations at 511,000 houses, pointing to a tentative start to the US house selling season in summer. Recent housing data has been mixed, with an improvement in existing home sales, but a fall in new housing starts. However, sentiments remain optimistic despite the volatility. The US job markets continue to improve and mortgage rates remain very low. These fundamentals are expected to support stronger home sales in 2016.</p> <p>Meanwhile, US equities continued to lose steam near its year-to-date highs, as investors wait on the FOMC meeting and earnings reports from major corporates. Apple Inc., and Amazon.com Inc. and Boeing Co. will report earnings this week. The S&P 500 (-0.18%) and Nasdaq (-0.21%) both closed down. The Dow lost the 18,000 marking, slipping 0.15% to 17977. US Treasury yields continued to trend upwards, with the 2-year and 10-year Treasuries yielding 0.84% and 1.90% respectively. Meanwhile, VIX closed up 6.51%.</p>
South Korea	<p>1Q GDP flash estimates met expectations to come in at +2.7%yoy, albeit growth contracted from the previous quarter's figure of 3.1%. Growth was headed by a surge in construction investment (+5.9%) and government spending (+1.3%) while facilities investments (-5.9%) and exports (-1.7%) weighed on the domestic economy.</p>
Singapore	<p>March CPI fell 1% yoy, led primarily by decreases in accommodation, fuel and utilities and private road transport. Private road transport fell at a faster pace of 5.9%, compared to 3.9% from previous month as a consequence of falling petrol pump prices and declining COE premiums. Accommodation costs fell 3.2%, reflecting a soft rental market. However, food inflation rose by 2.2%, driven by a larger increase in non-cooked food items. Core CPI, which excludes accommodation and private road transport, is also up 0.6%.</p>
China	<p>The PBOC injected CNY267 billion via the 3-month and 6-month medium-term lending facility (MLF) on Monday while the interest rate remained unchanged at 2.75% for 3 months and 2.85% for 6 months. Due to corporate tax payment and the cooling expectation on more easing from the PBOC, onshore market liquidity will likely remain tight this week. Given that a total of CNY870 billion worth of 7-day reverse repos will mature this week, we expect that PBOC will continue to inject liquidity via open market operations.</p>

Treasury Advisory

Corporate FX & Structured Products

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Interest Rate Derivatives

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Major Market

- **Singapore:** The STI edged lower by 1.37%, coming in at 2900.8. The decline was mainly led by Sembcorp Marine Ltd (-4.89%), Singapore Technologies Engineering Ltd (-4.41%) and Golden Agri-Resources Ltd (-3.53%) while only CapitaLand Mall Trust (+0.48%) cushioned the fall. For today, given the market's wait and see approach ahead of Thursday's FOMC meeting, do expect the STI to test its support of 2880 with its resistance tipped at 2920.

Bond Market Updates

- **Market Commentary:** The SGD swap curve was range-bound yesterday, with the short-end rates trading 1bp lower while the rest of the curve traded 1bp-2bps higher. In the broader dollar space, the spread on the JACI IG corporates widened slightly by 1bp to 226bps, while the yield on the JACI HY corporates was level at 7.57%. 10y UST yield was relatively level at 1.91%
- **New Issues:** Bank Muscat priced a USD500mn 5-year bond at MS+260bps, tightening from an initial guidance of MS+275bps. The expected rating for the issue is "BBB-/A3/BBB+". Sinopec Group Overseas Development Ltd priced a four-part deal yesterday, with the USD1bn 3-year bond priced at CT3+120bps, the USD900mn 5-year bond priced at CT5+142.5bps, the USD700mn 10-year bond priced at CT10+170bps and the USD400mn 30-year bond priced at CT30+153.5bps. The respective deals tightened from an initial guidance of CT3+125bps, CT5+145bps, CT10+175bps and CT30+155bps respectively. The expected ratings for the issues are "A+/Aa3/NR". Proceeds will be used for refinancing.
- **Rating Changes:** Fitch downgraded Jingrui Holdings Ltd's long-term foreign currency issuer default rating to "B-" from "B". The downgrade reflects the significant challenges the Chinese homebuilder faces in shifting its business focus to higher-tier cities. Outlook is negative. Moody's upgraded the issuer rating of Frasers Commercial Trust to "Baa2" from "Baa3". The upgrade reflects the sustained strengthening of Frasers Commercial Trust's financial profile, driven by its prudent financial management and healthy operating performance. Outlook is stable. Meanwhile, Moody's withdrew OUE Hospitality REIT's "Ba1" corporate family rating. The rating outlook was stable at the time of its withdrawal. Moody's disclosed that the withdrawal was due to its own business reasons. S&P revised the outlook for Tencent Holdings' "A" foreign currency rating to positive from stable, with no further details furnished (on Bloomberg)

Key Financial Indicators

Foreign Exchange

	Day Close	% Change		Day Close	% Change
DXY	94.842	-0.29%	USD-SGD	1.3520	-0.18%
USD-JPY	111.200	-0.53%	EUR-SGD	1.5233	0.21%
EUR-USD	1.1132	0.00%	JPY-SGD	1.2158	0.33%
AUD-USD	0.7715	0.09%	GBP-SGD	1.9581	0.37%
GBP-USD	1.4482	0.55%	AUD-SGD	1.0430	-0.11%
USD-MYR	3.9075	0.18%	NZD-SGD	0.9269	-0.12%
USD-CNY	6.4928	-0.10%	CHF-SGD	1.3867	0.17%
USD-IDR	13199	0.04%	SGD-MYR	2.8875	-0.08%
USD-VND	22302	0.10%	SGD-CNY	4.8049	0.07%

Interbank Offer Rates (%)

Tenor	EURIBOR	Change	Tenor	USD LIBOR	Change
1M	-0.3420	--	O/N	0.3812	--
2M	-0.2880	--	1M	0.4365	--
3M	-0.2490	--	2M	0.5230	--
6M	-0.1430	--	3M	0.6359	--
9M	-0.0760	--	6M	0.9087	--
12M	-0.0110	--	12M	1.2364	--

Eurozone & Russia Update

	2Y Bond Ylds (bpschg)	10Y Bond Ylds (bpschg)	10Y Bund Spread %
Portugal	0.66	-4.70	3.30
Italy	-0.01	-0.10	0.90
Ireland	-0.34	-0.40	5.80
Greece*	9.83	-18.90	0.95
Spain	-0.02	1.00	2.50
Russia^	3.14	1.80	4.91

* 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
DJIA	17,977.24	-26.50
S&P	2,087.79	-3.80
Nasdaq	4,895.79	-10.40
Nikkei 225	17,439.30	-133.20
STI	2,900.28	-40.10
KLCI	1,714.51	-3.50
JCI	4,878.86	-35.90
Baltic Dry	690.00	2.00
VIX	14.08	0.90

Government Bond Yields (%)

Tenor	SGS (chg)	UST (chg)
2Y	1.02 (+0.01)	0.83 (+0.01)
5Y	1.69 (+0.01)	1.38 (+0.02)
10Y	1.99 (-)	1.91 (+0.02)
15Y	2.37 (+0.01)	--
20Y	2.45 (+0.01)	--
30Y	2.62 (+0.01)	2.73 (+0.03)

Financial Spread (bps)

	Value	Change
LIBOR-OIS	24.48	-0.28
EURIBOR-OIS	9.85	-0.10
TED	38.47	-2.22

Commodities Futures

Energy	Futures	% chg	Soft Commodities	Futures	% chg
WTI (per barrel)	42.64	-2.49%	Coffee (per lb)	1.231	0.29%
Brent (per barrel)	44.48	-1.40%	Cotton (per lb)	0.6477	2.68%
Heating Oil (per gallon)	1.290	-1.42%	Sugar (per lb)	0.1563	2.42%
Gasoline (per gallon)	1.51	-1.16%	Orange Juice (per lb)	1.2675	0.80%
Natural Gas (per MMBtu)	2.063	-3.60%	Cocoa (per mt)	3,113	-0.77%
Base Metals	Futures	% chg	Grains	Futures	% chg
Copper (per mt)	4,998.0	-0.66%	Wheat (per bushel)	4.7125	0.91%
Nickel (per mt)	9,103	0.43%	Soybean (per bushel)	9.998	1.29%
Aluminium (per mt)	1,650.0	0.09%	Corn (per bushel)	3.7700	1.41%
Precious Metals	Futures	% chg	Asian Commodities	Futures	% chg
Gold (per oz)	1,238.9	0.83%	Crude Palm Oil (MYR/MT)	2,635.0	-1.57%
Silver (per oz)	17.009	0.64%	Rubber (JPY/KG)	189.6	-2.77%

Source: Bloomberg, Reuters

(Note that rates are for reference only)

Key Economic Indicators

Date Time	Event	Survey	Actual	Prior	Revised	
04/25/2016 12:00	TH Customs Exports YoY	Mar	-4.70%	1.30%	10.27%	--
04/25/2016 12:00	TH Customs Imports YoY	Mar	-11.20%	-6.94%	-16.82%	--
04/25/2016 12:00	TH Customs Trade Balance	Mar	\$2800m	\$2966m	\$4986m	--
04/25/2016 13:00	SI CPI NSA MoM	Mar	0.10%	0.00%	-0.10%	--
04/25/2016 13:00	SI CPI YoY	Mar	-1.00%	-1.00%	-0.80%	--
04/25/2016 13:00	JN Leading Index CI	Feb F	--	96.8	99.8	--
04/25/2016 16:00	GE IFO Business Climate	Apr	107.1	106.6	106.7	--
04/25/2016 16:00	GE IFO Current Assessment	Apr	113.8	113.2	113.8	--
04/25/2016 16:00	GE IFO Expectations	Apr	100.9	100.4	100	--
04/25/2016 22:00	US New Home Sales	Mar	520k	511k	512k	519k
04/25/2016 22:00	US New Home Sales MoM	Mar	1.60%	-1.50%	2.00%	-0.40%
04/25/2016 22:30	US Dallas Fed Manf. Activity	Apr	-10	-13.9	-13.6	--
04/26/2016 07:00	SK GDP YoY	1Q P	2.70%	2.70%	3.10%	--
04/26/2016 07:00	SK GDP SA QoQ	1Q P	0.40%	0.40%	0.70%	--
04/26/2016 09:00	PH Imports YoY	Feb	12.00%	--	30.80%	--
04/26/2016 09:00	PH Trade Balance	Feb	-\$1500m	--	-\$2638m	--
04/26/2016 13:00	SI Industrial Production SA MoM	Mar	0.30%	--	-4.80%	--
04/26/2016 13:00	SI Industrial Production YoY	Mar	-2.00%	--	-4.70%	--
04/26/2016 16:30	UK BBA Loans for House Purchase	Mar	46500	--	45892	--
04/26/2016 16:30	HK Exports YoY	Mar	-6.70%	--	-10.40%	--
04/26/2016 16:30	HK Imports YoY	Mar	-6.90%	--	-10.10%	--
04/26/2016 16:30	HK Trade Balance	Mar	-40.5b	--	-33.1b	--
04/26/2016 20:30	US Durable Goods Orders	Mar P	1.90%	--	-3.00%	--
04/26/2016 20:30	US Durables Ex Transportation	Mar P	0.50%	--	-1.30%	--
04/26/2016 21:45	US Markit US Services PMI	Apr P	52	--	51.3	--
04/26/2016 21:45	US Markit US Composite PMI	Apr P	--	--	51.3	--
04/26/2016 22:00	US Consumer Confidence Index	Apr	95.8	--	96.2	--
04/26/2016 22:00	US Richmond Fed Manufact. Index	Apr	12	--	22	--
04/26/2016 04/30	VN Exports YTD YoY	Apr	4.10%	--	4.10%	--
04/25/2016 04/29	PH Budget Balance PHP	Feb	--	--	-3.5b	--

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	<u>Credit Research</u> Andrew Wong WongVKAM@ocbc.com Wong Liang Mian (Nick) NickWong@ocbc.com Koh Jun Ming, Nicholas NicholasKoh@ocbc.com	<u>Wing Hang</u> Kam Liu kamyliu@ocbcwh.com Carie Li carierli@ocbcwh.com

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