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Highlights

Global	Market sentiment was roiled by Donald Trump's executive order, banning nationals of seven Middle East countries from entering the US. S&P 500 was down by 0.6% yesterday, in what is billed as the worst day since the election, as market is concerned that the new president might be distracted away from his reflationary economic agenda. For the week ahead, attention will likely be paid to the ongoing immigration order saga, as well as potential Supreme Court nomination. Meanwhile, the Fed is due to announce its monetary policy decision on Wednesday, with market expecting no change at this point, but awaiting further clues about how the central bank officials' latest thinking about the US economic prospects. The week ends with the announcement of the February NFP print on Friday, with market penciling in 175k, versus 156k of the previous month. For today, watch out for the BOJ central bank meeting, GDP prints from Canada and the Eurozone, including France, as well as the US Chicago Purchasing Manager. Note that the China, Hong Kong and Taiwan exchanges are closed today.
US	Energy stocks weakened as crude prices declined for the second session, while financials and technology stocks also posted losses as the broad market retreated from last week's highs. Overall, Nasdaq fell 0.83%, the S&P 500 declined 0.60% and the Dow lost 0.61%. VIX spiked 12.3% to 11.88. Meanwhile, the US Treasuries yield curve steepened from the long end, as yields on 30-year bonds were driven up by IG corporate issuance. 2- and 10-year benchmark yields last traded at 1.21% and 2.49% respectively.
ID	President Joko Widodo said that Indonesia is not affected by Donald Trump's ban on some Muslim-majority countries, while adding the equality and justice should be pursued. Foreign Affairs Minister Retno Marsudi advised Indonesian nationals living in the US to stay calm and has asked Indonesian consulates in various American cities to open 24-hour hotline services to anticipate any possible impact that might happen.
SG	The STI gained 0.43% on Friday, though on low trading volume ahead of the Lunar New Year. Gainers included CapitaLand (+2.14%), Jardine Matheson Holdings (+1.4%) and CapitaLand Commercial Trust (+1.3%). Losses seen in Keppel (-1.9%) and Sembcorp Industries (-1.5%) cushioned overall gains. For today, do expect continued risk aversion seen over the weekend, with the STI likely to surrender some of its previous gains seen over the last week.
Commodities	It was an eventual weekend for the commodities market. Crude oil fell for the second consecutive trading day with WTI falling over more than a cumulative 2.0% decline since Monday. Initially, risk-aversion was the buzz-word on the streets, with US economic growth slowing to 1.9% (vs market est 2.2%) qoq annualised in 4Q16. Moreover, higher US oil rig counts (+44 rig counts cumulative over the last two weeks, the fastest growth rate since November 2012) would had dragged prices. Then the news of Trump's travel ban spooked investors and dragged both Wall Street (Dow below its 20,000 handle) and growth-related commodities like energy and base metals. Gold is up 0.4%.

Bond Market Updates

- **Market Commentary:** The SGD dollar swap curve traded downwards last Friday with swap rates trading 1-2bps lower across all tenors. Swap rates were range-bounded yesterday, trading +/- 1bps across all tenors as Singapore's market was closed due to Chinese New Year holiday. The Itraxx Asia ex-Japan IG index closed at 115bps yesterday, widening 4bps from last Friday's close. 10y UST yields fell 2bps to 2.48% on Friday and rose 1bps to 2.49% yesterday. 10y UST yield fell to a 2.46% low during Asian trading yesterday, mainly over the weekend confusion about President Trump's executive orders restricting immigration.
- **Rating Changes:** Moody's assigned 'A1/P-1' provisional ratings to Mizuho Securities Co., Ltd. (MHSC) and its overseas affiliates: Mizuho International plc and Mizuho Securities USA Inc. (MSUSA) with stable outlooks. The ratings reflect these entities' strategic importance to parent Mizuho Financial Group, Inc. (Mizuho) and that they will benefit from the same level of government support as Mizuho and its major subsidiaries, including Mizuho Bank and Mizuho Trust & Banking Co., Ltd. Fitch revised the Outlook on PT Soechi Lines Tbk (Soechi) to Negative from Stable, while affirming the Long-Term Issuer Default Rating at 'B+'. The agency is simultaneously withdrawing the rating, as it is no longer considered by Fitch to be relevant to its coverage because Soechi has no bonds outstanding. The rating action reflects the risk that Soechi's FFO-adjusted net leverage will remain higher than the negative rating action guideline of 4.0x (2015 and 2016E: 4.1x), given a lack of cash flow visibility for its shipyard business.

Key Financial Indicators

Foreign Exchange

	Day Close	% Change		Day Close	% Change
DX	100.430	-0.10%	USD-SGD	1.4211	-0.73%
USD-JPY	113.770	-1.16%	EUR-SGD	1.5200	-0.76%
EUR-USD	1.0695	-0.04%	JPY-SGD	1.2490	0.40%
AUD-USD	0.7555	0.05%	GBP-SGD	1.7742	-1.27%
GBP-USD	1.2486	-0.55%	AUD-SGD	1.0735	-0.72%
USD-MYR	4.4303	--	NZD-SGD	1.0354	-0.41%
USD-CNY	6.8840	--	CHF-SGD	1.4276	-0.38%
USD-IDR	13349	-0.08%	SGD-MYR	3.1057	0.15%
USD-VND	22593	0.04%	SGD-CNY	4.8316	0.17%

Equity and Commodity

Index	Value	Net change
DJIA	19,971.13	-122.65
S&P	2,280.90	-13.79
Nasdaq	5,613.71	-47.07
Nikkei 225	19,368.85	-98.55
STI	3,064.85	--
KLCI	1,686.36	--
JCI	5,302.66	-10.18
Baltic Dry	816.00	-11.00
VIX	11.88	1.30

Interbank Offer Rates (%)

Tenor	EURIBOR	Change	Tenor	USD LIBOR	Change
1M	-0.3720	--	O/N	0.6900	--
2M	-0.3390	--	1M	0.7783	--
3M	-0.3280	--	2M	0.8422	--
6M	-0.2430	--	3M	1.0390	--
9M	-0.1600	--	6M	1.3588	--
12M	-0.1010	--	12M	1.7240	--

Government Bond Yields (%)

Tenor	SGS (chg)	UST (chg)
2Y	1.36 (--)	1.21 (-0.01)
5Y	1.80 (--)	1.95 (--)
10Y	2.38 (--)	2.49 (--)
15Y	2.68 (--)	--
20Y	2.76 (--)	--
30Y	2.78 (--)	3.08 (+0.02)

Eurozone & Russia Update

	2Y Bond Ylds (bpschg)	10Y Bond Ylds (bpschg)	10Y Bund Spread
Portugal	0.09	0.30	4.24
Italy	0.08	6.70	2.33
Ireland	-0.34	9.10	1.20
Greece	8.65	105.90	7.61
Spain	-0.24	1.60	1.63
Russia	2.40	0.90	4.34

Financial Spread (bps)

	Value	Change
LIBOR-OIS	34.71	0.59
EURIBOR-OIS	2.40	-0.10
TED	53.14	--

Commodities Futures

Energy	Futures	% chg	Soft Commodities	Futures	% chg
WTI (per barrel)	52.63	-1.02%	Coffee (per lb)	1.512	-0.82%
Brent (per barrel)	55.23	-0.52%	Cotton (per lb)	0.7414	-0.95%
Heating Oil (per gallon)	1.6067	-0.75%	Sugar (per lb)	0.2031	-0.10%
Gasoline (per gallon)	1.5055	-1.41%	Orange Juice (per lb)	1.7785	2.68%
Natural Gas (per MMBtu)	3.2320	-4.69%	Cocoa (per mt)	2,078	-0.81%
Base Metals	Futures	% chg	Grains	Futures	% chg
Copper (per mt)	5,820.0	-1.34%	Wheat (per bushel)	4.1400	-1.55%
Nickel (per mt)	9,634.5	2.17%	Soybean (per bushel)	10.228	-2.53%
Aluminium (per mt)	1,789.8	-0.86%	Corn (per bushel)	3.5775	-1.31%
Precious Metals	Futures	% chg	Asian Commodities	Futures	% chg
Gold (per oz)	1,193.2	0.40%	Crude Palm Oil (MYR/MT)	3,243.0	--
Silver (per oz)	17.152	0.09%	Rubber (JPY/KG)	367.0	5.76%

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

CFTC Commodities Futures and Options

For the week ended: 24 Jan 2017

	Current	Previous	Net Chg		Current	Previous	Net Chg
Corn	134,386	79,265	55,121	Natural Gas	-26,126	-10,276	-15,850
Soybean	200,858	167,438	33,420	Cocoa	-12,556	-7,498	-5,058
Nymex Crude	526,834	508,702	18,132	Lean Hogs	58,343	61,413	-3,070
Coffee	34,722	28,435	6,287	RBOB Gasoline	85,951	88,993	-3,042
Platinum	36,708	32,890	3,818	Cotton	116,373	118,810	-2,437
Copper	50,030	46,335	3,695	Wheat	-52,877	-50,532	-2,345
Sugar	201,631	200,044	1,587	Heating Oil	49,016	50,161	-1,145
Silver	69,908	68,768	1,140	Live Cattle	125,028	124,703	325
Palladium	17,391	16,360	1,031	Gold	107,324	106,881	443

Key Economic Indicators

Date	Time	Event		Survey	Actual	Prior	Revised
01/27/2017	07:30	JN Natl CPI YoY	Dec	0.20%	0.30%	0.50%	--
01/27/2017	07:30	JN Tokyo CPI Ex-Fresh Food YoY	Jan	-0.40%	-0.30%	-0.60%	--
01/27/2017	15:30	TH Foreign Reserves	Jan-20	--	\$176.9b	\$175.6b	--
01/27/2017	15:45	FR Consumer Confidence	Jan	100	100	99	--
01/27/2017	17:00	EC M3 Money Supply YoY	Dec	4.90%	5.00%	4.80%	--
01/27/2017	17:00	IT Manufacturing Confidence	Jan	103.3	104.8	103.5	103.7
01/27/2017	17:00	IT Consumer Confidence Index	Jan	110	108.8	111.1	110.9
01/27/2017	21:30	US GDP Annualized QoQ	4Q A	2.20%	1.90%	3.50%	--
01/27/2017	21:30	US Personal Consumption	4Q A	2.50%	2.50%	3.00%	--
01/27/2017	21:30	US GDP Price Index	4Q A	2.10%	2.10%	1.40%	--
01/27/2017	21:30	US Durable Goods Orders	Dec P	2.50%	-0.40%	-4.50%	-4.80%
01/27/2017	21:30	US Durables Ex Transportation	Dec P	0.50%	0.50%	0.60%	1.00%
01/27/2017	23:00	US U. of Mich. Sentiment	Jan F	98.1	98.5	98.1	--
01/30/2017	05:45	NZ Trade Balance NZD	Dec	-98m	-41m	-705m	-746m
01/30/2017	05:45	NZ Exports NZD	Dec	4.23b	4.38b	3.86b	3.85b
01/30/2017	07:50	JN Retail Trade YoY	Dec	1.70%	0.60%	1.70%	--
01/30/2017	18:00	EC Consumer Confidence	Jan F	-4.9	-4.9	-4.9	--
01/30/2017	21:00	GE CPI YoY	Jan P	2.00%	1.90%	1.70%	--
01/30/2017	21:00	GE CPI EU Harmonized YoY	Jan P	2.00%	1.90%	1.70%	--
01/30/2017	21:30	US Personal Income	Dec	0.40%	0.30%	0.00%	0.10%
01/30/2017	21:30	US Personal Spending	Dec	0.50%	0.50%	0.20%	--
01/30/2017	21:30	US PCE Core MoM	Dec	0.10%	0.10%	0.00%	--
01/30/2017	23:00	US Pending Home Sales MoM	Dec	1.00%	1.60%	-2.50%	--
01/30/2017	23:30	US Dallas Fed Manf. Activity	Jan	15	22.1	15.5	17.7
01/31/2017	07:30	JN Jobless Rate	Dec	3.10%	3.10%	3.10%	--
01/31/2017	07:30	JN Job-To-Applclicant Ratio	Dec	1.42	1.43	1.41	--
01/31/2017	07:50	JN Industrial Production MoM	Dec P	0.30%	0.50%	1.50%	--
01/31/2017	07:50	JN Industrial Production YoY	Dec P	3.00%	3.00%	4.60%	--
01/31/2017	10:00	SI Bank Loans and Advances YoY	Dec	--	--	1.10%	--
01/31/2017	14:30	FR GDP QoQ	4Q A	0.40%	--	0.20%	--
01/31/2017	15:00	GE Retail Sales MoM	Dec	0.60%	--	-1.80%	-1.70%
01/31/2017	15:30	TH BoP Current Account Balance	Dec	\$3093m	--	\$3195m	--
01/31/2017	15:30	TH Exports YoY	Dec	--	--	10.10%	--
01/31/2017	15:45	FR CPI EU Harmonized YoY	Jan P	1.20%	--	0.80%	--
01/31/2017	15:45	FR CPI YoY	Jan P	1.10%	--	0.60%	--
01/31/2017	16:55	GE Unemployment Change (000's)	Jan	-5k	--	-17k	--
01/31/2017	17:30	UK Mortgage Approvals	Dec	69.2k	--	67.5k	--
01/31/2017	18:00	EC Unemployment Rate	Dec	9.80%	--	9.80%	--
01/31/2017	18:00	EC GDP SA QoQ	4Q A	0.50%	--	0.30%	--
01/31/2017	18:00	EC CPI Estimate YoY	Jan	1.50%	--	1.10%	--
01/31/2017	21:30	US Employment Cost Index	4Q	0.60%	--	0.60%	--
01/31/2017	21:30	CA GDP MoM	Nov	0.30%	--	-0.30%	--
01/31/2017	22:45	US Chicago Purchasing Manager	Jan	55	--	54.6	53.9
01/31/2017	23:00	US Conf. Board Consumer Conf.	Jan	112.8	--	113.7	--
01/31/2017		JN BOJ Statement					
01/31/2017		JN BOJ Short-Term Policy Rate	Jan-31	-0.10%	--	-0.10%	--
01/31/2017		JN BOJ Long-Term Policy Rate	Jan-31	0.00%	--	0.00%	--

Source: Bloomberg

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