

Highlights

Global	<p>After markets breathed a sigh of relief over the state of the global economy the last few days, the WTO has now cautioned about the condition of the current situation as they slashed their global trade growth forecast from 3.7% to 2.6%. The organization cited the impact of rising commercial tensions and tariffs as areas of concerns. The IMF's Lagarde also warned of a "synchronized deceleration" although she doesn't see a recession is likely in the near term. On the US – China trade front, Liu He and the accompanying Chinese delegation will begin talks in Washington DC today with their US counterparts. Meanwhile, on the Brexit front, May now looks to Labour leader Jeremy Corbyn to hammer out a deal as she is reportedly edging towards supporting the idea of a customs union. In Australia, the RBA held whilst still expressing a dovish tilt as the Federal Government presented a generous budget that pledged tax cuts for 10 million lower and middle income people. Amid all this, 10 year US treasury yields ended yesterday lower at 2.48%. For today, expect Asian markets to trade with a mixed tone, after US markets were rather flattish yesterday and they also await further updates on US-China trade talks. Key data releases today include European PMI, US MBA Mortgage App, US ISM non-manufacturing index, China's Caixin PMI composite and services index.</p>
UK	<p>UK Prime Minister Theresa May is looking to put a joint plan together with Jeremy Corbyn to parliament for approval and then take it to the EU leaders' summit planned on 10th April 2019. If the two though can't agree on a joint plan, they will instead put forward a number of proposals to the House of Commons and deliver whatever parliament decides on. However, Theresa May has warned that an extension is needed to avoid a hard Brexit.</p>
US	<p>Durable goods orders fell by 1.6% yoy for February, although this was not as bad as the median consensus forecast of -1.8%. This though marks the second month straight of a decline.</p>

Major Markets

- **US:** Wall Street ended mixed on Tuesday, with the DJIA falling 0.3%, and the Nasdaq composite climbing 0.3%.
- **Commodities:** WTI closed above a key level of \$62.50/bbl yesterday while Brent inched nearer to the \$70/bbl level. WTI-Brent spreads have compressed to \$6.80/bbl, down from the \$10/bbl level that we witnessed in early January. Sanctions on Venezuela oil and continued pipeline issues between Canada and the US have pushed WTI's appreciation higher than Brent in the last three months.

Bond Market Updates

- **Market Commentary:** The SGD swap curve traded little changed yesterday, with only the 12-year swap rate trading 2bps lower. The Bloomberg Barclays Asia USD IG Bond Index average OAS widened 1bps to 136bps while the Bloomberg Barclays Asia USD HY Bond Index average OAS widened 5bps to 468bps. 10Y UST yields fell 2bps to close the session at 2.47%, after safe haven demand resurfaced amid fresh Brexit worries as EU officials commented on the growing prospect of Britain leaving the EU without a deal in 10 days. The drop in yields was also contributed by bargain-hunting investors who sought the opportunity to pick up treasury notes at low prices as well as a US government report revealing a decline in domestic durable goods orders in February.
- **New Issues:** Resorts World Las Vegas LLC (RWLV) (co-issuer: RWLV Capital Inc.; guarantors: each of RWLV's existing subsidiaries other than RWLV Capital that is a guarantor under the USD1.6bn Senior Secured Credit Facilities, and certain future subsidiaries of RWLV that guarantee certain indebtedness of RWLV or a guarantor of the notes) has priced a USD1.0bn 10-year bond at CT10+222.5bps, tightening from IPT of +255bps area. Jisco SR Pearl Ltd has priced a USD300mn 3-year bond (guarantor: Jiuquan Iron & Steel (Group) Co Ltd) at 7.3%, tightening from IPT of high 7.0% area. BOC Aviation Ltd has priced a USD750mn 5.5-year bond at CT5+135bps, tightening from IPT of +160bps area. AIA Group Ltd has priced a USD1.0bn 10-year bond at CT10+118bps, tightening from IPT of +135bps area. Excellence Commercial Management Ltd has priced a USD100mn 3-year bond at 7.2%. Hanwha Chemical Corp has priced a USD200mn 3-year FRN at 3-month US LIBOR +115bps. Marubeni Corp has scheduled investor meetings from 5 April for its potential USD bond issuance.

Key Financial Indicators

Foreign Exchange

	Day Close	% Change		Day Close	% Change
DXY	97.361	0.13%	USD-SGD	1.3550	0.04%
USD-JPY	111.320	-0.03%	EUR-SGD	1.5182	-0.04%
EUR-USD	1.1204	-0.08%	JPY-SGD	1.2172	0.07%
AUD-USD	0.7071	-0.58%	GBP-SGD	1.7790	0.24%
GBP-USD	1.3128	0.19%	AUD-SGD	0.9581	-0.53%
USD-MYR	4.0848	0.12%	NZD-SGD	0.9157	-0.66%
USD-CNY	6.7232	0.17%	CHF-SGD	1.3577	0.13%
USD-IDR	14220	-0.04%	SGD-MYR	3.0115	-0.09%
USD-VND	23199	0.00%	SGD-CNY	4.9552	0.02%

Interbank Offer Rates (%)

Tenor	EURIBOR	Change	Tenor	USD Libor	Change
1M	-0.3670	--	O/N	2.3881	--
2M	-0.3360	--	1M	2.4934	--
3M	-0.3100	--	2M	2.5619	--
6M	-0.2280	--	3M	2.5955	--
9M	-0.1940	--	6M	2.6691	--
12M	-0.1120	--	12M	2.7300	--

Fed Rate Hike Probability

Meeting	Prob Hike	Prob Cut	1.75-2%	2-2.25%	2.25-2.5%
03/20/2019	0.0%	5.7%	0.0%	5.7%	94.3%
05/01/2019	0.0%	16.2%	0.6%	15.5%	83.8%
06/19/2019	0.0%	23.5%	1.9%	21.5%	76.5%
07/31/2019	0.0%	44.4%	7.3%	36.5%	55.6%
09/18/2019	0.0%	50.3%	10.4%	38.6%	49.7%
10/30/2019	0.0%	63.2%	17.7%	41.5%	36.8%

Equity and Commodity

Index	Value	Net change
DJIA	26,179.13	-79.29
S&P	2,867.24	--
Nasdaq	7,848.69	19.78
Nikkei 225	21,505.31	-3.72
STI	3,279.78	29.27
KLCI	1,632.83	4.17
JCI	6,476.07	23.45
Baltic Dry	685.00	--
VIX	13.36	--

Government Bond Yields (%)

Tenor	SGS (chg)	UST (chg)
2Y	1.90 (-0.02)	2.30 (-0.03)
5Y	1.94 (-0.01)	2.29 (-0.03)
10Y	2.07 (-0.01)	2.47 (-0.03)
15Y	2.29 (-0.02)	--
20Y	2.36 (-0.01)	--
30Y	2.53 (-0.01)	2.88 (-0.01)

Financial Spread (bps)

	Value	Change
EURIBOR-OIS	5.40	0.10
TED	35.36	--

Secured Overnight Fin. Rate

SOFR	2.46
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Commodities Futures

Energy	Futures	% chg	Soft Commodities	Futures	% chg
WTI (per barrel)	62.58	1.6%	Corn (per bushel)	3.6150	-0.1%
Brent (per barrel)	69.37	0.5%	Soybean (per bushel)	9.000	0.5%
Heating Oil (per gallon)	2.0089	1.0%	Wheat (per bushel)	4.6400	0.3%
Gasoline (per gallon)	1.9285	1.6%	Crude Palm Oil (MYR/MT)	2,037.0	1.4%
Natural Gas (per MMBtu)	2.6840	-0.9%	Rubber (JPY/KG)	176.2	0.6%
Base Metals	Futures	% chg	Precious Metals	Futures	% chg
Copper (per mt)	6,427	-0.7%	Gold (per oz)	1,290.0	0.1%
Nickel (per mt)	13,141	0.3%	Silver (per oz)	15.061	-0.3%

Source: Bloomberg, Reuters

(Note that rates are for reference only)

Economic Calendar

Date Time	Event	Survey	Actual	Prior	Revised
04/02/2019 07:00	SK CPI MoM	Mar 0.20%	-0.20%	0.40%	--
04/02/2019 07:00	SK CPI YoY	Mar 0.70%	0.40%	0.50%	--
04/02/2019 07:50	JN Monetary Base YoY	Mar --	3.80%	4.60%	--
04/02/2019 11:30	AU RBA Cash Rate Target	Apr-02 1.50%	1.50%	1.50%	--
04/02/2019 20:30	US Durable Goods Orders	Feb P -1.80%	-1.60%	0.30%	0.10%
04/03/2019 08:30	AU Retail Sales MoM	Feb 0.30%	--	0.10%	--
04/03/2019 08:30	AU Trade Balance	Feb A\$3700m	--	A\$4549m	--
04/03/2019 19:00	US MBA Mortgage Applications	Mar-29 --	--	8.90%	--
04/03/2019 20:15	US ADP Employment Change	Mar 175k	--	183k	--
04/03/2019 21:00	SI Purchasing Managers Index	Mar 50.4	--	50.4	--
04/03/2019 22:00	US ISM Non-Manufacturing Index	Mar 58	--	59.7	--

Source: Bloomberg

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