

### Highlights

Global	<p><b>Global risk appetite may be muted ahead of the upcoming Good Friday and Easter long weekend.</b> Overnight, the UST yield curve had bull steepened as Wall Street and oil prices retreated, with the former dragged down by healthcare stocks (amid the “Medicare for All policy debate) whilst earnings from financials and transportation stocks were also mixed. With US Trade Representative Lighthizer and Treasury Secretary Mnuchin planning to travel to Beijing on the week of 29 April, and Chinese Vice Premier Liu He due in Washington the following week, hopes are rising that a bilateral trade deal is imminent and a signing summit possibly in late May. Over in Indonesia, incumbent president Jokowi may have won the election by a comfortable margin for a second term according to unofficial results. Meanwhile, North Korea has test-fired a new-type tactical guided weapon according to its state media. <b>Whilst Asian markets had generally traded on a firm tone yesterday following China’s better-than-expected 6.4% yoy growth and talk of more policy stimulus, trading activities may wind down today pre-holiday.</b> Key economic data releases today comprise of April manufacturing and services PMIs from Europe, and US’ retail sales, initial jobless claims, and PMIs. BOK is likely to hold its seven-day repo unchanged at 1.75%. Fed’s Bostic is also speaking.</p>
US	<p>The trade deficit unexpectedly narrowed to a 8-month low of US\$49.4b, amid a surge in civilian aircraft exports, and suggesting that 1Q19 GDP growth could see potential upside to 2.4-2.5%. Meanwhile, wholesale inventories rose 0.2% mom. The Fed’s Beige Book highlighted “some strengthening” in a few districts amid a “slight-to-moderate pace in March and early April”, with the labor market remaining tight and wage growth moderate.</p>
CH	<p>China reported a strong set of March data and 1Q GDP growth. Overall, there are green shoots in recent China data such as strong property investment. Nevertheless, uncertainties remain on demand side. On the positive note, the possible new stimulus measures to car sale, positive wealth effect from strong equity market and strong real income growth in 1Q may be supportive of consumption story in the coming quarters. Meanwhile, we also expect China’s infrastructure investment to pick up further as local governments have successfully brought forward their funding. As such, we believe China is on track to grow at around 6.3% in 2019. Elsewhere, China’s central bank conducted CNY200 billion MLFs yesterday, smaller than maturing amount of CNY366.5 billion, a sign that there is limited room for further marginal easing at the backdrop of improving economic outlook.</p>
ID	<p>Quick count results are indicating that Jokowi is set to win the elections although polls vary on what his margin of victory would be. We expect that markets would probably rally on top of this news with the IDR possibly even breaking the 14,000 level. Next thing to watch out for would be the parliamentary results with a Kompas quick count showing that PDI-P may have won 21.77% of the legislative vote.</p>
SG	<p>COE premiums continued to rise, with the categories A, B and E up at \$33,199, \$48,000 and \$52,410 respectively.</p>

## Major Markets

- **US:** Wall Street ended lower on Wednesday, with the S&P500 declining 0.23%. The DJIA ended lower by 0.012%, and the Nasdaq composite closed 0.05% lower.
- **Korea:** BoK is likely to keep its benchmark 7-day repo rate constant at 1.75% today. Governor Lee Ju-Yeol has repeatedly emphasises through Q1 that the current climate is too early to consider a rate cut. Although unemployment has eased from its high of 4.4% in Jan to 3.8% in Mar, other pockets of the economy remain soft – most notably four consecutive months of contracting YoY exports growth and benign inflationary pressures. The BoK's preference is still for fiscal policy to pick up the slack, and will likely remain on the sidelines unless a more severe downturn manifests.
- **Thailand:** Markets reopened yesterday following a two-day Songkran festival holiday. 2-5 spreads fell to 26.6bp from 23.8bp last Friday, while EPFR data shows that foreign funds continue to flow out from the country's bond space. There has been little update on election victors, with the Thai Election Committee now focusing on conducting election re-polling in certain districts. Reports have suggested that the full list of MP seats are unlikely to be released before the King's coronation ceremony, due to be held from 4-6 May
- **Singapore:** The STI added 0.50% to close at 3348.64 yesterday but may range trade today, with support and resistance tipped at 3320 and 3370. With investors fading the current equity rally, the UST bond yield curve had bull steepened overnight. SGS bonds may also see a better bid today, but investors are awaiting the announcement of the re-opening size for the 10-year SGS bond today to be auctioned on 26 April and yesterday's market action saw SGS yields higher by around 4bps from the 5-30 year tenors.
- **Commodities (Gold):** The precious metal continued tumbling yesterday, posting a daily loss of -0.2% to close the session at \$1,273.98/oz. Technically the chart on gold looks increasingly bearish, having broken its line of uptrend and the key support level of \$1,280/oz decisively. The next support for gold will be the crucial level of \$1,250/oz.

## Bond Market Updates

- **Market Commentary:** The SGD swap curve steepened yesterday; with the shorter tenors trading 1-2bps higher while the belly and longer tenors traded 3-4bps higher (exception being the 12-year swap rates at 6bps higher). The Bloomberg Barclays Asia USD IG Bond Index average OAS tightened 1bps to 130bps while the Bloomberg Barclays Asia USD HY Bond Index average OAS widened 2bps to 466bps. 10Y UST yields traded little change at 2.59%, as yields uplift on the back of strong Chinese economic data earlier in the trading session, this was though offset by weaker equities performance.

- **New Issues:** Ronshine China Holdings Ltd has priced a USD200mn 3.5NC2 bond (subsidiary guarantors: certain of issuer's restricted subsidiaries incorporated outside the PRC) at 8.75%, tightening from IPT of 9.25% area. Hejun Shunze Investment Co Ltd has priced a USD330mn 2-year bond (parent guarantor: Sichuan Languang Development Co Ltd) at 12.625%, tightening from IPT of high 12% area. Modern Land (China) Co Ltd has priced a USD203.797mn 2.5-year bond (subsidiary guarantors: certain non-PRC restricted subsidiaries of the issuer) at 12.7%, tightening from IPT of 12.85%. Huai'an Water Conservancy Holding Group Co Ltd has priced a USD300mn 3-year bond at 6.2%, tightening from IPT of 6.5% area. Qatar National Bank Finance Ltd has priced a USD850mn 3-year FRN at 3-month US LIBOR+100bps, tightening from IPT of +110bps area. Melco Resorts Finance Ltd has priced a USD500mn 7NC3 bond at 5.25%, tightening from IPT of 5.5% area.

### Key Financial Indicators

#### Foreign Exchange

	Day Close	% Change		Day Close	% Change
<b>DXY</b>	97.009	-0.04%	<b>USD-SGD</b>	1.3528	-0.13%
<b>USD-JPY</b>	112.060	0.05%	<b>EUR-SGD</b>	1.5280	0.01%
<b>EUR-USD</b>	1.1296	0.13%	<b>JPY-SGD</b>	1.2072	-0.17%
<b>AUD-USD</b>	0.7179	0.06%	<b>GBP-SGD</b>	1.7643	-0.18%
<b>GBP-USD</b>	1.3043	-0.04%	<b>AUD-SGD</b>	0.9710	-0.09%
<b>USD-MYR</b>	4.1345	0.05%	<b>NZD-SGD</b>	0.9099	-0.67%
<b>USD-CNY</b>	6.6881	-0.36%	<b>CHF-SGD</b>	1.3388	-0.37%
<b>USD-IDR</b>	14085	--	<b>SGD-MYR</b>	3.0583	0.29%
<b>USD-VND</b>	23200	-0.01%	<b>SGD-CNY</b>	4.9422	-0.30%

#### Interbank Offer Rates (%)

Tenor	EURIBOR	Change	Tenor	USD Libor	Change
<b>1M</b>	-0.3670	--	<b>O/N</b>	2.3891	--
<b>2M</b>	-0.3360	--	<b>1M</b>	2.4798	--
<b>3M</b>	-0.3100	--	<b>2M</b>	2.5383	--
<b>6M</b>	-0.2320	--	<b>3M</b>	2.6009	--
<b>9M</b>	-0.1940	--	<b>6M</b>	2.6314	--
<b>12M</b>	-0.1120	--	<b>12M</b>	2.7553	--

#### Fed Rate Hike Probability

Meeting	Prob Hike	Prob Cut	1.75-2%	2-2.25%	2.25-2.5%
05/01/2019	0.0%	0.5%	0.0%	0.5%	99.5%
06/19/2019	0.0%	7.2%	0.0%	7.1%	92.8%
07/31/2019	0.0%	12.1%	0.4%	11.7%	87.9%
09/18/2019	0.0%	25.6%	2.1%	23.4%	74.4%
10/30/2019	0.0%	31.3%	3.8%	27.3%	68.7%
12/11/2019	0.0%	44.7%	8.3%	35.4%	55.3%

#### Commodities Futures

Energy	Futures	% chg	Soft Commodities	Futures	% chg
WTI (per barrel)	63.76	-0.5%	Corn (per bushel)	3.5825	-0.2%
Brent (per barrel)	71.62	-0.1%	Soybean (per bushel)	8.790	-1.0%
Heating Oil (per gallon)	2.0692	-0.6%	Wheat (per bushel)	4.4700	0.4%
Gasoline (per gallon)	2.0418	0.5%	Crude Palm Oil (MYR/MT)	2,130.0	1.2%
Natural Gas (per MMBtu)	2.5170	-2.1%	Rubber (JPY/KG)	182.0	-1.8%
<b>Base Metals</b>	<b>Futures</b>	<b>% chg</b>	<b>Precious Metals</b>	<b>Futures</b>	<b>% chg</b>
Copper (per mt)	6,556	0.9%	Gold (per oz)	1,272.2	0.0%
Nickel (per mt)	12,893	-0.5%	Silver (per oz)	14.939	0.2%

Source: Bloomberg, Reuters

(Note that rates are for reference only)

#### Equity and Commodity

Index	Value	Net change
<b>DJIA</b>	26,449.54	-3.12
<b>S&amp;P</b>	2,900.45	-6.61
<b>Nasdaq</b>	7,996.08	-4.15
<b>Nikkei 225</b>	22,277.97	56.31
<b>STI</b>	3,348.64	16.60
<b>KLCI</b>	1,620.90	-8.56
<b>JCI</b>	6,481.54	--
<b>Baltic Dry</b>	749.00	--
<b>VIX</b>	12.60	0.42

#### Government Bond Yields (%)

Tenor	SGS (chg)	UST (chg)
<b>2Y</b>	1.88 (+0.01)	2.40 (-0.01)
<b>5Y</b>	2.00 (+0.04)	2.40 (--)
<b>10Y</b>	2.18 (+0.04)	2.59 (--)
<b>15Y</b>	2.37 (+0.04)	--
<b>20Y</b>	2.42 (+0.04)	--
<b>30Y</b>	2.62 (+0.04)	2.99 (--)

#### Financial Spread (bps)

	Value	Change
<b>EURIBOR-OIS</b>	5.47	0.01
<b>TED</b>	35.36	--

#### Secured Overnight Fin. Rate

<b>SOFR</b>	2.47
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### Economic Calendar

Date Time	Event	Survey	Actual	Prior	Revised
04/17/2019 08:30	SI Non-oil Domestic Exports YoY	Mar	-2.20%	-11.70%	4.80%
04/17/2019 10:00	CH GDP YoY	1Q	6.30%	6.40%	6.40%
04/17/2019 12:30	JN Industrial Production MoM	Feb F	--	0.70%	1.40%
04/17/2019 16:30	UK CPI YoY	Mar	2.00%	1.90%	1.90%
04/17/2019 16:30	UK CPI Core YoY	Mar	1.90%	1.80%	1.80%
04/17/2019 16:30	UK PPI Output NSA MoM	Mar	0.20%	0.30%	0.10%
04/17/2019 17:00	EC CPI YoY	Mar F	1.40%	1.40%	1.40%
04/17/2019 19:00	US MBA Mortgage Applications	Apr-12	--	-3.50%	-5.60%
04/18/2019 08:30	JN Nikkei Japan PMI Mfg	Apr P	--	--	49.2
04/18/2019 16:00	EC Markit Eurozone Manufacturing PMI	Apr P	48	--	47.5
04/18/2019 20:30	US Retail Sales Advance MoM	Mar	1.00%	--	-0.20%
04/18/2019 20:30	US Initial Jobless Claims	Apr-13	205k	--	196k
04/18/2019 21:45	US Markit US Manufacturing PMI	Apr P	52.8	--	52.4
04/18/2019	SK BoK 7-Day Repo Rate	Apr-18	1.75%	--	1.75%

Source: Bloomberg

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