

Highlights

Global	Global risk sentiments improved overnight with a post-Doha reversal on crude oil prices (partly contributed by a Kuwait strike) which saw Wall Street closing higher overnight. Expect this momentum could carry over to Asian time-zone today. Note Fed's Rosengren (voter) also suggested that he expects a "much healthier US economy" that is "fundamentally sound" and "the very shallow path of rate increases implied by financial futures-market pricing would likely result in an overheating that necessitates the Fed eventually raising interest rates more quickly than is desirable", hence "I would prefer that the Federal Reserve not risk making the mistake of significantly overshooting the full employment level". Another relatively light economic data calendar for today again, with only EZ/German ZEW survey on tap in addition to US' March housing starts and building permits. Speakers include RBA's Stevens and BOE's Carney.
US	NAHB housing market index was unchanged at 58 in Apr, with future sales and prospective buyer traffic measures remaining robust, this should provide support to growth this year. Elsewhere, markets largely shook off the Doha disappointment, as equities recovered from losses to end higher. S&P 500 +0.65% and Nasdaq +0.44%. The Dow rose 0.60% to close at 18004.16, breaking the 18000 mark for the first time in 9 months. Meanwhile, US Treasury yields rose on Dudley's remarks that cited strong US economic data and improving European conditions. 2-year and 10-year US Treasury yields 0.74% and 1.77% respectively. VIX -1.98% continued to trend downwards.
Singapore	The STI slid modestly by 0.21% to close at 2917.75 yesterday, but may stabilise around the 2900-2940 range today amid more positive overnight cues from Wall Street and morning gains in Nikkei and Kospi. Meanwhile, SGS bonds continued to trade back to post-MPS ranges and may settle back to watching external cues for the interim.
Japan	Aso said the FY2016 budget extra funds for quake help first before discussing an extra budget, as there are JPY350b in reserve funds in this FY's main budget. He also opined that an abrupt strengthening or weakening of the JPY is not desirable and will take various measures to counter it.
UK	Chancellor Osborne warned that Brexit will cost the UK economy between 3.8-7.5% of GDP, and up to GBP2,100 per person, after 15 years. He warned that "Britain would be permanently poorer if we left the EU" and "higher taxes and a smaller economy are not a price worth paying".
CN	PBoC injected CNY162.5 billion liquidity yesterday via medium term lending facility (MLF) ahead of maturing of CNY551 billion MLF this week.
Macau	Though the mass market segment still constitutes a larger portion of the total gaming revenue in 1Q, its share still fell below 50%. This difficulty in retrieving growth is due to the slow recovery of tourism activities and the restricted growth of gaming tables. With a dimmer outlook, market sentiment and the city's housing market are expected to take a hit as well.
Indonesia	President Joko Widodo, who is on an official visit to Germany, said that he believes Indonesia's economic growth has stabilized at around 5%. He added that the government will continue to pursue reforms by simplifying regulations and continuing to open up its economy. On GDP growth in Q1, he mentioned quixotically that it may "go up a little, or it may go down a little.

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Bond Market Updates

- **Market Commentary:** SGD swap rates continued to retrace post-MAS easing gains, traded 3bps-5bps lower yesterday. Notably, the 5-year rate traded 8bps lower. Flows in the SGD corporate space were moderate, with the new FCLSP issue last week generating activity in the FCLSP complex. We saw better buyers in the GENSSP 5.125%'49s, better sellers in the FCLSP 5% '49s, NOLSP 4.4% '19s, ANVAU 5.5% '76s and mixed interest in the FCLSP 4.25% '26s. In the broader dollar space, the spread on the JACI IG corporates widened by 1bp to 229bps while the yield on the JACI HY corporates decreased by 2bps to 7.46%. 10y UST yield increased by 2bps to 1.77%.
- **New Issues:** China Aoyuan Property Group priced a USD250mn 3-year bond at 6.525%, tightening from an initial guidance of 7%. The expected rating for the issue is "B/B2/B+". The Export-Import Bank of China scheduled for investor meetings for potential USD 5-year and 10-year bonds as well as a potential EUR 3-year bond.
- **Rating Changes:** S&P affirmed its "A-"long-term counterparty credit ratings on Kuwait Finance House ("KFH"), at the same time removing the rating from CreditWatch with negative implications. The affirmation reflects S&P's view that the bank's well-established divestment plan could have a positive impact on its capitalization. S&P initiated a "BBB-"long-term corporate credit rating to JD.com Inc, in light of a satisfactory market position supported by its improving product and service offering as well as a highly scalable technology platform. Outlook is stable as S&P expects the company to maintain good business growth and improvement in its core online retail business margins. Moody's also initiated a "Baa3" issuer rating to JD.com Inc, taking into consideration JD.com's improving profitability, increasing scale as well as its track record of monetizing strategic benefits from Tencent Holdings' investment in the company. Outlook is stable.

Key Financial Indicators

Foreign Exchange

	Day Close	% Change		Day Close	% Change
DXY	94.490	-0.22%	USD-SGD	1.3513	-0.46%
USD-JPY	108.820	0.06%	EUR-SGD	1.5287	-0.20%
EUR-USD	1.1132	0.00%	JPY-SGD	1.2417	-0.49%
AUD-USD	0.7750	0.32%	GBP-SGD	1.9293	0.09%
GBP-USD	1.4278	0.54%	AUD-SGD	1.0472	-0.11%
USD-MYR	3.9295	0.68%	NZD-SGD	0.9393	-0.01%
USD-CNY	6.4752	0.00%	CHF-SGD	1.4014	-0.11%
USD-IDR	13170	-0.06%	SGD-MYR	2.8986	0.95%
USD-VND	22305	0.00%	SGD-CNY	4.7877	0.38%

Interbank Offer Rates (%)

Tenor	EURIBOR	Change	Tenor	USD LIBOR	Change
1M	-0.3420	--	O/N	0.3807	--
2M	-0.2870	--	1M	0.4363	--
3M	-0.2490	--	2M	0.5238	--
6M	-0.1400	--	3M	0.6331	--
9M	-0.0730	--	6M	0.9019	--
12M	-0.0110	--	12M	1.2213	--

Eurozone & Russia Update

	2Y Bond Ylds (bpschg)		10Y Bond Ylds (bpschg)		10Y Bund Spread %
Portugal	0.70	0.20	3.13	-3.70	2.97
Italy	-0.01	-0.70	1.35	1.50	1.19
Ireland	-0.33	0.60	0.86	4.50	0.70
Greece*	11.41	-22.90	9.03	5.90	8.87
Spain	-0.04	-2.50	1.49	-0.40	1.33
Russia^	3.15	0.80	4.93	-0.90	4.77

* 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	18,004.16	106.70
S&P	2,094.34	13.60
Nasdaq	4,960.02	21.80
Nikkei 225	16,275.95	-572.10
STI	2,917.75	-6.20
KLCI	1,717.68	-10.30
JCI	4,865.53	42.00
Baltic Dry	659.00	24.00
VIX	13.35	-0.30

Government Bond Yields (%)

Tenor	SGS (chg)	UST (chg)
2Y	0.99 (-0.03)	0.74 (+0.01)
5Y	1.58 (-0.06)	1.23 (+0.02)
10Y	1.92 (-0.07)	1.77 (+0.02)
15Y	2.27 (-0.07)	--
20Y	2.35 (-0.06)	--
30Y	2.53 (-0.06)	2.58 (+0.02)

Financial Spread (bps)

	Value	Change
LIBOR-OIS	25.31	0.07
EURIBOR-OIS	9.70	-0.38
TED	43.10	1.66

Commodities Futures

Energy	Futures	% chg	Soft Commodities	Futures	% chg
WTI (per barrel)	39.78	-1.44%	Coffee (per lb)	1.240	0.85%
Brent (per barrel)	42.91	-0.44%	Cotton (per lb)	0.6215	3.53%
Heating Oil (per gallon)	1.236	0.30%	Sugar (per lb)	0.1535	2.06%
Gasoline (per gallon)	1.44	-1.69%	Orange Juice (per lb)	1.3815	0.66%
Natural Gas (per MMBtu)	1.94	2.00%	Cocoa (per mt)	2,995	1.84%
Base Metals	Futures	% chg	Grains	Futures	% chg
Copper (per mt)	4,827.0	0.41%	Wheat (per bushel)	4.7275	2.83%
Nickel (per mt)	9,105	2.52%	Soybean (per bushel)	9.543	-0.18%
Aluminium (per mt)	1,582.0	2.39%	Corn (per bushel)	3.8100	0.66%
Precious Metals	Futures	% chg	Asian Commodities	Futures	% chg
Gold (per oz)	1,233.6	0.04%	Crude Palm Oil (MYR/MT)	2,656.0	0.68%
Silver (per oz)	16.253	-0.37%	Rubber (JPY/KG)	181.5	-0.82%

Source: Bloomberg, Reuters

(Note that rates are for reference only)

Key Economic Indicators

Date Time	Event	Survey	Actual	Prior	Revised	
04/18/2016 06:45	NZ CPI QoQ	1Q	0.10%	0.20%	-0.50%	--
04/18/2016 06:45	NZ CPI YoY	1Q	0.40%	0.40%	0.10%	--
04/18/2016 07:01	UK Rightmove House Prices MoM	Apr	--	1.30%	1.30%	--
04/18/2016 07:01	UK Rightmove House Prices YoY	Apr	--	7.30%	7.60%	--
04/18/2016 08:30	SI Non-oil Domestic Exports YoY	Mar	-12.30%	-15.60%	2.10%	2.00%
04/18/2016 08:30	SI NODX SA MoM	Mar	3.00%	0.20%	-4.10%	-4.20%
04/18/2016 09:30	AU New Motor Vehicle Sales YoY	Mar	--	4.20%	2.30%	2.50%
04/18/2016 14:30	IN Wholesale Prices YoY	Mar	-0.70%	-0.85%	-0.91%	--
04/18/2016 15:30	TH Foreign Reserves	Apr-08	--	\$176.7b	\$175.5b	--
04/18/2016 20:30	CA Int'l Securities Transactions	Feb	--	15.94b	13.51b	11.41b
04/18/2016 21:05	IN Imports YoY	Mar	--	-21.60%	-5.00%	--
04/18/2016 21:05	IN Exports YoY	Mar	--	-5.50%	-5.70%	--
04/19/2016 13:30	JN Nationwide Dept Sales YoY	Mar	--	--	0.20%	--
04/19/2016 16:30	HK Unemployment Rate SA	Mar	3.30%	--	3.30%	--
04/19/2016 17:00	GE ZEW Survey Current Situation	Apr	50.8	--	50.7	--
04/19/2016 17:00	GE ZEW Survey Expectations	Apr	8	--	4.3	--
04/19/2016 17:00	EC ZEW Survey Expectations	Apr	--	--	10.6	--
04/19/2016 20:30	US Housing Starts	Mar	1166k	--	1178k	--
04/19/2016 20:30	US Building Permits	Mar	1200k	--	1167k	1177k
04/19/2016	HK Composite Interest Rate	Mar	--	--	0.26%	--
04/19/2016	SK BoK 7-Day Repo Rate	Apr-19	1.50%	--	1.50%	--
04/19/2016	PH BoP Overall	Mar	--	--	-\$316m	--

Source: Bloomberg

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