

## Highlights

Global	<p>Market appears to remain in a wait-and-see attitude ahead of important data including Friday's nonfarm payrolls data from the US, whereby market is penciling in 175k job gains in March, compared to 235k the month before. Market is paying some attention to the second round televised debate among candidates for the French presidential election. Euroskeptic candidate, Marine Le Pen, was seen as having lost some ground in the debate, with snap polls suggesting that she was the fourth-most convincing candidate in the debate, far behind front-runner Emmanuel Macron. Meanwhile, Richmond Federal Reserve's chief Jeffrey Lacker resigned after disclosing his role in the leak of confidential information during a phone conversation with an analyst in 2012.</p>
AU	<p>RBA kept its cash rate at a record low of 1.5% as widely expected, citing that "some indicators of conditions in the labor market have softened recently" and "employment growth is modest" but "growth in household borrowing, largely to purchase housing, continues to outpace growth in household income". RBA noted that "lenders need to ensure that the serviceability metrics that they use are appropriate for current conditions" and "a reduced reliance on interest-only loans in the Australian market would also be a positive development". As such, "the board judged that holding the stance of monetary policy unchanged at this meeting would be consistent with sustainable growth in the economy and achieving the inflation target over time".</p>
US	<p>Equities ended slightly positive on Tuesday, with the S&amp;P 500 and Nasdaq closing less than 0.1% higher. The Dow was the relative outperformer, up 0.19%. Energy stocks were the main drivers, up 0.7% as a group as the WTI recovered the US\$51 handle. Overall, equities have meandered since hitting highs in early March. However, the S&amp;P 500 remains less than 2% away from its intraday high of 2400.98. VIX ended lower at 11.79, down 4.8%. Meanwhile, US Treasury yields lifted off year-to-date lows, with 2- and 10-year yields up 2-4 bps to 1.25% and 2.36% respectively. Eyes will be on the release of March FOMC minutes on New York Wednesday. Look out for any discussion on the tapering of the Fed's balance sheet.</p>
SG	<p>STI retreated 0.27% to close lower at 3179.06 yesterday. Losses were led by Golden Agri-Resources Ltd (-2.56%), Yangzijiang Shipbuilding Holdings Ltd (-1.72%) and Hongkong Land Holdings Ltd (-1.04%) while Thai Beverages PCL (-1.60%) and ComfortDelGro Corp Ltd (-1.55%) effectively cushioning the fall.</p>
ID	<p>Industry Ministry is studying current tax incentive for low cost green cars and it is considering scrapping the program entirely, according to Bloomberg. It is instead considering new tax breaks for low carbon emission vehicles, which would include hybrid cars, natural gas vehicles and electric cars.</p>
MA	<p>China's developer, Country Garden, is reportedly going to refund Chinese buyers of its Forest City housing project in Malaysia who are caught in China's crackdown on capital outflows. This would apply to those buyers who has already made down payments but cannot transfer the rest of the payment out of China.</p>

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## Bond Market Updates

- **Market Commentary:** The SGD swap curve bull-flattened yesterday, with swap rates trading 1-4bps lower across all tenors. Flows in SGD corporates were heavy, with better selling seen in UOBSP 3.5%'29s and mixed interest in FCLSP 4.15%'27s, GUOLSP 3.62%'21s, BNP 3.65%'24s. In the broader dollar space, the spread on JACI IG corporates rose 3bps to 197bps while the yield on JACI HY fell 2bps to 6.57%. 10y UST yields rose 4bps to 2.36% yesterday, as markets weighed fading optimism about fiscal stimulus against the risk of Federal Reserve interest-rate increases and potential changes to the central bank's balance-sheet policy.
- **New Issues:** PT Saka Energi Indonesia hired banks for potential USD bond issuance.
- **Rating Changes:** S&P affirmed National Bank of Abu Dhabi's (NBAD) ratings at 'AA-' and removed them from CreditWatch with negative implications. At the same time, the 'A' ratings on First Gulf Bank PJSC (FGB) were withdrawn. This follows the NBAD's announcement that it has completed its merger with FGB on March 30, 2017 with NBAD assuming FGB's existing debt. The outlook on NBAD's ratings is stable reflecting S&P's view that NBAD will maintain its strong franchise and its resilient financial profile thanks to its strong earnings generation, robust capitalization, and sound asset quality despite the difficult operating environment in the Gulf.

## Key Financial Indicators

### Foreign Exchange

	Day Close	% Change		Day Close	% Change
<b>DX</b>	100.540	--	<b>USD-SGD</b>	1.3985	0.09%
<b>USD-JPY</b>	110.740	-0.14%	<b>EUR-SGD</b>	1.4927	0.14%
<b>EUR-USD</b>	1.0674	0.04%	<b>JPY-SGD</b>	1.2628	0.24%
<b>AUD-USD</b>	0.7565	-0.53%	<b>GBP-SGD</b>	1.7396	-0.28%
<b>GBP-USD</b>	1.2440	-0.37%	<b>AUD-SGD</b>	1.0579	-0.43%
<b>USD-MYR</b>	4.4312	0.08%	<b>NZD-SGD</b>	0.9752	-0.49%
<b>USD-CNY</b>	6.8872	--	<b>CHF-SGD</b>	1.3958	0.06%
<b>USD-IDR</b>	13331	0.05%	<b>SGD-MYR</b>	3.1669	-0.03%
<b>USD-VND</b>	22695	-0.18%	<b>SGD-CNY</b>	4.9244	-0.10%

### Interbank Offer Rates (%)

Tenor	EURIBOR	Change	Tenor	USD LIBOR	Change
<b>1M</b>	-0.3720	--	<b>O/N</b>	0.9272	--
<b>2M</b>	-0.3390	--	<b>1M</b>	0.9833	--
<b>3M</b>	-0.3300	--	<b>2M</b>	1.0256	--
<b>6M</b>	-0.2430	--	<b>3M</b>	1.1498	--
<b>9M</b>	-0.1730	--	<b>6M</b>	1.4263	--
<b>12M</b>	-0.1110	--	<b>12M</b>	1.8026	--

### Eurozone & Russia Update

	2Y Bond Ylds (bpschg)	10Y Bond Ylds (bpschg)	10Y Bund Spread
<b>Portugal</b>	0.55	-1.20	3.93
<b>Italy</b>	-0.08	-1.10	2.28
<b>Ireland</b>	-0.37	2.00	0.96
<b>Greece</b>	7.95	19.10	7.08
<b>Spain</b>	-0.21	-0.20	1.62
<b>Russia</b>	2.02	--	4.15

### Equity and Commodity

Index	Value	Net change
<b>DJIA</b>	20,689.24	39.03
<b>S&amp;P</b>	2,360.16	1.32
<b>Nasdaq</b>	5,898.61	3.93
<b>Nikkei 225</b>	18,810.25	-172.98
<b>STI</b>	3,179.06	-8.45
<b>KLCI</b>	1,747.19	1.70
<b>JCI</b>	5,651.82	45.03
<b>Baltic Dry</b>	1,255.00	-27.00
<b>VIX</b>	11.79	-0.59

### Government Bond Yields (%)

Tenor	SGS (chg)	UST (chg)
<b>2Y</b>	1.29 (-0.02)	1.25 (+0.03)
<b>5Y</b>	1.71 (-0.03)	1.89 (+0.04)
<b>10Y</b>	2.20 (-0.03)	2.36 (+0.04)
<b>15Y</b>	2.36 (-0.01)	--
<b>20Y</b>	2.41 (-0.02)	--
<b>30Y</b>	2.43 (-0.02)	3.00 (+0.05)

### Financial Spread (bps)

	Value	Change
<b>LIBOR-OIS</b>	21.67	0.07
<b>EURIBOR-OIS</b>	2.22	-0.03
<b>TED</b>	36.73	--

### Commodities Futures

Energy	Futures	% chg	Soft Commodities	Futures	% chg
WTI (per barrel)	51.03	1.57%	Coffee (per lb)	1.378	-0.07%
Brent (per barrel)	54.17	1.98%	Cotton (per lb)	0.7485	-0.82%
Heating Oil (per gallon)	1.5923	1.85%	Sugar (per lb)	0.1616	-2.30%
Gasoline (per gallon)	1.7217	1.65%	Orange Juice (per lb)	1.5510	0.71%
Natural Gas (per MMBtu)	3.2930	5.27%	Cocoa (per mt)	2,110	0.14%
Base Metals	Futures	% chg	Grains	Futures	% chg
Copper (per mt)	5,758.5	0.33%	Wheat (per bushel)	4.2700	-0.18%
Nickel (per mt)	9,929.8	1.31%	Soybean (per bushel)	9.378	-0.05%
Aluminium (per mt)	1,927.8	-0.77%	Corn (per bushel)	3.6300	-1.29%
Precious Metals	Futures	% chg	Asian Commodities	Futures	% chg
Gold (per oz)	1,255.0	0.34%	Crude Palm Oil (MYR/MT)	2,861.0	-0.03%
Silver (per oz)	18.323	0.61%	Rubber (JPY/KG)	281.2	1.15%

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

### Key Economic Indicators

Date	Time	Event		Survey	Actual	Prior	Revised
04/04/2017 00:00	IT	New Car Registrations YoY	Mar	--	18.16%	6.17%	6.46%
04/04/2017 01:12	IT	Budget Balance	Mar	--	-22.9b	-8.2b	--
<b>04/04/2017 07:00</b>	<b>SK</b>	<b>CPI MoM</b>	<b>Mar</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.30%</b>	--
<b>04/04/2017 07:00</b>	<b>SK</b>	<b>CPI YoY</b>	<b>Mar</b>	<b>2.10%</b>	<b>2.20%</b>	<b>1.90%</b>	--
04/04/2017 07:00	SK	CPI Core YoY	Mar	1.50%	1.40%	1.50%	--
<b>04/04/2017 07:50</b>	<b>JN</b>	<b>Monetary Base YoY</b>	<b>Mar</b>	<b>--</b>	<b>20.30%</b>	<b>21.40%</b>	--
04/04/2017 07:50	JN	Monetary Base End of period	Mar	--	¥447.3t	¥433.7t	--
<b>04/04/2017 09:30</b>	<b>AU</b>	<b>Trade Balance</b>	<b>Feb</b>	<b>A\$1900m</b>	<b>A\$3574m</b>	<b>A\$1302m</b>	<b>A\$1503m</b>
04/04/2017 10:00	SK	Foreign Direct Investments YoY	1Q	--	-9.20%	-18.20%	--
<b>04/04/2017 12:30</b>	<b>AU</b>	<b>RBA Cash Rate Target</b>	<b>Apr-04</b>	<b>1.50%</b>	<b>1.50%</b>	<b>1.50%</b>	--
04/04/2017 16:00	IT	Deficit to GDP YTD	4Q	--	2.40%	2.30%	2.50%
04/04/2017 16:30	UK	Markit/CIPS UK Construction PMI	Mar	52.5	52.2	52.5	--
04/04/2017 17:00	EC	Retail Sales MoM	Feb	0.50%	0.70%	-0.10%	0.10%
04/04/2017 17:00	EC	Retail Sales YoY	Feb	1.00%	1.80%	1.20%	1.50%
<b>04/04/2017 20:30</b>	<b>US</b>	<b>Trade Balance</b>	<b>Feb</b>	<b>-\$44.6b</b>	<b>-\$43.6b</b>	<b>-\$48.5b</b>	<b>-\$48.2b</b>
04/04/2017 20:30	CA	Int'l Merchandise Trade	Feb	0.60b	-0.97b	0.81b	0.42b
<b>04/04/2017 22:00</b>	<b>US</b>	<b>Factory Orders</b>	<b>Feb</b>	<b>1.00%</b>	<b>1.00%</b>	<b>1.20%</b>	<b>1.50%</b>
04/04/2017 22:00	US	Factory Orders Ex Trans	Feb	--	0.40%	0.30%	0.50%
<b>04/04/2017 22:00</b>	<b>US</b>	<b>Durable Goods Orders</b>	<b>Feb F</b>	<b>1.70%</b>	<b>1.80%</b>	<b>1.70%</b>	--
04/04/2017 22:00	US	Durables Ex Transportation	Feb F	--	0.50%	0.40%	--
04/04/2017 22:00	US	Cap Goods Orders Nondef Ex Air	Feb F	--	-0.10%	-0.10%	--
04/04/2017 22:00	US	Cap Goods Ship Nondef Ex Air	Feb F	--	1.00%	1.00%	--
04/05/2017 01:00	NZ	QV House Prices YoY	Mar	--	12.90%	13.50%	--
04/05/2017 05:00	SK	Foreign Reserves	Mar	--	\$375.30b	\$373.91b	--
04/05/2017 06:00	NZ	ANZ Job Advertisements MoM	Mar	--	1.60%	0.40%	--
04/05/2017 07:00	SK	BoP Current Account Balance	Feb	--	\$8400.2m	\$5277.8m	--
04/05/2017 07:00	SK	BoP Goods Balance	Feb	--	\$10545m	\$7814m	--
04/05/2017 07:01	UK	BRC Shop Price Index YoY	Mar	-0.80%	-0.80%	-1.00%	--
04/05/2017 07:30	AU	AiG Perf of Services Index	Mar	--	--	49	--
04/05/2017 08:30	SI	Nikkei Singapore PMI	Mar	--	--	51.4	--
<b>04/05/2017 08:30</b>	<b>TA</b>	<b>Nikkei Taiwan PMI Mfg</b>	<b>Mar</b>	<b>--</b>	<b>--</b>	<b>54.5</b>	<b>--</b>
04/05/2017 08:30	JN	Nikkei Japan PMI Services	Mar	--	--	51.3	--
04/05/2017 08:30	JN	Nikkei Japan PMI Composite	Mar	--	--	52.2	--
04/05/2017 09:00	NZ	ANZ Commodity Price	Mar	--	--	2.00%	--
<b>04/05/2017 09:00</b>	<b>PH</b>	<b>CPI YoY</b>	<b>Mar</b>	<b>3.40%</b>	<b>--</b>	<b>3.30%</b>	<b>--</b>
04/05/2017 09:00	PH	CPI NSA MoM	Mar	0.10%	--	0.30%	--
04/05/2017 09:00	PH	CPI Core YoY	Mar	2.80%	--	2.70%	--
04/05/2017 12:00	MA	Exports YoY	Feb	15.10%	--	13.60%	--
04/05/2017 12:00	MA	Imports YoY	Feb	19.50%	--	16.10%	--
04/05/2017 12:00	MA	Trade Balance MYR	Feb	7.19b	--	4.71b	--
04/05/2017 15:45	IT	Markit/ADACI Italy Services PMI	Mar	54.3	--	54.1	--
04/05/2017 15:45	IT	Markit/ADACI Italy Composite PMI	Mar	54.9	--	54.8	--
04/05/2017 15:50	FR	Markit France Services PMI	Mar F	58.5	--	58.5	--
04/05/2017 15:50	FR	Markit France Composite PMI	Mar F	57.6	--	57.6	--
04/05/2017 15:55	GE	Markit Germany Services PMI	Mar F	55.6	--	55.6	--
04/05/2017 15:55	GE	Markit/BME Germany Comp PMI	Mar F	57	--	57	--
04/05/2017 16:00	EC	Markit Eurozone Services PMI	Mar F	56.5	--	56.5	--
<b>04/05/2017 16:00</b>	<b>EC</b>	<b>Markit Eurozone Comp PMI</b>	<b>Mar F</b>	<b>56.7</b>	<b>--</b>	<b>56.7</b>	<b>--</b>
04/05/2017 16:00	UK	New Car Registrations YoY	Mar	--	--	-0.30%	--
04/05/2017 16:00	IT	Istat Monthly Economic Note					
04/05/2017 16:30	UK	Markit/CIPS UK Services PMI	Mar	53.4	--	53.3	--
04/05/2017 16:30	UK	Markit/CIPS UK Composite PMI	Mar	53.8	--	53.8	--
04/05/2017 16:30	UK	Official Reserves Changes	Mar	--	--	\$360m	--
04/05/2017 16:30	UK	Unit Labor Costs YoY	4Q	2.00%	--	2.30%	--
<b>04/05/2017 19:00</b>	<b>US</b>	<b>MBA Mortgage Applications</b>	<b>Mar-31</b>	<b>--</b>	<b>--</b>	<b>-0.80%</b>	<b>--</b>
<b>04/05/2017 20:15</b>	<b>US</b>	<b>ADP Employment Change</b>	<b>Mar</b>	<b>185k</b>	<b>--</b>	<b>298k</b>	<b>--</b>
04/05/2017 21:45	US	Markit US Services PMI	Mar F	53.1	--	52.9	--
04/05/2017 21:45	US	Markit US Composite PMI	Mar F	--	--	53.2	--
<b>04/05/2017 22:00</b>	<b>US</b>	<b>ISM Non-Manf. Composite</b>	<b>Mar</b>	<b>57</b>	<b>--</b>	<b>57.6</b>	<b>--</b>

Source: Bloomberg

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