

Daily Treasury Outlook

4 December 2025

Highlights

Global: US benchmark equity indices ended broadly higher overnight, supported by stronger services sector data and weaker private payrolls, reinforcing expectations that the Federal Reserve will cut rates at its upcoming meeting. The ISM Services PMI rose to 52.6 in November from 52.4 in October, marking the highest level since February and beating forecasts for a slight decline to 52.0, signalling steady activity in the services economy. Notably, the prices paid sub-index eased to 65.4, its lowest since April, after surging to a three-year high in October. While still elevated, the moderation suggests last month's spike may not signal a renewed inflation trend. Conversely, the employment index remained weak at 48.9, below the 50 thresholds for the sixth straight month. ISM respondents cited tariff-related pricing uncertainty and concerns over a potential US government shutdown in January. Labour market softness was echoed in the ADP report, which showed private payrolls falling 32k versus expectations for a gain of 10k. Small businesses shed 120k jobs, while medium (51k) and large (39k) firms posted modest gains.

Market Watch: The Asian calendar is relatively light today, with Thailand's consumer confidence, gross international reserves, and forward contracts data, as well as Philippine bank lending figures, due for release. Meanwhile, eurozone retail sales and US initial jobless claims, continuing claims, factory orders, and durable goods orders will be published later today.

Major Markets

ID: Bali Governor Wayan Koster plans to ban Airbnb-style short-term rentals, citing unlicensed operations that erode local tax revenue and hurt the hotel industry. His administration will propose regulations to discontinue daily rentals of villas, homestays, and apartments, while the Indonesian Hotel & Restaurant Association (PHRI) urges national rules similar to Singapore's strict enforcement model. Separately, the Environment Ministry will summon eight companies next week over allegations that their deforestation practices worsened floods and landslides in Sumatra. Minister Hanif Faisol Nurofiq warned that operating permits do not exempt firms from liability and vowed legal action if environmental damage is proven.

MY: Former Minister of Investment, Trade and Industry, Zafrul Abdul Aziz has been appointed as the new Chairman of the Malaysian Investment Development Authority (MIDA), effective from 3 December 2025. The appointment will last for 2 years following the end of his tenure as Minister of Investment, Trade and Industry. The position had been vacant for over a year, and his appointment is seen as a strategic move to boost Malaysia's investment promotion. Known for his expertise in finance, policy, and trade negotiations, Zafrul previously oversaw record breaking investment inflows,

Key Market Movements

Equity	Value	% chg
S&P 500	6849.7	0.3%
DJIA	47883	0.9%
Nikkei 225	49865	1.1%
SH Comp	3878.0	-0.5%
STI	4554.5	0.4%
Hang Seng	25761	-1.3%
KLCI	1622.8	-0.5%
	Value	% chg
DXY	98.854	-0.5%
USDJPY	155.25	-0.4%
EURUSD	1.1671	0.4%
GBPUSD	1.3353	1.1%
USDIDR	16622	0.0%
USDSGD	1.2937	-0.2%
SGDMYR	3.1824	0.0%
	Value	chg (bp)
2Y UST	3.48	-2.45
10Y UST	4.06	-2.32
2Y SGS	1.38	-3.10
10Y SGS	2.02	-4.29
3M SORA	1.26	0.01
3M SOFR	4.18	-0.43
	Value	% chg
Brent	62.67	0.4%
WTI	58.95	0.5%
Gold	4203	-0.1%
Silver	58.50	0.1%
Palladium	1456	-0.9%
Copper	11488	3.1%
BCOM	110.72	0.4%

Source: Bloomberg

including MYR378.5bn in 2024 and MYR285.2bn in the first nine months of 2025, marking a 13.2% YoY increase, as reported by the Edge.

ESG

ID: Indonesia reported that the government secured purchase or investment commitments for 2.75 mn carbon credits during the COP30 climate summit. The carbon credits were sourced from 12 projects, including eight in the energy sector, three in forestry and land use, and one in waste management. Indonesia appears to have yielded less demand than it had hoped for, casting doubt on investor appetite for its recently reopened carbon market. The industry could still be cautious about integrity issues surrounding carbon credits and adopting a wait-and-see approach regarding the purchase of Article 6-aligned carbon credits.

Credit Market Updates

Market Commentary: The SGD SORA OIS curve traded lower yesterday with shorter tenors trading 5-6bps lower while belly tenors and 10Y traded 5bps lower. As per Bloomberg, New World Development Co. Ltd. (“New World”) obtained 72% creditor approval for a perpetual/bond-exchange plan, swapping USD2.53bn of papers for USD1.36bn in new securities by the Wednesday deadline. The effort is poised to reduce over USD1bn of debt and perpetuals, ease liquidity strains from a prolonged property slump, and help avoid any risk of default. Additionally, New World expects to issue USD1.18bn of new perpetual securities and USD186.6mn new notes under swap plan. Meanwhile, Dalian Wanda Commercial Management Group Co. Ltd. is exploring a buyback of some dollar notes and refinancing the rest amid falling bond values. The company is consulting advisers to gauge investor interest, with funding identified for one bond but deal details still under review. Lastly, a HKSAR court adjourned the winding-up petition hearing against Chinese developer KWG Group Holdings Ltd to 08 December. The petition, filed in August by Shandong Sunlight Xin Tiandi Micro-finance, cites RMB642mn in unpaid debt and RMB136.2mn in accrued interest. Bloomberg Asia USD Investment Grade spreads traded flat at 63bps and Bloomberg Asia USD High Yield spreads widened by 1bps to 388bps respectively. (Bloomberg, OCBC)

New issues:

There were two notable issuances by one issuer in the Asiadollar market yesterday.

- Fuyo General Lease Co Ltd priced USD200mn of debt in two tranches: a USD100mn 5Y Fixed bond at par to yield 4.688% and a USD100mn 3Y Fixed bond at par to yield 4.411%.

There was no notable issuance in the Singdollar market yesterday.

Mandates:

- MINMETALS CAPITALS & SECURITIES, INC. (guarantor: China Minmetals Corporation) may issue a USD-denominated Subordinated Guaranteed Perpetual Capital Securities.

Foreign Exchange

	Day Close	% Change		Day Close
DXY	98.854	-0.51%	USD-SGD	1.2937
USD-JPY	155.250	-0.40%	EUR-SGD	1.5098
EUR-USD	1.167	0.40%	JPY-SGD	0.8333
AUD-USD	0.660	0.58%	GBP-SGD	1.7274
GBP-USD	1.335	1.06%	AUD-SGD	0.8539
USD-MYR	4.122	-0.22%	NZD-SGD	0.7469
USD-CNY	7.064	-0.10%	CHF-SGD	1.6179
USD-IDR	16622	-0.01%	SGD-MYR	3.1824
USD-VND	26373	-0.01%	SGD-CNY	5.4609

SOFR

Tenor	EURIBOR	Change	Tenor	USD SOFR
1M	1.8960	-3.31%	1M	3.8080
3M	2.0430	-0.83%	2M	3.7660
6M	2.1210	-0.09%	3M	3.7406
12M	2.2440	0.76%	6M	3.6618
			1Y	3.4846

Fed Rate Hike Probability

Meeting	# of Hikes/Cuts	% of Hikes/Cuts	Implied Rate Change	Expected Effective Fed Funds Rate
12/10/2025	-0.946	-94.60%	-0.236	3.655
01/28/2026	-1.255	-31.00%	-0.314	3.578

Equity and Commodity

Index	Value	Net change
DJIA	47,882.90	408.44
S&P	6,849.72	20.35
Nasdaq	23,454.09	40.42
Nikkei 225	49,864.68	561.23
STI	4,554.52	16.56
KLCI	1,622.84	-7.76
JCI	8,611.79	-5.26
Baltic Dry	2,600.00	17.00
VIX	16.08	-0.51

Government Bond Yields (%)

Tenor	SGS (chg)	UST (chg)
2Y	1.38 (-0.03)	3.49(--)
5Y	1.74 (-0.04)	3.63 (-0.03)
10Y	2.02 (-0.04)	4.07 (-0.02)
15Y	2.14 (-0.02)	--
20Y	2.15 (-0.02)	--
30Y	2.2 (-0.03)	4.74 (-0.01)

Financial Spread (bps)

Value	Change	
TED	35.36	--

Secured Overnight Fin. Rate

SOFR	4.01
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Commodities Futures

Energy	Futures	% chg	Soft Commodities	Futures	% chg
WTI (per barrel)	58.95	0.53%	Corn (per bushel)	4.315	-1.5%
Brent (per barrel)	62.67	0.35%	Soybean (per bushel)	11.158	-0.8%
Heating Oil (per gallon)	230.08	-0.51%	Wheat (per bushel)	5.378	0.0%
Gasoline (per gallon)	182.72	-0.17%	Crude Palm Oil (MYR/MT)	40.900	-0.1%
Natural Gas (per MMBtu)	5.00	3.20%	Rubber (JPY/KG)	3.249	-0.5%
Base Metals	Futures	% chg	Precious Metals	Futures	% chg
Copper (per mt)	11487.50	3.07%	Gold (per oz)	4203.1	-0.1%
Nickel (per mt)	14873.00	0.49%	Silver (per oz)	58.5	0.1%

Source: Bloomberg, Reuters

(Note that rates are for reference only)

Economic Calendar

Date Time	Country Code	Event	Period	Survey	Actual	Prior	Revised
12/04/2025 11:45	TH	Consumer Confidence	Nov	--	--	51.9	--
12/04/2025 11:45	TH	Consumer Confidence Economic	Nov	--	--	45.5	--
12/04/2025 15:30	TH	Gross International Reserves	28-Nov	--	--	\$270.3b	--
12/04/2025 15:30	TH	Forward Contracts	28-Nov	--	--	\$23.9b	--
12/04/2025 18:00	EC	Retail Sales MoM	Oct	0.00%	--	-0.10%	--
12/04/2025 18:00	EC	Retail Sales YoY	Oct	1.30%	--	1.00%	--
12/04/2025 20:30	US	Challenger Job Cuts YoY	Nov	48.00%	--	175.30%	--
12/04/2025 20:30	US	Challenger Job Cuts Total	Nov	--	--	153074	--
12/04/2025 21:30	US	Initial Jobless Claims	29-Nov	220k	--	216k	--
12/04/2025 21:30	US	Initial Claims 4-Wk Moving Avg	29-Nov	--	--	223.75k	--
12/04/2025 21:30	US	Continuing Claims	22-Nov	1963k	--	1960k	--
12/04/2025 23:00	US	Factory Orders	Sep	0.30%	--	1.40%	--
12/04/2025 23:00	US	Factory Orders Ex Trans	Sep	--	--	0.10%	--
12/04/2025 23:00	US	Durable Goods Orders	Sep F	--	--	0.50%	--
12/04/2025 23:00	US	Durables Ex Transportation	Sep F	--	--	0.60%	--
12/04/2025	PH	Bank Lending YoY	Oct	--	--	8.80%	--

Source: Bloomberg

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