

## Daily Treasury Outlook

8 August 2025

### Highlights

**Global:** US stocks ended mixed on Thursday, with the Nasdaq extending gains on tech optimism. President Trump continued to challenge the foundations of US exceptionalism, nominating Council of Economic Advisers Chairman Stephen Miran to the Federal Reserve Board of Governors. Miran has previously argued for tighter political control over the central bank, proposing that Fed governors serve eight-year terms—down from the current 14—and be subject to presidential removal. Separately, Trump demanded the resignation of Intel’s CEO over his China ties, underscoring his growing willingness to weigh in not only on Fed policy but also on corporate leadership. These moves may again undermine the traditional narrative of US institutional independence.

On the data front, US initial jobless claims for the week ending August 2 rose by 7,000 to a seasonally adjusted 226K, slightly above market expectations. While hiring momentum has softened, companies have not shifted to large-scale layoffs, partly due to tighter labour supply amid Trump’s immigration crackdown. This has helped keep the unemployment rate at low levels.

The Bank of England cut interest rates on Thursday, but the decision was narrower than expected, with a 5-4 split. The deputy Governor broke from the majority for the first time to vote against a rate cut. Market-implied odds of another cut fell after the meeting. Governor Andrew Bailey noted that the policy path ahead is now “more uncertain.”

**Market Watch:** Today’s global data calendar is light. In China, attention turns to July inflation data due Saturday, which will help gauge whether the recent equity rally and commodity price rebound—fuelled by the “anti-involution” push—are helping to reflate the economy. Geopolitically, Trump’s deadline for Ukraine war ceasefire will expire today. Focus will shift to the new sanction plan including the secondary sanction plan from the US.

**Commodities:** Crude oil benchmarks extended their selloff for the sixth consecutive session, with WTI and Brent declining by 0.7% to USD63.9/bbl and USD66.4/bbl, respectively. A proposed Trump-Putin meeting raised prospects of a diplomatic resolution to the Russia-Ukraine war, easing concerns over the potential disruptions to Russian oil supplies in the global market.

### Key Market Movements

Equity	Value	% chg
S&P 500	6340.0	-0.1%
DJIA	43969	-0.5%
Nikkei 225	41059	0.6%
SH Comp	3639.7	0.2%
STI	4258.2	0.7%
Hang Seng	25082	0.7%
KLCI	1549.1	0.5%
	Value	% chg
DX	98.400	0.2%
USDJPY	147.14	-0.2%
EURUSD	1.1666	0.1%
GBPUSD	1.3444	0.7%
USDIDR	16290	-0.4%
USDSGD	1.2832	-0.2%
SGDMYR	3.2994	0.5%
	Value	chg (bp)
2Y UST	3.73	1.42
10Y UST	4.25	2.43
2Y SGS	1.60	-3.10
10Y SGS	1.96	-5.36
3M SORA	1.80	-0.68
3M SOFR	4.34	0.06
	Value	% chg
Brent	66.43	-0.7%
WTI	63.88	-0.7%
Gold	3396	0.8%
Silver	38.27	1.2%
Palladium	1164	2.0%
Copper	9685	0.1%
BCOM	100.74	0.3%

Source: Bloomberg

## Major Markets

**CH:** China's July trade data surprised to the upside. Exports in USD terms accelerated to 7.2% YoY from 5.8%, while imports rose 4.1% YoY against consensus expectations for a decline. The trade surplus narrowed to USD98.24bn on stronger imports. Exports to the US fell 21.7% YoY on higher tariffs, but shipments to the EU and ASEAN rose 9.24% YoY and 16.59% YoY, respectively. The import strength was driven by raw material restocking and chip stockpiling, but it may still be too early to call a sustained rebound in domestic demand. Data over the coming months will be key to assessing the impact of recent policy measures on consumption.

**ID:** The foreign reserves eased to USD152.0bn by the end of July from USD152.6bn by the end of June, partly influenced by the government's external debt payments and Bank Indonesia's rupiah stabilization policy in response to elevated global financial market uncertainty, according to BI. The reserves cover 6.3 months of imports, or 6.2 months including debt payments, well above the international adequacy benchmark of around three months of imports.

**MY:** Industrial production growth improved to 3.0% YoY in June from 0.3% in May, exceeding expectations of an improvement of 0.5%. The improvement was led by the electricity (4.1% YoY in June from -0.1% in May) and manufacturing (3.6% from 2.8%) sectors, while growth in the mining IPI sector remained muted (0.0% from -10.2%). By orientation, export-oriented industries recorded steady growth of 2.9%, similar to May, while domestic-oriented sector growth improved to 5.2% YoY from 2.6%. Overall, IPI growth moderated to 2.2% YoY in 1H25 from 3.7% in 2H24.

**TH:** The Consumer Confidence Index (CCI) fell for the sixth consecutive month, easing to 51.7 in July from 52.7 in June 2025. This marks the lowest level since January 2023. The decline in the CCI was broad-based across the sub-indices of 'economic situation' (45.6 versus 46.7 in June), 'income' (59.6 versus 60.9 in June), and 'job' (49.8 versus 50.6 in June). In a press conference, University of the Thai Chamber of Commerce President Thanavath Phonvichai stated that "the confidence index shows no signs of recovery, with consumer purchasing power still subdued."

## ESG

**Rest of the world:** Despite not participating in UN climate talks, the US is engaged in UN plastic treaty talks, urging other countries to reject the goal of a global pact that includes limits on plastic production and plastic chemical additives. Significant divisions persist between oil-producing countries, which oppose restrictions on the production of virgin plastics fueled by petroleum, coal, and gas, and groups such as the EU and small island states which support imposing limits and call for stricter regulation of plastic products and hazardous chemicals. The Trump administration continues to roll back climate and environmental policies that it argues place excessive burdens on industry across various sectors, including renewables, electric vehicles and plastics.

## Credit Market Updates

**Market Commentary:** The SGD SORA OIS curve traded lower yesterday with shorter tenors trading 4-5bps lower while belly tenors traded 5-6bps lower and 10Y traded 6bps lower. Country Garden Holdings Co. Ltd's liquidation case hearing was postponed to 5 January, with the petitioner of the case indicating to Hong Kong's High Court that it intends to support the proposed restructuring. Meanwhile, China Vanke Co Ltd's plans to use loans provided from Shenzhen Metro to help repay its RMB2bn bond due on 12 Aug. In other news by Bloomberg, Swire Properties Ltd expects ongoing pressure on Hong Kong's office market but says its recent performance remains resilient. Meanwhile, New World Development Co. ("New World") clarified that Blackstone has not made any offer for its shares, despite media speculation of a privatisation deal that boosted the firm's shares by up to 20% and raised bond prices by 2 cents. Talks between Blackstone and the Cheng family involved a potential USD2.5bn co-investment and possible privatisation, but discussions are preliminary. Bloomberg Asia USD Investment Grade spreads tightened by 1bps to 67bps and Bloomberg Asia USD High Yield spreads tightened by 2bps to 371bps respectively. (Bloomberg, OCBC)

### New issues:

There was one notable issuance in the Asiadollar market yesterday.

- Zhengzhou Urban Development Group Co. Ltd. priced a USD210mn 3Y Sustainability Fixed Bond at 4.60%.

There were no notable issuances in the Singdollar market yesterday.

### Mandates:

- There were no notable mandates yesterday.

## Foreign Exchange

	Day Close	% Change		Day Close	% Change
DX	98.400	0.23%	USD-SGD	1.2832	-0.18%
USD-JPY	147.140	-0.16%	EUR-SGD	1.4971	-0.11%
EUR-USD	1.167	0.05%	JPY-SGD	0.8722	-0.01%
AUD-USD	0.652	0.32%	GBP-SGD	1.7252	0.50%
GBP-USD	1.344	0.65%	AUD-SGD	0.8371	0.17%
USD-MYR	4.233	0.08%	NZD-SGD	0.7650	0.38%
USD-CNY	7.181	-0.01%	CHF-SGD	1.5910	-0.19%
USD-IDR	16290	-0.45%	SGD-MYR	3.2994	0.48%
USD-VND	26212	-0.08%	SGD-CNY	5.5861	-0.09%

## SOFR

Tenor	EURIBOR	Change	Tenor	USD SOFR	Change
1M	1.9120	0.05%	1M	4.3586	-0.01%
3M	1.9840	0.56%	2M	4.2824	-0.03%
6M	2.0890	0.67%	3M	4.2258	0.00%
12M	2.1180	-0.52%	6M	4.0544	-0.07%
			1Y	3.8130	-0.06%

## Fed Rate Hike Probability

Meeting	# of Hikes/Cuts	Implied Rate Change	Expected Effective Fed Funds Rate
06/18/2025	#N/A N/A	#N/A N/A	#N/A N/A
07/30/2025	-0.031	-3.1	-0.008
09/17/2025	-0.912	-91.2	-0.228
12/10/2025	-2.401	-82.6	-0.6

## Equity and Commodity

Index	Value	Net change
DJIA	43,968.64	-224.48
S&P	6,340.00	-5.06
Nasdaq	21,242.70	73.28
Nikkei 225	41,059.15	264.29
STI	4,258.15	30.45
KLCI	1,549.11	7.63
JCI	7,490.18	-13.57
Baltic Dry	1,994.00	73.00
VIX	16.57	-0.20

## Government Bond Yields (%)

Tenor	SGS (chg)	UST (chg)
2Y	1.6 (-0.03)	3.73(--)
5Y	1.67 (-0.04)	3.79 (+0.02)
10Y	1.96 (-0.05)	4.24 (+0.02)
15Y	2.04 (-0.06)	--
20Y	2.06 (-0.05)	--
30Y	2.11 (-0.06)	4.82 (+0.01)

## Financial Spread (bps)

Value	Change	
EURIBOR-OIS	#N/A N/A	(--)
TED	35.36	--

## Secured Overnight Fin. Rate

SOFR	4.34
------	------

## Commodities Futures

Energy	Futures	% chg	Soft Commodities	Futures	% chg
WTI (per barrel)	63.88	-0.73%	Corn (per bushel)	3.845	1.3%
Brent (per barrel)	66.43	-0.69%	Soybean (per bushel)	9.718	1.1%
Heating Oil (per gallon)	226.68	0.18%	Wheat (per bushel)	5.183	1.9%
Gasoline (per gallon)	207.75	-0.62%	Crude Palm Oil (MYR/MT)	45.090	0.5%
Natural Gas (per MMBtu)	3.07	-0.32%	Rubber (JPY/KG)	309.500	2.8%
Base Metals	Futures	% chg	Precious Metals	Futures	% chg
Copper (per mt)	9684.50	0.09%	Gold (per oz)	3396.4	0.8%
Nickel (per mt)	15118.00	-0.11%	Silver (per oz)	38.3	1.2%

Source: Bloomberg, Reuters

(Note that rates are for reference only)

## Economic Calendar

Date Time	Country Code	Event	Period	Survey	Actual	Prior	Revised
8/08/2025 11:00	ID	Consumer Confidence Index	Jul	--	--	117.8	--
8/08/2025 13:00	JN	Eco Watchers Survey Current SA	Jul	45.5	--	45	--
8/08/2025 13:00	JN	Eco Watchers Survey Outlook SA	Jul	46.4	--	45.9	--
8/08/2025 13:30	FR	ILO Unemployment Rate	2Q	7.50%	--	7.40%	--
8/08/2025 13:30	FR	ILO Mainland Unemployment Rate	2Q	7.30%	--	7.20%	--
8/08/2025 14:30	AU	Foreign Reserves	Jul	--	--	A\$101.9b	--
8/08/2025 15:00	SZ	SECO Consumer Confidence	Jul	-30	--	-32.2	--
8/08/2025 15:30	TH	Gross International Reserves	1-Aug	--	--	\$264.7b	--
8/08/2025 15:30	TH	Forward Contracts	1-Aug	--	--	\$21.8b	--
8/08/2025	CH	BoP Current Account Balance	2Q P	--	--	\$165.4b	--

Source: Bloomberg



## Macro Research

**Selena Ling**  
Head of Research & Strategy  
[lingssselena@ocbc.com](mailto:lingssselena@ocbc.com)

**Herbert Wong**  
Hong Kong & Taiwan Economist  
[herberthtwong@ocbc.com](mailto:herberthtwong@ocbc.com)

**Jonathan Ng**  
ASEAN Economist  
[jonathann4@ocbc.com](mailto:jonathann4@ocbc.com)

**Tommy Xie Dongming**  
Head of Asia Macro Research  
[xied@ocbc.com](mailto:xied@ocbc.com)

**Lavanya Venkateswaran**  
Senior ASEAN Economist  
[lavyanavenkateswaran@ocbc.com](mailto:lavyanavenkateswaran@ocbc.com)

**Ong Shu Yi**  
ESG Analyst  
[shuyiong1@ocbc.com](mailto:shuyiong1@ocbc.com)

**Keung Ching (Cindy)**  
Hong Kong & Macau Economist  
[cindyckeung@ocbc.com](mailto:cindyckeung@ocbc.com)

**Ahmad A Enver**  
ASEAN Economist  
[ahmad.enver@ocbc.com](mailto:ahmad.enver@ocbc.com)

## FX/Rates Strategy

**Frances Cheung, CFA**  
Head of FX & Rates Strategy  
[francescheung@ocbc.com](mailto:francescheung@ocbc.com)

**Christopher Wong**  
FX Strategist  
[christopherwong@ocbc.com](mailto:christopherwong@ocbc.com)

## Credit Research

**Andrew Wong**  
Head of Credit Research  
[wongvkam@ocbc.com](mailto:wongvkam@ocbc.com)

**Ezien Hoo, CFA**  
Credit Research Analyst  
[ezienhoo@ocbc.com](mailto:ezienhoo@ocbc.com)

**Wong Hong Wei, CFA**  
Credit Research Analyst  
[wonghongwei@ocbc.com](mailto:wonghongwei@ocbc.com)

**Chin Meng Tee, CFA**  
Credit Research Analyst  
[mengteechin@ocbc.com](mailto:mengteechin@ocbc.com)

This report is solely for information purposes and general circulation only and may not be published, circulated, reproduced or distributed in whole or in part to any other person without our prior written consent. This report should not be construed as an offer or solicitation for the subscription, purchase or sale of the securities/instruments mentioned herein or to participate in any particular trading or investment strategy. Any forecast on the economy, stock market, bond market and economic trends of the markets provided is not necessarily indicative of the future or likely performance of the securities/instruments. Whilst the information contained herein has been compiled from sources believed to be reliable and we have taken all reasonable care to ensure that the information contained in this report is not untrue or misleading at the time of publication, we cannot guarantee and we make no representation as to its accuracy or completeness, and you should not act on it without first independently verifying its contents. The securities/instruments mentioned in this report may not be suitable for investment by all investors. Any opinion or estimate contained in this report is subject to change without notice. We have not given any consideration to and we have not made any investigation of the investment objectives, financial situation or particular needs of the recipient or any class of persons, and accordingly, no warranty whatsoever is given and no liability whatsoever is accepted for any loss arising whether directly or indirectly as a result of the recipient or any class of persons acting on such information or opinion or estimate. This report may cover a wide range of topics and is not intended to be a comprehensive study or to provide any recommendation or advice on personal investing or financial planning. Accordingly, it should not be relied on or treated as a substitute for specific advice concerning individual situations. Please seek advice from a financial adviser regarding the suitability of any investment product taking into account your specific investment objectives, financial situation or particular needs before you make a commitment to purchase the investment product. In the event that you choose not to seek advice from a financial adviser, you should consider whether the investment product mentioned herein is suitable for you. Oversea-Chinese Banking Corporation Limited ("OCBC Bank"), Bank of Singapore Limited ("BOS"), OCBC Investment Research Private Limited ("OIR"), OCBC Securities Private Limited ("OSPL") and their respective related companies, their respective directors and/or employees (collectively "Related Persons") may or might have in the future, interests in the investment products or the issuers mentioned herein. Such interests include effecting transactions in such investment products, and providing broking, investment banking and other financial or securities related services to such issuers as well as other parties generally. OCBC Bank and its Related Persons may also be related to, and receive fees from, providers of such investment products. There may be conflicts of interest between OCBC Bank, BOS, OIR, OSPL or other members of the OCBC Group and any of the persons or entities mentioned in this report of which OCBC Bank and its analyst(s) are not aware due to OCBC Bank's Chinese Wall arrangement. This report is intended for your sole use and information. By accepting this report, you agree that you shall not share, communicate, distribute, deliver a copy of or otherwise disclose in any way all or any part of this report or any information contained herein (such report, part thereof and information, "Relevant Materials") to any person or entity (including, without limitation, any overseas office, affiliate, parent entity, subsidiary entity or related entity) (any such person or entity, a "Relevant Entity") in breach of any law, rule, regulation, guidance or similar. In particular, you agree not to share, communicate, distribute, deliver or otherwise disclose any Relevant Materials to any Relevant Entity that is subject to the Markets in Financial Instruments Directive (2014/65/EU) ("MiFID") and the EU's Markets in Financial Instruments Regulation (600/2014) ("MiFIR") (together referred to as "MiFID II"), or any part thereof, as implemented in any jurisdiction. No member of the OCBC Group shall be liable or responsible for the compliance by you or any Relevant Entity with any law, rule, regulation, guidance or similar (including, without limitation, MiFID II, as implemented in any jurisdiction).

The information provided herein may contain projections or other forward looking statements regarding future events or future performance of countries, assets, markets or companies. Actual events or results may differ materially. Past performance figures are not necessarily indicative of future or likely performance.

Privileged / confidential information may be contained in this report. If you are not the addressee indicated in the message enclosing the report (or responsible for delivery of the message to such person), you may not copy or deliver the message and/or report to anyone. Opinions, conclusions and other information in this document that do not relate to the official business of OCBC Bank, BOS, OIR, OSPL and their respective connected and associated corporations shall be understood as neither given nor endorsed.

Co.Reg.no.: 193200032W