

Daily Treasury Outlook

10 December 2025

Highlights

Global: US equity indices closed mixed overnight as markets await the final FOMC meeting of the year (11 December, 3am SGT). While a 25bp rate cut is largely priced in, attention will centre on updated economic projections and forward guidance. On the data front, the NFIB Small Business Optimism Index rose to 99 in November, modestly above consensus (98.3). Hiring intentions strengthened, with 19% of firms planning to add workers, the highest since December 2024, in contrast to ADP's recent report showing small firms shed over 100k jobs in November. The net share of owners expecting higher real sales volumes climbed to 15%, one of the key components driving the optimism index higher. Meanwhile, JOLTS data showed job openings rising to 7.7mn in October, well above expectations of 7.1mn, while the quits rate fell to 1.8% from 2.0% in the prior month, the lowest since 2014, excluding the pandemic period.

Market Watch: This morning, South Korea reported its November unemployment rate at 2.7%, slightly above consensus expectations and October's reading of 2.6%. Meanwhile, Japan's Producer Price Index remained steady at 2.7% YoY (0.3% MoM). Later today, markets will watch for the Philippines unemployment rate, China's PPI and CPI releases, and US MBA mortgage applications alongside the Employment Cost Index. On the central bank front, the Bank of Canada is expected to keep its policy rate unchanged at 2.25%, in line with both our house view and consensus forecasts.

Major Markets

ID: The government will update commodity exporters FX earnings rules, effective 1 January 2026, as part of efforts to keep more dollars onshore. The new regulation will require commodity (excluding oil and gas) exporters to deposit their export proceeds in state-owned banks and limit rupiah conversion to 50%. Previously, placement was allowed in private banks and there was no limit on the conversion. Earlier this week, Finance Minister Purbaya Yudi Sadewa stated that the decision to mandate deposits solely in state-owned banks aims to improve monitoring and ensure compliance. Industry groups, such as the Indonesian Palm Oil Association, have urged the ministry to review the planned changes, citing potential increases in borrowing cost, while the Indonesian Coal Mining Association also warned that the policy "will pose additional challenges for industry players."

MY: Works Minister Alexander Nanta Linggi said Malaysia is deepening cooperation with South Korea to accelerate talent development, research and innovation in Intelligent Transport Systems (ITS), leveraging Seoul's global leadership in smart mobility and digital technologies. Speaking at the Malaysia-Korea ITS Roadshow 2025, Minister Alexander highlighted South

Key Market Movements

Equity	Value	% chg
S&P 500	6840.5	-0.1%
DJIA	47560	-0.4%
Nikkei 225	50655	0.1%
SH Comp	3909.5	-0.4%
STI	4513.2	0.1%
Hang Seng	25434	-1.3%
KLCI	1614.2	0.1%
	Value	% chg
DXY	99.220	0.1%
USDJPY	156.88	0.6%
EURUSD	1.1627	-0.1%
GBPUSD	1.3297	-0.2%
USDIDR	16665	-0.1%
USDSGD	1.2976	0.0%
SGDMYR	3.1729	0.0%
	Value	chg (bp)
2Y UST	3.61	3.97
10Y UST	4.19	2.35
2Y SGS	1.46	3.30
10Y SGS	2.12	6.94
3M SORA	1.22	-0.53
3M SOFR	4.14	-0.51
	Value	% chg
Brent	61.94	-0.9%
WTI	58.25	-1.1%
Gold	4208	0.4%
Silver	60.67	4.3%
Palladium	1511	2.3%
Copper	11487	-1.3%
BCOM	109.52	-0.7%

Source: Bloomberg

Korea's longstanding engineering role in major national projects and formalised the partnership through the first MOU between the Works Ministry and South Korea's Ministry of Land, Infrastructure, and Transport (MOLIT), covering ITS, smart tolling and sustainable infrastructure technologies. Separately, Prime Minister Anwar Ibrahim noted that MOSTI's handover of a Toyota Mirai FCEV to his department signals growing confidence in the country's push for a national hydrogen ecosystem and green mobility agenda.

VN: The government will launch a nationwide campaign from 16 December 2025 to 15 March 2026 to combat smuggling, trade fraud, and counterfeit goods, according to Vietnam News Agency. The effort will tighten inspections across all border routes, checkpoints, and cyberspace, prioritizing prohibited items such as narcotics, weapons, e-cigarettes, and endangered wildlife, while also targeting fake pharmaceuticals, food, and cosmetics. Chairman of the National Assembly Committee on Legal and Judicial Affairs, Hoang Thanh Tung, warned that counterfeit production and trade surged over 47% in 2025, with increasingly sophisticated tactics uncovered by enforcement agencies.

Credit Market Updates

Market Commentary: The SGD SORA OIS curve traded higher yesterday with shorter tenors trading 5-9bps higher while belly tenors traded 10-11bps higher and 10Y traded 11bps higher. As per Bloomberg, China Vanke Co Ltd (“Vanke”) informed some bondholders that the company is open to making partial interest payments on a RMB-denominated note maturing on 15 December, which it is seeking to extend by one year. Additionally, Vanke’s offshore bondholders have been approached by Houlihan Lokey Inc for talks as they prepare for potential restructuring amid worsening debt troubles. Meanwhile, Agile Group Holdings Ltd has received a winding-up petition. Lastly, Granite Asia Capital Pte Ltd, has raised over USD350mn in the first close of its Pan-Asia private credit fund. Bloomberg Asia USD Investment Grade spreads traded flat at 61bps and Bloomberg Asia USD High Yield spreads tightened by 4bps to 369bps respectively. (Bloomberg, OCBC)

New issues:

There was one notable issuance in the Asiadollar market yesterday.

- Chengdu Xingcheng Investment Group Co., Ltd. priced a USD445mn 3Y Fixed bond at par to yield 3.9%.

There was no notable issuance in the Singdollar market yesterday.

Mandates:

There were no notable mandates yesterday.

Foreign Exchange

	Day Close	% Change		Day Close
DXY	99.220	0.13%	USD-SGD	1.2976
USD-JPY	156.880	0.62%	EUR-SGD	1.5088
EUR-USD	1.163	-0.09%	JPY-SGD	0.8270
AUD-USD	0.664	0.27%	GBP-SGD	1.7255
GBP-USD	1.330	-0.19%	AUD-SGD	0.8618
USD-MYR	4.114	0.02%	NZD-SGD	0.7502
USD-CNY	7.064	-0.12%	CHF-SGD	1.6094
USD-IDR	16665	-0.15%	SGD-MYR	3.1729
USD-VND	26370	0.04%	SGD-CNY	5.4452

SOFR

Tenor	EURIBOR	Change	Tenor	USD SOFR
1M	1.9040	-0.37%	1M	3.7846
3M	2.0690	-0.29%	2M	3.7559
6M	2.1500	0.14%	3M	3.7390
12M	2.2460	-0.35%	6M	3.6892
			1Y	3.5568

Fed Rate Hike Probability

Meeting	# of Hikes/Cuts	% of Hikes/Cuts	Implied Rate Change	Expected Effective Fed Funds Rate
12/10/2025	-0.903	-90.30%	-0.226	3.658
01/28/2026	-1.147	-24.40%	-0.287	3.597

Equity and Commodity

Index	Value	Net change
DJIA	47,560.29	-179.03
S&P	6,840.51	-6.00
Nasdaq	23,576.49	30.59
Nikkei 225	50,655.10	73.16
STI	4,513.24	6.16
KLCI	1,614.17	1.39
JCI	8,657.18	-53.52
Baltic Dry	2,694.00	-33.00
VIX	16.93	0.27

Government Bond Yields (%)

Tenor	SGS (chg)	UST (chg)
2Y	1.46 (+0.03)	3.61(--)
5Y	1.83 (+0.06)	3.79 (+0.04)
10Y	2.12 (+0.07)	4.18 (+0.02)
15Y	2.25 (+0.07)	--
20Y	2.26 (+0.06)	--
30Y	2.3 (+0.06)	4.8 (+0.01)

Financial Spread (bps)

Value	Change	
TED	35.36	--

Secured Overnight Fin. Rate

SOFR	3.95
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Commodities Futures

Energy	Futures	% chg	Soft Commodities	Futures	% chg
WTI (per barrel)	58.25	-1.07%	Corn (per bushel)	4.408	1.0%
Brent (per barrel)	61.94	-0.88%	Soybean (per bushel)	10.873	-0.6%
Heating Oil (per gallon)	226.01	-1.66%	Wheat (per bushel)	5.363	0.0%
Gasoline (per gallon)	178.97	-0.47%	Crude Palm Oil (MYR/MT)	40.310	-0.6%
Natural Gas (per MMBtu)	4.57	-6.88%	Rubber (JPY/KG)	3.220	1.3%
Base Metals	Futures	% chg	Precious Metals	Futures	% chg
Copper (per mt)	11487.00	-1.28%	Gold (per oz)	4208.2	0.4%
Nickel (per mt)	14734.00	-0.71%	Silver (per oz)	60.7	4.3%

Source: Bloomberg, Reuters

(Note that rates are for reference only)

Economic Calendar

Date Time	Country Code	Event	Period	Survey	Actual	Prior	Revised
12/10/2025 7:00	SK	Unemployment rate SA	Nov	2.60%	2.70%	2.60%	--
12/10/2025 7:50	JN	PPI MoM	Nov	0.30%	0.30%	0.40%	0.50%
12/10/2025 7:50	JN	PPI YoY	Nov	2.70%	2.70%	2.70%	--
12/10/2025 9:00	PH	Unemployment Rate	Oct	--	--	3.80%	--
12/10/2025 9:30	CH	PPI YoY	Nov	-2.00%	--	-2.10%	--
12/10/2025 9:30	CH	CPI YoY	Nov	0.70%	--	0.20%	--
12/10/2025 11:00	SK	Bank Lending To Household Total	Nov	--	--	KR1173.7t	--
12/10/2025 20:00	US	MBA Mortgage Applications	5-Dec	--	--	-1.40%	--
12/10/2025 21:30	US	Employment Cost Index	3Q	0.90%	--	0.90%	--
12/10/2025 22:45	CA	Bank of Canada Rate Decision	10-Dec	2.25%	--	2.25%	--
12/10/2025-12/15/2025	ID	Local Auto Sales	Nov	--	--	74020	--
12/10/2025-12/15/2025	CH	New Yuan Loans CNY YTD	Nov	15417.6b	--	14970.0b	14967.6b
12/10/2025-12/15/2025	CH	Aggregate Financing CNY YTD	Nov	33099.8b	--	30900.0b	30901.5b
12/10/2025-1/01/2026	US	Personal Income	Oct	--	--	0.40%	--
12/10/2025-12/15/2025	CH	Money Supply M2 YoY	Nov	8.20%	--	8.20%	--
12/10/2025-12/15/2025	CH	Money Supply M1 YoY	Nov	5.70%	--	6.20%	--

Source: Bloomberg



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