Daily Treasury Outlook

12 November 2025

Highlights

Global: U.S. stocks rose modestly on Tuesday as investors looked ahead to a possible end to the prolonged government shutdown. Members of the House of Representatives returned to Washington, with a vote scheduled for Wednesday afternoon on a bipartisan compromise that would restore funding to government agencies. The Republican-controlled Senate approved the measure on Monday night, and House Speaker Mike Johnson said he expects it to pass. The deal would extend funding through January 30, setting up another potential budget showdown early next year. The U.S. dollar weakened against both the euro and the yen amid renewed concerns over the labour market. According to the latest ADP report, private employers shed an average of 11,250 jobs per week in the four weeks ended October 25. Following the release, traders priced in a 67.4% probability of a 25bps Fed rate cut in December, up from 62.4% the day before.

Data from Europe were less encouraging. The U.K. unemployment rate rose to 5.0% from 4.8%—the highest level since early 2021—while pay growth excluding bonuses slowed slightly to 4.6% YoY, in line with expectations. Payroll data from the tax office showed employment fell by 32,000 in October, matching September's decline after revision. The soft labour data could strengthen the case for further BOE easing. Meanwhile, in Germany, investor sentiment deteriorated unexpectedly, with the ZEW economic sentiment index slipping to 38.5 in November from 39.3 in October, below consensus of 41. ZEW President Achim Wambach noted that while the government's investment program may provide short-term support, "structural problems continue to exist."

Market Watch: Looking ahead, investors will focus on the U.S. House vote to reopen the government, alongside remarks from several Federal Reserve officials later today.

Singapore: The government has accepted the National Wages Council (NWC) 2025/26 guidelines. NWC guidelines call for the full implementation of the Flexible Wage System (FWS), including increasing income for lower-wage workers by 5.5-7.5% in 2026. Employers whose businesses have done well are recommended to give workers a raise of SGD105-125, even if it exceeds the recommended range of 5.5-7.5%. Meanwhile, for businesses who have not done well, employers are recommended to give a built-in wage increase at the lower end of the recommended range. NTUC has also backed the call for employers to uplift lower-wage workers and urged employers to adopt the guidelines in full.

Key Market Movements

Equity	Value	% chg
S&P 500	6846.6	0.2%
DJIA	47928	1.2%
Nikkei 225	50843	-0.1%
SH Comp	4002.8	-0.4%
STI	4542.2	1.2%
Hang Seng	26696	0.2%
KLCI	1634.8	0.5%
	Value	**% chg**
DXY	99.443	-0.1%
USDJPY	154.16	0.0%
EURUSD	1.1582	0.2%
GBPUSD	1.3150	-0.2%
USDIDR	16689	0.2%
USDSGD	1.3011	-0.1%
SGDMYR	3.1771	-0.5%
	Value	**chg (bp)**
2Y UST	3.59	0.00
10Y UST	4.12	0.00
2Y SGS	1.35	-0.70
10Y SGS	1.87	-0.47
3M SORA	1.26	-0.56
3M SOFR	4.27	0.00
	Value	**% chg**
Brent	65.16	1.7%
WTI	61.04	1.5%
Gold	4127	0.3%
Silver	51.22	1.4%
Palladium	1445	2.0%
Copper	10827	0.3%
BCOM	110.03	0.8%

Source: Bloomberg

Commodities: Crude oil benchmarks extended gains for the third consecutive trading session, with WTI and Brent rising by 1.5% and 1.7%, respectively, to USD61.0/bbl and USD65.2/bbl. Oil prices increased amid rising premiums in gasoline and diesel premiums, signalling potential tightness in both markets. This situation may be exacerbated by the impact of ongoing US sanctions on Russian oil exports. Russian oil company Lukoil declared a force majeure at its Iraqi oilfields, which account for ~9% of Iraq's total oil output and are currently producing 0.48mbpd, according to Reuters. Nonetheless, gains were limited due to concerns over oversupply. Markets are now looking forward to the upcoming reports from the EIA, IEA, and OPEC to clarify the extent of current supply-demand dynamics and the likely price direction for the coming quarters.

Major Markets

CH: In its third Monetary Policy Implementation Report, the PBoC reiterated its commitment to maintaining a “moderately loose” policy stance. However, the tone turned slightly less dovish. The central bank replaced the previous emphasis on “strengthening counter-cyclical adjustments” with “effective implementation of both counter-cyclical and cross-cyclical adjustments,” signalling reduced urgency for broad-based easing. This suggests that policy focus may shift toward more targeted credit support rather than another round of across-the-board rate cuts. We believe the PBoC is likely to keep rates unchanged for the remainder of this year, with the next potential rate cut postponed to the first half of 2025.

ID: President Prabowo Subianto has directed the construction of 100 new warehouses for state-run logistics company Bulog to strengthen the storage and absorption of rice and corn from local farmers. Coordinating Minister for Food Affairs Zulkifli Hasan explained that the facilities will be built in key food-producing regions where shortages of storage capacity have been an issue. The announcement followed the signing of a joint decree by several ministries and agencies, reaffirming the government's commitment to strengthening post-harvest infrastructure and food security. He also highlighted that the plan is especially important to ensure optimal management of national stocks given the projected rise in rice output by 13% to nearly 35mn tons in 2025. He also added that the government has allocated IDR5trn (~USD300mn) to support initiatives that ensure farmers' yields are effectively absorbed and managed.

MY: Malaysia's wholesale and retail trade grew by 6.6% in September, up from 4.9% in August. Within the wholesale subsector, wholesale trade grew by 6.9%, and were led by household goods (8.2%), food, beverages & tobacco (7.2%) and specialised wholesale trade (5.4%). Retail sales growth grew by 7.0%, driven by sales of non-specialised stores (9.9%), other goods in specialised stores (5.8%) and household equipment (2.5%). Meanwhile, the motor vehicles subsector grew by 4.3%, and was supported by strong sales of maintenance & repairs (9.6%) and parts & accessories (6.7%).

PH: The Bangko Sentral ng Pilipinas (BSP) reported that net Foreign Direct Investment (FDI) inflows declined by 40.5% YoY (July: -7.5%) to USD494mn in August 2025. The decline in FDI net inflows was primarily driven by lower nonresidents' net investments in debt instruments and nonresidents' net investments in equity capital (other than reinvestment of earnings). However, this decline was partially offset by growth reinvestment of earnings. Year-to-August 2025, net FDI inflows fell by 22.5% to USD5.2bn, with the majority of equity capital investments originated from Japan, the US, Singapore and South Korea, and were mainly directed towards the 'manufacturing', 'wholesale and retail trade', and 'real estate activities' sectors.

ESG

SG: Airline passengers departing from Singapore will have to pay a sustainable aviation fuel levy ranging from S$1 to S$41.60 per ticket, depending on their travel destination and travel class. The levy will apply to tickets sold from 1 Apr 2026, for flights departing from Singapore on or after 1 Oct 2026. All destinations from Singapore are grouped into four geographical bands (Band 1: Southeast Asia, Band 2: Northeast Asia, South Asia, Australia and Papua New Guinea, Band 3: Africa, Central and West Asia, Europe, the Middle East, the Pacific Islands and New Zealand, Band 4: the Americas). For example, passengers travelling to Band 1 destinations will pay S$1 if travelling in an economy cabin or S$4 if travelling in a premium cabin. Band 4 passengers will pay S$10.40 and S$41.60 for an economy cabin and premium cabin respectively. Levies collected from passengers will go into a fund used to purchase sustainable aviation fuel, contributing to Singapore's aim for sustainable aviation fuel to account for 1% of all jet fuel used at Changi and Seletar airports in 2026, rising to 3% - 5% by 2030.

Credit Market Updates

Market Commentary: The SGD SORA OIS curve traded lower yesterday with shorter tenors trading flat to 1bps lower while belly tenors and 10Y traded 1bps lower. As per Bloomberg, China Vanke Co Ltd ("Vanke") largest shareholder, Shenzhen Metro Group Co Ltd, will offer new loans up to RMB1.67bn to repay bond principals and interests. Vanke will hold a shareholder meeting on 20 Nov to review proposal to offer collaterals for the loans. Meanwhile, Guangzhou R&F Properties Co Ltd announced that restructuring proposal for one of its domestic bonds in the outstanding principal amount of RMB1.68bn has been passed in a bondholder's meeting. Lastly, Fitch affirms China Petroleum & Chemical Corporation ("Sinopec")'s long term foreign and local currency issuer default rating at A with outlook stable. Key drivers of the rating include a very strong operational and healthy credit metrics especially when also factoring in government involvement and support. Bloomberg Asia USD Investment Grade spreads remained at 59bps and Bloomberg Asia USD High Yield spreads remained at 351bps respectively, as the US treasury market closed for Veteran's Day. (Bloomberg, OCBC)

New issues:
There were no notable issuances in the Asiadollar market yesterday.

There was one notable issuance in the Singdollar market yesterday.

- Housing & Development Board priced a SGD1bn 7Y Fixed Bond at 2.022%.

Mandates:

- Malayan Banking Berhad may issue a USD-denominated FRN.

Foreign Exchange

	Day Close	% Change		Day Close
DXY	99.443	-0.15%	**USD-SGD**	1.3011
USD-JPY	154.160	0.01%	**EUR-SGD**	1.5070
EUR-USD	1.158	0.22%	**JPY-SGD**	0.8439
AUD-USD	0.653	-0.14%	**GBP-SGD**	1.7108
GBP-USD	1.315	-0.19%	**AUD-SGD**	0.8492
USD-MYR	4.140	-0.47%	**NZD-SGD**	0.7357
USD-CNY	7.117	-0.02%	**CHF-SGD**	1.6250
USD-IDR	16689	0.21%	**SGD-MYR**	3.1771
USD-VND	26312	0.05%	**SGD-CNY**	5.4708

Equity and Commodity

Index	Value	Net change
DJIA	47,927.96	559.33
S&P	6,846.61	14.18
Nasdaq	23,468.30	-58.87
Nikkei 225	50,842.93	-68.83
STI	4,542.20	54.07
KLCI	1,634.83	7.45
JCI	8,366.52	-24.73
Baltic Dry	2,084.00	-20.00
VIX	17.28	-0.32

SOFR

Tenor	EURIBOR	Change	Tenor	USD SOFR
1M	1.9020	0.58%	**1M**	3.9555
3M	2.0050	-0.20%	**2M**	3.8992
6M	2.1230	-0.05%	**3M**	3.8466
12M	2.2110	-0.05%	**6M**	3.7480
			1Y	3.5596

Government Bond Yields (%)

Tenor	SGS (chg)	UST (chg)
2Y	1.35 (-0.01)	3.56(--)
5Y	1.62 (--)	3.71(--)
10Y	1.87 (--)	4.08(--)
15Y	1.96 (--)	--
20Y	1.96 (+0.01)	--
30Y	2.04 (--)	4.68(--)

Fed Rate Hike Probability

Meeting	# of Hikes/Cuts	% of Hikes/Cuts	Implied Rate Change	Expected Effective Fed Funds Rate
12/10/2025	-0.674	-67.40%	-0.169	3.708
01/28/2026	-1.075	-40.10%	-0.269	3.608

Financial Spread (bps)

	Value	Change
TED	35.36	--

Secured Overnight Fin. Rate

SOFR	3.93

Commodities Futures

Energy	**Futures**	**% chg**	**Soft Commodities**	**Futures**	**% chg**
WTI (per barrel)	61.04	1.51%	Corn (per bushel)	4.320	0.5%
Brent (per barrel)	65.16	1.72%	Soybean (per bushel)	11.133	-0.2%
Heating Oil (per gallon)	257.57	2.60%	Wheat (per bushel)	5.360	0.0%
Gasoline (per gallon)	201.20	2.07%	Crude Palm Oil (MYR/MT)	45.090	0.5%
Natural Gas (per MMBtu)	4.57	5.23%	Rubber (JPY/KG)	309.500	2.8%

Base Metals	**Futures**	**% chg**	**Precious Metals**	**Futures**	**% chg**
Copper (per mt)	10827.00	0.29%	Gold (per oz)	4126.9	0.3%
Nickel (per mt)	15053.00	-0.36%	Silver (per oz)	51.2	1.4%

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

Economic Calendar

Date Time	Country Code	Event	Period	Survey	Actual	Prior	Revised
11/12/2025 7:00	SK	Unemployment rate SA	Oct	2.60%	2.60%	2.50%	--
11/12/2025 7:50	JN	Money Stock M2 YoY	Oct	--	1.60%	1.60%	1.50%
11/12/2025 7:50	JN	Money Stock M3 YoY	Oct	--	1.00%	1.00%	--
11/12/2025 11:00	SK	Money Supply L SA MoM	Sep	--	--	0.60%	--
11/12/2025 11:00	SK	Money Supply M2 SA MoM	Sep	--	--	1.30%	--
11/12/2025 14:00	JN	Machine Tool Orders YoY	Oct P	--	--	11.00%	--
11/12/2025 18:30	IN	CPI YoY	Oct	0.40%	--	1.54%	--
11/12/2025 20:00	US	MBA Mortgage Applications	7-Nov	--	--	-1.90%	--
11/12/2025-11/18/2025	CH	FDI YTD YoY CNY	Oct	--	--	-10.40%	--
11/12/2025-11/15/2025	CH	New Yuan Loans CNY YTD	Oct	15250.0b	--	14750.0b	14751.1b
11/11/2025-11/13/2025	VN	Domestic Vehicle Sales YoY	Oct	--	--	-17.90%	--
11/12/2025-11/15/2025	CH	Aggregate Financing CNY YTD	Oct	31255.0b	--	30090.0b	30085.1b
11/12/2025-11/15/2025	CH	Money Supply M2 YoY	Oct	8.10%	--	8.40%	--
11/12/2025-11/15/2025	CH	Money Supply M1 YoY	Oct	7.00%	--	7.20%	--
11/12/2025-11/15/2025	CH	Money Supply M0 YoY	Oct	--	--	11.50%	--

Source: Bloomberg

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