

## Daily Treasury Outlook

13 October 2025

### Highlights

**Global:** Tariff escalation after US president Trump announced an additional 100% tariff on China as well as export controls on any and all critical software from 1 November. This followed China announcements on tightening of rare earths and other critical materials exports, new port fees on US ships and began an antitrust investigation into Qualcomm Inc. President Trump also threatened to cancel a planned upcoming meeting with Chinese president Xi. Last Friday saw a clear tilt towards risk off, as the S&P 500 closed down 2.71% in its worst session since 10 April and the 10-year UST bond yield fell 11bps to 4.03% on flight to quality. Crude oil prices slumped, with the USD sliding and sending gold and VIX higher. Meanwhile, the US federal government also started laying off workers as the government shutdown dragged on, with the Senate out till Tuesday. On the data front, the University of Michigan sentiment index was little changed at 55.0 (previous: 55.1), with the current conditions unexpectedly improving from 60.4 to 61.0 whereas the expectations gauge eased from 51.7 to 51.2. The 1-year inflation gauge also retreated slightly from 4.7% to 4.6% while the 5-10-year inflation gauge was static at 3.7%.

**Market Watch:** Asian markets may chop around this morning as the re-escalation of US-China trade tensions dampen hopes of a bilateral trade deal and a Trump-Xi meeting later this month, but early signals of US' openness to a deal with China also saw a rebound in US equity-index futures. Today's economic data calendar focuses on China's September trade data and India's CPI. BOE's Greene and Mann and Fed's Paulson are also speaking today. For the week ahead, apart from the ongoing US-China trade drama, keep an eye on the IMF/World Bank Annual Meetings happening from October 13–18 (with refreshed global growth forecasts and news headlines), China's monetary aggregates data and also the CPI/PPI prints on Oct 15 (with worries of a further deceleration), RBA policy minutes, German CPI and ZEW survey tomorrow, US' initial jobless claims, PPI and retail sales data on Thursday, and Malaysia's 3Q25 GDP growth and September trade on Friday. There are many Fed speakers including Miran, as well as Fed's Beige book on Thursday before the blackout on Fed communications kick in from 18 October. US earnings season also gets underway with JPMorgan, Wells Fargo, Citigroup, Goldman Sachs tomorrow, followed by Bank of America and Morgan Stanley on Wednesday.

**Singapore:** Advance 3Q25 GDP growth estimates is likely to decelerate to 2.1% YoY (0.7% QoQ sa), compared to 4.4% YoY (1.4% QoQ sa) in 2Q25, as manufacturing momentum reverses to contract 0.2% YoY (2Q25: 5.2%) whilst construction and services moderate but remain relatively resilient at 3.9% and 4.0% YoY respectively (2Q25: 6.0% and 4.3%). This would still bring GDP growth for the first three quarters to average 3.5% YoY. MAS is also likely to keep its monetary policy stance unchanged for the second consecutive

### Key Market Movements

Equity	Value	% chg
S&P 500	6552.5	-2.7%
DJIA	45480	-1.9%
Nikkei 225	48089	-1.0%
SH Comp	3897.0	-0.9%
STI	4427.1	-0.3%
Hang Seng	26290	-1.7%
KLCI	1622.3	-0.5%
	Value	% chg
DXY	98.978	-0.6%
USDJPY	151.19	-1.2%
EURUSD	1.1619	0.5%
GBPUSD	1.3360	0.4%
USDIDR	16553	0.0%
USDSGD	1.2969	-0.2%
SGDMYR	3.2520	-0.1%
	Value	chg (bp)
2Y UST	3.50	-9.12
10Y UST	4.03	-10.62
2Y SGS	1.47	-0.70
10Y SGS	1.83	-1.92
3M SORA	1.42	-0.13
3M SOFR	4.33	-0.20
	Value	% chg
Brent	62.73	-3.8%
WTI	58.9	-4.2%
Gold	4018	1.0%
Silver	50.15	1.8%
Palladium	1405	-1.0%
Copper	10518	-3.2%
BCOM	104.09	-1.5%

Source: Bloomberg

meeting as there may be limited downside to core inflation trajectory into 4Q25 and into 2026.

**Commodities:** Crude oil benchmarks fell on Friday, with WTI and Brent declining more than 3.8% to USD58.9/bbl and USD62.7/bbl, respectively. Consequently, oil prices dropped to their lowest levels since May 2025 amid concerns over the impact of tariffs on global trade. This followed US President Donald Trump's renewed threats to impose tariffs on Chinese goods entering the US. Bearish sentiment was further reinforced by easing geopolitical tensions in the Middle East, following a ceasefire agreement between Israel and Hamas. For the week, the oil market recorded its second consecutive weekly loss.

## Major Markets

**ID:** Investment Minister Rosan Roeslani announced that Indonesia's waste-to-energy programme will require about IDR91trn in funding to build projects across 33 cities. The initiative, aimed at tackling the nation's mounting waste problem, will begin in 10 cities in early November, with Jakarta hosting four to five plants, as reported by Reuters. Danantara will partner with technology providers to finance the projects, while state utility PLN will purchase the electricity produced.

**MY:** The government set a narrower fiscal deficit target of 3.5% of GDP in 2026 from 3.8% in 2025, aligning with expectations. Revenue is projected to grow 2.7% YoY to MYR343.1bn, while total expenditure is expected to rise 1.7% YoY to MYR419.2bn. Tax receipts are forecast to increase 6.7% YoY, aided by broader SST coverage, e-invoicing, and new measures including a carbon tax and higher excise duties on alcohol and tobacco. Non-tax revenue will soften as Petronas dividends fall to MYR20bn and oil price assumptions ease to USD60-65/barrel. Meanwhile, subsidy spending will decline 14.1% YoY amid rationalisation efforts, even as emoluments and pensions rise under the new civil service pay hike and pension reform.

**PH:** The Bangko Sentral ng Pilipinas (BSP) reported that net Foreign Direct Investment (FDI) inflows declined by 7.5% YoY (June: -17.8%) to USD1.3bn in July 2025. The decline in FDI net inflows was primarily driven by lower nonresidents' net investments in debt instruments. However, this decrease was partially offset by growth in nonresidents' net investments in equity capital and reinvestment of earnings. The majority of equity capital investments originated from Japan, and the US, and were mainly directed towards the 'wholesale and retail trade', 'manufacturing', and 'real estate activities' sectors. Year-to-July, net FDI inflows declined by 20% to USD4.7bn, down from USD5.9bn in the same period last year.

**TH:** Commerce Minister Suphatee Suthumpun met the Chief Minister of the Australian Capital Territory (ACT) to discuss strengthening bilateral trade and investment ties as well as fostering closer cooperation between the private sectors of both countries. Both sides highlighted shared priorities in education, healthcare, tourism, culture, and sustainable development, with ACT focusing on green innovation and Thailand on agricultural technology and climate solutions. Australia is also seeking foreign investment in integrated housing projects and supporting start-ups through incubators. Commerce Minister

Suthumpun stated that the meeting emphasised a partnership built on sustainable economic growth.

**VN:** Motor vehicle sales dropped 17.3% YoY to 26,291 units in September from -1.3% (21,688 units) in August. The notable drops in SUV/MPV sales (-58.2% YoY in September from -55.3% in August) and passenger cars (-28.7% from -13.4%) more than offset the increases seen in commercial vehicles (17.1% from 32.1%) and hybrid vehicles (31.3% from 177.0%). Nonetheless, the September figures bring the total sales for the year-to-September to a 5.8% increase, reaching 205,125 units.

### ESG

**ID:** Indonesia plans to roll out a Multi-Scheme Carbon Economic Value (CVA) framework to strengthen inclusive climate finance in support of its Nationally Determined Contribution (NDC) goals, announced by the environment ministry. Under its NDC, Indonesia aims to reduce greenhouse gas emissions by 31.89% through domestic efforts and by 43.2% with global financial support. A Mutual Recognition Agreement (MRA) with five independent crediting schemes now allows carbon trading across 54 technology-based and 58 nature-based methodologies, which is expected to drive emissions-reduction investments for Indonesia. By integrating the Multi-Scheme CVA, Indonesia aims to take concrete steps to consolidate its climate finance architecture and accelerate progress toward its ambitious NDC targets.

## Credit Market Updates

**Market Commentary:** The SGD SORA OIS curve traded lower last Friday with shorter tenors trading 1-2bps lower while belly tenors and 10Y traded 2bps lower. As per Bloomberg, Powerlong Real Estate Ltd has signed a restructuring support agreement with holders of 31% of the outstanding principal amount of the scheme debt. The company urges all remaining scheme debt holders to join promptly to ensure broad support for the proposed solution. In other news, SoftBank Group Corp is in talks for a USD5bn margin loans from global banks, secured by shares of its chip unit Arm Holdings Plc, to fund further OpenAI investment for the year. This will raise SoftBank's total margin loans against Arm shares to USD18.5bn. This is in accordance with SoftBank founder's plan to accelerate the firm's bet on artificial intelligence, with the company having already raised USD13.5bn in margin loans secured by Arm shares as of March 2025. Lastly, Vietnamese conglomerate Vin Group JSC is seeking a USD500mn private credit loan to expand its electric vehicle charging station network across the region. Bloomberg Asia USD Investment Grade spreads widened by 1bps at 61bps and Bloomberg Asia USD High Yield spreads widened by 12bps to 338bps respectively. (Bloomberg, OCBC)

### New issues:

There were no notable issuances in the Asiadollar market last Friday.

There was one notable issuances in the Singdollar market last Friday.

- Cagamas Global PLC (guarantor: Cagamas Bhd) priced a SGD155mn 1Y Fixed Bond at 1.75%.

### Mandates:

- There were no notable mandates last Friday.

## Foreign Exchange

	Day Close	% Change		Day Close
DXY	98.978	-0.56%	USD-SGD	1.2969
USD-JPY	151.190	-1.23%	EUR-SGD	1.5069
EUR-USD	1.162	0.48%	JPY-SGD	0.8576
AUD-USD	0.647	-1.25%	GBP-SGD	1.7318
GBP-USD	1.336	0.42%	AUD-SGD	0.8396
USD-MYR	4.223	0.14%	NZD-SGD	0.7422
USD-CNY	7.135	0.00%	CHF-SGD	1.6217
USD-IDR	16553	0.05%	SGD-MYR	3.2520
USD-VND	26340	-0.03%	SGD-CNY	5.4971

## SOFR

Tenor	EURIBOR	Change	Tenor	USD SOFR
1M	1.9200	-0.31%	1M	4.0328
3M	2.0090	-0.79%	2M	3.9759
6M	2.0990	-0.24%	3M	3.8922
12M	2.2020	-0.32%	6M	3.7347
			1Y	3.5155

## Fed Rate Hike Probability

Meeting	# of Hikes/Cuts	% of Hikes/Cuts	Implied Rate Change	Expected Effective Fed Funds Rate
10/29/2025	-0.978	-97.80%	-0.245	3.852
12/10/2025	-1.877	-89.90%	-0.469	3.628

## Equity and Commodity

Index	Value	Net change
DJIA	45,479.60	-878.82
S&P	6,552.51	-182.60
Nasdaq	22,204.43	-820.20
Nikkei 225	48,088.80	-491.64
STI	4,427.06	-13.44
KLCI	1,622.25	-7.42
JCI	8,257.86	6.92
Baltic Dry	1,936.00	13.00
VIX	21.66	5.23

## Government Bond Yields (%)

Tenor	SGS (chg)	UST (chg)
2Y	1.47 (-0.01)	3.5(--)
5Y	1.61 (-0.02)	3.62 (-0.11)
10Y	1.83 (-0.02)	4.03 (-0.11)
15Y	1.89 (-0.02)	--
20Y	1.9 (-0.02)	--
30Y	1.99 (-0.02)	4.62 (-0.1)

## Financial Spread (bps)

Value	Change	
TED	35.36	--

## Secured Overnight Fin. Rate

SOFR	4.13
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## Commodities Futures

Energy	Futures	% chg	Soft Commodities	Futures	% chg
WTI (per barrel)	58.90	-4.24%	Corn (per bushel)	4.130	-1.3%
Brent (per barrel)	62.73	-3.82%	Soybean (per bushel)	10.068	-1.5%
Heating Oil (per gallon)	220.44	-3.33%	Wheat (per bushel)	4.985	-1.6%
Gasoline (per gallon)	182.04	-3.30%	Crude Palm Oil (MYR/MT)	45.090	0.5%
Natural Gas (per MMBtu)	3.11	-4.99%	Rubber (JPY/KG)	309.500	2.8%
Base Metals	Futures	% chg	Precious Metals	Futures	% chg
Copper (per mt)	10518.00	-3.22%	Gold (per oz)	4017.8	1.0%
Nickel (per mt)	15280.00	-1.37%	Silver (per oz)	50.1	1.8%

Source: Bloomberg, Reuters

(Note that rates are for reference only)

## Economic Calendar

Date Time	Country Code	Event	Period	Survey	Actual	Prior	Revised
10/13/2025 11:00	CH	Exports YoY	Sep	6.60%	--	4.40%	--
10/13/2025 11:00	CH	Imports YoY	Sep	1.80%	--	1.30%	--
10/13/2025 11:00	CH	Trade Balance	Sep	\$98.05b	--	\$102.33b	--
10/13/2025 11:00	CH	Exports YoY CNY	Sep	--	--	4.80%	--
10/13/2025 11:00	CH	Imports YoY CNY	Sep	--	--	1.70%	--
10/13/2025 11:00	CH	Trade Balance CNY	Sep	--	--	730.00b	--
10/13/2025 14:00	GE	Wholesale Price Index MoM	Sep	--	--	-0.60%	--
10/13/2025 14:00	GE	Wholesale Price Index YoY	Sep	--	--	0.70%	--
10/13/2025 18:30	IN	CPI YoY	Sep	1.50%	--	2.07%	--
10/13/2025	GE	Current Account Balance	Aug	--	--	14.8b	--
10/13/2025-10/18/2025	CH	FDI YTD YoY CNY	Sep	--	--	-12.70%	--
10/13/2025-10/15/2025	ID	Local Auto Sales	Sep	--	--	61780	--
10/13/2025-10/15/2025	CH	New Yuan Loans CNY YTD	Sep	14919.6b	--	13460.0b	13459.6b
10/13/2025-10/15/2025	CH	Aggregate Financing CNY YTD	Sep	29905.0b	--	26560.0b	26556.3b
10/13/2025-10/15/2025	CH	Money Supply M2 YoY	Sep	8.50%	--	8.80%	--
10/13/2025-10/15/2025	CH	Money Supply M1 YoY	Sep	6.10%	--	6.00%	--

Source: Bloomberg



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