

## Daily Treasury Outlook

17 December 2025

### Highlights

**Global:** US equities closed mixed on Tuesday. The S&P500 and Dow fell by 0.2% and 0.6%, respectively. In contrast, the Nasdaq composite rose by 0.2%. Crude oil benchmarks extended their decline for the fourth consecutive session. Prospects of a looming supply glut and progress in Russia-Ukraine peace talks continued to put downward pressure on oil prices, with Brent closing below USD60/bbl — the lowest level since February 2021. The US Bureau of Labor Statistics (BLS) released its delayed November jobs report, showing that total nonfarm payroll employment reportedly rose slightly more-than-expected, increasing by 64k in November, following a loss of 105k jobs in October. The November print exceeded consensus expectations of a 50k increase. According to BLS, “employment rose in health care and construction in November, while federal government continued to lose jobs.” The unemployment rate and labour force participation rate edged higher to 4.6% and 62.5%, respectively, up from 4.4% and 62.4% in September. In other economic data releases, the US Census Bureau reported that retail sales were flat in October, contrary to consensus expectations of a modest 0.1% MoM SA increase. Excluding autos, however, retail sales growth was firmer, rising by 0.4% MoM SA, up from a downwardly revised 0.1% in September.

**Market Watch:** This morning, Singapore’s export data was released. Non-oil domestic export growth in November remained strong at 11.6% YoY while electronic exports grew by 13.1%. On the central bank front, Bank Indonesia (BI) and Bank of Thailand (BoT) will announce policy decisions today. We expect BI to cut its policy rate by 25bp, but this is a close call, while for BoT, we expect a 25bp rate cut, in line with consensus expectations. Data on tap today includes UK CPI, Euro area CPI and labour costs, US MBA mortgage applications, construction spending and new home sales.

### Major Markets

**HK:** Hong Kong’s seasonally adjusted unemployment rate and underemployment rate stood unchanged at 3.8% and 1.6% respectively in the three months ending November 2025. Compared to the three-month ending in October, the labour force recorded a sharper decline (-8.0k) than that of unemployed persons (-5.2k) from September to November. Unemployment rate in the “retail, accommodation and food services” sector (down by 0.2 percentage point to 5.3%) and “construction” sector (down by 0.2 percentage point to 6.8%) declined for the second consecutive month. We expect hiring sentiment to remain cautious in the near term, despite tentative recovery in the labour market demand.

#### Key Market Movements

Equity	Value	% chg
S&P 500	6800.3	-0.2%
DJIA	48114	-0.6%
Nikkei 225	49383	-1.6%
SH Comp	3824.8	-1.1%
STI	4579.7	-0.2%
Hang Seng	25235	-1.5%
KLCI	1648.3	0.3%
	Value	% chg
DXY	98.146	-0.2%
USDJPY	154.72	-0.3%
EURUSD	1.1747	-0.1%
GBPUSD	1.3423	0.4%
USDIDR	16692	0.1%
USDSGD	1.2893	0.0%
SGDMYR	3.1674	-0.3%
	Value	chg (bp)
2Y UST	3.49	-1.45
10Y UST	4.15	-2.73
2Y SGS	1.46	-0.80
10Y SGS	2.18	-0.02
3M SORA	1.20	-0.24
3M SOFR	4.09	-0.72
	Value	% chg
Brent	58.92	-2.7%
WTI	55.27	-2.7%
Gold	4302	-0.1%
Silver	63.76	-0.5%
Palladium	1603	1.9%
Copper	11592	-0.5%
BCOM	107.52	-1.1%

Source: Bloomberg

**ID:** According to Coordinating Minister for Food Affairs Zulkifi Hasan, Indonesia's policy of imposing an import ban on rice has contributed to lower global rice prices. He explained that the country, once a major importer, has shifted its focus toward boosting domestic production under President Prabowo's administration. In 2025, Indonesia recorded a surplus of 4.7mn tons of rice, compared to importing 4.5mn tons the previous year. State-run logistics firm Bulog is currently holding ~3.7mn tons in reserve. Official data revealed that domestic rice production rose by 13.5% YoY to 34.8 million tons this year, while corn production also increased by over 9%. Minister Hasan attributed these gains to streamlined fertiliser distribution. He expects Indonesia to achieve rice self-sufficiency by early 2026.

**MY:** PM Anwar announced his new cabinet, introducing changes to several key appointments. Datuk Seri Johari Abdul Ghani has been appointed as the new Minister of Investment, Trade and Industry, while Akmal Nasir will take over as Minister of Economy. Hannah Yeoh will assume the role of Minister in the Prime Minister's Department overseeing the Federal Territories, according to The Edge. Johari previously served as Minister of Plantations and Commodities, while Akmal was the Deputy Minister of Energy Transition and Water Transformation. The cabinet reshuffle comes as the government enters the final year and a half of its current term.

## Credit Market Updates

**Market Commentary:** The SGD SORA OIS curve traded mixed yesterday with shorter tenors trading 1-2bps lower while belly tenors traded flat to 1bps lower and 10Y traded 1bps higher. As per Bloomberg, property tycoon Gordon Tang's company, Acrophyte Asset Management Pte. Ltd., is set to acquire ESR Group's 100% indirect stake in ESR Trust Management. ESR Trust Management is the manager of Suntec REIT, which is 35.7% owned by Gordon Tang. In other news, China Vanke Co Ltd has proposed to extend the maturity of its RMB notes, originally due 15 December, by 12 months to 15 December 2026. Meanwhile, Yuexiu Property Co Ltd has obtained a HKD500mn bilateral loan under a credit facility agreement with a bank, with a maximum term of 18 months. Lastly, Unigroup International Holdings Ltd has launched a consent solicitation offering creditors 68% cash recovery on its USD450mn 6% defaulted keepwell bond, originally due in 2020. Bloomberg Asia USD Investment Grade spreads and Asia USD High Yield spreads were unchanged at 61bps and 372bps respectively. (Bloomberg, OCBC)

### **New issues:**

There were no notable issuances in the Asiadollar and Singdollar market yesterday.

### **Mandates:**

There were no notable mandates yesterday.

## Foreign Exchange

	Day Close	% Change		Day Close
DXY	98.146	-0.17%	USD-SGD	1.2893
USD-JPY	154.720	-0.33%	EUR-SGD	1.5146
EUR-USD	1.175	-0.05%	JPY-SGD	0.8333
AUD-USD	0.663	-0.14%	GBP-SGD	1.7306
GBP-USD	1.342	0.35%	AUD-SGD	0.8552
USD-MYR	4.086	-0.16%	NZD-SGD	0.7456
USD-CNY	7.043	-0.08%	CHF-SGD	1.6213
USD-IDR	16692	0.14%	SGD-MYR	3.1674
USD-VND	26340	0.09%	SGD-CNY	5.4640

## SOFR

Tenor	EURIBOR	Change	Tenor	USD SOFR
1M	1.9290	-0.26%	1M	3.7469
3M	2.0720	-0.48%	2M	3.7182
6M	2.1680	-0.09%	3M	3.7065
12M	2.3100	0.70%	6M	3.6260
			1Y	3.4675

## Fed Rate Hike Probability

Meeting	# of Hikes/Cuts	% of Hikes/Cuts	Implied Rate Change	Expected Effective Fed Funds Rate
01/28/2026	-0.244	-24.40%	-0.061	3.583
03/18/2026	-0.573	-32.90%	-0.143	3.5

## Equity and Commodity

Index	Value	Net change
DJIA	48,114.26	-302.30
S&P	6,800.26	-16.25
Nasdaq	23,111.46	54.05
Nikkei 225	49,383.29	-784.82
STI	4,579.73	-9.44
KLCI	1,648.31	4.59
JCI	8,686.47	36.81
Baltic Dry	2,193.00	-12.00
VIX	16.48	-0.02

## Government Bond Yields (%)

Tenor	SGS (chg)	UST (chg)
2Y	1.46 (-0.01)	3.49(--)
5Y	1.87 (--)	3.7 (-0.03)
10Y	2.18 (--)	4.15 (-0.03)
15Y	2.3 (--)	--
20Y	2.31 (--)	--
30Y	2.35 (--)	4.82 (-0.03)

## Financial Spread (bps)

Value	Change	
TED	35.36	--

## Secured Overnight Fin. Rate

SOFR	3.75
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## Commodities Futures

Energy	Futures	% chg	Soft Commodities	Futures	% chg
WTI (per barrel)	55.27	-2.73%	Corn (per bushel)	4.365	-0.7%
Brent (per barrel)	58.92	-2.71%	Soybean (per bushel)	10.628	-0.8%
Heating Oil (per gallon)	212.86	-2.38%	Wheat (per bushel)	5.095	-2.2%
Gasoline (per gallon)	168.09	-2.97%	Crude Palm Oil (MYR/MT)	39.470	-1.3%
Natural Gas (per MMBtu)	3.89	-3.14%	Rubber (JPY/KG)	3.206	-0.8%
Base Metals	Futures	% chg	Precious Metals	Futures	% chg
Copper (per mt)	11592.00	-0.54%	Gold (per oz)	4302.3	-0.1%
Nickel (per mt)	14263.00	-0.58%	Silver (per oz)	63.8	-0.5%

Source: Bloomberg, Reuters

(Note that rates are for reference only)

## Economic Calendar

Date Time	Country Code	Event	Period	Survey	Actual	Prior	Revised
12/17/2025 15:00	UK	CPI MoM	Nov	0.00%	--	0.40%	--
12/17/2025 15:00	UK	CPI YoY	Nov	3.50%	--	3.60%	--
12/17/2025 15:00	UK	CPI Core YoY	Nov	3.40%	--	3.40%	--
12/17/2025 15:00	UK	Retail Price Index	Nov	407.4	--	407.4	--
12/17/2025 15:00	UK	RPI YoY	Nov	4.20%	--	4.30%	--
12/17/2025 15:00	UK	RPI Ex Mort Int. Payments (YoY)	Nov	--	--	4.20%	--
12/17/2025 15:00	TH	BoT Benchmark Interest Rate	17-Dec	1.25%	--	1.50%	--
12/17/2025 15:20	ID	BI-Rate	17-Dec	4.75%	--	4.75%	--
12/17/2025 16:00	SI	Automobile COE Open Bid Cat A	17-Dec	--	--	105413	--
12/17/2025 16:00	SI	Automobile COE Open Bid Cat E	17-Dec	--	--	123000	--
12/17/2025 16:00	SI	Automobile COE Open Bid Cat B	17-Dec	--	--	123900	--
12/17/2025 18:00	EC	CPI YoY	Nov F	2.20%	--	2.20%	--
12/17/2025 18:00	EC	CPI MoM	Nov F	-0.30%	--	-0.30%	--
12/17/2025 18:00	EC	CPI Core YoY	Nov F	2.40%	--	2.40%	--
12/17/2025 18:00	EC	Labour Costs YoY	3Q	--	--	3.60%	--
12/17/2025 20:00	US	MBA Mortgage Applications	12-Dec	--	--	4.80%	--

Source: Bloomberg

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