

Daily Treasury Outlook

19 August 2025

Highlights

Global: All eyes on the White House meeting on Ukraine, with President Trump hosting Ukrainian President Zelenskyy and European leaders at the White House. Following the meeting, Trump said to arrange a face-to-face meeting between Putin and Zelenskyy to discuss pathway to end the war. Otherwise, headline flow remains light, and market traded within range with thin breadth. Major US stock indexes ended the Monday session with little change, while Treasuries declined across curve. Moves in the FX space was also limited, while dollar traded flat. On Fedspeak, Atlanta Fed President Bostic said he is open to adjusting interest rates soon, and views one rate cut as likely this year if the labour market holds up. On the data front, US homebuilder sentiment remained weak, with NAHB housing market index edging down to 32 in August (July: 33). Separately, Japan's tertiary industry index rose 0.5% MoM in June, beating market consensus at 0.2%.

Market Watch: Asian markets are likely to trade in range today. Economic calendar in APAC market comprises of New Zealand's 2Q PPI output/input, Australia's August Westpac consumer conference, Malaysia's July trade data, and Hong Kong's July unemployment rate. Later today, the market will watch US' July housing starts and building permits, Canada's July CPI.

Major Markets

ID: Bank Indonesia has expanded its QRIS cross-border payment system to Japan and China, marking a major step in digital payment integration. The QRIS went live in Japan on 17 August 2025, enabling Indonesian users to make payments at 35 merchants using local banking and e-wallet apps. At the same time, BI and the People's Bank of China began interoperability trials linking QRIS with China's systems, in collaboration with UnionPay International and Indonesian switching providers. These developments follow QRIS' rollout in Malaysia, Thailand, and Singapore.

MY: Investment, Trade and Industry Minister Tengku Zafrul Aziz said Malaysia has concluded free trade agreement talks with South Korea and expects to sign the deal in October. He noted that Malaysia now has 18 FTAs, with negotiations also restarted with the EU. Minister Zafrul stressed Malaysia's neutral stance, including in engaging with BRICS, as the country seeks wider market access amid geopolitical uncertainty. He highlighted risks from Washington's proposed 100% tariff on imported chips, warning it could hit Malaysia's E&E exports.

Key Market Movements

Equity	Value	% chg
S&P 500	6449.2	0.0%
DJIA	44912	-0.1%
Nikkei 225	43714	0.8%
SH Comp	3728.0	0.8%
STI	4187.4	-1.0%
Hang Seng	25177	-0.4%
KLCI	1585.0	0.5%
	Value	% chg
DXY	98.167	0.3%
USDJPY	147.89	0.5%
EURUSD	1.1661	-0.4%
GBPUSD	1.3504	-0.4%
USIDR	16160	0.0%
USDSGD	1.2844	0.1%
SGDMYR	3.2919	0.2%
	Value	chg (bp)
2Y UST	3.76	1.24
10Y UST	4.33	1.75
2Y SGS	1.53	-1.00
10Y SGS	1.88	0.04
3M SORA	1.71	-3.07
3M SOFR	4.35	0.21
	Value	% chg
Brent	66.6	1.1%
WTI	63.42	1.0%
Gold	3333	-0.1%
Silver	38.02	0.1%
Palladium	1114	-0.1%
Copper	9733	-0.4%
BCOM	100.30	-0.1%

Source: Bloomberg

TH: Thailand's economy grew 2.8% YoY in 2Q25, down from a revised 3.2% in 1Q25, slightly above market expectations of 2.7%. On a quarterly basis, the economy expanded by 0.6%, slightly lower than the 0.7% recorded in 1Q25. Exports were the main engine for growth this quarter, with accelerated shipments pushing export growth to 15% YoY. However, growth was weighed down by a slowdown in non-agricultural production, particularly in tourism-related services. Additionally, private consumption and government expenditure slowed down to 2.1% and 2.2% YoY, down from 2.5% and 3.4% recorded in 1Q25 respectively. Overall, this brings total growth in 1H25 to 3.0%.

ESG

CH: China's fossil-fuelled power generation, mostly from coal, rose in July to the highest level since August 2024, as unprecedented heat drove power demand to record highs across most of the country. Thermal power use was particularly high because of the summer season, as well as a drop in hydropower in July. Hydropower declined by 9.8% compared to July 2024 caused by drought conditions that reduced dam inflows. Nonetheless, fossil-fuelled power use is still trending downwards this year compared to 2024 and is on track to potentially decline for the first time in a decade.

Credit Market Updates

Market Commentary: The SGD SORA OIS curve traded mostly higher yesterday with shorter tenors trading -1bps to +1bps while belly tenors traded flat and 10Y traded ~1bps higher. According to Bloomberg, Country Garden Holdings Co Ltd announced in a Hong Kong exchange filing that a co-ordinating committee which represents 49% of the aggregate principal amount of the existing syndicated loans has agreed to the terms of a restructuring proposal. In another Hong Kong exchange filing, Road King Infrastructure Ltd announced that it expects a loss attributable to owners of HKD1.9bn to HKD2.1bn for the six months ended 30 June 2025 compared with HKD1.03bn for the six months ended 30 June 2024. The loss is primarily due to weaker margins at its China and Hong Kong property projects and higher impairments on properties and related assets. Last week, Road King Infrastructure Ltd. ("RKI") suspended all offshore debt payments, contrary to its earlier claim of having enough cash to cover interest this year. Bloomberg Asia USD Investment Grade spreads tightened by 1bps to 60bps to another all-time low while Bloomberg Asia USD High Yield spreads tightened by 5bps to 329bps, which sets another 52 week low. (Bloomberg, OCBC)

New issues:

There was one notable issuance in the Asiadollar market yesterday.

- DBS Bank Ltd (Covered Bond Guarantor: Bayfront Covered Bonds Pte. Ltd) priced a USD2bn 3Y Covered Fixed at SOFR MS+55bps.

There was one notable issuance in the Singdollar market yesterday.

- City Developments Limited priced a SGD200mn 5Y Fixed Bond at 2.466%.

Mandates:

- CMB International Capital Corporation Limited has mandated banks for investor meetings tied to a potential Reg S senior unsecured USD-denominated SOFR-linked floating rate guaranteed note offering. The Notes will be issued by Legend Fortune Limited, a wholly-owned subsidiary of the Company.

Foreign Exchange

	Day Close	% Change		Day Close
DXY	98.167	0.32%	USD-SGD	1.2844
USD-JPY	147.890	0.48%	EUR-SGD	1.4976
EUR-USD	1.166	-0.36%	JPY-SGD	0.8685
AUD-USD	0.649	-0.25%	GBP-SGD	1.7343
GBP-USD	1.350	-0.37%	AUD-SGD	0.8338
USD-MYR	4.223	0.22%	NZD-SGD	0.7605
USD-CNY	7.185	0.01%	CHF-SGD	1.5905
USD-IDR	16160	0.31%	SGD-MYR	3.2919
USD-VND	26293	0.08%	SGD-CNY	5.5932

SOFR

Tenor	EURIBOR	Change	Tenor	USD SOFR
1M	1.9010	1.44%	1M	4.3398
3M	2.0260	-0.39%	2M	4.2682
6M	2.1110	-0.05%	3M	4.2126
12M	2.0920	-1.13%	6M	4.0624
			1Y	3.8463

Fed Rate Hike Probability

Meeting	# of Hikes/Cuts	% of Hikes/Cuts	Implied Rate Change	Expected Effective Fed Funds Rate
09/17/2025	-0.836	-83.60%	-0.209	4.12
10/29/2025	-1.365	-52.90%	-0.341	3.988
12/10/2025	-2.133	-76.80%	3.796	3.786

Equity and Commodity

Index	Value	Net change
DJIA	44,911.82	-34.30
S&P	6,449.15	-0.65
Nasdaq	21,629.77	6.79
Nikkei 225	43,714.31	336.00
STI	4,187.38	-43.15
KLCI	1,584.96	8.62
JCI	7,898.38	-32.88
Baltic Dry	2,022.00	-22.00
VIX	14.99	-0.10

Government Bond Yields (%)

Tenor	SGS (chg)	UST (chg)
2Y	1.53 (-0.01)	3.76(--)
5Y	1.61 (-0.01)	3.85 (+0.01)
10Y	1.88 (--)	4.33 (+0.02)
15Y	1.96 (--)	--
20Y	1.97 (--)	--
30Y	2.03 (-0.01)	4.93 (+0.02)

Financial Spread (bps)

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

Secured Overnight Fin. Rate

SOFR	4.36
------	------

Commodities Futures

Energy	Futures	% chg	Soft Commodities	Futures	% chg
WTI (per barrel)	63.42	0.99%	Corn (per bushel)	3.830	-0.2%
Brent (per barrel)	66.60	1.14%	Soybean (per bushel)	10.208	-0.1%
Heating Oil (per gallon)	224.03	0.69%	Wheat (per bushel)	5.028	-0.7%
Gasoline (per gallon)	209.87	1.26%	Crude Palm Oil (MYR/MT)	45.090	0.5%
Natural Gas (per MMBtu)	2.89	-0.89%	Rubber (JPY/KG)	309.500	2.8%
Base Metals	Futures	% chg	Precious Metals	Futures	% chg
Copper (per mt)	9733.00	-0.41%	Gold (per oz)	3332.7	-0.1%
Nickel (per mt)	15151.00	-0.07%	Silver (per oz)	38.0	0.1%

Source: Bloomberg, Reuters

(Note that rates are for reference only)

Economic Calendar

Date Time	Country Code	Event	Period	Survey	Actual	Prior	Revised
8/19/2025 6:45	NZ	PPI Output QoQ	2Q	--	0.60%	2.10%	--
8/19/2025 6:45	NZ	PPI Input QoQ	2Q	--	0.60%	2.90%	--
8/19/2025 8:30	AU	Westpac Consumer Conf SA MoM	Aug	--	--	0.60%	--
8/19/2025 8:30	AU	Westpac Consumer Conf Index	Aug	--	--	93.1	--
8/19/2025 11:00	SK	South Korea Household Credit	2Q	--	--	KR1928.7t	--
8/19/2025 12:00	MA	Exports YoY	Jul	-3.20%	--	-3.50%	--
8/19/2025 12:00	MA	Imports YoY	Jul	-2.30%	--	1.20%	--
8/19/2025 12:00	MA	Trade Balance MYR	Jul	5.40b	--	8.59b	--
8/19/2025 16:00	EC	ECB Current Account SA	Jun	--	--	32.3b	--
8/19/2025 16:30	HK	Unemployment Rate SA	Jul	3.50%	--	3.50%	--
8/19/2025 20:30	US	Housing Starts	Jul	1297k	--	1321k	--
8/19/2025 20:30	US	Building Permits	Jul P	1386k	--	1393k	--
8/19/2025 20:30	US	Housing Starts MoM	Jul	-1.80%	--	4.60%	--
8/19/2025 20:30	US	Building Permits MoM	Jul P	-0.50%	--	-0.10%	--
8/19/2025	PH	BoP Overall	Jul	--	--	\$226m	--
8/19/2025-8/22/2025	CH	FDI YTD YoY CNY	Jul	--	--	-15.20%	--

Source: Bloomberg



Macro Research

Selena Ling
Head of Research & Strategy
lingssselena@ocbc.com

Herbert Wong
Hong Kong & Taiwan Economist
herberhtwong@ocbc.com

Jonathan Ng
ASEAN Economist
jonathann4@ocbc.com

Tommy Xie Dongming
Head of Asia Macro Research
xied@ocbc.com

Lavanya Venkateswaran
Senior ASEAN Economist
lavanyavenkateswaran@ocbc.com

Ong Shu Yi
ESG Analyst
shuyiong1@ocbc.com

Keung Ching (Cindy)
Hong Kong & Macau Economist
cindyckeung@ocbc.com

Ahmad A Enver
ASEAN Economist
ahmad.enver@ocbc.com

FX/Rates Strategy

Frances Cheung, CFA
Head of FX & Rates Strategy
francescheung@ocbc.com

Christopher Wong
FX Strategist
christopherwong@ocbc.com

Credit Research

Andrew Wong
Head of Credit Research
wongvkam@ocbc.com

Ezien Hoo, CFA
Credit Research Analyst
ezienhoo@ocbc.com

Wong Hong Wei, CFA
Credit Research Analyst
wonghongwei@ocbc.com

Chin Meng Tee, CFA
Credit Research Analyst
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