Daily Treasury Outlook

24 October 2025

Highlights

Global: US equities rebounded on Thursday, with the broad indexes of the S&P500, Dow, and Nasdaq rising between 0.3% and 0.9% (S&P500: 0.6%; Dow: 0.3%; NASDAQ: 0.9%). Crude oil prices jumped higher, poised to snap a three-week streak of declines. Geopolitical developments remain the main focus following Wednesday's decision by the US Department of Treasury to impose sanctions on major Russian oil companies, Rosneft and Lukoil. Both companies account for ~4.9mbpd of Russia's crude oil and condensate production in 2024 (~4.7% of 2024 global oil consumption) and represent close to half of Russia's total production. The sanctions are expected to trigger short-term disruptions as buyers of Russian oil reassess their risk tolerance, with further media reports indicating that Chinese state oil majors have suspended purchases of US-sanctioned Russian oil. On the trade front, China's Ministry of Commerce confirmed that Vice Premier He Lifeng will meet with US officials in Malaysia (24-27 October) for the next round of trade talks. This meeting will also set the stage for the highly anticipated summit between US President Donald Trump and China President Xi Jinping, which was later confirmed by the White House. Meanwhile, the US government shutdown continues. Key economic releases, including weekly jobless claims data, have been delayed. Therefore, attention will focus on tonight's CPI report and preliminary readings for October PMI data to gauge the health of the US economy. The consensus expects September CPI to rise to 3.1% YoY, up from 2.9% in August. Meanwhile core CPI is expected to remain broadly stable at 3.1%.

Market Watch: This morning, Japan's September CPI was released, with both headline and core CPI rising to 2.9% YoY, up from 2.7% in August, in line with consensus expectations. On the Asian calendar, upcoming releases include Singapore's September industrial production and Thailand's gross international reserves (week ending 17 October). Later in the day, preliminary October PMI data from the Eurozone are also scheduled for release. Meanwhile, in the US, markets are anticipating key data inflation data, including headline and core CPI prints, the University of Michigan sentiment survey, the Kansas City Fed services activity survey, and building permits.

Singapore: Singapore's headline and core inflation ticked up to 0.7% and 0.4% in September. Compared to August 2025, headline and core inflation both increased by 0.4% and 0.3% MoM respectively. MAS retained its 2025 headline and core CPI forecast at between 0.5-1.0% and ~0.5%. We tip headline and core CPI to creep higher to 0.6% and 0.5% respectively in 4Q25 to bring full year headline and core CPI to 0.7% and 0.5%.

Key Market Movements

Equity	Value	% chg
S&P 500	6738.4	0.6%
DJIA	46735	0.3%
Nikkei 225	48642	-1.4%
SH Comp	3922.4	0.2%
STI	4416.3	0.5%
Hang Seng	25968	0.7%
KLCI	1608.0	0.3%
	Value	**% chg**
DXY	98.936	0.0%
USDJPY	152.57	0.4%
EURUSD	1.1618	0.1%
GBPUSD	1.3326	-0.2%
USDIDR	16620	0.3%
USDSGD	1.2984	0.0%
SGDMYR	3.2530	-0.1%
	Value	**chg (bp)**
2Y UST	3.49	4.40
10Y UST	4.00	5.16
2Y SGS	1.45	1.40
10Y SGS	1.81	3.43
3M SORA	1.39	-0.31
3M SOFR	4.31	-0.10
	Value	**% chg**
Brent	65.99	5.4%
WTI	61.79	5.6%
Gold	4126	0.7%
Silver	48.92	0.9%
Palladium	1447	-0.5%
Copper	10855	1.8%
BCOM	107.83	1.8%

Source: Bloomberg

Major Markets

CH: The Fourth Plenary Session of the 20th Central Committee of the Communist Party of China (CPC) concluded in Beijing yesterday. The communiqué reaffirmed the goal of laying a solid foundation and advancing on all fronts toward the basic realization of socialist modernization by 2035. Over the next five years, two priorities stand out. First, technology—China aims to achieve greater self-reliance and strength in science and innovation, steering the development of new quality productive forces. Second, domestic demand—placing "the people first" as the cornerstone for a more sustainable growth model.

The statement suggests that while China will continue to deepen structural reforms, it has not shifted away from its growth ambitions. The reference to attaining "moderately developed country" status implies that China's per capita GDP could rise from the current USD13,500 to roughly USD20,000–30,000 within a decade. This, in turn, points to an implied annual growth target of around 5% during the 15th Five-Year Plan period.

As China's economic challenge transitions from supply-side constraints to demand-side bottlenecks, this communiqué notably omits the phrase "supply-side structural reform." Instead, it introduces a new formulation— "closely combining investment in material and human capital, guiding new supply through new demand, and creating new demand through new supply." This shift underscores a stronger policy orientation toward stimulating domestic demand, suggesting that macro policy in the coming years will place greater emphasis on the demand side of the economy.

ID: President Prabowo Subianto and Brazilian President Luiz Inácio Lula da Silva witnessed the signing of eight MoUs in Jakarta to strengthen bilateral cooperation, as reported by Antara. The agreements cover energy, mining, science, technology, and trade, including collaboration on renewable energy and Brazil's bioethanol program. Indonesia's sovereign wealth fund Danantara also inked an MoU with JBS, while Pertamina, PLN, and Kadin signed separate agreements with Brazilian firms and agencies.

MY: Minister of Plantation and Commodities Johari Abdul Ghani said Malaysia is coordinating a cross-ministerial strategy to secure reclassification as a low-risk country under the EU Deforestation Regulation (EUDR), as reported by The Edge. The review involves aligning forest data reporting, enforcing human rights and indigenous protections, and embedding sustainability in trade negotiations. He also announced that the Malaysian Palm Oil Board is finalising a national traceability system under the Malaysian Sustainable Palm Oil (MSPO) framework to ensure smallholders' inclusion in EUDR-compliant exports.

PH: According to the Bureau of the Treasury (BTr), government revenues rose by 2.2% to PHP3.4trn in Jan-Sep 2025. The increase was mainly driven by stronger tax collections, with the Bureau of Internal Revenue contributing PHP2.3trn (up 10.8%) and the Bureau of Customs adding PHP701.7bn (up 1.6%). Meanwhile, non-tax revenues fell sharply by 34.7% due to the base effect of extraordinary non-recurring remittances recorded in 2024, but still surpassed the FY2025 program of PHP306.5bn. On the expenditure front, total disbursements climbed 5.2% to PHP4.5trn, though September spending dipped due to lower spending performance by the Department of Public Works and Highways. The BTr expects the deficit to remain within the PHP1.6 trillion (-5.5% of GDP) full-year target, "underscoring the government’s firm commitment to fiscal discipline while maintaining strong support for economic growth and priority development programs."

ESG

Rest of the world: The Asian Development Bank and the World Bank have launched the ASEAN Power Grid (APG) Financing Initiative to support the development and integration of national power grids across the region. The ADB is set to commit USD10bn to finance Southeast Asian grids connected to the APG, along with other clean energy projects. These efforts can help to fill the climate finance gap left by the US withdrawal from the Paris Agreement and other climate finance initiatives. This can support efforts in making the APG a reality, combined with ongoing progress among Southeast Asian countries in strengthening interconnections to enable cross-border electricity trade.

Credit Market Updates

Market Commentary: The SGD SORA OIS curve traded higher yesterday with shorter tenors trading 2-4bps higher while belly tenors traded 4bps higher and 10Y traded 5bps higher. As per Bloomberg, Minmetals Land Ltd's parent company, June Glory International, plans to take the company private with a HKD1 cash per share scheme, representing a 104.08% premium over the last close price of HKD0.49 per share. The offeror and its concert parties hold 61.88% of stake in the company, the maximum cash consideration of the deal is estimated at ~HKD1.28bn and will be financed internally. In other news, Banks are preparing to launch a USD38bn debt offering to finance Oracle Corp related data centers. The deal comprises of two separate senior secured credit facilities - a USD23.25bn package towards a data center in Texas and another USD14.75bn towards a project in Wisconsin, both data centers will be developed by Vantage Data Centers Management Co LLC. The facilities are expected to have a maturity of 4Y, with two one-year extension options and priced ~2.5 percentage point over the benchmark. Bloomberg Asia USD Investment Grade spreads tightened by 2bps at 62bps and Bloomberg Asia USD High Yield spreads tightened by 2bps to 349bps respectively. (Bloomberg, OCBC)

New issues:

There were four notable issuances in the Asiadollar market yesterday.

- Deyang Development Holdings Group Co Ltd priced a USD350mn 3Y Green Fixed Bond at 4.29%.
- Avation Group S Pte Ltd priced a USD300mn 5.5NC2 Fixed Bond at Par to Yield 8.50%.
- GLP China Holdings Ltd priced a USD300mn 3.5Y Fixed Bond at 7.75%.
- Shangrao Investment Holdings International Co Ltd (guarantor: Shangrao Investment Holding Group Co Ltd) priced a USD240mn 3Y Sustainability Fixed Bond at Par to Yield 4.40%.

There was one notable issuance in the Singdollar market yesterday.

- Riyad Bank priced a SGD150mn 2Y Fixed Sukuk Al Wakala Bel at 2.00%.

Mandates:

- ForteBank JSC may issue a USD-denominated Additional Tier 1 note.

Foreign Exchange

	Day Close	% Change		Day Close
DXY	98.936	0.04%	**USD-SGD**	1.2984
USD-JPY	152.570	0.39%	**EUR-SGD**	1.5083
EUR-USD	1.162	0.06%	**JPY-SGD**	0.8509
AUD-USD	0.651	0.37%	**GBP-SGD**	1.7302
GBP-USD	1.333	-0.22%	**AUD-SGD**	0.8455
USD-MYR	4.228	-0.06%	**NZD-SGD**	0.7469
USD-CNY	7.123	0.00%	**CHF-SGD**	1.6327
USD-IDR	16620	0.27%	**SGD-MYR**	3.2530
USD-VND	26333	-0.06%	**SGD-CNY**	5.4862

Equity and Commodity

Index	Value	Net change
DJIA	46,734.61	144.20
S&P	6,738.44	39.04
Nasdaq	22,941.80	201.40
Nikkei 225	48,641.61	-666.18
STI	4,416.27	22.35
KLCI	1,608.00	5.31
JCI	8,274.35	121.80
Baltic Dry	2,092.00	-2.00
VIX	17.30	-1.30

SOFR

Tenor	EURIBOR	Change	Tenor	USD SOFR
1M	1.8900	-0.74%	**1M**	3.9800
3M	2.0660	1.37%	**2M**	3.9072
6M	2.0990	-0.52%	**3M**	3.8513
12M	2.1560	-0.05%	**6M**	3.6986
			1Y	3.4885

Government Bond Yields (%)

Tenor	SGS (chg)	UST (chg)
2Y	1.45 (+0.01)	3.49(--)
5Y	1.64 (+0.04)	3.61 (+0.06)
10Y	1.81 (+0.03)	4 (+0.05)
15Y	1.91 (+0.04)	--
20Y	1.89 (+0.03)	--
30Y	1.99 (+0.03)	4.59 (+0.05)

Fed Rate Hike Probability

Meeting	# of Hikes/Cuts	% of Hikes/Cuts	Implied Rate Change	Expected Effective Fed Funds Rate
10/29/2025	-0.989	-98.90%	-0.247	3.858
12/10/2025	-1.922	-93.30%	-0.48	3.624

Financial Spread (bps)

	Value	Change
TED	35.36	--

Secured Overnight Fin. Rate

SOFR	4.21

Commodities Futures

Energy	**Futures**	**% chg**	**Soft Commodities**	**Futures**	**% chg**
WTI (per barrel)	61.79	5.62%	Corn (per bushel)	4.280	1.2%
Brent (per barrel)	65.99	5.43%	Soybean (per bushel)	10.448	1.0%
Heating Oil (per gallon)	240.30	6.82%	Wheat (per bushel)	5.130	1.8%
Gasoline (per gallon)	192.69	3.32%	Crude Palm Oil (MYR/MT)	45.090	0.5%
Natural Gas (per MMBtu)	3.34	-3.07%	Rubber (JPY/KG)	309.500	2.8%

Base Metals	**Futures**	**% chg**	**Precious Metals**	**Futures**	**% chg**
Copper (per mt)	10854.50	1.80%	Gold (per oz)	4126.3	0.7%
Nickel (per mt)	15363.00	1.32%	Silver (per oz)	48.9	0.9%

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

Economic Calendar

Date Time	Country Code	Event	Period	Survey	Actual	Prior	Revised
10/24/2025 13:00	IN	HSBC India PMI Composite	Oct P	--	--	61	--
10/24/2025 13:00	SI	Industrial Production SA MoM	Sep	8.70%	--	-9.70%	--
10/24/2025 13:00	SI	Industrial Production YoY	Sep	0.50%	--	-7.80%	--
10/24/2025 13:00	JN	Leading Index CI	Aug F	--	--	107.4	--
10/24/2025 13:00	JN	Coincident Index	Aug F	--	--	113.4	--
10/24/2025 15:30	TH	Gross International Reserves	17-Oct	--	--	$272.7b	--
10/24/2025 15:30	TH	Forward Contracts	17-Oct	--	--	$23.1b	--
10/24/2025 16:00	EC	HCOB Eurozone Composite PMI	Oct P	51.1	--	51.2	--
10/24/2025 16:30	UK	S&P Global UK Composite PMI	Oct P	50.5	--	50.1	--
10/24/2025 20:30	US	CPI YoY	Sep	3.10%	--	2.90%	--
10/24/2025 20:30	US	Core CPI YoY	Sep	3.10%	--	3.10%	--
10/24/2025 21:45	US	S&P Global US Composite PMI	Oct P	53.5	--	53.9	--
10/24/2025 22:00	US	New Home Sales	Sep	708k	--	800k	--
10/24/2025 22:00	US	U. of Mich. Sentiment	Oct F	54.5	--	55	--
10/24/2025 23:00	US	Kansas City Fed Services Activity	Oct	--	--	-9	--
10/24/2025-10/25/2025	US	Building Permits	Sep F	--	--	--	--

Source: Bloomberg

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