OCBC

GLOBAL MARKETS RESEARCH

Daily Treasury Outlook

29 October 2025

Highlights

Global: U.S. equities closed at record highs overnight, led by a rally in technology stocks ahead of the Federal Reserve meeting. ADP announced it will begin publishing a weekly preliminary estimate of its National Employment Report every Tuesday starting October 28, based on high-frequency payroll data. The latest release showed private payrolls rising by an average of 14,250 jobs per week in the four weeks ending October 11 — equivalent to about 57,000 jobs in the four weeks through October, up from a 32,000 average in September, suggesting a modest pickup in labor demand.

Meanwhile, the Conference Board's consumer confidence index fell to 94.6 in October (from an upwardly revised 95.6 in September), marking the weakest reading since April. Confidence declined among households earning below USD75,000, while sentiment among those earning above USD200,000 improved. The labor market differential — reflecting perceptions of job availability — widened to 9.4% from 8.7%, implying some stabilization in the unemployment rate. Inflation expectations for the next 12 months edged up to 5.9% from 5.8%, while home-buying intentions weakened despite lower mortgage rates.

In Asia, China and ASEAN signed an upgraded Free Trade Agreement, enhancing cooperation in agriculture, digital economy, and pharmaceuticals, marking another step toward deeper regional economic integration.

On the geopolitical front, the Republican-led U.S. Senate voted 52–48 to overturn President Trump's tariffs on Brazil by terminating the national emergency declared in July. Five Republicans crossed party lines in support of the bill, though it is expected to stall in the House. The debate reignited discussions over Congress's role in trade policy.

Market Watch: Looking ahead, markets will focus on the potential Trump–Xi meeting, today's Bank of Canada policy decision, and tomorrow's Fed announcement. According to The Wall Street Journal, Washington may consider halving the 20% fentanyl-related tariffs on Chinese goods as part of ongoing trade framework discussions.

Commodities: Crude oil benchmarks extended declines for the third consecutive trading session, with WTI and Brent falling by 1.9% to USD60.2/bbl and USD64.4/bbl, respectively. Oil prices dropped after signs of oversupply dampened the recent price rally, which had been driven by concerns over supply disruption caused by US sanctions on major Russian oil producers. According to data from Vortexa, the volume of crude oil shipments across the world's oceans surged by 26.2% YoY to ~1.4mn bbls. Meanwhile, prospects of higher OPEC+ supply exerted further downward pressure on prices. Media reports indicate that OPEC+ may announce another modest

Key Market Movements

Equity	Value	% chg
S&P 500	6890.9	0.2%
DJIA	47706	0.3%
Nikkei 225	50219	-0.6%
SH Comp	3988.2	-0.2%
STI	4450.4	0.2%
Hang Seng	26346	-0.3%
KLCI	1613.6	-0.3%
	Value	**% chg**
DXY	98.667	-0.1%
USDJPY	152.11	-0.5%
EURUSD	1.1651	0.1%
GBPUSD	1.3272	-0.5%
USDIDR	16605	-0.1%
USDSGD	1.2939	-0.2%
SGDMYR	3.2407	-0.2%
	Value	**chg (bp)**
2Y UST	3.49	-0.07
10Y UST	3.98	-0.39
2Y SGS	1.42	-0.80
10Y SGS	1.83	-0.48
3M SORA	1.36	-0.80
3M SOFR	4.31	-0.10
	Value	**% chg**
Brent	64.4	-1.9%
WTI	60.15	-1.9%
Gold	3952	-0.8%
Silver	47.06	0.4%
Palladium	1402	0.1%
Copper	11039	0.1%
BCOM	106.15	-0.5%

Source: Bloomberg

production increase for December at its 2 November meeting. Elsewhere, the American Petroleum Institute (API) reported a decline of 4.0mn bbls in US crude inventories for the week ending 24 October. The Energy Information Administration (EIA) is scheduled to release its weekly oil inventories status report tonight (29 October), with consensus anticipating a smaller drawdown of 0.7mn bbls in US crude oil inventories.

Major Markets

CH: President Xi confirmed in the explanatory note that detailed quantitative targets for the 15th five-year plan will be released in the coming months. For the first time, the plan explicitly targets a “significant increase in the household consumption rate,” underscoring the shift toward demand-side reform. We expect China may roll out the target for consumption rate next year.

ID: The Free Nutritious Meals program (MBG) has reached 39.2mn beneficiaries with IDR35trn in spending, aiming to expand to 82.9mn by year-end, as reported by Antara citing the National Nutrition Agency. The program operates through 13,347 kitchens nationwide and is supported by finalized technical guidelines and a new Presidential Regulation to ensure coordinated governance and accountability, with Coordinating Minister for Food Affairs Zulkifli Hasan overseeing the MBG Implementation Coordination Team.

MY: Prime Minister Anwar Ibrahim and New Zealand’s Prime Minister Christopher Luxon agreed to conclude the review of the Malaysia–New Zealand Free Trade Agreement (MNZFTA) by year-end. The two leaders met on the sidelines of the 47th ASEAN Summit, reaffirming their commitment to deepen cooperation in trade, investment, halal industry development, education, and renewable energy. They also reviewed progress on several MoUs covering agriculture, youth and sports, and transnational crime. Elsewhere, Prime Minister Anwar Ibrahim officially handed over ASEAN’s chairmanship to Philippine President Ferdinand Marcos Jr, marking the transition of leadership for 2026.

PH: President Ferdinand Marcos Jr. formally accepted the Philippines’ role as chair of ASEAN for 2026 after Malaysian Prime Minister Anwar Ibrahim handed over the ASEAN chairmanship gavel at the closing ceremony of the 47th ASEAN Summit. Manila will lead under the theme "Navigating Our Future, Together," with priorities to fortify peace and security, strengthen prosperity corridors, and advance people empowerment while implementing the ASEAN Community Vision 2045. The Philippines will promote ASEAN centrality, dialogue, and adherence to international law, as well as support Timor Leste’s further integration into the regional bloc. President Marcos Jr. also pledged continuity with past chairmanship, building on Malaysia’s year of stewardship. The three-day summit also saw the formal admission of Timor Leste as ASEAN’s 11th member and the signing of the ACFTA 3.0 Upgrade Protocol, attended by major world leaders.

TH: Thailand and Vietnam reaffirmed their commitment to deepening their comprehensive strategic partnership during a meeting between Thai Foreign Minister Sihasak Phuangketkoew and Vietnamese Foreign Minister Le Hoai Trung on the sidelines of the 47th ASEAN Summit. Minister Phuangketkoew revealed that both sides agreed to accelerate the action plan to make their bilateral collaboration forward looking and aligned with ASEAN's collective goals. Additionally, both parties explored expanding economic cooperation, highlighting Thai investor interest in Vietnam's lower-cost solar and wind energy sectors and Vietnam's willingness to review its pricing structure to attract more Thai investment. The topic of banking cooperation was also raised, with Vietnam signalling interest in allowing Thai banks to operate as full service financial institutions to boost private sector flows.

ESG

SG: Singapore announced at the Singapore International Energy week that it is exploring biomethane as a low-carbon fuel to reduce emissions from its power sector. A key advantage is that biomethane can be used within the existing natural gas infrastructure without costly retrofits, unlike hydrogen or ammonia that would require plant upgrades. Biomethane is produced mainly through upgrading biogas from organic waste in a process that removes carbon dioxide and other contaminants, according to the International Energy Agency. Organic waste can come from sources such as the agricultural sector. Biomethane is considered to be a low-carbon fuel because the carbon it produces when burned is part of a natural carbon cycle that would have been released into the atmosphere anyway through the process of decomposition. Singapore will be establishing a regulatory sandbox of up to 300MW to catalyse biomethane supply chain development and facilitate adoption by key industry players.

Credit Market Updates

Market Commentary: The SGD SORA OIS curve traded lower yesterday with shorter tenors trading 3-4bps lower while belly tenors and 10Y traded 3bps lower. As per Bloomberg, Indonesian energy and chemicals firm, PT Chandra Asri Pacific Tbk ("Chandra"), is in talks with competing consortiums of lenders to finance its' USD1bn acquisition of Esso-branded service stations in Singapore from Exxon Mobil Corp. Chandra is reported to be in talks with Global Atlantic, the insurance arm of KKR & CO, for a USD750mn unitranche facility and plans to cover the remaining USD250mn with equity. Separately, Chandra is seeking up to USD600mn in senior loans from banks and about USD250mn in mezzanine financing from private credit funds, including Indonesia Investment Authority, Allianz Global Investors and Ares Management, with the rest funded by equity. Chandra Asri is also in talks with at least one other funds for a loan to back the acquisition. The Industrial & Commercial Bank of China Ltd has entered into an agreement to take over all of Bank of Jinzhou's ("Jinzhou") businesses and branches, following a 2019 state-led rescue of Bank of Jinzhou, and will continue to provide banking services for this bank. Bloomberg Asia USD Investment Grade spreads traded flat at 60bps and Bloomberg Asia USD High Yield spreads tightened by 1bps to 342bps respectively. (Bloomberg, OCBC)

New issues:

There were four notable issuances by two issuers in the Asiadollar market yesterday.

- Meituan priced USD2bn of debt in 3 tranches: a USD800mn 10Y Fixed Bond at T+115bps (reoffer price 99.876 to yield 5.141%), a USD600mn 7Y Fixed Bond at T+105bps (reoffer price 99.471 to yield 4.84%) and a USD600mn 5.5Y Fixed Bond at T+95bps (reoffer price 99.649 to yield 4.573%).
- Peak RE Bvi Holding Ltd (guarantor: Peak Reinsurance Co Ltd) priced a USD350mn PerpNC5.25 Subordinated Fixed Perpetual at par to yield 5.625%.

There was one notable issuance in the Singdollar market yesterday.

- Wee Hur Holdings Ltd. priced a SGD175mn 5Y Fixed Bond at 4.80%.

Mandates:

- Bayfront IABS VII Pte. Ltd. (Clifford Capital Holdings Pte. Ltd as Sponsor and Clifford Capital Asset Finance Pte. Ltd as the Originator and Retention Holder) may issue multiple classes of USD-denominated Senior Secured FRN.

Foreign Exchange

	Day Close	% Change		Day Close
DXY	98.667	-0.12%	**USD-SGD**	1.2939
USD-JPY	152.110	-0.50%	**EUR-SGD**	1.5077
EUR-USD	1.165	0.05%	**JPY-SGD**	0.8506
AUD-USD	0.659	0.44%	**GBP-SGD**	1.7171
GBP-USD	1.327	-0.48%	**AUD-SGD**	0.8522
USD-MYR	4.198	-0.32%	**NZD-SGD**	0.7481
USD-CNY	7.099	0.00%	**CHF-SGD**	1.6309
USD-IDR	16605	-0.06%	**SGD-MYR**	3.2407
USD-VND	26320	0.07%	**SGD-CNY**	5.4880

Equity and Commodity

Index	Value	Net change
DJIA	47,706.37	161.78
S&P	6,890.89	15.73
Nasdaq	23,827.49	190.03
Nikkei 225	50,219.18	-293.14
STI	4,450.36	10.06
KLCI	1,613.56	-4.82
JCI	8,092.63	-24.52
Baltic Dry	1,976.00	-15.00
VIX	16.42	0.63

SOFR

Tenor	EURIBOR	Change	Tenor	USD SOFR
1M	1.8860	1.56%	**1M**	3.9536
3M	2.0840	0.58%	**2M**	3.8867
6M	2.1240	0.95%	**3M**	3.8332
12M	2.1750	0.74%	**6M**	3.6900
			1Y	3.4922

Government Bond Yields (%)

Tenor	SGS (chg)	UST (chg)
2Y	1.42 (-0.01)	3.49(--)
5Y	1.63 (-0.02)	3.61 (+0.01)
10Y	1.83 (--)	3.98 (0)
15Y	1.95 (--)	--
20Y	1.92 (--)	--
30Y	2.01 (-0.02)	4.54 (-0.01)

Fed Rate Hike Probability

Meeting	# of Hikes/Cuts	% of Hikes/Cuts	Implied Rate Change	Expected Effective Fed Funds Rate
10/29/2025	-0.999	-99.90%	-0.25	3.852
12/10/2025	-1.911	-91.20%	-0.478	3.625

Financial Spread (bps)

	Value	Change
TED	35.36	--

Secured Overnight Fin. Rate

SOFR	4.27

Commodities Futures

Energy	**Futures**	**% chg**	**Soft Commodities**	**Futures**	**% chg**
WTI (per barrel)	60.15	-1.89%	Corn (per bushel)	4.320	0.8%
Brent (per barrel)	64.40	-1.86%	Soybean (per bushel)	10.783	1.0%
Heating Oil (per gallon)	238.72	-2.01%	Wheat (per bushel)	5.290	0.6%
Gasoline (per gallon)	192.52	0.25%	Crude Palm Oil (MYR/MT)	45.090	0.5%
Natural Gas (per MMBtu)	3.35	-2.82%	Rubber (JPY/KG)	309.500	2.8%

Base Metals	**Futures**	**% chg**	**Precious Metals**	**Futures**	**% chg**
Copper (per mt)	11038.50	0.09%	Gold (per oz)	3952.1	-0.8%
Nickel (per mt)	15296.00	0.14%	Silver (per oz)	47.1	0.4%

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

Economic Calendar

Date Time	Country Code	Event	Period	Survey	Actual	Prior	Revised
10/29/2025 10:00	SK	Retail Sales YoY	Sep	--	--	3.70%	--
10/29/2025 10:00	SK	Department Store Sales YoY	Sep	--	--	2.80%	--
10/29/2025 10:00	SK	Discount Store Sales YoY	Sep	--	--	-15.60%	--
10/29/2025 13:00	JN	Consumer Confidence Index	Oct	35.5	--	35.3	--
10/29/2025 17:30	UK	Net Lending Sec. on Dwellings	Sep	4.1b	--	4.3b	--
10/29/2025 17:30	UK	Mortgage Approvals	Sep	64.0k	--	64.7k	--
10/29/2025 17:30	UK	Money Supply M4 MoM	Sep	--	--	0.40%	--
10/29/2025 17:30	UK	M4 Money Supply YoY	Sep	--	--	3.40%	--
10/29/2025 19:00	US	MBA Mortgage Applications	24-Oct	--	--	-0.30%	--
10/29/2025 20:30	US	Advance Goods Trade Balance	Sep	-$89.5b	--	-$85.5b	--
10/29/2025 20:30	US	Advance Goods Imports MoM SA	Sep	--	--	-7.00%	--
10/29/2025 20:30	US	Retail Inventories MoM	Sep	0.10%	--	0.00%	--
10/29/2025 20:30	US	Wholesale Inventories MoM	Sep P	-0.20%	--	--	--
10/29/2025 21:45	CA	Bank of Canada Rate Decision	29-Oct	2.25%	--	2.50%	--
10/29/2025 22:00	US	Pending Home Sales MoM	Sep	1.20%	--	4.00%	--
10/29/2025 22:00	US	Pending Home Sales NSA YoY	Sep	--	--	0.50%	--

Source: Bloomberg

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