By Global Markets | 5 November 2026

Daily Treasury Outlook

Highlights

Global: US equities rallied overnight following the Democrats' decisive victory in the midterm elections, securing control of both chambers of Congress. The election outcome eased political uncertainty, while sharply lower oil prices supported broader risk sentiment. However, technology shares were mixed, with data centre operators declining amid concerns over tighter AI regulation, while the semiconductor index fell 3.1%. Brent crude plunged 8.7% to USD94.6/barrel as investors anticipated greater political pressure on President Trump to pursue a diplomatic resolution to the US-Iran conflict. US Treasury yields also declined, with the 10-year yield falling to 4.88%.

On the economic front, ADP private payrolls increased by 86k in October, above consensus expectations of 67k. Services accounted for 82k of the increase, led by trade, transportation and utilities (+39k) and education and healthcare (+28k), while professional and business services shed 27k jobs. Separately, the ISM Services PMI eased to 54.5 in October from 54.9 in September, slightly below expectations of 54.8. New orders moderated to 55.9 from 59.8, while business activity slowed to 53.8 from 56.5. Meanwhile, the employment index improved to 51.4 from 50.1, while prices paid remained elevated at 73.0, despite easing from 74.0. Overall, the data pointed to continued economic expansion, albeit with moderating services demand and persistent input cost pressures.

Market Watch: The Philippines is due to release October inflation data this morning, alongside Japan's services PMI. Attention will then turn to Indonesia's 3Q26 GDP release at noon, followed by Singapore's September retail sales at 1pm and Bank Negara Malaysia's policy decision at 3pm. Taiwan's October inflation figures are also due at 4pm. Beyond Asia, the Bank of England will announce its policy decision at 8pm Singapore time, while US initial jobless claims are due later tonight.

Major Markets

MY: Investment, Trade and Industry Minister Johari Abdul Ghani said the government would ensure that growing data centre investments do not disrupt electricity supply to existing industries, as reported by The Edge Malaysia. Speaking at the Amazon Web Services Cloud and AI Day event on 4 Nov, Johari said data centres were important for technological adoption across industries, including manufacturing, but their development must be balanced against existing industrial energy requirements. He added that the government had stipulated a minimum local content requirement of 30.0% for data centre development, covering services such as consulting, contracting, engineering and procurement management. Johari also said the government encouraged foreign investors to finance data centre infrastructure development, while creating opportunities for domestic companies to participate in related supply chains. He noted that Malaysia could support data centre development through its natural gas resources and renewable energy.

Key Market Movements

Equity	Value	% chg
S&P 500	7688.6	1.6%
DJIA	53356	3.0%
Nikkei 225	62189	-1.4%
SH Comp	3686.2	2.2%
STI	5268.6	0.0%
Hang Seng	23920	1.7%
KLCI	1616.6	-0.3%
	Value	**% chg**
DXY	101.492	-0.4%
USDJPY	158.43	-0.2%
EURUSD	1.1228	0.3%
GBPUSD	1.3471	0.4%
USDIDR	18165	0.1%
USDSGD	1.2784	-0.2%
SGDMYR	3.1792	-0.1%
	Value	**chg (bp)**
2Y UST	4.58	-5.00
10Y UST	4.89	-7.42
2Y SGS	1.83	-1.90
10Y SGS	2.18	-3.43
3M SORA	1.31	0.53
3M SOFR	3.79	0.37
	Value	**% chg**
Brent	94.62	-8.7%
WTI	88.12	-8.3%
Gold	4061	3.3%
Silver	52.22	4.9%
Palladium	1006	7.3%
Copper	14011	-0.2%
BCOM	134.30	-2.0%

Source: Bloomberg

ID: Finance Minister Suahasil Nazara said the government needs to collect more than IDR600trn in state revenue during Nov-Dec to meet its 2026 budget target, while approximately IDR990trn in budgeted expenditure remains to be disbursed. Speaking after a cabinet meeting with President Prabowo Subianto, Suahasil said revenue collection and expenditure through Oct remained on track, although substantial budget execution was still required in the final two months of the year. He noted that government spending typically accelerates towards year-end, but President Prabowo had instructed ministries and agencies to maintain spending efficiency and ensure that expenditure meets its intended objectives. FM Suahasil added that the government would continue optimising revenue collection while strengthening expenditure management, with detailed Oct budget figures to be released in the next monthly fiscal report.

PH: Bangko Sentral ng Pilipinas (BSP) Governor Eli Remolona Jr. said that the BSP is not yet considering rate cuts as it remains in a tightening cycle. He declined to say whether tightening would extend into 2027, or whether an off-cycle move could come before the 17 December meeting, saying decisions would depend on incoming data. Deputy Governor Zeno Ronald Abenoja added that higher food and energy prices could push inflation above 8%, keeping it elevated into early 2027 before it gradually eases. On growth, both officials expect a recovery following a slowdown in 2Q26, with Remolona anticipating a rebound in 4Q26 or 1Q27 as the government accelerates spending. He also flagged the peso's sharp depreciation as a concern, as it could add to inflationary pressures by raising import costs.

AU: Australia's Monthly Household Spending Indicator rose 0.6% MoM sa in September, rebounding from the 0.1% decline recorded in August. On a yearly basis, household spending increased by 6.8%, up from 6.5% in August. In volume terms, spending rose 0.7% QoQ and 3.2% YoY in 3Q26. September's increase was relatively broad-based, with spending rising in six of the nine categories. Transport and health led the increase, both rising 1.5%, followed by recreation and culture at 0.8%. Health spending was boosted by higher expenditure on medical consultations and pharmaceutical products amid late flu activity, while recreation spending was supported by major sporting events, live entertainment and advance ticket purchases. Transport spending was also lifted by higher fuel prices following the end of fuel-excise relief in August.

Sustainability

MY: Tenaga Nasional, IOI Corporation and a consortium of 12 SMEs will develop a 500MW solar project with a 250MW/1,000MWh battery system in Negeri Sembilan under the Corporate Renewable Energy Supply Scheme (CRESS). The partners will invest up to RM606.2mn in combined equity, with debt potentially accounting for 80% of project financing. The project highlights growing investment in large-scale solar coupled with energy storage in Malaysia, which could help integrate more variable renewables while supporting rising demand for green electricity.

Credit Market Updates

Market Commentary:

- The SGD SORA OIS curve traded flat to lower yesterday; shorter tenors traded flat to 3bps lower, belly tenors both 3-4bps lower, and the 10Y tenor traded 4bps lower.
- US Investment Grade spreads traded 2bps tighter to 89bps, and US High Yield spreads tightened by 11bps to 324bps.
- Bloomberg Asia USD Investment Grade widened by 1bps to 73bps, and the Asia USD High Yield spreads also widened by 4bps to 389bps. The Bloomberg Global contingent capital statistics tightened by 3bps to 251bps. (Bloomberg, OCBC)

New Issues:

- There were no issuances in the Singdollar yesterday. APAC USD and DM IG markets saw USD1.5bn and USD10.5bn of issuances respectively. (prior business day: zero and USD15.85bn respectively). APAC USD was led by Fortescue Treasury Pty Ltd (guarantor: Fortescue Ltd), which priced USD1.5bn 6NCL bond at T+225bps, while DM IG was led by CRH America Finance Inc (priced USD4.2bn across four tranches).

Credit Headlines:

- Barclays PLC (BARC): BARC will offer early settlements to certain motor-finance customers who complained about undisclosed commissions, with approximately GBP325mn provisioned for related costs; the FCA supports qualifying early payouts while parts of the industry-wide redress scheme remain suspended pending the February to March 2027 court challenge.
- United Overseas Bank Ltd (UOBSP): 3Q2026 operating profit fell 3% y/y and 8% q/q to SGD1,811mn, NIM declined to 1.68%, and Greater China NPA increased to SGD2.46bn, while fee income rose 19% y/y and CET1 was 14.0%.
- Pfizer Inc (PFE): 3Q2026 revenue was USD16.6bn, with non-COVID operational revenue growth of 7% y/y and stronger contributions from Eliquis and Padcev; PFE raised its full-year revenue guidance to USD62.0bn–USD64.0bn, while reported leverage declined to 2.6x.
- CapitaLand Investment Ltd (CLIVSG): 9M2026 fee-related revenue rose 15% y/y to SGD1,035mn, while real estate investment revenue fell 23% to SGD580mn; net debt/equity increased to 0.46x and FUM was SGD128bn at 1H2026 against its SGD200bn FY2028 target.

Equity Market Updates

US: US stocks rallied strongly on Wednesday as Democrats swept control of both chambers of Congress in Tuesday's midterm elections, resolving political uncertainty and triggering a broad rotation across markets. The S&P 500 rose 1.6%, its best day since August, the Nasdaq gained approximately 1.9%, and the Dow surged roughly 2.9%, its largest single-day advance in 19 months. Technology megacaps led gains, with Amazon, Microsoft, and Apple each climbing over 5%, as investors anticipated that a Democrat-controlled Congress would curb AI-related capital expenditure that has weighed on free cash flow. Conversely, defence contractors sold off sharply, with Lockheed Martin falling 6.9% and Northrop Grumman 4.5%, on expectations of reduced military spending, whilst energy stocks dropped over 4% as Brent crude plunged nearly 10% below USD100 a barrel on bets the election outcome would accelerate an end to the Iran conflict. Data centre and AI infrastructure stocks also declined as

newly elected governors signalled intentions to pause data centre development. Treasury yields fell across the curve, with the 10-year yield dropping approximately 7.9 basis points to 4.89% and the 2-year falling to 4.55%, as markets priced in constraints on Trump's fiscal agenda and reduced deficit expansion risk, and the dollar posted its worst session in two months. Notably, the Democratic Senate win is seen as shielding Federal Reserve independence, removing a key source of monetary policy uncertainty. AppLovin surged nearly 20% in after-hours trade following strong earnings results.

Foreign Exchange

	Day Close	% Change		Day Close
DXY	101.492	-0.37%	USD-SGD	1.2784
USD-JPY	158.43	-0.16%	EUR-SGD	1.4359
EUR-USD	1.123	0.31%	JPY-SGD	0.8072
AUD-USD	0.701	0.55%	GBP-SGD	1.7228
GBP-USD	1.347	0.42%	AUD-SGD	0.8958
USD-MYR	4.063	-0.30%	NZD-SGD	0.7189
USD-CNY	6.675	0.06%	CHF-SGD	1.5649
USD-IDR	18165	0.09%	SGD-MYR	3.1792
USD-VND	25721	-0.16%	SGD-CNY	5.2190

Equity and Commodity

Index	Value	Net change
DJIA	53,356.12	1569.40
S&P	7,688.62	119.70
Nasdaq	25,736.51	364.50
Nikkei 225	62,188.63	-893.23
STI	5,268.63	-0.66
KLCI	1,616.56	-5.29
JCI	4,919.77	15.48
Baltic Dry	2,590.00	-58.00
VIX	16.61	-4.22

SOFR

Tenor	EURIBOR	Change	Tenor	USD SOFR
1M	2.4350	-0.53%	1M	3.8988
3M	2.7650	1.88%	2M	4.0198
6M	3.0060	0.40%	3M	4.0653
12M	3.3170	0.39%	6M	4.1896
			1Y	4.3876

Government Bond Yields (%)

Tenor	SGS (chg)	UST (chg)
2Y	1.83 (-0.02)	4.58(--)
5Y	1.98 (-0.02)	4.69 (-0.08)
10Y	2.18 (-0.03)	4.88 (-0.07)
15Y	2.22 (-0.03)	--
20Y	2.18 (-0.04)	--
30Y	2.21 (-0.04)	5.27 (-0.05)

Fed Rate Hike Probability

Meeting	# of Hikes/Cuts	% of Hikes/Cuts	Implied Rate Change	Expected Effective Fed Funds Rate
10/28/2026	0.072	7.200	0.018	3.898
12/09/2026	0.820	82.000	0.205	4.086
01/27/2027	1.045	22.500	0.261	4.142
03/17/2027	1.610	56.500	0.403	4.284

Secured Overnight Fin. Rate

SOFR	3.97

Commodities Futures

Energy	Futures	% chg	Soft Commodities	Futures	% chg
WTI (per barrel)	88.12	-8.3%	Corn (per bushel)	4.443	0.4%
Brent (per barrel)	94.62	-8.7%	Soybean (per bushel)	11.933	-0.8%
Heating Oil (per gallon)	420.55	-7.2%	Wheat (per bushel)	5.985	-0.2%
Gasoline (per gallon)	272.86	-7.0%	Crude Palm Oil (MYR/MT)	43.000	-1.1%
Natural Gas (per MMBtu)	2.96	2.2%	Rubber (JPY/KG)	4.470	0.0%
Base Metals	**Futures**	**% chg**	**Precious Metals**	**Futures**	**% chg**
Copper (per mt)	14011	-0.2%	Gold (per oz)	4061	3.3%
Nickel (per mt)	15779	2.8%	Silver (per oz)	52.22	4.9%

Source: Bloomberg, Reuters

Economic Calendar

Date Time	Country Code	Event	Period	Survey	Actual	Prior	Revised
11/05/2026 7:00	SK	BoP Current Account Balance	Sep	--	$61457.5m	$46113.0m	--
11/05/2026 8:00	PH	CPI YoY 2018=100	Oct	7.60%	7.80%	7.20%	--
11/05/2026 8:30	JN	S&P Global Japan PMI Composite	Oct F	--	--	52.3	--
11/05/2026 8:30	JN	S&P Global Japan PMI Services	Oct F	--	--	52	--
11/05/2026 8:30	AU	Trade Balance	Sep	A$1000m	--	A$495m	--
11/05/2026 12:00	ID	GDP YoY	3Q	5.20%	--	5.29%	--
11/05/2026 13:00	SI	Retail Sales YoY	Sep	2.20%	--	0.70%	--
11/05/2026 15:00	MA	BNM Overnight Policy Rate	5-Nov	2.75%	--	2.75%	--
11/05/2026 16:00	TA	CPI YoY	Oct	2.60%	--	2.73%	--
11/05/2026 17:30	UK	S&P Global UK Construction PMI	Oct	46.5	--	46.1	--
11/05/2026 20:00	UK	Bank of England Bank Rate	5-Nov	4.00%	--	3.75%	--
11/05/2026 21:30	US	Initial Jobless Claims	31-Oct	196k	--	194k	--
11/05/2026 21:30	US	Continuing Claims	24-Oct	1710k	--	1701k	--

Source: Bloomberg

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