

## Daily Treasury Outlook

### Highlights

**Global:** U.S. equities closed slightly lower overnight, despite the decline in oil prices to below USD90 per barrel. Market sentiment remained fragile amid the absence of any clear sign of a near-term end to the conflict in the Middle East. Reports indicated that the United States and Israel carried out the most intense airstrikes on Iran on Tuesday. Meanwhile, there are growing concerns that Iran's Revolutionary Guards may consider deploying naval mines in the Strait of Hormuz, a move that would escalate geopolitical risks and raise the spectre of stagflation. Against this backdrop, U.S. Treasury yields moved higher again, reflecting rising inflation risk premiums linked to potential energy supply disruptions.

In Europe, financial markets pared back expectations of further ECB rate hikes after oil prices pulled back from recent highs. However, this still represents a notable shift compared with two weeks ago, when investors broadly expected policy rates to remain steady throughout the year, with even a small probability of a rate cut amid weak inflation dynamics. ECB policymakers have also begun to acknowledge the evolving risk environment. Officials from both Lithuania's and Estonia's central banks emphasized the need for a measured policy response, noting that policymakers must carefully assess whether the current surge in energy prices represents a temporary shock or a more persistent structural shift. The governor of Estonia's central bank added that while policymakers should avoid rushing into decisions, the probability of the next move in policy rates has tilted more toward a hike rather than a cut.

In January - February 2026, China's exports grew by 21.8% YoY in USD terms (previous: 6.6%), while imports increased by 19.8% YoY (previous: 5.7%). This marks the first return to double-digit trade growth since the same period in 2022. The goods trade surplus widened to USD213.6 billion in the first two months of the year. Notably, export momentum remained robust despite the high base created by front-loaded shipments in early 2025, underscoring the resilience of China's external sector.

**Market Watch:** Looking ahead, the release of the U.S. February CPI later today will be the key macro focus for markets. Fed Governor Michelle Bowman is also scheduled to speak following the release. Meanwhile, the OPEC Monthly Report will be closely monitored for further signals on supply dynamics amid heightened oil market volatility.

### Key Market Movements

Equity	Value	% chg
S&P 500	6781.5	-0.2%
DJIA	47707	-0.1%
Nikkei 225	54248	2.9%
SH Comp	4123.1	0.6%
STI	4860.6	2.2%
Hang Seng	25960	2.2%
KLCI	1701.7	1.6%
	Value	% chg
DXY	98.826	-0.4%
USDJPY	158.05	0.2%
EURUSD	1.1611	-0.2%
GBPUSD	1.3418	-0.1%
USDIDR	16861	-0.5%
USDSGD	1.273	-0.1%
SGDMYR	3.0835	-0.4%
	Value	chg (bp)
2Y UST	3.59	5.41
10Y UST	4.16	5.99
2Y SGS	1.44	-3.40
10Y SGS	2.07	-4.91
3M SORA	1.11	-0.06
3M SOFR	3.69	-0.31
	Value	% chg
Brent	87.80	-11.3%
WTI	83.45	-11.9%
Gold	5192	1.0%
Silver	88.33	1.6%
Palladium	1661	-2.0%
Copper	13140	1.4%
BCOM	129.72	-2.2%

Source: Bloomberg

## Major Markets

**CH:** In January - February 2026, China's exports grew by 21.8% YoY in USD terms (previous: 6.6%), while imports increased by 19.8% YoY (previous: 5.7%). This marks the first return to double-digit trade growth since the same period in 2022. The goods trade surplus widened to USD213.6 billion in the first two months of the year. Notably, export momentum remained robust despite the high base created by front-loaded shipments in early 2025, underscoring the resilience of China's external sector.

In our view, three factors account for the strength of the latest export figures.

First, January - February coincided with a policy vacuum ahead of the Supreme Court ruling. Market participants widely expected that the IEEPA tariff framework could face judicial challenges, but the policy path thereafter remained unclear. In such an environment, accelerating shipments before the policy outlook becomes clearer constituted a rational strategy. As a result, front-loading behavior persisted, particularly among exporters with exposure to the U.S. market.

Second, the data reaffirms the resilience of China's reconfigured supply chains. Exports to the United States improved notably, with the decline narrowing to -11.0% YoY (previous: -30.0%), while exports to ASEAN economies surged by 29.4% YoY (previous: +11.1%). The sharp improvement in shipments to the U.S. reflects the evolving dynamics of front-loaded trade, while the strong expansion of exports to ASEAN underscores the continued extension of China's industrial supply chains into the region, as production networks become increasingly regionalized.

Third, semiconductor exports have emerged as a major driver of the export surge. China's semiconductor exports by value soared by around 73% YoY in January - February, supported from the ongoing global memory chip shortage. In fact, semiconductor products were among the most significant contributors to the recent acceleration in export growth. There is also an element of policy irony here: U.S. chip sanctions — which resulted in China accelerating domestic investment in mature and non-frontier nodes and thus may have inadvertently strengthened the competitiveness of China's semiconductor exports at the lower end of the technology stack.

Looking ahead, export growth in March may moderate from the current elevated pace as the effects of front-loaded shipments gradually fade. Nevertheless, overall export performance is likely to remain resilient. Importantly, the decline in the effective U.S. tariff rate following the Supreme Court ruling should provide additional support to China's export sector in the coming months.

**ID:** Retail sales growth accelerated to 5.7% YoY in January 2026 from 3.5% in December, according to Bank Indonesia's Retail Sales Survey. The expansion was mainly supported by higher sales of cultural & recreational goods, food, beverages & tobacco, as well as clothing. Retailers expect growth to strengthen further to 6.9% YoY in February 2026, driven by broad-based increases across commodity groups, particularly Spare Parts and Accessories, Other Household Equipment and Clothing, ahead of Ramadan and Eid-ul-Fitr. From the same survey, respondents are expecting price pressures to ease in the near term the next 3 months (April 2026) before up slightly in the next 6 months (July 2026).

**MY:** The industrial production index (IP) growth accelerated to 5.9% YoY in January 2026 from 4.8% in December 2025. By sector, manufacturing growth strengthened to 7.3% YoY in January from 6.7% in December, electricity output rose further to 6.3% from 3.8%, while mining production turned positive at 0.1% following a 2.5% contraction in the previous month. By orientation, the export-oriented industries expanded by 7.8% YoY in January 2026, slightly higher than the 7.5% growth recorded in December 2025, with the increase mainly supported by the manufacture of computer, electronics and optical products. Meanwhile, domestic-oriented industries accelerated to 6.4% YoY from 5.2% in December.

**TH:** The Thai cabinet approved emergency measures requiring most government agencies to adopt full work-from-home arrangements to reduce energy consumption, as reported by Bloomberg. National Economic and Social Development Council secretary-general Danucha Pichayanan said the move aims to curb energy demand amid heightened supply risks. The cabinet also urged government officials to suspend non-essential overseas travel, allowing only essential international meetings.

## ESG

**Rest of the world:** The demand for compliance carbon credits could increase if ongoing disruptions to oil and gas supplies compel industries to turn to cheaper and higher-emission fuels such as coal. Taiwan is considering raising production at coal-fired facilities while Italy is keeping its plants in "cold reserve" as a precaution. This would lead to a spike in demand for compliance credits as facilities generate more emissions if they turn back to coal for energy security. Reactivating coal-fired power plants to ensure energy security could represent a temporary setback in climate progress for some countries if an energy crisis ensues.

## Credit Market Updates

### Market Commentary:

The SGD SORA OIS curve traded lower yesterday with shorter tenors trading 4-7bps lower while belly tenors traded 8-9bps lower and 10Y tenors traded 8bps lower. Global Investment Grade spreads traded flat at 83bps and Global High Yield spreads tightened by 9bps to 292bps respectively. Bloomberg Global Contingent Capital Index tightened by 11bps to 242bps. Bloomberg Asia USD Investment Grade spreads tightened by 2bps to 63bps and Asia USD High Yield spreads tightened by 17bps to 380bps respectively. (Bloomberg, OCBC)

### New Issues:

The total issuance volumes for APAC and DM IG market yesterday were USD1.15bn and USD66.1bn respectively.

There were three notable issuers in the DM IG market yesterday where issuers priced deals of at least USD1.0bn.

- Amazon.com Inc priced USD37bn of debt in 11 tranches.
- Honeywell Aerospace Inc. priced USD16bn of debt in nine tranches.
- Takeoff Merger Sub Inc. priced USD4bn of debt in four tranches.

Among issuers under our official coverage, there was one notable issuer in the DM IG market.

- Goldman Sachs Bank USA/New York NY priced a USD100mn debt in one tranche.

There were two notable issuers in the APAC USD market yesterday where issuers priced deals of at least USD500mn.

- Sumitomo Mitsui Banking Corp priced a USD500mn 5Y FRN at SOFR+75bps.
- Atsol Global Ifsc Ltd (guarantors: Adani Transmission Step-One Ltd and Adani Energy Solutions Ltd) priced a USD500mn 15Y fixed secured bond at 6.117%.

There were no notable issuances in the Singdollar markets yesterday.

### Mandates:

- Jaguar Land Rover Automotive plc (guarantors: Jaguar Land Rover Limited and Jaguar Land Rover Holdings Limited) may issue a USD-denominated dual-tranche senior unsecured transaction across 3Y and 5Y tenors.

## Equity Market Updates

**US:** US stocks edged lower Tuesday as volatility whipsawed markets amid conflicting signals over the Iran conflict. The S&P 500 fell 0.2%, the Nasdaq Composite was essentially flat with a gain of 0.01%, and the Dow Jones Industrial Average slipped 0.1%. Markets initially rallied after President Trump suggested the war would end "very soon," sending oil prices plunging as much as 11% to USD87.80 per barrel. However, stocks erased gains late in the session following confusion over a now-deleted social media post about oil tanker escorts through the Strait of Hormuz. Treasury yields rose 2 to 5 basis points across the curve, with the 10-year yield climbing to 4.15% and the 30-year yield advancing to 4.78%. A USD58b 3-year note auction drew weak demand, tailing the when-issued yield by 1.1 basis points with a bid-to-cover ratio of 2.55. In corporate news, Oracle shares surged 10% in after-hours trading on strong AI cloud sales and fiscal-year outlook, whilst S&P Dow Jones Indices announced Vertiv Holdings, Lumentum Holdings, and Coherent Corp would join the S&P 500 on 23 Mar 2026.

Foreign Exchange				
	Day Close	% Change		Day Close
DXY	98.826	-0.35%	USD-SGD	1.2730
USD-JPY	158.05	0.24%	EUR-SGD	1.4774
EUR-USD	1.161	-0.21%	JPY-SGD	0.8055
AUD-USD	0.712	0.62%	GBP-SGD	1.7082
GBP-USD	1.342	-0.14%	AUD-SGD	0.9065
USD-MYR	3.924	-1.00%	NZD-SGD	0.7550
USD-CNY	6.869	-0.56%	CHF-SGD	1.6353
USD-IDR	16861	-0.50%	SGD-MYR	3.0835
USD-VND	26240	-0.13%	SGD-CNY	5.3984

Equity and Commodity		
Index	Value	Net change
DJIA	47,706.51	-34.29
S&P	6,781.48	-14.51
Nasdaq	22,697.10	1.15
Nikkei 225	54,248.39	1519.67
STI	4,860.64	104.03
KLCI	1,701.68	27.51
JCI	7,440.91	103.54
Baltic Dry	2,066.00	56.00
VIX	24.93	-0.57

SOFR				
Tenor	EURIBOR	Change	Tenor	USD SOFR
1M	1.9410	0.05%	1M	3.6748
3M	2.0780	1.42%	2M	3.6750
6M	2.1780	1.82%	3M	3.6741
12M	2.3670	1.89%	6M	3.6344
			1Y	3.5391

Government Bond Yields (%)		
Tenor	SGS (chg)	UST (chg)
2Y	1.44 (-0.03)	3.58(-)
5Y	1.65 (-0.04)	3.74 (+0.05)
10Y	2.07 (-0.05)	4.14 (+0.06)
15Y	2.15 (-0.05)	--
20Y	2.17 (-0.05)	--
30Y	2.24 (-0.04)	4.78 (+0.08)

Fed Rate Hike Probability				
Meeting	# of Hikes/Cuts	% of Hikes/Cuts	Implied Rate Change	Expected Effective Fed Funds Rate
03/18/2026	-0.001	-0.100	0.000	3.639
04/29/2026	-0.126	-12.400	-0.031	3.608
06/17/2026	-0.416	-29.000	-0.104	3.535
07/29/2026	-0.686	-27.000	-0.171	3.467
09/16/2026	-1.037	-35.100	-0.259	3.380

Financial Spread (bps)		
Value	Change	
TED	35.36	--

  

Secured Overnight Fin. Rate	
SOFR	3.65

Commodities Futures					
Energy	Futures	% chg	Soft Commodities	Futures	% chg
WTI (per barrel)	83.45	-11.9%	Corn (per bushel)	4.363	-0.3%
Brent (per barrel)	87.80	-11.3%	Soybean (per bushel)	11.873	0.6%
Heating Oil (per gallon)	334.66	-6.7%	Wheat (per bushel)	5.848	-2.2%
Gasoline (per gallon)	264.03	-6.0%	Crude Palm Oil (MYR/MT)	43.120	-3.2%
Natural Gas (per MMBtu)	3.02	-3.2%	Rubber (JPY/KG)	3.730	-0.1%

  

Base Metals	Futures	% chg	Precious Metals	Futures	% chg
Copper (per mt)	13140	1.4%	Gold (per oz)	5192	1.0%
Nickel (per mt)	17488	0.1%	Silver (per oz)	88.33	1.6%

Source: Bloomberg, Reuters

## Economic Calendar

Date Time	Country Code	Event	Period	Survey	Actual	Prior	Revised
3/11/2026 8:00	SK	Exports 10 Days YoY	Mar	--	55.60%	44.40%	--
3/11/2026 8:00	SK	Imports 10 Days YoY	Mar	--	21.70%	21.10%	--
3/11/2026 11:00	SK	Bank Lending To Household Total	Feb	--	--	KR1172.7t	--
3/11/2026 19:00	US	MBA Mortgage Applications	6-Mar	--	--	11.00%	--
3/11/2026 20:30	US	CPI MoM	Feb	0.30%	--	0.20%	--
3/11/2026 20:30	US	Core CPI MoM	Feb	0.20%	--	0.30%	--
3/11/2026 20:30	US	CPI YoY	Feb	2.40%	--	2.40%	--
3/11/2026 20:30	US	Core CPI YoY	Feb	2.50%	--	2.50%	--
3/11/2026 20:30	US	CPI Index NSA	Feb	326.762	--	325.252	--
3/11/2026 20:30	US	Core CPI Index SA	Feb	333.59	--	332.793	--
3/11/2026 20:30	US	Real Avg Hourly Earning YoY	Feb	--	--	1.20%	--
3/11/2026 20:30	US	Real Avg Weekly Earnings YoY	Feb	--	--	1.90%	--

Source: Bloomberg

## Disclaimers

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

## Additional disclosures and disclaimers applicable only to clients of Bank of Singapore Limited

This material is being made available to you through an arrangement between Bank of Singapore Limited (Co Reg. No.: 197700866R) ("BOS") and Oversea-Chinese Banking Corporation Limited ("OCBC Bank") (Co Reg. No.: 193200032W). BOS and OCBC Bank shall not be responsible or liable for any loss (whether direct, indirect or consequential) that may arise from, or in connection with, any use of or reliance on any information contained in or derived from this material, or any omission from this material, other than where such loss is caused solely by BOS' or OCBC Bank's wilful default or gross negligence.

The DIFC Branch of BOS has not conducted or produced any research contained in this material and is acting solely as a conduit in forwarding it to you.

For BOS clients in the United Kingdom:

This research has been prepared by OCBC Bank and made available to BOS. It is intended solely for informational purposes and does not constitute investment advice, a personal recommendation, or an offer or solicitation to buy or sell any financial instruments. Any payments or non-monetary benefits received or paid will be fully disclosed in accordance with applicable regulations, promptly and transparently, and will not influence the advice or services offered to you. If you would like more information about any inducements received, please contact your Relationship Manager.

Cross Border Disclaimer and Disclosures

Please refer to [https://www.bankofsingapore.com/Disclaimers\\_and\\_Disclosures.html](https://www.bankofsingapore.com/Disclaimers_and_Disclosures.html) for cross-border marketing disclaimers and disclosures.