

Daily Treasury Outlook

Highlights

Global: The dichotomy between global markets and real economic developments looks likely to be exacerbated in the coming weeks. President Trump’s extension of the ceasefire with Iran on 22 April continued to support to risk sentiment overnight. US equities recorded further gains (S&P: +1.05%; NASDAQ: +1.64%; Dow: +0.69%), the DXY index edged higher and for USTs, the 20-year bond auction was closely watched. There was little way of data releases overnight, apart from mortgage applications for the week of 17 April which rose by 7.9% from 1.8%. The real economic impact of the continued closure of the Strait of Hormuz and the US blockade remains hard-hitting, testing emerging Asia’s energy resilience given its vulnerability as net energy importers. President Trump said on Wednesday that “there was no time pressure” with Iran and the mid-term elections were not driving his decisions. Reuters reported in the early hours of Thursday that the U.S. military intercepted at least three Iranian-flagged tankers in Asian waters and redirected them away from their positions. External developments were flagged as clear concerns during Bank Indonesia’s rate decision on 22 April. BI kept its policy rate unchanged as expected but highlighted continued caution on external developments, feeding through into vulnerabilities on the current account and IDR stability watchfulness. The current account deficit forecast was widened to a range of ‘0.5-1.3% of GDP’ from ‘0.1-0.9% of GDP’. We expect BI to keep its policy rate unchanged through 2026. However, the risk is that material deterioration in external and/or fiscal balances could trigger rate hikes.

South Korea’s 1Q26 GDP advance estimate, released this morning, showed better-than-expected growth of 1.7% QoQ seasonally adjusted from -0.2% in 4Q25. This translates to year-on-year growth of 3.6% in 1Q26 versus 1.6% in 4Q25. Bangko Sentral ng Pilipinas (BSP) rate decision this afternoon will be watched closely. Consensus remains split in half between a 25bp rate hike and a hold. It is a close call – we expect BSP to remain on hold. The key will be BSP’s assessments on the second-round impact of inflation and inflation expectations considering that the first-round impact has been obvious with over 60% YoY increases in retail fuel prices in March.

Market Watch: Other data releases today include Singapore’s March CPI – expected to edge higher to 1.8% YoY from 1.2% in February, Taiwan’s March industrial production, Hong Kong’s March CPI and preliminary April PMI from Eurozone and US.

Key Market Movements

Equity	Value	% chg
S&P 500	7137.9	1.0%
DJIA	49490	0.7%
Nikkei 225	59586	0.4%
SH Comp	4106.3	0.5%
STI	5002.7	-0.2%
Hang Seng	26163	-1.2%
KLCI	1710.4	-0.3%
	Value	% chg
DXY	98.590	0.2%
USDJPY	159.48	0.1%
EURUSD	1.1705	-0.3%
GBPUSD	1.3502	0.0%
USDIDR	17175	0.2%
USDSGD	1.2756	0.1%
SGDMYR	3.1047	0.0%
	Value	chg (bp)
2Y UST	3.80	1.88
10Y UST	4.30	1.09
2Y SGS	1.52	-0.10
10Y SGS	2.07	0.64
3M SORA	1.04	0.08
3M SOFR	3.67	0.00
	Value	% chg
Brent	101.91	3.5%
WTI	92.96	3.7%
Gold	4740	0.4%
Silver	77.71	1.3%
Palladium	1550	0.0%
Copper	13433	1.5%
BCOM	135.52	1.3%

Source: Bloomberg

Major Markets

ID: Bank Indonesia kept its policy rate unchanged at 4.75% for a seventh consecutive month, in line with expectations, as it prioritised rupiah stability amid heightened global uncertainty while maintaining support for domestic growth. BI revised its 2026 global growth forecast to 3.0% from 3.1% and raised its global inflation forecast to 4.2% from 4.1%, while noting net equity and bond outflows in 1Q26 followed by a return to inflows as of April 20 supported by SRBI and SBN. BI widened its 2026 current account deficit forecast to 0.5–1.3% of GDP from 0.1–0.9% and maintained its GDP growth outlook at 4.9–5.7%, citing improved 1Q26 growth momentum and resilient domestic demand. External considerations remain central to BI's policy calculus, with BI focusing on IDR stability amid volatile capital flows and 'twin deficits'. BI's bias remains neutral, in our view, supporting our baseline of no change to the policy rate this year. However, should external pressures build, rate hikes cannot be ruled out.

MY: Agriculture and Food Security Minister Mohamad Sabu revealed that Malaysia and Spain will continue exploring new market opportunities for local agricultural products to improve the bilateral trade balance for both countries, following a courtesy call by Spain's Ambassador José Luis Pardo Cuerdo with the Ministry on 21 April. The discussion covered strategic cooperation in capacity building, technology exchange, aquaculture, and agricultural drainage management, while also invited Spain to participate in the Malaysia Agriculture, Horticulture and Agrotourism Show 2026, to be held from Aug 28 to Sept 6 at MAEPS, Serdang. Separately, the Securities Commission aims to raise Malaysia's MSCI Index share from about 1.2%, with 27 companies included, by about 0.3 to 0.4 percentage points through the My Value Up programme.

TH: The government plans to reopen registration for the Khon La Khrueng Plus co-payment scheme in May 2026, with spending set to begin on 1 June. According to Deputy Prime Minister and Finance Minister Ekniti Nitithanprapas, the programme will prioritise short-term cost-of-living support, although the final budget, subsidy size and number of beneficiaries have not yet been finalised. Minister Ekniti also stated that the government will keep the VAT unchanged at 7% for at least another year through September 2027 to avoid adding further pressure on consumers' living costs. Beyond the co-payment scheme, the Finance Ministry is preparing several contingency funding options to cushion the economy should the Middle East conflict persist. These include THB25bn from the central budget, an THB80–100bn fiscal 2026 budget-transfer bill, and THB50bn in emergency reserves. Minister Ekniti confirmed that the public debt ceiling will remain at 70% of GDP through the end of fiscal 2026 while a previously proposed THB150bn guarantee for the Oil Fuel Fund has been shelved for now. Regarding the FY27 budget, the four key economic agencies have agreed to keep expenditure, revenue, and deficit projections unchanged, with an additional THB70bn added for Treasury cash repayment to avoid any liquidity strain from the planned fiscal 2026 budget-transfer bill. Separately, Moody's upgraded the country's credit outlook from negative to stable, while affirming its sovereign credit rating at Baa1.

ESG

MY: Malaysia has unveiled a National Carbon Market Policy designed to regulate carbon trading and support the country's transition to a low-carbon economy. The framework covers both voluntary and compliance carbon markets, aiming to position Malaysia as a credible participant in international carbon trading. To assess which types of projects are suitable for international agreements, the NCMP introduces a National Marginal Abatement Cost Curve, which ranks decarbonisation solutions based on how affordable it is to abate one tonne of emissions. The NCMP also mentions that Malaysia will focus on operationalising Article 6.4, which facilitates international cooperation to achieve countries' climate targets. The country's planned carbon tax remains under review as the government assesses current economic and geopolitical conditions, aiming to avoid imposing additional burdens on industries or consumers at this time.

Credit Market Updates

Market Commentary:

The SGD SORA OIS curve traded flat to lower yesterday with shorter tenors trading 1-2bps lower while belly and 10Y tenors traded flat. US Investment Grade spreads tightened by 1bps to 77bps and US High Yield spreads traded flat at 272bps respectively. Bloomberg Global Contingent Capital Index tightened by 1bps to 226bps. Bloomberg Asia USD Investment Grade spreads traded flat at 59bps and Asia USD High Yield spreads widened by 4bps to 399bps respectively. (Bloomberg, OCBC)

New Issues:

The total issuance volumes for APAC and DM IG market yesterday were USD1.35bn and USD850mn respectively.

There was one notable issuer in the APAC USD market yesterday where issuers priced deals of at least USD500mn.

- Gohl Capital Holdings Ltd (guarantor: Genting Overseas Holdings Ltd) priced USD1.25bn of debt in two tranches: a USD750mn PerpNC5.5 senior subordinated fixed perpetual at 7.625% and a USD500mn PerpNC10 senior subordinated fixed perpetual at 8.3%.

There were no notable issuances in the Singdollar market yesterday.

Mandates:

There were no notable mandates yesterday.

Equity Market Updates

US: US stock markets rallied on Wednesday, with the S&P 500 climbing 1.1% to 7,137.90, the Nasdaq rising 1.6% to 24,657.57, and the Dow increasing 0.7% to 49,490.03. Both the S&P 500 and Nasdaq recorded their eighth and fourth all-time closing highs of 2026, respectively, ending a two-day decline. This surge was fueled by President Trump's indefinite extension of the Iran ceasefire and strong corporate earnings, as nearly 80% of S&P 500 companies surpassed expectations. Apple was the largest contributor to the S&P 500's gains, jumping 2.6%, while GE Vernova soared 13.8%. Semiconductor stocks continued their winning streak, marking a record 16th consecutive session of gains, with the Philadelphia Semiconductor Index up 2.7%. The information technology sector led overall advances with a 2.3% rise. However, some caution remained as Brent crude oil prices exceeded \$100 per barrel for the first time in two weeks, closing 3.0% higher amid Iran's ongoing closure of the Strait of Hormuz. Treasury yields were mostly stable, with the 10-year yield steady at 4.293% and the 30-year yield slightly increasing to 4.901%. A \$13 billion 20-year bond auction attracted strong demand, reflected in a 2.68 bid-to-cover ratio. In after-hours trading, Tesla shares jumped 4% following a report of \$1.4 billion in positive free cash flow. Additionally, the Trump administration is reportedly close to finalizing a rescue package for Spirit Airlines, which may include a loan of up to \$500 million.

Foreign Exchange				
	Day Close	% Change		Day Close
DXY	98.590	0.20%	USD-SGD	1.2756
USD-JPY	159.48	0.07%	EUR-SGD	1.4931
EUR-USD	1.171	-0.33%	JPY-SGD	0.7998
AUD-USD	0.716	0.11%	GBP-SGD	1.7226
GBP-USD	1.350	-0.04%	AUD-SGD	0.9134
USD-MYR	3.953	0.06%	NZD-SGD	0.7533
USD-CNY	6.829	0.04%	CHF-SGD	1.6260
USD-IDR	17175	0.18%	SGD-MYR	3.1047
USD-VND	26328	0.00%	SGD-CNY	5.3521

Equity and Commodity		
Index	Value	Net change
DJIA	49,490.03	340.65
S&P	7,137.90	73.89
Nasdaq	24,657.57	397.61
Nikkei 225	59,585.86	236.69
STI	5,002.72	-12.24
KLCI	1,710.39	-4.94
JCI	7,541.61	-17.77
Baltic Dry	2,675.00	35.00
VIX	18.92	-0.58

SOFR				
Tenor	EURIBOR	Change	Tenor	USD SOFR
1M	1.9820	-0.65%	1M	3.6536
3M	2.1680	-1.19%	2M	3.6614
6M	2.3810	-1.45%	3M	3.6673
12M	2.6550	-1.74%	6M	3.6814
			1Y	3.6979

Government Bond Yields (%)		
Tenor	SGS (chg)	UST (chg)
2Y	1.52 (-)	3.8(-)
5Y	1.69 (-)	3.93 (+0.02)
10Y	2.07 (+0.01)	4.31 (+0.01)
15Y	2.11 (-)	--
20Y	2.11 (-)	--
30Y	2.21 (-)	4.91(-)

Fed Rate Hike Probability				
Meeting	# of Hikes/Cuts	% of Hikes/Cuts	Implied Rate Change	Expected Effective Fed Funds Rate
04/29/2026	0.005	0.500	0.001	3.642
06/17/2026	-0.037	-4.200	-0.009	3.632
07/29/2026	-0.075	-3.800	-0.019	3.622
09/16/2026	-0.156	-8.100	-0.039	3.602

Financial Spread (bps)		
Value	Change	
TED	35.36	--

Secured Overnight Fin. Rate	
SOFR	3.63

Commodities Futures					
Energy	Futures	% chg	Soft Commodities	Futures	% chg
WTI (per barrel)	92.96	0.9%	Corn (per bushel)	4.543	0.1%
Brent (per barrel)	101.91	3.5%	Soybean (per bushel)	11.645	-0.9%
Heating Oil (per gallon)	393.79	5.6%	Wheat (per bushel)	5.993	-1.0%
Gasoline (per gallon)	335.79	4.6%	Crude Palm Oil (MYR/MT)	45.490	1.3%
Natural Gas (per MMBtu)	2.72	0.9%	Rubber (JPY/KG)	3.798	0.0%

Base Metals	Futures	% chg	Precious Metals	Futures	% chg
Copper (per mt)	13433	1.5%	Gold (per oz)	4740	0.4%
Nickel (per mt)	18462	1.3%	Silver (per oz)	77.71	1.3%

Source: Bloomberg, Reuters

Economic Calendar

Date Time	Country Code	Event	Period	Survey	Actual	Prior	Revised
4/23/2026 9:00	CH	Swift Global Payments CNY	Mar	--	3.10%	2.74%	--
4/23/2026 10:00	CH	Bloomberg April China Economic Survey					
4/23/2026 12:00	EC	EU27 New Car Registrations	Mar	--	--	1.40%	--
4/23/2026 13:00	IN	HSBC India PMI Composite	Apr P	--	--	57	--
4/23/2026 13:00	IN	HSBC India PMI Mfg	Apr P	--	--	53.9	--
4/23/2026 13:00	IN	HSBC India PMI Services	Apr P	--	--	57.5	--
4/23/2026 14:00	UK	Public Finances (PSNCR)	Mar	--	--	7.6b	--
4/23/2026 14:00	UK	Central Government NCR	Mar	--	--	9.1b	--
4/23/2026 14:00	UK	Public Sector Net Borrowing	Mar	10.4b	--	14.3b	--
4/23/2026 14:00	UK	PSNB ex Banking Groups	Mar	--	--	14.3b	--
4/23/2026 14:30	PH	BSP Overnight Borrowing Rate	23-Apr	4.38%	--	4.25%	--
4/23/2026 14:30	PH	BSP Standing Overnight Deposit Facility Rate	23-Apr	4.00%	--	3.75%	--
4/23/2026 16:00	EC	S&P Global Eurozone Manufacturing PMI	Apr P	50.9	--	51.6	--
4/23/2026 16:00	EC	S&P Global Eurozone Services PMI	Apr P	49.8	--	50.2	--
4/23/2026 16:00	EC	S&P Global Eurozone Composite PMI	Apr P	50.1	--	50.7	--
4/23/2026 16:30	UK	S&P Global UK Manufacturing PMI	Apr P	50.3	--	51	--

Source: Bloomberg

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