

## Daily Treasury Outlook

### Highlights

**Global:** Financial markets remain hopeful as Us-Iran ceasefire continues, albeit without progress on negotiations. US president Trump cancelled a planned visit to Pakistan by his envoys and Iran also sounded defiant about not entering talks "under threats or blockade".

On Friday, the S&P500 rallied 0.8% to a fresh record high on peace talk hopes and news that the Us Department of Justice was dropping the criminal charge against Fed chair Powell (which potentially clears the way for Kevin Warsh to be confirmed as the next Fed chair) to mark its fourth consecutive week of gains. Meanwhile the 10-year US Treasury bond yield fell 2bps to 4.30%. Over the weekend, there were reports of an armed suspect apparently targeting the annual White House Correspondents Dinner where President Trump was due to speak.

**Market Watch:** Asian markets are likely to trade in a range today, while awaiting the multitude of key central bank policy decisions due this week, starting with BOJ tomorrow, FOMC (likely Powell's last meeting with the Banking Committee confirmation vote on April 29), Bank of Canada and Bank of Thailand on Wednesday, followed by th ECB and BOE on Thursday. While all five major central banks are likely to be static, nevertheless the rhetoric is likely to lean hawkish given upside inflation risk due to the prolonged Iran war. On the economic data front, China's industrial profits, Singapore's March industrial production are due today, US' ADP employment and Conference Board consumer confidence tomorrow, Australia and Eurozone's CPI on Wednesday, US' 1Q26 GDP growth and March core PCE price index (which is likely show some stagflationary elements), China's manufacturing and non-manufacturing PMIs, Taiwan and Eurozone's 1Q26 GDP growth on Thursday. On the corporate earnings front, the "Magnificent Seven" are back in focus with Meta, Microsoft, Amazon, and Apple all reporting this week and investors are looking for confirmation that AI capex is translating to revenue amid the soaring energy costs.

**SG:** March industrial production likely rose 9.8% YoY (5.8% MoM SA), boosted by electronics, and reversing the February underperformance of -0.1% YoY (-7.2% MoM SA).

### Key Market Movements

Equity	Value	% chg
S&P 500	7108.4	-0.4%
DJIA	49310	-0.4%
Nikkei 225	59140	-0.7%
SH Comp	4093.3	-0.3%
STI	4944.1	-1.2%
Hang Seng	25915	-0.9%
KLCI	1721.7	0.7%
	Value	% chg
DXY	98.770	0.2%
USDJPY	159.71	0.1%
EURUSD	1.1683	-0.2%
GBPUSD	1.3467	-0.3%
USDIDR	17295	0.7%
USDSGD	1.2784	0.2%
SGDMYR	3.1058	0.0%
	Value	chg (bp)
2Y UST	3.83	3.58
10Y UST	4.32	2.19
2Y SGS	1.53	0.80
10Y SGS	2.10	2.69
3M SORA	1.04	-0.28
3M SOFR	3.67	0.00
	Value	% chg
Brent	105.07	3.1%
WTI	95.85	3.1%
Gold	4694	-1.0%
Silver	75.44	-2.9%
Palladium	1475	-4.8%
Copper	13356	-0.6%
BCOM	136.41	0.7%

Source: Bloomberg

## Major Markets

**CH:** China's semiconductor equities rallied sharply last Friday. The move was primarily driven by renewed AI optimism following the launch of DeepSeek-V4, which reinforced expectations of a stronger domestic demand cycle for chips. At the same time, escalating U.S. restrictions paradoxically strengthened the import substitution narrative, providing valuation support to local semiconductor players despite rising external headwinds. On April 24, the preview version of DeepSeek-V4 was officially launched and open-sourced. The model's context length was expanded from 128K to 1M tokens, enabling ultra-long context processing at the million-token scale, with a maximum output length of 384K tokens. Technically, V4 introduces KV cache sliding-window and compression algorithms, significantly reducing attention computation and memory-access costs. Combined with architectural upgrades, these enhancements meaningfully improve performance in agent-based workflows and coding applications.

**ID:** Foreign Minister Sugiono said Indonesia will not impose tolls on ships transiting the Strait of Malacca, reaffirming support for freedom of navigation and open sea lanes. Finance Minister Purbaya Yudhi Sadewa clarified that earlier remarks on charging fees were not serious and that no such policy had been planned, with both officials reaffirming commitment to the United Nations Convention on the Law of the Sea. Separately, the government introduced a regulation to cover value added tax on economy-class domestic flight tickets for purchases and travel within 60 days from 24 April, aiming to reduce airfares amid rising aviation fuel costs. The policy applies to base fares and fuel surcharges, while non-economy classes remain subject to standard VAT rules, alongside measures to limit domestic fare increases to between 9-13%.

**MY:** The Leading Index, which measures near-term economic activity, eased marginally to 0.5% YoY to 113.1 points in February 2026 from 0.6% YoY in the previous month. The smoothed long-term trend remained below 100.0 points, indicating moderate near-term economic growth. DOSM noted that persistent geopolitical tensions and fluctuations in global commodity and crude oil prices could affect trade activity, although the overall impact is expected to remain contained. The coincident index, which reflects current economic conditions, slowed to 1.6% YoY to 129.4 points in February from 5.0% YoY in the previous month.

**PH:** According to Bangko Sentral ng Pilipinas (BSP), consumer confidence improved in 1Q26, with the confidence index becoming less negative than in the previous quarter. The latest quarterly Consumer Expectations Survey (CES) also revealed that the improvement reflected reduced pessimism as households anticipated better income, steadier employment, more income sources, and additional household members entering the workforce. However, consumers were less optimistic about 2Q26 and the year ahead, mainly due to concerns over inflation and the impact of corruption on public service delivery. Even so, inflation expectations remained contained, staying below the BSP's 3.0% target for 2026 while still within its tolerance band. As the survey was conducted before the recent Middle East conflict, the BSP noted that any later effects on confidence and inflation may appear in future rounds, and said it "stands ready to take appropriate monetary policy action should rising oil prices lead to more persistent inflationary pressures. To provide targeted relief, the BSP has also issued regulatory measures to enable banks to assist affected clients."

**TH:** March customs exports growth exceeded consensus expectations, with export growth returned to double-digit figures to 18.7% YoY (consensus: 10.9%), up from 9.9% in February. Similarly, import growth rose by 35.7% YoY (consensus: 20.6%), compared to 31.8% in the previous month. Consequently, the customs trade deficit widened to USD3.3bn (February: USD2.8bn). On the customs exports front, shipments of agro-industrial products, principle manufacturing products, and mineral products and fuel rose by 14.0% YoY, 21.4% YoY, and 26.6% YoY, respectively, compared to -7.7%, 13.3%, and -8.8% in the previous month. Meanwhile, exports of agricultural products contracted for the eighth consecutive month, declining by 10.7% YoY, compared to -3.6% in February. According to Director General of the Trade Policy and Strategy Office, the outlook for trade in 2026 will depend on the impact of the Middle East conflict on global commerce.

## ESG

**SG:** Singapore reaffirmed growing bilateral ties with South American countries i.e. Peru, Paraguay and Chile during Minister Fu's two business missions, aimed at advancing carbon credits and agri-food trade partnerships. Singapore has already signed Implementation Agreements with these three countries on carbon markets cooperation, and announced in Sep 2025 the purchase of nature-based carbon credits from projects in Peru and Paraguay to help Singapore meet its 2030 climate targets. Discussions at the business missions also covered deepening economic cooperation through the MERCOSUR-Singapore Free Trade Agreement. These efforts plan to generate tangible business opportunities while advancing global climate action and enhancing resilience and security of Singapore's food systems.

## Credit Market Updates

### Market Commentary:

The SGD SORA OIS curve traded mixed last Friday with shorter tenors trading flat to 1bps higher while belly tenors traded flat and 10Y tenors traded 1bps lower. US Investment Grade spreads traded flat at 78bps and US High Yield spreads traded flat at 275bps respectively. Bloomberg Global Contingent Capital Index widened by 2bps to 228bps. Bloomberg Asia USD Investment Grade spreads traded flat at 59bps and Asia USD High Yield spreads widened by 3bps to 407bps respectively. (Bloomberg, OCBC)

### New Issues:

The total issuance volumes for APAC and DM IG market last Friday were zero and USD14.1bn respectively.

There was one notable issuer in the DM IG market last Friday where issuers priced deals of at least USD1.0bn.

- RD Michigan Property Owner I LLC (guarantor: Subsidiaries) priced USD14bn of debt in one tranche.

There were no notable issuers in the APAC USD and Singdollar markets last Friday.

### Mandates:

- Japfa Pte. Ltd. may issue USD-denominated 5NC2 senior secured fixed rate notes.
- SK Innovation Co Ltd (guarantor: Shinhan Bank) may issue USD-denominated 3-year fixed rate senior unsecured bonds.

## Equity Market Updates

**US:** On Friday, US stocks climbed as semiconductor shares surged on renewed enthusiasm for AI, driving major indexes to new highs and extending a four-week winning streak. The S&P 500 saw a slight increase, the Nasdaq Composite rose by 1.5%, and the Dow Jones Industrial Average experienced a modest gain. Technology stocks led the way, with semiconductor companies making significant contributions following strong earnings from Intel. Nvidia's shares jumped 4.3%, pushing its market value above \$5 trillion for the first time since October, as optimism around AI lifted chip stocks broadly. This upward movement coincided with signs that talks between the US and Iran are set to continue, reducing concerns about instability in the Middle East. Oil prices remained high, near \$105 per barrel, due to the continued closure of the Strait of Hormuz, which also boosted energy stocks. Looking forward, the Federal Reserve is widely anticipated to keep interest rates steady at its upcoming two-day meeting, given ongoing high energy prices and supply chain challenges caused by the conflict. Meanwhile, major technology companies such as Apple, Amazon, Alphabet, Meta Platforms, and Microsoft are scheduled to report their earnings this week.

### Foreign Exchange

	Day Close	% Change		Day Close
DXY	98.533	-0.24%	USD-SGD	1.2753
USD-JPY	159.38	-0.21%	EUR-SGD	1.4957
EUR-USD	1.172	0.33%	JPY-SGD	0.8007
AUD-USD	0.715	0.34%	GBP-SGD	1.7269
GBP-USD	1.353	0.48%	AUD-SGD	0.9124
USD-MYR	3.965	-0.02%	NZD-SGD	0.7504
USD-CNY	6.832	0.01%	CHF-SGD	1.6260
USD-IDR	17205	-0.52%	SGD-MYR	3.1026
USD-VND	26344	0.06%	SGD-CNY	5.3557

### Equity and Commodity

Index	Value	Net change
DJIA	49,230.71	-79.61
S&P	7,165.08	56.68
Nasdaq	24,836.60	398.10
Nikkei 225	59,716.18	575.95
STI	4,922.86	-21.25
KLCI	1,720.34	-1.36
JCI	7,129.49	-249.12
Baltic Dry	2,665.00	-8.00
VIX	18.71	-0.60

### SOFR

Tenor	EURIBOR	Change	Tenor	USD SOFR
1M	1.9680	0.00%	1M	3.6544
3M	2.1630	-0.09%	2M	3.6623
6M	2.4590	1.32%	3M	3.6682
12M	2.7350	1.79%	6M	3.6732
			1Y	3.6864

### Government Bond Yields (%)

Tenor	SGS (chg)	UST (chg)
2Y	1.53 (-0.01)	3.8(--)
5Y	1.7 (-0.01)	3.91 (-0.04)
10Y	2.12 (+0.02)	4.32 (-0.02)
15Y	2.13 (+0.01)	--
20Y	2.12 (+0.01)	--
30Y	2.22 (+0.01)	4.93(--)

### 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	3.643
06/17/2026	-0.044	-5.000	-0.011	3.630
07/29/2026	-0.155	-11.000	-0.039	3.603
09/16/2026	-0.286	-13.200	-0.072	3.570

### Financial Spread (bps)

Value	Change	
TED	35.36	--

### Secured Overnight Fin. Rate

SOFR	3.65
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### Commodities Futures

Energy	Futures	% chg	Soft Commodities	Futures	% chg
WTI (per barrel)	94.40	-1.5%	Corn (per bushel)	4.550	-0.1%
Brent (per barrel)	105.33	0.2%	Soybean (per bushel)	11.638	0.3%
Heating Oil (per gallon)	388.74	-2.5%	Wheat (per bushel)	6.083	-0.4%
Gasoline (per gallon)	346.26	0.0%	Crude Palm Oil (MYR/MT)	45.170	0.3%
Natural Gas (per MMBtu)	2.52	-3.5%	Rubber (JPY/KG)	3.866	1.0%
Base Metals	Futures	% chg	Precious Metals	Futures	% chg
Copper (per mt)	13310	-0.3%	Gold (per oz)	4710	0.3%
Nickel (per mt)	19015	1.5%	Silver (per oz)	75.73	0.4%

Source: Bloomberg, Reuters

### Economic Calendar

Date Time	Country Code	Event	Period	Survey	Actual	Prior	Revised
4/27/2026 9:30	CH	Industrial Profits YTD YoY	Mar	--	--	15.20%	--
4/27/2026 9:30	CH	Industrial Profits YoY	Mar	--	--	--	--
4/27/2026 10:00	CH	Bloomberg April China Economic Survey					
4/27/2026 11:30	TH	Car Sales	Mar	--	--	48242	--
4/27/2026 14:00	GE	GfK Consumer Confidence	May	-30	--	-28	--
4/27/2026 22:30	US	Dallas Fed Manf. Activity	Apr	0.8	--	-0.2	--

Source: Bloomberg

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