GLOBAL MARKETS RESEARCH

Research Monitor (December)

4 December 2023

Global Markets Research & Strategy
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Key Themes

1. **In November, UST yields witnessed significant declines, dropping by 60bps at the 10Y, marking one of the most pronounced monthly decreases since the global financial crisis in 2008.** This movement in the bond market reflects a heightened focus among investors on softer US growth data, which supports the narrative of peak interest rates being reached. Concurrently, equity investors appeared to price in an optimistic scenario of a 'perfect soft landing' for the economy. This sentiment fueled a rally across major US equity indices, particularly led by a resurgence in technology stocks. Notably, the rally was broad-based, as evidenced by the performance of the equal-weighted S&P 500 outperforming the headline S&P 500 index. This pattern suggests a more widespread confidence across various sectors, beyond the typical market leaders.

2. **While Federal Reserve officials like Michelle Bowman and Thomas Barkin have maintained a cautious stance by keeping the option for further rate hikes on the table, comments from Fed Governor Christopher Waller had a more pronounced impact on market sentiment.** Governor Waller, known for his hawkish views and influential position, expressed growing confidence in the current policy's ability to slow the economy and bring inflation back to the 2% target. His acknowledgment of the possibility of a rate cut, contingent on a sustained decline in inflation over the coming months, provided a clear pivot point and timeline for a potential policy shift. Market response to Waller's comments was significant, with Fed funds futures fully pricing in a 25bp cut by the May FOMC meeting. This market expectation aligns closely with our base-case scenario, which anticipates no further rate hikes and foresees the beginning of a rate-cutting cycle starting 2Q24.

3. **China demonstrated a more proactive and strategic approach in managing its principal risks, both in the international arena and within its domestic economy in November.** The latest APEC meeting in the US showed marginal improvement in bilateral relations between US and China. The expanded delegation including all heads of key economic decision-making bodies showing China's efforts to normalize ties as compared to the Bali meeting in November 2022 which mainly focused on foreign affairs. On the domestic front, China has adopted a more assertive stance in addressing the risks associated with its real estate market. The introduction of the "three not less than" policy regarding real estate loans is a critical move. In addition, the talk about the "whitelist" of 50 state-owned and private real estate companies as well as the consideration of allowing banks to extend unsecured short-term working capital loans to real estate companies mark a significant policy shift. Such initiatives are likely to play a critical role in mitigating systemic risks in the real estate sector in 2024.

4. **Flash estimates* indicate that the OCBC SME Index is at 48.3 in Nov 2023, turning contractionary from the reading of 51.7 registered in the previous month.** While consumer facing sectors continue to provide growth momentum for SMEs, trade-related sectors have underperformed against the backdrop of subdued external demand. Ahead of the peak holiday season, manufacturing demand and factory activity are likely to remain muted before demand starts to pick up next year. On the other hand, economic performance of SMEs in the F&B and retail trade sectors are expected to improve with seasonal spending and resilient labour market conditions.

5. **OPEC+ announced an additional voluntary cut of 2.2 mbpd in 1Q24 at its November 2023 meeting.** These additional voluntary cuts comprise Saudi Arabia and Russia rolling over its existing additional voluntary cut of 1 mbpd and 0.3 mbpd, as well as extra cuts from seven other member countries. Our house view remains for global oil prices to average US$90/bbl in 4Q23 and US$88/bbl in 2H23 as supply tightness in 4Q23 will keep prices elevated, which will more than offset demand concerns.

**Using data until 21st November*

Asset Class Views

	House View	Trading Views
FX	**G-10 FX:** Dollar index fell 3% for the month of Nov. USD narrative is starting to shift, led by softer US data, including the last CPI report, industrial production, jobless claims, manufacturing PMI as well as Fed's rhetoric. This shift is a setback to the "higher for longer" market narrative as consistently softer US data leaves room for Fed to adopt an extended pause while markets engaged in dovish repricing of rate cut expectations and USD longs unwind. As of 30 Nov, markets are now pricing in 100bps of cut for 2024 while the first Fed cut is fully priced in for May-2024. FOMC minutes released (for 2 Nov FOMC) affirmed a dovish tilt and did not deviate from the shifting narrative. Policymakers agree to "proceed carefully" on future interest rate moves and base any tightening on progress towards their inflation goal. More importantly, it was at this meeting where Powell downplayed the September dot-plot, brushed away concerns over rising inflation expectations and acknowledged that tighter financial conditions were doing some of the Fed's work. While the door for another hike remains open, we believe the FOMC is likely done with tightening for current cycle as inflation pressure is already coming off, alongside inflation expectations and that real rates was already restrictive. We remain biased to adopt a "sell-on-rally" for USD as Fed is likely done with tightening for current cycle. The extent of USD decline is highly dependent on 1/ how much market expects the Fed to cut; and 2/ timing of first cut. This would be highly dependent on how data pans out. A more entrenched disinflation trend and further easing of labour market tightness, activity data in US should see USD softness accelerate. That said even with UST yields easing, the USD still retain some degree of yield advantage and is a safe haven proxy to some extent. A scenario of global, China growth momentum sputtering and escalation in geopolitical tensions could see USD finding support on dips. The EUR appreciated 3.2% (vs. USD) for the month of Nov, riding on USD's pullback while ECB rhetoric remains hawkish. ECB's Wunsch said that the ECB may have to tighten more in case of oil shock, Holzmann, De Cos said that rate cut talks are premature while Nagel said that an ECB cut won't be happening in the near term. He further said that it isn't even clear if the ECB is at peak rates as CPI currently at 2.9% might still be affected by geopolitical shocks. Villeroy (whom is typically less hawkish) commented that ECB rates likely to stay at 4% for a few quarters and that PEPP wind-down may start before end-2024. Earlier, Lagarde said that policymakers are determined to bring inflation down to 2% and not worried about political implications of ECB's efforts, which have been criticized by some European governments who had said that higher interest rates will choke off growth. Schnabel said ECB cannot close the door to further rate hikes. Near term, softer than expect CPI, subdued activity in Euro-area and negative blip in China data may temporarily weigh on EUR. But over a broader time horizon, we still see room for EUR to recover as USD adjusts lower on shifting USD narrative. Continued stabilisation in China data can potentially show up in European data and that could potentially help to brighten EU's growth outlook and support EUR's recovery. While ECB tightening cycle has likely concluded, we expect rates to stay elevated for longer. We still expect Fed to be closer to rate cut as early as 2Q 2024 vs. ECB in 2H 2024. Some degree of convergence in ECB-Fed monetary policies is still likely and that could still be supportive of a mild upward trajectory into 2024. Going forward, future ECB meetings will focus less on rates and should focus more on how to reduce excess liquidity possibly on three areas: 1/ the amount of reserves banks must keep at the ECB; 2/ the unwinding of its bond-buying programmes and 3/ a new framework for steering short-term interest rates. These imply that raising minimum RR is a possible first move. Key risks to EUR's outlook are an earlier than expected dovish ECB pivot and/or growth momentum in Euro-area continues to decelerate sharply. Meanwhile,	Sell rallies. Expect range of 102.50 – 104.40 within wider range of 101.80 – 105.50. Neutral outlook. Likely to trade 1.08 – 1.10 range within wider perimeters of 1.07 – 1.1080.

	election risks in Euro-area are plenty and we caution that EUR bulls may be restraint if support for Far-right parties gathers momentum. GBP rose sharply (4% vs. USD) for Nov on a combination of drivers, including hawkish BoE speaks, not-as-bad-as-feared UK data, including government finances while softer USD further boosted GBP's recovery. Taking stock of UK data – monthly GDP, construction output, IP, exports improved while labour market remains tight. Elsewhere Chancellor Hunt noted that borrowing is running 15% below official forecasts. Strong income, corporate and tax receipts lifted outlook, giving room for potential tax cuts ahead of potential UK elections next year. On BoE speaks, Governor Bailey said that interest rates may have to rise again if food and energy prices feed inflation while BoE's Chief Economist Huw Pill said that key price gauges (i.e., wage growth, service inflation, etc.) are very elevated in UK. He also said that BoE will not relent of its fight against inflation despite signs that UK economy is softening. Looking out, we are mild constructive on GBP's outlook on a combination of mild positive, including UK demand growth proved resilient (owing to strong labour market, falling energy prices), consumer confidence rebounding, labour market remains tight alongside higher real wages, higher participation while better finances allow for some degree of stimulus ahead of elections. In addition, BoE may have room to keep rates elevated for a little longer than the Fed and ECB, given still high inflation in UK and hawkish BoE. Potential BoE-Fed policy divergence would be supportive of GBP. Key risks to our outlook are an earlier than expected BoE pivot; growth slowdown in UK, actual public finances turned out to worse than expected and/or energy prices surge. AUD traded >4% stronger (vs. USD) for the month of Nov amid shift in market narrative that the Fed is likely done with tightening (softer UST yields and USD), risk-on sentiments, rise in commodity prices including iron ore and sharp rally in RMB. We continue to favour AUD recovery in coming months: 1/ on signs that China growth may be stabilising; 2/ possibly warmer ties between Australia and China to support investment and trade flows benefits AUD; 3/ RBA to be hold for longer; 4/ a more moderate-to-soft USD profile into 2024 (as Fed nears end tightening cycle and embark on rate cut cycle in 2Q 2024). On AU-China relations, development has been promising. The latest was Australia PM's visit to Beijing; a restart of high-level talks between Australia and China in Beijing, providing a platform for senior reps from industry, government, etc to exchange perspectives across the breadth of bilateral relationship. Australia is looking to work with China to lift restrictions on other Australian imports such as wine, etc. Tourism, education, and property sectors in Australia could benefit if relations between China and Australia further warm up, and this can be a positive for AUD. Downside risks to the outlook include: 1/ extent of CNH swings; 2/ if USD strength or Fed tightening cycle unexpectedly extends; 3/ global growth outlook – if slowdown deteriorates; 4/ any market risk-off event.	Retracement risk but bias leans towards buy. Range of 1.2460 – 1.2720 range within wider range of 1.2300 – 1.2800. Near term risk of pullback. Buy dips preferred. Range of 0.6550 – 0.6650 within wider range of 0.6480 – 0.6750.
FX	**Asian FX and SGD:** USDCNH fell 2.72% for the month of Nov, riding on USD's pullback while Biden-Xi meeting went on smoothly in San Francisco. The strategy of buying time (keeping fixing nearly constant) to wait for the USD's turn lower paid off once again. Policymakers did similar last year before the turn in the USD in Oct/Nov-2022. Stronger than expected fix continues to signal that the policymakers want the RMB to adjust to reflect recent market developments. Lately, there were news report that officials are drafting a whitelist of 50 developers that may be eligible for a range of financing. This goes to show how extensive and targeted the measures are to support one of the weakest links – real estate sector - in the economy. We retain the view that quite a fair bit of pessimism is already in the price of RMB. Policymakers have stepped up with pro-growth support measures including plans to sell RMB1tn bonds, raise fiscal deficit ratio to 3.8%, that could potentially bear fruit over time. But for RMB to stabilise fundamentally and recover, that would still require China economic activities to pick up, confidence	Sideways. Range of 7.11 – 7.18 within wider range of 7.07 – 7.21.

	to be "repaired" (foreign inflows to return) and USD to turn lower (dependent on timing of Fed pivot). USDSGD traded lower by 2.5% for the month of Nov. Lower UST yields, softer USD, and gains in RMB and JPY were some of the factors driving the move lower. S$NEER is trading near its upper bound and may still continue to do so as MAS's policy stance is still on an appreciation stance. However, should core inflation ease further into 2024 as projected by MAS, then the S$ strength we've seen for large part of this year can potentially taper off against some of its major trade partners. Historically there is a positive correlation between the change in S$NEER and MAS core inflation. i.e., to say if core inflation does ease materially, then there is no need to for the S$NEER policy to be so tight. Looking out into our forecast horizon, we still expect a mild downward trajectory for USDSGD, premised on our view for a moderate-to-soft USD outlook, on expectations that Fed is likely at end of tightening cycle/ to embark on rate cut cycle in 2Q 2024 and on expectations that China growth to stabilise.	Bias to sell rallies. Range of 1.3320 – 1.3420 within wider range of 1.3280 - 1.3470.
	USDMYR traded 2.1% lower for the month of October amid the pullback in UST yields, USD while RMB strengthened. A recovery in MYR would require the above-mentioned external factors to improve further. Looking into 2024, we still look for MYR to recover some loss ground on the back of 1/ expectations of softer USD and UST yields as Fed gets closer to end of tightening cycle; 2/ China stabilisation story (relief to overall sentiments) and that should benefit MY inbound tourism and trade; 3/ domestic fundamentals remain largely sound.	Consolidate. Range of 4.64 – 4.70 within wider range of 4.61 – 4.72.

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Commodities	OPEC+ announced an additional voluntary cut of 2.2 mbpd in 1Q24 at its November 2023 meeting. These additional voluntary cuts comprise Saudi Arabia and Russia rolling over its existing additional voluntary cut of 1 mbpd and 0.3 mbpd, respectively, through 1Q24. Seven member countries also contributed to the extra cut: Iraq (223 kbpd), UAE (163 kbpd), Kuwait (135 kbpd), Kazakhstan (82 kbpd), Algeria (51 kbpd), Oman (42 kbpd) and Russia (200 kbpd). The additional voluntary cuts indicated a “paper cut” of 896kbpd from these seven countries. We maintain our 2023 forecast for Brent oil prices to average US$90/bbl in 4Q23 and US$88/bbl in 2H23. Our forecast underpins our fundamental view of a supply tightness in 4Q23 that will keep prices elevated, which will more than offset demand concerns. For 2024, we maintain our forecast for Brent oil prices to average US$80/bbl. The premise of our forecast comes from our house view of an economic slowdown in the US economy. The slowdown in the US economic growth will continue to weigh on the broader global growth outlook which can dampen oil prices. Fundamentally, there are other developments which we are also closely watching which pose upside risks to our forecast: With growth in oil supply expected to outpace demand in 2024, the decision to extend and undertake additional voluntary cuts by several members of the OPEC+ group is necessary to prevent a buildup in inventories. However, notwithstanding the short duration, the voluntary nature of the cut is a main risk, and their compliance level will be closely scrutinised. Additionally, should OPEC+ roll over their additional voluntary cuts to the rest of the year, this could keep prices supported.	Both WTI and Brent oil prices averaged US$77.4/bbl and US$82.0/bbl in November, a decrease of more than US$6.0/bbl compared with October. For a second consecutive month, both oil benchmarks declined as upside surprises to supply dampened oil prices (i.e., US crude oil production rose to a new monthly record of 13.2 mbpd in September and held steady in October). China’s tepid economic growth and the easing of geopolitical risks from the Israel-Hamas conflict added to the downward momentum as well. Broadening of the Israel-Hamas conflict has so far not materialised, and a series of positive developments (i.e., the release of hostages) could have eroded some of the geopolitical risk premium associated to the conflict. Although these developments have exerted downward momentum on oil prices, we do not expect Brent oil prices to trend further lower following OPEC+ announcement of additional voluntary cuts of 2.2 mbpd in 1Q24, which was aimed at supporting the overall stability and balance of the oil market.	→

[1] Arrows point to expected direction of commodity prices and interest rates.

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Rates	USTs rallied by 30bps to 60bps over the past month, as market became more convinced that peak rate has been reached and added to rate cut expectation for 2024. Prices data printed on the soft side while Fed rhetoric has generally turned less hawkish. October headline and core CPI eased to 3.2% YoY and 4.0% YoY respectively; Core goods price inflation stayed low, at 0.09% YoY (vs 0.02% YoY in September); core services inflation decelerated further to 5.50% YoY from 5.69% YoY prior. The disinflation trend is encouraging, but it is unlikely to be a straight line, as we note the base effect would exert an upward pressure on headline YoY in November and further in December. On balance, recent data add to the soft-landing narrative, which underlines our base-case for a 100bps of rate cuts in 2024 and for the easing cycle to start in Q2-2024. Longer-end USTs outperformed, which could be partly explained by lessened concerns over the near-term fiscal outlook and hence bond supply. Coupon bond sales thus far went well, despite some softer parameters at some of the auctions; after all, bonds richened a lot while auctions were upsized. In December, there are also upsized supply to be digested with 3Y, 10Y and 30Y coupon bond auctions in the first half of the month. Lagarde said the ECB is likely to discuss an earlier end to PEPP reinvestment, echoing some of the hawkish members' recent comments. It has been our long-held view that the plan to continue with PEPP reinvestment until end-2024 is overly dovish. We expect this deadline to be brought forward. Bank of Korea held its policy rate unchanged as expected. The central bank revised downward 2024 GDP forecast to 2.1% but commented "the inflation path is expected to be higher than previously forecast". The Board will maintain a restrictive policy stance for a "sufficiently long period of time" versus a "considerable time" – at the margin, "sufficiently long" may be interpreted as slightly longer than "considerable". The rates market is not pricing in a rate hike, or a material rate cut in the near term, which looks fair to us.	**USD rates**: The UST curve bullish flattened over the past month. Fed funds futures fully price a 25bp rate hike by the May FOMC and see the Fed funds rate (upper) at around 4.25% at end-2024, mildly more dovish than our expected 4.50%. USTs are likely to consolidate near-term, with potential upticks in yields especially at the longer-end between now and year-end - which will then present opportunities to add to bond positions. We expect yields to be generally on a downward trajectory in 2024.	→
		Asian rates: **SGD rates** underperformed USD rates in the downward move starting from mid-November. MAS has published the 2024 SGS issuance calendar. We estimate gross SGS issuances at SGD28-30bn. The supply outlook is supportive of SGS as usual, as MAS has the flexibility to calibrate supply with limited reliance on the proceeds. Despite the sanguine supply outlook, SGS may lag USTs in a downward move in yields, reflecting the relatively low volatility in SGS. We expect SGS yields to fall but lag the moves in UST yields in 2024, thereby widening SGD-USD rates differentials (as in becoming less negative) as a normalization process.	→
		IndoGBs rallied over the past month, on the back of the UST rally, a better risk sentiment, and the status quo decision on BI policy rate. IndoGB saw inflows of IDR23.5trn in November. The widened IndoGB-UST differentials at the short-end have probably contributed to the recent improvement in bond inflows. Yields differentials are still narrow, and short-end IndoGB yields appear low compared to SRBI rates. We expect IndoGBs to lag USTs in rallies.	→
		MGS underperformed USTs in the latest round of bond rallies. The 3Y MGII auction, which was conducted just before US CPI print, did not go well which garnered a bid/cover ratio of 1.508x and tailed by more than 2bps. The latest 7Y MGII auction invited strong incoming bids with a bid/cover ratio of 3.304x despite that the 7Y tenor is usually not the most popular; the UST rally had probably been one of the main reasons. We expect some consolidation in MGS near-term. The 2024 supply outlook is neutral.	→
		CNY rates. Repo-IRS were up on the month, as liquidity stayed on the tight side. PBoC did an outsized MLF net injecting CNY600bn of liquidity; an RRR cut is still possible. We maintain a mild upward bias to repo-IRS. In the offshore market, implied CNH rates have eased, as China sentiment improved and pressure on the RMB subsided; that said, volatility at the front-end may return.	↑

	House View	Trading Views	
Credit	It was a constructive month for Asiadollar compared to October with tighter spreads and higher issuance. Bloomberg Asia IG spreads tightened by ~18bps m/m to 106bps as at time of writing (31 October 2023 to 30 November 2023) while Bloomberg Asia HY spreads tightened by ~60bps m/m to 817bps over the same period. Per Bloomberg league tables, USD10.88bn was priced in the Asiadollar primary space in November, up from USD7.73bn in October. Notable issuers were Chinese financials including China Construction Bank Corp and Agricultural Bank of China while the Indonesia sovereign priced two tranches totalling USD2.0bn. While October's focus was on company developments, interest in November was towards government developments with positive rhetoric from the government towards China's property sector. Earlier in the month saw Cailian report that regulators met with China Vanke Co Ltd ("VANKE") and other developers including Poly Developments and Holdings Group Co Ltd, Longfor Group Holdings Limited and Gemdale Corporation, where their liquidity situation and financing needs were discussed. People's Bank of China Governor Pan Gongsheng said in an interview at the time that overall, financial risks of the property sector are manageable, adding that demand from families upgrading is a factor supporting the sector's long-term growth. More recently, the government has displayed a more assertive approach in addressing property risks according to our head of Greater China Research with at least five significant developments related to China's property market. Issuances in the SGD space were somewhat weaker m/m in November at SGD1.31bn to 27 November (SGD1.35 in October) before a flurry of issues over 28-30 November. However, there were only 9 distinct issuers in November against 13 in October with November dominated by Housing & Development Board's SGD740mn 5-year senior unsecured green bond. Earnings may have been a reason although all in financing costs likely remain prohibitive for issuers at this time. Compressed interest coverage ratios have put pressure on financial risk profiles against still stable business risk profiles.	**KITSP 3% '26s:** • KIT is structured as a Business Trust. The trust has twelve assets across three main segments, namely Energy Transition, Environmental Services and Distribution & Storage. KIT is listed on the Singapore Stock Exchange with a market cap of SGD2.7bn as at 28 November 2023 and is sponsored by Keppel Infrastructure Holdings Pte Ltd (wholly owned subsidiary of Keppel Corporation Ltd). KIT's reported assets under management is SGD7.3bn as at 31 December 2022. • KIT's reported total operational cash flow ("OCF") was SGD210.3mn in 9M2023, up by 14.7% y/y. This was driven by contribution from City Energy and Philippines Coastal, as well as contribution from new assets including Aramco Gas Pipelines Company, Borkum Riffgrund 2, Eco Management Korea and the European Onshore Wind Platform. This though was partly offset by Keppel Merlimau Cogen where repayment of principal on its debt has kicked in and does not contribute to total OCF in 9M2023. • KIT faces minimal debt due in 2024 and 2025. The next major debt is due is in 2026, amounting to SGD891mn. • We think this short dated issue which still pays more than 4% for a stable "crossover" credit provides a fair yield pick-up. **FPLSP 4.98% PERP:** • Frasers Property Ltd ("FPL") is a sizeable investment property owner, hotelier, and developer with property assets of SGD34.2bn as of 30 September 2023. The assets are diversified in Singapore (36%), Australia (27%), EU & UK (19%), Thailand (13%) and others (5%). • While 2HFY2023 recorded fair value loss of SGD441.8mn, we are not overly worried as the fair value loss represents just ~1.3% of property assets. The fair value impact was mainly due to cap rate expansion of the industrial segment rather than underlying weakness, with the industrial segment occupancy remaining high while rents have held steady or increased. • Overall portfolio statistics remain strong, with occupancy remaining high. Meanwhile, residential pre-sales are strong. • Credit metrics were somewhat impacted by rising interest rates though still manageable, with reported net interest coverage weakening to 3x as of 30 September 2023 (31 March 2023: 4x) due to rise in cost of debt. • We prefer FPLSP 4.98% PERP within the FPLSP curve as we believe FPL may exercise the call at the first call date. The perpetual's reset is linked to 5Y SOR but does not have a benchmark fallback.	↑ ↑

Macroeconomic Views

	House View	Key Themes
US	We expect US growth of 2.2% YoY in 2023 (2022: 1.9%) given that the economy has been notably resilient. That said, the risk of a slowdown in the next 12 months remains amid a run-down in excess savings, a tight monetary policy, and a contraction in credit conditions. Our house view is that the FOMC is likely done with tightening in the current cycle as inflationary pressures have been coming off, alongside inflation expectations, and given that real rates are already restrictive. Recent data has added to the soft-landing narrative, which underlines our base-case for a 100bps of rate cuts in 2024 and for the easing cycle to start in Q2-2024.	3Q growth was revised upward to 5.2% annualised QoQ, faster than 2Q's 2.1% and higher than the initial 4.9% estimate. The resilient job market has been easing, however, with the change in nonfarm payrolls coming in less-than-expected at 150K in October from 297K previously. The 4-week moving average of initial claims inched higher to 220K on 18 November from 206K on 14 October. Consumer spending also eased in October, with retail sales contracting 0.1% MoM after 6 straight months of growth. Headline inflation fell to 3.2% YoY (0.0% MoM) in October against 3.7% (0.4% MoM) previously. Core inflation moderated to 4.0% YoY (0.2% MoM) from 4.1% (0.3% MoM) in September. Leading indicators are weak with November's ISM manufacturing staying flat at 46.7. The U. of Michigan sentiment index fell to a 6-month low of 61.3 in November. Moving forward, the FOMC highlighted at its November meeting that "tighter financial and credit conditions for households and businesses are likely to weigh on economic activity, hiring, and inflation." The FOMC has one more meeting for the year on 13 December where they are widely expected to keep rates on hold.
EU	The Eurozone economy will likely expand 0.5% YoY in 2023 (2022: 3.4%) amid tighter credit conditions weighing on investments and consumer spending. We remain of the view that there is likely to be no more rate hikes by the European Central Bank (ECB) in this cycle. 3Q23 GDP growth unexpectedly contracted 0.1% QoQ while inflation plunged to its lowest level in more than two years. However, ECB rhetoric remains that talk of any rate cuts is premature.	Headline inflation estimates show that inflation eased to 2.4% YoY (-0.5% MoM) against 2.9% (0.1% MoM) in October. Core inflation also eased to 3.6% YoY from 4.2% previously. Leading economic indicators indicate a still weak picture – the manufacturing and services PMIs despite improving to 44.2 and 48.2 in November from 43.1 and 47.8 respectively in October, are still below the expansion threshold. Consumer confidence also improved albeit still negative to -16.9 in November from -17.8 previously. The labour market displayed steady growth in 3Q growing 1.4% YoY (0.3% QoQ) compared to 1.3% YoY (0.1% QoQ) in 2Q. The unemployment rate was flat at 6.5% in October. In a speech on 22 November, ECB President Lagarde reiterated that discussions on rate cuts are premature stating that, "we need to remain focused on bringing inflation back to our target, and not rush to premature conclusions based on short-term developments."
Japan	Our house view still expects both the YCC and NIRP regime to be removed, depending on how fast JGB yields, inflationary, wage pressures rise over time and how sustained the rise is. We do note that inflationary pressures are broadening; growth outlook is improving and upward pressure on wage growth remains intact. At the last Monetary Policy Committee, the Bank of Japan (BoJ) scrapped the strict 1% cap on the 10Y JGB yield, now seeing 1% as a "reference", around which the BoJ will conduct market operations. This suggests that policymakers may be increasingly tolerant for JGB yields to adjust higher, though Governor Ueda himself does not expect JGB yields to go significantly above 1%.	Preliminary estimates indicate that the economy contracted 2.1% annualised QoQ sa (-0.5% QoQ sa) in 3Q primarily dragged down by weak domestic demand. Meanwhile, headline inflation accelerated to 3.3% YoY (0.7% MoM sa) in October from 3.0% (0.3% MoM sa) previously and mainly driven by faster increases in 'fresh food', 'household goods', and 'entertainment' costs. In contrast, core inflation (excl. food & energy) eased to 4.0% YoY in October from 4.2% previously while PPI in October also eased to a more than 2-year low of 0.8% YoY (-0.4% MoM) from 2.2% (-0.2% MoM) in September. November's manufacturing PMI dipped further to 48.3 from 48.7 previously and marked 6 straight months of contraction. Services PMI, on the other hand, expanded to 51.7 in November from 51.6 previously. BoJ Governor Ueda in a semi-annual testimony to parliament stated that the BoJ will patiently maintain easy policy and will only consider changing policy when inflation reaches its target sustainably. "We will consider ending YCC and negative interest rates if we can expect inflation to stably and sustainably meet our 2% target."

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	House View	Key Themes
Singapore	We expect 2023 GDP growth to come in at ~1.0% YoY (2022: 3.6% YoY) with the manufacturing sector being the main drag particularly electronics due to the protracted global semiconductor industry downturn, as well as lacklustre external demand conditions amid rising interest rates, geopolitical tensions, and China's bumpy recovery. Our view is that the MAS may be on an extended pause mode after keeping its monetary policy settings unchanged at its October meeting. That said, the window for a future easing of monetary policy settings sometime in 2024 is not out of question in our view depending on the inflation trajectory.	3Q23 growth was upwardly revised to 1.1% YoY (1.4% QoQ sa) from the flash estimates of 0.7% YoY (1.0% QoQ sa). All sectors grew in 3Q aside from manufacturing, which declined. Economic indicators look promising with industrial output expanding in October by 7.4% YoY (9.8% MoM sa), the first expansion in more than a year. Manufacturing PMI in November inched higher to 50.3 marking 3 straight months above the expansion threshold. In contrast, NODX remained weak in October, falling for the 13th straight month albeit by a smaller-than-expected 3.4% YoY (+3.4% MoM sa) from -13.2% YoY (+11.1% MoM sa). Headline CPI accelerated to 4.7% YoY (0.2% MoM nsa) in October, up from 4.1% YoY (0.5% MoM nsa) in September, as higher private transport prices offset lower inflation in food, retail & other goods, and accommodation prices. Meanwhile, Core CPI also picked up to 3.3% YoY in October from 3.0% in the previous month.
Indonesia	The economy proved resilient, with 1Q-3Q23 GDP averaging 5.1%. However, weakening growth momentum is apparent, as 3Q23 growth marks the first sub-5% growth since 3Q21. We expect further weakening in 4Q23, although it will not be as sharp as previously anticipated, bringing overall 2023 growth to 5.0%. Easing growth momentum coupled with inflationary pressures that remains under control and most importantly, a sense that the Fed will no longer hike rates this year, we think BI will be more comfortable keeping its policy rate unchanged in December. Further ahead, slowing domestic economic growth in 2024 by our forecasts, lower inflation, and impending Fed rate cuts from 2Q24 (our house view) will allow BI room to lower its policy rate by a cumulative 125bps in 2024.	We had expected BI to follow through on its stance to mitigate against IDR depreciation risks, the main reason for the surprise 25bp rate hike in October. To be sure, the IDR gained over 1% versus USD since BI's October MPC, but it is relatively modest compared to other regional currencies. To that end, BI still sounded vigilant of IDR depreciation and capital flow risks at its November meeting. Importantly, BI sees a lower probability of a US Fed rate hike in December (10%) relative to what was seen at its previous meeting (40%). It does, however, expect the Fed to keep rates elevated for a longer period. Domestically, headline CPI rose to 2.6% YoY in October from 2.3% in September, broadly in line with expectations, bringing year-to-date inflation to 3.9% YoY vs 4.2% in 2022. We maintain our average 2023 headline CPI forecast of 3.7%, implying a modest pick-up in the last two months of 2023, yet still well within BI's 2-4% target range.

	House View	Key Themes
China	China's economy exhibited a robust performance in the third quarter, with a year-over-year growth of 4.9%, surpassing market expectations by a significant margin. We project a reacceleration of China's economic growth in the fourth quarter, potentially reaching approximately 5.5%-6.0%, spurred by a favourable base effect and intensified restocking activities. This will bring the annual growth to about 5.4%, above government's target of 5%.	China has recently displayed a more assertive approach in addressing property risks. Last week alone, there were at least five significant developments related to China's property market. Firstly, the recent symposium chaired by China's financial regulatory authorities with financial institutions has introduced policy directives pertaining to real estate loans, encapsulated in the "three not less than" concept. The first directive stipulates that each bank's growth rate in real estate loans should at least match the average growth rate observed across the banking industry. The second policy point emphasizes that the growth rate of loans to non-state-owned real estate enterprises should not fall below the general growth rate of a bank's real estate loan portfolio. The third aspect mandates that the growth rate of personal mortgage loans for properties developed by non-state-owned enterprises should be in line with the overall mortgage loan growth rate of the bank. These policies represent more than just a symbolic commitment to equitable treatment of private real estate companies; they come with specific, quantifiable expectations. They transcend the realm of mere advisory or 'window guidance' from regulators, constituting operational and measurable regulatory standards.
Hong Kong	Entering the last quarter of the year, recovery is set to continue amid sharp revival of inbound tourism, though tighter financial condition and weak external demand would continue to weigh on growth. We stick to our growth forecast for Hong Kong at 3.2% for this year. In view of the fading reopening boost and higher base of comparison, as well as the ongoing headwinds, economic growth is bound to slow in 2024. Yet, the picture is not all bad, thanks to China's rollout of stimulus measures and likely loosening financial condition next year. Rate sensitive asset, such as residential properties, should see some stabilisation in price. At the same time, loan demand should have a stronger footing as HKD rates trend lower and market sentiment improves. Our full year growth forecast for 2024 is pitched at 2.5%.	Hong Kong's real GDP growth accelerated to 4.1% YoY in the third quarter of 2023, up from the 1.5% in the second quarter, due to a favourable base effect, albeit still below market estimates. Quarter-to-quarter momentum was weak. On a seasonally adjusted basis, Hong Kong's real GDP grew marginally by 0.1% QoQ. In the first three quarters, Hong Kong's GDP grew by 2.8% over the same period last year. The government revised down its full-year economic growth forecast to 3.2% (in line with our forecast), from an earlier estimate of a range of 4.0% to 5.0%. Exports of services and private consumption continued to be the growth driver, though the latter continued to lose momentum. Exports of services recorded accelerated growth of 23.9% YoY in 3Q (2Q: +22.8% YoY), while that of private consumption expenditure expanded by a slower pace of 6.3% YoY (2Q: +7.7% YoY). During the quarter, overall investment also rebounded sharply, due to the low base effect. The gross domestic fixed capital formation rose by 18.4% YoY (2Q: -0.5% YoY). Meanwhile, major drags on growth stemmed from the sluggish merchandise exports, though the year-on-year decline narrowed to 8.6% (2Q: -15.1% YoY). On the other hand, on the back of scaled back stimulus package, government consumption expenditure dropped by 4.5% YoY (2Q: -9.8% YoY).

	House View	Key Themes
Macau	Due to a downward revision of earlier figures by the authorities (rates of change for the first half of 2023 were revised to 62.3% from 71.5%), we have revised downward our full year GDP forecast to 79%, from that of 89% earlier. On the labour market, we expect the unemployment rate to drop to 2.6% in 2023. On the other hand, we expect total tourism spending (excluding gaming expense) to rise to around 115% of the pre-pandemic level in 2023, while total gross gaming revenue should revert to around 65% of pre-Covid levels. Yet, near term challenges remained, as lack of qualified workforce and insufficient transport infrastructure put a lid on potential growth.	Macau's real GDP jumped by 116.1% YoY in the third quarter, led by sharp rebound in the tourism and gaming sectors. In the first three quarters, Macau's GDP grew by 77.7% YoY, recovering to around 77.4% of the pre-pandemic level in the same period of 2019. During the third quarter, the growth was mostly led by external demand which leapt by 169.0% YoY, while domestic demand rose by 15.7% YoY. Specifically, exports of services recorded an impressive year-on-year increase of 284.1%, as exports of gaming services and tourism services skyrocketed by 781.4% YoY and 255.4% YoY respectively. Year-on-year growth of private consumption expenditure paced up to 29.6% (12.2% YoY in 2Q), on the back of improved economic momentum and tight labour market. Gross fixed capital formation also surged by 45.5% YoY (30.0% YoY in 2Q), due to solid increase in construction (+43.9% YoY) and equipment investment (+50.4% YoY). Within the total, private construction investment soared by 61.5% YoY, as casinos stepped up investment. Meanwhile, public consumption expenditure fell for the first time since the third quarter last year, by 23.6%, amid the conclusion of some relief measures.
Malaysia	The government remained committed to fiscal consolidation in 2024, with the budget announcement including some measures to broaden the revenue base. The government also committed to introducing targeted subsidy rationalisation but did not provide details. This timeline is key to assessing whether the fiscal deficit of 4.3% of GDP versus 5.0% in 2023 can be achieved. Meanwhile, we do not expect Bank Negara Malaysia (BNM) to succumb to hawkish peer pressure from regional central banks. That said, BNM will remain hawkish into 2024 and entertain the possibility of rate hikes only if inflationary pressures, particularly on core inflation, build up next year.	The final estimate of 3Q GDP growth showed that GDP growth was unchanged at 3.3% YoY versus the flash estimates. Consistent with our expectations, private consumption expenditures are showing increasing signs of stabilisation while investment spending remained resilient. The external sector remained a drag on growth. Meanwhile, inflationary pressures eased further with October inflation easing to 1.8% YoY from 1.9% in September. Food prices continued to ease along with core inflation offsetting higher transportation costs. The inflation outcomes for 2024 depend on the timing and mechanism that the government will adopt in fuel subsidy rationalisation. Our forecast is for headline inflation to average 2.5% YoY, within the government's wider inflation range of 2.1-3.6%. From BNM's standpoint, it will be crucial to judge whether higher headline inflation is having an impact on core inflation. For now, we do not think BNM will need to adjust its policy rate in 2024, setting the stage for a prolonged pause.
Thailand	We have revised lower our 2023 GDP growth forecast to 2.0% from 2.6% previously. Growth in 2024 will be buoyed by government policies aimed at bolstering household spending while export growth is also expected to improve. That said, there may still be some uncertainties on the external front weighing on growth. Given a sanguine growth-inflation mix, we do not think Bank of Thailand will need to adjust its policy rate in 2024, setting the stage for a prolonged pause.	Third quarter GDP growth disappointed at 1.5% YoY, indicating a further slowdown from 1.8% in 2Q23. Although private sector spending remained strong, weakness in public sector spending and export growth still represented a large drag. Meanwhile, inflationary pressures have been significantly dampened by the governments' policies to contain the cost of living. This essentially led to negative headline inflation of -0.3% YoY in October from +0.3% in September. Despite the recent increases in global crude oil prices, the government decided to further trim gasoline excise taxes in November, implying that price pressures will be further eased. As such, we have revised lower our 2023 headline CPI to average 1.3% YoY from 1.5% previously (2022: 6.1%).

	House View	Key Themes
South Korea	The Bank of Korea (BoK) kept its base rate on hold during its November meeting. The BoK revised downward its 2024 GDP forecast to 2.1% YoY but commented that "the inflation path is expected to be higher than previously forecasted." And that the Board will maintain a restrictive policy stance for a "sufficiently long period of time." Our house view remains that the BoK will keep its base rate unchanged at 3.50% for the rest of 2023.	Headline inflation accelerated for a 3rd month amid higher food costs to 3.8% YoY (0.3% MoM) in October from 3.7% (0.6% MoM) in September. Core inflation (excl. food & energy), meanwhile, eased slightly to 3.2% YoY from 3.3% previously. Separately, consumer spending eased in October as department store sales contracted by 2.6% YoY after a 3.1% expansion previously. November exports expanded 7.8% YoY from 5.1% in October while imports contracted a faster pace of 11.6% YoY against -9.7% previously, leading to a wider trade surplus of US$3.8bn (October: US$1.6bn). November manufacturing PMI edged up to 50, reaching expansion after 16 straight months of contraction. The business manufacturing survey, however, fell to 68 in December from 69 in November while the non-manufacturing survey improved to 71 from 69 in November, albeit still below 100 (Readings above 100 indicate more firms are positive on balance). The labour market was steady with October's unemployment rate coming in better-than-expected at 2.5% versus 2.6% in the previous month.
Philippines	With 1Q-3Q23 growth of 5.5% YoY, we marginally revise our 2023 growth forecast to 5.7% YoY from 5.4% previously. For 2024, we revised higher our growth forecast to 6.0% YoY supported by a bottoming in the electronics exports downcycle and stabilising private consumption. Inflationary pressures will continue to moderate into 2024 to average 3.9% YoY (2023: 6.1%). Nonetheless, the balance of risks for inflation remains tilted to the upside. The delay in inflation relief has likely shifted the opportunity for Bangko Sentral ng Pilipinas (BSP) to ease policy rates to 2Q24 when the US Fed begins to cut rates (our house view) and inflationary pressures start to consistently ease. We expect the BSP to cut policy rates by a cumulative 100bps to 5.50% by end-2024.	GDP growth improved to 5.9% YoY in 3Q23 from 4.3% in 2Q23. On the domestic demand front, government underspending reversed while investment spending picked up. Private consumption growth continued to ease as the lagged impact of monetary policy tightening, a cumulative 450bps in policy rate hikes since mid-2022, weighs on private consumption expenditures. The external sector remained a drag on growth. Meanwhile, headline CPI eased more-than-expected to 4.9% YoY in October from 6.1% in September. Food prices continued to ease along with core inflation offsetting higher costs in the 'clothing', 'utilities' and 'information and communication' components. This brings the average year-to-date inflation to 6.4% YoY versus 5.8% in 2022. We maintain our 2023 average inflation forecast of 6.1%. This implies easing inflation in 4Q23 but will remain above BSP's 2-4% inflation target range.
ASEAN-4	The region remains a bright spot in an uncertain 2024 environment. For Indonesia, Malaysia and the Philippines, the demographic dividend remains. Many of these economies have also committed to boosting the reform agenda and pushing ahead with fiscal consolidation. GDP growth will remain resilient into 2024 averaging 4.5% YoY for the ASEAN-4 economies versus 4.4% in 2023.	The 3Q GDP prints were a mixed bag. Growth in Indonesia and Thailand slowed versus 2Q23 while it picked up in the Philippines and Malaysia. The external sector remained weak in 3Q with export and import growth contracting, albeit to differing degrees in each country. Domestic demand was the main source of strength but again there was no clear common trend or driver. Government underspending reversed in the Philippines but remained a drag in Thailand while investment spending was resilient in most economies in the region. Private consumption expenditures showed increasing signs of stability.

FX/Rates Forecast

USD Interest Rates	Current	4Q23	1Q24	2Q24	3Q24	4Q24
FFTR upper	5.50	5.50	5.50	5.25	4.75	4.50
SOFR	5.33	5.30	5.30	5.05	4.55	4.30
3M SOFR OIS	5.37	5.40	5.40	5.20	4.70	4.45
6M SOFR OIS	5.31	5.35	5.35	5.15	4.65	4.40
1Y SOFR OIS	5.03	5.10	5.10	4.85	4.35	4.10
2Y SOFR OIS	4.42	4.50	4.50	4.30	3.85	3.65
5Y SOFR OIS	3.90	3.95	3.95	3.85	3.50	3.40
10Y SOFR OIS	3.88	3.90	3.90	3.85	3.50	3.40
15Y SOFR OIS	3.94	3.95	3.95	3.90	3.55	3.45
20Y SOFR OIS	3.93	3.95	3.95	3.90	3.55	3.45
30Y SOFR OIS	3.75	3.75	3.75	3.70	3.40	3.35
SGD Interest Rates	**Current**	**4Q23**	**1Q24**	**2Q24**	**3Q24**	**4Q24**
SORA	3.68	3.60	3.60	3.50	3.35	3.10
1M SIBOR	4.03	4.00	4.00	3.95	3.70	3.65
3M SIBOR	4.06	4.05	4.05	4.00	3.80	3.80
3M SGD OIS	3.52	3.55	3.55	3.50	3.25	2.95
6M SGD OIS	3.49	3.55	3.55	3.50	3.25	3.00
1Y SGD OIS	3.34	3.45	3.45	3.40	3.20	3.05
2Y SGD OIS	2.99	3.00	3.00	2.90	2.70	2.60
3Y SGD OIS	2.85	2.90	2.90	2.83	2.68	2.63
5Y SGD OIS	2.80	2.80	2.80	2.75	2.65	2.65
10Y SGD OIS	2.83	2.82	2.82	2.82	2.65	2.70
15Y SGD OIS	2.79	2.80	2.80	2.80	2.63	2.68
20Y SGD OIS	2.70	2.80	2.80	2.80	2.80	2.70
MYR Interest Rates	**Current**	**4Q23**	**1Q24**	**2Q24**	**3Q24**	**4Q24**
OPR	3.00	3.00	3.00	3.00	3.00	3.00
1M MYR KLIBOR	3.35	3.35	3.30	3.25	3.20	3.20
3M MYR KLIBOR	3.70	3.65	3.60	3.55	3.50	3.50
6M MYR KLIBOR	3.73	3.70	3.65	3.60	3.55	3.55
1Y MYR IRS	3.66	3.70	3.60	3.55	3.40	3.40
2Y MYR IRS	3.58	3.65	3.60	3.55	3.50	3.35
3Y MYR IRS	3.60	3.70	3.70	3.65	3.55	3.40
5Y MYR IRS	3.64	3.70	3.70	3.65	3.55	3.50
10Y MYR IRS	3.92	4.00	3.95	3.90	3.80	3.70
15Y MYR IRS	4.13	4.15	4.10	4.05	3.95	3.90
20Y MYR IRS	4.28	4.40	4.40	4.35	4.30	4.00
HKD Interest Rates	**Current**	**4Q23**	**1Q24**	**2Q24**	**3Q24**	**4Q24**
1M HKD HIBOR	5.53	5.15	4.85	4.65	4.30	4.05
3M HKD HIBOR	5.55	5.20	5.00	4.80	4.40	4.20
2Y HKD IRS	4.26	4.35	4.30	4.15	3.70	3.50
5Y HKD IRS	3.87	3.90	3.90	3.80	3.65	3.60
10Y HKD IRS	3.87	3.95	3.90	3.80	3.70	3.70

Research Monitor (December)

4 December 2023

UST yields	Current	4Q23	1Q24	2Q24	3Q24	4Q24
2Y UST	4.60	4.70	4.55	4.30	3.80	3.50
5Y UST	4.18	4.30	4.25	4.10	3.80	3.60
10Y UST	4.24	4.35	4.30	4.20	3.90	3.70
30Y UST	4.42	4.50	4.45	4.35	4.20	4.05
SGS yields	**Current**	**4Q23**	**1Q24**	**2Q24**	**3Q24**	**4Q24**
2Y SGS	3.34	3.40	3.35	3.20	2.90	2.70
5Y SGS	2.88	2.95	2.95	2.85	2.75	2.70
10Y SGS	2.93	3.00	3.00	2.90	2.80	2.75
15Y SGS	2.96	3.05	3.00	2.95	2.90	2.85
20Y SGS	2.99	3.05	3.05	3.00	2.95	2.90
30Y SGS	2.94	3.05	3.05	3.00	2.95	2.90
MGS yields	**Current**	**4Q23**	**1Q24**	**2Q24**	**3Q24**	**4Q24**
3Y MGS	3.48	3.55	3.45	3.40	3.30	3.30
5Y MGS	3.62	3.70	3.70	3.65	3.40	3.40
10Y MGS	3.83	3.95	3.95	3.90	3.75	3.60
IndoGB yields	**Current**	**4Q23**	**1Q24**	**2Q24**	**3Q24**	**4Q24**
2Y IndoGB	6.48	6.65	6.65	6.50	6.10	6.00
5Y IndoGB	6.51	6.60	6.60	6.50	6.30	6.25
10Y IndoGB	6.54	6.70	6.70	6.60	6.45	6.40

Source: OCBC Research (Latest Forecast Update: 4th December 2023)

Research Monitor (December)

4 December 2023

FX	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24
USD-JPY	146.00	143.00	142.00	141.00	138.00
EUR-USD	1.0900	1.0900	1.1000	1.1000	1.1200
GBP-USD	1.2650	1.2700	1.2750	1.2800	1.3000
AUD-USD	0.6600	0.6600	0.6750	0.6800	0.6950
NZD-USD	0.6150	0.6100	0.6250	0.6300	0.6500
USD-CAD	1.3550	1.3500	1.3300	1.3100	1.3100
USD-CHF	0.8800	0.8700	0.8700	0.8700	0.8700
USD-SEK	10.8200	10.7000	10.4000	10.2000	10.0000
DXY	103.35	102.88	101.94	101.57	99.96
USD-SGD	1.3350	1.3310	1.3290	1.3250	1.3200
USD-CNY	7.1500	7.1000	7.0500	7.0000	6.9900
USD-CNH	7.1500	7.1000	7.0500	7.0000	6.9900
USD-THB	35.1000	34.8000	34.8000	34.6000	34.4000
USD-IDR	15500	15350	15300	15200	15100
USD-MYR	4.6400	4.6200	4.6000	4.5800	4.5800
USD-KRW	1295.0	1275.0	1255.0	1245.0	1230.0
USD-TWD	31.200	30.800	30.800	30.600	30.600
USD-HKD	7.800	7.790	7.780	7.780	7.780
USD-PHP	55.200	54.900	54.600	54.200	54.000
USD-INR	83.000	82.500	82.300	82.000	81.500
USD-VND	24300	24200	24200	24000	23900
EUR-JPY	159.14	155.87	156.2	155.1	154.56
EUR-GBP	0.8617	0.8583	0.8627	0.8594	0.8615
EUR-CHF	0.9592	0.9483	0.9570	0.9570	0.9744
EUR-SGD	1.4552	1.4508	1.4619	1.4575	1.4784
GBP-SGD	1.6888	1.6904	1.6945	1.6960	1.7160
AUD-SGD	0.8811	0.8785	0.8971	0.9010	0.9174
NZD-SGD	0.8210	0.8119	0.8306	0.8348	0.8580
CHF-SGD	1.5170	1.5299	1.5276	1.5230	1.5172
JPY-SGD	0.9144	0.9308	0.9359	0.9397	0.9565
SGD-MYR	3.4757	3.4711	3.4612	3.4566	3.4697
SGD-CNY	5.3558	5.3343	5.3047	5.2830	5.2955
SGD-IDR	11610	11533	11512	11472	11439
SGD-THB	26.29	26.15	26.19	26.11	26.06
SGD-PHP	41.35	41.25	41.08	40.91	40.91
SGD-CNH	5.36	5.33	5.30	5.28	5.30
SGD-TWD	23.37	23.14	23.18	23.09	23.18
SGD-KRW	970.04	957.93	944.32	939.62	931.82
SGD-HKD	5.8427	5.8527	5.8540	5.8717	5.8939
SGD-JPY	109.36	107.44	106.85	106.42	104.55
Gold $/oz	2050	2065	2092	2105	2140

Source: OCBC Research (Latest Forecast Update: 4th December 2023)

Research Monitor (December)

4 December 2023

Macroeconomic Calendar

Date Time	C	Event	Period	Survey	Actual	Prior
01/12 10:00	ID	CPI YoY	Nov	2.70%	--	2.56%
05/12 07:00	SK	CPI YoY	Nov	--	--	3.80%
05/12 07:00	SK	GDP YoY	3Q P	--	--	1.40%
05/12 07:00	SK	GDP SA QoQ	3Q P	--	--	0.60%
05/12 07:30	JN	Tokyo CPI Ex-Fresh Food YoY	Nov	--	--	2.70%
05/12 09:00	PH	CPI YoY 2018=100	Nov	--	--	4.90%
06/12 08:30	AU	GDP SA QoQ	3Q	--	--	0.40%
06/12 08:30	AU	GDP YoY	3Q	--	--	2.10%
06/12 16:00	TA	CPI YoY	Nov	--	--	3.05%
07/12 11:30	TH	CPI YoY	Nov	--	--	-0.31%
07/12 18:00	EC	GDP SA QoQ	3Q F	--	--	-0.10%
07/12 18:00	EC	GDP SA YoY	3Q F	--	--	0.10%
08/12 07:50	JN	GDP SA QoQ	3Q F	--	--	-0.50%
08/12 07:50	JN	GDP Annualized SA QoQ	3Q F	--	--	-2.10%
08/12 07:50	JN	GDP Deflator YoY	3Q F	--	--	5.10%
08/12 15:00	GE	CPI YoY	Nov F	--	--	--
09/12 09:30	CH	CPI YoY	Nov	--	--	-0.20%
12/12 20:00	IN	CPI YoY	Nov	--	--	4.87%
12/12 21:30	US	CPI YoY	Nov	--	--	3.20%
14/12 05:45	NZ	GDP SA QoQ	3Q	--	--	0.90%
19/12 18:00	EC	CPI YoY	Nov F	--	--	2.90%
19/12 21:30	CA	CPI YoY	Nov	--	--	3.10%
20/12 15:00	UK	CPI YoY	Nov	--	--	4.60%
21/12 21:30	US	GDP Annualized QoQ	3Q T	--	--	--
22/12 07:30	JN	Natl CPI YoY	Nov	--	--	3.30%
22/12 15:00	UK	GDP QoQ	3Q F	--	--	0.00%
22/12 15:00	UK	GDP YoY	3Q F	--	--	0.60%
26/12 13:00	SI	CPI YoY	Nov	--	--	4.70%
25/12 10:00	VN	CPI YoY	Dec	--	--	--
29/12 07:00	SK	CPI YoY	Dec	--	--	--

Central Bank Interest Rate Decisions

Date Time	C	Event	Period	Survey	Actual	Prior
06/12 23:00	CA	Bank of Canada Rate Decision	Dec-06	5.00%	--	5.00%
08/12 12:30	IN	RBI Repurchase Rate	Dec-08	6.50%	--	6.50%
08/12 12:30	IN	RBI Cash Reserve Ratio	Dec-08	4.50%	--	4.50%
14/12 03:00	US	FOMC Rate Decision (Upper Bound)	Dec-13	5.50%	--	5.50%
14/12 03:00	US	FOMC Rate Decision (Lower Bound)	Dec-13	5.25%	--	5.25%
14/12 09:00	TA	CBC Benchmark Interest Rate	Dec-14	--	--	1.88%
14/12 15:00	PH	BSP Overnight Borrowing Rate	Dec-14	--	--	6.50%
14/12 15:00	PH	BSP Standing Overnight Deposit Facility Rate	Dec-14	--	--	6.00%
14/12 20:00	UK	Bank of England Bank Rate	Dec-14	--	--	5.25%
14/12 21:15	EC	ECB Main Refinancing Rate	Dec-14	--	--	4.50%
14/12 21:15	EC	ECB Deposit Facility Rate	Dec-14	--	--	4.00%
14/12 21:15	EC	ECB Marginal Lending Facility	Dec-14	--	--	4.75%
19/12 08:00	JN	BOJ Policy Balance Rate	Dec-19	--	--	-0.10%
19/12 08:00	JN	BOJ 10-Yr Yield Target	Dec-19	--	--	0.00%
20/12 09:15	CH	1-Year Loan Prime Rate	Dec-20	--	--	3.45%
20/12 09:15	CH	5-Year Loan Prime Rate	Dec-20	--	--	4.20%
21/12 15:20	ID	Bank Indonesia 7D Reverse Repo	Dec-21	--	--	6.00%

Source: Bloomberg

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