

Global Markets Daily

Good US Data = Strong USD

Bumper ADP Data

USD rose sharply for the 4th consecutive session overnight on better than expected US data. ADP employment rose +692k (vs. expectations of +600k) with job gains largely coming from the services sector (+624k). Leisure and hospitality saw the largest gains (+332k). With labor market being one of Fed's dual mandate, the bumper ADP data could well build market expectations for the Fed to bring forward policy normalisation timeline. This would add to USD strength in the interim. Furthermore recent CFTC data shows USD positioning relatively light and could possibly see room for USD longs to build. That said NFP data tomorrow would be key. Consensus looks for +711k. Stronger data should extend USD gains while a disappointment can tame USD bulls. Recent history somewhat shows that ADP data was not a good indicator of NFP, with the NFP disappointing expectations. For the day we expect consolidative price action on higher USD grounds as we await ISM data (tonight) and payrolls (tomorrow). To some extent, USD strength may continue to be more pronounced vs. lower/negative yielders as policy divergence thematic grows in favour of US.

Keeping the Red Boundaries Clear

This morning, President Xi gave his speech at the 100th anniversary of the CPC. It was an opportune moment to celebrate the achievement of building a "moderately prosperous society" - a key party ideal brought up by Deng Xiaoping in 1979. In a rallying message for the internal audience as well as external, he also spoke about the "irreversible rise" of China and warned that "nobody should underestimate the staunch determination, firm will and powerful capacity of the Chinese people to defend national sovereignty and territorial integrity". He reiterated that China wants peaceful unification with Taiwan and warned against "schemes" to achieve full independence for Taiwan.

Global Mfg PMIs in Focus Today

Key data we watch today include ISM mfg (Jun); EU, UK PMI Mfg (Jun); EU Unemployment (May).

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G7: Events & Market Closure

Date	Ctry	Event
1 Jul	OPEC	OPEC+ Meeting

Asia Ex JP: Events & Market Closure

Date	Ctry	Event
1 Jul	HK	Market Closure

FX: Overnight Closing Prices

Majors	Prev Close	% Chg	Asian FX	Prev Close	% Chg
EUR/USD	1.1858	↓ -0.33	USD/SGD	1.3454	↑ 0.01
GBP/USD	1.3831	↓ -0.04	EUR/SGD	1.5952	↓ -0.33
AUD/USD	0.7498	↓ -0.19	JPY/SGD	1.2108	↓ -0.51
NZD/USD	0.6983	↓ -0.13	GBP/SGD	1.8605	↓ -0.06
USD/JPY	111.11	↑ 0.52	AUD/SGD	1.0088	↓ -0.18
EUR/JPY	131.75	↑ 0.21	NZD/SGD	0.9398	↓ -0.11
USD/CHF	0.925	↑ 0.43	CHF/SGD	1.4543	↓ -0.42
USD/CAD	1.2398	↓ -0.02	CAD/SGD	1.0851	↑ 0.02
USD/MYR	4.149	↓ -0.07	SGD/MYR	3.0875	↓ -0.02
USD/THB	32.03	↓ -0.20	SGD/IDR	10781.27	↑ 0.07
USD/IDR	14500	↑ 0.10	SGD/PHP	36.3063	↑ 0.57
USD/PHP	48.81	↑ 0.62	SGD/CNY	4.8012	↓ -0.11

Implied USD/SGD Estimates at 1 July 2021, 9.00am

Upper Band Limit	Mid-Point	Lower Band Limit
1.3286	1.3557	1.3828

G7 Currencies

■ **DXY Index - ISM manufacturing Data Today.** USD rose sharply for the 4th consecutive session overnight on better than expected US data. ADP employment rose +692k (vs. expectations of +600k) with job gains largely coming from the services sector (+624k). Leisure and hospitality saw the largest gains (+332k). With labor market being one of Fed's dual mandate, the big improvement could well build expectations for the Fed to bring forward policy normalisation timeline. This would add to USD strength in the interim. Furthermore recent CFTC data shows USD positioning relatively light and could possibly see room for USD longs to build. That said NFP data tomorrow would be key. Consensus looks for +711k. Stronger data should extend USD gains while a disappointment can tame USD bulls. Recent history somewhat shows that ADP data was not a good indicator of NFP, with the NFP disappointing expectations. For the day we expect consolidative price action on higher USD grounds as we await ISM data (tonight) and payrolls (tomorrow). To some extent, USD strength may continue to be more pronounced vs. lower/negative yielders as policy divergence thematic grows in favour of US in the interim. DXY was last at 92.40 levels. Bullish momentum on daily chart intact while RSI is revisiting overbought conditions. Resistance here at 92.51 (76.4% fibo retracement of mar high to May low) and 93 levels. Support at 91.95 (61.8% fibo), 91.5 levels (200DMA, 50% fibo), 91 (38.2% fibo, 100 DMA) and 90.45 levels (23.6% fibo). Week remaining brings ISM mfg (Jun); consumer spending (May) on Thu; NFP, average hourly earnings, unemployment (Jun); Trade (May) on Fri.

■ **EURUSD - Buy Dips.** EUR fell amid broad USD strength. Pair was last at 1.1850 levels. Bearish momentum on daily chart intact but still shows signs of fading while RSI is near-oversold conditions. 21DMA looks on track to cut 100 and 200 DMAs to the downside - another bearish signal. Downside risks remain with key support here at 1.1840 (76.4% fibo retracement of Mar low to May high). Break below this may open way for further downside towards 1.1705 levels. Resistance at 1.1920 (61.8% fibo), 1.1985/1.20 levels (200 DMA, 50% fibo). US data outperformance is fuelling market expectations for Fed to bring forward tightening schedule and with ECB still dovish, this could weigh on EUR in the interim. But we argued there are also other factors underpinning EUR strength and one cannot totally discount the ECB doing a surprise hawkish tilt especially with data coming in stronger than expected. Rapid vaccination pace, flattening of epidemic curves, expectations of EU growth playing catch-up as economy reopens, etc. underpins a constructive outlook for EUR. Earlier this week ECB's Guindos said that ECB is attentive to incoming information to assess whether the temporary increase in inflation gives rise to second round effects that could translate into a more permanent development. We remain bias to buy dips. Week remaining brings PMI Mfg (Jun); Unemployment (May) on Thu; PPI (May) on Fri.

■ **GBPUSD - Downside Bias.** GBP continued to trade with a heavy bias amid USD strength and delta variant spread. Daily new cases

continue to show no signs of abating with daily infection jumping to multi-month highs of above 26k. Rising infection is worrying as the delta variant is highly transmissible and may somewhat suggest that 19th Jul planned reopening could be premature. That said looking at infection trajectory, current rise is following a similar path to Autumn 2020 (last year) but what may be comforting is that the trajectory for hospitalisation is drastically different with fewer people admitted to hospital this time (vs. Autumn 2020 episode). This observation reinforced the effectiveness of the vaccine and it also suggests that countries with high vaccination coverage can minimise risk of transmission and allow for economy to reopen. GBP was last seen 1.3815 levels. Bearish momentum on daily chart intact while RSI is near oversold conditions. Key support here at 1.3810 (76.4% fibo). A break below this could open room for passage towards 1.3650/70 levels (Apr low, 200 DMA). Resistance at 1.3890 levels (61.8% fibo retracement of Apr low to May high), 1.3940/60 levels (100 DMA, 50% fibo). Today brings PMI mfg (Jun).

■ **USDJPY - Up-Moves May be Hesitant.** A bout of broad dollar strengthening was observed yesterday after ADP employment data outperformed for Jun (692k vs. 600k) and USDJPY was boosted alongside. Last seen at 111.08. Notably, US10Y yields continued to hold below 1.5% (last seen at 1.46%), as caution in some corners of the market supported demand for treasuries. USDJPY up-moves may be more hesitant from here barring an upside surprise in Fri's US NFP data. Back in Japan, Tankan surveys showed that business sentiments in 2Q broadly improved vs. 1Q, but the pace of improvement was slower than expected. Momentum and RSI on daily chart are mildly bullish. Resistance at the 111-handle (Mar-high) is currently being tested; next at 111.70, before 112.20 (2020 high). Support at 110.15 (76.4% fibo retracement of Mar high to Apr low), 109.60 (50-DMA)..

■ **NZDUSD - Consolidate.** NZD fell below 0.70-handle, tracking moves in other non-USD FX. Pair was last seen at 0.6990 levels. Mild bearish momentum on daily chart intact. Immediate support here at 0.6990 and 0.6920. Resistance at 0.7020 (23.6% fibo), 0.7075 (38.2% fibo retracement of May high to Jun low) and 0.7120 (50% fibo). Intra-day look for 0.6950 - 0.7020 range. Week remaining brings Consumer confidence (Jun) on Fri

■ **AUDUSD - Lockdowns Weigh and also, USD resurgence.** AUDUSD softened under the 0.75-figure this morning as the USD looks to extend its rally from overnight trades. Broad USD strength is the dominant theme after an upside surprise in the ADP jobs report. The greenback has been increasingly sensitive to the strength of its data ever since the Fed's hawkish tilt in the Jun FOMC. The possibility of a QE tapering or a rate hike by the Fed in the horizon hinges on its labour market conditions and NFP on Fri would be closely watched. Apart from broader USD strength, domestic COVID situation weighs. The spread of the delta variant could weigh on the RBA's decision to taper next Tue and the lack of vaccines at home do not help matters in the least. The steady rise in cases across the country poses risk of a new wave of infections, especially in the absence of

sufficient vaccines. It is likely that RBA may prefer to err on the side of caution and extend QE beyond the Sep given the uncertainties pose by the existing outbreaks and lockdowns. In terms of cash target rate, the yield curve target is most certainly to stay and maturity of the bonds meant to keep the 3Y at 10bps could remain in Apr 2024. That would be seen as a pledge to keep cash target rate at 10bps until 2024, a most dovish pledge compared to other DM central banks. We had expected RBA to half the total amount of QE pledged for the third tranche (from \$100bn to \$50bn). Given the lingering uncertainties of the outbreak at home, RBA may instead keep the QE programme flexible and reviewed monthly. Back on the AUDUSD chart, bearish momentum intact. Break of the 0.75-figure opens the way towards 0.7380 (next support). Data-wise, Final Mfg PMI is due on Thu along with CoreLogic House Price for Jun and May trade, home loans data for May on Fri.

- **USDCAD - *Steady ahead of OPEC+***. USDCAD was choppy overnight with a smaller-than-expected GDP contraction recorded for Apr at -0.3%/m vs. consensus at -0.8% and a year-on-year growth of 20.0%. Industrial product price was also at a milder 2.7%/m for May compared to the expected 3.1%. The better-than-expected growth number was eclipsed by the stronger-than-expected ADP numbers out of the US and the USDCAD was swung back higher. Overall, CAD was one of the most resilient against the USD strength as macro improvement still keeps BoC in the relatively less dovish camps of the DM lot. Resistance remains at the 1.24-figure and eyes on the OPEC+ meeting today with Russia and Kazakhstan looking to boost production while Saudi Arabia and other Gulf Arab allies prefer a more gradual increase. The decision made at the meeting would be meant for Aug's production and beyond. The rise in oil price show signs of hurting economies that have barely gotten out of the pandemic such as India. More broadly, inflationary pressure could be further exacerbated by disrupted supply chains that have not completely recovered. Back on the USDCAD chart, interim resistance at 1.24-figure is being tested before the next at 1.2480. We hold our call (dated 21 Jun) for USDCAD to head towards the 1.2203 before the next at 1.2000. Stoploss at 1.2580. Risk-reward ratio of 1:3. This trade expires this week. Data-wise, May building permits, trade and Jun Mfg PMI are expected on Fri.

Asia ex Japan Currencies

SGD trades around +0.72% from the implied mid-point of 1.3557 with the top estimated at 1.3286 and the floor at 1.3828.

- **USDSGD - *Settling in Higher Range***. Pair last seen at 1.3458. While an upside surprise in US ADP jobs data yesterday evening led to a bout of dollar strengthening (+0.4%), up-moves in USDSGD were largely hesitant. On a basket-weighted basis, SGD NEER continued to creep higher, touching the 0.7%-mark. Comments from the central bank yesterday suggests that Singapore's GDP growth could exceed upper end of authorities' 4-6% forecast range this year. A firm global recovery will support external demand in 2H, even as virus mutations and shifts in Fed stance could be drags. The financial services sector was also seen as a bright spot in the economy, growing by an estimated 6% in 1H. Bullish momentum on daily chart shows signs of fading, while RSI is hovering just below overbought conditions. Resistance at 1.3450 (23.6% fibo retracement of Feb low to Mar high) is being tested; next at 1.3530 (Mar high). Support at 1.3380 (200-DMA), 1.3300. Jun PMI due Fri.
- **AUDSGD - *Still Capped by 21-dma***. Cross slipped to levels around 1.0080. The 21-dma at 1.0186 caps and this cross remains within the falling trend channel that started in May. Momentum on daily chart and stochastics are neutral at this point but price action is biased to the downside with 21-dma en-route to cross the 100-dma. Support levels at 1.0050, 1.0020.
- **SGDMYR - *Will H&S Neckline Hold?*** SGDMYR was a touch softer this morning. Cross was last seen at 3.0875 levels. Bearish momentum on daily chart intact though RSI is flat. Looking at price pattern, there is a head and shoulder (bearish reversal pattern) and a bearish crossover (21DMA cuts 50DMA to the downside). Neckline key support at 3.0800/35 levels. Break below this could open room for further downside towards 3.07 (61.8% fibo retracement of 2021 low to high), 3.0650 (200 DMA) and 3.0550. Resistance at 3.1010 (21, 50 DMAs) and 3.11 levels. We look for 3.0820 - 3.0950 range intra-day.
- **USDMYR - *Consolidate***. USDMYR was little changed; last seen at 4.1560 levels. Mild bullish momentum on daily chart intact but RSI shows signs of re-visiting overbought conditions. Mild upside risks not ruled out. Resistance at 4.16, 4.1710 (2021 high). Support at 4.1450, 4.1325 (21 DMA) and 4.1260 (50 DMA). We still look for range of 4.15 - 4.16 intra-day.
- **1m USDKRW NDF - *Tactical Short***. 1m USDKRW was a touch firmer amid broad USD strength and softer appetite for risk assets this morning. Pair was last seen at 1132 levels. Bullish momentum on daily chart is fading while RSI now appears to show signs of reattempting overbought conditions. Some upside risks not ruled out. Resistance at 1135, 1140 levels. Support at 1129, 1120 (21, 50, 100, 200 DMAs). Intra-day range of 1128 - 1135 likely. We hold to our tactical short call - short 1m at 1135 targeting a move towards 1120 first objective before 1112 next objective. (SL at 1145) on the back

of our view for KRW to correct its weakness, given a positive mix of domestic and external drivers, including constructive macro fundamentals, semiconductor story and the potential for BoK tightening in 4Q 2021. For the week, CPI data due tomorrow.

- **USDCNH - Steady into the Centennial Celebrations.** The pair edged higher to levels around 6.4710, a most resilience pair to the broader USD strength seen overnight. The USDCNY reference rate was fixed at 6.4709 vs. consensus estimate at 6.4709. This pair tests the resistance at 6.47 and the key resistance remains at 6.50. Support at 6.4363 (50-dma) before 6.4272 (21-dma). Liquidity conditions have eased and so did the injections with net CNY20bn drain this morning as PBoC reverts to the regular injection of CNY10bn. The central bank continues to keep a tight leash on liquidity. This morning, President Xi gave his speech at the 100th anniversary of the CPC. It was an opportune moment to celebrate the achievement of building a “moderately prosperous society” - a key party ideal brought up by Deng Xiaoping. In a rallying message for the internal audience as well as external, he also spoke about the “irreversible rise” of China and warned that “nobody should underestimate the staunch determination, firm will and powerful capacity of the Chinese people to defend national sovereignty and territorial integrity”. He reiterated that China wants peaceful unification with Taiwan and warned against “schemes” to achieve full independence for Taiwan. Caixin PMI-mfg came in at a softer 51.3 vs. previous 52.0. A print that is somewhat inline with the official mfg PMI number that was 50.9 vs. previous 51.0. Softening manufacturing sector was due to the challenges of the pandemic and input shortages that affected output. The outbreak in Guangzhou and overseas had hurt business sentiments in the sector.
- **USDINR NDF - Buoyant.** The 1M NDF rose a tad to levels around 74.70, at the cusp of breaking out of the 73.95-74.80 range on higher UST 10y yield and USD. Next resistance at 74.95. Support at 74.00 (50-dma) and then 73.54 (21-dma). Eyes on upcoming RBI auction of its 10y bond - potentially raising INR1.5-1.6trn. 10y yield have been grinding higher to levels around 6.05%.
- **USDVND - Two-Way Moves.** The pair closed 23008 on 30 Jun vs. previous close of 23023. This pair has traded sideways since its gapped up on 18 Jun. Range of 22900-23040 could hold given the consolidative state of broader markets. Resistance at 23032 is marked by the 50-dma while 23004 at 21-dma could be an interim support. Covid cases at home remain a tad elevated with 7-day average still around 389 as of 29 Jun with no signs of easing yet. The lockdown of the HCM city has affected transport of food to other provinces according to the Food and Foodstuff association. Separately, Moderna is approved for use in Vietnam while the PM has urged AstraZeneca to deliver 10mn out of the 31mn doses ordered by the start of Aug.
- **1M USDIDR NDF - Covid Risks in Focus; NDF Supported.** Last seen near 14,610, still elevated versus recent ranges but modestly lower versus interim high of around 14,660 on Tues. Sentiments began

deteriorating earlier as Covid risks accelerated on rapidly climbing case counts (7-day average in new cases at around 20k on 29 Jun from low of around 3.5k on 18 May) and reports of severe stresses in the healthcare system emerged. Movement curbs were tightened in “red zone” areas last week, but these were viewed as insufficient and stricter measures are expected to be announced soon. Tighter restrictions on movement and air travel, dine-in ban and closure of non-essential offices may be in the works, either for a week or two. On a positive note, authorities are cognizant of the importance of vaccination. Jokowi pledged yesterday to accelerate vaccine efforts to achieve a target of 1mn doses a day in Jul and 2mn in Aug. Eventual aim is to vaccinate around 181.5mn out of >270mn populace by Jan 2022. Separately, a sweeping revamp of listing rules is being finalized, which will relax curbs on loss-making firms and also allow firms to go public with multiple classes of shares carrying different voting rights. Online marketplace Bukalapak.com and tech start-up GoTo could be going public soon. On net, market sentiments could still lean towards caution in the interim. Momentum on daily chart is bullish, while RSI is near overbought conditions. Resistance at 14,740 (Mar high). Support at 14,540 (23.6% fibo retracement of Feb low to Apr high), 14,380 (200-DMA). PMI Mfg for Jun moderated to 53.5 vs. 55.3 prior. CPI due today.

- **USDTHB - Supported on Dips.** Last seen at 32.02, slightly lower versus levels seen yesterday morning, despite some signs of USD strengthening vs. DM FX yesterday. A pilot programme for Phuket’s reopening to vaccinated visitors is starting today and will be closely watched for hints to tourism demand in today’s environment. Recent data showed that domestic demand deteriorated in May, with both private consumption and private investment falling from the previous month. Still, most indicators registered positive %YoY growth over last year’s low base. The bright spot was customs exports (+44%). More fiscal measures have been introduced, with the cabinet approving a THB7.5bn relief package to help ease the impact of the lockdown. But risks are to the downside for our economist team’s GDP growth forecast of +2.7%, if tightened restrictions extend beyond a month. Current account balance estimate is also lowered to a small deficit of 0.5% of GDP in 2021 (from 1% of GDP surplus), taking into account the deficit registered year-to-date (-US\$2.6bn in May; -US\$7.3bn in 5M21) and the stronger-than-expected performance in merchandise imports which offset the strength in exports. On net, incremental caution could see the USDTHB pair being supported on dips in the interim. Bullish momentum on daily chart is intact, even as RSI suggests overbought conditions. Resistance at 32.00 is being tested; next at 32.50. Support at 31.50 (21-DMA), before 31.00.
- **1M USDPHP NDF - Buoyant; Overbought?** NDF last seen at 49.00, on the rise yesterday. Net foreign outflows from Philippines equities post FoMC’s hawkish tilt seem to be continuing, with MTD (as of 30 Jun) net outflow at around -US\$79mn, reversing from the +US\$125mn recorded mid-Jun. Separately, BSP estimates that inflation for Jun likely came in at 3.9% to 4.7%, alongside upward adjustment in electricity rates, higher petroleum prices and a slightly weaker PHP. Persistently higher inflationary pressures could complicate the

growth recovery at home. Bullish momentum on daily chart is intact while RSI is in overbought conditions. Support at 48.40 (100-DMA), 48.20 (50-DMA). Resistance at 49.00 (Apr high) is being tested, next at 49.30. PMI Mfg for Jun improved to 50.8 (vs. 49.9 prior), while unemployment rate also declined to 7.7% (vs. 8.7% prior).

Malaysia Fixed Income

Rates Indicators

MGS	Previous Bus. Day	Yesterday's Close	Change (bps)
3YR MH 6/24	2.27	2.26	-1
5YR MO 9/25	2.55	2.55	Unchanged
7YR MS 6/28	3.02	3.00	-2
10YR MO 4/31	3.31	3.28	-3
15YR MS 5/35	3.90	3.82	-8
20YR MY 5/40	4.22	4.19	-3
30YR MZ 6/50	4.33	4.29	-4
IRS			
6-months	1.95	1.95	-
9-months	1.95	1.95	-
1-year	1.97	1.97	-
3-year	2.38	2.37	-1
5-year	2.66	2.63	-3
7-year	2.86	2.82	-4
10-year	3.10	3.08	-2

Source: Maybank KE

*Indicative levels

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- MGS and GII strengthened on the back of robust buying. Yields mostly fell 1-4bps, while 15y MGS benchmark outperformed down by 8bps. Strong foreign buying in MGS, possibly flow driven following UST moves overnight. Locals better sellers in MGS, while Islamic banks were better buyers of front end GIIs which firmed by 2bps.
- IRS market was quiet until late towards market close when London market bought up USTs. Buying in govies also helped push the IRS rates curve down, closing 1-4bps lower. Trading was rather light with a couple of small trades on 5y IRS at 2.65% then 2.63%. 3M KLIBOR still 1.94%.
- Muted PDS space despite stronger govies as month end kept some participants on the sidelines. Not much of note for GGs. AAA credits traded firmer by 2bps at the front end and 4bps at the long end. Names traded include MACB, Danga, PASB and Tenaga. AA credit space saw just few trades, with MAHB perps trading 18bps weaker, exacerbated by low liquidity for the paper.

Singapore Rates and AxJ USD Credit

Rates Indicators

SGS	Previous Bus. Day	Yesterday's Close	Change (bps)
2YR	0.43	0.43	-
5YR	0.93	0.91	-2
10YR	1.60	1.58	-2
15YR	1.88	1.86	-2
20YR	1.89	1.88	-1
30YR	1.86	1.86	-

Source: MAS (Bid Yields)

- SGS space continued to see decent bids around the 10y region, driving yields lower by about 2bps along the 10y15y part of the curve. Meanwhile, rest of the curve was unchanged to 1-2bps lower. SGD IRS rates were down by about 1bp at the close.
- Asian USD credit market was subdued given the end of the month and 1H2021. Sovereign bonds tightened 2bps in spreads despite some selling. China and HK IGs muted with spreads unchanged across tech, SOE majors and other benchmark names. HRINTH curve fell another 0.5-3.0pts on news that auditors require more time to finalize audit work on the company's financials. Korea and Japan IGs weakened slightly due to profit taking, with spreads 2-3bps wider. HYS marginally weaker with selling in China property names, partly due to risk aversion given Evergrande's situation. Prices were broadly lower by 0.25-0.50pts.

Indonesia Fixed Income

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Rates Indicators

IDR Gov't Bonds	Previous Bus. Day	Yesterday's Close	Change
1YR	3.81	3.89	0.09
3YR	4.72	4.72	(0.00)
5YR	5.39	5.40	0.00
10YR	6.61	6.59	(0.02)
15YR	6.42	6.43	0.01
20YR	7.29	7.27	(0.02)
30YR	6.91	6.92	0.01

* Source: Bloomberg, Maybank Indonesia

- Indonesian government bonds tried to recover yesterday. Some market players took momentum for applying “buy on weakness” strategy on short term after seeing recent government’s responses to halt rapid contagion of delta variant of COVID-19. Indonesian government is weighing options on emergency movement restrictions in Java and Bali islands to curb Covid-19 infections, according to President Joko Widodo. Restrictions may be implemented for a week or two, President Joko Widodo said. The government seeks to administer 1 million doses of vaccine per day in July and plans to increase to 2.5 million doses/day. Indonesian government bonds are attractive enough due to recent wide gap of investment return against major countries. We also saw that investors’ risk perception to invest in Indonesia remain low. It can be shown by the country’s 5Y CDS position at 74.31 on 30 Jun-21.
- Yields on longer-dated U.S. Treasuries fell on Wednesday to their lowest levels in more than a week as the market wound down 2021s second quarter, while the amount of cash flooding into the Federal Reserves reverse repurchase operation set a new record high as it neared US\$1 trillion. The benchmark U.S. 10-year yield, which tumbled to its lowest level since June 21 at 1.438%, was last down 3.2 basis points at 1.4477%.
- Today, Indonesia Statistic Agency is scheduled to announce inflation data for Jun-21. We expect lessening consumers’ prices pressures after the end momentum of long holiday during May-21. Some commodities, such as transport costs, purebred chicken, meat, chilli, garlic, and onion, are expected to book monthly deflation in Jun-21. On the other side, some commodities, such as drug, medical equipment, non subsidy fuel, and hospital fees, are expected to book monthly inflation in Jun-21. Domestic demand to consume the healthy products/services increase during recent increasing daily cases of COVID-19. Then, mixed combinations between recent rallies on the global oil prices and Dollar index have increased imported inflation pressures. According to those conditions, we expect Indonesia to book inflation by 1.38% YoY in Jun-21. Hence, it keeps maintaining attractiveness for investment return on Indonesian financial markets assets.

Foreign Exchange: Daily Levels

	EUR/USD	USD/JPY	AUD/USD	GBP/USD	USD/CNH	NZD/USD	EUR/JPY	AUD/JPY
R2	1.1935	111.58	0.7541	1.3908	6.4757	0.7027	132.1033	83.6973
R1	1.1896	111.35	0.7519	1.3870	6.4720	0.7005	131.9267	83.5067
Current	1.1850	111.13	0.7488	1.3817	6.4680	0.6986	131.6900	83.2170
S1	1.1832	110.65	0.7484	1.3796	6.4616	0.6963	131.4267	82.9697
S2	1.1807	110.18	0.7471	1.3760	6.4549	0.6943	131.1033	82.6233
	USD/SGD	USD/MYR	USD/IDR	USD/PHP	USD/THB	EUR/SGD	CNY/MYR	SGD/MYR
R2	1.3470	4.1602	14559	48.9733	32.2040	1.6048	0.6441	3.0931
R1	1.3462	4.1546	14529	48.8917	32.1170	1.6000	0.6433	3.0903
Current	1.3458	4.1580	14505	48.8210	32.0530	1.5948	0.6428	3.0901
S1	1.3441	4.1458	14485	48.6517	31.9680	1.5919	0.6420	3.0856
S2	1.3428	4.1426	14471	48.4933	31.9060	1.5886	0.6415	3.0837

*Values calculated based on pivots, a formula that projects support/resistance for the day.

Policy Rates

Rates	Current (%)	Upcoming CB Meeting	MBB Expectation
MAS SGD 3-Month SIBOR	0.4321	Oct-21	Neutral
BNM O/N Policy Rate	1.75	8/7/2021	Easing Bias
BI 7-Day Reverse Repo Rate	3.50	22/7/2021	Easing Bias
BOT 1-Day Repo	0.50	4/8/2021	Easing Bias
BSP O/N Reverse Repo	2.00	12/8/2021	Easing Bias
CBC Discount Rate	1.13	23/9/2021	Neutral
HKMA Base Rate	0.50	-	Neutral
PBOC 1Y Lending Rate	4.35	-	Neutral
RBI Repo Rate	4.00	6/8/2021	Easing
BOK Base Rate	0.50	15/7/2021	Tightening Bias
Fed Funds Target Rate	0.25	29/7/2021	Tightening Bias
ECB Deposit Facility Rate	-0.50	22/7/2021	Easing Bias
BOE Official Bank Rate	0.10	5/8/2021	Neutral
RBA Cash Rate Target	0.10	6/7/2021	Easing Bias
RBNZ Official Cash Rate	0.25	14/7/2021	Tightening Bias
BOJ Rate	-0.10	16/7/2021	Easing Bias
BoC O/N Rate	0.25	14/7/2021	Tightening Bias

Equity Indices and Key Commodities

	Value	% Change
Dow	34,502.51	0.61
Nasdaq	14,503.95	0.17
Nikkei 225	28,791.53	0.07
FTSE	7,037.47	0.71
Australia ASX 200	7,313.02	0.16
Singapore Straits Times	3,130.46	1.33
Kuala Lumpur Composite	1,532.63	1.01
Jakarta Composite	5,985.49	0.61
Philippines Composite	6,901.91	0.79
Taiwan TAIEX	17,755.46	0.89
Korea KOSPI	3,296.68	0.30
Shanghai Comp Index	3,591.20	0.50
Hong Kong Hang Seng	28,994.10	0.94
India Sensex	52,482.71	0.13
Nymex Crude Oil WTI	73.47	0.67
Comex Gold	1,771.60	0.45
Reuters CRB Index	213.39	0.98
MBB KL	8.11	0.25

MYR Bonds Trades Details

MGS & GII	Coupon	Maturity Date	Volume (RM 'm)	Last Done	Day High	Day Low
MGS 1/2011 4.16% 15.07.2021	4.160%	15-Jul-21	407	1.73	1.785	1.73
MGS 3/2014 4.048% 30.09.2021	4.048%	30-Sep-21	61	1.719	1.76	1.719
MGS 4/2016 3.620% 30.11.2021	3.620%	30-Nov-21	40	1.771	1.771	1.771
MGS 1/2017 3.882% 10.03.2022	3.882%	10-Mar-22	233	1.785	1.79	1.714
MGS 1/2012 3.418% 15.08.2022	3.418%	15-Aug-22	3	1.746	1.783	1.746
MGS 2/2015 3.795% 30.09.2022	3.795%	30-Sep-22	424	1.772	1.792	1.772
MGS 3/2013 3.480% 15.03.2023	3.480%	15-Mar-23	195	1.92	1.956	1.891
MGS 2/2018 3.757% 20.04.2023	3.757%	20-Apr-23	2	1.917	1.934	1.917
MGS 1/2016 3.800% 17.08.2023	3.800%	17-Aug-23	11	1.989	2.004	1.98
MGS 3/2019 3.478% 14.06.2024	3.478%	14-Jun-24	316	2.269	2.28	2.249
MGS 1/2014 4.181% 15.07.2024	4.181%	15-Jul-24	139	2.35	2.35	2.328
MGS 2/2017 4.059% 30.09.2024	4.059%	30-Sep-24	23	2.352	2.383	2.346
MGS 1/2018 3.882% 14.03.2025	3.882%	14-Mar-25	8	2.502	2.502	2.502
MGS 1/2015 3.955% 15.09.2025	3.955%	15-Sep-25	349	2.538	2.558	2.538
MGS 3/2011 4.392% 15.04.2026	4.392%	15-Apr-26	18	2.664	2.689	2.662
MGS 1/2019 3.906% 15.07.2026	3.906%	15-Jul-26	28	2.711	2.723	2.701
MGS 3/2016 3.900% 30.11.2026	3.900%	30-Nov-26	12	2.613	2.627	2.61
MGS 3/2007 3.502% 31.05.2027	3.502%	31-May-27	46	2.9	2.908	2.881
MGS 4/2017 3.899% 16.11.2027	3.899%	16-Nov-27	13	2.964	2.964	2.927
MGS 5/2013 3.733% 15.06.2028	3.733%	15-Jun-28	97	3.003	3.015	2.991
MGS 3/2008 5.248% 15.09.2028	5.248%	15-Sep-28	4	3.061	3.061	3.061
MGS 2/2019 3.885% 15.08.2029	3.885%	15-Aug-29	284	3.173	3.214	3.154
MGS 3/2010 4.498% 15.04.2030	4.498%	15-Apr-30	57	3.299	3.299	3.265
MGS 2/2020 2.632% 15.04.2031	2.632%	15-Apr-31	311	3.282	3.315	3.271
MGS 4/2011 4.232% 30.06.2031	4.232%	30-Jun-31	219	3.389	3.4	3.354
MGS 4/2013 3.844% 15.04.2033	3.844%	15-Apr-33	2	3.774	3.774	3.764
MGS 4/2019 3.828% 05.07.2034	3.828%	05-Jul-34	3	3.858	3.858	3.828
MGS 4/2015 4.254% 31.05.2035	4.254%	31-May-35	623	3.812	3.863	3.811
MGS 4/2018 4.893% 08.06.2038	4.893%	08-Jun-38	11	4.187	4.216	4.183
MGS 5/2019 3.757% 22.05.2040	3.757%	22-May-40	174	4.186	4.263	3.946
MGS 7/2013 4.935% 30.09.2043	4.935%	30-Sep-43	4	4.282	4.282	4.282
MGS 2/2016 4.736% 15.03.2046	4.736%	15-Mar-46	2	4.4	4.4	4.4
MGS 5/2018 4.921% 06.07.2048	4.921%	06-Jul-48	35	4.403	4.459	4.403
MGS 1/2020 4.065% 15.06.2050	4.065%	15-Jun-50	2	4.288	4.288	4.264
GII MURABAHAH 4/2018 3.729% 31.03.2022	3.729%	31-Mar-22	7	1.721	1.728	1.721
GII MURABAHAH 3/2017 3.948% 14.04.2022	3.948%	14-Apr-22	1	1.76	1.76	1.76
GII MURABAHAH 7/2019 3.151% 15.05.2023	3.151%	15-May-23	9	1.992	1.992	1.957
GII MURABAHAH 3/2018 4.094% 30.11.2023	4.094%	30-Nov-23	6	2.077	2.077	2.077
GII MURABAHAH 4/2019 3.655% 15.10.2024	3.655%	15-Oct-24	211	2.298	2.32	2.298
GII MURABAHAH 4/2015 3.990% 15.10.2025	3.990%	15-Oct-25	60	2.624	2.624	2.624
GII MURABAHAH 3/2019 3.726% 31.03.2026	3.726%	31-Mar-26	149	2.687	2.731	2.676
GII MURABAHAH 1/2017 4.258% 26.07.2027	4.258%	26-Jul-27	32	2.966	2.984	2.966
GII MURABAHAH 1/2020 3.422% 30.09.2027	3.422%	30-Sep-27	161	3.015	3.023	2.988
GII MURABAHAH 1/2019 4.130% 09.07.2029	4.130%	09-Jul-29	12	3.272	3.272	3.253
GII MURABAHAH 2/2020 3.465% 15.10.2030	3.465%	15-Oct-30	145	3.351	3.395	3.351
GII MURABAHAH 6/2017 4.724% 15.06.2033	4.724%	15-Jun-33	28	3.798	3.798	3.791

GII MURABAHAH 6/2019 4.119%						
30.11.2034	4.119%	30-Nov-34	50	3.954	3.983	3.954
GII MURABAHAH 6/2015 4.786%						
31.10.2035	4.786%	31-Oct-35	5	4.115	4.115	4.115
GII MURABAHAH 1/2021 3.447%						
15.07.2036	3.447%	15-Jul-36	116	4	4.004	3.929
GII MURABAHAH 2/2019 4.467%						
15.09.2039	4.467%	15-Sep-39	4	4.329	4.329	4.307
GII MURABAHAH 2/2021 4.417%						
30.09.2041	4.417%	30-Sep-41	14	4.272	4.272	4.272
GII MURABAHAH 5/2019 4.638%						
15.11.2049	4.638%	15-Nov-49	14	4.472	4.475	4.472
Total			5,182			

Sources: BPAM

MYR Bonds Trades Details

PDS	Rating	Coupon	Maturity Date	Volume (RM 'm)	Last Done	Day High	Day Low
DANAINFRA IMTN 4.270% 24.05.2024 - Tranche No 62	GG	4.270%	24-May-24	100	2.407	2.409	2.407
PRASARANA IMTN 0% 27.09.2024 - MTN 1	GG	4.850%	27-Sep-24	40	2.469	2.469	2.469
LPPSA IMTN 4.200% 31.10.2025 - Tranche No 23	GG	4.200%	31-Oct-25	95	2.763	2.763	2.758
DANAINFRA IMTN 4.500% 16.11.2027 - Tranche No 69	GG	4.500%	16-Nov-27	5	3.159	3.159	3.159
MACB IMTN 4.680% 16.12.2022 - Tranche No 2	AAA (S)	4.680%	16-Dec-22	20	2.802	2.83	2.802
PLUS BERHAD IMTN 4.560% 12.01.2024 - Series 1 (8)	AAA IS	4.560%	12-Jan-24	20	2.668	2.684	2.668
DANGA IMTN 2.320% 25.01.2024 - Tranche 10	AAA (S)	2.320%	25-Jan-24	10	2.599	2.599	2.599
SEB IMTN 5.000% 04.07.2024	AAA	5.000%	04-Jul-24	10	2.856	2.861	2.856
PUTRAJAYA IMTN 29.07.2024 SERIES 12 TRANCHE 015	AAA IS	4.480%	29-Jul-24	10	2.705	2.712	2.705
SURIA KLCC IMTN 4.730% 31.12.2024 - Issue No. 1	AAA	4.730%	31-Dec-24	80	2.847	2.85	2.847
DANUM IMTN 3.070% 21.02.2025 - Tranche 4	AAA (S)	3.070%	21-Feb-25	15	2.831	2.831	2.831
PASB IMTN 3.800% 30.10.2026 - Issue No. 17	AAA	3.800%	30-Oct-26	10	3.193	3.193	3.187
TNB NE 4.230% 31.05.2027	AAA IS	4.230%	31-May-27	10	3.255	3.274	3.255
PASB IMTN 3.730% 02.06.2028 - Issue No. 31	AAA	3.730%	02-Jun-28	10	3.472	3.472	3.468
PLUS BERHAD IMTN 5.070% 10.01.2031 - Series 1 (15)	AAA IS	5.070%	10-Jan-31	20	3.818	3.819	3.818
PLUS BERHAD IMTN 5.150% 12.01.2032 - Series 1 (16)	AAA IS	5.150%	12-Jan-32	20	3.908	3.91	3.908
PLUS BERHAD IMTN 5.270% 12.01.2033 - Series 1 (17)	AAA IS	5.270%	12-Jan-33	10	4.029	4.03	4.029
PASB IMTN 4.000% 30.10.2034 - Issue No. 19	AAA	4.000%	30-Oct-34	5	4.23	4.23	4.23
TENAGA IMTN 3.550% 10.08.2040	AAA	3.550%	10-Aug-40	1	4.291	4.291	4.291
KLK IMTN 4.00% 02.09.2022 - Issue No. 1	AA1	4.000%	02-Sep-22	25	2.315	2.315	2.315
SABAHDEV MTN 730D 14.6.2023 - Issue No. 212	AA1	4.200%	14-Jun-23	1	3.515	4.258	3.515
MAHB Perpetual Subordinated Sukuk 5.75% - Issue 1	AA2	5.750%	14-Dec-14	70	4.293	4.293	4.27
QSPS Green SRI Sukuk 5.280% 05.04.2024 - T11	AA- IS	5.280%	05-Apr-24	5	3.626	3.626	3.626
QSPS Green SRI Sukuk 5.400% 06.10.2025 - T14	AA- IS	5.400%	06-Oct-25	10	3.928	3.938	3.928
PRESS METAL IMTN 4.200% 16.10.2026	AA3	4.200%	16-Oct-26	5	4.169	4.169	4.169
RHBBANK MTN 3652D 27.9.2027	AA3	4.820%	27-Sep-27	20	2.845	2.873	2.845
QSPS Green SRI Sukuk 5.640% 06.10.2028 - T20	AA- IS	5.640%	06-Oct-28	10	4.403	4.403	4.4
QSPS Green SRI Sukuk 5.720% 05.10.2029 - T22	AA- IS	5.720%	05-Oct-29	10	4.552	4.556	4.552
MAYBANK IMTN 4.130% PERPETUAL	AA3	4.130%	22-Feb-17	30	3.408	3.412	3.381
DRB-HICOM IMTN 5.100% 12.12.2029	A+ IS	5.100%	12-Dec-29	1	4.806	4.809	4.806
MUAMALAT IMTN 4.500% 13.06.2031	A3	4.500%	13-Jun-31	1	4.301	4.4	4.15
Total				678			

Sources: BPAM

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