

DAILY DIGEST

Inflation accelerates in MY and SG for Feb

- **Macro:** US new home sales fell, in-line with increases in mortgage rates. Inflation in MY and SG both rose more than expected in Feb. Thailand to delay digital wallet handout to 4Q24. Crude prices rose amid an escalating Russian-Ukraine conflict.
- **Fixed Income:** UST curve shifted higher by 4-5bps ahead of more US data. Regional bonds performed mixed, with MGS closing a touch stronger while IndoGB weaknesses continued.
- **FX:** DXY halted recent advances with a 0.2% slid. CNH rebounded amid stronger PBOC fixing and dollar-selling by Chinese state-owned banks.

Global macro wrap

- **Global:** US new home sales fell 0.3% mom in Feb (consensus: +2.3%; Jan: +1.7%), missing expectations though broadly in-line with an increase in 30Y mortgage rates. Fedspeak for the day saw Governor Lisa Cook stating that risks to inflation and job goals are moving towards better balance, as colleague Atlanta Fed President Raphael Bostic (voter) reiterates his expectation of just one rate cut this year. Crude oil prices continued its climb (+1.5%), with Russian government's orders to reduce oil output and continued attacks on energy infrastructure in Russia and Ukraine offset a ceasefire order by the UN in the Gaza war.
- **ASEAN:** Headline CPI in Malaysia rose 1.8% yoy in Feb (Jan: +1.5%), beating estimates of +1.5% amid higher housing utilities inflation (water tariff hike effective 1 Feb) and transportation cost (Feb: +1.2%; Jan: +0.7%) due to an increase in fares. Core CPI meanwhile held steady at +1.8% yoy. In Singapore, core CPI (excluding private accommodation and road transport costs) also accelerated to +3.6% yoy in Feb (consensus: +3.4%; Jan: +3.1%), driven by seasonal effects from the shifting Lunar New Year month that drove services and food prices higher. Thailand's government expects a delay to its THB500bn digital wallet handout scheme to 4Q24 (originally: May), with authorities expected to finalise all details including its source of funding at a 10 Apr meeting.

Fixed income

- **Global:** UST slipped 4-5bps at week start with markets staying cautious ahead of clarity from more US economic data during the week, including PCE data and Powell's speech on Friday. UST weaknesses was led by the bellies with 7Y and 10Y yields up 5bps while the 2Y's rose 4bps, bringing the 2s10s inversion to -38bps (previous week: -41bps). Stocks also slipped for the day amid profit-taking activity on quarter-end, after the S&P 500 touched new highs last Thursday.
- **ASEAN:** Diverging performance for regional bonds. MGS closed a touch stronger, with yields down marginally by 0-1bp. 30Y MGS outperformed the curve with a 1.3bp gain, amid continued demand for the new 30Y MGII benchmark 03/54. ThaiGBs saw mixed flows with weaknesses in the bellies and strength at the tail-end. IndoGBs saw a quiet trading day though yields continued its climb by 1-2bps across the curve up to the 15Y tenor, ahead of today's conventional bond auction with an indicative target of IDR24tr.

FX

- **Majors:** DXY slid 0.2%, while most majors strengthened against the USD. AUD outperformed for the day with a 0.4% gain, after the Australian government recommended a minimum wage increase that is in-line with inflation. EUR rose 0.3%, partially reversing earlier losses as ECB officials state EU inflation is declining towards its inflation targets. The JPY held flat, despite strong verbal warnings from Japan official Masato Kanda on speculative activity.
- **ASEAN:** Mixed performance for regional currencies despite earlier dollar strength. CNH outperformed Asian currencies (+0.3%), rebounding sharply from 4-month lows after the PBOC set a stronger-than-expected daily reference rate, as well as reports of dollar-selling by Chinese state-owned banks to support the yuan. MYR also rose 0.3%, amid several statements and efforts by BNM to strengthen the ringgit. Meanwhile, the IDR and THB both closed a touch lower (-0.1%).

Research Analysts

Michelle Chia
Head of Research
+603 2261 8353
michelle.chia@cimb.com

Lim Yee Ping
Senior Economist
+603 2261 8339
yeeping.limyp@cimb.com

Violet Ooi Zhiee Rhong
Market Strategist
+603 2261 8278
violetzr.ooi@cimb.com

Michael Yim
Economist
+603 2261 8296
michael.yim@cimb.com

Colin Phang Wah Kin
Economist
+603 2261 8557
colin.phang@cimb.com

Rates dashboard

Gov't bonds	Close	Change (bps)			
		1D	1W	1M	YTD
UST 2Y	4.63	3.6	-10.7	-9.3	37.6
UST 10Y	4.25	4.7	-7.9	-3.4	36.6
MY 3Y	3.47	-0.2	0.5	3.9	0.4
MY 10Y	3.84	-0.5	-2.8	-3.1	11.2
ID 2Y	6.31	1.0	-2.5	11.8	-7.3
ID 10Y	6.65	1.3	1.3	8.6	19.6
SG 2Y	3.41	1.0	-4.3	7.9	15.5
SG 10Y	3.06	-1.0	-3.5	-0.5	36.5
TH 2Y	2.13	0.0	0.0	0.3	-20.1
TH 10Y	2.55	-0.1	2.0	0.1	-12.8

Close for ASEAN rates captured at end of Asian trading day.

FX dashboard

	Close	1D (%)	1W (%)	1M (%)	YTD (%)
DXY	104.22	-0.2	0.6	0.4	2.9
EURUSD	1.0837	0.3	-0.3	-0.1	-1.8
GBPUSD	1.2636	0.3	-0.7	-0.4	-0.7
AUDUSD	0.6540	0.4	-0.3	0.0	-4.0
USDJPY	151.42	0.0	1.5	0.5	7.4
USDCNH	7.2531	-0.3	0.7	0.6	1.8
USDMYR	4.7238	-0.3	0.1	-1.1	2.8
USDIDR	15798	0.1	0.7	1.1	2.6
USDSGD	1.3460	-0.2	0.5	0.1	1.9
USDTHB	36.40	0.1	1.2	0.8	6.6

Close for USDMYR, USDIDR and USDTHB captured at end of Asian trading day.

Commodities dashboard

	Close	1D (%)	1W (%)	1M (%)	YTD (%)
WTI	81.95	1.6	-0.9	5.6	14.4
Brent	86.75	1.5	-0.2	5.1	12.6
Copper	8,867	0.0	-2.4	4.7	3.6
Gold	2,172	0.3	0.5	6.9	5.3
CPO	4,352	1.0	0.6	9.2	18.8

HIGHLIGHTS

Macro: The Federation of Malaysian Manufacturers (FMM) stated that BNM has recommended businesses to defer new investments and hedge investments abroad, in a ‘whole-of-nation approach’ to help support the ringgit. However, BNM Deputy Governor Marzunisham Omar said these coordination measures are not a form of capital control, as they are only encouraging the repatriation of foreign proceeds/income that have been realised back into the country. The Deputy Governor also stated these are merely short-term measures to address an undervaluation in the ringgit (due to US interest rate differentials and safe haven status), while stressing that structural reforms are needed to address the country’s secular decline in productivity, competitiveness, and the ringgit’s value.

Macro: Indonesia’s Finance Ministry has reported a surplus in its state budget of IDR22.8tr as of 15 Mar, with state revenue reaching IDR493.2tr and state expenditure at IDR470.3tr. This represents an 81.4% decline in the state budget surplus and a 5.4% decline in state revenue when compared to the same period last year. Separately, Finance Minister Sri Mulyani said budget realisation has reached 5.8% (as of 29 Feb) for 2024 for the development of the country’s new capital city (IKN) Nusantara.

Macro: Ahead of the Thai Senate’s reading of the FY2024 Expenditure Budget Act today, Director-general of the Comptroller-General’s Department Patricia Mongkhonvanit said the government has disbursed THB1.35tr from FY2024’s budget between 1 Oct and 8 Mar. Under the Budgetary Procedure Act, the government can utilise the previous fiscal budget act to bridge funding gaps, for an amount not exceeding two-thirds of total spending to ensure continued government operations.

Figure 1: Data Preview

Date	Country	Indicator	Period	Survey	Prior
26 Mar 2024	TH	Customs Imports YoY	Feb	1.3%	2.6%
26 Mar 2024	TH	Customs Exports YoY	Feb	4.3%	10.0%
26 Mar 2024	TH	Customs Trade Balance	Feb	-\$537m	-\$2800m
26 Mar 2024	SI	Industrial Production YoY	Feb	0.4	1.1%
26 Mar 2024	SI	Industrial Production SA MoM	Feb	2.1%	-5.7%
26 Mar 2024	US	Durable Goods Orders	Feb P	1.0%	-6.2%
26 Mar 2024	US	Cap Goods Orders Nondef Ex Air	Feb P	0.1%	0.0%
26 Mar 2024	US	FHFA House Price Index MoM	Jan	0.3%	0.1%
26 Mar 2024	US	Conf. Board Consumer Confidence	Mar	107.0	106.7
26 Mar 2024	US	Richmond Fed Manufact. Index	Mar	-5	-5
26 Mar 2024	US	Dallas Fed Services Activity	Mar	--	-3.9

SOURCE: BLOOMBERG, CIMB TREASURY AND MARKETS RESEARCH

Figure 2: Data Review

Date	Country	Indicator	Period	Survey	Actual	Prior
25 Mar 2024	JN	BOJ Minutes of Jan. Meeting				
25 Mar 2024	MA	CPI YoY	Feb	1.5%	1.8%	1.5%
25 Mar 2024	SI	CPI YoY	Feb	3.2%	3.4%	2.9%
25 Mar 2024	SI	CPI NSA MoM	Feb	--	1.0%	-0.7%
25 Mar 2024	SI	CPI Core YoY	Feb	3.4%	3.6%	3.1%
25 Mar 2024	US	Fed’s Bostic Participates in Moderated Conve				
25 Mar 2024	US	New Home Sales	Feb	677k	662k	661k
25 Mar 2024	US	New Home Sales MoM	Feb	2.3%	-0.3%	1.7%
25 Mar 2024	UK	BOE’s Catherine Mann speaks				
25 Mar 2024	US	Dallas Fed Manf. Activity	Mar	-10	-14.4	-11.3

SOURCE: BLOOMBERG, CIMB TREASURY AND MARKETS RESEARCH

Figure 3: Sovereign yields and CDS

10Y yields	Close	1D (bps)	1W (bps)	1M (bps)	YTD (bps)
US	4.25	4.7	-7.9	-3.4	36.6
UK	3.99	6.0	-10.1	-17.4	45.1
Germany	2.37	4.9	-8.7	-6.7	35.0
Japan	0.73	-0.6	-3.2	5.0	12.2
Australia	4.01	-2.8	-10.3	-9.4	5.1
China	2.31	1.1	-0.8	-6.2	-24.3
Malaysia	3.84	-0.5	-2.8	-3.1	11.2
Indonesia	6.65	1.3	1.3	8.6	19.6
Singapore	3.06	-1.0	-3.5	-0.5	36.5
Thailand	2.55	-0.1	2.0	0.1	-12.8

5Y IRS	Close	1D (bps)	1W (bps)	1M (bps)	YTD (bps)
MY	3.65	-1	2	-3	6
SG	2.97	0	-3	-0	41
TH	2.57	0	0	0	0

5Y CDS	Close (bps)	1D (bps)	1W (bps)	1M (bps)	YTD (bps)
MY	41	1	7	5	-2
ID	72	1	6	4	-0
TH	44	1	6	34	6

SOURCE: BLOOMBERG, CIMB TREASURY AND MARKETS RESEARCH

Figure 4: Interbank rates and credit indices

Interbank rates	Close	1D (bps)	1W (bps)	1M (bps)	YTD (bps)
US o/n SOFR	5.31	0	0	0	-7
EU o/n ESTRON	3.91	0	0	0	3
JP o/n TONAR	0.08	0	8	8	12
MY 3m KLIBOR	3.57	0	0	2	-20
MY MYOR	3.02	0	1	2	2
ID 3m JIBOR	6.85	0	0	0	0
SG o/n SORA	4.27	0	47	52	64
TH BOT o/n THOR	2.49	-0	0	-0	-0

Credit indices	Close	1D (%)	1W (%)	1M (%)	YTD (%)
Bloomberg Global Aggregate	264	-0.1	0.3	0.8	-1.2
Bloomberg US Aggregate	2138	-0.1	0.7	0.8	-1.1
Bloomberg EUR Aggregate	236	-0.3	0.4	0.8	-0.7
Bloomberg Asia Aggregate	181	0.2	0.9	0.1	3.2
Bloomberg Asia Pac Treasury	118	0.1	-0.8	-0.5	-4.8
Bloomberg ASEAN Corp/Quasi	118	-0.1	0.7	1.0	0.7

SOURCE: BLOOMBERG, CIMB TREASURY AND MARKETS RESEARCH

Figure 5: Currencies

Currencies	Close	1D (%)	1W (%)	1M (%)	YTD (%)
DXY	104.22	-0.2	0.6	0.4	2.9
EURUSD	1.0837	0.3	-0.3	-0.1	-1.8
GBPUSD	1.2636	0.3	-0.7	-0.4	-0.7
AUDUSD	0.6540	0.4	-0.3	0.0	-4.0
USDJPY	151.42	0.0	1.5	0.5	7.4
USDCNH	7.2531	-0.3	0.7	0.6	1.8
USDMYR	4.7238	-0.3	0.1	-1.1	2.8
USDIDR	15,798	0.1	0.7	1.1	2.6
USDSGD	1.3460	-0.2	0.5	0.1	1.9
USDTHB	36.40	0.1	1.2	0.8	6.6
GBPMYR	5.9588	-0.1	-0.8	-1.6	2.1
AUDMYR	3.0835	-0.1	-0.5	-1.4	-1.4
SGDMYR	3.5083	-0.1	-0.5	-1.3	0.9
CNHMYR	0.6515	0.1	-0.5	-1.7	0.9
IDRMYR	0.0299	-0.4	-0.6	-2.2	0.2
THBMYR	12.9809	-0.2	-1.1	-2.5	-3.1

SOURCE: BLOOMBERG, CIMB TREASURY AND MARKETS RESEARCH

Figure 6: Global equity indices and commodity prices

Equities	Close	1D (%)	1W (%)	1M (%)	YTD (%)
S&P500	5,218.19	-0.3	1.3	2.9	9.4
Nasdaq	16,384.47	-0.3	1.7	2.6	9.1
Eurostoxx	5,044.19	0.3	1.2	3.7	11.6
Nikkei 225	40,414.12	-1.2	1.7	3.0	20.8
Hang Seng	16,473.64	-0.2	-1.6	-1.0	-3.4
KLCI	1,537.54	-0.3	-1.0	-0.7	5.7
JCI	7,377.76	0.4	1.0	1.3	1.4
SET	1,372.49	-0.6	-1.0	-1.8	-3.1

Commodities	Close	1D (%)	1W (%)	1M (%)	YTD (%)
BCOM Index	99.28	0.6	-0.4	3.6	0.6
WTI (US\$/bbl)	81.95	1.6	-0.9	5.6	14.4
Brent (US\$/bbl)	86.75	1.5	-0.2	5.1	12.6
Natural Gas (US\$/mmbtu)	1.62	-2.7	-5.2	-7.4	-29.9
Copper (US\$/ton)	8,867	0.0	-2.4	4.7	3.6
Gold (US\$/oz)	2,172	0.3	0.5	6.9	5.3
CPO (RM/ton)	4,352	1.0	0.6	9.2	18.8

SOURCE: BLOOMBERG, CIMB TREASURY AND MARKETS RESEARCH

Figure 7: Economic and commodity price forecasts

GDP	2021	2022	2023	2024	2025
Malaysia	3.3	8.7	3.7	4.9	4.7
Indonesia	3.7	5.3	5.0	5.0	5.0
Singapore	9.7	3.8	1.1	2.3	2.5
Thailand	1.5	2.6	1.9	2.8	3.0

Policy rate	1Q24	2Q24	3Q24	4Q24	1Q25
US (upper bound)	5.50	5.50	5.00	4.50	4.00
Malaysia	3.00	3.00	3.00	3.00	3.00
Indonesia	6.00	5.75	5.50	5.25	5.00
Thailand	2.50	2.50	2.25	2.00	2.00

Commodity prices	1Q24	2Q24	3Q24	4Q24	1Q25
Brent (USD/bbl)	75	78	77	75	73
WTI (USD/bbl)	71	74	73	71	69
CPO (RM/mt)	3,967	4,033	3,800	3,800	3,900
Gold (USD/oz)	1,900	1,925	1,925	1,950	2,000
Copper (USD/mt)	7,900	7,900	8,200	8,300	8,100

SOURCE: CIMB TREASURY AND MARKETS RESEARCH

Figure 8: Rates and currency forecasts

Rates	1Q24	2Q24	3Q24	4Q24	1Q25
UST 2Y	4.60	4.30	4.05	3.85	3.60
UST 10Y	4.15	3.95	3.75	3.60	3.45
MGS 3Y	3.45	3.50	3.55	3.55	3.50
MGS 10Y	3.75	3.80	3.85	3.90	3.90
IndoGB 2Y	6.45	6.20	5.95	5.70	5.45
IndoGB 10Y	6.85	6.85	6.80	6.80	6.80
ThaiGB 2Y	2.35	2.30	2.10	2.00	2.00
ThaiGB 10Y	2.70	2.75	2.85	2.80	2.75

Currency	1Q24	2Q24	3Q24	4Q24	1Q25
DXY	102.6	101.1	99.9	98.9	97.9
EURUSD	1.09	1.10	1.11	1.12	1.13
GBPUUSD	1.27	1.29	1.30	1.31	1.32
USDCHF	0.90	0.90	0.89	0.89	0.88
AUDUSD	0.67	0.67	0.68	0.69	0.69
USDJPY	140	135	132	130	128
USDCNH	7.15	7.10	7.05	7.00	6.95
USDIDR	15,328	15,213	15,129	15,050	14,974
USDMYR	4.55	4.48	4.40	4.38	4.33
USDSGD	1.34	1.33	1.32	1.31	1.30
USDTHB	34.7	34.3	34.0	33.7	33.4

SOURCE: CIMB TREASURY AND MARKETS RESEARCH

DISCLAIMERS AND DISCLOSURES

The content of this report (including the views and opinions expressed herein, and the information comprised herein) has been prepared by and belongs to CIMB and is distributed by CIMB. The content of this report may be subject to copyright.

This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation.

By accepting this report, the recipient hereof represents and warrants that it is entitled to receive this report in accordance with the restrictions set forth below and agrees to be bound by the limitations contained herein (including the "Restrictions on Distributions etc." set out below). Any failure to comply with these limitations may constitute a violation of law. This report is being supplied to you strictly on the basis that it will remain confidential. No part of this report may be: (i) copied, photocopied, duplicated, stored or reproduced in any form by any means; or (ii) redistributed or passed on, directly or indirectly, to any other person; in each case in whole or in part, for any purpose, without the prior written consent of CIMB.

The information contained in this report is prepared from data believed to be correct and reliable at the time of issue of this report. CIMB may or may not issue regular reports on the subject matter of this report at any frequency and may cease to do so or change the periodicity of reports at any time. CIMB is under no obligation to update this report in the event of a change (whether material or otherwise) to the information contained in this report. CIMB has no, and will not accept any, obligation to: (i) check or ensure that the content of this report remains current, reliable or relevant; (ii) ensure that the content of this report constitutes all the information a prospective investor may require; or (iii) ensure the adequacy, accuracy, completeness, reliability or fairness of any views, opinions and information; and accordingly, CIMB and its affiliates and related persons (and their respective directors, associates, connected persons and/or employees) shall not be liable in any manner whatsoever for any consequences (including but not limited to any direct, indirect or consequential losses, loss of profits and damages) of any reliance hereon or usage hereof. In particular, CIMB disclaims all responsibility and liability for the views and opinions set out in this report.

Unless otherwise specified, this report is based upon sources which CIMB considers to be reliable. Such sources will, unless otherwise specified, for market data, be market data and prices available from the market or information aggregation service providers, or, where appropriate, any other commonly accepted sources. Information on the accounts and business of entity(ies) will generally be based on published statements of the entity(ies), information disseminated by regulatory information services, other publicly available information and information resulting from our research.

Whilst every effort is made to ensure that statements of fact made in this report are accurate, all estimates, projections, forecasts, expressions of opinion and other subjective judgments contained in this report are based on assumptions considered to be reasonable as of the date of the document in which they are contained and must not be construed as a representation that the matters referred to therein will occur. Past performance is not a reliable indicator of future performance. The value of investments may go down as well as up and those investing may, depending on the investments in question, lose more than the initial investment. This report shall not constitute an offer or an invitation by or on behalf of CIMB or its affiliates to any person to buy or sell any investments.

CIMB and its affiliates and related companies, and their respective directors, associates, connected parties and/or employees, may own or have positions in currencies, commodities, or securities (to be construed to include equity, fixed income, derivatives and any other securities) covered in this report or any securities related thereto, and may from time to time add to or dispose of, or may be materially interested in, any such currencies, commodities or securities. Further, CIMB, its affiliates and its related companies do and seek to do business with the entity(ies) covered in this report and may from time to time act as market maker or have assumed an underwriting commitment in securities of such entity(ies), may sell them to or buy them from customers on a principal basis and may also perform or seek to perform significant investment banking, advisory, underwriting or placement services for or relating to such entity(ies) as well as solicit such investment, advisory or other services from any entity mentioned in this report. In such capacities, CIMB, its affiliates and its related companies may engage in transactions in a manner inconsistent with any views expressed in this report.

CIMB or its affiliates may enter into agreements with the entity(ies) covered in this report relating to the production of reports. CIMB may disclose the contents of this report to the entity(ies) covered by it and may have amended the contents of this report following such disclosure.

The analyst(s) responsible for the production of this report hereby certify that the views expressed herein accurately and exclusively reflect their personal views and opinions about any and all of the currencies, commodities, securities and entities analysed in this report and were prepared independently and autonomously. No part of the compensation of the analyst(s) was, is or will be directly or indirectly related to the inclusion of specific recommendations(s) or view(s) in this report. CIMB prohibits the analyst(s) who prepared this report from receiving any compensation, incentive or bonus based on specific investment banking transactions or for providing a specific recommendation, view or opinion of a particular entity(ies). Information barriers and other arrangements may be established where necessary to prevent conflicts of interests arising. However, the analyst(s) may receive compensation that is based on their coverage of entity(ies) in the performance of their duties or the performance of their recommendations and research personnel involved in the preparation of this report may also participate in the solicitation of the businesses as described above. In reviewing this report, an investor should be aware that any or all of the foregoing, and CIMB may be in a conflicted position by virtue of its business and proprietary trading positions as CIMB transacts products and securities of the financial markets. Additional information is, subject to the duties of confidentiality, available on request.

Reports relating to a specific geographical area are produced by the corresponding CIMB related entity as listed in the table below. The term "CIMB" shall denote, where appropriate, the relevant entity distributing or disseminating the report in the particular jurisdiction referenced below, or, in every other case, CIMB Group Holdings Berhad and its affiliates, subsidiaries and related companies.

Country	CIMB related entity	Regulated by
Indonesia	PT Bank CIMB Niaga Tbk	Financial Services Authority of Indonesia
Malaysia	CIMB Investment Bank Berhad	Securities Commission Malaysia and Bank Negara Malaysia
Singapore	CIMB Bank Berhad	Monetary Authority of Singapore
Thailand	CIMB Thai Bank PCL	The Bank of Thailand and the Securities and Exchange Commission of Thailand
Hong Kong	CIMB Bank Berhad	Hong Kong Monetary Authority and Securities and Futures Commission

This report does not purport to contain all the information that a prospective investor may require. CIMB and its affiliates do not make any guarantee, representation or warranty, express or implied, as to the adequacy, accuracy, completeness, reliability or fairness of any such information, view or opinion contained in this report. Neither CIMB nor any of its affiliates nor its related persons shall be liable in any manner whatsoever for any consequences (including but not limited to any direct, indirect or consequential losses, loss of profits and damages) of any reliance hereon or usage hereof.

This report is general in nature and has been prepared for information purposes only. It is intended for circulation amongst CIMB's and its affiliates' clients generally and does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive this report. The information and opinions in this report are not and should not be construed or considered as an offer, invitation, recommendation or solicitation to buy or sell the currencies, commodities, securities, related investments or other financial instruments or any derivative instrument, or any rights pertaining thereto. CIMB does not act as a financial adviser, consultant, or fiduciary to you or any of your agents with respect to any information provided in this report.

Investors are advised to make their own independent evaluation of the information contained in this report, consider their own individual investment objectives, financial situation and particular needs and consult their own professional and financial advisers as to the legal, business, financial, tax and other aspects before participating in any transaction in respect of the currencies, commodities and securities covered in this report. The currencies, commodities and securities covered in this report may not be eligible for sale in all jurisdictions or to all categories of investors.

The information we provide is directed only to persons or entities we believe to be financially sophisticated, who are capable of evaluating investment risks independently, both in general and with regard to particular transactions and investment strategies, and who understand that CIMB has financial interests in the offering of its product and services. If this is not the case, and if you are a retail investor receiving this directly from us, we ask that you inform us immediately.

Restrictions on Distributions etc.

Indonesia: This report is issued and distributed by PT Bank CIMB Niaga Tbk ("CIMBN") for the exclusive use of any recipient who warrants, by receipt of this report, that such recipient is an institutional client as such term may apply under the relevant legislations in Indonesia.

The information, views and opinions in this report are our own as of the date hereof and are subject to change. CIMBN has no obligation to update its views or opinions or the information in this report. This report or any copy hereof may only be distributed in Indonesia or to any Indonesian citizens wherever they are domiciled or to Indonesian residents in a manner which does not trigger a public offering in Indonesia under the applicable Indonesian capital market laws and regulations.

This report is not an offer of, solicitation or invitation to sell or to buy or subscribe for securities in Indonesia. This report is provided to the recipient on a strictly confidential basis and is intended for informational or educational purposes only. This report is not intended to be a prospectus, and has not been registered as a prospectus with any regulatory body in Indonesia. The securities referred to in this report have not been registered with the Financial Services Authority (Otoritas Jasa Keuangan) pursuant to relevant Indonesian capital market laws and regulations, and may not be offered or sold within the territory of the Republic of Indonesia or to Indonesian citizens through a public offering or in circumstances which constitute public offering requirements within the meaning of any provisions under the Law Number 8 of 1995 regarding Capital Market and other relevant Indonesian capital market law and regulations.

Malaysia: This report is issued and distributed by CIMB Investment Bank Berhad ("CIMB") solely for the benefit of and for the exclusive use of our clients. CIMB has no obligation to update, revise or reaffirm its opinion or the information in this report after the date of this report.

Singapore: This report is issued and distributed by CIMB Bank Berhad ("CIMBB"). CIMBB is a financial adviser licensed under the Financial Advisers Act, Cap 110 ("FAA") for advising on investment products, by issuing or promulgating research analyses or research reports, whether in electronic, print or other form. Accordingly, CIMBB is subject to the applicable rules under the FAA unless it is able to avail itself to any prescribed exemptions.

Recipients of this report are to contact CIMBB, 30 Raffles Place, #03-03, CIMB Plaza, Singapore in respect of any matters arising from, or in connection with, this report. CIMBB has no obligation to update its opinion or the information in this report. This report is only to be received by an accredited investor, expert investor or institutional investor. This report is strictly confidential and has been provided to you for personal use only and shall not be reproduced, distributed or published by you in whole or in part, for any purpose. If you have received this report by mistake, please delete or destroy it, and notify the sender immediately.

If the recipient is an accredited investor, expert investor or institutional investor, the recipient is deemed to acknowledge that CIMBB is exempt from certain requirements under the FAA and its attendant regulations, and as such, is exempt from complying with the following:

- (a) Section 25 of the FAA (obligation to disclose product information);
- (b) Section 27 of the FAA (duty not to make recommendation with respect to any investment product without having a reasonable basis

where you may be reasonably expected to rely on the recommendation);

- (c) Section 36 of the FAA (obligation on disclosure of interest in securities);
- (d) MAS Notice on Information to Clients and Product Information Disclosure [Notice No. FAA-N03];
- (e) MAS Notice on Recommendation on Investment Products [Notice No. FAA-N16]; and
- (f) any other laws, regulations, notices, directive, guidelines, circulars and practice notes which relate to the above, to the extent permitted by applicable laws, as may be amended from time to time, and any other laws, regulations, notices, directive, guidelines, circulars and practice notes as we may notify you from time to time. In addition, the recipient who is an accredited investor, expert investor or institutional investor acknowledges that CIMBB is exempt from Section 27 of the FAA, the recipient will also not be able to file a civil claim against CIMBB for any loss or damage arising from the recipient's reliance on any recommendation made by CIMBB which would otherwise be a right that is available to the recipient under Section 27 of the FAA, the recipient will also not be able to file a civil claim against CIMBB for any loss or damage arising from the recipient's reliance on any recommendation made by CIMBB which would otherwise be a right that is available to the recipient under Section 27 of the FAA

Thailand: This report is distributed by CIMB Thai Bank Public Company Limited ("CIMBT") for the exclusive use of the qualified institutional investors as defined in the notification specified by the Securities and Exchange Commission of Thailand ("SEC") and under the exemption of the SEC's regulations. This report is for information purposes only and has no regard to the specific investment objectives, financial situation or particular needs of any specific recipient. Neither CIMBT nor any of its affiliates, directors, officers, employees, agents or representatives (a) shall be responsible to any person with regards to any information, express or implied, whatsoever or howsoever arising out of, contained in, derived from or any omission from, the report and (b) make any express or implied representation and warranty as to or accept any responsibility for the accuracy, correctness or completeness of any information contained in this report. The information, statements or expressions of opinion contained in this report are subject to change without notice and CIMBT has no obligation to update any of such change in this report. Certain services are subject to legal restrictions and cannot be offered to any category of investors or on an unrestricted basis.

Hong Kong: This report is issued and distributed in Hong Kong by CIMB Bank Berhad ("CIMBB"), an Authorised Institution regulated by the Hong Kong Monetary Authority and a Registered Institution regulated by the Securities and Futures Commission ("SFC"). CIMBB is licensed by the SFC for Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities (as defined in the Securities and Futures Ordinance (Cap. 571) ("SFO")). This report is not intended for, and should not be relied on by, any person other than professional investors (as defined in the SFO). Any currencies or securities and related financial instruments described herein are not intended for sale, nor will be sold, to any person other than professional investors (as defined in the SFO).

Additional disclosures

1. As at the date of this report, CIMB and its affiliated companies has proprietary positions in the following securities mentioned in this report:
 - (i) Bonds issued by the Government of Malaysia
 - (ii) Bonds issued by the Government of Indonesia
 - (iii) Bonds issued by the Government of Singapore
 - (iv) Bonds issued by the Government of Thailand
 - (v) Bonds issued by the Government of The United States of America
2. As at the date of this report, CIMB and its affiliated companies function as market maker(s) for the following markets and its associated securities mentioned in this report:
 - (i) The market for bonds issued by the Government of Malaysia
 - (ii) The market for bonds issued by the Government of Indonesia
 - (iii) The market for bonds issued by the Government of Singapore
 - (iv) The market for bonds issued by the Government of Thailand
3. Data presented in this report are not to be used for the purpose of determining financial market transactions, the calculation of the market value of financial instruments, monetary sums payable pertaining to financial instruments, and performance measurement.
4. CIMB has implemented policies and procedures to mitigate conflicts of interest. These include: (i) physical and information barriers between departments, inclusive of information sharing policies and procedures, hence views across the firm may be inconsistent with the views within this report; (ii) compensation and incentives being independent of specific investment banking deals; (iii) reporting line independent from direct revenue generating units or those units which may pose a potential conflict of interest; and (iv) research being based on public information with the use of a holistic analytical framework which does not rely on a single source of information.