

DAILY DIGEST

IndoGB extends losses amid tepid auction

- **Macro:** US durable goods orders saw broad-based expansion in Feb despite declining consumer confidence. Thailand Senate approved delayed FY2024 budget. Malaysia PM estimates 0.2% yoy impact on increased service tax.
- **Fixed Income:** UST closed stronger, reversing earlier weaknesses. IndoGB weaknesses continued amid poor auction demand. BNM announced 5Y MGS 08/29 auction, while ThaiGB 3Y LB273A and 30Y LB556A auctions today.
- **FX:** DXY edged up, bringing most major currencies down by a touch. Regional currencies tracked the CNH stronger following the earlier stronger PBOC fixing.

Global macro wrap

- **Global:** US durable goods orders rose 1.4% mom in Feb (consensus: +1%; Jan: -6.9%), while non-defense ex-aircraft capital goods orders (a proxy for business spending) also rose more than expected at 0.7% mom (consensus: +0.1%; Jan: -0.4%), amid a rebound in orders for several segments. US consumer confidence however ticked down to 104.7 in Mar (consensus: 107; Feb: 104.8), as consumer expectations ease on inflation but turn more pessimistic on future conditions.
- **ASEAN:** Thailand's Senate has approved the delayed FY2024 THB3.48tr budget, paving way for royal endorsement before the expected disbursements starting early next month. Separately, the Labour Ministry has approved a minimum wage hike to THB400/day for hospitality workers in 10 provinces, starting on 13 Apr. Meanwhile, sources indicate Thailand's Oil Fuel Fund Office (OFFO) may raise the cap on current diesel prices of THB30/litre to help ease the burden on the fund, which is expected to reach a deficit of THB100bn by 31 Mar. Singapore manufacturing output rose 3.8% yoy in Feb (consensus: +0.5%; Jan: +0.6%), with the upturn boosted by an upturn in electronics and chemicals output. Malaysia PM Anwar Ibrahim said he estimates the impact of the earlier hike in services tax will only contribute 0.2% yoy towards inflation.

Fixed income

- **Global:** UST yields finished the session stronger, amid declining consumer confidence, a solid 5Y auction, as well as profit-taking activity from stocks at quarter-end. Gains were led by the front-end 2Y UST with yields down 3bps while the 10Y yield fell 1bp, bringing the 2s10s inversion to -36bps (previous: -38bps).
- **ASEAN:** Regional bonds mostly weakened, in tandem with an earlier increase in UST yields. MGS market saw activity picking up amid a shorter work week (PH on 28 Mar) heading into quarter end, as well as ahead of an auction-filled calendar in Apr. MGS yields shifted slightly higher by 0-1bp, while BNM announced the reopening auction of the 5Y MGS 08/29 (size: RM5.0bn) scheduled for 29 Mar. IndoGB weaknesses continued alongside earlier IDR weaknesses and yesterday's poor auction result, with an incoming demand of IDR32.3tr being the lowest bids this year amid reduced foreign participation. MOF opted to downsize issuance to IDR22.6tr (vs. initial target of IDR24tr). IndoGB yields closed higher across the curve by 2-4bps in a bear flattening manner for the day, save for the 2Y tenor which strengthened by a touch. ThaiGBs saw an overall weakening of 0-1bp with an outlier weakening of the 2Y tenor (+4bps). Up ahead today would be the 3Y LB273A (size: THB33bn) and the 30Y LB556A (size: THB8bn) auctions.

FX

- **Majors:** DXY rose 0.1%, while most majors weakened by a touch against the USD. USDJPY (-0.1%) held steady around the 151.0 level, amid the latest verbal intervention warning from Japan Finance Minister Shunichi Suzuki on speculative activity. AUD fell 0.1% alongside a decline in consumer confidence in Australia. CHF (-0.5%) extended losses, following the SNB's surprise rate cut last week.
- **ASEAN:** Regional currencies rose by a touch, tracking CNH's rise after the PBOC earlier strengthened its daily reference rate. THB (+0.3%) outperformed, following a sharply reduced trade deficit in customs data; while MYR (+0.1%) and IDR (+0.1%) saw smaller gains.

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Rates dashboard

Gov't bonds	Close	Change (bps)			
		1D	1W	1M	YTD
UST 2Y	4.59	-3.4	-9.2	-10.2	34.1
UST 10Y	4.23	-1.4	-6.1	-7.2	35.3
MY 3Y	3.48	1.0	-0.2	-3.3	1.4
MY 10Y	3.85	0.6	-3.2	-2.0	11.8
ID 2Y	6.30	-1.2	-2.8	11.4	-8.7
ID 10Y	6.67	2.2	3.5	9.9	21.8
SG 2Y	3.45	4.6	0.5	9.4	19.6
SG 10Y	3.09	2.9	-1.4	0.5	39.4
TH 2Y	2.17	3.7	3.7	4.0	-16.4
TH 10Y	2.55	0.0	-0.1	0.8	-12.8

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

FX dashboard

	Close	1D (%)	1W (%)	1M (%)	YTD (%)
DXY	104.30	0.1	0.5	0.5	2.9
EURUSD	1.0831	-0.1	-0.3	-0.1	-1.9
GBPUSD	1.2628	-0.1	-0.7	-0.4	-0.8
AUDUSD	0.6533	-0.1	0.0	-0.2	-4.1
USDJPY	151.56	0.1	0.5	0.7	7.5
USDCNH	7.2487	-0.1	0.5	0.5	1.7
USDMYR	4.7205	-0.1	-0.3	-0.9	2.8
USDIDR	15790	-0.1	0.5	1.0	2.6
USDSGD	1.3457	-0.0	0.3	0.1	1.9
USDTHB	36.30	-0.3	0.6	1.3	6.3

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

Commodities dashboard

	Close	1D (%)	1W (%)	1M (%)	YTD (%)
WTI	81.62	-0.4	-2.2	3.5	13.9
Brent	86.25	-0.6	-1.3	3.1	12.0
Copper	8,873	0.0	-1.2	4.7	3.7
Gold	2,179	0.3	1.0	7.3	5.6
CPO	4,332	-0.5	0.8	7.7	18.3

HIGHLIGHTS

Macro: Malaysia Deputy MITI Minister Liew Chin Tong said the government remains committed to developing the semiconductor industry, stating it is now a strategic income source for the country. Emphasis will continue to be placed on foreign investments that create value chains that generate high-paying skilled jobs. Separately, Malaysia has resumed FTA negotiations with South Korea to boost bilateral trade and investments.

Macro: Thailand's customs trade deficit fell significantly in Feb to USD554m (consensus: -USD573m; Jan: -USD2758m), as exports continued to expand (Feb: +3.6% yoy; consensus: +4.4%; Jan: +10%) but at its softest pace since Sep, after shipments to China and Japan contracted. Imports meanwhile accelerate slightly at 3.2% yoy (consensus: +1.5%; Jan: +2.6%).

Figure 1: Data Preview

Date	Country	Indicator	Period	Survey	Prior
27 Mar 2024	JN	BOJ Board Tamura Speech in Aomori			
27 Mar 2024	EC	ECB's Cipollone Speaks			
27 Mar 2024	UK	Bank of England financial policy committee minutes			
27 Mar 2024	US	Revisions: Wholesale sales, inventories			
28 Mar 2024	JN	BOJ Summary of Opinions (March MPM)			
28 Mar 2024	US	GDP Annualized QoQ	4Q T	3.2%	3.2%
28 Mar 2024	US	Personal Consumption	4Q T	3.0%	3.0%
28 Mar 2024	US	Initial Jobless Claims	23 Mar	212k%	210k%
28 Mar 2024	US	MNI Chicago PMI	Mar	46	44
28 Mar 2024	US	Pending Home Sales MoM	Feb	1.5%	-4.9%
28 Mar 2024	US	U. of Mich. Sentiment	Mar F	76.5	76.5
28 Mar 2024	EC	ECB's Villeroy speaks			

SOURCE: BLOOMBERG, CIMB TREASURY AND MARKETS RESEARCH

Figure 2: Data Review

Date	Country	Indicator	Period	Survey	Actual	Prior
26 Mar 2024	TH	Customs Imports YoY	Feb	2.1%	3.2%	2.6%
26 Mar 2024	TH	Customs Exports YoY	Feb	4.2%	3.6%	10.0%
26 Mar 2024	TH	Customs Trade Balance	Feb	-\$573m	-\$554m	-\$2758m
26 Mar 2024	SI	Industrial Production YoY	Feb	0.5%	3.8%	0.6%
26 Mar 2024	SI	Industrial Production SA MoM	Feb	2.1%	14.2%	-6.7%
26 Mar 2024	US	Durable Goods Orders	Feb P	1.0%	1.4%	-6.9%
26 Mar 2024	US	Cap Goods Orders Nondef Ex Air	Feb P	0.1%	0.7%	-0.4%
26 Mar 2024	US	FHFA House Price Index MoM	Jan	0.3%	-0.1%	0.1%
26 Mar 2024	US	Conf. Board Consumer Confidence	Mar	107.0	104.7	104.8
26 Mar 2024	US	Richmond Fed Manufact. Index	Mar	-5	-11	-5
26 Mar 2024	US	Dallas Fed Services Activity	Mar	--	-5.5	-3.9

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	4.23	-1.4	-6.1	-7.2	35.3
UK	3.97	-1.7	-8.6	-22.5	43.4
Germany	2.35	-2.2	-10.0	-11.4	32.8
Japan	0.73	0.4	0.0	4.6	12.6
Australia	4.03	1.9	-5.6	-10.6	7.0
China	2.32	0.3	3.5	-5.9	-24.0
Malaysia	3.85	0.6	-3.2	-2.0	11.8
Indonesia	6.67	2.2	3.5	9.9	21.8
Singapore	3.09	2.9	-1.4	0.5	39.4
Thailand	2.55	0.0	-0.1	0.8	-12.8

5Y IRS	Close	1D (bps)	1W (bps)	1M (bps)	YTD (bps)
MY	3.65	-1	2	-3	10
SG	3.00	3	0	-0	44
TH	2.57	0	0	0	0

5Y CDS	Close (bps)	1D (bps)	1W (bps)	1M (bps)	YTD (bps)
MY	41	0	8	3	-1
ID	72	-0	6	2	-0
TH	43	-1	5	33	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	4.04	0	15	32	41
TH BOT o/n THOR	2.49	-0	-0	0	-0

Credit indices	Close	1D (%)	1W (%)	1M (%)	YTD (%)
Bloomberg Global Aggregate	264	0.0	0.3	0.9	-1.2
Bloomberg US Aggregate	2140	0.1	0.5	1.1	-1.0
Bloomberg EUR Aggregate	236	0.1	0.4	1.1	-0.6
Bloomberg Asia Aggregate	181	-0.0	0.2	0.2	3.2
Bloomberg Asia Pac Treasury	118	-0.1	-0.4	-0.7	-4.9
Bloomberg ASEAN Corp/Quasi	118	0.1	0.7	1.3	0.8

SOURCE: BLOOMBERG, CIMB TREASURY AND MARKETS RESEARCH

Figure 5: Currencies

Currencies	Close	1D (%)	1W (%)	1M (%)	YTD (%)
DXY	104.30	0.1	0.5	0.5	2.9
EURUSD	1.0831	-0.1	-0.3	-0.1	-1.9
GBPUSD	1.2628	-0.1	-0.7	-0.4	-0.8
AUDUSD	0.6533	-0.1	0.0	-0.2	-4.1
USDJPY	151.56	0.1	0.5	0.7	7.5
USDCNH	7.2487	-0.1	0.5	0.5	1.7
USDMYR	4.7205	-0.1	-0.3	-0.9	2.8
USDIDR	15,790	-0.1	0.5	1.0	2.6
USDSGD	1.3457	-0.0	0.3	0.1	1.9
USDTHB	36.30	-0.3	0.6	1.3	6.3
GBPMYR	5.9722	0.2	-0.5	-1.1	2.3
AUDMYR	3.0926	0.3	0.3	-0.9	-1.1
SGDMYR	3.5120	0.1	-0.4	-0.9	1.0
CNHMYR	0.6512	-0.0	-0.8	-1.3	0.9
IDRMYR	0.0299	-0.2	-1.0	-1.9	0.0
THBMYR	12.9968	0.1	-1.0	-2.2	-3.0

SOURCE: BLOOMBERG, CIMB TREASURY AND MARKETS RESEARCH

Figure 6: Global equity indices and commodity prices

Equities	Close	1D (%)	1W (%)	1M (%)	YTD (%)
S&P500	5,203.58	-0.3	0.5	2.5	9.1
Nasdaq	16,315.70	-0.4	0.9	1.7	8.7
Eurostoxx	5,064.18	0.4	1.1	3.7	12.0
Nikkei 225	40,398.03	-0.0	1.0	3.0	20.7
Hang Seng	16,618.32	0.9	0.5	-1.0	-2.5
KLCI	1,538.42	0.1	-0.4	-1.3	5.8
JCI	7,365.66	-0.2	0.4	1.1	1.3
SET	1,377.23	0.3	-0.4	-1.2	-2.7

Commodities	Close	1D (%)	1W (%)	1M (%)	YTD (%)
BCOM Index	98.68	-0.6	-0.9	2.1	0.0
WTI (US\$/bbl)	81.62	-0.4	-2.2	3.5	13.9
Brent (US\$/bbl)	86.25	-0.6	-1.3	3.1	12.0
Natural Gas (US\$/mmbtu)	1.79	-0.1	-4.7	-9.0	-24.5
Copper (US\$/ton)	8,873	0.0	-1.2	4.7	3.7
Gold (US\$/oz)	2,179	0.3	1.0	7.3	5.6
CPO (RM/ton)	4,332	-0.5	0.8	7.7	18.3

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

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