Research Monitor (September)

2 September 2024

Key Themes

1. Powell pivot is as explicit as it gets! At the Jackson Hole symposium, Fed chair Powell was clearly dovish, saying the " the time has come for policy to adjust" as the central bank neither "seeks or welcome further cooling in labour market conditions". He noted that "the direction of travel is clear, and the timing and pace of rate cuts will depend on incoming data, the evolving outlook and the balance of risks". Atlanta Fed's Bostic also opined that if unemployment spikes higher, "we have to move bigger". This explains why the futures market is still pricing in ~100bps cumulative rate cuts for the remaining three FOMC meetings till end-year and more than 100bps in 2025. Meanwhile, the early August market rout appears to have calmed down somewhat, as recent US economic data does not suggest that a US recession is imminent at this juncture.

2. More central banks are jumping on the monetary policy easing bandwagon, starting with the Reserve Bank of New Zealand and Bangko Sentral ng Philipinas recently. While Bank Indonesia and Bank of Thailand kept their policy unchanged at the recent meetings, nevertheless, there could be room to ease ahead. Even the Monetary Authority of Singapore could potentially have a window to ease its trade-weighted SGD at the upcoming quarterly policy reviews in October 2024 and January 2025 as core inflation has surprised on the downside and is moderating back to the 2% handle in 2025. On the growth front, we have also upgraded the full-year 2024 GDP growth forecasts for Malaysia and Indonesia in August.

3. China's domestic sentiment remained fragile in August. Even though global equity markets made a comeback over the past two weeks, China's equity market trended lower. Housing transaction volumes in August are likely to fall further. Amidst the dollar selloff, RMB lagged behind its Asian peers which were led by the Indonesian rupiah (IDR) and Malaysian ringgit (MYR). The RMB's failure to capitalize on the unwinding of carry trades can be attributed to two key factors: the stable fixing rate maintained by Chinese officials and exporters' low willingness to sell foreign currency. Nevertheless, the stable RMB may remove the constraint on China to ease monetary policy. The current low inflation rate may imply more easing room with a rate cut window potentially opening after the first rate cut by the Fed which is likely in September.

4. Flash estimates* indicate the OCBC SME Index may sink to 46.4 in Aug 2024, down from the 53.0 previously. Despite pockets of optimism across various sectors in the economy and an improvement in overall manufacturing sentiment over the past quarters, SMEs may see a relatively steep contraction.

   **Using data until 21st August 2024*

Asset Class Views

	House View	Trading Views
FX	**G-10 FX: USD** looks on track to close weaker for a second consecutive month as markets grow increasingly more confident that the Fed is about to kickstart its rate cut cycle in September. Powell's "time has come" keynote speech at Jackson Hole was clear in establishing that a rate cut cycle is upon us, though he left out specifics in terms of magnitude and pace of cuts. In particular, he said that the direction of travel is clear, and that the timing and pace of rate cuts will depend on incoming data. Focus has also been tilted towards supporting the labour market and that puts emphasis on the payrolls report next Friday (6 September). Our view for USD to trend lower is gradually coming to fruition as US exceptionalism narrative fades and Fed rhetoric has turned decisively dovish. For the year, we still expect USD to trend lower. The extent of USD's decline hinges on 1/ how quick and deep the Fed cuts are, and 2/ how sustained the goldilocks thematic lasts. That said, the US elections (November 2024) risk is a big known unknown. There will be implications on FX as shifts in fiscal, foreign and trade policies may occur, depending on whether Trump or Harris is elected as the next President. A Trump outcome may see a play-up of US-China trade tensions and should inject some uncertainty to markets, thereby implying that the downward path of USD may be bumpy and may even face intermittent USD upward pressure if US-China trade tensions escalate. However, a Kamala Harris outcome is deemed to be more focused on domestic issues and could see more measured engagements with China. On this note, vols should ease, equities may retain gains and Asian/ high-beta FX may find relief.	Expect range of 100.6 – 102 within wider perimeters of 99 – 104.
	EUR's recovery in August can largely be attributed to the EUR playing catch up to gains seen in other FX amid a softer USD environment while EU-UST yield differentials narrowed further (-153bps vs. -200bps in April). The solid current account data for the Eurozone – monthly current account surplus for June at EUR51bn was the highest on record- was also one catalyst. The last all-time high was back in January 2015 when it was at ~EUR42.75bn surplus. Moreover, ECB officials have not been outright dovish in the last few weeks. For example, Holzmann said a September cut is not a foregone conclusion while Chief Economist Lane said that a return to 2% inflation target is not secure yet. Furthermore, markets were getting excited to price in new-found dovishness in Fed, and the USD. However, looking ahead for September, we see room for EUR to retrace some of its gains as markets re-focus back on ECB and Euro-area growth. Euro-area PMIs have yet to show much improvement. Manufacturing PMIs in Euro-area, Germany slumped further into contractionary territory while consumer confidence remains soft. For the year remaining, we maintain a neutral outlook. On one hand, growth metrics in Euro-area pointed to renewed concerns on growth but on the other hand, Fed embarking on a rate cut cycle soon can also potentially narrow EU-UST yield differentials. This can mitigate against EUR downside.	Room to Correct lower. Range of 1.10 – 1.12 range within wider range of 1.08 – 1.1250.
	The rebound in **GBP** was due to a combination of softer USD, less dovish BoE and better data out of the UK – expansionary PMIs in the manufacturing and services sectors, industrial production, retail sales, 2Q GDP and labour market. BoE Governor Bailey's speech at Jackson Hole suggests a no-rush mentality to easing. He said that the "second-round inflation effects appear to be smaller than we expected. But it is too early to declare victory". He also said that the BoE would "be careful not to cut interest rates too quickly or by too much". This supports our view that a less dovish BoE rate cut cycle over the Fed may still be supportive of GBP. Elsewhere, a meeting between Starmer and Scholz to negotiate on a UK-Germany treaty may potentially pave the way for similar treaties with other EU nations. Net effect should be a positive for UK trade and GBP. On net, we remain broadly constructive on GBP outlook.	Near term correction not ruled out. Range of 1.3180 – 1.3260 within wider perimeters of 1.30 – 1.33.

USDJPY continued to trade lower for a second consecutive month. Governor Ueda's comments in parliament last Friday reinforced the view that BoJ rate hikes remain on the table. He said that: 1/ current rates are far below likely neutral rate; 2/ BoJ still plans to hike rates if economy meets outlook; 3/ believe policy adjustment so far have been appropriate. Elsewhere, Fed Chair Powell's "time has come" speech at Jackson Hole reinforced the view that the Fed's next move is a cut. USDJPY is not solely about BoJ policy but also includes the Fed and US rates in the equation. The Fed embarking on rate cut cycle will mean that Fed-BoJ policy shifts should continue to underpin the broader direction of travel for USDJPY to the downside. Domestic political uncertainty associated with the change in LDP leadership may cloud the outlook on Japanese equities. JPY may strengthen in a risk-off scenario – another factor supporting our view for further downside in USDJPY. Over a medium term, we continue to expect USDJPY to trend gradually lower on expectations that the next move for the Fed is a cut and that the BoJ has room to further pursue policy normalisation amid higher services inflation and wage pressures in Japan. **Asian FX and SGD:** Markets continue to be trading a goldilocks thematic. The US appears to be heading towards a soft-landing while growth momentum in this region remains moderate (neither hot nor cold). Globally, inflation is easing in general. More importantly, we are closer to a Fed pivot. These factors point to a sweet spot that is supportive of Asian FX recovery. In particular, KRW, MYR, THB can benefit. The question lies in how sustained the goldilocks theme can last and if there are any market shocks. The US elections in November are also another risk to watch as the outcome may have implications on FX markets.	Sell-on-rallies. Range of 142 – 148 likely within wider perimeters of 140 – 150.
USDCNH fell nearly 2% for the month of August amid decline in USD, UST yields. However, one should not be overly focused on USDCNH as the RMB index (or CNY CFETS index) has continued to print lower. (Last at 97.89 vs 99.26 end Jul). This remains in line with our view that a softer USD environment allows for RMB weakness to play out versus its trade peers. For instance, on a MTD % change vs. USD, CNH's gains paled in comparison to MYR (+6.5%), IDR (+5.5%) and THB (5%). Further decline in RMB on trade-weighted terms is still likely unless PBoC changes stance (no longer pursue measured pace of depreciation) or if the USD environment turned bullish. On net, if USD softness persists, USDCNH can still trade lower in coming sessions (and this is solely due to the broad USD weakness). A true recovery in RMB would require confidence to be "repaired", economic recovery to gain better momentum and for USD to turn lower. One risk to watch is US elections as the outcome may have implications on US-China relations and spillover effects on the RMB.	Bias to the downside. 7.08 – 7.17 range within wider range of 7.03 – 7.22 range.
USDSGD traded lower for the month of August. Powell's speech at Jackson Hole gave markets greater conviction to sell USD. That said, the decline in USDSGD still pales in comparison to some of its peers such as THB, MYR, JPY. S$NEER near the stronger side of its band somewhat suggests that additional gains in SGD may continue to "lose pace" vs. its peers although SGD may still appreciate vs a broadly softer USD. We **believe an easing stance can be considered when core CPI eases further.** This can take place by a slight reduction in policy slope, and we do not rule out a policy shift taking place as early as at the October MPC or January 2025 MPC should core CPI ease materially more. Core inflation did ease to 2.5% in July but remains well above the historical mean. 5y average is about 2.2% and 10y average is about 1.7%. MAS does not have an explicit inflation target, but MAS has previously indicated that a core inflation of just under 2% is close to its historical mean, and consistent with price stability in the economy. Elsewhere headline CPI saw a sequential contraction (-0.3% MoM vs. -0.2% prior).	Range of 1.2960 – 1.3100 within wider range of 1.2920 - 1.3210.

	MYR outperformed regional and major FX for the month of August, gaining 6.5% vs USD. The main drivers were a Fed pivot, robust domestic growth, exports rebounding, foreign portfolio inflows, efforts to improve fiscal health - subsidy rationalisation in diesel and plans to re-introduce GST (broaden revenue tax base). We remain optimistic of MYR's outlook as (1) yield differential dynamics further improve, (2) sustained recovery in tech and semiconductor cycle can also benefit Malaysia exports, (3) still solid fundamentals at home (improved growth prospects, driven by broad based expansion, domestic demand and widening of current account surplus and improving fiscal health), (4) increase in communication between BNM and market participants, including GLCs, GLICs to repatriate foreign earnings home; (5) foreign inflows into domestic equities, bonds have also been a driver of MYR stability lately (not forgetting KLCI was an outperformer in ASEAN YTD at ~+13.7%).	Bearish Bias. Range of 4.25 – 4.40 within wider perimeters of 4.20 – 4.50.

	House View	Trading Views	
Commodities	We maintain our forecast for WTI and Brent oil prices to average USD79/bbl and USD85/bbl in 2024, respectively, compared to USD77.6/bbl and USD82.2/bbl in 2023. At its June meeting, OPEC+ revealed plans to gradually release its oil barrels (November 2022: additional voluntary cuts of 2.2mbpd) into the global oil market from 4Q24 onwards to "support market stability". The monthly increase is to be data dependent. We believe that the recent weakness in crude oil prices could thwart their plans. If the current price weakness continues into September, we expect an increasing likelihood of a full rollover of supply cuts into 4Q24.	As of 29August, month-to-date crude oil benchmarks have declined by over 1.0%. After the sell-off in July, crude oil prices staged a strong rally in early August due to diminishing US recession fears, simmering tensions in the Middle East (i.e., the high-profile assassination of Ismail Haniyeh), and production cuts from Libya's Sharara oil field. However, the rally was short-lived as concerns of softening demand in China, as well as the prospect of an Israel-Gaza ceasefire have kept upward price pressures limited. Despite ongoing demand worries, we maintain that oil prices should pick up in the coming month, driven by factors such as tight global oil inventories and a potential acceleration in geopolitical risks in the Middle East. Additionally, technical indicators, such as time spreads remain in a backwardation, signalling resilience in the physical market. That said, weakness in Asia fuel oil crack spreads may limit the upside. We anticipate Brent oil prices to strengthen in September, and trade within a range of USD78-83/bbl.	↑

	House View	Trading Views	
Rates	**July FOMC minutes** before the July payroll release already carried an explicit dovish pivot: 1/ The minutes had a more sanguine outlook on the prospect of disinflation: "almost all participants observed that the factors that had contributed to recent disinflation would likely continue", and these factors include waning of pricing power, moderating growth, runoff in excess household savings; 2/ the balance of risk became "upside risks to the inflation outlook were seen as having diminished, while downside risks to employment were seen as having increased". 3/ Notably, several participants observed that the economic backdrop "had provided a plausible case for reducing the target range 25 basis points at this meeting or that they could have supported such a decision". Then came **Powell's comments** that "the time has come" at Jackson Hole; furthermore, Powell said the Committee "do not seek or welcome further cooling in labour market conditions". Indeed, what will likely drive the magnitude of Fed funds rate cut(s) is the condition of the labour market and on this the **August payroll and labour market statistics** are key. Our base case remains for a 25bp cut at the September FOMC meeting, unless the August outcome is another big downside miss. We expect the **ECB** to deliver another 25bp cut at the September MPC meeting, which is mostly in the price of EUR OIS. The disinflation trend is on track, while bank lending stayed subdued. In UK, the combination of the recent labour market and inflation outcomes shall point to a moderate policy rate cut profile at the **BoE**. July labour market statistic came in firm, technical issues aside, while MoM CPI inflation eased by more than market had expected and the pick-up in YoY inflation was lower than BoE's forecasts. Our expectation is for CPI inflation to hover near the 2% level in the coming months, and for the BoE to deliver one additional 25bp Bank Rate cut before year end likely at the November MPC meeting.	**USD rates**: USTs extended rallies into August, outperforming Bunds and Gilts. On the UST curve itself, short-end bonds outperformed on Fed rate cuts expectation. Key releases ahead are August payroll and labour market statistics which may drive the next direction of USTs. At this juncture, USTs are likely to undergo some consolidation. While we see room for the market to pare back some rate cuts expectation for 2024, any rebound in the 2Y yield is likely capped as market look forward to potential rate cuts in the whole cycle. At the longer end, the 10Y breakeven has been hovering and stabilising around the 2.10% handle while the 10Y real yield has failed to break below the 1.65% level thus far before additional data showing a cooling US economy. If the data outcome is not as bad as the recent payroll suggested, then some interim rebounds in yields cannot be ruled out. **SGD rates** underperformed USD rates in the downward move over the past month, in line with historical pattern and our medium-term view. The underperformance has not been more obvious as demand for SGS was strong while MAS maintains a positive S$NEER slope. Demand at the recent 5Y SGS (reopen) was solid. Short to mid-tenor SGS are likely to stayed supported through to year-end, with no more supply of these tenors. Our medium-term view for SGD rates underperformance versus USD rates is more relevant to short-end swap rates, and the momentum may gain more traction should MAS ease its S$NEER policy. There may be some interim rebounds in SGD OIS if the market adjusts to price less aggressive Fed rate cuts this year. **IndoGBs** underperformed USTs in the 2Y and 5Y over the past month; yield differentials improved further for short and mid tenors but stayed steady for the 10Y. Nevertheless, following the narrowing in yield differentials over the past months, IndoGBs saw strong inflows as foreign holdings have been gradually built up. Domestically, demand at the recent conventional bond auction was overwhelming, helped by the new 5Y benchmark and also the relatively new 10Y bond. IndoGBs may undergo a period of consolidation near-term as yields already adjusted to lower levels. **MGS** rallied mildly over the past month; yield differentials with USTs improved further. MYR bonds attracted inflows of MYR7.8bn in July, with MYR6.5bn going to MGS+MGII. The 10Y MGS auction garnered a bid/cover of 1.994x; demand was not as strong as that at previous long-end bond auctions but shall still be considered as modest given the recent richening in the bond. Looking ahead, we continue to expect MGS to trade in a stable manner.	↑ ↑ ↑ →

	RBA refused to pivot and stayed hawkish. RBA minutes for the August MPC meeting sounded hawkish: 1/ "Members discussed several developments that could suggest the risk of inflation not returning to the target range by late 2025 had risen materially"; 2/ when citing reasons for the status quo decision, the minutes mentioned "holding the cash rate steady at this meeting – and possibly for an extended period – would be appropriate if…" the phrase "possibly for an extended period" was absent from the previous minutes. July headline CPI came in at 3.5%YoY; while it was a tad above market expectations, it eased further since the jump in the May reading – which had been one of the reasons for the hawkish RBA. Housing inflation eased notably to 4.0%YoY in July compared to the 5.5% in June, core CPI at 3.7%YoY and trimmed mean at 3.8% were lower than pre-May levels. We remain of the view that the next move from the RBA is more likely to be a cut than a hike. While we have long pencilled in a 25bp cut at the December meeting, we expect a shallow rate cutting cycle in Australia and do acknowledge the risk of a further delay in the start of easing.	**CNY rates**. CGB yields traded within narrow ranges over the past month, in the absence of major policy measures. LPRs and MLF rate have been kept unchanged, while there was some net withdrawal of MLF liquidity in August. Chances remain for an RRR cut and another interest rate cut in the coming months. Meanwhile, bond purchases and sales under monetary operations may finally be kicked start. While these operations can be of either direction, we expect there is an intention to sell some long-tenor bonds given the authorities' concern about long-end yields being too low and investors loading too much duration risk. We maintain a steepening bias on the CGB curve, more across the 2s30s and 5s30s segments.	→

*Arrows refer to expectations for general direction of rates/yields

	House View	Trading Views	
Credit	Credit dispersion increased in August as Asian investment grade and high yield credit spreads widened. The Bloomberg Asia IG spreads widened MoM by ~4bps to 87bps and HY spreads widened by 33bps MoM to 522bps as at 28 August 2024. August saw a noticeable reduction of new supply to 22 August before a deluge in the last week with issuance of ~USD11.6bn in August against ~USD15.0bn in July per Bloomberg data as of 28 August 2024. Significant issuers included sovereign linked issuers such as the Republic of the Philippines (three issuances totalling USD2.5bn), Malaysia's Khazanah Nasional Bhd as guarantor for 2 issuances totally USD1bn, and China's Aluminum Corporation of China Limited (USD650mn 3.5Y Fixed). The Asia Dollar primary market started subdued in August amidst the multiple US economic data releases and hesitant market sentiments due to the highly uncertain environment, revolving around the fears of a US recession and bets of an emergency rate cut. However, issuance momentum picked up towards the end of the month and this may be due to reassuring US economic data, allowing investors to regain confidence in the market. The SGD primary market also had significantly lesser issuances as at 28 August 2024 with ~SGD1.3bn priced (July: SGD2.5bn) as earnings season was in full swing. The largest issuance in the SGD market came from CLI Treasury Limited, pricing a SGD350mn 10.5Y Fixed. Two out of the eight issuances of the month were perpetuals issued by REITs, namely by (1) ESR-LOGOS REIT (SGD100mn PerpNC5) and (2) Mapletree Logistics Trust (SGD180mn PerpNC5), while all but one of the issuances were from property related issuers. Singapore's property market continues to be firm with the government recently announcing measures to cool the HDB resale market. The SGD credit market continues to provide solid returns with lower SGD SORA yields (eg: 10Y fell ~20bps m/m), up by 1.26% MoM as at 28 August 2024.	**EREIT 6.0%-PERP (SGD)** • EREIT is a sizeable industrial REIT with a market capitalisation of SGD2.0bn as at 27 April 2024. As at 30 June 2023, EREIT's total assets was SGD5.0bn, focused on Singapore. Singapore contributed 80% to 1H2024 net property income and 71% of total assets (excluding unallocated assets) as at 30 June 2024. Other markets include Australia and Japan. • On 31 July 2024, EREIT announced the proposed acquisitions of two assets in Japan and Singapore for SGD772.6mn (including transaction costs and fees). This is a relatively sizeable transaction, representing 15.5% of total assets as at 30 June 2024. • EREIT's capital structure tends to be more levered relative to other high-grade REITs we officially cover and post-acquisition, EREIT is expected to revert to a more leveraged capital structure. • The EREIT 6.0%-PERP is trading at an ask yield-to-reset of ~6% (reset spread of 354.8bps). The perpetual offers a ~85bps to ~120bps pick-up against comparable "crossover" REIT perpetuals, which in our view more than compensates for its longer first call date in August 2029. **UBS 5.75%-PERP (SGD)** • UBS Group AG ("UBS") is the world's largest wealth manager with other businesses including Personal & Corporate Banking, the Investment Bank, and Non-core and Legacy. • Progress of UBS's integration with Credit Suisse Group AG saw several milestones achieved as planned in 2Q2024. These developments were complemented by organisational and management changes at the Group Executive Board level that are designed to support UBS's ongoing integration of CS and execute short-term and long-term priorities. • The CET1 ratio of 14.9% as at 30 June 2024 remains at a robust level and above its 10.48% minimum CET1 capital ratio requirement. • We are overweight the UBS 5.75% PERP which compares favourably against the UBS 5.60% PERP with a higher reset spread and slightly shorter call date.	↑ ↑

Macroeconomic Views

	House View	Key Themes
United States	We expect full-year 2024 growth to remain steady at 2.4% YoY (2023: 2.5%), with a slowdown in domestic activity likely in 2H24 as a cooling labour market dampens consumption strength. We maintain our 2024 headline CPI forecast of 2.9% YoY (previously: 2.7%), which belies disinflation momentum for the rest of the year given the year-to-July headline CPI average of 3.2%. Labour market conditions are cooling and have necessitated a shift in the US Federal Reserve becoming more cognisant of the two-sided risks to its dual inflation and employment mandate. We still see two 25bp of Fed funds rate cuts this year, starting from the September FOMC.	Ahead of the next FOMC meeting from 17-18 September, one labour report and two inflation prints will be released. Attention has shifted from inflationary risks to the cooling labour market, as Fed Chair Powell mentioned how "we do not seek or welcome further cooling in labor market conditions" at the Jackson Hole symposium. Personal consumption remains resilient, growing 2.9% QoQ saar and leading 2Q24 GDP to 3.0% QoQ saar growth. Our base case remains for a 25bp cut at the September meeting; however, the risk is that a sharper cooling in the labour markets opens the door to a 50bp cut. On politics, some of Kamala Harris' economic policies, including bans on grocery price gouging, increasing home supply, and increasing taxes on wealthy individuals and large corporations err on populist. This differs to some extent with Trump's major policy slants of increased protectionism, restricting abortion access and immigration restrictions. The first presidential debate between Trump and Harris is scheduled for 10 September.
Euro Area	We revise lower our 2024 GDP forecast to 0.7% YoY from 1.0% previously. The expected manufacturing recovery has yet to materialize and continues to be a drag on GDP growth. Services inflation remains sticky, while demand side inflationary pressures continue to ease as wage growth slowed in 2Q24. The European Central Bank (ECB) will remain calibrated in its approach to monetary policy easing, citing data-dependency. Our house view remains for a 25bp cut at the 12 September meeting, followed by another 25bp in 4Q24.	The manufacturing recovery has yet to materialize as manufacturing PMIs and industrial production data continue to show muted progress. Industrial production fell -3.9% YoY in June, marking the sixth consecutive month of contraction, while lackluster manufacturing PMI in August marked the 26th consecutive month of contraction. This has led to 1H24 GDP growth remaining lackluster at 0.4% YoY. Services, on the other hand, continue to outperform expectations on the back of still tight labour markets and improved tourism. Wage growth moderated to 3.55% YoY in 2Q24 (1Q24: 4.7%), signaling moderating demand-side inflationary pressures, which will give the ECB greater confidence to ease again. At the Jackson Hole symposium, ECB officials indicated support for rate cuts in September, describing the disinflation process as being "on track" while simultaneously warning about muted economic growth.
Singapore	We maintain our 2024 GDP growth forecast at 2.6% YoY following solid 2Q24 GDP growth supported by a resilient services sector. We continue to expect headline and core inflation to average 2.6% YoY and 2.9% in 2024, respectively. The overall disinflationary trajectory should bode well to opening up a potential monetary policy easing window in the months ahead. As such, the October 2024 and January 2025 Monetary Policy Statements (MPS) are potential windows to watch for a possible easing move.	Our house view continues to hold that 2H24 will bring about a stronger turnaround in manufacturing, which has been reflected in July's NODX and industrial production data. We expect the services sector to remain resilient in 2H24, after a strong performance in 1H24. Headline CPI held steady in July while core CPI surprised to the downside and decelerated for the second consecutive across a broad base. Key factors to watch ahead will be the moderating services, private transport and accommodation inflation trends, given that the larger COE supply and ramped up housing supply have helped with the disinflation process for the year-to-date. Core CPI continuing to decline over the next months will open the door for potential easing at MAS' October 2024 and January 2025 policy reviews.

	House View	Key Themes
Japan	We revise lower our 2024 GDP forecasts to 0.1% YoY from 0.7% prior, based on the weaker than expected 1H24 growth outturn of -0.9%. Elevated inflation, in part due to a weaker yen increasing import costs, has led to lower consumption. Exports have remained muted despite the weaker yen as external demand remains soft. GDP growth should rebound to 1.0% YoY in 2H24, on the back of strong wage growth and increasing investments. We continue to believe that a virtuous wage-inflation cycle is underway, and that inflation is likely to stay above the 2% YoY mark for the remaining months of the year. With year-to-July headline inflation averaging 2.7%, we expect full-year inflation to come in at 2.3%. Bank of Japan (BoJ) is likely to hike another 10-15bps before the end of 2024.	Economic growth in 1H24 was muted at -0.9% YoY. However, stronger than expected consumption in the 2Q24 GDP print further reinforces our belief of a virtuous wage-inflation cycle occurring. Private capex is expected to ramp up in 2H24 as the June Tankan survey showed companies boosting investment by 11% in FY2024 (till March 2025). Real cash earnings reflect strong growth through 1H24 and are expected to remain resilient in 2H24, which will boost GDP growth and keep inflation sustainably above the BoJ's 2% target. July inflation data showed headline and core prices comfortably above the BoJ's 2% target rate. BoJ Governor Kazuo Ueda mentioned that if the economy and prices stay in line with forecasts, the BoJ will "continue to adjust the degree of easing". He also opined that current rate levels "are far below likely neutral rate" The ruling LDP will hold leadership elections on 27 September after current PM Kishida announced he would be stepping down in September. With no clear leading candidate, this may add to uncertainty in its economic rebound.
South Korea	We maintain our 2024 GDP growth forecast at 2.4% YoY. Exports continue to be the main growth driver as the uptick in the global electronics cycle boosts demand. Domestic demand conditions, while muted, are expected to recover modestly supported by a likely rate cut cycle from Bank of Korea (BoK) in late 2024. Increasing confidence in the disinflationary tract and positive macro conditions will enable the BoK to cut rates. Our base case remains for two 25bp cuts in 2024.	The growth picture remains mixed, as strong external demand comingles with subdued domestic consumption. Exports grew 14% YoY in July versus 9.1% in 1H24, with semiconductors leading the charge. Industrial production grew 5.5% YoY in July, marking the 12th consecutive month of growth. However, domestic demand remains weak as higher interest rates weigh on consumption even with a lower unemployment rate. Despite recent tightening of measures, housing prices in Seoul continue to rise and remain a concern for the BoK due to the possibility of accelerating household debt. The disinflation trajectory remains intact, with the BoK gaining "greater confidence that inflation will converge on the target level". At its 22 August meeting, the BoK delivered a dovish hold, with four members now open to a rate cut on a three-month horizon.
Thailand	We lowered our 2024 GDP forecast to 2.3% YoY from 2.8% previously. The downward revision was driven by the lack of improvement in private sector growth, which we anticipate will remain a drag on 2H24 growth. We have also revised our 2024 headline CPI forecast downward to 0.6% YoY from 1.2% previously, given the lower-than-expected Jan-July headline inflation average of 0.1% YoY and the government's decision to freeze electricity tariffs for the rest of the year. In terms of monetary policy, we now forecast Bank of Thailand (BoT) to cut its policy rate by 25bp in 4Q24 followed by another 25bp rate cut in 1Q25. This will bring policy rate to 2.00% by end-2025.	Paetongtarn Shinawatra became the new PM on 16 August after the Constitutional Court removed Srettha Thavisin for breaching ethical rules. The court also disbanded the Move Forward Party (the country's largest opposition bloc); the Move Forward Party has regrouped under the new People's Party. PM Shinawatra's pick for key cabinet positions are still under discussion as is the fate of the digital wallet program. This clouds the 2H24 outlook even more following a lacklustre 1H24. Indeed, under the hood, 2Q24 GDP growth revealed an uneven economic recovery with exports being the main driver while the domestic demand picture worsened. This unambiguous weakness in domestic demand suggests that looser monetary policy conditions have room to support growth. Moreover, we believe that the BoT is more cognisant of external risks, particularly a sharp appreciation of THB.

	House View	Key Themes
China	The Chinese economy decelerated more than expected to 4.7% YoY in the second quarter from 5.3% YoY in the first quarter. China is still able to achieve its growth target of "around 5%" this year on the back of strong manufacturing sector and resilient external demand. China's CPI only grew 0.1% YoY in the first half of 2024. Inflation is likely to remain below 1% for most of the second half of 2024. We expect China to lower its interest rates by another 10bps and reserve requirement ratio by 50bps in 2H24.	July credit data continued to paint a bleak picture. New yuan loans under aggregate social financing contracted by CNY76.7bn, marking the first monthly contraction since July 2005. This reflects widespread deleveraging across both corporate and household sectors. One of the key highlights of the monetary policy report is the PBoC's increasing focus on balancing internal and external equilibrium. The PBoC will closely monitor the monetary policies of major global central banks. However, the development of a global easing cycle in the second half of 2024 is likely to be in China's favour, allowing the PBoC to focus more on domestic issues. In line with this, the PBoC emphasized in its latest monetary policy report that maintaining price stability and promoting moderate price increases are key considerations in policy formulation. Strengthening policy coordination and cooperation is essential to keeping prices at a reasonable level. The current low inflation rate may imply more room for easing, with China's rate cut window potentially opening after the first rate cut by the Fed, possibly in September.
Hong Kong	Near-term economic outlook remained somewhat challenging, with tentative signs of softening in external demand. For now, we keep our full year growth forecast for 2024 unchanged at 2.3%, barring abrupt slowdowns in China or global economy. On the rate front, HKD rates moved lower in tandem with USD rates, as the dividend payout season came to an end and fund-raising activities stayed subdued. The high passthrough from the falls in USD rates onto HKD rates may continue for a while, in the absence of stronger inflows into HKD assets and with subdued HKD loan demand (HKD loan-to-deposit rate fell to 81.3% at end-June).	Hong Kong's real GDP grew at a brisk pace of 3.3% YoY in 2Q24 (1Q: +2.8% YoY; +0.1 percentage point after revision), surprising to the upside. On a seasonally adjusted basis, Hong Kong's real GDP rose by 0.4% QoQ, much slower than that of 2.3% QoQ in the previous quarter. The key growth driver was merchandise exports, which saw solid growth of 7.5% YoY (1Q: +6.8% YoY). Government expenditure and gross fixed capital formation also rose more than expected, by 2.0% YoY (1Q: -2.2% YoY) and 6.0% YoY (1Q: +0.1% YoY) respectively, reflecting the more favourable policy backdrop during the quarter. However, private consumption and exports of services continued to lose steam, with the former falling by 1.5% YoY (1Q: +1.2% YoY) and the latter increasing by a much slower 1.4% YoY (1Q: +9.4% YoY), amid weak local consumption sentiment and stagnated growth in inbound tourists. The GDP reading pointed to an uneven growth story, though the weakness in domestic demand was completely offset.
Macau	Local authorities' increasingly heavy-handed crackdown targeted at the gaming industries had led to underwhelming gaming revenue figures in June (at MOP17.7bn) and July (at MOP18.6bn). Growth is likely to slow further in the 2H24, given the increasingly tighter scrutiny over gaming activities, still-weak macroeconomic backdrop in China and the high base effect. We have revised our full-year growth forecast down to 11% YoY, from the previous estimate of 16% YoY.	Macau's real GDP rose by a decelerated pace of 6.9% YoY in the second quarter this year (1Q: 25.7% YoY), as growth in exports of services moderated. During the quarter, both external and domestic demand expanded further, but at slower pace of 12.9% YoY and 2.2% YoY respectively (1Q: +61.0% YoY and +3.4% YoY). In the first half this year, Macau's GDP grew by 15.7% YoY, rebounding to around 86% of the pre-pandemic level in 2019. Exports of services grew by a much slower pace of 6.1% YoY in 2Q, as exports of other tourism services reverted to a decline of 9.5% YoY. Meanwhile, growth of exports of gaming services also moderated to 22.6% YoY. Domestic demand contributed to growth, but with private consumption expenditure and gross fixed capital formation recording more modest gains at 4.8% YoY and 6.0% YoY respectively.

	House View	Key Themes
Indonesia	We revise higher our full-year 2024 GDP growth forecast to 5.0% from 4.8% previously. This still implies a modest slowdown to 5.0% in 2H24 (1H24: 5.1%) due to fading commodity tailwinds, a domestic political transition, and uncertain global growth prospects. For 2025, we maintain our GDP growth forecast of 5.1%. Meanwhile, given benign year-to-date headline inflation of 2.7%, we lower our full year inflation forecast to 2.5% from 3.1% previously. Contained inflation and the recent appreciation of the currency (IDR) have allowed Bank Indonesia to adopt a more dovish stance at its August policy meeting. This is line with our long-held view, and we believe BI has room to ease its policy rate by a cumulative 50bp in 4Q24, followed by an additional 75bp in 1H25.	President Joko Widodo, in his tenth and final budget delivered on 16 August, pegged the 2025 fiscal deficit at 2.5% of GDP, compared to 2.7% in 2024. This suggests a mildly contractionary-to-neutral fiscal impulse for next year. Importantly, the deficit is well within the legal deficit limit of 3.0% of GDP. The details are more mixed. Capex is budgeted to drop by 43% YoY with a re-prioritisation towards education and healthcare spending. Subsidy rationalisation will be done by way of volume control (i.e., restricting access to subsidized fuel for cars above 1400cc from 1 October 2024). Tax revenue growth assumptions while modest (+12.3% YoY) still imply higher growth compared to our nominal GDP forecasts implying that the 1% VAT increase to 12% by January 2025 is still on the cards. The deficit seems achievable but the there are some risks of fiscal slippage, in our view. Separately, street protests on 22 August thwarted Parliament's plan to reverse changes made by the Constitutional Court to the 2016 Regional Head Parliament Law. This will have some political implications for the 27 November regional elections.
Malaysia	We have upgraded our 2024 GDP growth forecast to 5.0% from 4.2%. For 2025, we maintain our forecast of 4.5%. We expect growth to be supported by the bottoming out of the global electronics downcycle, higher investment spending underscoring progress on the government's medium-term economic development plans and resilient household spending. Despite solid growth, inflationary pressures have been benign. We lower our 2024 and 2025 CPI forecasts to 1.9% and 2.1% from 2.5% and 2.3%, respectively. Fuel subsidy rationalisation remains a key risk to our inflation view. For now, we expect Bank Negara Malaysia (BNM) to keep its policy rate unchanged at 3.00% for rest of 2024 and 2025.	2Q24 GDP growth rose to 5.9% YoY lifted by domestic and external demand. The broad-based improvements suggests that economic growth momentum remains solid reflected in our growth forecast upgrade. The current account surplus has, however, become more volatile narrowing to 0.6% of GDP in 2Q24 versus 3.3% in 1Q24. The basic balance surplus also narrowed suggesting that building resilience on the financial and capital account will be positive over the medium-term. To that end, the authorities have focused on generating a strong FDI pipeline signing MoU's with countries across the globe such as Singapore (Singapore-Johor SEZ), UAE, India and Europe. Positive sentiment around economic and reform prospects have buoyed the currency (MYR) and the equity index. Maintaining fiscal reform momentum will be a crucial to maintaining the upbeat mood. Discussions regarding the re-introduction of GST are positive fiscal consolidation agenda; however, the rate of re-introduction will be important (GST previously was pegged at 6%).
Vietnam	Our forecast for GDP growth in 2024 remains at 6.0% YoY versus 5.0% in 2023, driven by stronger growth in the export and manufacturing sectors. Indeed, while year-to-June credit growth of 6.1% is still below the 15% growth target of State Bank of Vietnam (SBV), it is up 4% YoY. Banking sector concerns remain as the non-performing loans ratio increased to 4.6% in end-2023 from 1.5% in end-2021. The recent pickup in inflationary pressure has brought the year-to-July CPI to 4.1%, and we expect inflation to average 4.3% in 2024, within the official 4.0-4.5% target range. In terms of monetary policy, our base case scenario remains for SBV to deliver a cumulative 50bp in rate cuts in 2024, in line with its target to boost credit growth. That said, if growth momentum and inflationary pressures continue to pick up, there is a risk that the SBV's stance will be less dovish.	The US Department of Commerce maintained Vietnam's status as a 'non-market economy' (NME) on August 2nd, making the country one of only 12 countries, including China, Russia, and North Korea, that are classified as such. As a result, exports to the US are still subject to certain antidumping and countervailing investigations and duties. Both countries have, however, deepened their cooperation through the Comprehensive Strategic Partnership in 2023, the US remains Vietnam's largest trading partner (share: 27.4% in 2023). To that end, the government will closely monitor development in the upcoming US election, as its outcome could impact the trade dynamics between the two nations, i.e., Trump 2.0 could see more tariff measures due to the widening US trade deficit with Vietnam. Elsewhere, following Prime Minister Pham Minh Chinh's pledge to ensure no power shortage this year, the country has started the operation of Circuit-3, a 500-kilovolt transmission line that stretches from Quang Trach in Quang Binh province to Pho Noi in Hung Yen province. This project also increases the transmission capacity from the current 2,200MW to approximately 5,000MV, equivalent to over 20bn kWh of commercial electricity supplied to the north annually.

	House View	Key Themes
Philippines	We maintain our full year 2024 GDP growth target at 6.0% YoY (2023: 5.5%) and reduce our 2024 headline CPI forecasts to 3.5% from 3.9%. The spike in July headline inflation will likely fade over the coming months as food prices normalise, supported by government policies aimed at improving domestic supplies to meet demand. For Bangko Sentral ng Pilipinas (BSP), the year-to-date disinflation trajectory, pockets of weakness in 2Q24 GDP growth print and the recent appreciation in the currency (PHP) versus USD allowed it to lower its policy rate by 25bp at its 15 August meeting. We expect another 25bp rate cut in 4Q24 followed by deliver a cumulative 100bp in rate cuts in 2025.	BSP cut its policy rate by 25bp at its 16 August meeting, and while we had expected it to cut after the US Federal Reserve in 4Q24, it was nonetheless a well-timed cut with the external picture is looking more resilient. Approved FDI higher by 220.7% YoY versus -64.0% in 1Q24, the trade deficit narrowed to USD4.3bn in June (USD4.7bn in May) and USD/PHP trended lower in July/August. With monetary policy becoming looser, fiscal policy has room to consolidate. We estimate that the fiscal deficit, on a 12-month rolling sum basis, narrowed slightly to 6.1% of GDP in July 2024 as revenue growth outpaced expenditure growth. Tax revenue grew by 15.5% YoY, offsetting some weakness in non-tax revenues. On the expenditure front, total expenditures excluding interest payments rose by 2.7% YoY in July versus 2.3% in June. The fiscal deficit is targeted to narrow to 5.6% of GDP in 2024 from 6.2% in 2023, implying contained spending and sustained tax revenue growth for the rest of 2024.
ASEAN-5	GDP growth in the ASEAN-5 economies of Indonesia, Malaysia, Philippines, Thailand and Vietnam have proved resilient in 1H24. Indeed, we have upgraded our GDP growth outlooks for Indonesia and Malaysia. Monetary policy easing is finally afoot given clear signals from the US Federal Reserve. BI, BoT and SBV will likely follow in due course. While fiscal policy is set to be neutral to mildly contractionary in 2025 for Indonesia, Philippines, the Budget 2025 announcement from Malaysia on 18 October will be watched closely for further progress on its fiscal consolidation agenda.	With disinflation clearly underway, fiscal consolidation or conservative fiscal policy being pursued amidst a general more resilient economic backdrop, the ASEAN-5 economies continue to tick most boxes for investors. That said, political and policy uncertainties remain for Indonesia and Thailand. Ahead of the leadership transition in October 2024 and the regional elections on 27 November, Indonesia's political backdrop is becoming noisier. The street protests on 22 August were a case in point. The twists and turns of Thai politics has now left the economy waiting for a new cabinet to be formed under PM Paetongtarn Shinawatra. The fate of the digital wallet program and broader economic policies remains unclear. Concomitantly, there are risks to our growth, inflation and policy outlook for Thailand.

Growth & Inflation Forecast

(% YoY)	GDP			Inflation		
	2023	2024	2025	2023	2024	2025
United States	2.5	2.4	1.5	4.1	2.9	2.3
Euro Area	0.5	0.7	1.3	5.5	2.7	2.2
China	5.2	5.0	4.6	0.2	0.4	2.4
Hong Kong	3.3	2.3	2.2	2.1	1.9	2.6
Macau	80.5	11.0	5.0	0.9	1.1	1.3
Taiwan	1.4	3.8	2.5	2.5	2.1	2.2
Indonesia	5.0	5.0	5.1	3.7	2.5	2.8
Malaysia	3.6	5.0	4.5	2.5	1.9	2.1
Philippines	5.5	6.0	6.0	6.0	3.5	3.0
Singapore	1.1	2.6	2.7	4.8	2.6	2.0
Thailand	1.9	2.3	3.3	1.2	0.6	2.2
Vietnam	5.0	6.0	6.2	3.3	4.3	4.0

Source: Bloomberg, OCBC Research (Latest Forecast Update: 29th August 2024)

Rates Forecast

USD Interest Rates	Current	Q324	Q424	Q125	Q225
FFTR upper	5.50	5.25	5.00	4.75	4.50
SOFR	5.35	5.08	4.83	4.58	4.35
3M SOFR OIS	5.02	5.05	4.90	4.65	4.40
6M SOFR OIS	4.70	4.85	4.80	4.65	4.40
1Y SOFR OIS	4.20	4.28	4.13	3.98	3.85
2Y SOFR OIS	3.67	3.78	3.68	3.53	3.45
5Y SOFR OIS	3.34	3.48	3.38	3.23	3.20
10Y SOFR OIS	3.37	3.48	3.40	3.25	3.22
15Y SOFR OIS	3.45	3.53	3.45	3.30	3.27
20Y SOFR OIS	3.45	3.53	3.45	3.32	3.32
30Y SOFR OIS	3.31	3.48	3.45	3.35	3.35
SGD Interest Rates	**Current**	**Q324**	**Q424**	**Q125**	**Q225**
SORA	3.36	3.40	3.25	3.10	2.95
3M compounded SORA	3.57	3.52	3.34	3.18	3.03
3M SGD OIS	3.23	3.30	3.20	3.00	2.85
6M SGD OIS	3.02	3.10	3.10	3.00	2.80
1Y SGD OIS	2.67	2.75	2.70	2.60	2.55
2Y SGD OIS	2.42	2.50	2.45	2.40	2.40
3Y SGD OIS	2.34	2.50	2.45	2.43	2.40
5Y SGD OIS	2.33	2.50	2.45	2.45	2.40
10Y SGD OIS	2.44	2.55	2.55	2.50	2.50
15Y SGD OIS	2.47	2.55	2.55	2.55	2.55
20Y SGD OIS	2.43	2.50	2.50	2.50	2.55

MYR Interest Rates	Current	Q324	Q424	Q125	Q225
OPR	3.28	3.25	3.20	3.20	3.15
1M MYR KLIBOR	3.53	3.55	3.50	3.40	3.40
3M MYR KLIBOR	3.61	3.60	3.55	3.50	3.50
6M MYR KLIBOR	3.41	3.45	3.40	3.35	3.35
1Y MYR IRS	3.36	3.45	3.40	3.35	3.35
2Y MYR IRS	3.35	3.45	3.40	3.35	3.35
3Y MYR IRS	3.41	3.50	3.45	3.40	3.40
5Y MYR IRS	3.60	3.65	3.60	3.50	3.50
10Y MYR IRS	3.65	3.75	3.70	3.60	3.60
15Y MYR IRS	3.71	3.85	3.80	3.70	3.70
20Y MYR IRS	3.28	3.25	3.20	3.20	3.15
HKD Interest Rates	**Current**	**Q324**	**Q424**	**Q125**	**Q225**
1M HKD HIBOR	3.93	4.20	4.05	3.90	3.75
3M HKD HIBOR	4.19	4.30	4.20	4.10	3.95
6M HKD HIBOR	4.11	4.35	4.25	4.15	4.00
1Y HKD IRS	3.77	3.85	3.75	3.60	3.50
2Y HKD IRS	3.33	3.45	3.40	3.30	3.25
5Y HKD IRS	3.04	3.20	3.15	3.05	3.05
10Y HKD IRS	3.12	3.25	3.20	3.10	3.10
UST yields	**Current**	**Q324**	**Q424**	**Q125**	**Q225**
2Y UST	3.86	3.95	3.85	3.75	3.60
5Y UST	3.63	3.75	3.75	3.70	3.65
10Y UST	3.82	3.90	3.85	3.80	3.75
30Y UST	4.11	4.20	4.20	4.15	4.05
SGS yields	**Current**	**Q324**	**Q424**	**Q125**	**Q225**
2Y SGS	2.55	2.65	2.60	2.55	2.40
5Y SGS	2.53	2.65	2.60	2.60	2.55
10Y SGS	2.67	2.75	2.70	2.70	2.65
15Y SGS	2.75	2.80	2.80	2.75	2.70
20Y SGS	2.81	2.85	2.80	2.80	2.75
30Y SGS	2.82	2.85	2.85	2.85	2.80
MGS yields	**Current**	**Q324**	**Q424**	**Q125**	**Q225**
3Y MGS	3.34	3.40	3.35	3.30	3.30
5Y MGS	3.49	3.55	3.50	3.45	3.40
10Y MGS	3.76	3.75	3.70	3.60	3.60
IndoGB yields	**Current**	**Q324**	**Q424**	**Q125**	**Q225**
2Y IndoGB	6.34	6.40	6.20	6.05	6.00
5Y IndoGB	6.47	6.55	6.50	6.45	6.40
10Y IndoGB	6.60	6.70	6.65	6.60	6.50

Source: OCBC Research (Latest Forecast Update: 29th August 2024)

FX Forecast

Currency Pair	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25
USD-JPY	142.00	138.00	136.00	135.00	135.00
EUR-USD	1.1050	1.1150	1.1150	1.1200	1.1250
GBP-USD	1.3150	1.3200	1.3240	1.3300	1.3350
AUD-USD	0.6700	0.6750	0.6800	0.6850	0.6900
NZD-USD	0.6100	0.6050	0.6100	0.6100	0.6150
USD-CAD	1.3600	1.3550	1.3500	1.3450	1.3400
USD-CHF	0.8600	0.8550	0.8550	0.8550	0.8500
USD-SEK	10.60	10.48	10.33	10.25	10.00
DXY	101.54	100.48	100.15	99.67	99.21
USD-SGD	1.3150	1.3120	1.3100	1.3100	1.3100
USD-CNY	7.1800	7.1700	7.1500	7.1200	7.1100
USD-CNH	7.1800	7.1700	7.1500	7.1200	7.1100
USD-THB	34.80	34.50	34.40	34.30	34.10
USD-IDR	15600	15500	15400	15300	15350
USD-MYR	4.4000	4.3700	4.3600	4.3500	4.3400
USD-KRW	1320	1310	1300	1290	1280
USD-TWD	31.80	31.50	31.30	31.20	31.20
USD-HKD	7.8000	7.8000	7.7900	7.7800	7.7600
USD-PHP	56.20	56.00	56.00	55.60	55.60
USD-INR	83.80	83.30	83.30	83.40	83.10
USD-VND	25000	24900	24700	24650	24500
EUR-JPY	156.91	153.87	151.64	151.20	151.88
EUR-GBP	0.8403	0.8447	0.8421	0.8421	0.8427
EUR-CHF	0.9503	0.9533	0.9533	0.9576	0.9563
EUR-SGD	1.4531	1.4629	1.4607	1.4672	1.4738
GBP-SGD	1.7292	1.7318	1.7344	1.7423	1.7489
AUD-SGD	0.8811	0.8856	0.8908	0.8974	0.9039
NZD-SGD	0.8022	0.7938	0.7991	0.7991	0.8057
CHF-SGD	1.5291	1.5345	1.5322	1.5322	1.5412
JPY-SGD	0.9261	0.9507	0.9632	0.9704	0.9704
SGD-MYR	3.3460	3.3308	3.3282	3.3206	3.3130
SGD-CNY	5.4601	5.4649	5.4580	5.4351	5.4275
SGD-IDR	11863	11814	11756	11679	11718
SGD-THB	26.46	26.30	26.26	26.18	26.03
SGD-PHP	42.74	42.68	42.75	42.44	42.44
SGD-VND	19011	18979	18855	18817	18702
SGD-CNH	5.46	5.4649	5.4580	5.4351	5.4275
SGD-TWD	24.18	24.01	23.89	23.82	23.82
SGD-KRW	1003.80	998.48	992.37	984.73	977.10
SGD-HKD	5.9316	5.9451	5.9466	5.9389	5.9237
SGD-JPY	107.98	105.18	103.82	103.05	103.05
Gold $/oz	2465.00	2495.00	2515.00	2535.00	2550.00
Silver $/oz	29.00	29.35	29.59	29.82	30.72

Source: OCBC Research (Latest Forecast Update: 27th August 2024)
Note: These are not meant to serve as point forecast for the quarter-end but meant as trajectory bias of the currency pair

Macroeconomic Calendar

Date Time	C	Event	Period	Survey	Actual	Prior
02/09 12:00	ID	CPI YoY	Aug	--	--	2.13%
03/09 07:00	SK	CPI YoY	Aug	--	--	2.60%
04/09 09:30	AU	GDP SA QoQ	2Q	--	--	0.10%
04/09 09:30	AU	GDP YoY	2Q	--	--	1.10%
05/09 07:00	SK	GDP YoY	2Q P	--	--	2.30%
05/09 07:00	SK	GDP SA QoQ	2Q P	--	--	-0.20%
05/09 09:00	PH	CPI YoY 2018=100	Aug	--	--	4.40%
05/09 11:30	TH	CPI YoY	Aug	--	--	0.83%
05/09 16:00	TA	CPI YoY	Aug	--	--	2.52%
06/09 00:00	VN	CPI YoY	Aug	--	--	4.36%
06/09 17:00	EC	GDP SA QoQ	2Q F	--	--	0.30%
06/09 17:00	EC	GDP SA YoY	2Q F	--	--	0.60%
09/09 07:50	JN	GDP SA QoQ	2Q F	--	--	0.80%
09/09 07:50	JN	GDP Annualized SA QoQ	2Q F	--	--	3.10%
09/09 07:50	JN	GDP Deflator YoY	2Q F	--	--	3.00%
09/09 09:30	CH	CPI YoY	Aug	--	--	0.50%
10/09 14:00	GE	CPI YoY	Aug F	--	--	--
11/09 20:30	US	CPI YoY	Aug	--	--	2.90%
17/09 20:30	CA	CPI YoY	Aug	--	--	2.50%
18/09 14:00	UK	CPI YoY	Aug	--	--	2.20%
18/09 17:00	EC	CPI YoY	Aug F	--	--	2.60%
19/09 06:45	NZ	GDP SA QoQ	2Q	--	--	0.20%
20/09 07:30	JN	Natl CPI YoY	Aug	--	--	--
23/09 13:00	SI	CPI YoY	Aug	--	--	--
25/09 - 30/09	VN	CPI YoY	Sep	--	--	--
26/09 20:30	US	GDP Annualized QoQ	2Q T	--	--	--
27/09 07:30	JN	Tokyo CPI Ex-Fresh Food YoY	Sep	--	--	--
30/09 14:00	UK	GDP QoQ	2Q F	--	--	0.60%
30/09 14:00	UK	GDP YoY	2Q F	--	--	0.90%
30/09 20:00	GE	CPI YoY	Sep P	--	--	--

Source: Bloomberg

Central Bank Interest Rate Decisions

Date Time	C	Event	Period	Survey	Actual	Prior
04/09 21:45	CA	Bank of Canada Rate Decision	Sep-04	4.50%	--	4.50%
05/09 15:00	MA	BNM Overnight Policy Rate	Sep-05	--	--	3.00%
12/09 20:15	EC	ECB Main Refinancing Rate	Sep-12	--	--	4.25%
12/09 20:15	EC	ECB Deposit Facility Rate	Sep-12	--	--	3.75%
12/09 20:15	EC	ECB Marginal Lending Facility	Sep-12	--	--	4.50%
18/09 15:20	ID	BI-Rate	Sep-18	--	--	6.25%
19/09 00:00	TA	CBC Benchmark Interest Rate	Sep-19	--	--	2.00%
19/09 02:00	US	FOMC Rate Decision (Upper Bound)	Sep-18	5.25%	--	5.50%
19/09 02:00	US	FOMC Rate Decision (Lower Bound)	Sep-18	5.00%	--	5.25%
19/09 19:00	UK	Bank of England Bank Rate	Sep-19	--	--	5.00%
20/09 00:00	JN	BOJ Target Rate	Sep-20	--	--	0.25%
20/09 09:00	CH	1-Year Loan Prime Rate	Sep-20	--	--	3.35%

Source: Bloomberg

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