



Weekly Macro Views (WMV)

Global Markets Research & Strategy

14 October 2024

Weekly Macro Update

Key Global Data for this week:

14 October	15 October	16 October	17 October	18 October
<ul style="list-style-type: none"> • SI GDP YoY • SI MAS Policy Meeting • IN CPI YoY • CH Exports YoY • US NY Fed 1-Yr Inflation Expectations 	<ul style="list-style-type: none"> • UK ILO Unemployment Rate 3Mths • UK Jobless Claims Change • GE ZEW Survey Expectations • JN Industrial Production MoM • CA CPI YoY 	<ul style="list-style-type: none"> • ID BI-Rate • TH BoT Benchmark Interest Rate • PH BSP Overnight Borrowing Rate • UK CPI YoY • JN Core Machine Orders MoM 	<ul style="list-style-type: none"> • EC ECB Deposit Facility Rate • EC CPI YoY • SI Non-oil Domestic Exports YoY • US Initial Jobless Claims • US Retail Sales Advance MoM 	<ul style="list-style-type: none"> • CH GDP YoY • CH Industrial Production YoY • CH Retail Sales YoY • JN Natl CPI YoY • MA GDP YoY

Summary of Macro Views:

Global	<ul style="list-style-type: none"> • Central Banks • Mpox weekly update: Case counter & measures imposed • US: Trump's economic plan teaser • US: CPI eases less than expected • GE: Industrial production positive, choppy road ahead 	Asia	<ul style="list-style-type: none"> • ID: Weak activity data in September • ID: Bank Indonesia preview • MY: Budget 2025 preview • PH: Tepid export growth • PH: Bangko Sentral ng Pilipinas preview • TH: Weak consumer confidence • TH: Bank of Thailand preview
Asia	<ul style="list-style-type: none"> • SG: 3Q24 GDP improved • SG: MAS on hold again • CN: Large fiscal stimulus in the making • CN: Transiting to a more sustainable "long bull" market? 	Asset Class	<ul style="list-style-type: none"> • Commodities: Higher crude oil prices • ESG • FX & Rates: MAS; Market Reaction to China MoF • Global Asset Flows

Central Banks

Forecast – Key Rates

Bank of Thailand (BoT)



Wednesday, 16th October

Bank Indonesia (BI)



Wednesday, 16th October

Bangko Sentral ng Pilipinas (BSP)



Wednesday, 16th October

European Central Bank (ECB)



Thursday, 17th October

House Views

Benchmark Interest Rate

Likely **hold** at **2.50%**

BI Rate

Likely **hold** at **6.00%**

Overnight Borrowing Rate

Likely **cut** by **25bps**
from **6.25%** to **6.00%**

Deposit Facility Rate

Likely **cut** by **25bps** from
3.50% to **3.25%**

Main Refinancing Rate

Likely **cut** by **25bps** from
3.65% to **3.40%**

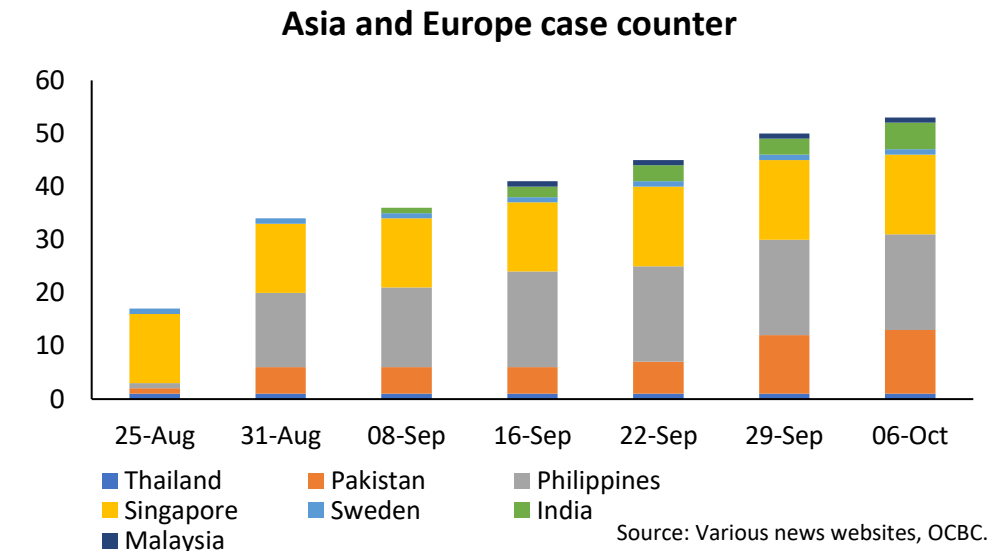
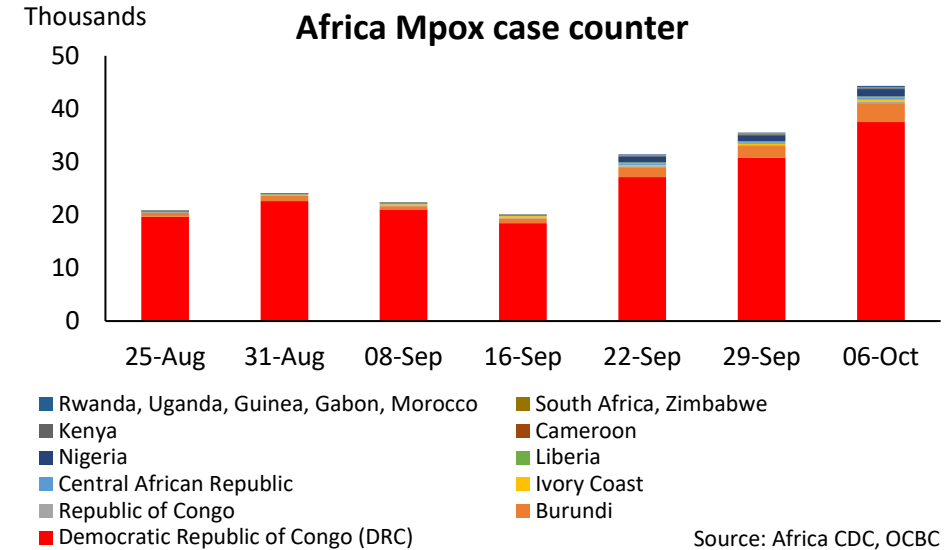
Mpox weekly update: Case counter & measures imposed

Case Count Tracker (Cumulative up to week ending 6-Oct)

Zimbabwe: Zimbabwe has reported its first two mpox cases, with the variant yet to be specified yet. Both cases were from travellers, with a 11-year-old boy returning back from South Africa, and the other, a 24-year-old man coming back on a trip from Tanzania.

Uganda: One mpox case has been found in a Ugandan jail, with the victim unable to be granted bail due to being held on murder charges. Prison officials suspect that the victim did not contract mpox in the prison but had entered while already infected. According to the Ugandan Prison Services, they would rely on systems and protocols set up during the Covid-19 pandemic to deal with the spread of the disease.

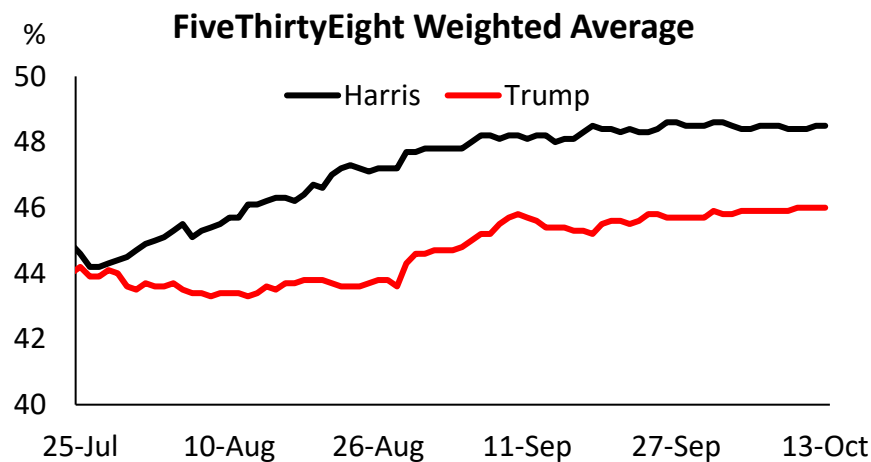
United States: US health officials have identified a total of 18 individuals that had a mpox variant that is drug-resistant. The 18 cases were infected with clade 2 mpox between 6 October 2023 and 15 Feb 2024 and had never taken the drug treatment before.



Source: CNA, Straits Times, Africa CDC, WHO, OCBC.

US: Trump's economic plan teaser

- At a rally in Reno, Nevada, Trump teased that he would soon release a comprehensive and detailed economic plan, mentioning that his campaign would release something soon. Thus far, only rough ideas such as his plan to impose additional tariffs, not taxing on tips and extending his tax cuts from 2017 have been espoused, without further details.
- In the October Wall Street Journal survey of 50 economists, 68% said that inflation would rise faster under Trump versus Harris, up from 56% in the July survey. Meanwhile, 65% of economists see Trump's policies putting more upward pressure on debt levels, up from 51% in July. The Committee for a Responsible Federal Budget estimates that Trump's economic plans would widen deficits by USD7.5trn over the next 10 years, more than twice the expected increase under Harris.
- Polls continue to show a tight race that remains too close to call. Recent polls show Harris' lead diminishing both nationally and in swing states as both candidates head into the final 3 weeks before the 5 November election.



Source: FiveThirtyEight, OCBC

538 Weighted Average Polls	Trump	Harris
Arizona	48.5%	46.7%
Georgia	48.3%	47.3%
Michigan	47.0%	47.8%
Nevada	47.1%	47.7%
North Carolina	48.3%	47.3%
Pennsylvania	47.4%	48.1%
Wisconsin	47.4%	48.0%

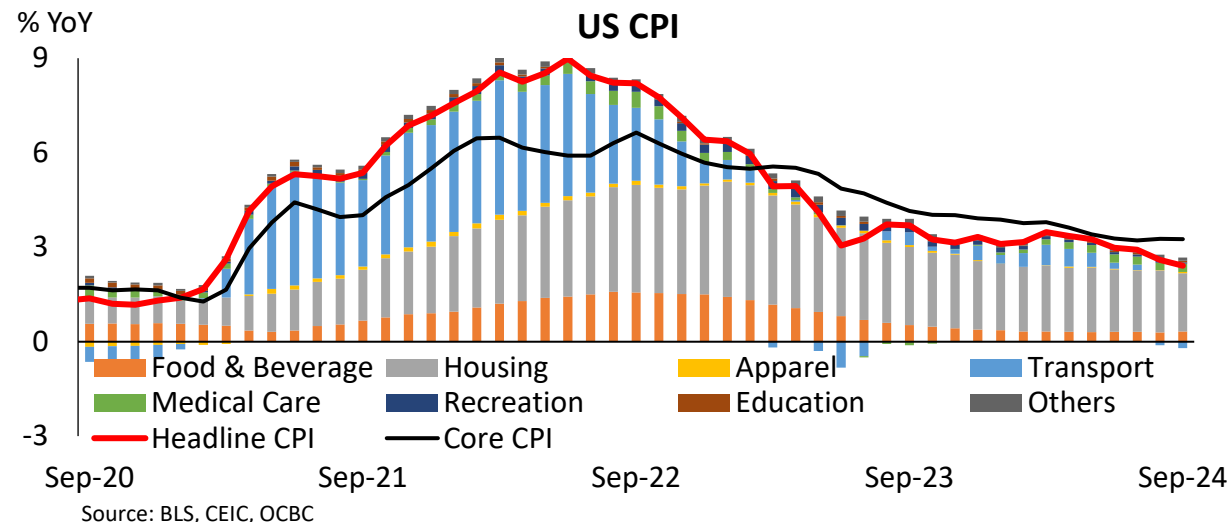
Source: FiveThirtyEight, OCBC, as of 14 October



Source: FiveThirtyEight, NBC News, Bloomberg, Morning Consult, OCBC.

US: CPI eases less than expected

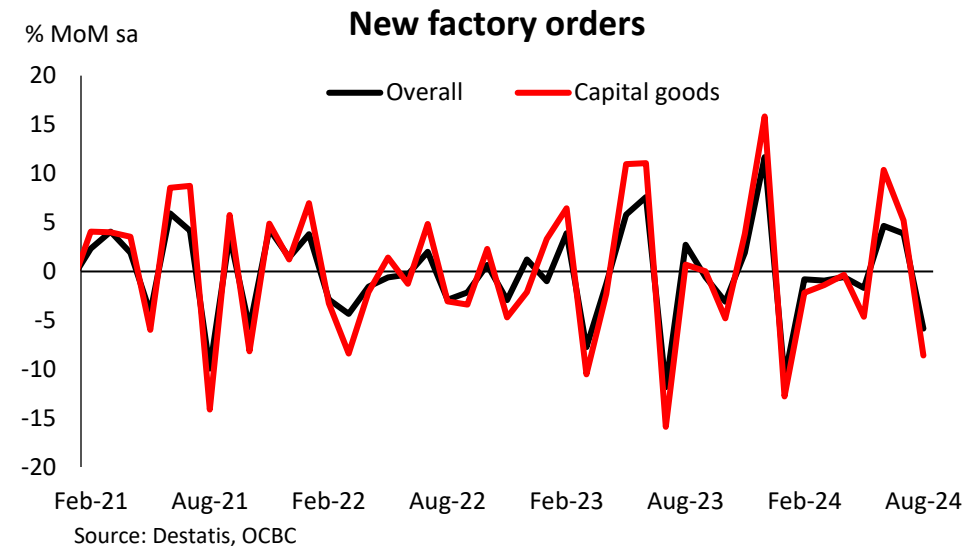
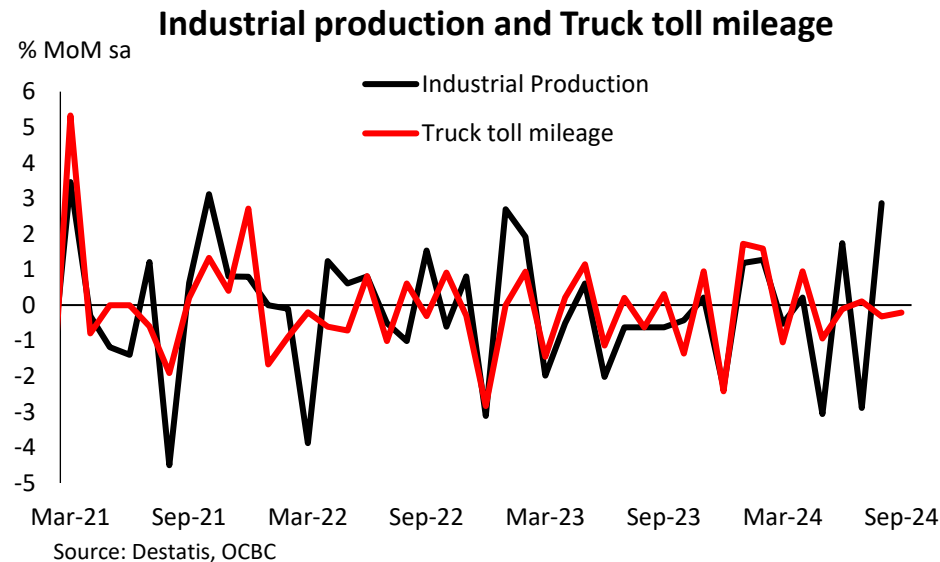
- Headline inflation eased by less than expected to 2.4% YoY in September (August: 2.5%; consensus: 2.3%), while core inflation ticked up to 3.3% YoY, against expectations that it would hold steady for the third consecutive month (August: 3.2%). On a monthly basis, headline inflation increased 0.2% MoM sa, while core inflation rose 0.3% in September.
- Services inflation remained elevated, albeit easing slightly to 4.7% YoY in September (August: 4.9%). Shelter inflation was the main driver of sticky services inflation, coming in at 4.9% YoY in September (August: 5.2%). Transportation services inflation ticked up in September to 8.5% YoY (August: 7.9%), rising 1.4% MoM. Energy inflation, however, eased significantly in September, to -6.8% YoY (August: -4.0% YoY) as energy prices continued to decline.
- Fed Williams, Goolsbee and Barkin spoke after the CPI release, all opining that inflation is moving in the right direction. However, Fed Bostic commented that he is “totally comfortable with skipping a meeting if the data suggest that’s appropriate . We opine that the September CPI outcome is unlikely to be a major obstacle to FOMC normalising interest rate policy.



Source: BLS, Bloomberg, CEIC, OCBC.

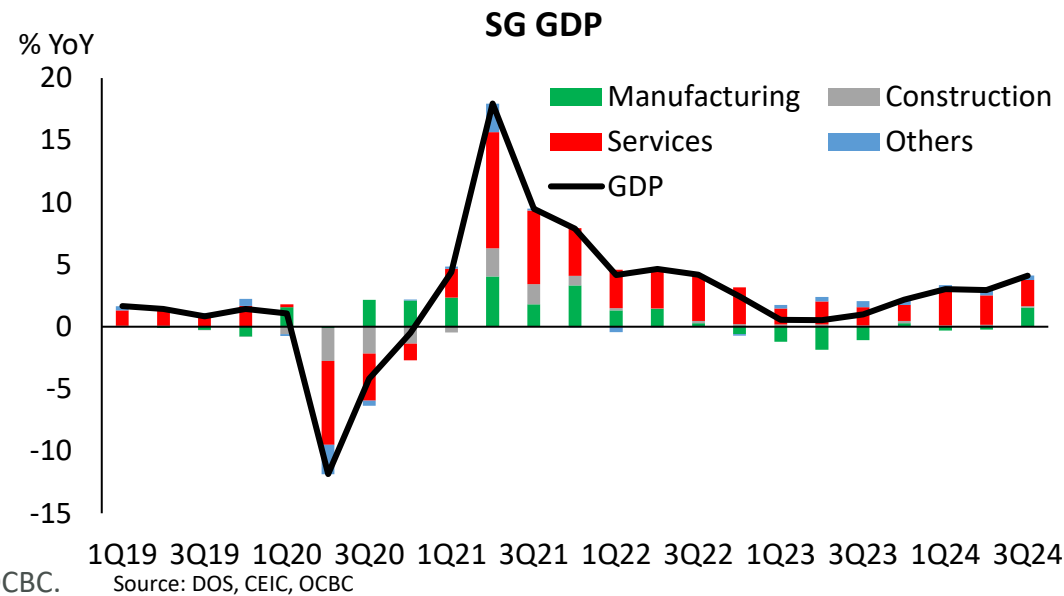
Germany: Industrial production positive, choppy road ahead

- Industrial production rose by 2.9% MoM sa (-2.7% YoY) in August, coming in higher than the expected 0.8% MoM sa (-3.8% YoY). Concurrently, July industrial production was revised downwards to -2.9% MoM sa (-5.6% YoY) from -2.4% prior. The increase in August was due to stronger automobile production, which rose 19.3% MoM versus the 8.2% decline in July.
- Factory orders declined by 5.8% MoM sa (-3.9% YoY) in August, below expectations of a -2.0% contraction, while capital good orders declined -8.6% MoM sa. The weak reading was partly attributed to large orders placed in July for transport equipment for aircraft, ships, trains and military vehicles. Truck toll mileage decreased -0.2% MoM sa (-1.2% YoY) in September, which combined with negative new factory orders, indicates that the road ahead to a German manufacturing recovery remains choppy.



Singapore: 3Q24 GDP improved

- 3Q24 GDP growth improved to 4.1% YoY (2.1% QoQ sa), close to our forecast of 4.0% YoY (2.0% QoQ sa). This is higher than the 2.9% YoY (0.4% QoQ sa) seen in 2Q24. The growth acceleration was largely due to the sharp rebound in manufacturing growth at 7.5% YoY (best YoY growth performance since 4Q21) after two consecutive quarters of contraction, mainly aided by electronics. Only the biomedical manufacturing industry was a drag in the manufacturing cluster in 3Q24.
- Meanwhile, the construction and services sectors also sustained credible growth at 3.1% YoY and 3.3% respectively, albeit this was a moderation from the 4.8% YoY and 3.6% growth respectively seen in 2Q24. Notably, the services sector saw resilient but generally slightly slower growth in the wholesale & retail trade and transportation & storage (3.5% YoY), info comms, finance & insurance and professional services (4.3% YoY), while the accommodation & food services, real estate, administrative & support services and other services held pace at 1.0% YoY.



Source: MTI, DOS, CEIC, OCBC.

Source: DOS, CEIC, OCBC

Singapore: MAS on hold again

- As expected, there was no change to MAS policy for the 6th policy meeting. MAS Core Inflation has stepped down but is anticipated to decline further to around 2% by the end of 2024. The inflation outlook risk was cited in the MAS statement as more balanced compared to three months ago. On balance, we interpret that there is greater comfort that the core disinflation process is continuing apace, and this is also expressed in the more benign MAS 2025 core inflation forecast of 1.5-2.5% YoY (a step down from the 2.5-3.0% forecast for 2024), which is also in line with our 2025 forecast of 2.0% YoY.
- MAS is forecasting headline CPI at around 2.5% for 2024 and between 1.5-2.5% in 2025 amid slowing accommodation costs as rental demand eases, which partly offsets the expected pickup in private transport inflation and still-firm car demand. MAS statement sounds more sanguine on near-term growth, but still flags downside growth risks in 2025 due to external uncertainties including potential increase in tariffs and interest rates being kept high. MAS does not appear to be in a hurry to ease monetary policy settings at this point in time, leaving the window open in 2025. Core inflation should dip below the 2% handle as early as 1Q25, and if it materialises, should give MAS more flexibility to ease its monetary policy stance at the upcoming 2025 quarterly policy reviews.
- Our house view remains intact – **the economy should expand by 2.3% YoY in 4Q24 to bring full-year growth to 2.9%. Our 2024 headline and core inflation forecast remain at 2.6% YoY and 2.9% respectively before subsiding to around 2% YoY for both in 2025.** Our 2025 GDP growth forecast currently stands at 2.7% YoY ceteris paribus, but given the key uncertainties pertaining to geopolitics, including US election outcomes and Chinese-related policy implications, it is plausible that the official 2025 GDP growth forecast (when announced at a later stage) could still be at the familiar 1-3% YoY range.

China: Large fiscal stimulus in the making

- The Ministry of Finance's press conference on 12 October, while not disclosing specific figures, exceeded market expectations in terms of overall support. The next key event to watch is the National People's Congress meeting in late October, where the approval of additional debt issuance may take place.

Key fiscal measures	Potential size
Achieving fiscal balances in 2024: there are 1.3 trillion-yuan shortfall in the general public budget and 1.5 trillion shortfall in government fund.	Around 2 trillion yuan
Dealing with the local government implicit debt: Minister Lan specifically mentioned, "A one-time large-scale debt limit swap for existing implicit local government debts is planned. This upcoming policy represents the strongest debt restructuring measure introduced in recent years." The estimated implicit debt by local government at about 15 trillion yuan by end of 2023.	Could be close to 10 trillion yuan over the next few years.
China will issue special government bonds to support state-owned banks in replenishing core Tier 1 capital.	1 trillion yuan
China will utilize tools such as local government special bonds, special funds, and tax policies to stabilize the real estate market.	N.A
China will continue its focus on social welfare. The only area that underperformed market expectations was the lack of demand-side measures to support social welfare. Aside from education, there were limited announcements to boost consumption and population growth.	Reuters reported 2 trillion yuan previously
Room for higher central government debt and fiscal deficit.	N.A



Source: Various news, OCBC.

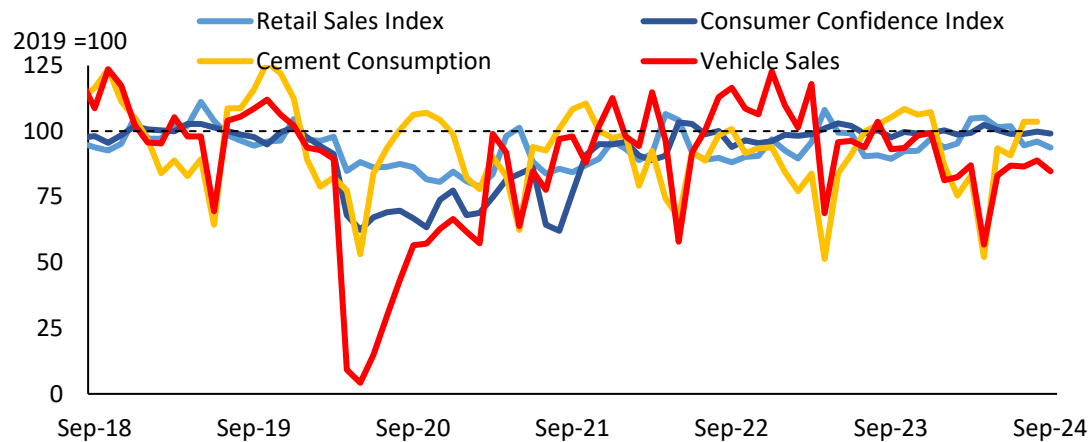
China: Transiting to a more sustainable “long bull” market?

- Just like the unexpected surge in the Chinese stock market before the National Day holiday, the sharp decline last week was equally surprising. Many investors blamed the National Development and Reform Commission (NDRC) press conference, but significant corrections had already begun in the Hong Kong market even before the press conference, as profit-taking after a rapid rise is a common occurrence. However, the NDRC's press conference did exacerbate market volatility.
- A post-conference review suggests that the NDRC focused more on achieving this year's growth target. The commission repeatedly emphasized its confidence in reaching the growth goal and introduced a CNY200bn incremental policy to ensure that 4Q24 GDP growth exceeds 5%, thus helping achieve the annual target. But in order to achieve this growth target, we are going back to the old playbook of investment driven. The emphasis on investment as a solution was not what the market wanted to see.
- In contrast, the Ministry of Finance's press conference on Saturday, while also not disclosing specific figures, exceeded market expectations in terms of overall support.
- While the NDRC press conference disappointed investors by only focusing on achieving the 5% growth target in 2024, the Ministry of Finance press conference signaled that China is getting serious about tackling deflation. This is precisely the message the market has been waiting for.

Indonesia: Weak activity data in September

- September activity data was weaker than in July and August. Specifically, the Consumer Confidence Index (CCI) fell to 123.5 in September from 124.4 in August, led by the present situation and expectations sub-indices. Similarly, the retail sales growth eased to 4.7% YoY (-2.5% MoM) in September from 5.8% in August. Respondents also expect moderate price pressures over the next three months (November) and six months (February 2025).
- The weakness in these survey-based data aligns with the weakness seen in the hard data. Wholesale car sales dropped by 9.1% YoY in September from -14.2% in August, according to data from the Association of Indonesia Automotive Industries (Gaikindo). Meanwhile, domestic cement consumption growth eased to 1.1%YoY (6,022k tons) in August from 3.8% in July (6,024k tons), according to data from the Indonesia Cement Association.

Weak data data in September



Source: Bank Indonesia, GAIKINDO, Indonesia Cement Association, CEIC, OCBC.

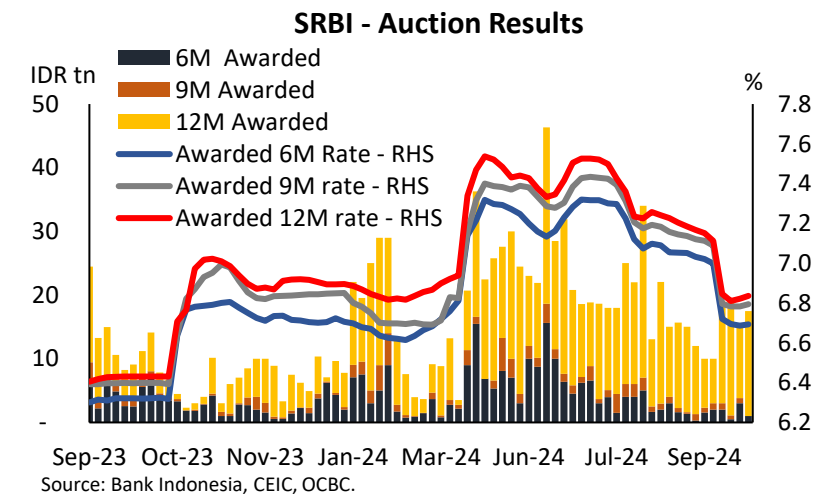
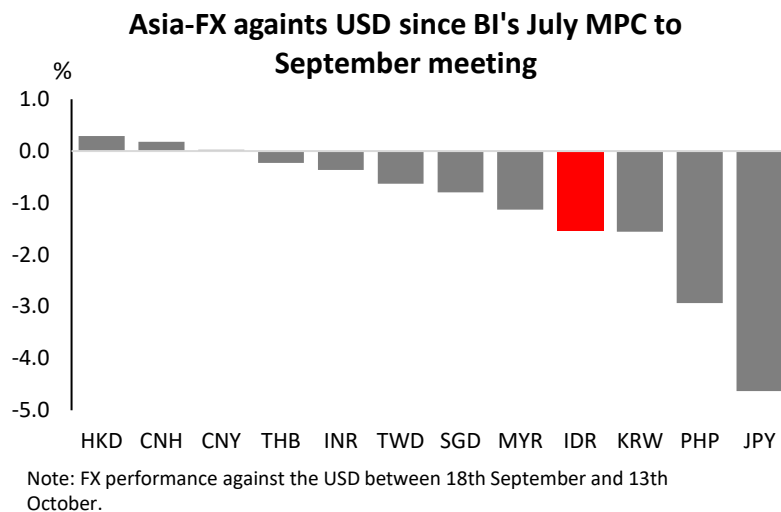
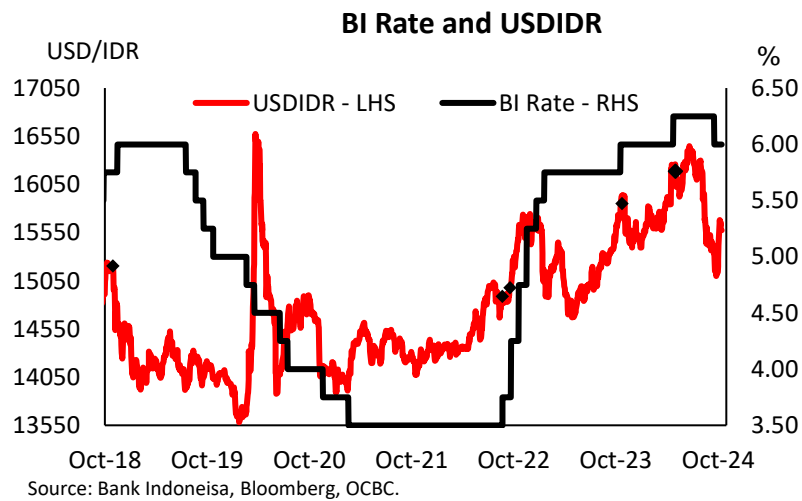
Monthly indicators	1Q24	2Q24	3Q24
Consumer Confidence Index (index avg)	124.0	125.4	123.8
Retail Sales (% YoY)	5.6	0.6	5.0
S&P Global PMI Manufacturing (Index avg)	53.3	51.9	49.1
Automotive Sales (% YoY)	-23.8	-13.0	-10.5
Cement consumption (% YoY)	0.0	4.5	2.4*
Note:*Cement sales refer to Jul-August data. Source: Bank Indonesia, S&P Global, Gaikindo, ASI, CEIC, OCBC.			



Source: Bank Indonesia, S&P Global, Gaikindo, ASI, CEIC, OCBC.

Indonesia: Bank Indonesia preview

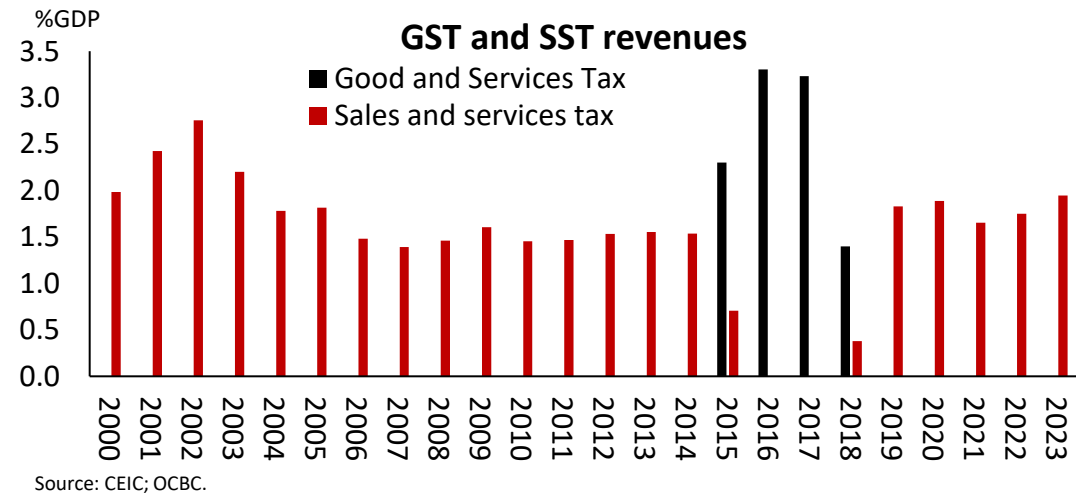
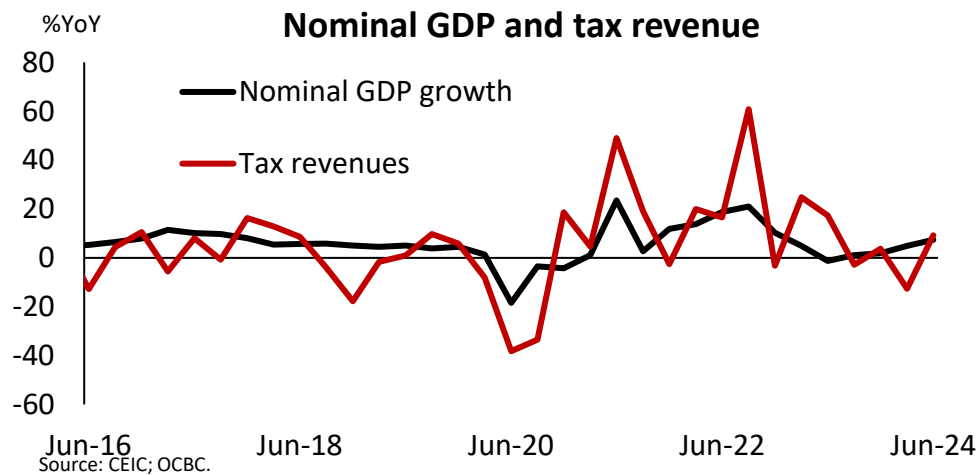
- We expect Bank Indonesia to keep its policy rate unchanged at 6.00% in its 16 October 2024 (15:30 SGT) meeting. BI's focus remains FX stability and with the currency (IDR) depreciating by ~1.5% versus USD, and underperforming regional peers such as MYR and THB, we expect BI will keep its policy rate on hold.
- BI remains focused on maintaining portfolio flows to support the currency. The yields on the 9M and 12M SRBI instruments rose slightly into October. In terms of growth-inflation fundamentals, the picture remains supportive of further monetary policy easing.
- We forecast another 25bp rate cut from BI in November or December followed by a cumulative 75bps of rate cuts in 1H25. Our baseline is for the cuts next year to be frontloaded into 1Q25, however, depending on IDR moves, it could be spaced out.



Source: Bank Indonesia, CEIC, OCBC.

Malaysia: Budget 2025 Preview

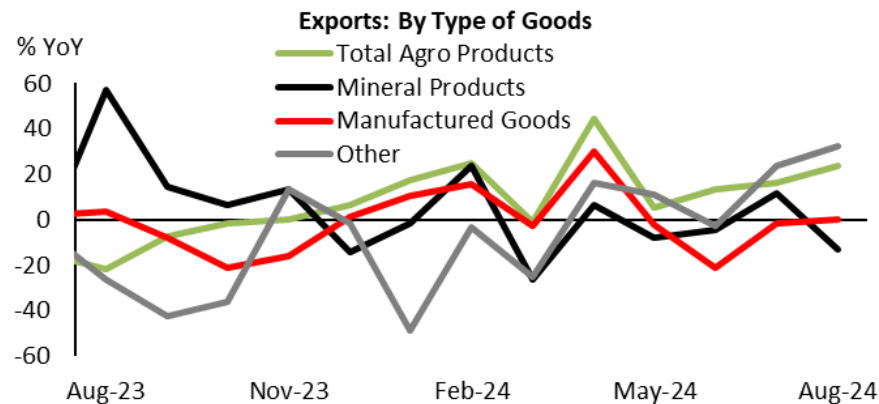
- The Budget 2025 will be presented on 18 October 2024. The Medium-Term Fiscal Framework (MTFF) pegs the fiscal deficit at an average of 3.5% of GDP for 2024-26.
- This suggests that the fiscal deficit will need to be below 3% of GDP by 2026 and for 2025, we estimate that the fiscal deficit target will need to narrow to within the range of 3.5-3.8% of GDP. The elephant in the room remains whether the Goods and Services Tax (GST) rate will be raised from the current 0%, replacing the separate sales and services tax (SST). Reports regarding this have been mixed.
- We expect the government to continue with fiscal consolidation, raising revenues through administrative improvements and rationalising expenditures either from RON95 subsidies or reducing capital expenditures on budget.



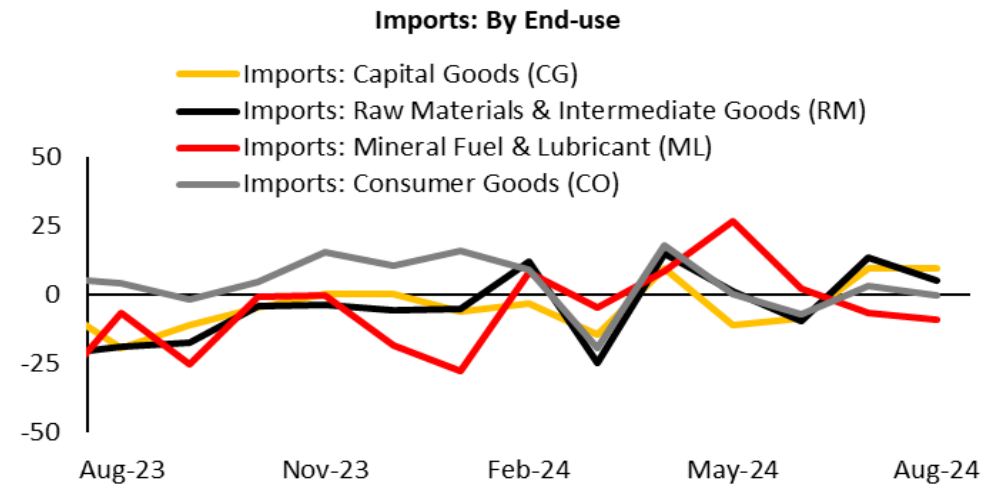
Source: CEIC, OCBC.

Philippines: Tepid export growth

- August export growth improved to 0.3% YoY versus 0.1% in July but remained lacklustre. August import growth eased to 2.7% YoY versus 7.3% YoY in July. Consequently, the trade deficit narrowed to USD4.4bn versus USD4.9bn in July.
- On the exports front, the drivers of growth were supported by higher shipments in ‘total agro products’ (22.9% YoY versus 16.4% in July). This more than offset lower shipments in ‘manufactures’ (-0.6 % YoY versus -3.1%), ‘forest products’ (-25.8% YoY versus -42.4%), ‘mineral products’ (-13.4% YoY versus +11.4%). For imports, by end-use, higher imports in ‘capital goods’, ‘raw materials & intermediate goods’ more than offset lower imports in ‘mineral fuel & lubricant’. Meanwhile, growth in ‘consumer goods’ import was flat.
- Despite a tepid August export growth, domestic activity has remained robust. We still expect GDP growth of 6.0% YoY in 2024, implying a growth momentum of 6.0% in 2H24.



Note: Our classification for Other includes 'forest products', 'petroleum products', 'special transactions', 'others'
 Source: Philippine Statistics Authority, CEIC, OCBC



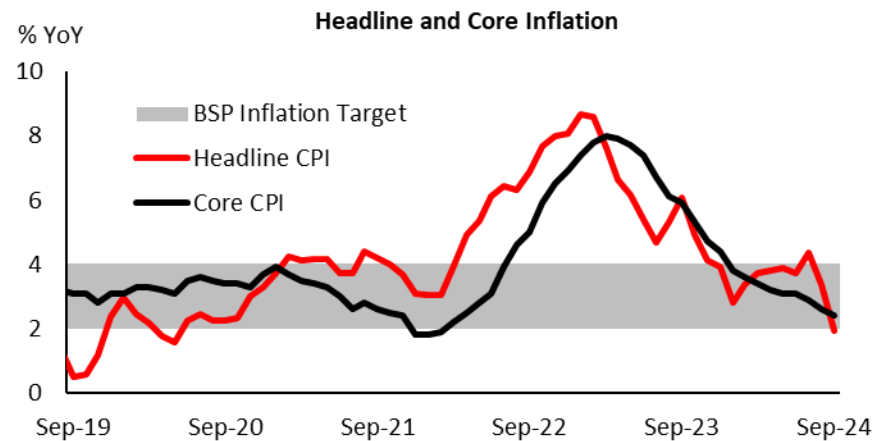
Source: CEIC, OCBC



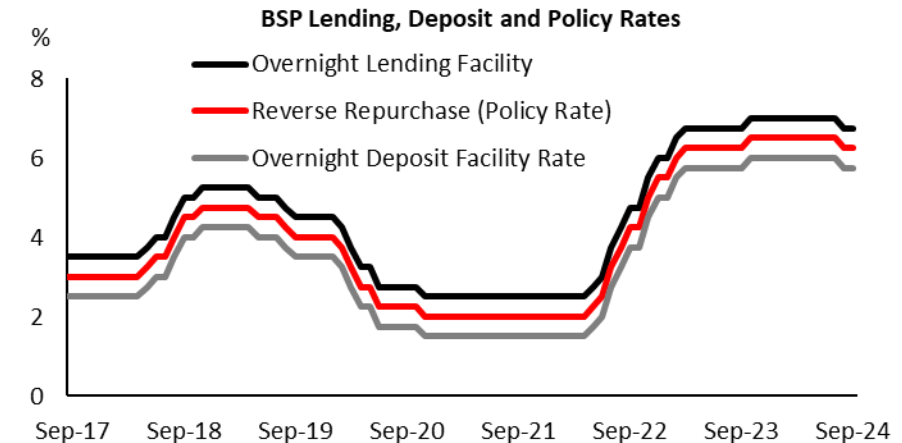
Source: Philippine Statistics Authority, CEIC, OCBC.

Philippines: Bangko Sentral ng Pilipinas preview

- The Monetary Board will meet on 16 October (15:00 SGT) to decide on the policy rate. We expect Bangko Sentral ng Pilipinas (BSP) to cut its policy rate by 25bp to 6.00%. The lending and deposit rates will also be reduced by 25bp, with the overnight deposit and lending facilities adjusted to 5.75% and 6.75%, respectively.
- Over the past few months, the disinflationary trend has allowed the BSP to main its dovish bias. Lower inflation has clear implications for monetary policy, particularly since the BSP has been more dovish than we had anticipated.
- We now expect the BSP to deliver one 25bp rate cut at each of its 16 October and 19 December meetings. Our baseline is for a cumulative 150bps in rate cuts for this cycle. This implies a cumulative 75bps in rate cuts for 2025, taking the policy rate to 5.00% by end-2025. The risk, however, is for the BSP to deliver more rate cuts in 2025, particularly if inflationary pressures remain well contained.



Source: Philippine Statistics Authority, Bangko Sentral ng Pilipinas, CEIC, OCBC



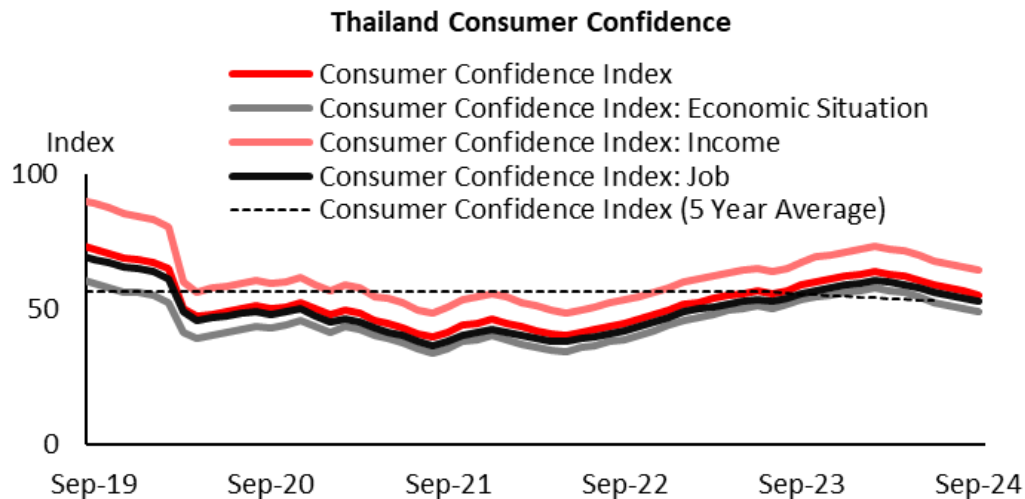
Source: Bangko Sentral ng Pilipinas, CEIC, OCBC



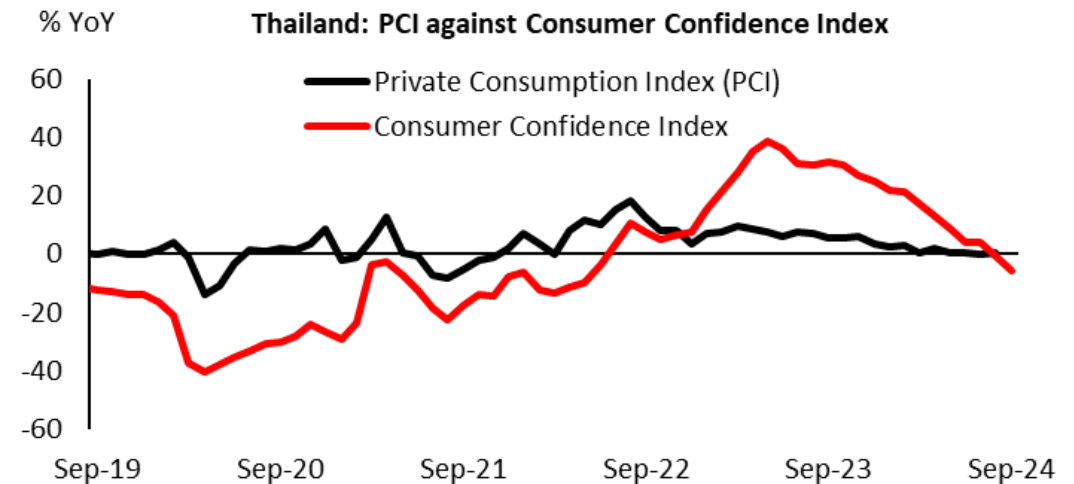
Source: Philippine Statistics Authority, Bangko Sentral ng Pilipinas, CEIC, OCBC.

Thailand: Weak consumer confidence

- Consumer confidence remained weak. According to the University of the Thai Chamber of Commerce, the consumer confidence index (CCI) fell for the seven consecutive month to 55.3 points in September from 56.5 points in August. The decline in CCI was broad-based across the sub-indices of ‘economic situation’ (48.8 versus 50.2 in August), ‘income’ (64.4 versus 65.6 in August), and ‘job’ (52.7 versus 53.9 in August).
- The decline in September’s CCI suggests that the trajectory of Bank of Thailand’s (BoT) private consumption index in September would remain weak. In the latest print, private consumption index rose to 0.5% YoY in August from -0.2% in July, underscoring an anemic domestic demand picture.



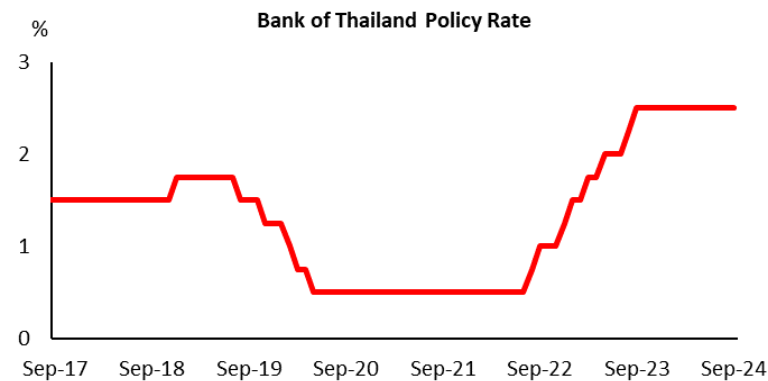
Source: Center for Economics and Business Forecasting, University of the Thai Chamber of Commerce, CEIC, OCBC



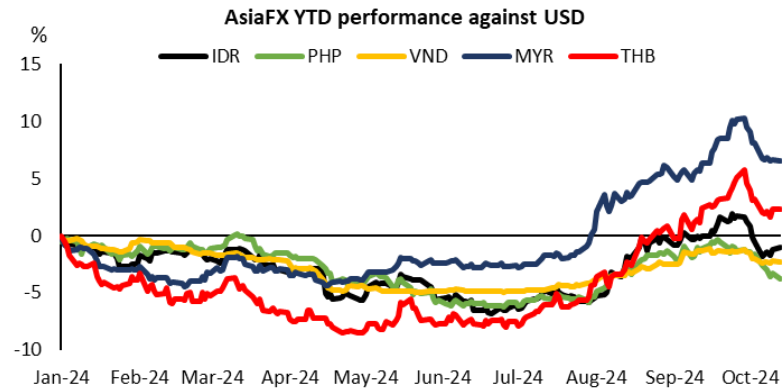
Source: Center for Economics and Business Forecasting, University of the Thai Chamber of Commerce, Bank of Thailand, CEIC, OCBC

Thailand: Bank of Thailand preview

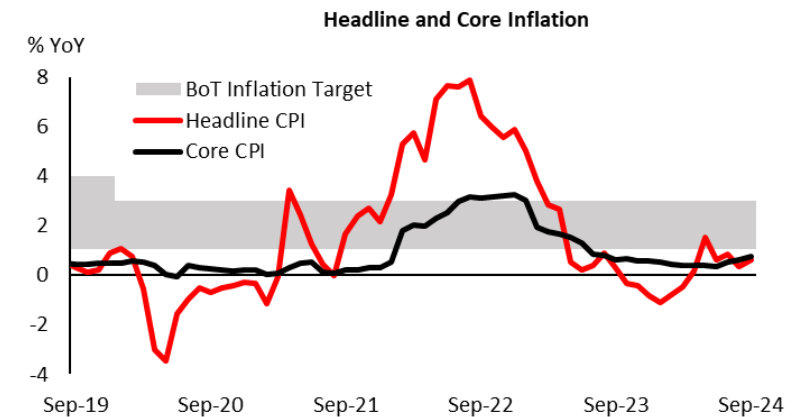
- We expect Bank of Thailand (BoT) to keep its policy rate unchanged at 2.50% at its 16 October 2024 (15:00 SGT) meeting. There has been a lot of political pressure on BoT to cut its policy rate.
- Headline CPI rose to 0.6% YoY in September versus 0.4% in August. Despite undershooting BoT 1-3% target range, we expect headline CPI to normalise around 4Q24.
- Our base case is for the BoT to lower its policy rate by 25bp in 4Q24 and 25bp in 1Q25 given tighter financial conditions, THB appreciation and weaker growth momentum. The risk is that rate cuts could be delayed into 2025 once the impact of the one-time transfer from the digital wallet programme fades.



Source: Bank of Thailand, CEIC, OCBC



Source: Bloomberg, OCBC.



Source: Bureau of Trade and Economic Indices, CEIC, OCBC

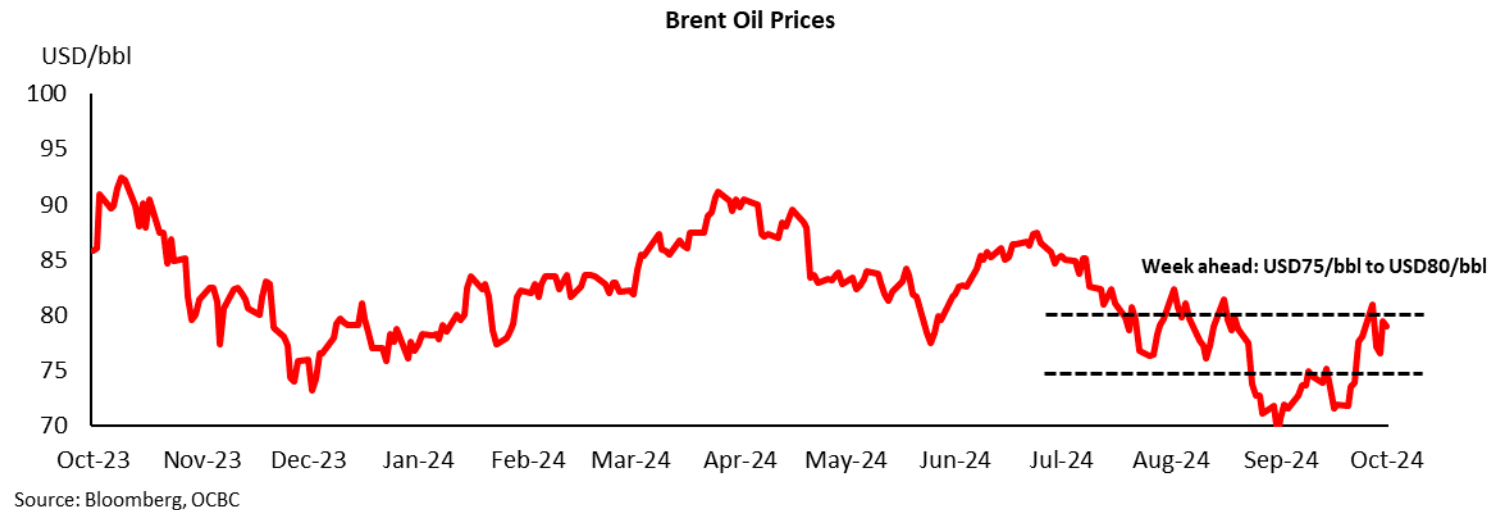


Commodities



Crude Oil: Higher prices

- Crude oil benchmarks closed higher for the second consecutive week, with WTI and Brent crude increasing by 1.6% and 1.3% week-on-week, respectively, closing at USD75.6/bbl and USD79.0/bbl. The intraweek trade was volatile, with Brent trading between USD75.2/bbl and USD81.2/bbl.
- The main driver behind higher oil prices was concerns about potential supply disruptions in the Middle East. This more than offset the reported buildup in US crude inventories as well as concerns that a slowing Chinese economy could dampen global oil demand. Additionally, It has been reported that the Gulf states have lobbied the US to prevent Israel from targeting Iranian oil infrastructure as part of its retaliatory actions.
- Looking ahead, tensions in the Middle East should continue to keep oil prices supported. We expect Brent oil prices to trade within a range of USD75-80/bbl.



ESG



ESG: Enhancing ASEAN low-carbon energy connectivity

- ASEAN and China have substantially concluded the ASEAN-China Free Trade Area (ACFTA) 3.0 Upgrade negotiations at the ASEAN-China Summit on 10 October, and are working towards the full conclusion of negotiations targeted for next year. The upgrade covers new and enhanced rules in areas such as digital and green economies, agriculture and industrial products, as well as supply chain connectivity.
- China's capabilities in clean energy deployment can help advance ASEAN's plans for the regional power grid as well. ASEAN works towards creating a framework for subsea power cable development by the end of this year – this can support efforts in developing the regional power grid and contribute to the transfer of low-carbon electricity across ASEAN. There should be clear regulatory and commercial frameworks for cross-border energy trade to achieve the planned ASEAN grid, to help meet climate change goals.
- As Singapore plans to submit its next Nationally Determined Contribution (NDC) in early 2025, the National Climate Change Secretariat (NCCS) has launched a public consultation exercise till 5 Nov. The views will be taken into consideration for Singapore's next round of climate targets, measures and policies through 2035. Singapore aims to focus on three transitions to achieve its climate targets:
 1. A carbon transition to reduce emissions across all sectors;
 2. An energy transition to achieve a resilient net zero electricity grid;
 3. An economic transition to remain competitive in a low-carbon future and to capture new green growth opportunities

FX & Rates



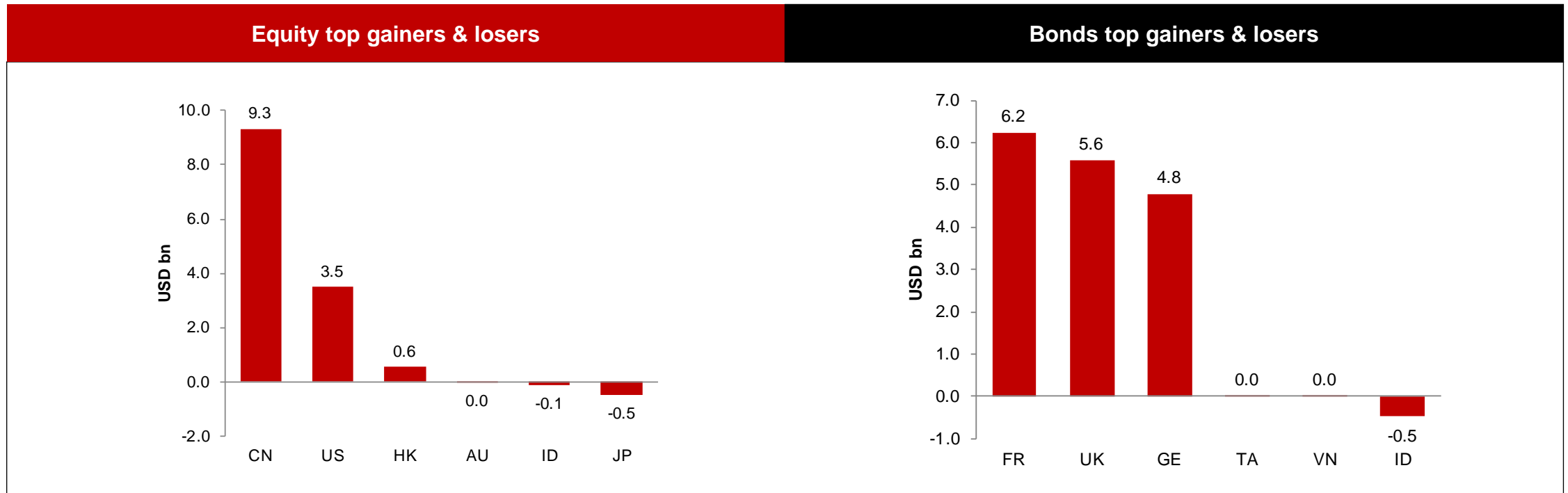
FX & Rates: MAS; Market Reaction to China MoF

- **USDSGD.** MAS maintaining status quo on policy stance means that S\$NEER strength may linger and only fade at some point this year when core inflation in Singapore start to ease more in coming months. When that happens, markets can be guided to price in weaker S\$NEER. For now, we expect MAS to continue to adopt wait-and-see approach – to ease policy only when core CPI falls towards their projection.
- **SGD Rates.** Near-term implication could be higher pass-through from falls in USD rates onto SGD rates. Our medium-term view remains that short-end SGD rates shall lag in a downward move, but patience is needed – requiring short-end USD rates to return to a downtrend (which we expect) and MAS pivoting (seems not in sight yet). SGD5.2bn of 1Y T-bills are auctioned on Thursday; 1Y implied SGD rate last traded at 2.6%, which was around 56bps lower than the level on 25 July when the last 1Y T-bills auction was conducted. With the latest cut-off of 6M T-bills at 3.06%, the cut-off of the upcoming 1Y T-bills is very likely to be below 3% - a matter of how much below. Recent observations have been that the movement in the 6M T-bill cut-off lagged market implied rates. Similarly, we suspect the 1Y T-bill cut off may not entirely catch up with the lower market rate. On balance, we are more inclined to see the cut-off near the range of 2.85-2.90%.
- **DXY.** There is no major data catalyst in the near term until core PCE (31 Oct), NFP (1 Nov) in a few weeks' time to drive USD in a meaningful direction. Between now and then, external drivers (geopolitics, China support measures, US election campaign, etc.) and Fedspeaks may see 2-way moves in USD. Markets in US closed for Columbus Day holiday today (14 Oct).
- **CNY Rates.** Reaction thus far underlines our view for short-end IRS to play some catch-up with bond yields, but our conviction level is not high as to whether this momentum can be extended. Nevertheless, key positives are allowing special LGB proceeds to be used to buy unsold homes and raising issuance quota. The former measure shall help expediate the deployment of the proceeds. Looking ahead, hope remains for more detailed numbers to be unveiled, as MoF mentioned a one-time large-scale quota for debt swap and room for higher fiscal deficits, among others. Market will be keen to see how these descriptive wordings translate into actual numbers. We believe there will be some liquidity released via another RRR cut to buffer some of the upcoming bond supply pressure.

Asset Flows

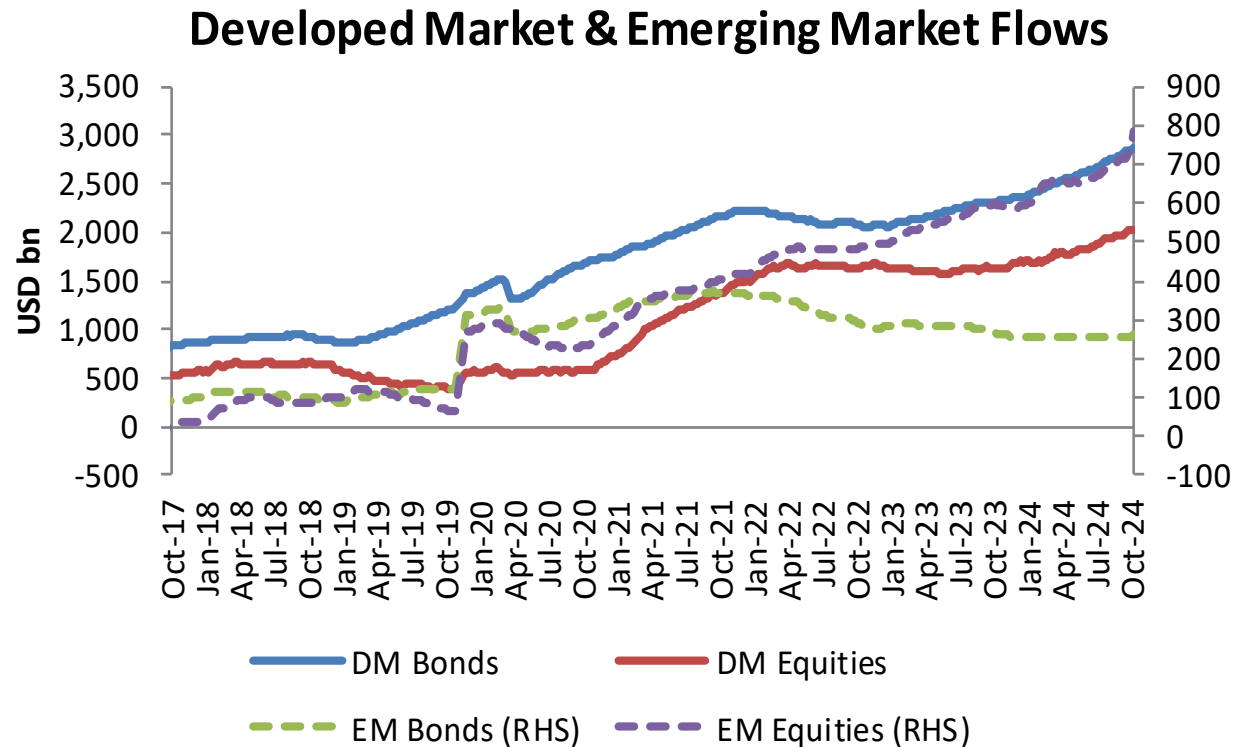
Global Equity & Bond Flows

- Global equity markets saw net inflows of \$39.6bn for the week ending 9 October, an increase from the inflows of \$4.9bn last week.
- Global bond markets reported net inflows of \$17.4bn, an increase from last week's inflows of \$15.6bn.



DM & EM Flows

- Developed Market Equities (\$1.6bn) saw outflows and Emerging Market Equities (\$41.2bn) saw inflows.
- Developed Market Bond (\$15.8bn) and Emerging Market Bond (\$1.5nn) saw inflows.



Thank you



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