

DAILY DIGEST

Trump picks Senator JD Vance as VP mate

- Macro:** Fed Powell said 2Q24 inflation readings adds to inflation confidence. China 2Q24 GDP missed estimates amid weak retail sales. Indonesia trade surplus declined in Jun as an imports rebound outpaced exports growth. Thailand to begin enrolment for digital wallet program on 1 Aug.
- Fixed Income:** UST curve bear steepened, with long-dated bonds hamstrung by fiscal and inflation risks from the 'Trump trade'. Mixed trading for regional bonds, ahead of IndoGB auction today and ThaiGB auction tomorrow.
- FX:** DXY up 0.1%, ending its losing streak, as all majors and regional currencies fell against the USD. USDIDR closed at 16,170, ahead of BI meeting tomorrow.

Global macro wrap

- Global:** Fed Chair Jerome Powell said recent inflation readings in 2Q24 adds confidence that inflation is headed back down to its 2% target, adding that risks are now coming into better balance amid the cooling labour markets. The Chair also signaled that the Fed could cut borrowing rates before inflation hits 2%, as it will take time for the Fed's policies to take effect. China's economy expanded 4.7% yoy in 2Q24, slowing from 1Q24 (+5.3%) and missing forecasts (+5.1%) as retail sales slowed to 2% yoy in Jun (consensus: +3.4%; May: +3.7%), reinforcing earlier data that weak domestic demand drove imports to decline. Donald Trump has elected J.D. Vance (a senator from the state of Ohio) as his vice-president running mate, marking a generational shift for the Republican party, though the Senator is known to be closely aligned with Trump on key issues.
- ASEAN:** Indonesia's trade surplus fell to USD2.39bn in Jun (consensus: USD2.98bn; Jun 2023: USD3.45bn), with an exports growth of 1.2% (previous: +2.9%) outpaced by an imports rebound of 7.6% (previous: -8.8%). Malaysia's government announced an allocation of RM871m to cover reductions in ICPT surcharge rates for commercial and industrial users in 2H24. Thailand's digital wallet committee has approved the proposed new funding source structure, as the government plans to begin enrolling eligible citizens and participating merchants for the digital wallet program starting 1 Aug, ahead of its targeted rollout in 4Q24.

Fixed Income

- Global:** UST bear steepened as yields rose 1-6bps higher, following market's 'Trump trade' that dampened longer-dated UST due to fiscal and inflation risks from his improving polls. Nevertheless, Fed Powell's dovish comments led short-dated UST to decline only slightly, with swap markets now fully pricing in the odds of a 25bps rate cut by the Fed's Sep meeting,
- ASEAN:** Mixed trading for regional bonds. IndoGB curve shifted higher by 1-3bps, with risk-off sentiments precipitating into sluggish trading activity as well for the day, ahead of tomorrow's sukuk bond auction with target issuance size of IDR10tr. ThaiGB closed mixed as markets traded sideways ahead of more data. Meanwhile, the auctions for the 3Y LB27NA (size: THB35bn) and 20Y LB436A (size: THB20bn) series will take place tomorrow. Despite weaknesses in regional peers, MGS managed to closed firm with gains led by the 10Ys.

FX

- Majors:** The DXY (+0.1%) ended its losing streak, as all majors declined against the USD following the attack on Trump that fueled bets for his election victory, leading to a stronger dollar on higher US inflation risks. AUD (-0.4%) and NZD (-0.7%) saw sharper losses, bearing the brunt as the first major currencies to reopen post-weekend, ahead of NZ CPI and Australia jobs data this week. EUR fell 0.1% amid a decline in industrial production in the euro area.
- ASEAN:** Regional currencies fell slightly, halting the earlier momentum post US CPI data. CNH meanwhile also retreated slightly following domestic data misses. Meanwhile, the PBOC kept the medium-term lending rate (MLR) unchanged at 2.50%. The PBOC also drained a net CNY3bn from its banking system (consensus: CNY13bn), suggesting the PBOC's concerns on financial stability even as it stays wary on further yuan weaknesses by keeping the MLR unchanged.

Research Analysts

- Michelle Chia**
Head of Research
+603 2261 8353
michelle.chia@cimb.com
- Lim Yee Ping**
Senior Economist
+603 2261 8339
yeeping.limyp@cimb.com
- Chew Khai Yen**
Economist
+603 2261 8557
khaiyen.chew@cimb.com
- Michael Yim**
Economist
+603 2261 8296
michael.yim@cimb.com

Rates dashboard

Gov't bonds	Close	Change (bps)			
		1D	1W	1M	YTD
UST 2Y	4.46	0.6	-17.1	-30.8	20.8
UST 10Y	4.23	4.7	-4.9	-5.1	35.0
MY 3Y	3.48	-0.3	-2.4	-5.6	1.6
MY 10Y	3.83	-0.9	-3.0	-3.6	9.7
ID 2Y	6.69	0.3	4.8	-14.9	34.9
ID 10Y	6.95	2.0	-6.2	-22.0	49.4
SG 2Y	3.18	-5.9	-13.4	-13.9	-7.5
SG 10Y	3.04	-4.7	-15.4	-12.6	34.4
TH 2Y	2.33	0.8	-0.6	-3.8	-4.5
TH 10Y	2.61	0.0	-4.6	-15.2	-7.1

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

FX dashboard

	Close	1D (%)	1W (%)	1M (%)	YTD (%)
DXY	104.19	0.1	-0.8	-1.1	2.8
EURUSD	1.0894	-0.1	0.6	1.5	-1.3
GBPUSD	1.2968	-0.2	1.3	2.1	1.9
AUDUSD	0.6760	-0.4	0.3	2.2	-0.8
USDCHF	0.8958	0.2	-0.2	0.7	6.5
USDJPY	158.06	0.1	-1.7	0.2	12.1
USDCNH	7.2746	0.0	-0.2	0.1	2.1
USDMYR	4.6735	0.0	-0.7	-1.0	1.7
USDIDR	16170	0.2	-0.5	-1.4	5.0
USDSGD	1.3438	0.2	-0.5	-0.6	1.8
USDTHB	36.21	0.0	-0.7	-1.6	6.1

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

Commodities dashboard

	Close	1D (%)	1W (%)	1M (%)	YTD (%)
WTI	81.91	-0.4	-0.5	2.0	14.3
Brent	84.85	-0.2	-1.0	0.7	10.1
Copper	9,806	-0.7	-1.1	1.5	14.6
Gold	2,422	0.4	2.7	4.4	17.4
CPO	3,980	0.3	-2.6	-0.1	8.7

HIGHLIGHTS

Macro: China's new and used home prices meanwhile have continued to fall, despite the government's latest attempt in May to end it with a broad rescue package, suggesting more pressure for authorities to act in their current Third Plenum meeting

Macro: Thailand's digital wallet committee has approved the new funding source structure, which avoids borrowing from the Bank for Agriculture following legal concerns. As such, the panel will proceed with THB450bn in funding only for the program based on projected lower participation from previous cash handout programs. Deputy FM Julapun said while the government has currently no plans for an FY2025 supplementary budget, this could still be done if needed.

Macro: Thailand's manufacturing sector, which contributes to nearly a quarter of GDP, saw 2,000 factory closures in 2023 amid competition from Chinese manufacturers, higher energy prices, and relatively high wages. Factory closures also rose 40% yoy between Jul 2023 and Jun 2024, leading to an 80% jump in job losses (51,500 workers) even as the number of new factory openings slowed down. Since Jul this year, Thailand has been collecting 7% VAT on cheap imported goods, mostly from China.

Macro: Thailand's government is urging the BOT to lower minimum payments on credit card dues from 8% to 5%. Finance Minister Pichai said that the government has taken notice of the increase in bad debts in credit card loans and hopes to "provide relief" to borrowers with high household debt.

Figure 1: Data Preview

Date	Country	Indicator	Period	Survey	Prior
16 Jul 2024	US	Fed's Daly Speaks in Q&A on Economy, Tech			
16 Jul 2024	EC	ECB Bank Lending Survey			
16 Jul 2024	US	Retail Sales Advance MoM	Jun	-0.3%	0.1%
16 Jul 2024	US	Retail Sales Control Group	Jun	0.2%	0.4%
16 Jul 2024	US	Import Price Index MoM	Jun	-0.2%	-0.4%
16 Jul 2024	US	NAHB Housing Market Index	Jul	43	43
16 Jul 2024	US	Fed's Kugler Speaks at NABE Conference			

SOURCE: BLOOMBERG, CIMB TREASURY AND MARKETS RESEARCH

Figure 2: Data Review

Date	Country	Indicator	Period	Survey	Actual	Prior
15 Jul 2024	CH	1-Yr Medium-Term Lending Facility Rate	15 Jul	2.50%	2.50%	2.50%
15 Jul 2024	CH	1-Yr Medium-Term Lending Facilities Volume	15 Jul	90.0b	100.0b	182.0b
15 Jul 2024	CH	New Home Prices MoM	Jun	--	-0.7%	-0.7%
15 Jul 2024	CH	Used Home Prices MoM	Jun	--	-0.9%	-1.0%
15 Jul 2024	CH	GDP YoY	2Q	5.1%	4.7%	5.3%
15 Jul 2024	CH	GDP SA QoQ	2Q	9.0%	0.7%	1.6%
15 Jul 2024	CH	Industrial Production YoY	Jun	5.0%	5.3%	5.6%
15 Jul 2024	CH	Retail Sales YoY	Jun	3.4%	2.0%	3.7%
15 Jul 2024	CH	Fixed Assets Ex Rural YTD YoY	Jun	3.9%	3.9%	4.0%
15 Jul 2024	ID	Imports YoY	Jun	7.6%	-8.8%	-8.8%
15 Jul 2024	ID	Exports YoY	Jun	4.5%	1.2%	2.9%
15 Jul 2024	ID	Trade Balance	Jun	\$2911m	\$2390m	\$2925m
15 Jul 2024	US	Empire Manufacturing	Jul	-7.6	-6.6	-6
15 Jul 2024	US	Fed's Powell Interviewed by David Rubenstein				
15 Jul 2024	US	Fed's Daly Speaks in Q&A on Economy, Tech				

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	4.7	-4.9	-5.1	35.0
UK	4.10	-0.8	-1.2	-1.4	56.4
Germany	2.47	-2.4	-6.8	5.8	44.9
Japan	1.06	0.0	-2.9	13.0	44.9
Australia	4.32	0.0	-3.4	21.4	36.9
China	2.25	-0.7	-3.7	-1.3	-31.0
Malaysia	3.83	-0.9	-3.0	-3.6	9.7
Indonesia	6.95	2.0	-6.2	-22.0	49.4
Singapore	3.04	-4.7	-15.4	-12.6	34.4
Thailand	2.61	0.0	-4.6	-15.2	-7.1

5Y IRS	Close	1D (bps)	1W (bps)	1M (bps)	YTD (bps)
MY	3.59	-2	-4	-6	0
SG	2.79	-7	-16	-15	23
TH	2.57	0	0	0	0

5Y CDS	Close (bps)	1D (bps)	1W (bps)	1M (bps)	YTD (bps)
MY	40	0	-3	-17	-4
ID	72	1	-2	-9	-1
TH	39	0	-4	-12	-5

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	5.34	0	2	1	-4
EU o/n ESTRON	3.66	0	-0	-0	-22
JP o/n TONAR	0.08	0	0	0	12
MY 3m KLIBOR	3.59	0	0	0	-18
MY MYOR	3.00	0	-1	0	0
ID 3m JIBOR	7.10	0	0	0	25
SG o/n SORA	3.55	0	9	-22	-7
TH BOT o/n THOR	2.49	0	-0	-0	-0

Credit indices	Close	1D (%)	1W (%)	1M (%)	YTD (%)
Bloomberg Global Aggregate	269	-0.1	0.7	1.5	0.7
Bloomberg US Aggregate	2174	-0.3	0.5	0.8	0.6
Bloomberg EUR Aggregate	237	0.2	0.5	0.7	-0.2
Bloomberg Asia Aggregate	185	0.0	-0.6	0.1	5.3
Bloomberg Asia Pac Treasury	115	-0.1	1.3	-0.0	-7.7
Bloomberg ASEAN Corp/Quasi	120	-0.2	0.5	0.6	3.0

SOURCE: BLOOMBERG, CIMB TREASURY AND MARKETS RESEARCH

Figure 5: Currencies

Currencies	Close	1D (%)	1W (%)	1M (%)	YTD (%)
DXY	104.19	0.1	-0.8	-1.1	2.8
EURUSD	1.0894	-0.1	0.6	1.5	-1.3
GBPUSD	1.2968	-0.2	1.3	2.1	1.9
AUDUSD	0.6760	-0.4	0.3	2.2	-0.8
USDJPY	158.06	0.1	-1.7	0.2	12.1
USDCNH	7.2746	0.0	-0.2	0.1	2.1
USDMYR	4.6735	0.0	-0.7	-1.0	1.7
USDIDR	16,170	0.2	-0.5	-1.4	5.0
USDSGD	1.3438	0.2	-0.5	-0.6	1.8
USDTHB	36.21	0.0	-0.7	-1.6	6.1
GBPMYR	6.0674	0.3	0.8	1.1	3.9
AUDMYR	3.1687	0.1	-0.1	1.6	1.4
SGDMYR	3.4819	0.1	-0.2	-0.1	0.1
CNHMYR	0.6428	0.1	-0.5	-1.0	-0.4
IDRMYR	0.0289	-0.1	-0.2	0.5	-3.1
THBMYR	12.9382	0.1	0.5	0.6	-3.4

SOURCE: BLOOMBERG, CIMB TREASURY AND MARKETS RESEARCH

Figure 6: Global equity indices and commodity prices

Equities	Close	1D (%)	1W (%)	1M (%)	YTD (%)
S&P500	5,631.22	0.3	1.0	2.9	18.1
Nasdaq	18,472.57	0.4	0.4	3.4	23.1
Eurostoxx	4,983.11	-1.2	0.3	2.1	10.2
Nikkei 225	41,190.68	0.0	1.0	8.1	23.1
Hang Seng	18,015.94	-1.5	2.8	0.4	5.7
KLCI	1,629.82	0.7	1.2	1.4	12.0
JCI	7,278.86	-0.7	0.4	8.1	0.1
SET	1,327.43	-0.3	0.4	2.4	-6.2

Commodities	Close	1D (%)	1W (%)	1M (%)	YTD (%)
BCOM Index	99.61	-1.1	-1.7	-2.3	1.0
WTI (US\$/bbl)	81.91	-0.4	-0.5	2.0	14.3
Brent (US\$/bbl)	84.85	-0.2	-1.0	0.7	10.1
Natural Gas (US\$/mmbtu)	2.16	-7.3	-8.8	-24.7	-20.0
Copper (US\$/ton)	9,806	-0.7	-1.1	1.5	14.6
Gold (US\$/oz)	2,422	0.4	2.7	4.4	17.4
CPO (RM/ton)	3,980	0.3	-2.6	-0.1	8.7

SOURCE: BLOOMBERG, CIMB TREASURY AND MARKETS RESEARCH

Figure 7: Economic and commodity price forecasts

GDP	2021	2022	2023	2024	2025
Malaysia	3.3	8.9	3.6	4.9	4.7
Indonesia	3.7	5.3	5.0	5.0	5.0
Singapore	9.7	3.8	1.1	2.1	2.6
Thailand	1.6	2.5	1.9	2.8	3.0

Policy rate	3Q24	4Q24	1Q25	2Q25	3Q25
US (upper bound)	5.50	5.25	5.00	4.75	4.50
Malaysia	3.00	3.00	3.00	3.00	3.00
Indonesia	6.25	6.00	5.75	5.50	5.50
Thailand	2.50	2.50	2.50	2.50	2.50

Commodity prices	3Q24	4Q24	1Q25	2Q25	3Q25
Brent (USD/bbl)	80	75	73	73	75
WTI (USD/bbl)	76	71	69	69	71
CPO (RM/mt)	3,800	3,800	3,900	4,000	3,900
Gold (USD/oz)	2,300	2,300	2,325	2,350	2,400
Copper (USD/mt)	9,000	9,200	9,500	10,000	9,800

SOURCE: CIMB TREASURY AND MARKETS RESEARCH

Figure 8: Rates and currency forecasts

Rates	3Q24	4Q24	1Q25	2Q25	3Q25
UST 2Y	4.60	4.55	4.45	4.35	4.25
UST 10Y	4.15	4.20	4.15	4.10	4.10
MGS 3Y	3.55	3.55	3.55	3.50	3.45
MGS 10Y	3.75	3.75	3.80	3.80	3.80
IndoGB 2Y	6.65	6.50	6.35	6.20	6.25
IndoGB 10Y	6.95	7.00	7.05	7.10	7.15
ThaiGB 2Y	2.40	2.40	2.40	2.40	2.45
ThaiGB 10Y	2.85	2.90	2.95	2.95	3.05

Currency	3Q24	4Q24	1Q25	2Q25	3Q25
DXY	105.1	104.4	103.7	103.1	102.5
EURUSD	1.07	1.08	1.09	1.10	1.10
GBPUSD	1.28	1.29	1.30	1.29	1.29
USDCHF	0.89	0.89	0.89	0.89	0.89
AUDUSD	0.67	0.68	0.69	0.70	0.71
USDJPY	150	148	146	144	143
USDCNH	7.26	7.25	7.25	7.24	7.23
USDIDR	16,268	16,249	16,158	16,080	16,002
USDMYR	4.70	4.66	4.61	4.57	4.53
USDSGD	1.35	1.34	1.33	1.32	1.30
USDTHB	36.46	36.13	35.79	35.50	35.22

SOURCE: CIMB TREASURY AND MARKETS RESEARCH

DISCLAIMERS AND DISCLOSURES

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

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

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

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

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

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

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

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

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

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

Country	CIMB related entity	Regulated by
---------	---------------------	--------------

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

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

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

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

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

Restrictions on Distributions etc.

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

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

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

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

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

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

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

- (a) Section 25 of the FAA (obligation to disclose product information);
- (b) Section 27 of the FAA (duty not to make recommendation with respect to any investment product without having a reasonable basis where you may be reasonably expected to rely on the recommendation);

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

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

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

Additional disclosures

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