RHB Global Economics & Market Strategy

Rasa Mingguan: Market Spices for the Week

30 January 2026

Executive Summary

- **Global risk appetite has moved lower – but still in risk-on mode – into the new week,** as concerns surround a potential partial US government shutdown. For now, pencil 31 Jan in your calendars, as the absence of any agreement on reforms made to the US Immigration and Customs Enforcement (ICE) will lead to a shutdown of several government agencies, including the Defense Department. Should the shutdown occur, we pencil in further equity sell-off, weaker greenback, and higher gold prices.
- **Further pullback in risk appetite could occur as geopolitical tensions intensify, with US President Donald Trump warning Iran of military strikes unless the latter agree on a nuclear deal.** Oil prices immediately surged to above US$69 per barrel to the highest since September last year, and stoking inflation concerns in energy-import-reliant economies.
- **The US FOMC held its Fed Funds Rate (FFR) unchanged, voting 10-2 for the decision.** Official rhetoric adopted an optimistic tone, with Powell citing "clear improvement" in the US outlook, with officials dropping language pointing to increased downside risks to employment. We continue to pencil two rate cuts in 2026, with the first one as early as June 2026. With this week's decision largely in line with consensus, little change was seen in the financial markets, including US 10y- yields steady at around 4.25%.
- **We revise our FX forecasts for the year.** We remain structurally bearish USD into 2026 and now expect the DXY to fall toward the 94 handle by end-2026, versus our previous 97 call. We now pencil ringgit to firm towards 3.85 by end of this year, with upside bias risk towards 3.80 if the favourable conditions magnify. AUD has room to appreciate and is potential to sustain its 0.70 level as its interest rate expectations backdrop continue to point towards earlier rate hike.

Executive Summary

- **Malaysia: Malaysia's PPI Ends the Year on a Soft Note**. Malaysia's Producer Price Index declined 2.7% YoY in December (Nov: –1.8% YoY). For 2025 overall, producer prices fell 2.0% (2024: 0.3%). Softer price momentum is observed across sectors, led by the mining and manufacturing sectors. Recent data suggest that producer prices are likely to remain subdued in the near term. Global commodity prices i.e. crude oil, remain key drivers of PPI movements. For the manufacturing sector, declining producer prices generally lower costs for raw materials and intermediate inputs, easing cost pressures. They may also improve the international price competitiveness of Malaysian manufactured goods, potentially supporting exports.
- **Singapore: We maintain Singapore's full-year IP projection at 4.0% in 2026, in line with NODX and GDP growth forecast at 3.0%.** Singapore's 4Q25 and full-year 2025 GDP growth will be upgraded against MTI's 4Q25 advance estimates. Meanwhile, MOM's advance estimates showed that Singapore's labour market continued to expand in 4Q 2025 and the full year of 2025, alongside continued economic growth. Hence, Singapore's relatively tame inflation and resilient economic backdrop suggest little imperative for a monetary policy tweak at least in 1H26. With MAS keeping policy parameters unchanged in January, our in-house view is for the current S$NEER's appreciation of +0.5% within a ±2.0% policy band, which, at this juncture, remains appropriate for ensuring price stability. **Separately, following the FY2026 Budget on 12 February, we expect the government to prioritise key themes including (1) job security, (2) economic relevance, (3) social support, and (4) the green economy.**
- **Indonesia: We project Indonesia's 4Q25 GDP growth at 5.1% YoY, underpinned by relatively resilient domestic demand,** which continues to offset softening external conditions following the dissipation of front-loaded export demand. Our growth outlook is shaped by three key factors: (i) the recovery in consumer confidence and retail spending; (ii) the effectiveness of government fiscal-programme execution; and (iii) the sustainability of domestic capital investment and FDI inflows. On sentiment, consumer confidence remained elevated, with the Consumer Confidence Index (CCI) near multi-month highs at 124.0 in November, easing only marginally to around 123.5 in December and staying firmly in optimistic territory.
- **Thailand: Thailand's Finance Ministry has maintained its 2026 GDP growth forecast at around 2.0%, in line with our in-house forecast.** This is supported by resilient tourism and domestic demand despite weaker exports and ongoing global trade tensions. Vinit Visessuvanapoom, head of the Finance Ministry's Fiscal Policy Office, indicated that tourism will remain the main growth engine in 2026, with foreign arrivals projected to reach 35.5 million—up from around 33 million in 2025, but still well below the pre-pandemic record of nearly 40 million visitors in 2019. Meanwhile, official data released shows that December 2025 factory output, measured by the Manufacturing Production Index, rose 2.52% year-on-year, significantly exceeding expectations and reversing prior declines.

Executive Summary

- **On FX:** We remain structurally bearish USD into 2026 and now expect the DXY to fall toward the 94 handle by end-2026, versus our previous 97 call. Further Fed easing in our base case should compress US real yields and erode the dollar's carry advantage, reinforced by policy uncertainty, twin deficits, and ongoing investor diversification away from USD assets. However, we note few risks worth noting; possible hawkish repricing, crowded shorts, and weak non-US growth. For MYR, we are looking at the ringgit to appreciate towards 3.85 by end of 2026, with risks of further appreciating towards 3.80 per USD.
- **Rates:** Global rates continued to show a steepening bias in the 2YR/10YR segment after the FOMC kept the FFR unchanged. Front-end yields posted modest gains, supported by flight-to-safety flows as equities weakened and precious metals declined. In the US, the front end saw slight strength, while the 10Y remained near 4.2% as markets digested the FOMC's cautious wait-and-see stance and Chair Powell's comments on data uncertainty. The week ahead includes key releases such as jobs data and PPI, and a possible announcement on the next Fed chair nominee may add further volatility. Across ASEAN, real yields continue to soften, with Malaysia seeing a strong returns compared to its counterparts. Additionally, the strong ringgit momentum supports inflows into MGS which led to decline in yields. For 2026, we see the increase in front-end auctions will tilt the government bond duration profile modestly shorter, although the overall duration stance remains broadly balanced. We expect a higher YoY gross and net MGS/GII issuance in 2026, at MYR180bn and MYR95.3bn.

Key Global Data and Macro Views Summary

Mon: 02 Feb 2026	Tue: 03 Feb 2026	Wed: 04 Feb 2026	Thu: 05 Feb 2026	Fri: 06 Feb 2026
• ID Jan CPI • CN RatingDog PMI • US Jan ISM Manufacturing PMI • MY Jan Manufacturing PMI	• AU RBA Interest Rate Decision • FR Jan CPI • US Dec JOLT Job Openings	• EA Jan CPI • US Jan ADP Employment Change • US Jan ISM Services PMI	• AU Dec Balance of Trade • TH Jan CPI • ID 4Q25 GDP • SG Dec Retail Sales • UK BOE Interest Rate Decision • EA ECB Interest Rate Decision	• JP Dec Household Spending • US Jan NFP

Global	ASEAN	
	Malaysia	Singapore
• **Global equities rose 2.8% year-to-date, but inflationary risks are more observable** • RHB Risk Sentiment sees a pull-back on the back of geopolitical tensions and US govt shutdown risks • US government shutdown, watch out, but don't fret • RHB View: Fed Funds Rate Cut As Early As June 2026 • China sees strong outflows in late Jan – what's going on?	• Malaysia: PPI Ends the Year on a Soft Note • RHB Malaysia Stress Index: Easing Stress amid Stable Business and Financial Market Activities • Malaysia's bond and equity markets are dominated by foreign institutional flows	• Manufacturing to Remain Resilient at 4.0% in 2026 • MAS to Stay Pat at least into 1H26 • Employment Growth Strengthens in 2025 • MAS Macroeconomic Review (Jan 2026): The Singapore economy ended 2025 on a firm note • Singapore FY2026 Budget Preview: Tackling Long-Term Structural Issues
Foreign Exchange & Fixed Income	**Indonesia**	**Thailand**
• FX: We revise our call for DXY to be lower at 94 vs. 97 previously, and USDMYR at 3.85 (vs. 4.00 previously), with downside risks towards 3.80. • Rates: Flight-to-safety drives gain ahead of heavy US data week. Back home, strong ringgit momentum drives gain in the local government bonds.	• Indonesia Equities Under Pressure as MSCI Flags Market Structure Risks • Indonesia: Stable Growth Momentum Despite External Headwinds	• Thailand's Economic Heatmap suggests a slight improvement in broad economic conditions • Thailand Growth Forecasts Anchored Amid Global and Domestic Headwinds

Central Bank: Key Rates

Reserve Bank of Australia	European Central Bank	Bank of England

Date of Meeting

Reserve Bank of Australia	European Central Bank	Bank of England
3 Feb	5 Feb	5 Feb

House View

Reserve Bank of Australia	European Central Bank	Bank of England
Cash Rate Target *Hold at 3.60%*	**Deposit Facility Rate** *Hold at 2.00%*	**Official Bank Rate** *Hold at 3.75%*

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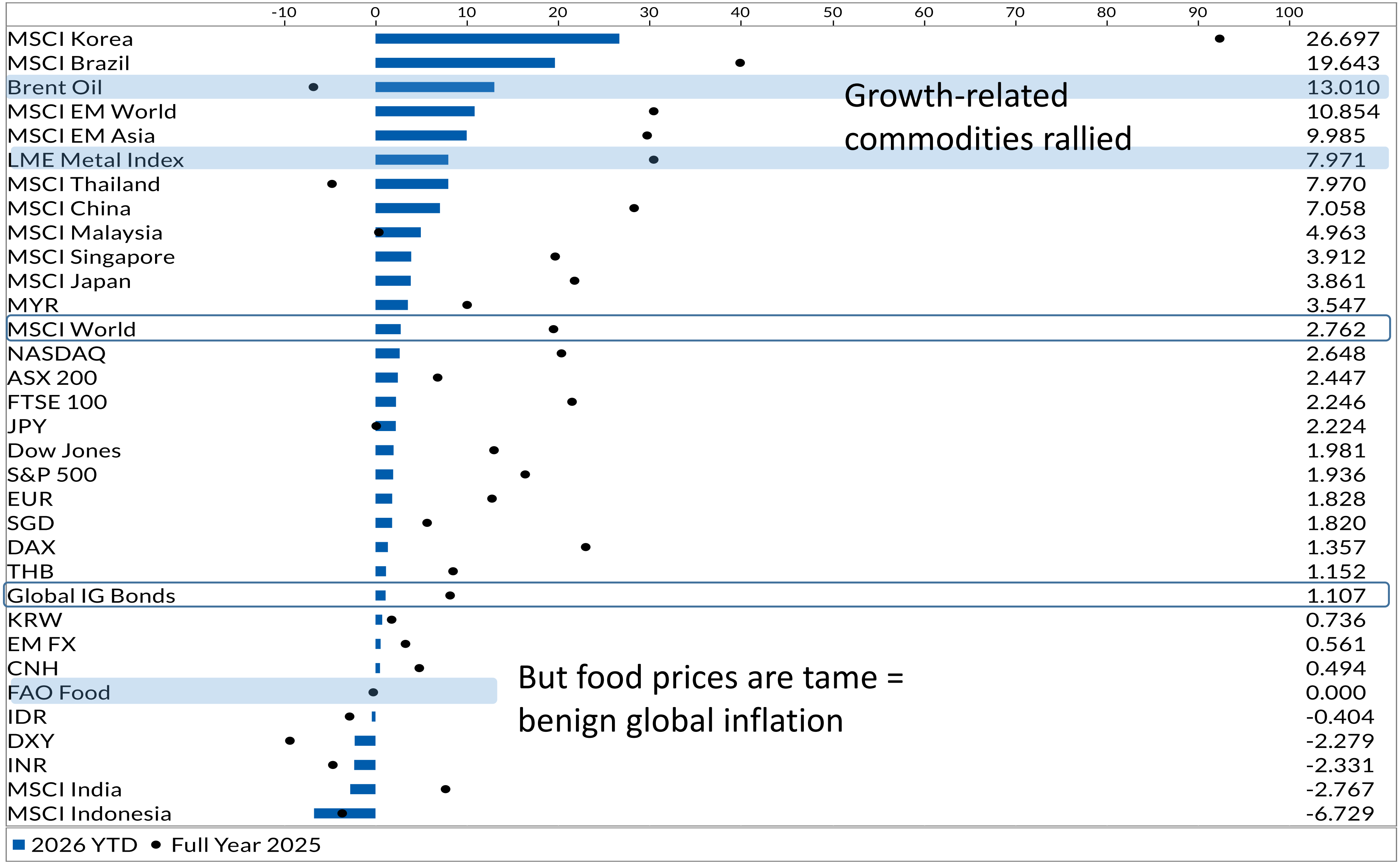
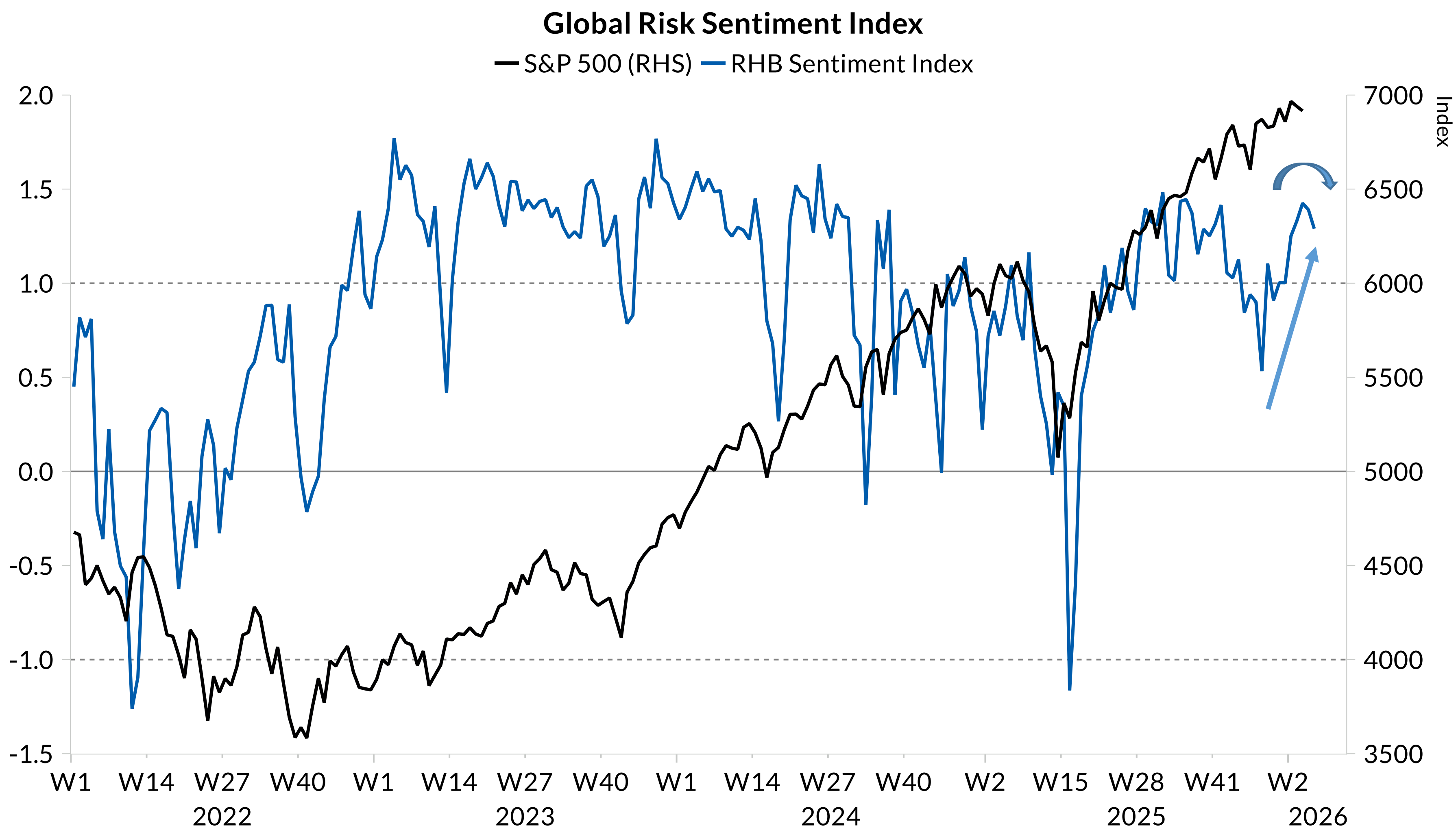
Global Outlook

Global equities rose 2.8% year-to-date, but inflationary risks are more observable, especially crude oil at +13.0% YTD



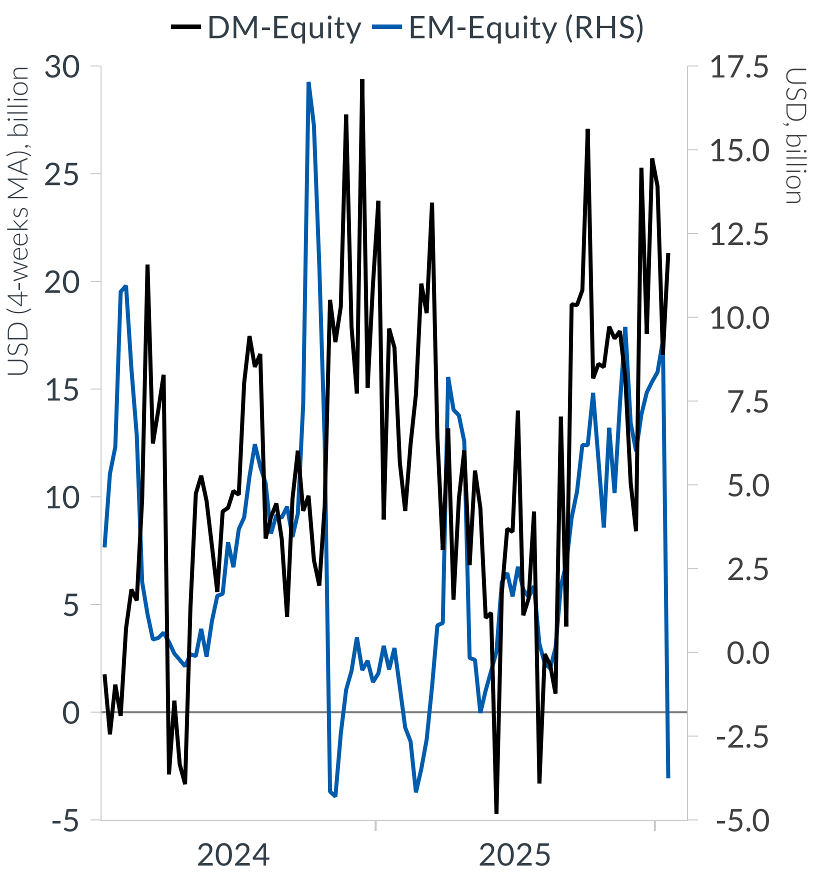
Source: Macrobond, Bloomberg, RHB Economics & Market Strategy

RHB Risk Sentiment sees a pull-back on the back of geopolitical tensions and US govt shutdown risks



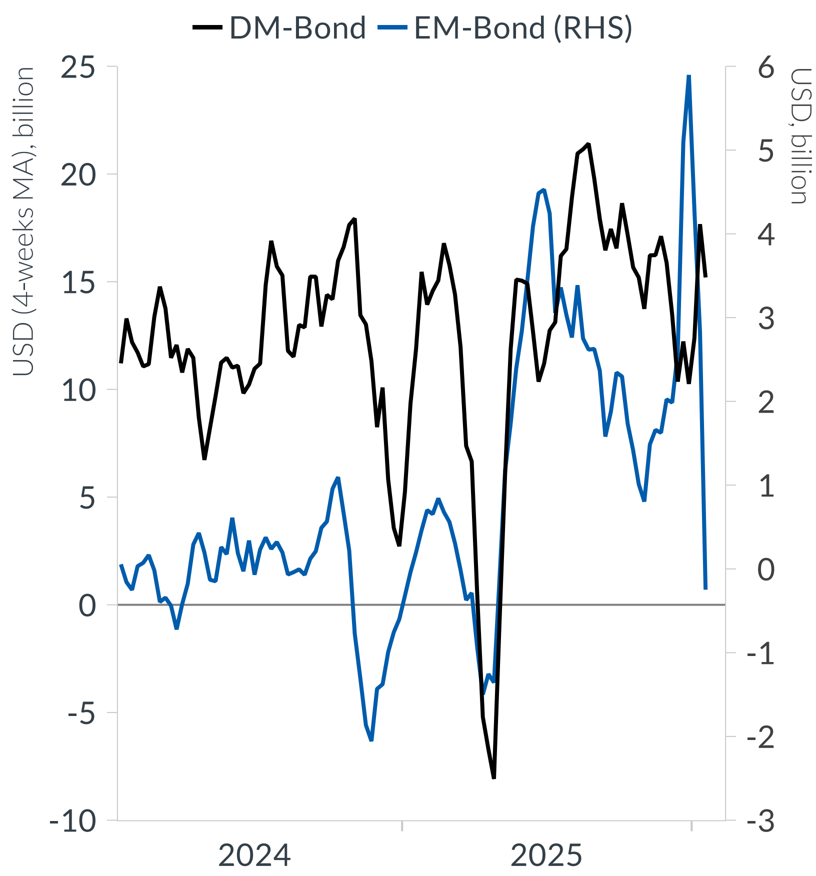
Source: Macrobond, Bloomberg, RHB Economics & Market Strategy

EM equities staged a significant outflow in the latest week…



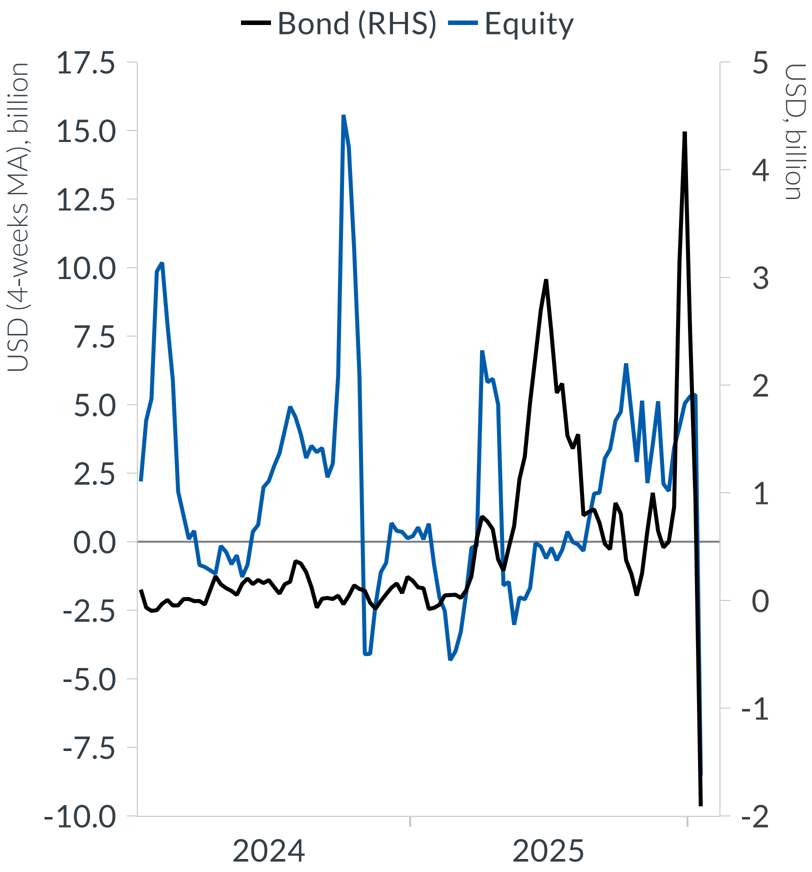
Source: Macrobond, RHB Economics & Market Strategy. .

… similarly seen in bond flows, while DM flows stay intact



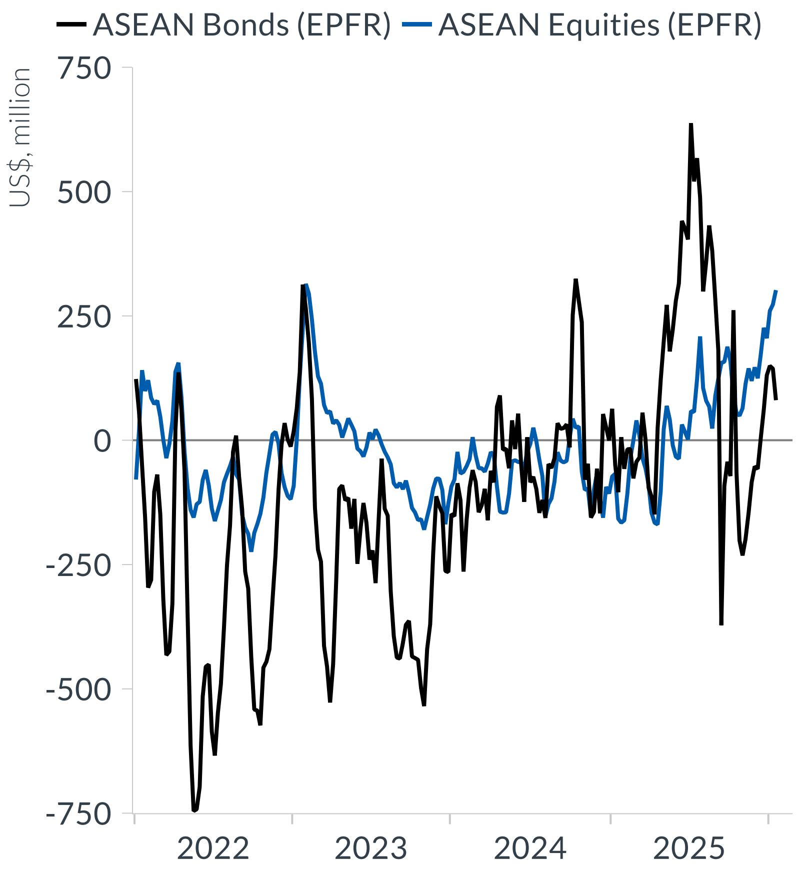
Source: Macrobond, RHB Economics & Market Strategy.

China's funds continue its outflows, seen in both equity and bonds



Source: Macrobond, RHB Economics & Market Strategy. .

ASEAN flows are resilient - no avenue for concern

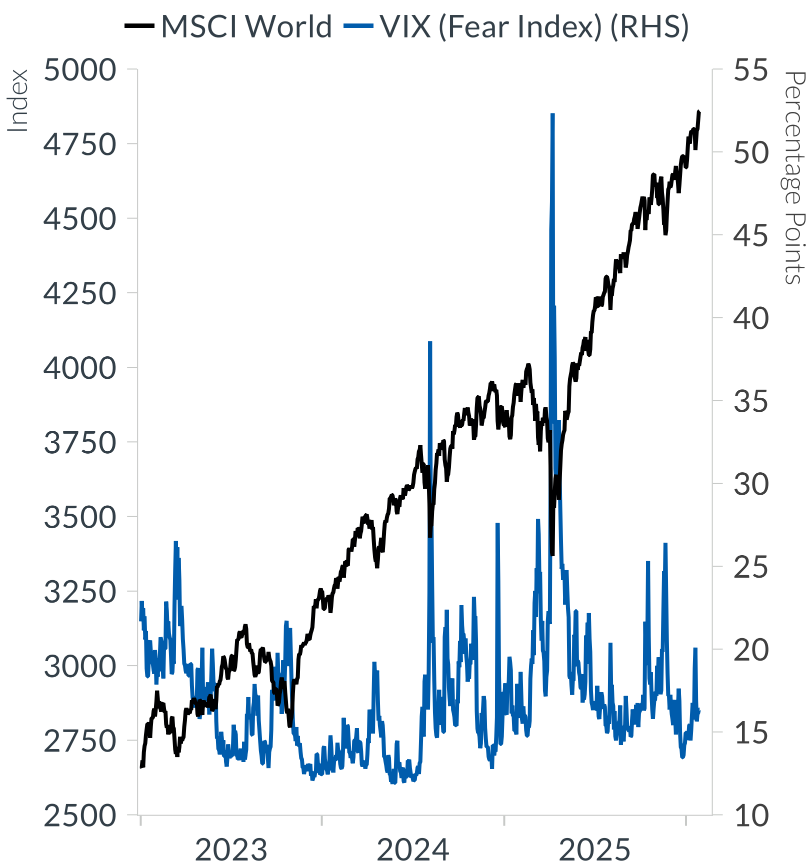


Source: Macrobond, RHB Economics & Market Strategy.

China Fund Outflows (EPFR- 29 Jan) – Should we be worried?

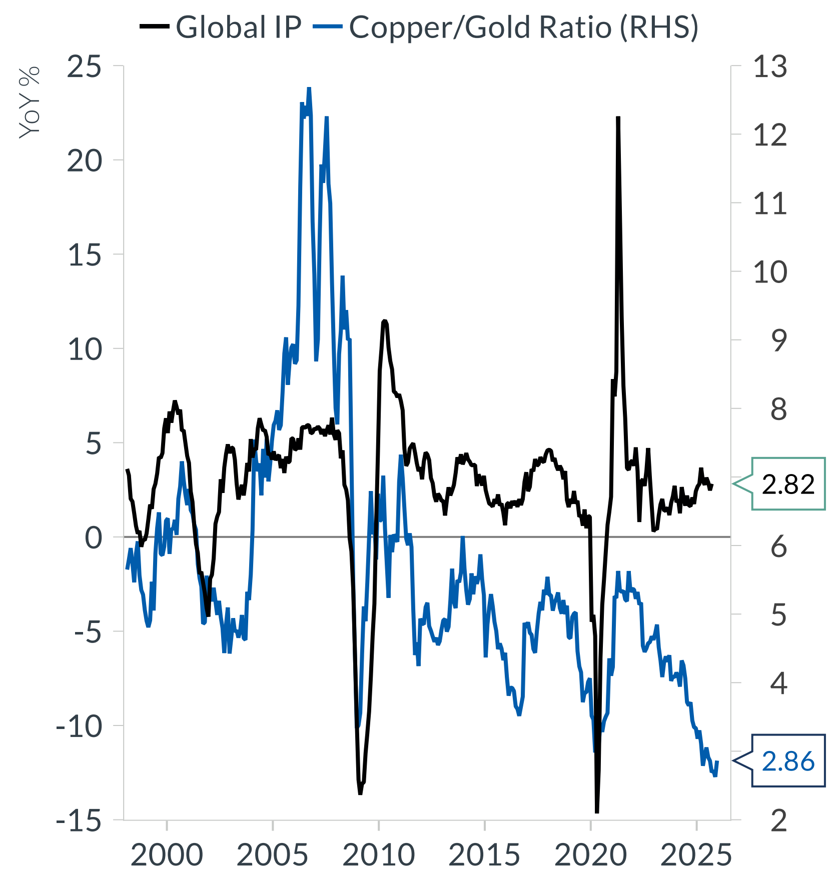
Source: Co-Pilot, EPFR, Newswires, RHB Economics & Market Strategy

Global fear index faded lower, a sign that investors are turning optimistic



Source: Macrobond, RHB Economics & Market Strategy

Similarly seen in higher gold prices (hence ↓ Copper/Gold ratio), but no evidence of a global manufacturing slowdown



Source: Macrobond, RHB Economics & Market Strategy

US Recession Pressure Dashboard – Risk is slowing

(Indicators marked with an asterisk (*) have the opposite formatting condition applied to them. Unless stated otherwise, the figures represent their z-scores across the entire historical period.)

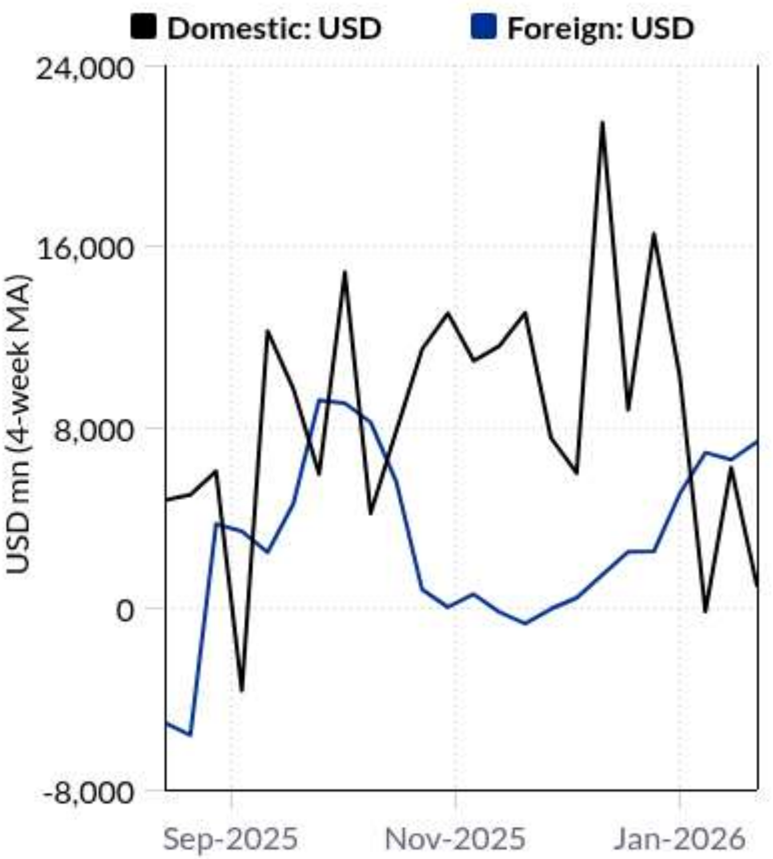
Theme	Indicators	8/2024	9/2024	10/2024	11/2024	12/2024	1/2025	2/2025	3/2025	4/2025	5/2025	6/2025	7/2025	8/2025	9/2025	10/2025	11/2025	12/2025	1/2026
Inflation	PCE YoY *	-0.08	0.09	0.03	0.01	0.14	0.04	-0.21	-0.01	-0.03	-0.30	-0.31	-0.25	-0.19	-0.36	-0.28	-0.29		
Labour Market	Real Wage Growth YoY	0.71	0.82	0.73	0.61	0.49	0.41	0.60	0.69	0.78	0.69	0.56	0.50	0.38	0.25	0.36	0.43	0.35	
	Unemployment Gap *	-0.26	-0.32	-0.32	-0.26	-0.32	-0.38	-0.26	-0.26	-0.26	-0.20	-0.32	-0.20	-0.20	-0.14	-0.14	-0.07	-0.14	
	Initial Jobless Claims (1m Avg) *	-0.62	-0.61	-0.63	-0.67	-0.67	-0.67	-0.63	-0.65	-0.63	-0.59	-0.57	-0.66	-0.61	-0.59	-0.64	-0.69	-0.68	
	Nonfarm Payroll YoY	-0.25	-0.23	-0.26	-0.24	-0.23	-0.23	-0.26	-0.28	-0.28	-0.31	-0.33	-0.34	-0.36	-0.39	-0.43	-0.47	-0.53	
Economic Growth	Capacity Utilization	-0.26	-0.43	-0.40	-0.53	-0.26	-0.02	-0.04	-0.11	-0.05	-0.23	-0.14	0.15	-0.03	0.15	0.16	0.30	0.14	
	Industrial Production YoY	-0.36	-0.44	-0.42	-0.47	-0.35	-0.24	-0.25	-0.27	-0.24	-0.31	-0.27	-0.14	-0.22	-0.14	-0.13	-0.07	-0.14	
	Real Manufacturing & Trade Sales YoY	-0.08	-0.04	-0.09	-0.06	-0.04	-0.04	0.11	0.51	0.39	0.10	0.14	0.08	0.04	-0.34	-0.22			
Credit Growth	Consumer Credit YoY	-0.83	-0.84	-0.84	-0.92	-1.20	-1.21	-1.24	-1.08	-1.04	-1.04	-1.06	-1.07	-1.08	-1.06	-1.06	-1.04		
	C&I Loans YoY	-0.83	-0.79	-0.81	-0.76	-0.84	-1.26	-1.26	-1.19	-1.20	-1.20	-1.20	-1.23	-1.21	-1.22	-1.25	-1.24	-1.10	
Housing Market	Case-Shiller Home Price YoY	-0.19	-0.26	-0.31	-0.28	-0.24	-0.21	-0.25	-0.34	-0.45	-0.53	-0.61	-0.66	-0.68	-0.71	-0.70	-0.70		
	Residential Under Construction	-0.10	-0.19	-0.21	-0.37	0.24	-0.19	0.18	-0.20	-0.08	-0.40	-0.12	-0.02	-0.38	-0.33	-0.50			
Leading Indicator	Consumer Conf: Present Situation	0.70	0.46	0.73	0.85	0.91	0.82	0.78	0.69	0.62	0.72	0.66	0.66	0.65	0.54	0.62	0.51	0.45	0.23
	New Orders	-1.16	-1.02	-0.88	-0.59	-0.37	-0.01	-0.79	-1.21	-0.96	-0.92	-1.06	-0.98	-0.46	-0.76	-0.70	-0.94	-0.90	
	Truck Sales	1.38	1.23	1.06	1.35	1.02	1.17	0.86	0.99	0.92	0.96	0.97	0.62	0.38	0.20	-0.27	-0.30	0.29	
	NFIB Optimism Index	-1.29	-1.26	-0.86	0.64	1.36	0.95	0.45	-0.15	-0.39	0.13	0.12	0.49	0.58	0.16	0.01	0.14	0.25	
	OECD Leading Indicator	-0.29	-0.18	-0.06	0.07	0.17	0.20	0.18	0.12	0.07	0.06	0.09	0.13	0.16	0.18	0.20	0.22	0.24	
Financial Market	10y3m Spread (%)	-1.42	-1.20	-0.62	-0.26	0.00	0.29	0.12	-0.06	-0.04	0.06	-0.04	-0.02	-0.04	0.05	0.08	0.16	0.46	
	S&P 500 NTM EPS YoY	0.44	0.36	-0.01	0.44	0.30	0.54	0.46	0.14	0.39	-0.05	0.24	-0.16	-0.01	0.37	0.66	0.80	0.62	
	Recession Pressure (%)	73.68	73.68	78.95	52.63	57.89	63.16	57.89	63.16	63.16	63.16	57.89	57.89	68.42	52.63	57.89	52.94	42.86	100.00

0~25th Percentile | 25~50th Percentile | 50~75th Percentile | 75~100th Percentile

*The opposite rule is applied to Recession Pressure

Source: Macrobond, RHB Economics & Market Strategy

US equity flows are up, but led primarily by foreign funds



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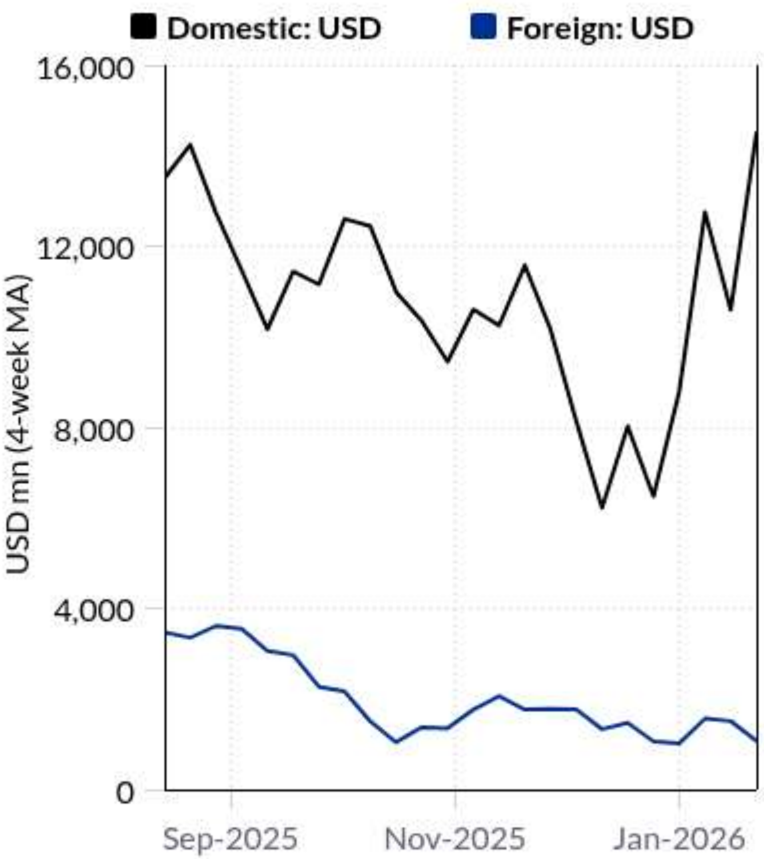
Separately, US bond demand is dominated by domestic funds

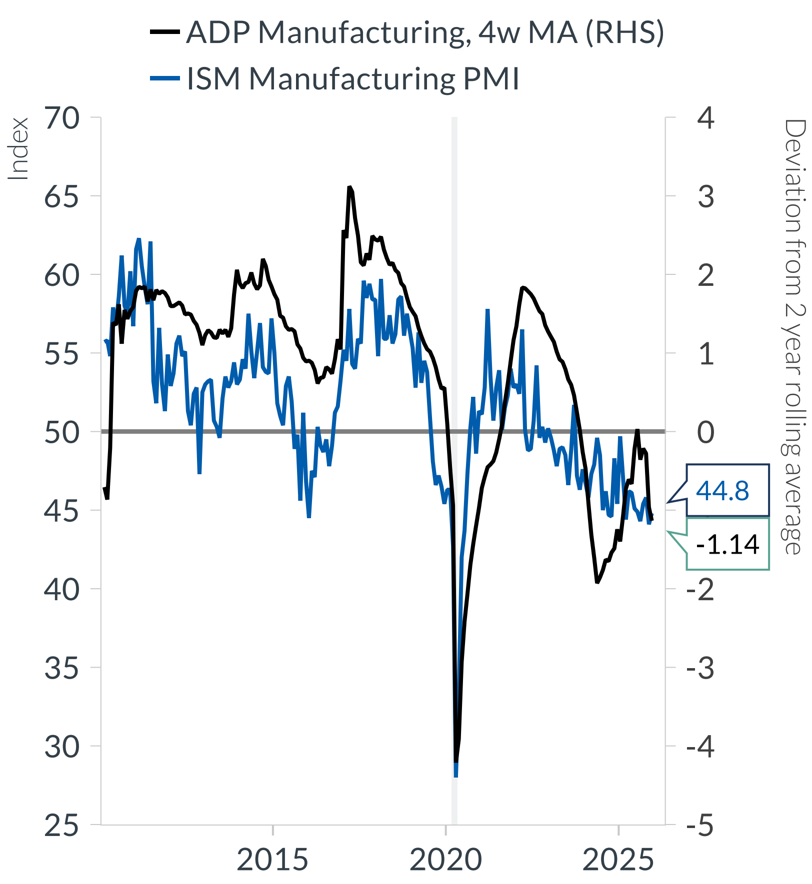


Source: Macrobond, RHB Economics & Market Strategy.

US Government Shutdown – Keep Calm & Carry On

Source: Co-Pilot, Newswires, RHB Economics & Market Strategy. .

Fresh US ADP and ISM MFG data suggest a slowing manufacturing climate



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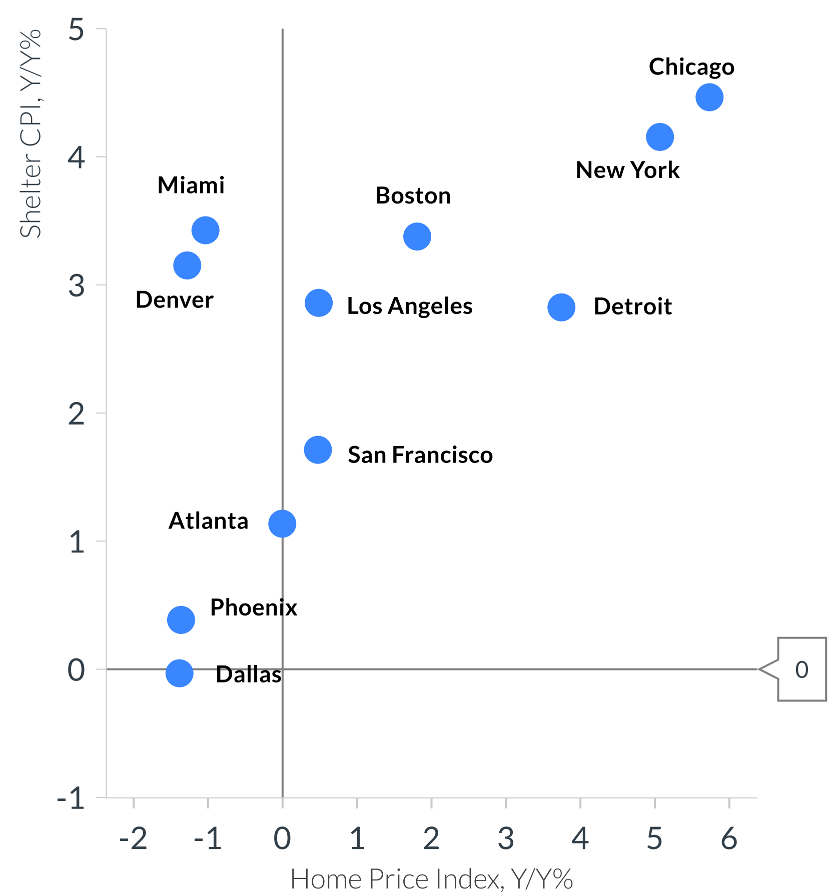
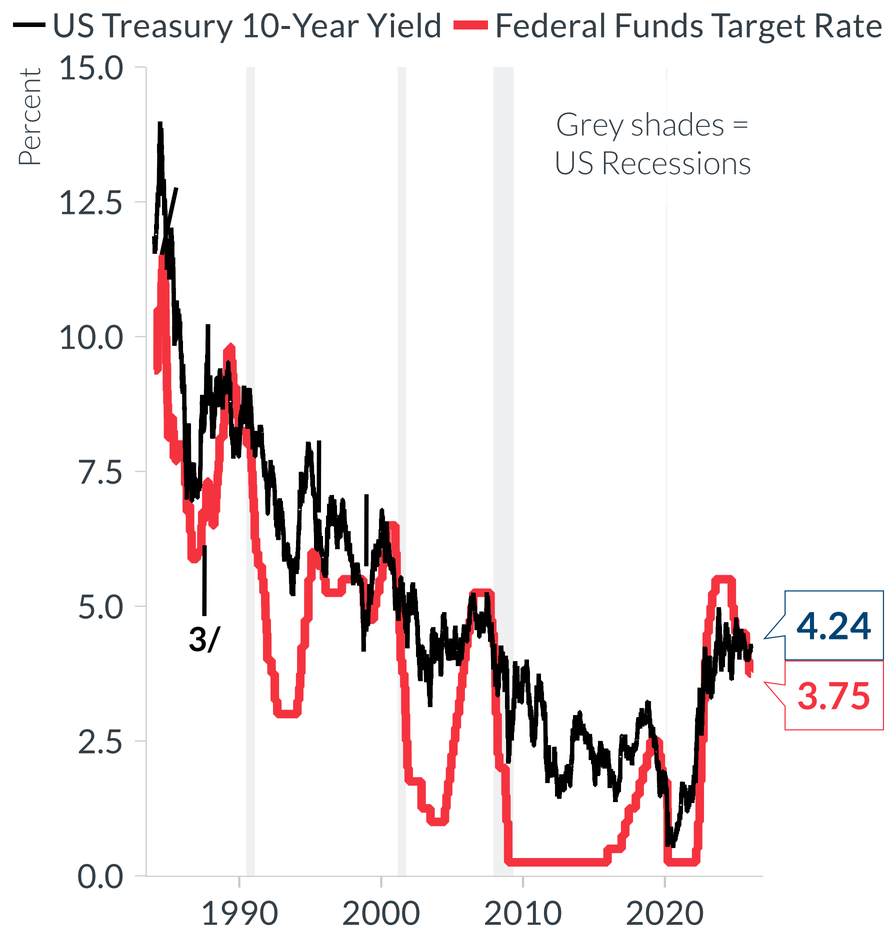
Despite falling home prices, rental inflation remains high in selected cities



Source: Macrobond, RHB Economics & Market Strategy.

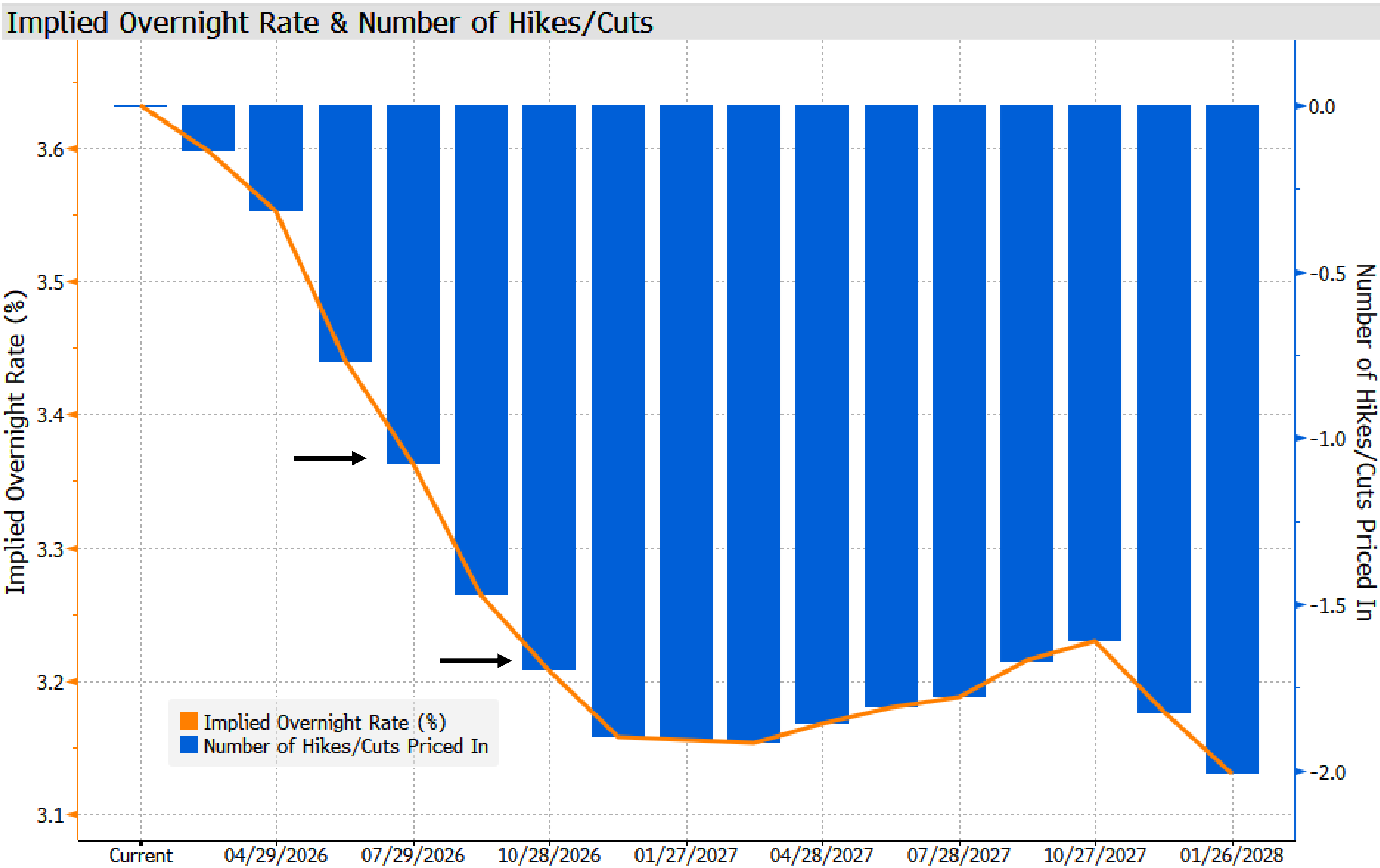
RHB View: Fed Funds Rate Cut As Early As June 2026

- Our conviction is for two FFR cuts (cumulative 50bps reduction) in 2026, with the first cut as early as June.
- FOMC decision in January saw officials adopting positive language, including "*clear improve*ment" in the US outlook, "*signs of steadying*" in the job market, and dropping rhetoric pointing to increased downside risks to employment.
- Fed Chair Jerome Powell will vacate his position in May 2026, whereby it is widely expected that Trump will appoint a chair who will push for rate cuts into the year ahead.
- Further FFR cuts will continue to inject DXY weakness into the year on the back of narrowing dollar carry.



Source: Macrobond, RHB Economics & Market Strategy

Bloomberg Swap Pricing suggests one cut as early as June 2026, followed by another at either Oct or Dec 2026



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China Recession Pressure Dashboard

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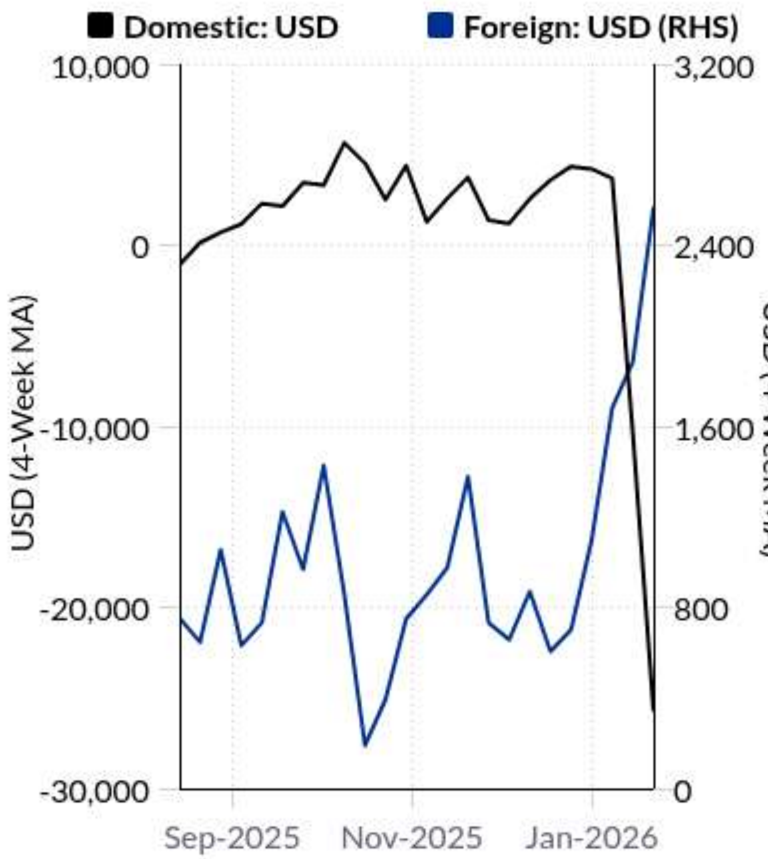
Labour Market	Unemployment*	-0.34	0.00	-0.68	-1.01	-1.01	-0.68	-0.34	0.33	-0.34	-0.68	-1.01	-1.01	-0.34	0.00	-0.34	-0.68	-0.68	-0.68	
	Employment PMI	-0.06	-0.06	-0.04	-0.02	0.00	-0.02	-0.09	0.00	0.03	-0.02	-0.13	-0.20	-0.18	-0.22	-0.09	-0.02	0.10	0.03	
Economic Growth	New Orders PMI	-0.16	-0.27	-0.21	-0.10	0.19	0.36	0.24	0.28	0.41	0.41	0.21	-0.04	-0.01	-0.06	-0.13	-0.23	-0.27	-0.10	
	OECD Leading Indicator	-0.10	-0.12	-0.06	0.06	0.19	0.28	0.32	0.29	0.19	0.05	-0.12	-0.27	-0.41	-0.53	-0.63	-0.72	-0.78	-0.82	
	Economic Surprise Index (3m MA)	-0.11	-0.45	-0.75	-0.78	-0.37	0.08	0.34	0.15	0.00	0.12	0.55	0.77	0.67	0.25	-0.14	-0.36	-0.40	-0.39	
	Production PMI	-0.19	-0.34	-0.25	0.02	0.39	0.52	0.21	0.22	0.29	0.29	0.03	-0.19	-0.09	-0.08	0.05	-0.07	-0.18	-0.21	
	Passenger Cars Sales (3m MA)	0.09	0.16	0.39	0.97	1.73	2.20	1.53	0.59	-0.09	0.15	0.37	0.56	0.40	0.48	0.99	1.62	2.00	1.86	
Credit Growth	Household Credit YoY	-0.71	-0.76	-0.88	-0.83	-0.83	-0.79	-0.95	-0.90	-0.90	-0.90	-0.91	-0.91	-0.98	-1.04	-1.07	-1.21	-1.34	-1.45	
	Non-Financial Enterprises & Government Credit YoY	-0.47	-0.56	-0.69	-0.86	-1.06	-1.25	-1.13	-1.35	-1.29	-1.39	-1.45	-1.41	-1.41	-1.51	-1.62	-1.55	-1.46	-1.28	
Housing Market	Residential Price Index YoY	-1.33	-1.40	-1.66	-1.74	-1.84	-1.87	-1.95	-1.90	-1.95	-1.77	-1.59	-1.53	-1.40	-1.38	-1.15	-0.99	-1.02	-1.09	
Confidence	ZEW Economic Expectations	0.42	-0.16	-0.47	1.19	0.35	0.65	-0.12	0.05	-0.47	-3.18	-1.54	-0.76	-0.69	-0.71	-0.57	-0.83	-0.36	-0.09	-0.06
	Consumer Conf: Present Situation	-0.89	-0.90	-0.91	-0.83	-0.88	-0.86	-0.80	-0.74	-0.80	-0.78	-0.76	-0.77	-0.70	-0.69	-0.66	-0.68	-0.62		
Financial Market	10y3m Spread (%)	0.64	0.59	0.70	0.64	0.68	0.61	0.44	0.32	0.28	0.21	0.22	0.25	0.28	0.33	0.41	0.36	0.39	0.46	
	M2 Money Supply YoY	-1.77	-1.77	-1.49	-1.10	-1.32	-1.21	-1.38	-1.38	-1.38	-0.82	-0.88	-0.65	-0.37	-0.37	-0.60	-0.71	-0.82	-0.54	
	Recession Pressure (%)	71.43	78.57	78.57	57.14	42.86	42.86	50.00	42.86	50.00	50.00	57.14	71.43	71.43	71.43	71.43	78.57	71.43		

0~25th Percentile | 25~50th Percentile | 50~75th Percentile | 75~100th Percentile

Source: Macrobond, RHB Economics & Market Strategy

China equities saw a sizeable outflow into the latest week…



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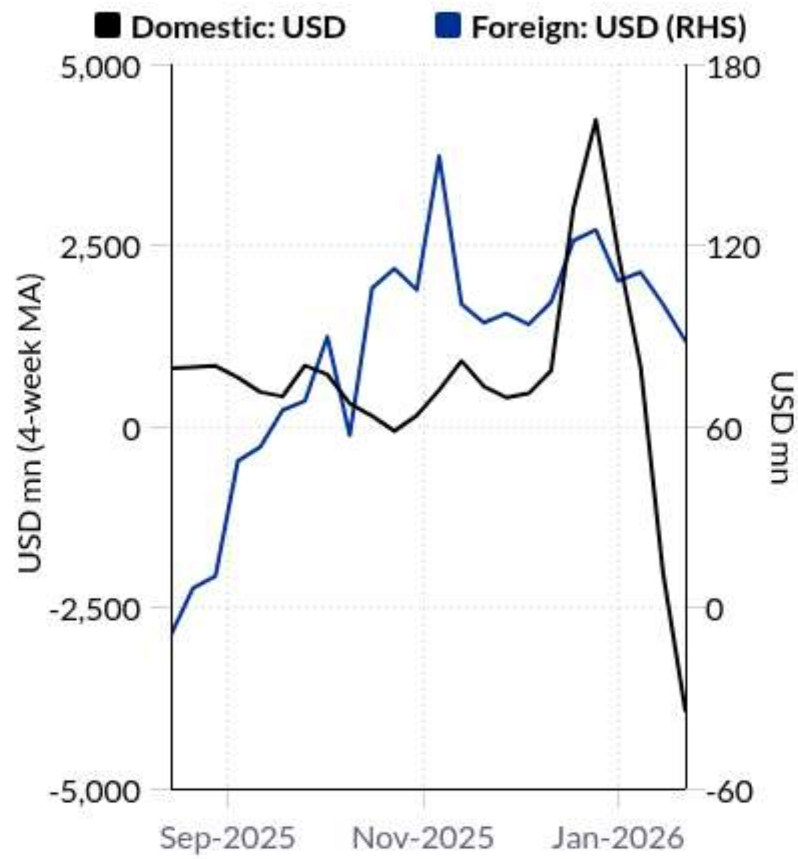
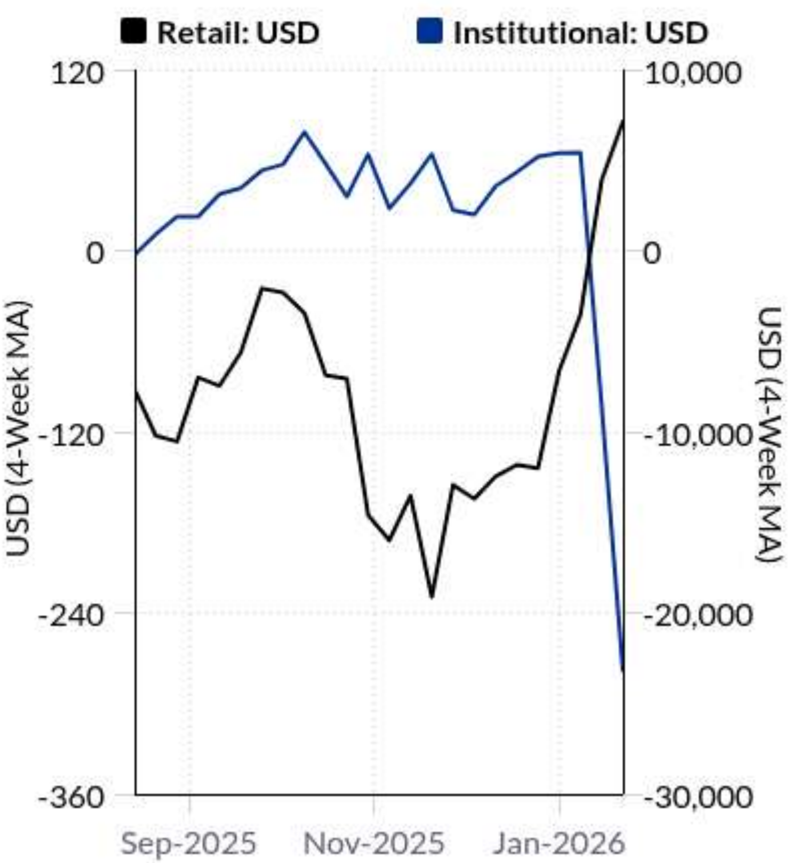
… Similarly for bonds, with both funds dominated by domestic flows



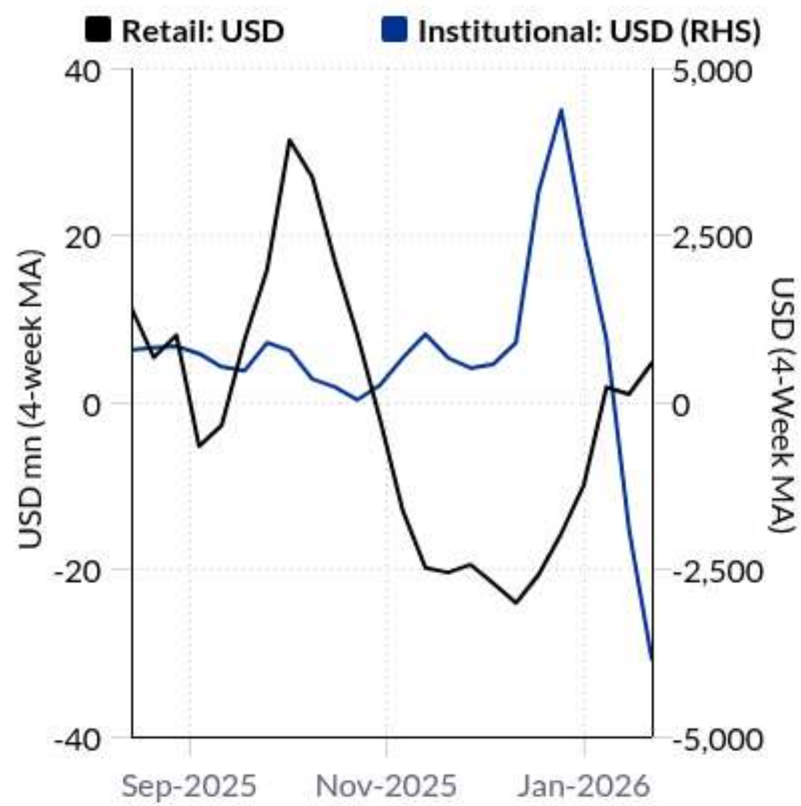
Source: CEIC, EPFR, RHB Economics & Market Strategy

Equity outflows, however, are led by institutions, primarily by Central Huijin…

… with bond outflows dominated also by institutions’ selloff

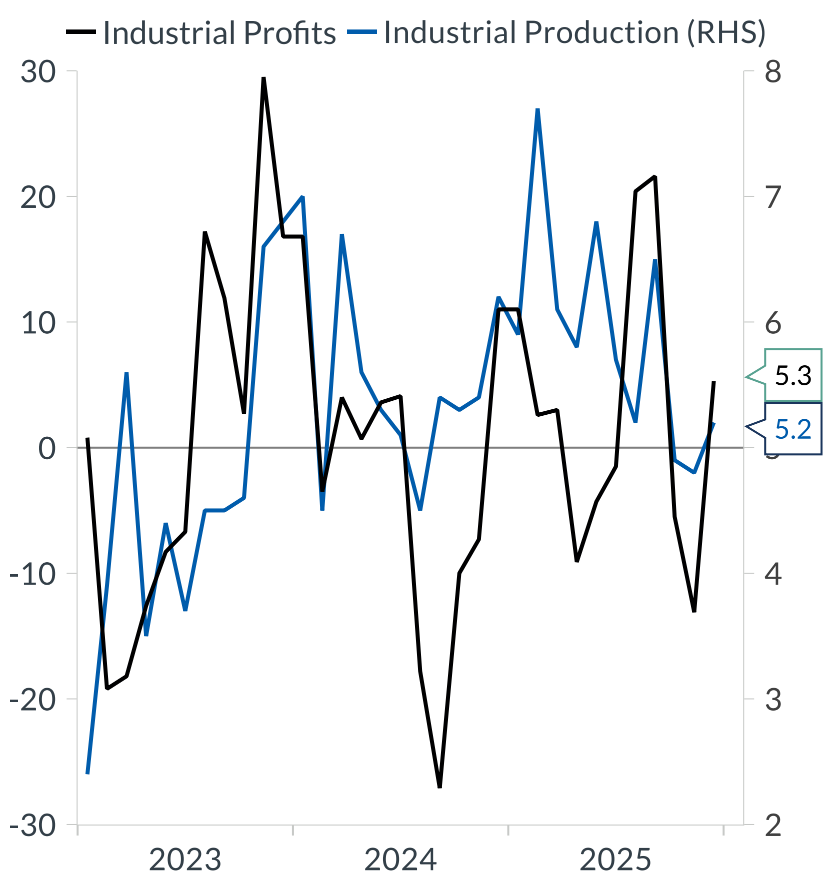


Source: CEIC, EPFR, RHB Economics & Market Strategy



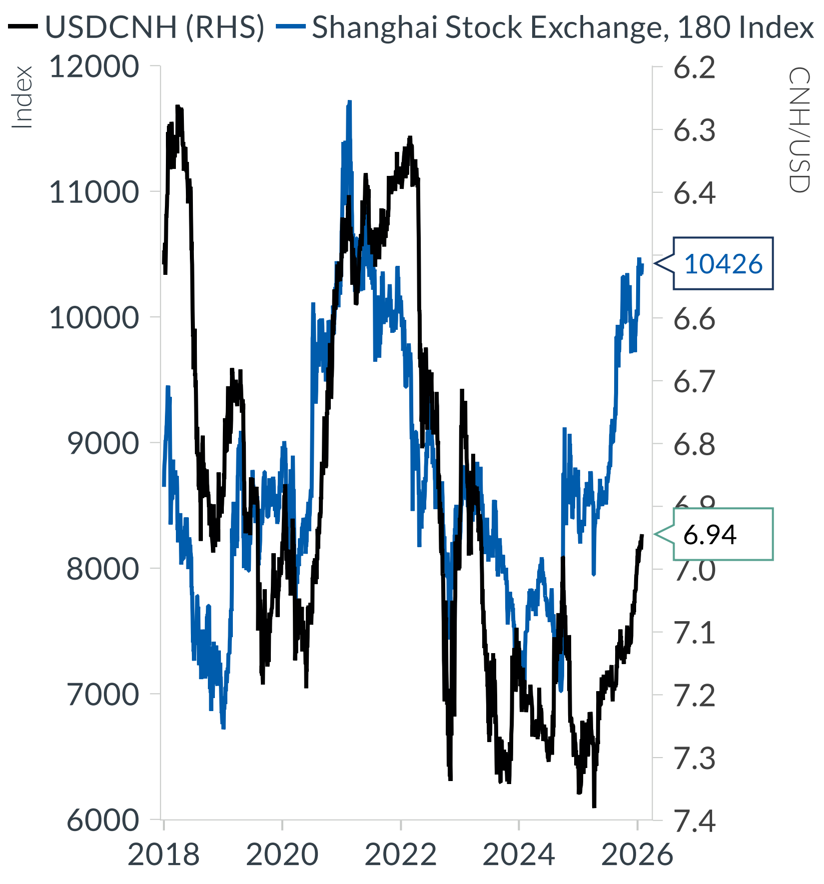
Source: CEIC, EPFR, RHB Economics & Market Strategy

China's industrial production and profits turned north in Dec 2025



Source: Macrobond, RHB Economics & Market Strategy. .

Rumours of lower China's growth target may cap SSE's short-term rise

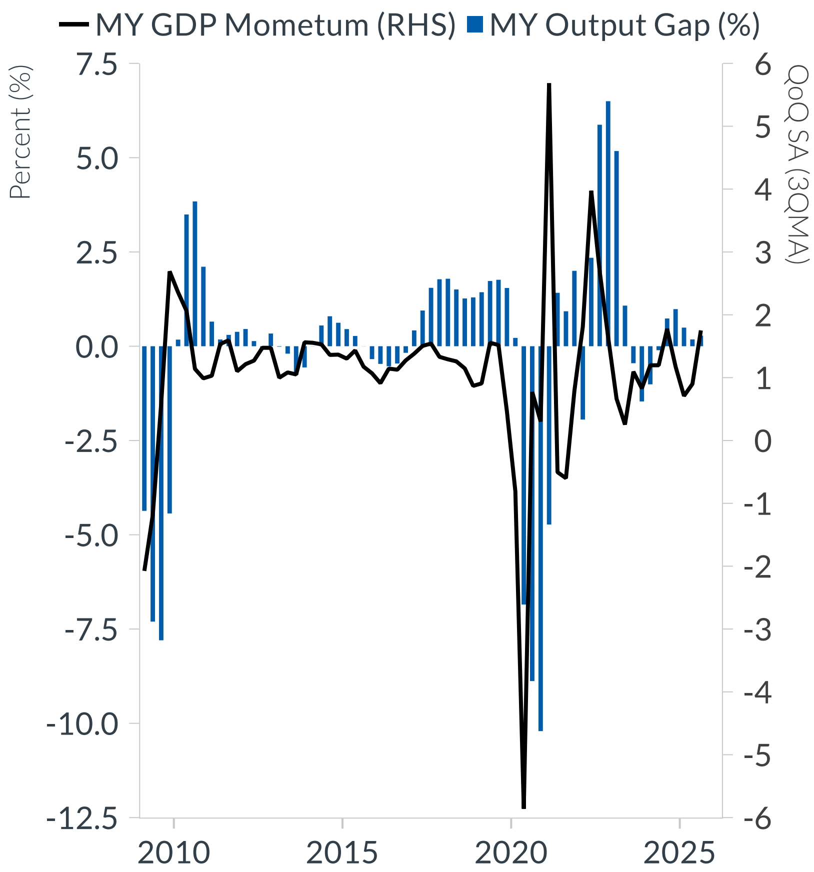


Source: Macrobond, RHB Economics & Market Strategy.

2

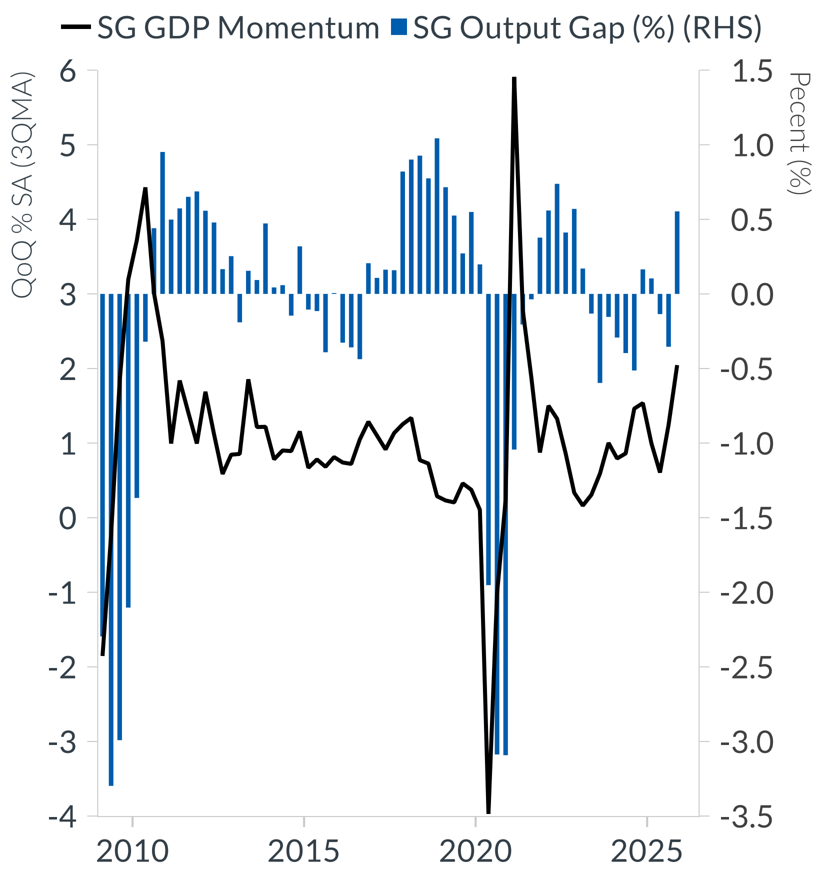
ASEAN Outlook

MY GDP positive output gap alongside robust economic momentum signals accelerating economic activity



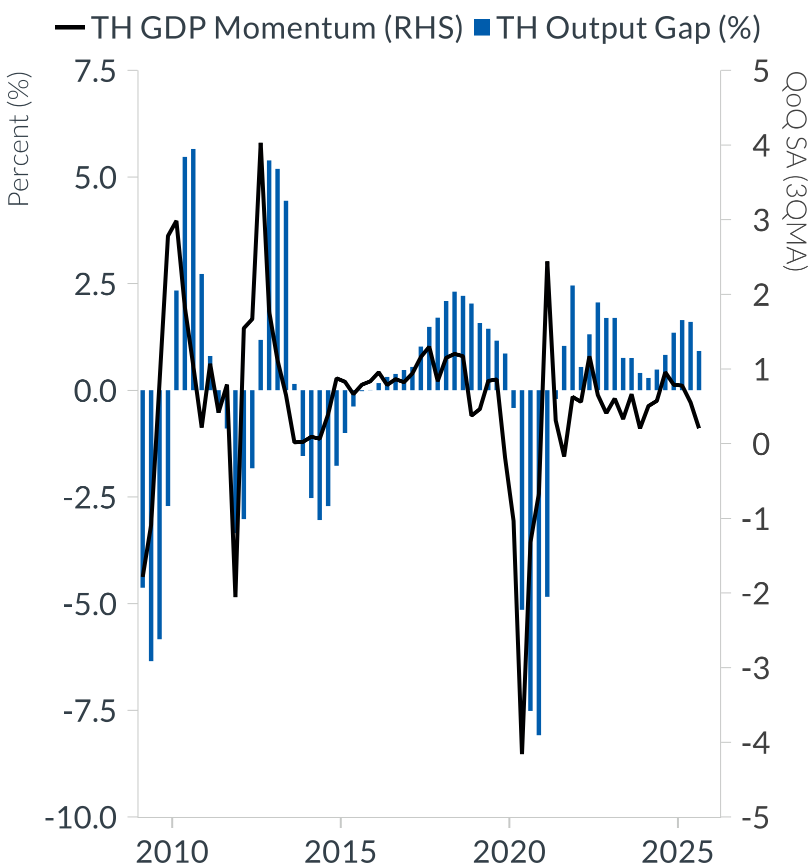
Source: Macrobond, RHB Economics & Market Strategy

SG GDP positive output gap turns positive, but may narrow into 2026



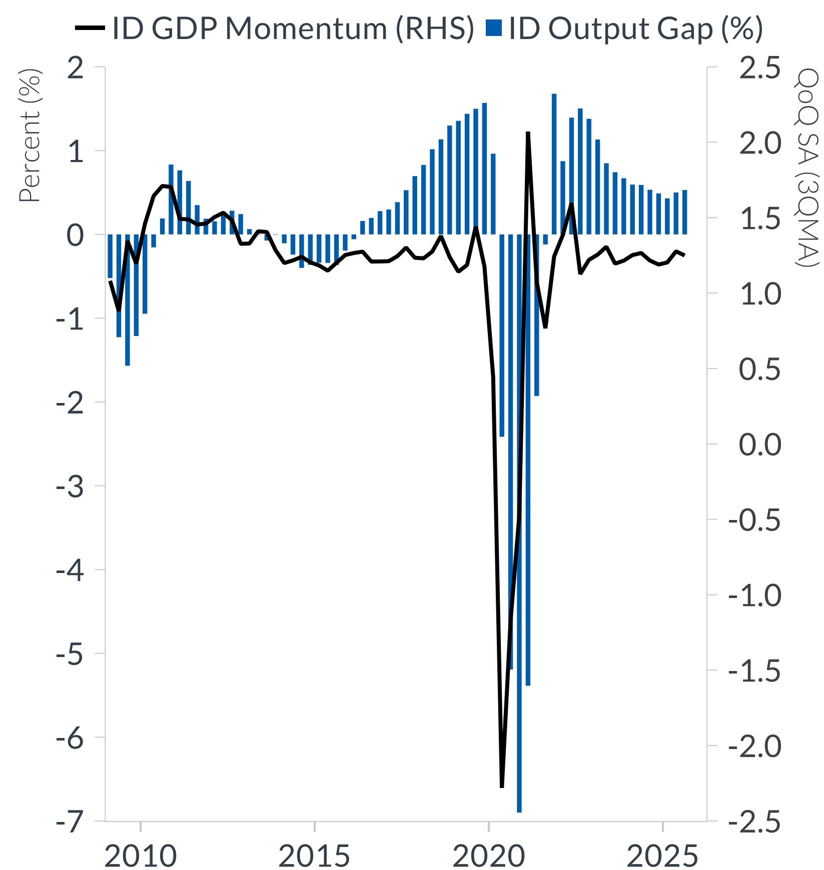
Source: Macrobond, RHB Economics & Market Strategy.

Both the output gap and economic momentum in Thailand are gradually declining, suggesting a cyclical slowdown and downside pressure on price levels



Source: Macrobond, RHB Economics & Market Strategy

Indonesia has recorded modest positive output gaps in the last few quarters, indicating some cyclical recovery, though momentum remains relatively soft



Source: Macrobond, RHB Economics & Market Strategy.

RHB Malaysia Stress Index: Easing Stress amid Stable Business and Financial Market Activities

Pillars	Indicators	Dec-2024	Jan-2025	Feb-2025	Mar-2025	Apr-2025	May-2025	Jun-2025	Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025
Business Activities	Industrial Production	0.19	-0.27	-0.34	-0.08	-0.12	-0.47	-0.12	0.07	0.29	0.40	0.44	0.21	
	Exports	0.59	-0.54	0.28	-0.08	0.76	-0.52	-0.98	-0.07	-0.27	0.31	0.71	0.19	0.06
	Imports of Capital Goods	1.44	1.52	1.09	-0.84	3.54	2.35	0.52	0.44	0.06	-0.04	1.79	2.04	-0.88
	Working Capital Loans	-0.35	-0.22	-0.69	-0.56	-0.53	-0.31	-0.58	-0.73	-0.51	-0.63	-0.80	-1.00	
	Wholesale Trade	0.05	-0.06	0.00	0.05	-0.02	-0.09	-0.01	-0.05	-0.01	0.22	0.25	0.09	
	Manufacturing Sales	-0.06	-0.33	-0.19	-0.31	-0.17	-0.37	-0.36	-0.35	-0.35	-0.21	0.04	-0.08	
	Business Activity Z score	0.31	0.02	0.02	-0.30	0.58	0.10	-0.26	-0.12	-0.13	0.01	0.41	0.24	-0.41
Consumer Demand	Retail Trade	-0.36	-0.05	-0.33	-0.24	-0.50	-0.43	-0.38	-0.34	-0.39	-0.20	-0.23	-0.24	
	Household Loan	-0.53	-0.53	-0.54	-0.57	-0.58	-0.58	-0.58	-0.59	-0.64	-0.70	-0.72	-0.73	
	Credit Card Transaction Volume	0.38	0.18	-0.41	0.23	0.33	0.32	0.54	0.21	0.21	0.18	0.00	0.14	
	Passenger Car Sales	-0.08	-0.09	-0.08	-0.08	-0.08	-0.08	-0.08	-0.08	-0.08	-0.08	-0.08	-0.08	
	Total Tourists Arrivals	-0.23	-0.22	-0.24	-0.24	-0.23	-0.23	-0.24	-0.23	-0.24	-0.24	-0.24	-0.23	
	Consumption Z Score	-0.17	-0.14	-0.32	-0.18	-0.21	-0.20	-0.15	-0.21	-0.23	-0.21	-0.25	-0.23	
Labour Market	Misery Index	0.40	0.48	0.60	0.74	0.74	0.91	0.97	0.92	0.86	0.69	0.86	0.84	
	Labor Force Participation Rate	1.38	1.38	1.43	1.43	1.48	1.48	1.48	1.48	1.53	1.53	1.53	1.53	
	Labour Market Z score	0.89	0.93	1.02	1.08	1.11	1.20	1.23	1.20	1.20	1.11	1.20	1.18	
Banking	CET1 Capital Ratio	1.10	0.93	0.49	0.53	0.44	0.52	4.76	4.99	0.56	0.50	0.34	0.27	
	Loan to Deposit/VIX Index	-0.03	0.16	-0.43	-0.76	-1.03	-0.24	0.10	0.08	0.40	0.18	-0.06	0.19	
	Non Performing Loan Ratio	1.00	1.03	1.03	1.04	1.06	1.01	1.01	1.03	1.07	1.12	1.12	1.20	
	Banking Z score	0.69	0.70	0.36	0.27	0.15	0.43	1.96	2.04	0.68	0.60	0.47	0.55	
Financial Market	Malaysia Net Funds Flows	-1.05	-0.36	0.11	-0.81	-0.76	0.76	0.60	0.74	0.33	0.52	0.59	0.60	1.24
	10-3 Year Yield Differential	-0.97	-0.88	-0.88	-0.73	-0.69	-0.88	-1.07	-1.07	-0.73	-0.97	-0.88	-0.54	-0.26
	RHB MYR NEER	-0.50	-0.48	-0.44	-0.53	-0.56	-0.41	-0.29	-0.35	-0.25	-0.30	-0.10	0.05	0.18
	Financial Market z score	-0.84	-0.57	-0.40	-0.69	-0.67	-0.18	-0.25	-0.23	-0.22	-0.25	-0.13	0.03	0.39
RHB	**MY composite Z score**	0.12	0.09	0.02	-0.10	0.16	0.14	0.28	0.32	0.10	0.12	0.24	0.23	0.07
	RHB MY Stress Index	36.84	47.37	57.89	57.89	57.89	52.63	47.37	36.84	42.11	31.58	31.58	21.05	40.00

Source: Macrobond, Bloomberg, RHB Economics & Market Strategy

Malaysia: PPI Ends the Year on a Soft Note

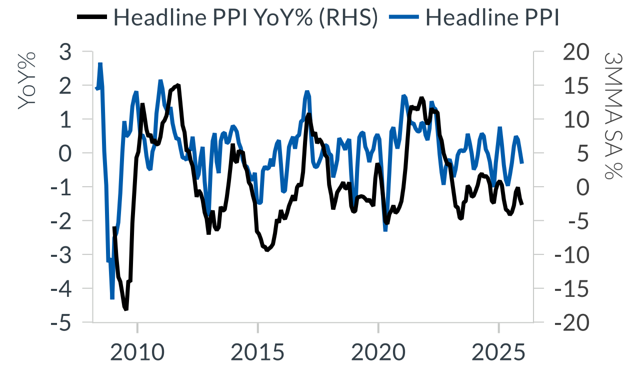
- **Recent data suggest that producer prices are likely to remain subdued in the near term. Global commodity prices i.e. crude oil, remain key drivers of PPI movements.** As long as these prices stay benign, upward pressure on producer prices is expected to be limited.

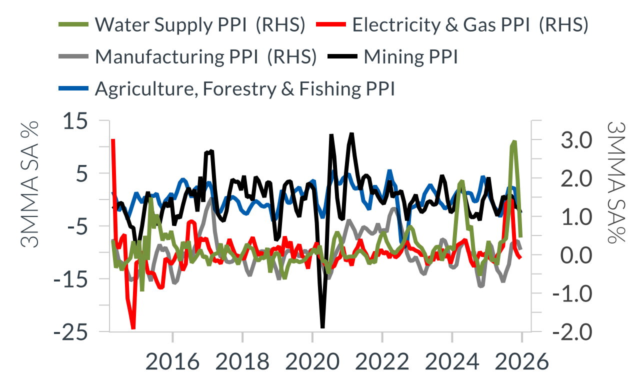
- **For the manufacturing sector, declining producer prices generally lower costs for raw materials and intermediate inputs, easing cost pressures.** They may also improve the international price competitiveness of Malaysian manufactured goods, potentially supporting exports.

- **Softer price momentum is observed across sectors, led by the mining and manufacturing sectors.**

- **Malaysia's Producer Price Index (PPI), which measures price changes at the producer level, declined 2.7% YoY in December (November: –1.8% YoY).** For 2025 overall, producer prices fell 2.0% (2024: 0.3%).

- **In detail**, manufacturing prices contracted 1.3% YoY (Nov: –0.6% YoY), amid a decline in coke and refined petroleum products prices. Mining prices, on the other hand, fell 8.8% YoY (Nov: –7.2% YoY), reflecting lower prices for natural gas and crude petroleum extraction. Agriculture, forestry and fishing prices declined 12.1% YoY (Nov: –9.7% YoY), driven by a sharp fall in perennial crop prices. Lastly, electricity and gas supply prices increased 4.1% YoY, while water supply prices rose 10.9% YoY.

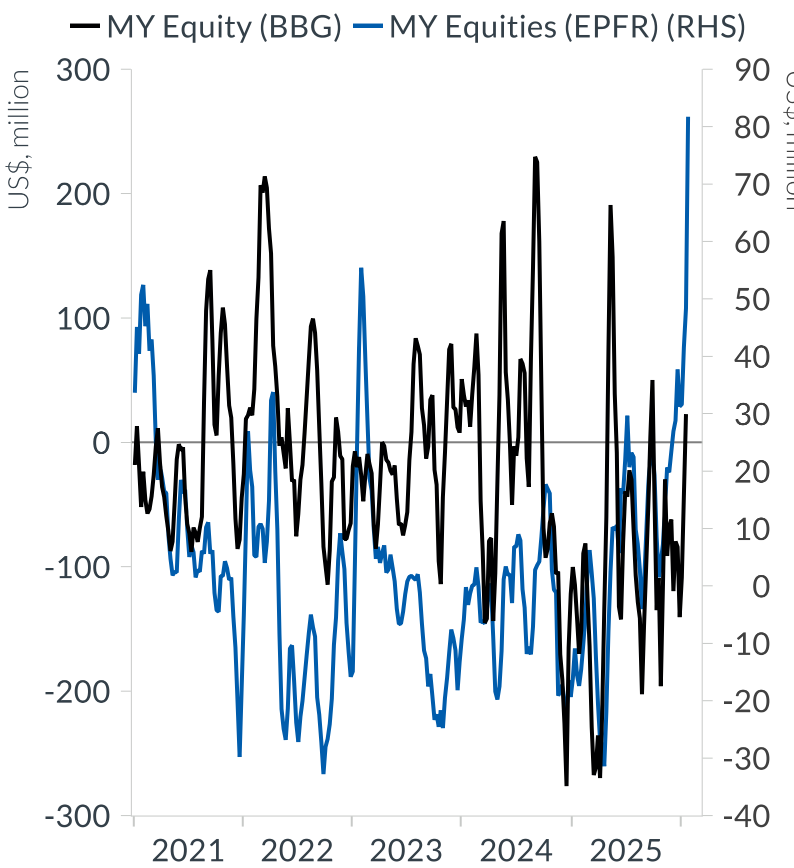




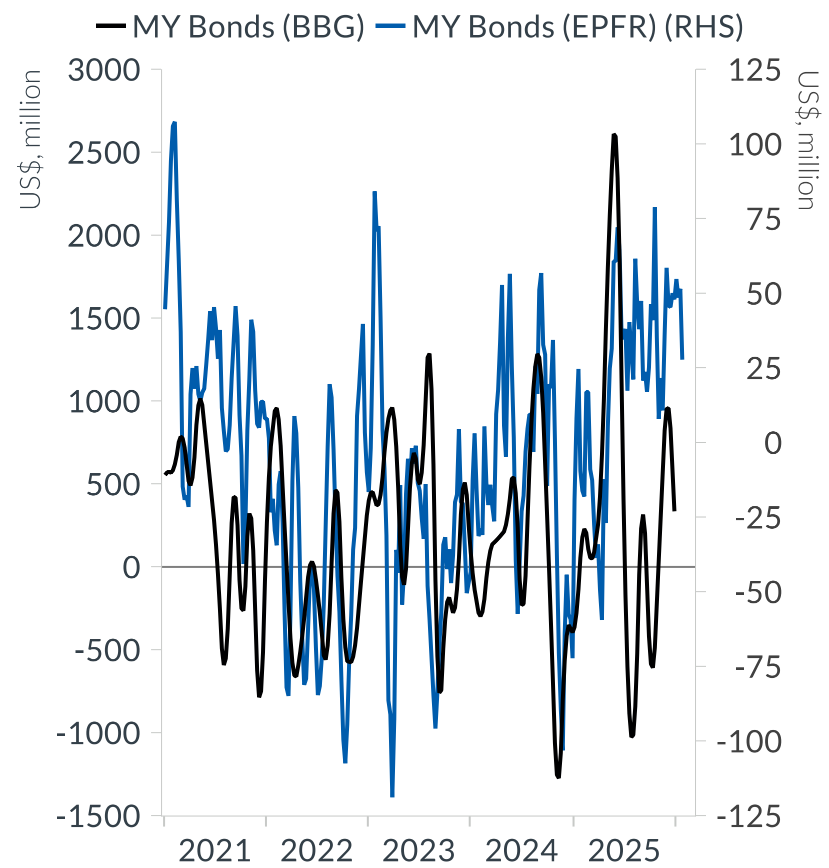
Source: Macrobond, RHB Economics & Market Strategy

The equity and...

...bond flows remain well supported by continued investors' confidence in Malaysia's economy

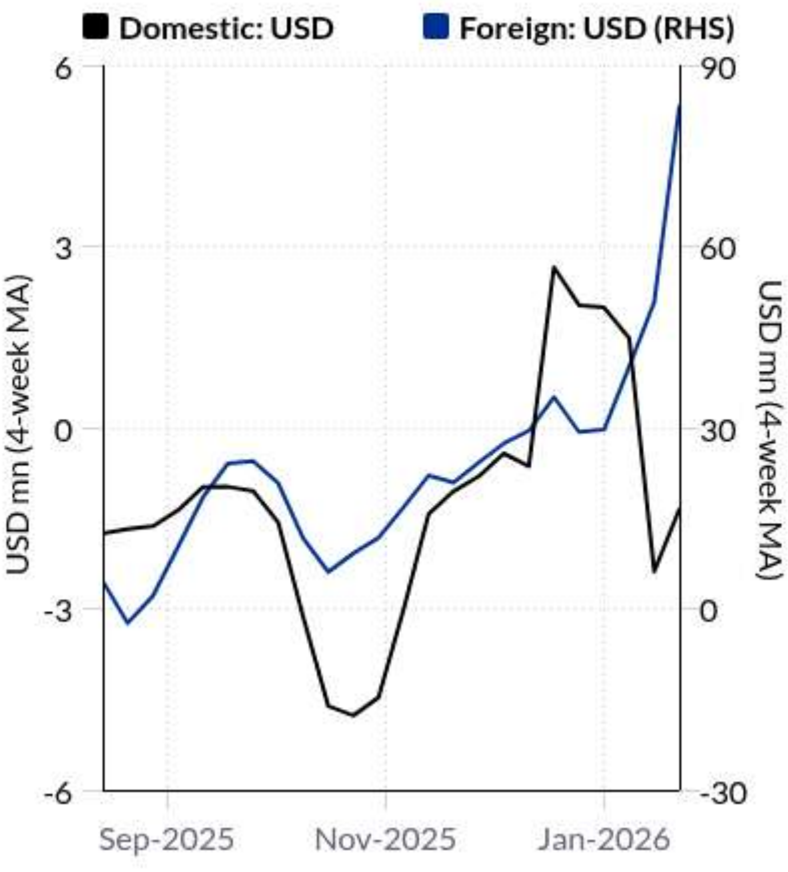


Source: Macrobond, RHB Economics & Market Strategy.



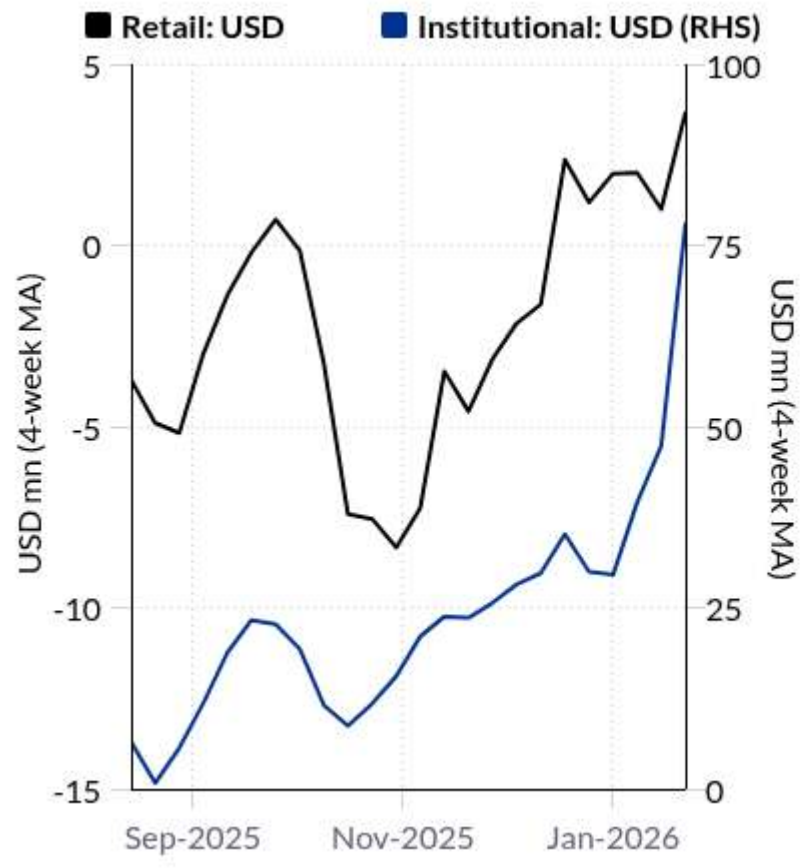
Source: Macrobond, RHB Economics & Market Strategy

Malaysia's equity inflows are largely dominated by foreign flows…



Source: CEIC, EPFR, RHB Economics & Market Strategy. .

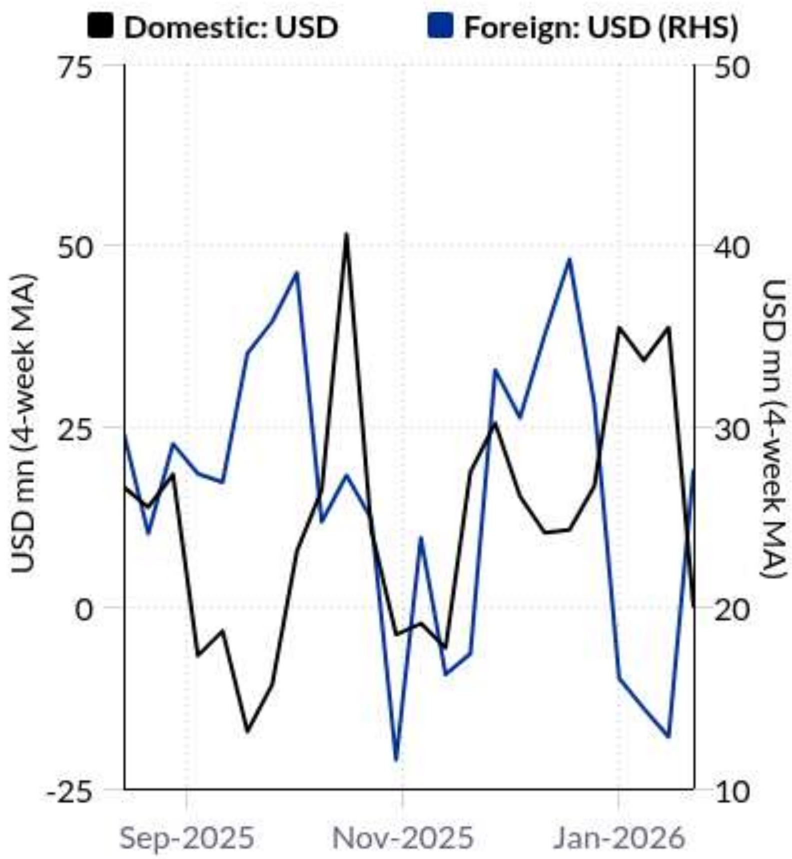
… with institutions accounting for the majority of the flows



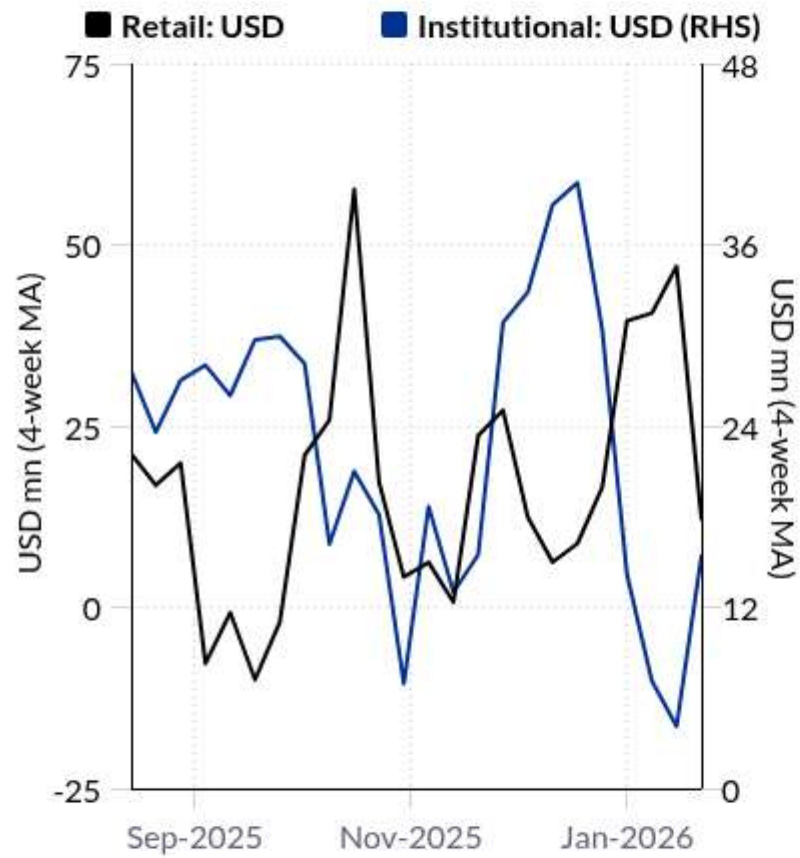
Source: CEIC, EPFR, RHB Economics & Market Strategy.

Malaysia's bond flows are dominated by foreign flows…

… similarly also led by institutions

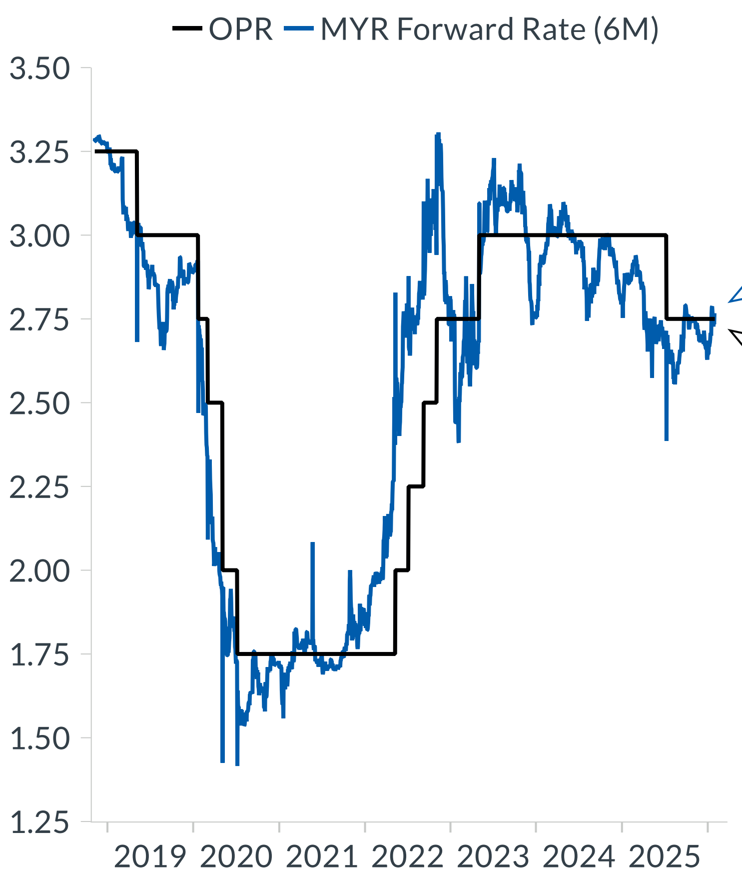


Source: CEIC, EPFR, RHB Economics & Market Strategy. .



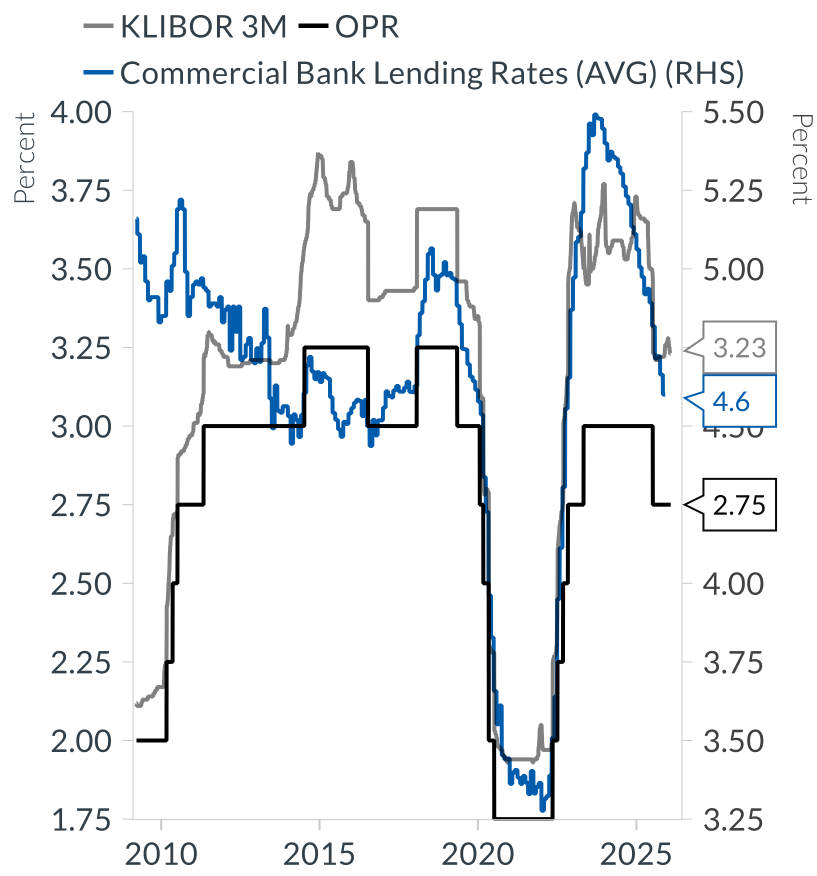
Source: CEIC, EPFR, RHB Economics & Market Strategy.

The swap pricing nearly on par with the OPR, suggesting market expectations of stable monetary policy



Source: Macrobond, RHB Economics & Market Strategy..

Lower OPR will help mortgage holders, lower loan burden, and support consumer spending



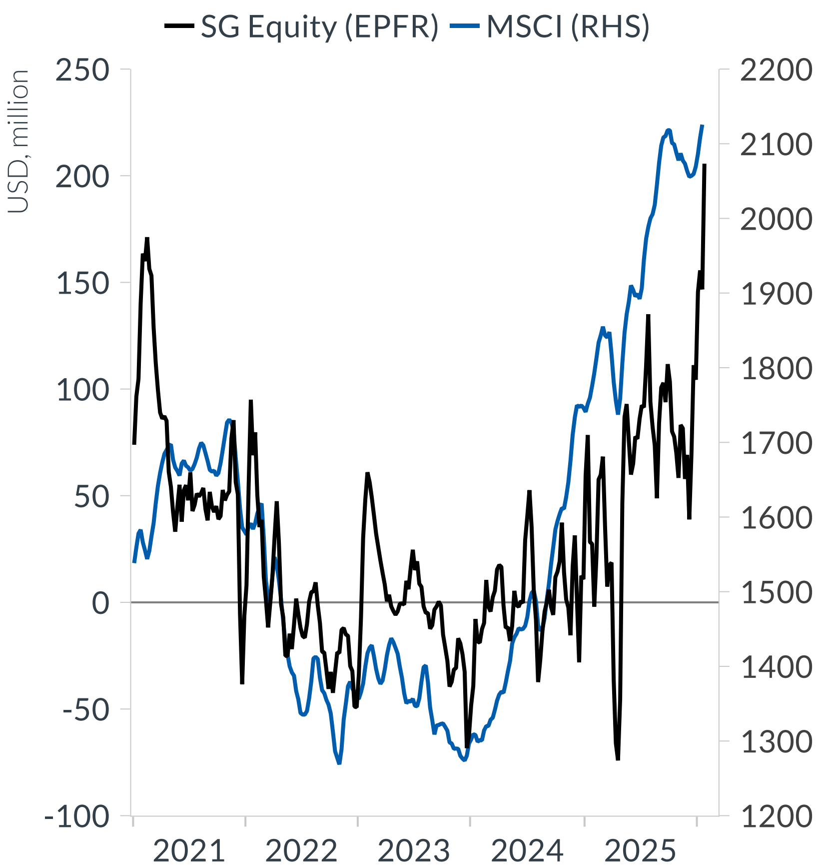
Source: Macrobond, RHB Economics & Market Strategy.

Singapore's heatmap shows improving high-frequency numbers and steady stress index

Pillars	Indicators	Sep-2024	Oct-2024	Nov-2024	Dec-2024	Jan-2025	Feb-2025	Mar-2025	Apr-2025	May-2025	Jun-2025	Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025
Economic Activity	Industrial Production	0.40	-0.46	0.57	-0.05	-0.04	-0.47	0.22	-0.14	-0.22	0.23	0.22	-1.57	1.25	2.61	1.36	0.30
	Manufacturing PMI	0.47	0.31	0.47	0.55	0.39	0.23	0.14	-0.67	-0.59	-0.34	-0.43	-0.34	-0.26	-0.34	-0.18	-0.10
	NODX	-0.10	-0.61	0.12	0.62	-0.37	0.49	0.30	0.92	-0.53	0.96	-0.60	-1.20	0.44	1.69	0.84	0.36
	Import of Capital Goods	0.29	0.45	0.66	2.08	1.43	0.53	0.16	0.99	0.16	0.00	1.26	0.38	0.42	2.10	0.81	1.23
Labour Condition	Unemployment Rate*	-0.78	-0.78	-0.57	-0.78	-0.57	-0.57	-0.57	-0.57	-0.78	-0.57	-0.57	-0.78	-0.57	-0.57	-0.57	-0.57
	Bankruptcies. Corporate Insolvency*	0.28	0.76	-0.38	0.56	-0.34	-0.03	0.31	2.22	-0.24	-0.01	0.42	0.19	-0.03	-0.55	-0.30	-0.57
Consumption	Retail Sales	-0.01	0.06	-0.17	-0.35	0.20	-0.42	-0.05	-0.15	-0.08	0.01	0.17	0.24	0.03	0.16	0.30	
	Tourist Arrivals	-0.34	-0.34	-0.34	-0.34	-0.34	-0.35	-0.36	-0.35	-0.34	-0.35	-0.35	-0.35	-0.35	-0.35	-0.35	
	Consumer Confidence Index	1.62	1.69	-0.38	-0.44	0.04	1.18	0.96	1.27	-1.30	-0.63	0.33	0.75	-1.64	-1.23	-1.31	0.20
Banking	Loan-to-deposit Ratio (Non-bank)	-0.86	-0.99	-0.98	-1.03	-1.03	-1.08	-1.20	-1.30	-1.30	-1.29	-1.36	-1.44	-1.42	-1.42	-1.37	-1.37
	Money Supply (M2)	-0.82	-0.26	0.07	0.25	0.23	0.36	0.21	0.38	0.70	0.89	1.39	1.48	1.13	0.61	0.13	0.32
Financial Market	Net Fund Flow	-0.23	-0.07	-0.32	-1.29	-0.26	-0.11	-0.18	-0.80	0.83	2.21	2.72	-0.24	0.95	-0.40	-0.18	0.93
	2-10Y Yield Differential	-1.13	-0.95	-0.91	-1.57	-0.54	-0.74	-1.09	-1.05	-1.16	-1.28	-1.07	-0.56	-0.62	-1.09	-1.73	-1.38
	USD-SGD*	-1.81	-0.80	0.38	1.22	0.54	0.30	0.03	-1.09	-1.31	-1.79	-0.99	-0.30	0.46	-0.43	-0.85	-1.63
	SG NEER	0.22	-0.09	-0.39	-0.52	-0.41	-0.22	-0.55	-0.19	0.01	0.03	-0.07	-0.10	-0.40	-0.33	-0.09	0.04
RHB	RHB SG Stress Index	49.07	47.84	50.19	47.60	47.22	50.76	49.25	44.78	49.10	44.57	39.64	49.94	45.86	43.62	46.52	44.59

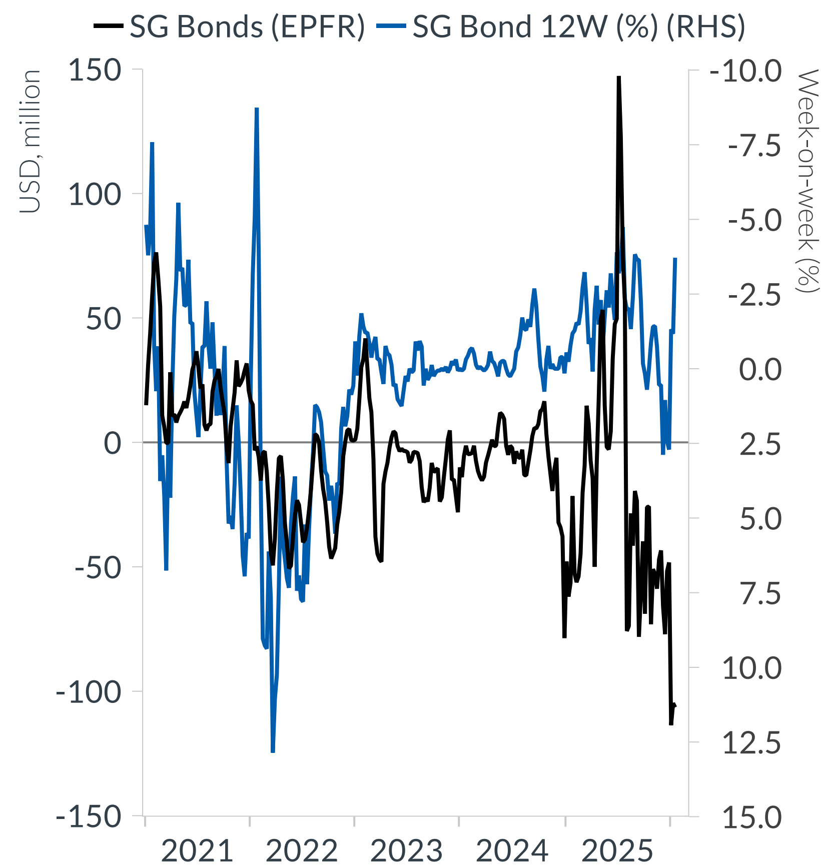
Source: Macrobond, RHB Economics & Market Strategy. Indicators marked with an asterisk (*) have the opposite formatting condition applied to them. The opposite rule also applies to the RHB SG Stress Index. The figures represent their z-scores across the period from 2024 to 2025 YTD.

Stronger risk appetite to continue lift equity inflows into Singapore…



Source: Macrobond, RHB Economics & Market Strategy.

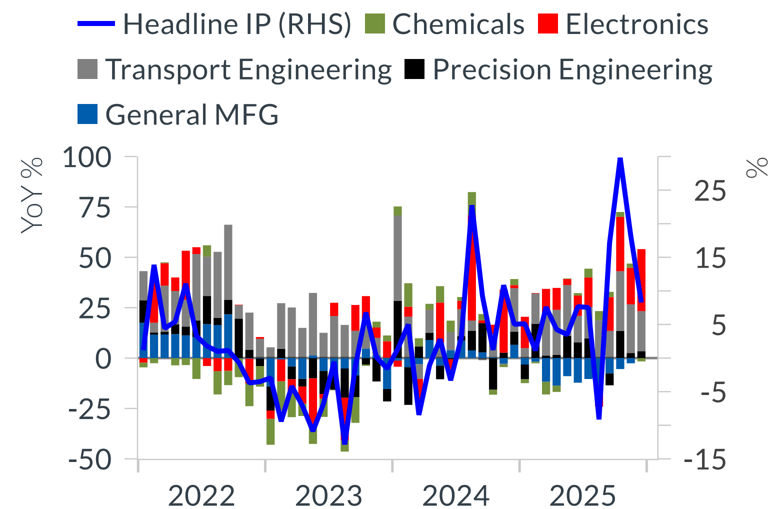
… while bond inflows consolidate amid improving sentiment

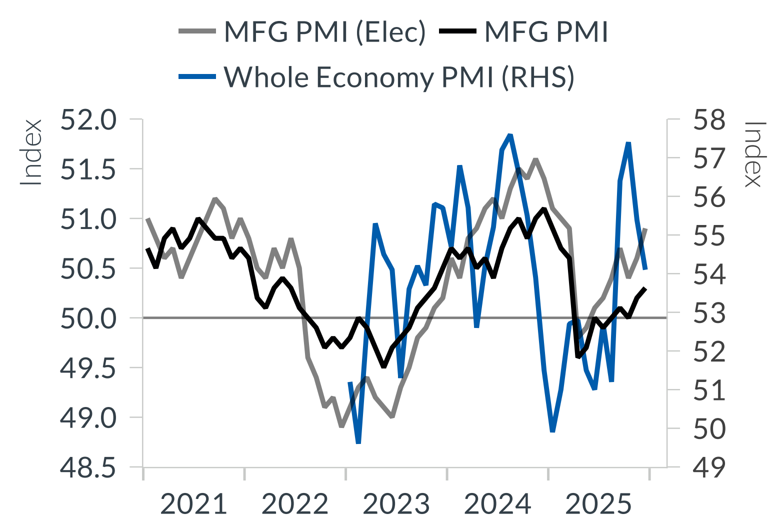


Source: Macrobond, RHB Economics & Market Strategy

Singapore: Manufacturing to Remain Resilient at 4.0% in 2026

- **We maintain Singapore's full-year IP projection at 4.0% in 2026, in line with NODX and GDP growth forecast at 3.0%.**
- **In 2026, manufacturing activity is expected to benefit from firmer electronics and non-electronics exports, positive spill-overs from the ongoing global electronics upcycle, and resilient regional demand.**
- **Singapore's 4Q25 and full-year 2025 GDP growth will be upgraded against MTI's 4Q25 advance estimates.** We forecast that Singapore's 4Q25 GDP might rise to 6.6% YoY, up from MTI's advance estimates of 5.7% YoY.
- **Singapore's IP [grew](#)8.3% YoY (-13.3% MoM SA) in December, moderating from a revised 18.2% YoY rise in November, but higher than Bloomberg's forecast of 6.2% YoY growth. For the whole of 2025, industrial production expanded 8.7%.**





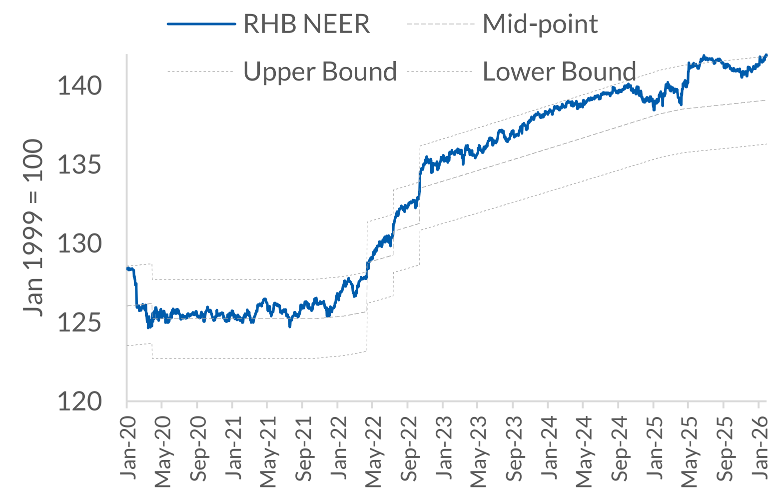
Source: Macrobond, RHB Economics & Market Strategy

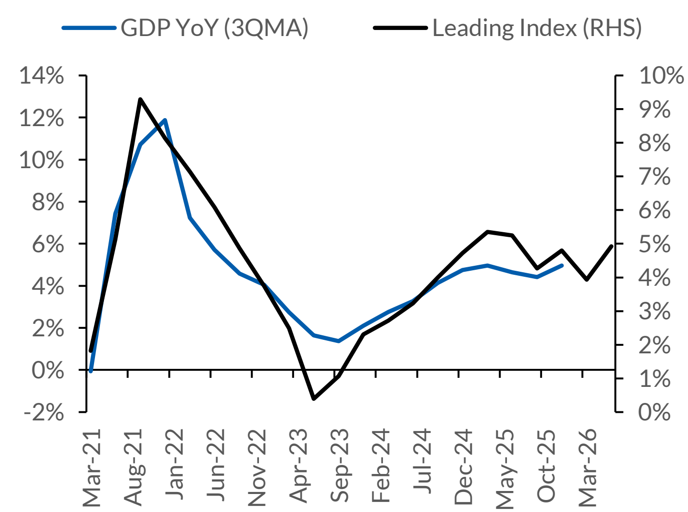
Singapore: MAS to Stay Pat at least into 1H26

- **Singapore's relatively tame inflation and resilient economic backdrop suggest little imperative for a monetary policy tweak at least in 1H26.**
- **Our conviction is based on:**

1. Inflation staying stable into 1H26, while
2. The latest S$NEER strength YTD removes the need to tighten, in addition to
3. An uncertain growth outlook that renders a premature tightening move unnecessary at this point.

- **MAS raised its core inflation forecast in the January MPC statement to 1.0%–2.0% from 0.5%–1.5%.**
- **The MAS kept its policy parameters unchanged in its January MPC meeting. We estimate the S$NEER to be at +0.5% appreciation gradient, with +/-2.0% band.**

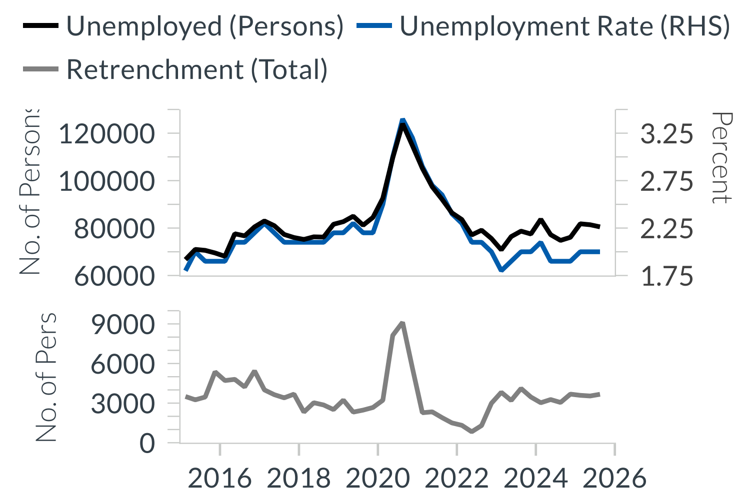


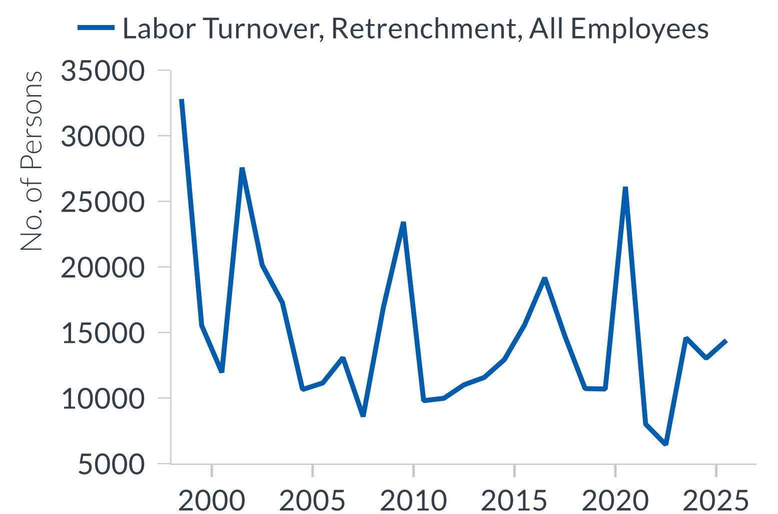


Source: CEIC, RHB Economics & Market Strategy

Singapore: Employment Growth Strengthens in 2025

- In 2025, unemployment rates (overall: 2.0%, resident: 2.8%, citizen: 3.0%) were similar to those seen over the past two years.
- Retrenchments rose over the year to 14,400 (6.2 per 1,000 employees), driven by higher layoffs in the first three quarters of 2025, largely due to business restructuring.
- Advance estimates showed that Singapore's labour market continued to expand in 4Q 2025 and the full year of 2025, alongside continued economic growth.
- Overall employment growth in 2025 (57,300) was higher than in 2024 (44,500) – supported by increase in both residents and non-residents.
- Looking ahead to 1Q26, MOM's business expectations suggest that the labour market will continue to expand but firms are becoming more cautious in their hiring plans, even as labour market conditions remain relatively tight.





Source: Macrobond, RHB Economics & Market Strategy

MAS Macroeconomic Review (Jan 2026): The Singapore economy ended 2025 on a firm note

1. Growth Outlook

- The Singapore economy outperformed expectations again in 4Q25. For 2025 as a whole, GDP is estimated to have expanded by 4.8%, up from 4.4% in 2024. Continued strength in global AI-related demand and accommodative financial conditions across major economies, contributed to the upside surprises to Singapore's GDP growth in 2H25.
- The officials cited that the AI-led global IT upcycle is expected to be sustained into 2026, as demand continues to outpace available capacity. These global AI tailwinds are expected to provide near-term support for Singapore's trade-related sectors.
- There are pockets of strength outside the tech sector. Manufacturing is supported by rising aerospace MRO demand—especially for complex engine work—and ongoing capacity expansions, while modern services benefit from continued support to finance and insurance amid accommodative macro and financial conditions. Overall, GDP growth in 2026 is forecasted to moderate slightly from the strong outturn in 2025, with the underlying growth drivers remaining broadly similar.
- MAS has also commented on the upside and downside risks of the growth outlook. Faster-than-expected AI demand could lift GDP, especially manufacturing and trade services, while geopolitical tensions or renewed tariffs could weaken investor sentiment and disrupt the AI investment cycle.

2. Inflation Outlook

- The forecasts for MAS Core Inflation and CPI-All Items inflation for 2026 have both been raised to 1.0–2.0%, from 0.5–1.5%.
- Core inflation is expected to increase modestly in the near term. Near-term inflation risks are skewed to the upside, though two-sided risks persist. Stronger growth could lift wages and demand, while geopolitical supply shocks may raise import costs. That said, a large adverse shock—triggering financial market repricing—could weaken global demand, lower import prices, and dampen domestic spending.

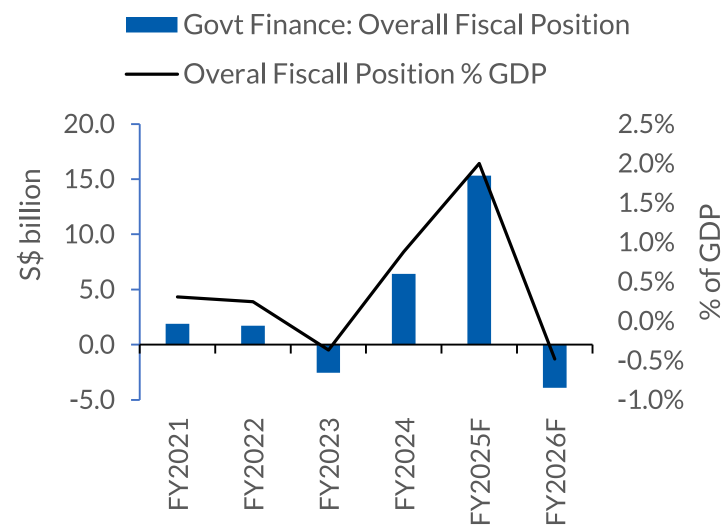
[Singapore FY2026 Budget Preview](): Tackling Long-Term Structural Issues

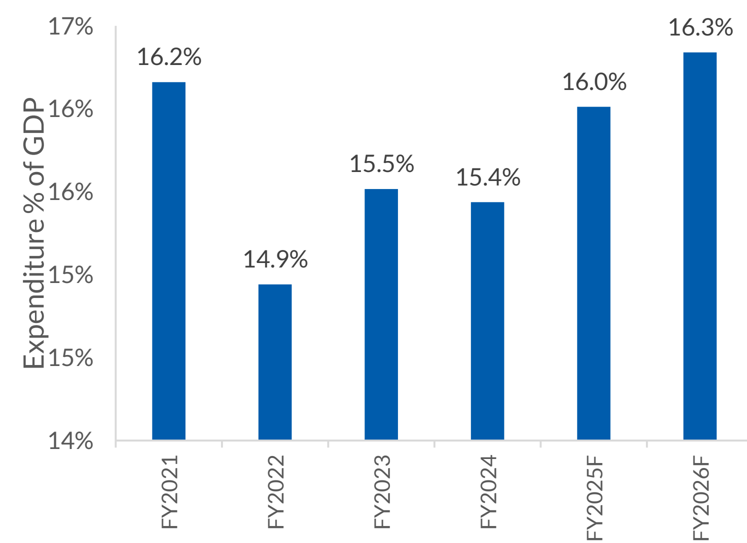
- **Singapore's FY2026 budget marks the start of a new five-year government term (FY2026–FY2030). We expect Singapore to run a deficit of 0.5% of GDP in FY2026, compared to an estimated surplus of 2.0% in FY2025.**

- **We expect Budget FY2026 to centre on four key priorities:**

1. Safeguarding job security and strengthening workforce resilience;
2. Reinforcing Singapore's economic relevance and strategic positioning;
3. Deepening the social compact through enhanced cost-of-living support;
4. Advancing the green transition and climate resilience.

- **We project Singapore's economy to grow at 3.0% in 2026, moderating from 4.8% in 2025. We maintain our headline CPI forecast at 1.5% this year.**





Source: CEIC, RHB Economics & Market Strategy

Singapore FY2026 Budget: Key Expectations

1. Job Security & Workforce Resilience

- Job-targeted employment support to mitigate retrenchments and hiring freezes, potentially through JSS-like wage support and continued JobSeeker Support under SkillsFuture.
- Stronger reskilling and upskilling push, with more targeted SkillsFuture pathways, closer industry linkages, and expanded AI-focused training and internships.
- Enhanced AI workforce readiness, including further strengthening of the TechSkills Accelerator (TeSA) to build a competitive ICT and digital workforce.
- Manpower policy adjustments to support an ageing workforce, including extensions of the Senior Employment Credit, CPF Offset, and Part-time Re-employment Grant beyond current timelines.

2. Economic Relevancy and Strategy

- Improve SkillsFuture utilisation by enabling firm-led training models, including pooled or managed credits for workforce upskilling and AI adoption.
- Consider a calibrated extension of the Productivity Solutions Grant (PSG), with reduced and conditional support to ease post-grant cost pressures and support sustained digital transformation.
- Reinforce commitments under the Research, Innovation and Enterprise 2030 framework, including investment in semiconductors, innovation, and active ageing.
- Potentially signal the adoption of Singapore Economic Resilience Taskforce (SERT) recommendations to strengthen economic resilience amid persistent global trade and tariff uncertainties.

Singapore FY2026 Budget: Key Expectations

3. Strengthening Social Compact and Cost of Living

- **Govt to extend the distribution of CDC Vouchers** - Singapore's CDC Vouchers disbursed in May 2025 (S$500) expired 31 December 2025, while the January 2026 tranche (S$300) and SG60 Vouchers (for seniors/adults) are valid until 31 December 31 2026.
- **Support for Caregivers and People with Disabilities** - Expand programs like the Disability Support Scheme or ComCare for caregivers and people with disabilities.
- **Incentives for caregivers** - Increase caregiver stipends for family members who dedicate significant time to care. SG offers caregivers financial aid like the Home Caregiving Grant (HCG) for daily costs (up to S$400/month, increasing to S$600 from April 2026)
- **Increase training subsidies for caregivers** to improve skills in medical and daily care. Currently, SG offers training subsidies for caregivers primarily through the Caregivers Training Grant (CTG) with an initial grant amount of S$400 for the first year, with an annual top-up of S$200 in subsequent financial years.
- **Healthcare cost support** – Increase the subsidies for essential therapies (physiotherapy, occupational therapy) and assistive devices.
- **Increase funding for new respite care centres** - Provide capital grants or operating subsidies to NGOs or private providers to set up and run respite care centres.

Singapore FY2026 Budget: Key Expectations

4. Green and Sustainable Economy

a) Carbon tax implementation

- Singapore is on course to raise its carbon tax to S$45/tonne in 2026–2027, targeting S$50–80 by 2030 to strengthen decarbonisation signals.
- FY2026 Budget may update implementation timeline, compliance boundaries, and revenue recycling.
- EU CBAM presents both a challenge and opportunity: adopting CBAM-aligned practices can enhance global competitiveness and attract investment in clean technologies and carbon trading.

b) Continued Climate Financing & Green Budgeting

- Continued or new allocations expected for climate adaptation and mitigation projects.
- MOF previously signalled S$10 billion over 2020–2030 for climate risk management and green initiatives.

c) Positioning Singapore to be a carbon trading hub – incentives/funds to continue to promote SG as a hub

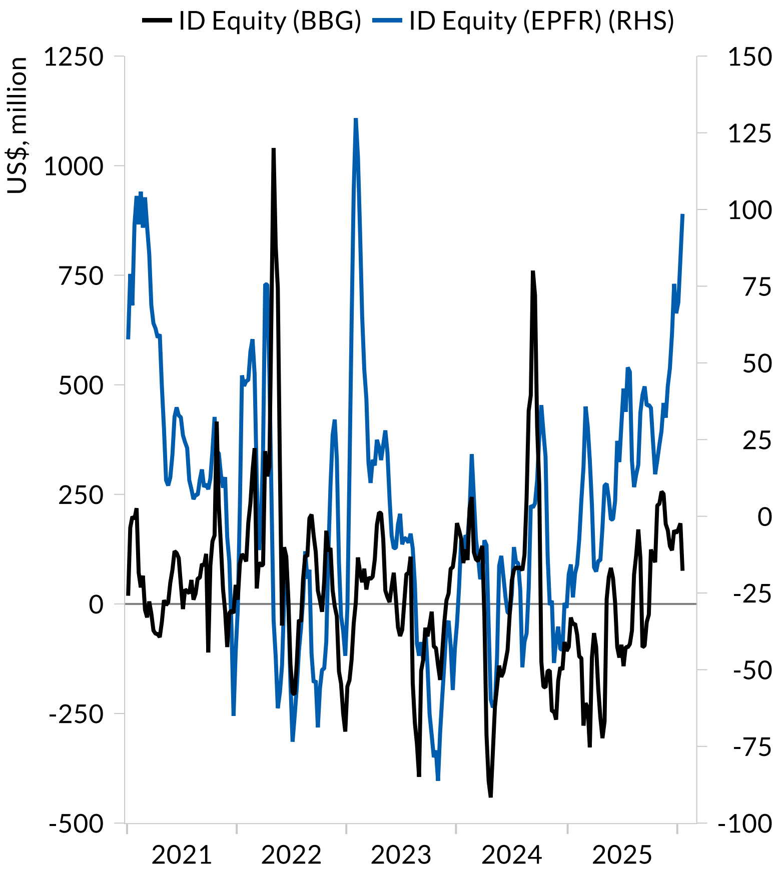
- Carbon Market Development Fund - To support startups, fintech platforms, and advisory firms in carbon trading.
- Tax incentives for market participants - Exemptions or rebates on transaction fees and trading-related taxes for early movers in carbon trading.
- Co-funding for carbon projects - Government co-investment for carbon credit generation projects, including renewable energy, carbon capture, and nature-based solutions.

Indonesia's Economic Heatmap continues to signal modest expansion in broad economic momentum, with a flattish Composite Z-Score Index, while a slight pickup in the Diffusion Index suggests an uneven recovery.

Pillars	Indicators	Sep-2024	Oct-2024	Nov-2024	Dec-2024	Jan-2025	Feb-2025	Mar-2025	Apr-2025	May-2025	Jun-2025	Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025
Labour	Unemployment Rate	0.92	0.92	0.92	0.92	1.18	1.18	1.18	1.18	1.18	1.18	1.02	1.02	1.02	1.02	1.02	1.02
	Employment Conditions Index	-0.26	-0.45	-0.29	-0.24	-0.41	-0.30	-0.44	-0.50	-0.55	-0.47	-0.46	-0.50	-0.53	-0.27	-0.35	-0.33
Economic	Leading Economic Index	0.25	0.30	0.31	0.29	0.24	0.19	0.15	0.13	0.14	0.14	0.14	0.15	0.17	0.24	0.32	0.42
	Business Conditions Index	-0.01	-0.26	0.09	0.21	0.23	0.38	0.16	-0.29	-0.27	-0.19	-0.23	-0.30	-0.39	-0.04	-0.20	-0.41
	Incomes Expectation Index	0.23	0.20	0.28	0.27	0.81	0.35	-0.22	-0.28	-0.31	-0.41	-0.14	-0.29	-0.35	-0.03	-0.12	-0.23
	Import of Capital Goods	0.46	0.36	-0.58	0.44	-0.47	-0.29	0.84	1.30	0.71	1.38	0.41	-0.43	0.88	0.22	0.33	
	Total Export	-0.15	0.12	0.00	-0.22	-0.26	0.21	-0.34	-0.20	0.02	0.10	0.03	-0.18	0.11	-0.60	-0.82	
Production	Manufacturing PMI	-1.05	-1.05	-0.84	0.00	0.36	1.26	0.63	-2.36	-2.00	-2.26	-1.05	0.15	-0.42	0.00	1.10	0.00
	Capacity Utilisation Rate	-0.63	-0.66	-0.66	-0.66	-0.83	-0.83	-0.83	-0.81	-0.81	-0.81	-0.69	-0.69	-0.69			
	Vehicles Production	-0.17	-0.16	-0.19	-0.13	-0.18	-0.13	-0.11	-0.10	-0.16	-0.15	-0.15	-0.18	-0.16	-0.17	-0.17	-0.14
Consumption	Retail Sales Index	0.45	-0.01	-0.09	0.04	-0.14	0.07	0.55	-0.25	0.05	-0.03	0.44	0.28	0.30	0.39	0.67	0.40
	Consumer Confidence Index	-0.04	-0.28	-0.02	0.06	-0.03	0.03	-0.26	-0.41	-0.50	-0.40	-0.39	-0.48	-0.55	-0.12	-0.22	-0.33
	Tourist Arrivals	-0.21	-0.19	-0.23	-0.30	-0.17	-0.38	-0.39	-0.29	-0.25	-0.22	-0.26	-0.26	-0.29	-0.26	-0.28	
Banking	Consumer Loans Growth	0.95	0.99	0.77	0.88	0.58	0.77	0.48	0.37	0.34	0.29	0.14	0.04	-0.07	-0.18	-0.09	-0.33
	Working Capital Loans Growth	0.54	0.37	0.12	0.13	0.00	0.05	-0.14	-0.52	-0.47	-0.54	-0.84	-0.81	-0.82	-0.97	-0.90	-0.50
	Credit Card Transactions	0.18	0.06	-0.08	-0.01	-0.27	-0.15	-0.16	-0.06	-0.09	0.11	0.15	-0.24	-0.29	0.16	0.28	
Financial	10-2 Year Yield Differential	-0.32	0.16	0.17	-0.14	-0.01	0.04	0.06	0.54	0.48	0.52	0.63	1.16	1.42	1.00	0.93	1.29
	Net Fund Flow	1.53	0.01	-1.28	-0.16	-0.20	-0.49	-0.37	-0.66	1.15	-0.72	0.18	0.90	-1.82	-0.76	0.08	0.53
	USD-IDR	1.16	0.81	-0.15	-0.55	-0.10	-0.55	-0.50	-0.19	0.58	0.85	0.48	-0.85	-1.79	-0.72	-0.56	-0.31
	ID NEER	-0.21	0.18	0.28	0.32	0.05	-0.50	-0.72	-0.86	-0.58	-0.65	-0.43	-1.18	-1.60	-1.26	-1.31	-1.45
RHB	ID Composite Z-Score Index	0.24	0.06	-0.07	0.08	0.04	0.12	0.03	-0.18	-0.09	-0.13	-0.05	-0.04	-0.15	0.02	0.12	0.13
	ID Diffusion Index	21.05	42.11	52.63	57.89	57.89	47.37	63.16	78.95	68.42	68.42	55.56	77.78	66.67	58.82	52.94	61.54

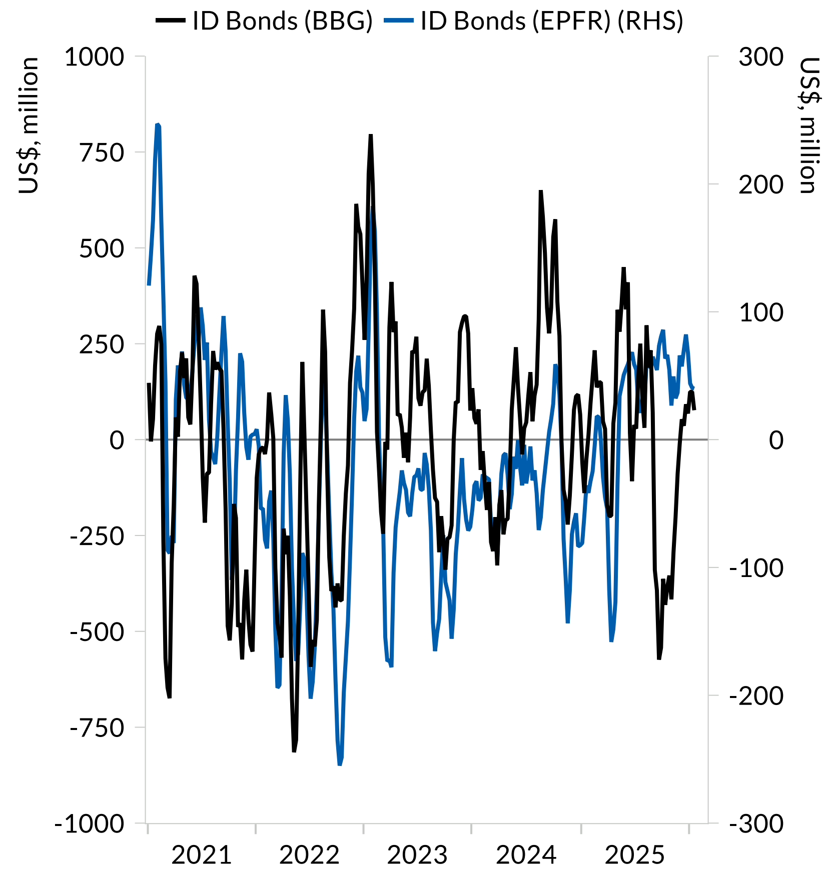
Source: Macrobond, RHB Economics & Market Strategy.

Indonesia's equity flows saw a sharp retreat in recent print…



Source: Macrobond, RHB Economics & Market Strategy.

…while bond flows also moderated, though to a lesser extent.

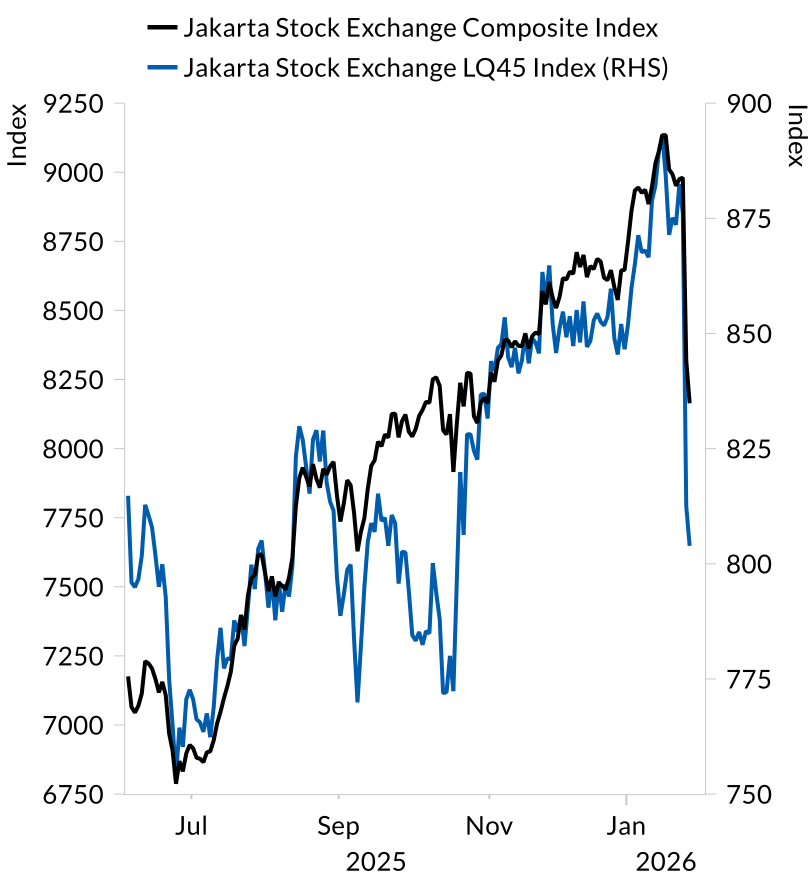


Source: Macrobond, RHB Economics & Market Strategy

Indonesia Equities Under Pressure as MSCI Flags Market Structure Risks

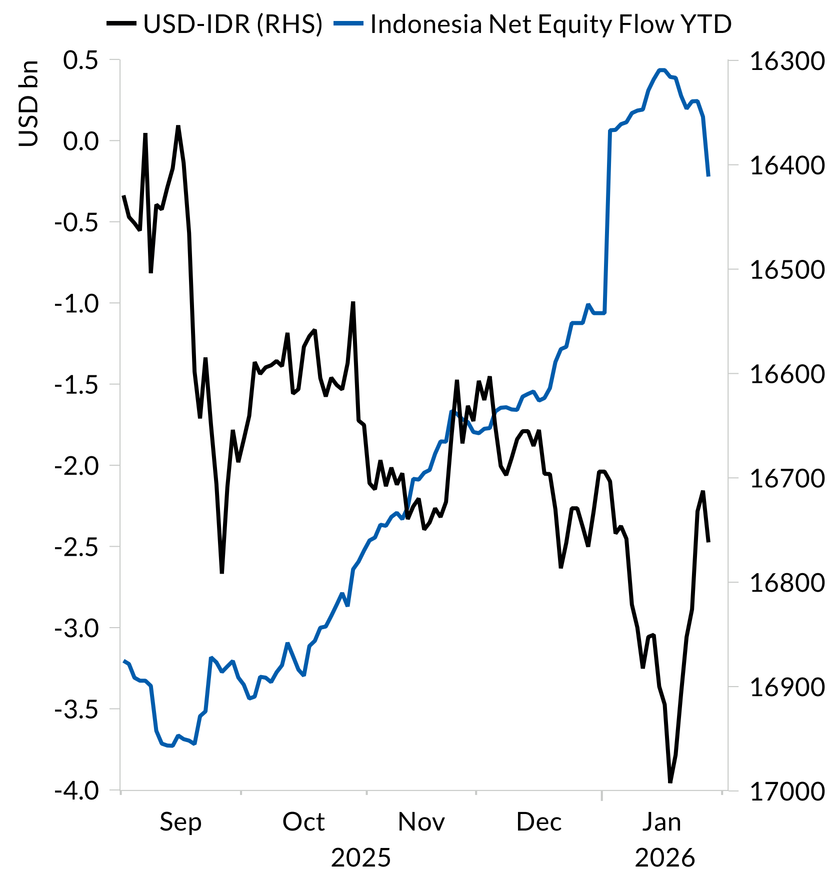
- **Indonesia's Jakarta Composite Index (JCI) recorded a sharp sell-off recently, falling from its peak near the 9,000 level to an intraday low of around 7,500, before recovering to around 8,300 level, marking one of its steepest declines in years.** The decline was primarily driven by MSCI's decision to freeze certain index adjustments for Indonesian stocks, citing structural investability issues. Key concerns include limited free float, opaque ownership structures, and trading patterns that may undermine fair price discovery.
- **MSCI's announcement was compounded by negative reassessments from global investment banks and fund managers, who warned of potential passive outflows from MSCI-linked funds.** Given Indonesia's high reliance on foreign portfolio inflows, fears of forced selling by index-tracking investors intensified downside pressure on large-cap stocks. MSCI has indicated that improvements in transparency and market structure are needed ahead of upcoming index reviews. Failure to address these issues could lead to a reduction in Indonesia's MSCI weighting or, in a more adverse scenario, a reclassification risk.
- **In response to this, Indonesia's Financial Services Authority (OJK) has moved to raise the minimum free-float requirement for listed companies from the current low levels to 15%.** Senior government officials, including Economic Minister Airlangga Hartarto and Finance Minister Purbaya Yudhi Sadewa, have publicly downplayed the sell-off as a short-term shock and emphasised that the market fundamentals remain intact. They have signaled high-level meetings to evaluate MSCI's requests and are actively communicating with investors to calm sentiment.
- **This episode has also spilled over into the currency market, with the IDR weakening amid renewed foreign outflows.** Recent fund flow data point to accelerated equity outflows, adding pressure on the IDR alongside global risk-off dynamics. Until clarity emerges and regulatory follow-through, portfolio flows and the IDR are likely to remain sensitive to negative headlines.

Indonesia Stock Exchange triggered temporary trading halts on two consecutive days recently, following MSCI's announcement that raised investor concerns



Source: Macrobond, RHB Economics & Market Strategy.

Equity flows and IDR also weakened notably as foreign investors reduced exposure to local assets amid risk-off sentiment



Source: Macrobond, RHB Economics & Market Strategy

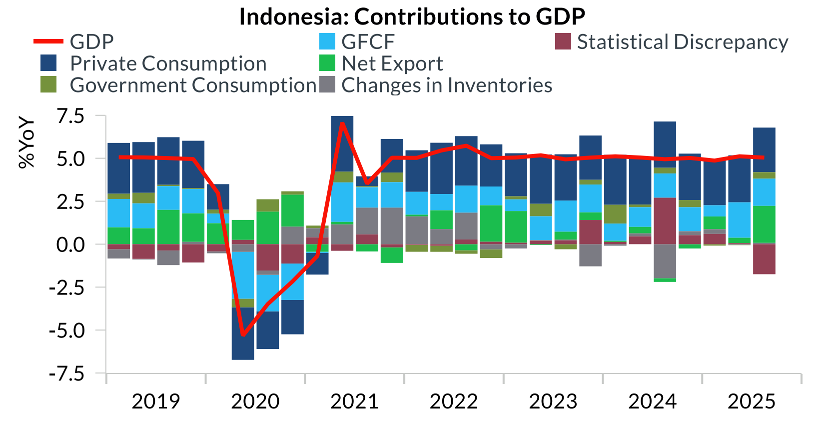
Indonesia: Stable Growth Momentum Despite External Headwinds

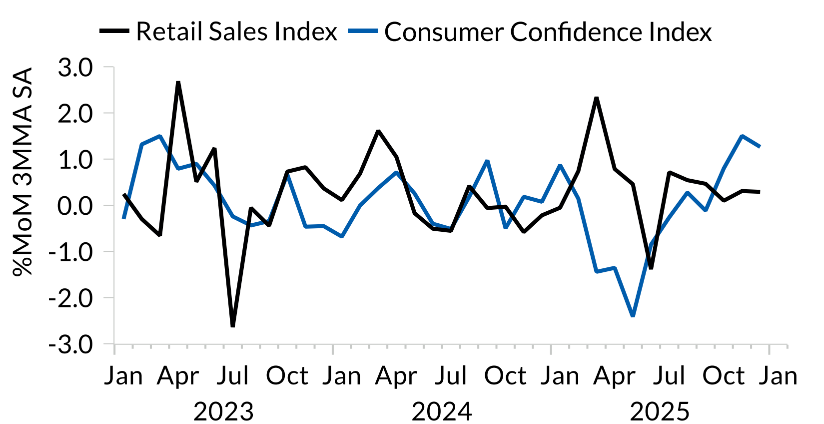
- **We project Indonesia's 4Q25 GDP growth at 5.1% YoY,** underpinned by relatively resilient domestic demand, which continues to offset softening external conditions following the dissipation of front-loaded export demand.
- **Our growth outlook is shaped by three key factors:**

  (1) the recovery in consumer confidence and retail spending ;

  (2) the effectiveness of government fiscal programme execution;

  (3) the sustainability of domestic capital investment and FDI inflows.
- **On sentiment, consumer confidence remained elevated**, with the Consumer Confidence Index (CCI) near multi-month highs at 124.0 in Nov-25, easing only marginally to around 123.5 in Dec-25 and staying firmly in optimistic territory.
- **From a production and sectoral perspective, manufacturing activity remained in expansion**, with the PMI holding above the 50 threshold into late-2025, signalling continued sectoral growth despite some moderation in momentum.





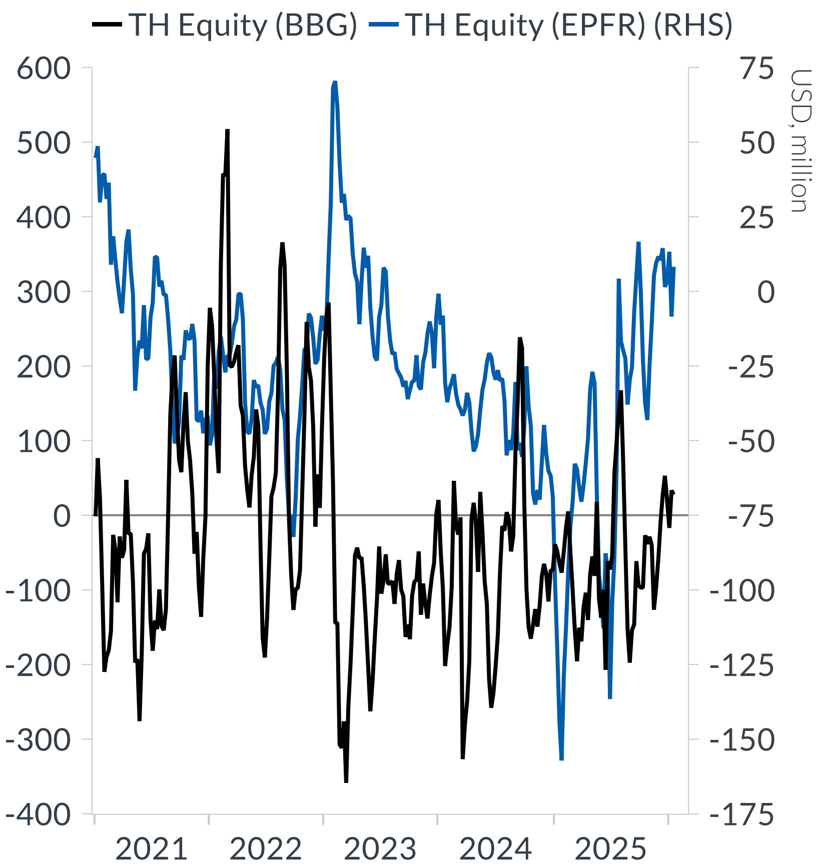
Source: Macrobond, RHB Economics & Market Strategy

Thailand's Economic Heatmap suggests a slight improvement in broad economic conditions, with modest upticks in both the Composite Z-Score and Diffusion Index, while key pillars, including consumption, investment, production, and tourism, show a modest recovery

Pillars	Indicators	Dec-2024	Jan-2025	Feb-2025	Mar-2025	Apr-2025	May-2025	Jun-2025	Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025
Labour Market	Unemployment Rate	1.26	0.72	1.23	0.72	0.52	1.09	1.16	1.57	1.40	1.19	1.43	1.60	
	Labor Force Participation Rate	0.71	-0.91	-0.96	-0.39	-1.65	-0.93	0.47	-1.34	-0.70	-0.26	-1.26	-0.96	-0.83
	Employment Condition Index	-0.19	-0.18	-0.35	-0.39	-0.43	-0.42	-0.42	-0.39	-0.45	-0.31	-0.28	-0.22	-0.42
Consumption	Consumer Confidence Index	-0.68	-0.65	-0.56	-0.70	-0.69	-0.74	-1.01	-0.46	-0.50	-0.57	-0.54	-0.46	-0.25
	Private Consumption Index	-0.09	-0.19	-0.33	-0.14	-0.30	-0.35	-0.41	-0.15	-0.25	-0.12	0.13	-0.10	
	Retail Trade Index	-0.39	-0.23	0.99	1.52	2.06	1.06	1.36	-0.14	-0.98	2.57	3.63		
	Passenger Car Sales	1.40	-0.75	-0.50	-0.33	0.05	0.16	0.12	0.15	0.00	0.91	0.94	0.59	1.51
Tourism	Foreign Tourist Arrivals	-0.36	-0.36	-0.37	-0.37	-0.37	-0.38	-0.38	-0.38	-0.38	-0.37	-0.37	-0.37	-0.37
	Domestic Tourist Arrivals	-0.23	-0.23	-0.23	-0.23	-0.23	-0.23	-0.23	-0.23	-0.23	-0.23	-0.23	-0.24	-0.23
	Hotel Occupancy Rate	1.16	1.15	0.89	0.59	1.02	0.46	0.20	0.25	0.37	0.16	0.43	0.61	1.14
	Tourist Receipts	-0.28	-0.28	-0.30	-0.31	-0.31	-0.32	-0.32	-0.32	-0.32	-0.31	-0.31	-0.31	-0.31
Investment & Production	Private Investment Index	0.92	-0.06	-0.80	-1.31	-0.37	0.34	1.15	0.74	0.75	0.12	-0.25	0.31	
	Capacity Utilisation Rate	-1.38	-0.69	-0.82	0.16	-1.35	-0.46	-0.77	-1.29	-1.25	-0.98	-1.11	-1.51	-1.16
	Manufacturing Production Index	-0.18	-0.03	-0.84	0.22	0.67	0.73	0.33	-0.83	-0.89	0.44	0.23	0.02	0.98
	S&P Manufacturing PMI	-0.02	-0.53	-0.24	-0.44	-0.56	-0.08	0.07	0.12	0.35	0.89	1.45	1.51	1.68
	Agricultural Production Index	-0.49	0.05	0.17	1.55	0.71	0.15	1.46	0.97	0.02	-0.59	-0.08	-0.19	-0.18
Banking & Financial	Total Loans	-1.20	-1.30	-1.36	-1.48	-1.56	-1.33	-1.32	-1.36	-1.28	-1.22	-1.50	-1.51	
	Total Deposits	-0.73	-0.71	-0.84	-1.04	-1.12	-1.24	-1.21	-1.09	-0.60	-0.87	-1.30	-1.03	
	USD-THB	0.37	0.41	0.92	0.95	1.32	1.61	1.80	1.67	1.06	0.61	0.39	0.95	1.21
	Net Fund Flow	-1.05	-0.12	-0.13	-0.13	0.13	0.02	-0.15	-0.06	-0.23	-0.26	-0.16	-0.14	-0.15
RHB	TH Diffusion Index	52.38	66.67	76.19	66.67	61.90	52.38	57.14	66.67	66.67	66.67	57.14	65.00	64.29
	TH Composite Z-Score Index	-0.14	-0.31	-0.29	-0.15	-0.20	-0.12	0.02	-0.21	-0.28	-0.05	-0.05	-0.19	0.19

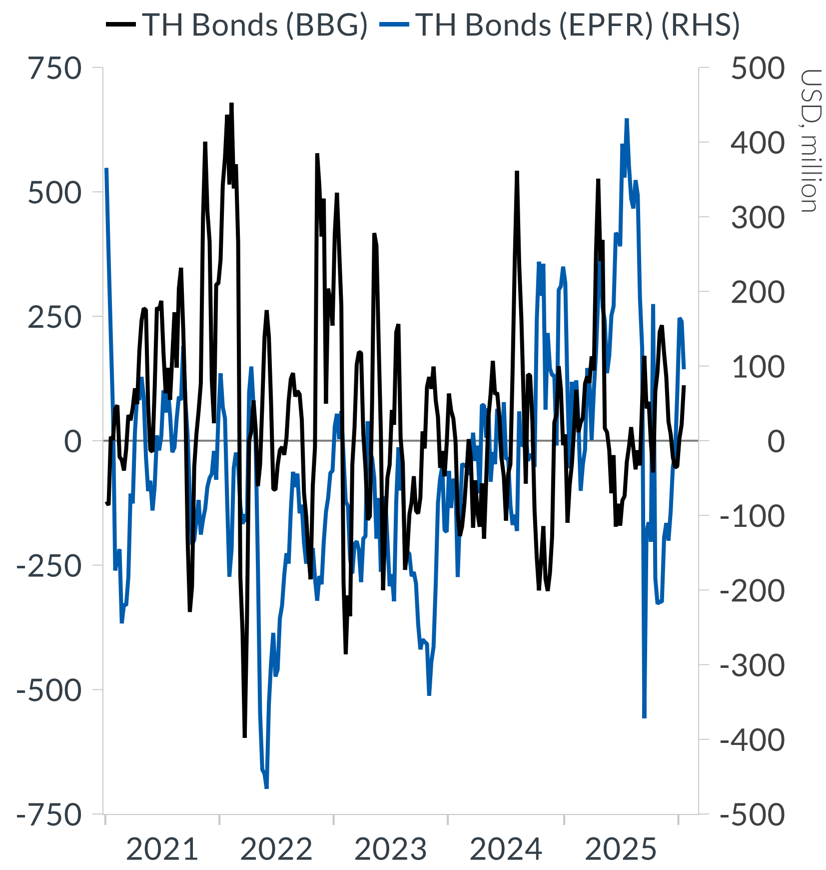
Source: Macrobond, RHB Economics & Market Strategy.

Thailand's equity flows show a muted recovery amid choppy recent prints...



Source: Macrobond, RHB Economics & Market Strategy.

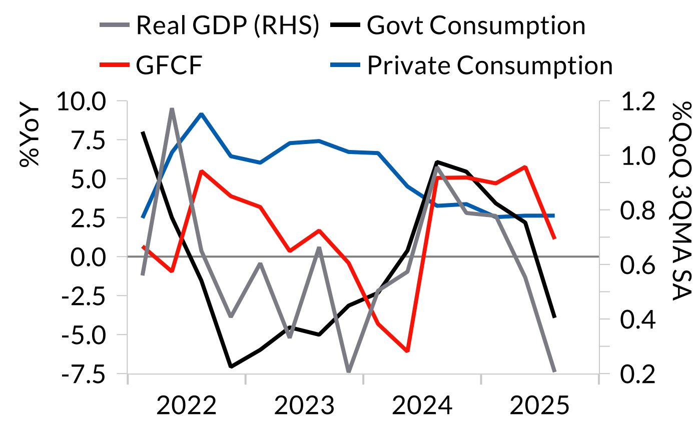
...while bond inflows display a more notable improvement, indicating a stronger uptick

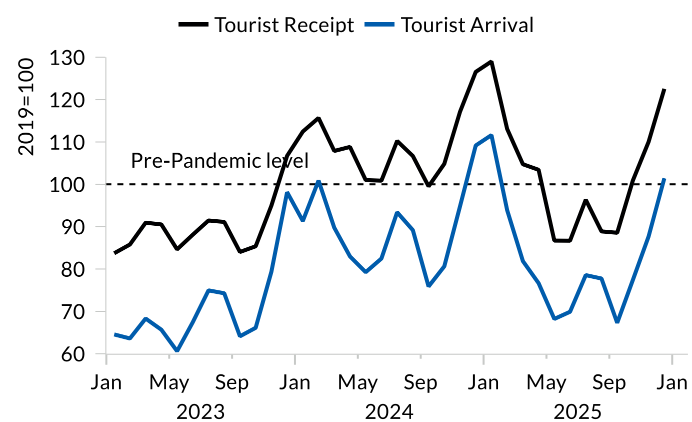


Source: Macrobond, RHB Economics & Market Strategy

Thailand Growth Forecasts Anchored Amid Global and Domestic Headwinds

- **Thailand's Finance Ministry has maintained its 2026 GDP growth forecast at around 2.0%,** in line with our in-house forecast. This is supported by resilient tourism and domestic demand despite weaker exports and ongoing global trade tensions.
- **Vinit Visessuvanapoom, head of the Finance Ministry's Fiscal Policy Office, indicated that tourism will remain the main growth engine in 2026**, with foreign arrivals projected to reach 35.5 million—up from around 33 million in 2025, but still well below the pre-pandemic record of nearly 40 million visitors in 2019.
- **Meanwhile, official data released shows that December 2025 factory output, measured by the Manufacturing Production Index, rose 2.52% year-on-year, significantly exceeding expectations and reversing prior declines.**
- **The rebound was led by auto production, reflecting Thailand's role as a regional manufacturing hub.** Nevertheless, annual manufacturing output for 2025 still contracted slightly, with a strong baht cited as a competitive headwind for exports.
- To mitigate the impact of baht appreciation, the central bank and government plan to implement controls on gold trading from March 2026, capping daily transactions.





Source: Macrobond, RHB Economics & Market Strategy

3

FX & FI Outlook

Foreign Exchange (FX) – Revising Our FX Forecasts

- **We remain structurally bearish USD into 2026 and now expect the DXY to fall toward the 94 handle by end-2026, versus our previous 97 call. Further Fed easing in our base case should compress US real yields and erode the dollar's carry advantage, reinforced by policy uncertainty, twin deficits, and ongoing investor diversification away from USD assets. However, we note few risks worth noting; possible hawkish repricing, crowded shorts, and weak non-US growth. For MYR, we are looking at the ringgit to appreciate towards 3.85 by end of 2026, with risks of further appreciating towards 3.80 per USD.**

FX Rates % Change

	YTD 2026 (%)	Since 3Q25 (%)	QTD 2026 (%)	Close (2025)	High 2025	Low 2025
INR per USD	2.21	3.54	2.21	91.97	90.93	84.22
IDR per USD	0.71	0.76	0.71	16812	16946	16098
PHP per USD	0.30	1.47	0.30	59.06	59.42	55.37
TWD per USD	0.25	3.32	0.25	31.46	33.24	28.90
THB per USD	-0.34	-3.26	-0.34	31.38	34.81	31.01
CNH per USD	-0.37	-2.46	-0.37	6.953	7.380	6.979
KRW per USD	-0.55	2.30	-0.55	1437	1483	1355
SGD per USD	-1.53	-1.75	-1.53	1.267	1.374	1.274
EUR per USD	-1.64	-1.55	-1.64	0.838	0.981	0.844
DXY	-2.07	-1.53	-2.07	96.3	110.0	96.6
GBP per USD	-2.27	-2.22	-2.27	0.727	0.824	0.728
JPY per USD	-2.57	3.46	-2.57	152.8	158.4	140.8
MYR per USD	-3.22	-6.68	-3.22	3.928	4.511	4.045
CHF per USD	-3.24	-3.53	-3.24	0.768	0.920	0.787
AUD per USD	-4.52	-5.21	-4.52	1.431	1.667	1.489

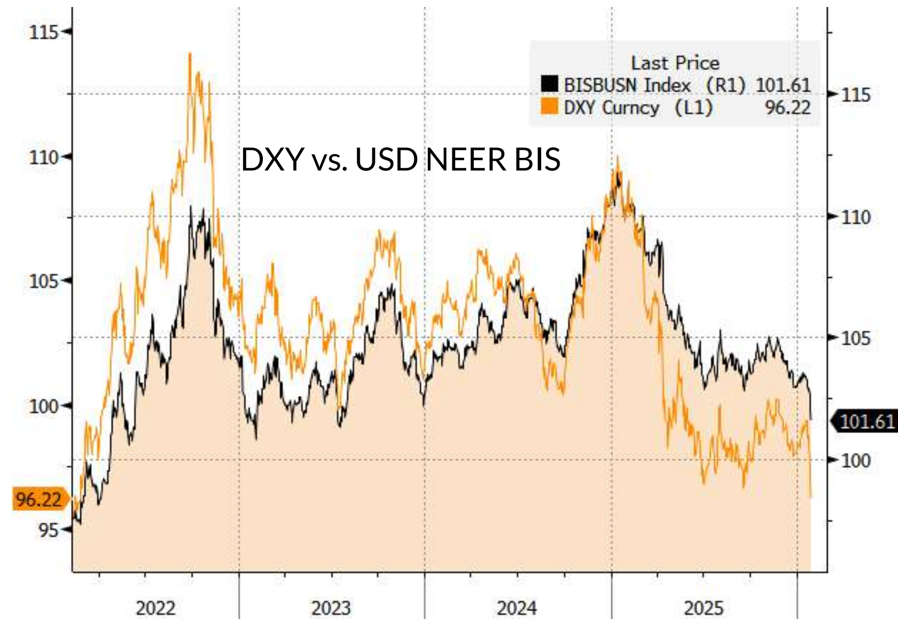
Source : Macrobond, RHB Economics & Market Strategy

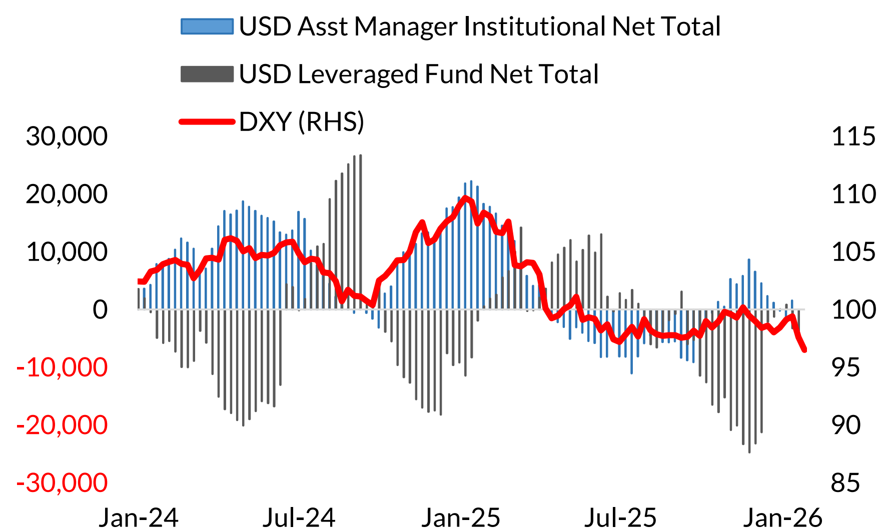
Foreign Exchange (FX) – Revising Our FX Forecasts

	RHB Forecasts					Bloomberg Forecasts			
G10 FX	**4Q25**	**1Q26F**	**2Q26F**	**3Q26F**	**4Q26F**	**1Q26F**	**2Q26F**	**3Q26F**	**4Q26F**
DXY	98.3	96.8	95.7	94.6	94.0	97.7	97.0	96.6	97.0
EUR-USD	1.175	1.193	1.207	1.215	1.223	1.180	1.200	1.200	1.210
USD-JPY	156.7	154.0	153.0	152.1	150.6	154.0	152.0	150.0	148.0
GBP-USD	1.348	1.369	1.377	1.386	1.396	1.350	1.350	1.360	1.360
AUD-USD	0.667	0.696	0.706	0.715	0.721	0.670	0.680	0.690	0.690
NZD-USD	0.576	0.601	0.609	0.617	0.622	0.580	0.590	0.600	0.600
AXJ FX	**4Q25**	**1Q26F**	**2Q26F**	**3Q26F**	**4Q26F**	**1Q26F**	**2Q26F**	**3Q26F**	**4Q26F**
USD-CNH	6.976	6.950	6.942	6.905	6.893	6.970	6.970	6.930	6.910
USD-IDR	16,690	16,672	16,662	16,652	16,640	16,690	16,660	16,650	16,725
USD-MYR	4.060	3.928	3.899	3.869	3.852	4.050	4.030	4.000	4.000
USD-SGD	1.285	1.263	1.256	1.250	1.245	1.280	1.280	1.280	1.280
USD-THB	31.51	31.35	31.25	31.15	31.12	31.70	32.00	32.00	32.30

Foreign Exchange (FX) – Revising Our FX Forecasts

- **USD:** We remain structurally bearish USD into 2026, as further Fed easing—around 50bps in our base case—should gradually compress US front-end real yields and erode the dollar's carry advantage as the US economy cools. This rate dynamic is reinforced by elevated US policy uncertainty, persistent twin deficits, and growing investor diversification away from USD assets, all of which weigh on USD sentiment, particularly given the currency's still-rich valuation against key trading-partner baskets. That said, the path lower would face some notable risks in the coming months ahead: if the market has overestimated the pace or depth of Fed cuts, any "hawkish cut" delivery or upside data surprise could keep the USD supported for longer, on top of the already short contracts accumulated among Leveraged Funds. Other than that, there could potentially be constraints on the non-US leg—most notably soft growth in the Euro Area (EUR) and reflationary policy in Japan (JPY) — limiting the speed of broad-based dollar weakness.

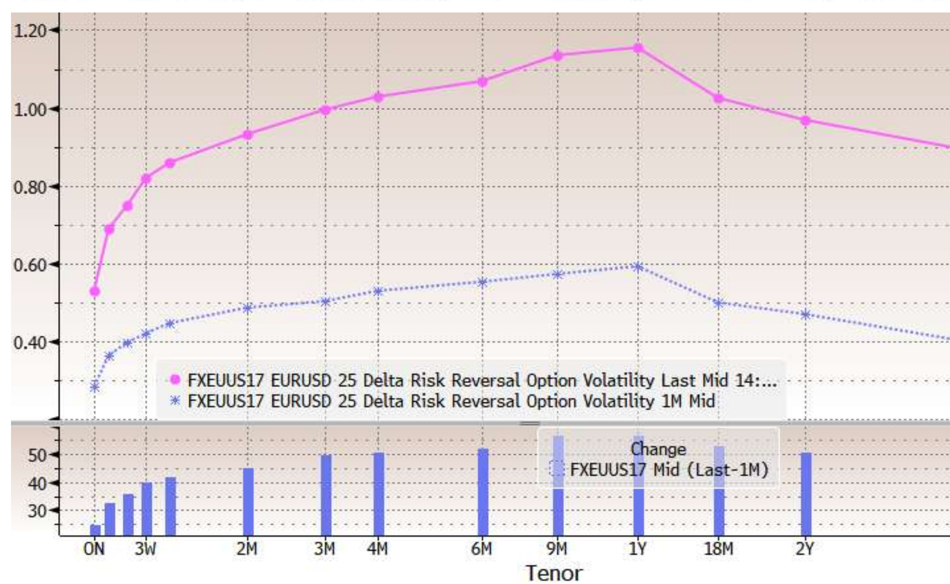




Source : Bloomberg, RHB Economics & Market Strategy

Foreign Exchange (FX) – Revising Our FX Forecasts

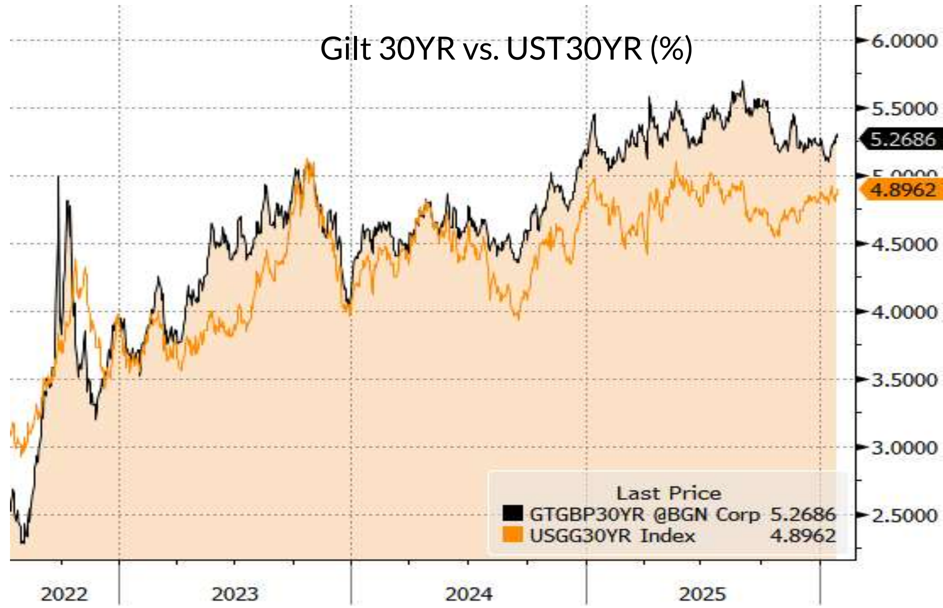
- **EUR:** The euro remains modestly constructive into 2026, with the upside still largely USD-driven rather than powered by a strong euro-area growth story. Front-end rate dynamics remain supportive as expected Fed easing contrasts with an ECB that appears comfortable holding rates steady, keeping US–Germany spreads biased toward further compression. Euro-area tailwinds have improved at the margin, with some relief in French bond markets as near-term political risk eases and greater optimism around higher German public and defence spending supporting medium-term sentiment. That said, growth remains fragile and political risk can re-emerge quickly, while the ECB is alert to excessive EUR strength tightening financial conditions. As a result, we expect EUR to grind higher rather than rally sharply, with periodic pullbacks likely whenever Fed easing expectations are challenged or European political and geopolitical risks resurface.

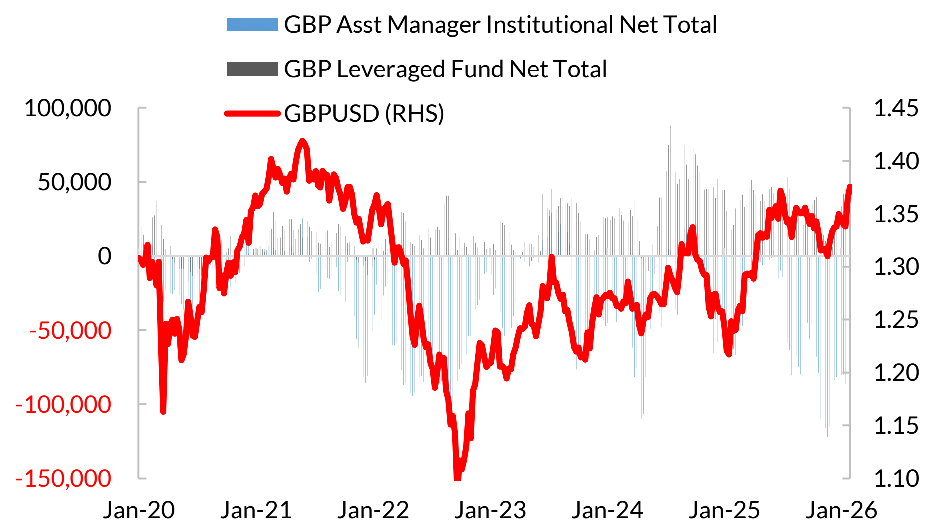


Source : Bloomberg, RHB Economics & Market Strategy

Foreign Exchange (FX) – Revising Our FX Forecasts

- **GBP:** We retain a mild bullish bias on sterling into 2026. GBP should benefit from a broadly USD-negative backdrop, yet domestic dynamics will influence the path: the BoE is easing only gradually and conditionally, limiting sharp compression in UK–US rate differentials and partly preventing GBP from behaving like a high-beta USD short. Gilt-market dynamics remain the larger constraint, as elevated long-end yields driven by term premia, fiscal supply or credibility concerns can reprice UK risk premia and weigh on the currency. As a result, sterling should perform best when gilts are stable or rallying, with upside steady but capped and downside risks skewed to bouts of domestic rates volatility rather than global risk sentiment. Nonetheless, we remain on the lookout if the focus has shift towards UK's growth/inflation pulse considering the economy is still growing slowly but inflation remains above 3.0%.

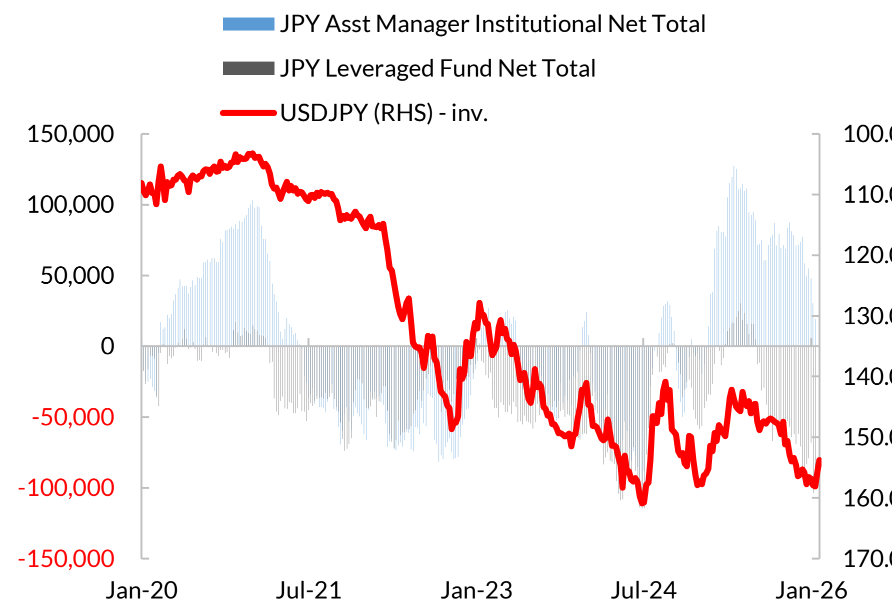


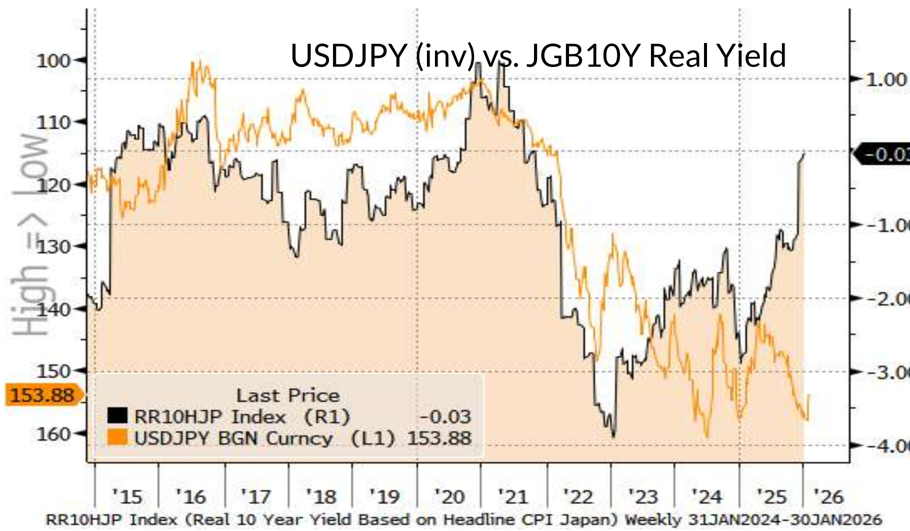


Source : Bloomberg, RHB Economics & Market Strategy

Foreign Exchange (FX) – Revising Our FX Forecasts

- **JPY:** The yen's outlook into 2026 is improving at the margin, but any recovery is likely to be gradual rather than decisive, unless if intervention occurs. Japan's reflationary policy mix and measured BoJ normalisation mean domestic policy is no longer a headwind, even if it caps the pace of appreciation. With US–Japan rate differentials no longer widening as US front-end yields soften on expectations of further Fed easing, USD-JPY is increasingly driven by the USD leg. At the same time, renewed yen weakness would likely face policy resistance given authorities' sensitivity to excessive depreciation, creating an asymmetric profile in which downside is constrained while upside is capped. Overall, we expect USDJPY to drift lower over 2026, with risks skewed to a deeper move if US yields fall faster or USD diversification accelerates, but not a regime-changing yen rally.

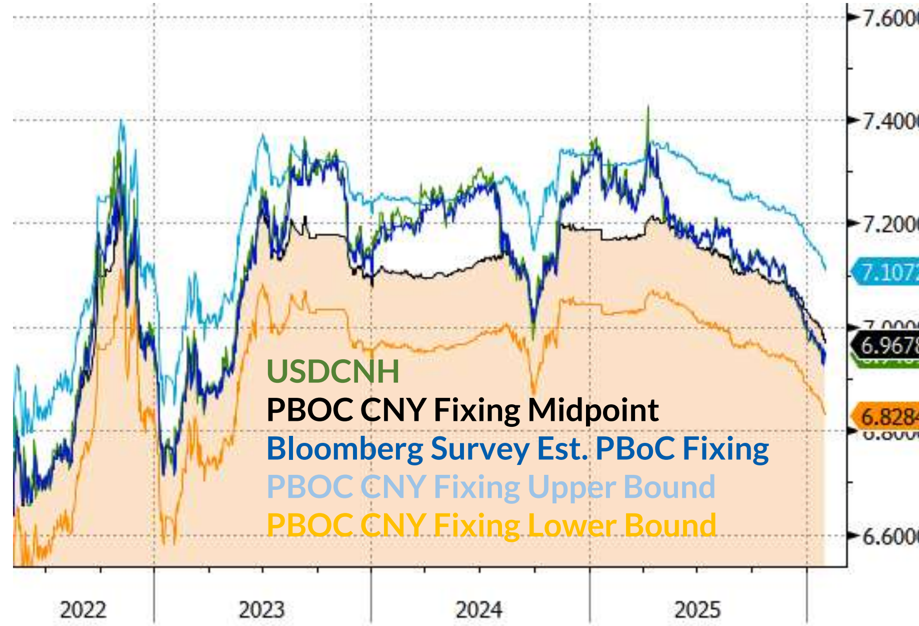


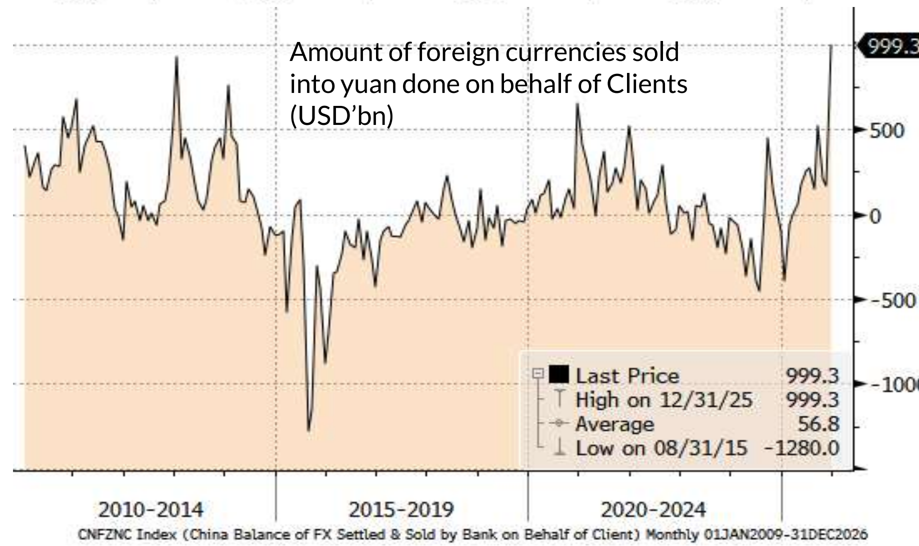


Source : Bloomberg, RHB Economics & Market Strategy

Foreign Exchange (FX) – Revising Our FX Forecasts

- **CNY:** The near-term bias is modestly constructive, but we still expect appreciation to be mild and tightly managed. In January, the PBoC's daily fixing has leaned incrementally firmer, signalling greater tolerance for a stronger yuan as broad USD-negative factors gather pace, but the midpoint continues to be used as a stabilisation tool to discourage one-way momentum and keep moves orderly. Looking into 2026, expectations for additional Fed rate cuts as the US economy cools should further compress the USD's yield advantage and provide a supportive external backdrop for CNY/CNH, especially if global investors continue to diversify away from USD assets. That said, upside should be capped by China's still-challenging domestic fundamentals—growth momentum is slowing and the policy priority remains stability—so we frame the outlook as bullish but controlled, with the PBoC likely to prefer gradual gains on the USD leg rather than a decisive strengthening cycle.

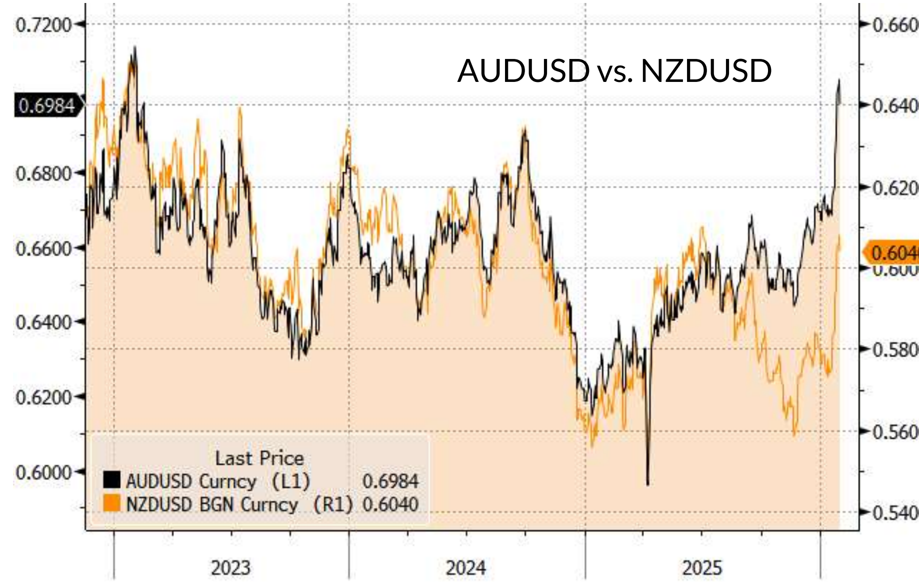


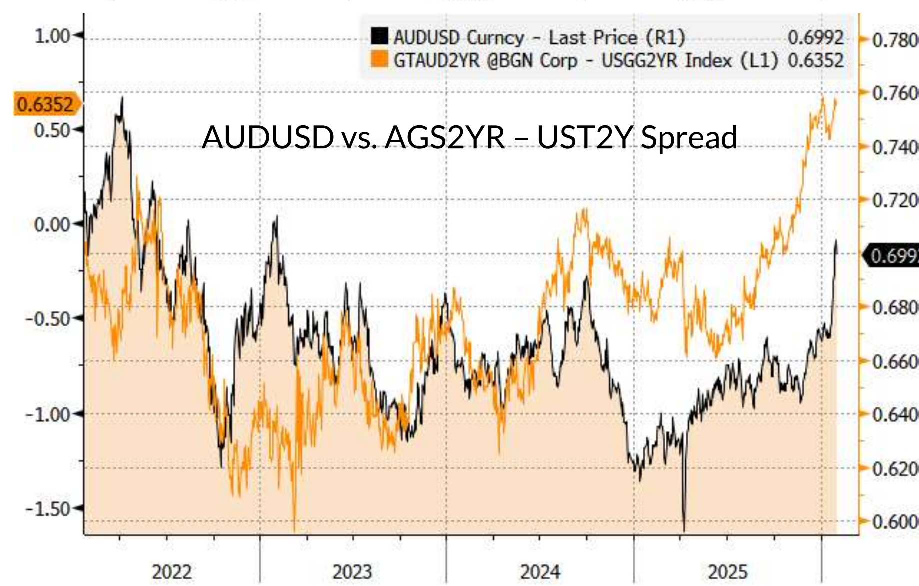


Source : Bloomberg, RHB Economics & Market Strategy

Foreign Exchange (FX) – Revising Our FX Forecasts

- **AUD&NZD:** We remain constructive but selective on the Antipodeans into 2026, with AUD preferred over NZD as the cleaner expression of a mild USD downtrend. In Australia, firmer inflation dynamics keep the RBA cautious about easing, supporting a steadier policy backdrop for AUD, while New Zealand's greater sensitivity to the growth cycle and its own lingering domestic downside risks on growth, leave NZD more prone to underperformance when markets lean toward policy accommodation. That said, a key risk to this view is a NZD catch-up: if growth improves and inflation proves more persistent than expected, the RBNZ could be repriced as less accommodative/more hawkish, setting up a larger upside rebound in NZD versus AUD.

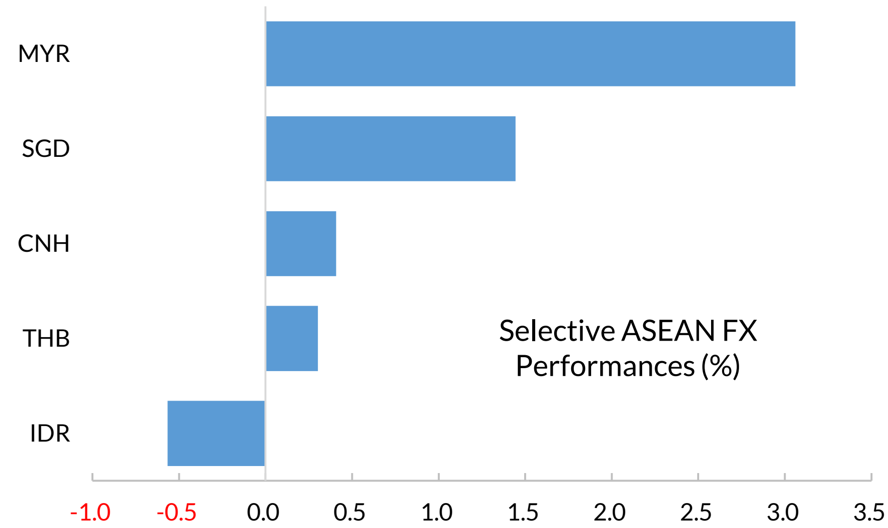


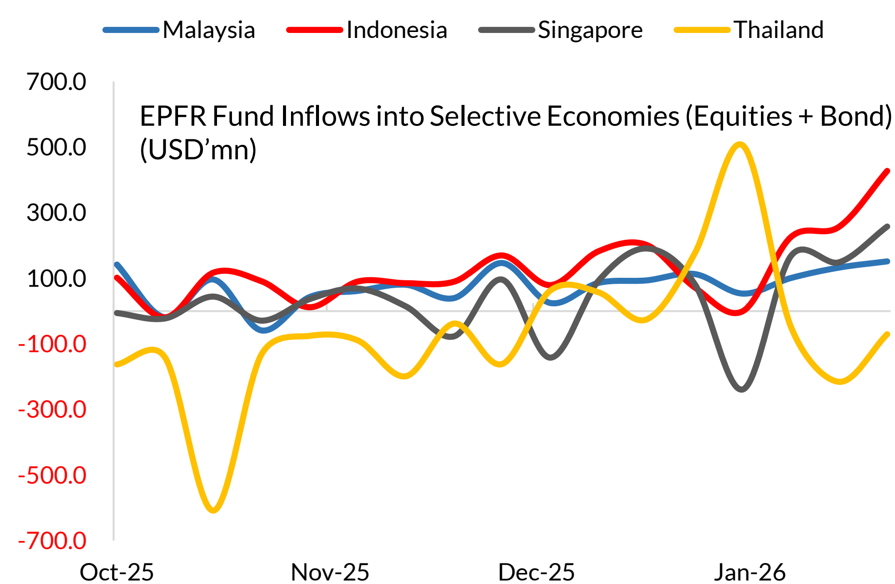


Source : Bloomberg, RHB Economics & Market Strategy

Foreign Exchange (FX) – Revising Our FX Forecasts

- **ASEAN FXs:** ASEAN FX should stay supported in 2026 as USD-negative forces continue to underpin Asia FX. That said, performances will be uneven. THB should benefit from the weaker USD impulse, but any move in USD-THB toward the 30-handle is likely to face increasing resistance from Thai policymakers intent on curbing excessive currency strength, implying a more managed and non-linear appreciation path. For SGD, our in-house S$NEER mapping suggests the index is already hovering close to the +2.0% upper bound of the policy band, signalling limited scope for further SGD appreciation even if USD stays soft. And due to external uncertainties, the policy band settings could be maintained at least for the 1H26. IDR should still gain directionally on the USD leg, but fiscal concerns and confidence sensitivity remain key constraints versus peers; recent MSCI-related concerns should be contained by authorities' reform efforts, yet they reinforce that risk premia can reprice quickly and cap IDR's upside.

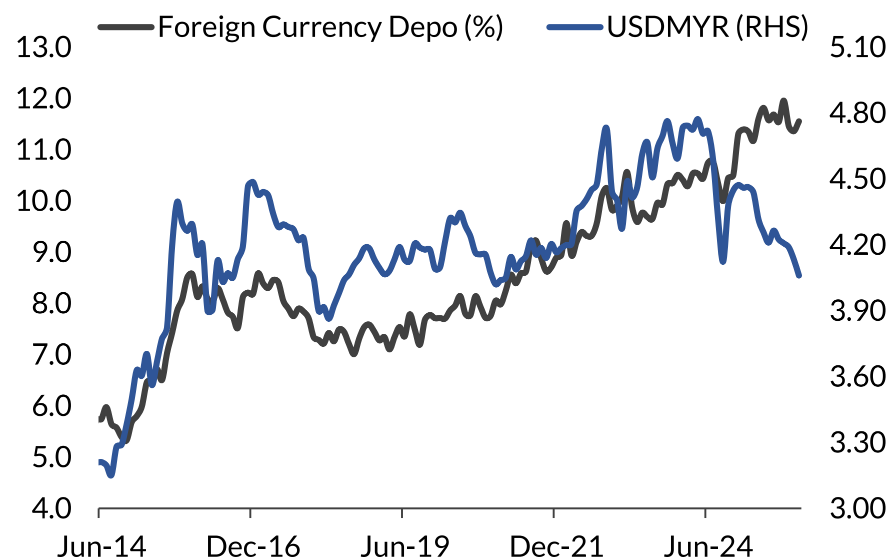


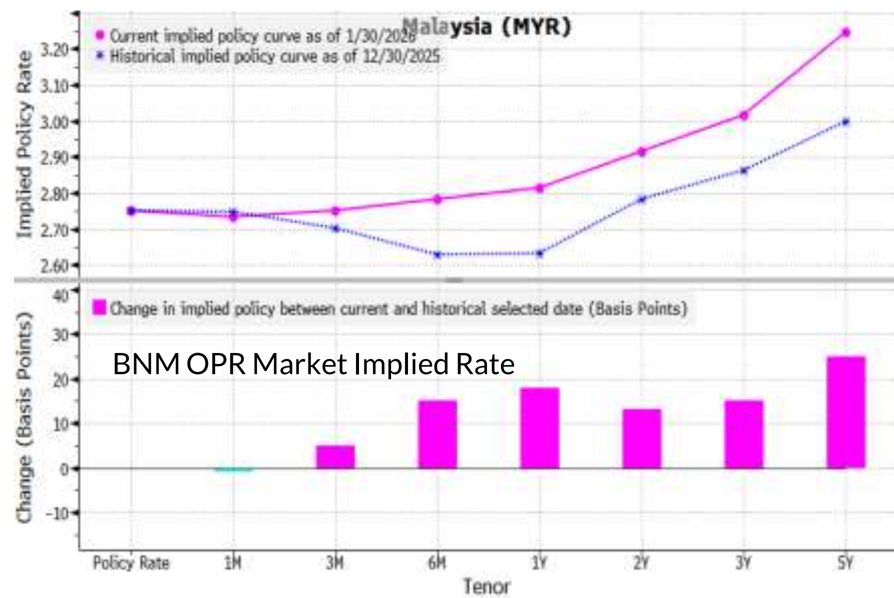


Source : Bloomberg, RHB Economics & Market Strategy

Foreign Exchange (FX) – Revising Our FX Forecasts

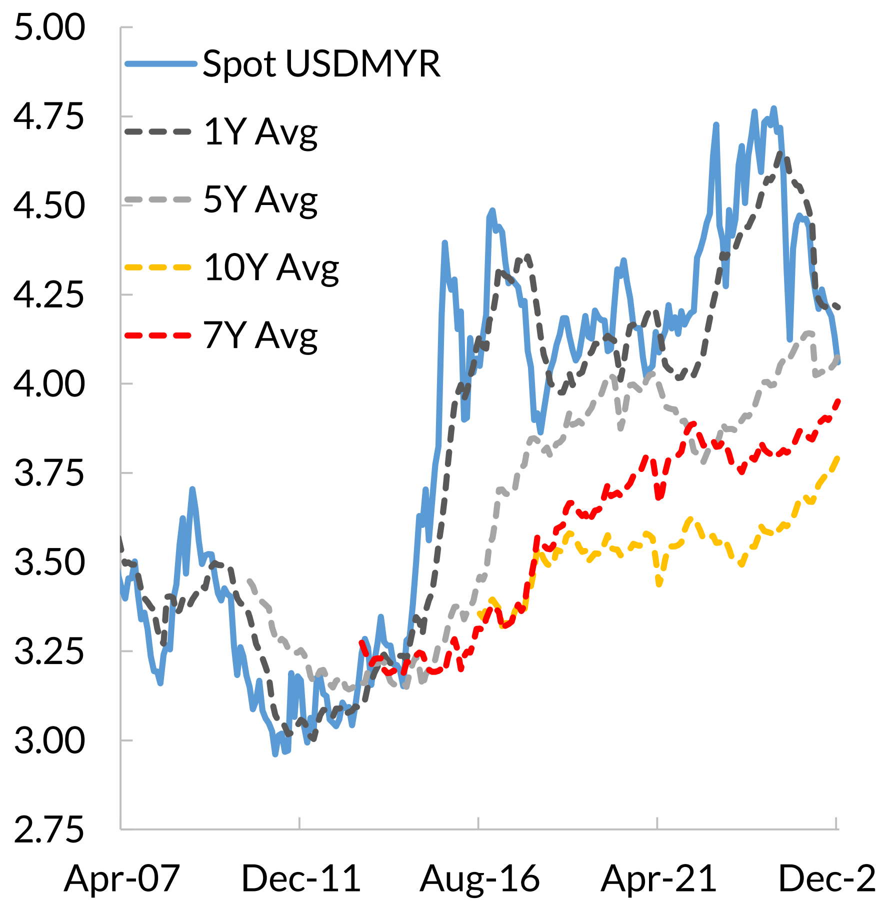
- **MYR:** MYR should remain supported into 2026 on a combination of favourable domestic fundamentals and a broadly USD-negative external backdrop. Malaysia's growth momentum has strengthened following upside surprises in 4Q25 GDP, which should carry through into 2026, while BNM is expected to keep the OPR on a stable path, with markets pricing some upside bias only in 2027. At the same time, our base case assumes the Fed continues to ease policy by around 50bps in 2026, with risks skewed toward deeper cuts, reinforcing USD weakness. Against this backdrop, MYR still has room to appreciate based on our in-house NEER model and relative-PPP fair value estimates, particularly on the 7- to 10-year anchors. Continued government efforts to consolidate the fiscal position further strengthen the medium-term confidence story, suggesting MYR appreciation should still be possible moving forward. We now pencil ringgit to firm towards 3.85 by end of this year, with upside bias risk towards 3.80 if the favourable conditions magnify.





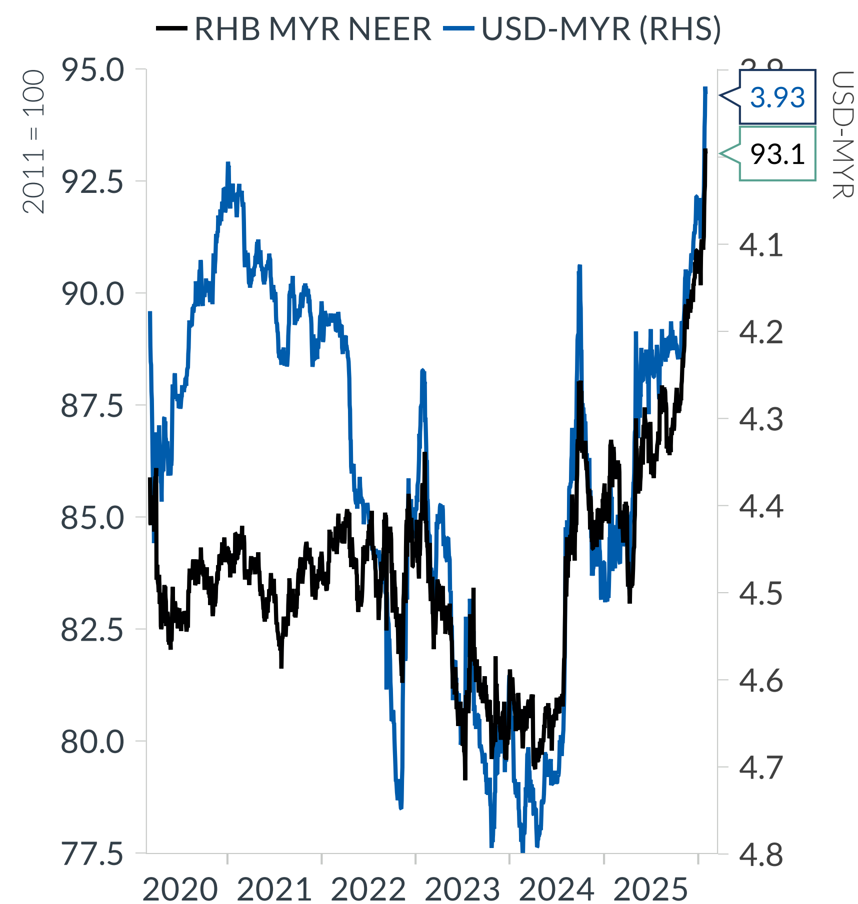
Source : Bloomberg, RHB Economics & Market Strategy

Relative PPP fair value method continue to show possible undervaluation esp. under 10Y and 7Y anchor



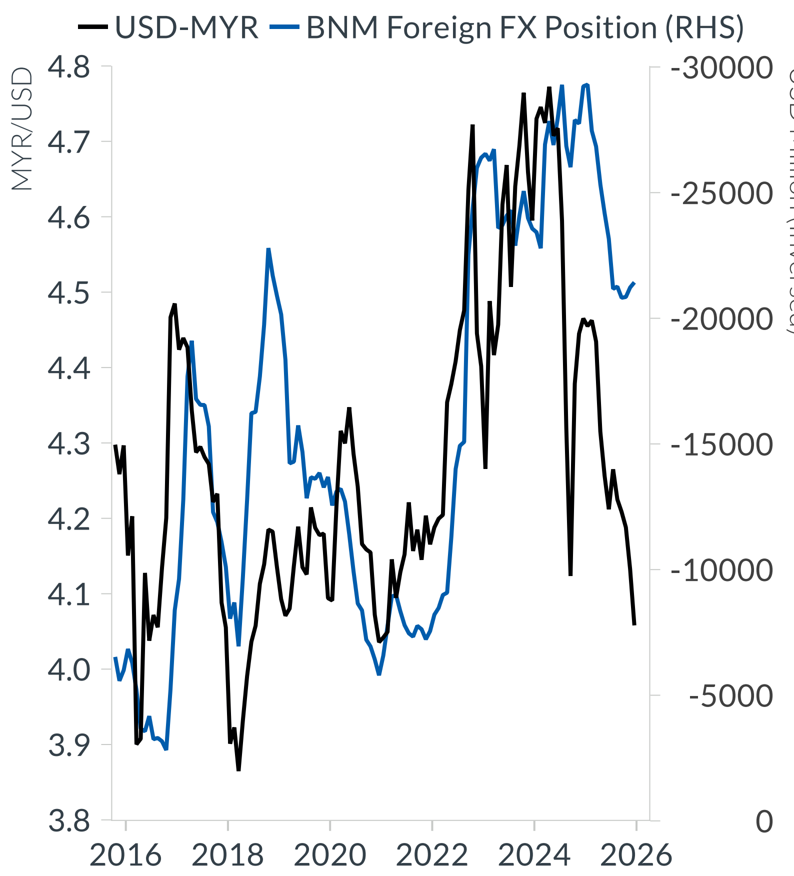
Source: Macrobond, RHB Economics & Market Strateg

MYR NEER remains below its historical references point, suggesting more room for MYR to appreciate vs its trading currencies



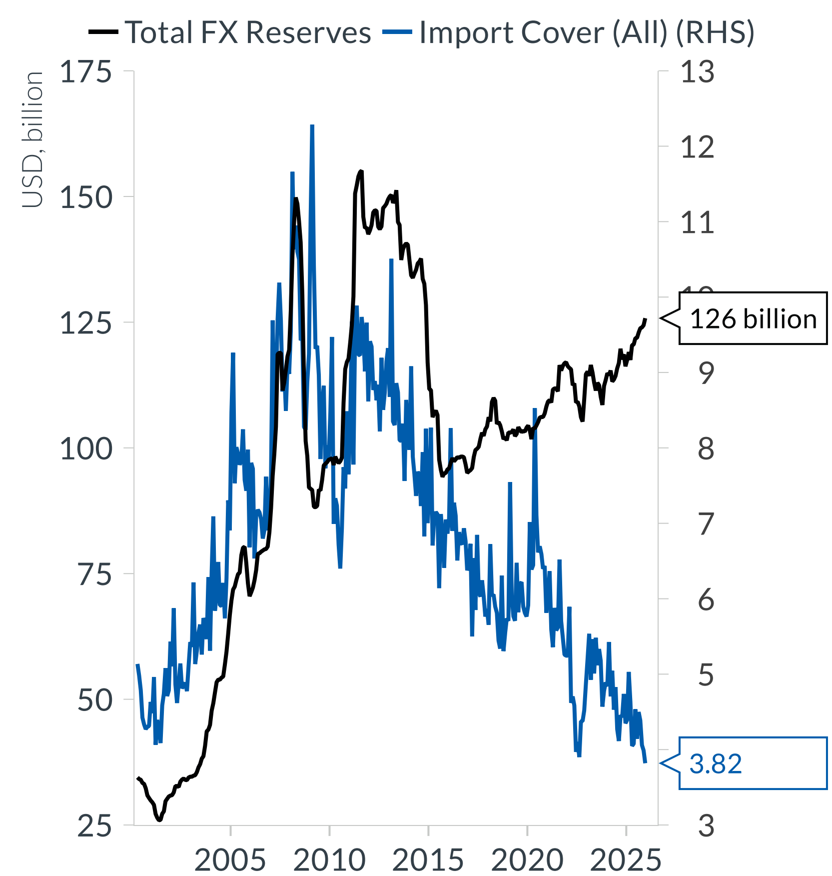
Source: Macrobond, RHB Economics & Market Strategy.

BNM Forward Swaps have eased, alongside with the strength of MYR



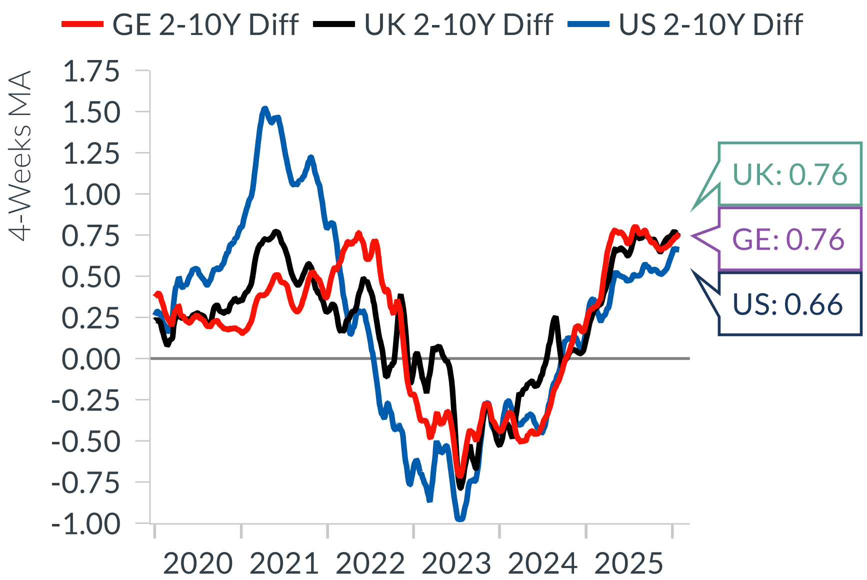
Source: Macrobond, RHB Economics & Market Strategy

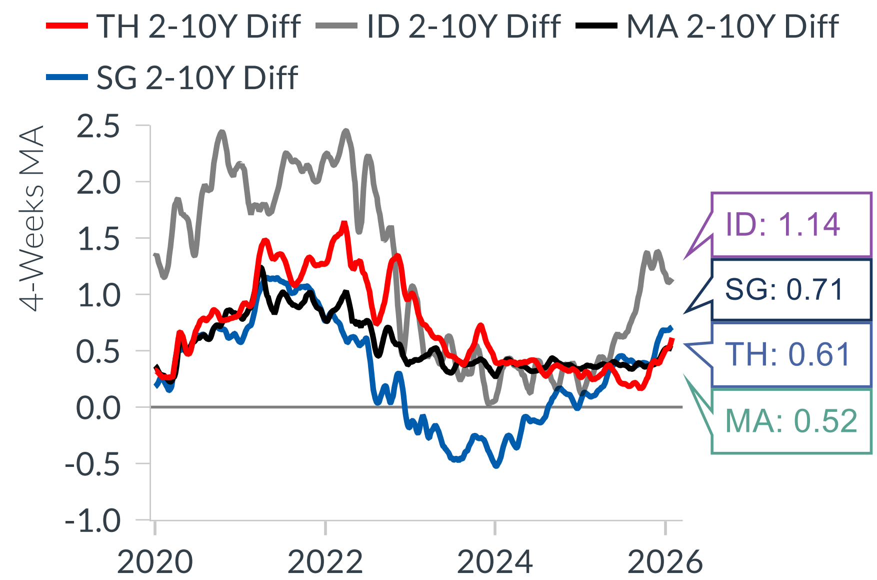
Headline FX reserves are recovering steadily, but faster import needs press import cover lower



Source: Macrobond, RHB Economics & Market Strategy.

Global 2YR/10YR spread continued to show a steepening bias as safe-haven demand intensified following the selloff in US equities and weakness in precious metals



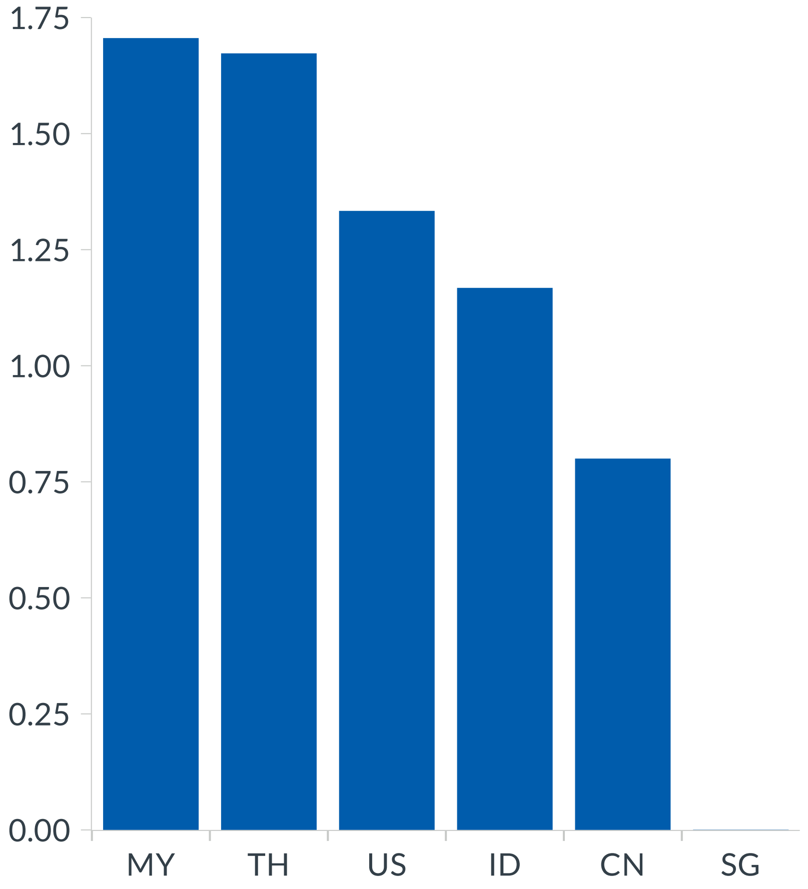


Govt 2Y Yields	YTD 2026	QTD 2026	Last 2026	High 2025	Low 2025
Indonesia	22.2	22.2	5.12	6.93	6.10
S. Korea*	11.0	11.0	3.07	3.54	2.51
United States	10.7	10.7	3.58	5.04	3.54
Thailand	8.2	8.2	1.19	2.40	1.97
India	5.3	5.3	5.81	7.15	6.62
China	2.2	2.2	1.39	2.26	1.04
United Kingdom	2.1	2.1	3.74	4.68	3.55
Malaysia*	1.4	1.4	3.01	3.63	3.28
Germany	-2.2	-2.2	2.10	3.10	1.89
Singapore	-8.6	-8.6	1.38	3.50	2.25

Govt 10Y Yields	YTD 2026	QTD 2026	Last 2026	High 2025	Low 2025
Indonesia	30.6	30.6	6.35	7.26	5.94
Thailand	30.2	30.2	1.94	2.41	1.22
S. Korea	13.6	13.6	3.52	3.44	2.56
India	12.4	12.4	6.71	6.85	6.24
United States	10.0	10.0	4.27	4.79	3.95
United Kingdom	6.7	6.7	4.54	4.89	4.39
Germany	1.0	1.0	2.86	2.90	2.36
Malaysia	-1.0	-1.0	3.49	3.84	3.36
China	-2.8	-2.8	1.82	1.93	1.59
Singapore	-4.7	-4.7	2.06	3.08	1.74

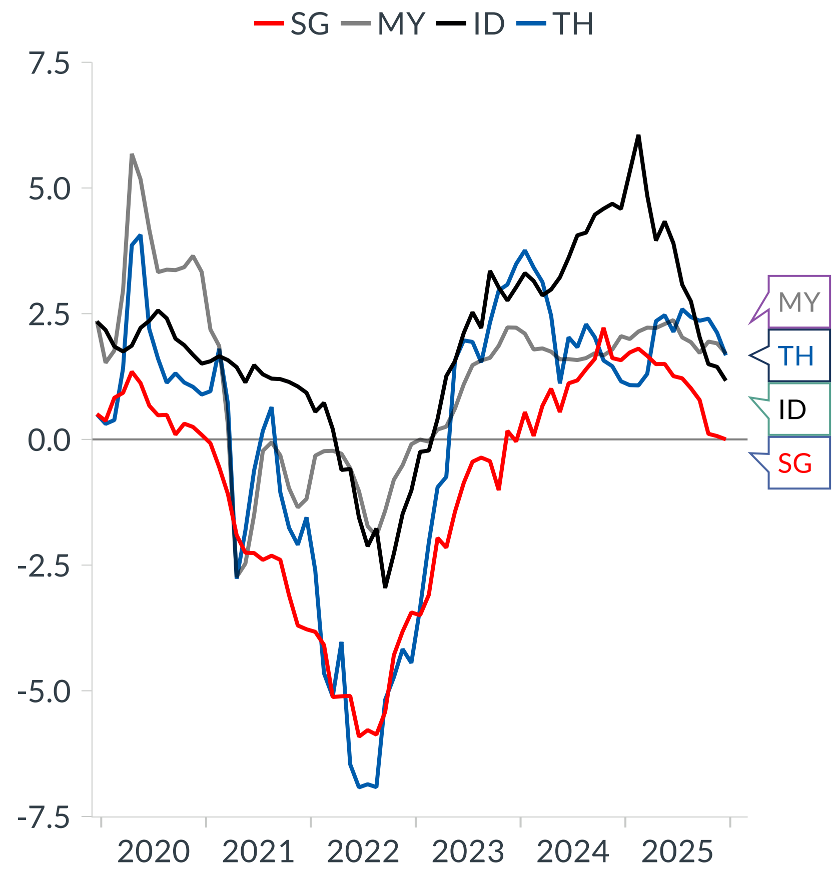
*Source : Macrobond, RHB Economics & Market Strategy *Malaysia 3Y- yields*

Real rates* across key economies – Malaysia seeing strong returns



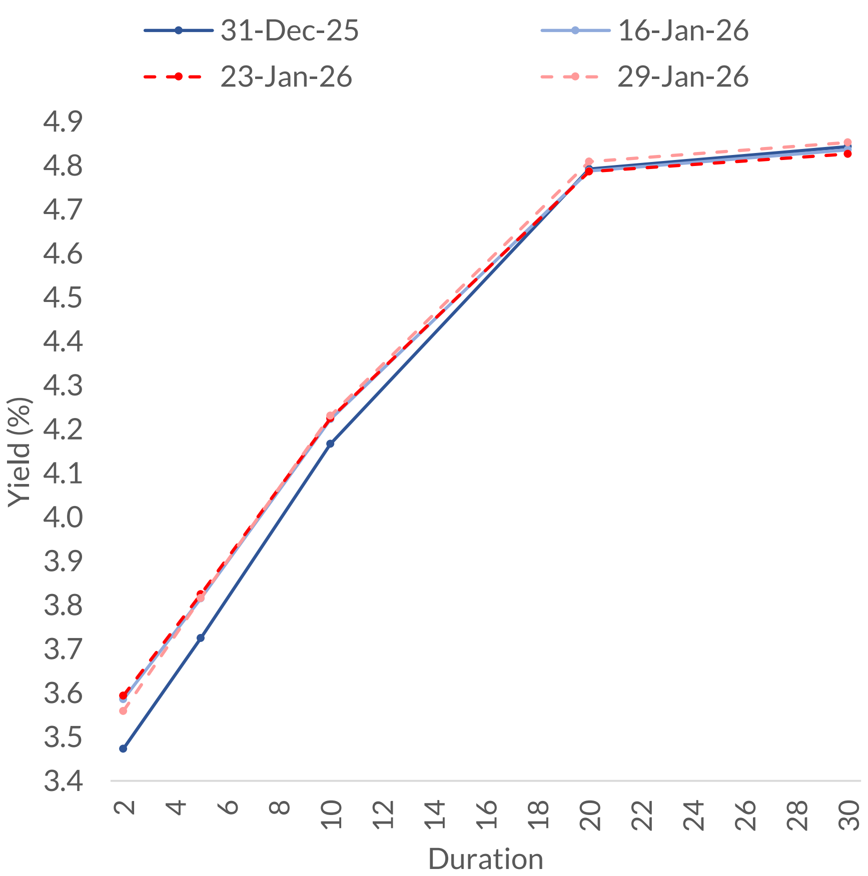
Source: Macrobond, RHB Economics & Market Strategy
** Nominal 3m- interbank – headline inflation differentials*

ASEAN real rates are gradually softening, but Malaysia leads the pack



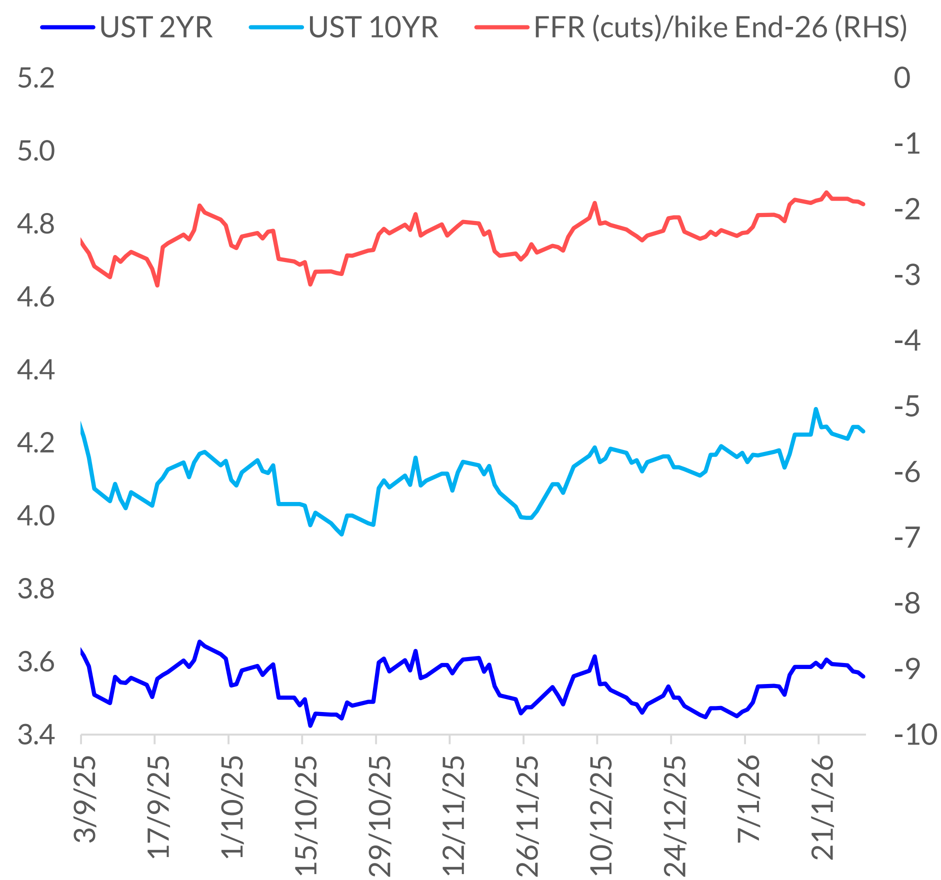
Source: Macrobond, RHB Economics & Market Strategy.

UST yields broadly stable with gains on front-end benefitted from flight-to-safety amid risk-aversion



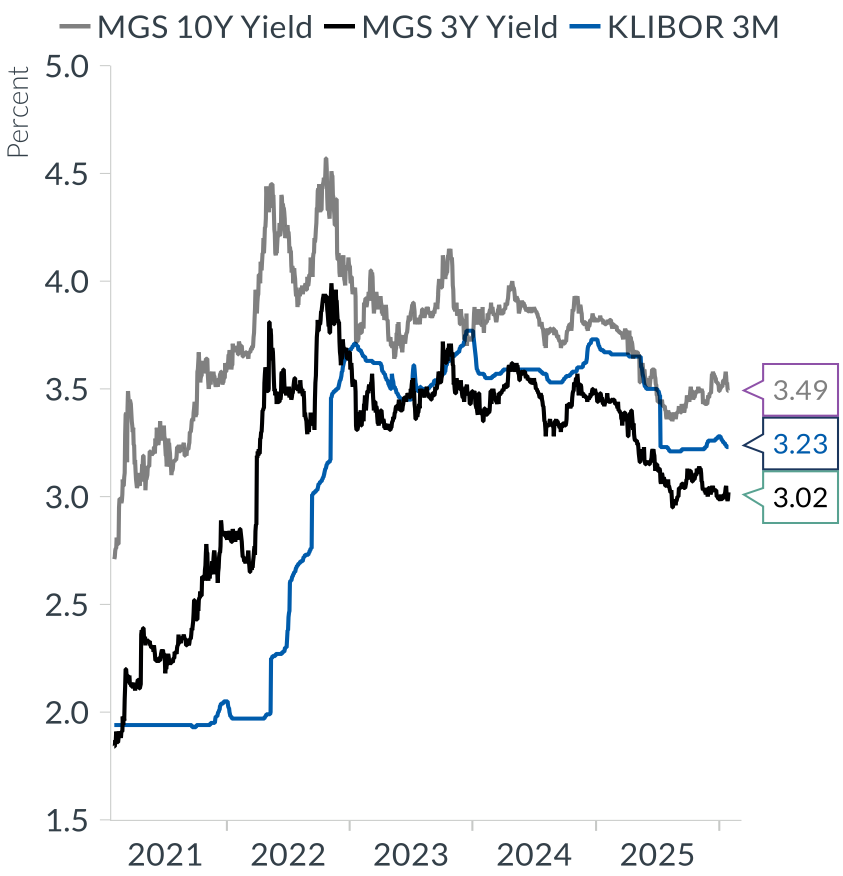
Source: Bloomberg, RHB Economics & Market Strategy.

Swap implied FFR cuts for 2026 stands at 1.9x ahead of ahead of busy data week



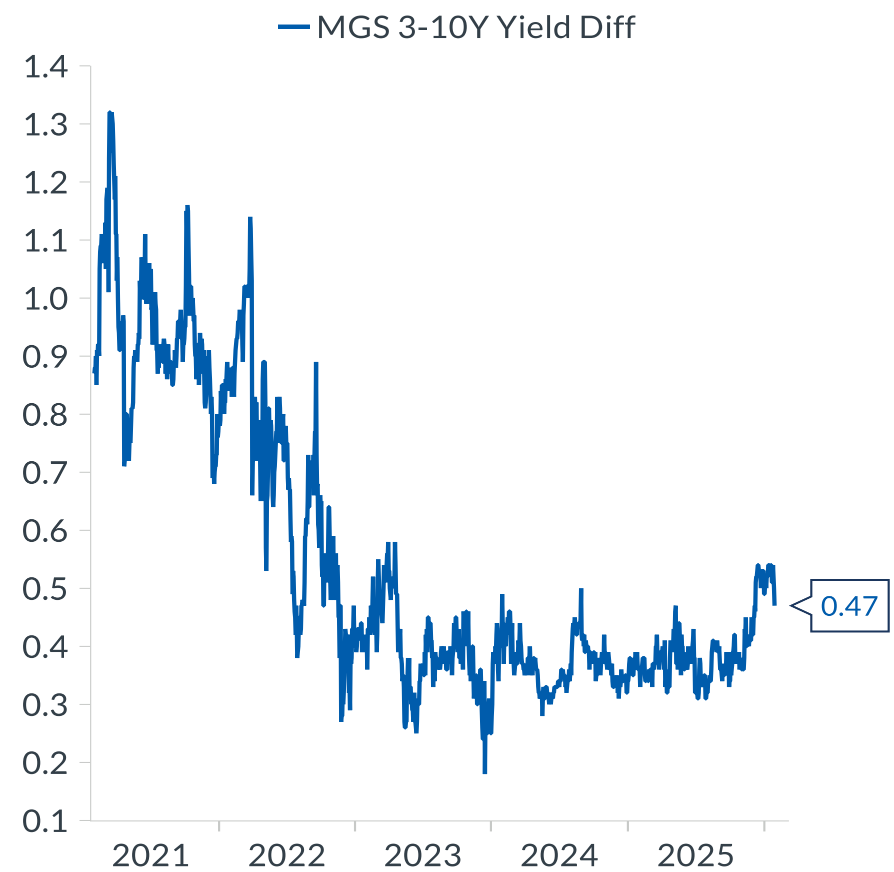
Source: Bloomberg, RHB Economics & Market Strategy.

Strong ringgit momentum drives inflows which supported MGS



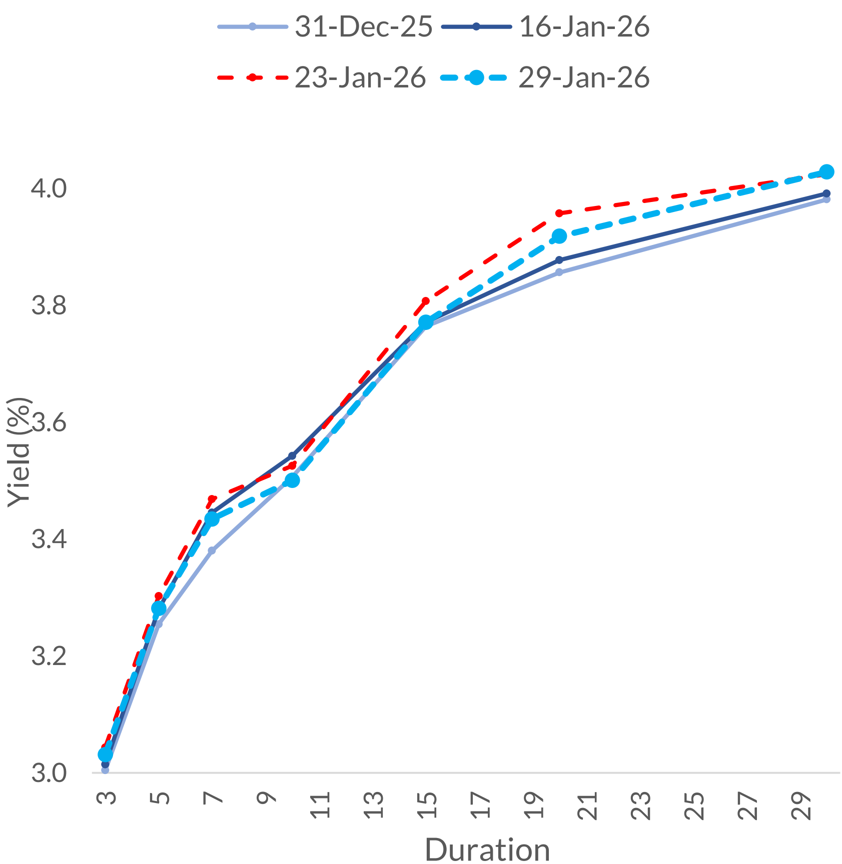
Source: Macrobond, RHB Economics & Market Strategy. .

3/10Y spread dropped amid stronger demand for longer duration; potential shocks remain muted



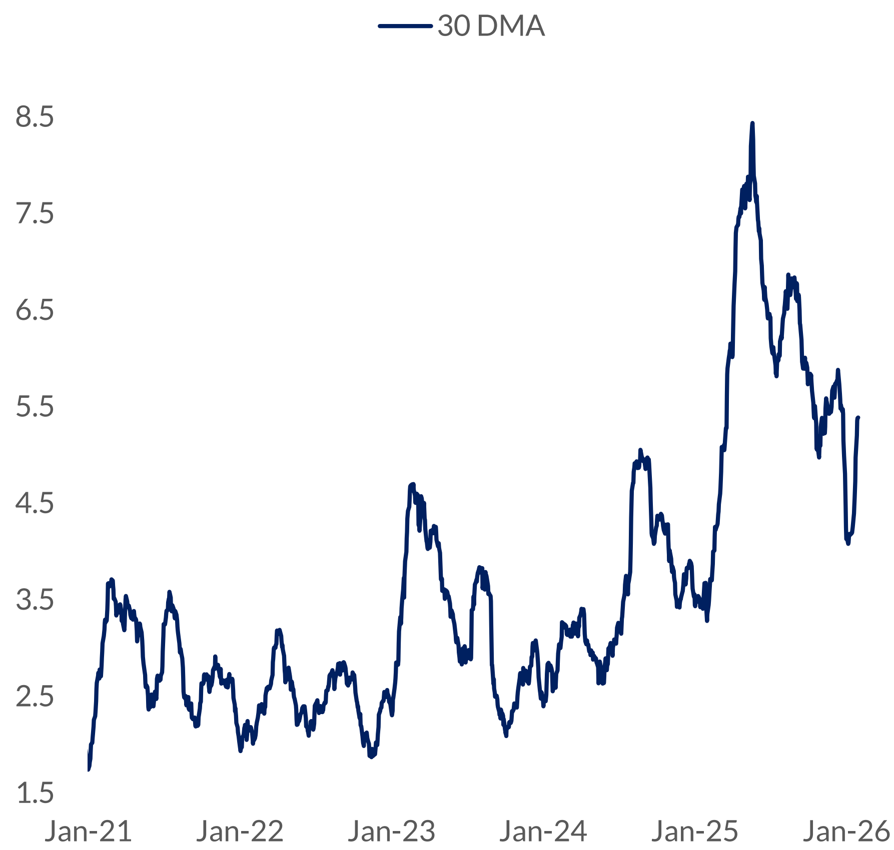
Source: Macrobond, RHB Economics & Market Strategy.

MGS gained on the back of strong local fundamentals; we view the momentum to be temporary



Source: Bloomberg, RHB Economics & Market Strategy. .

Improved liquidity in the local government bond market signals a rebound in demand for MGS/GII



Source: Bloomberg, RHB Economics & Market Strategy.

Rates Commentary: GII Auction GII 1/56 And 2026 Auction Calendar

- **Newly issued 30YR GII paper receive decent demand at just above 2x bid-to-cover. The headline size was the MYR3bn, alongside an additional MYR2bn via private placement. Next auction is the reopening of 10YR MGS 7/35.**

- **For 2026, we see the increase in front-end auctions will tilt the government bond duration profile modestly shorter, although the overall duration stance remains broadly balanced.**

- **We expect a higher YoY gross and net MGS/GII issuance in 2026, at MYR180bn and MYR95.3bn.**

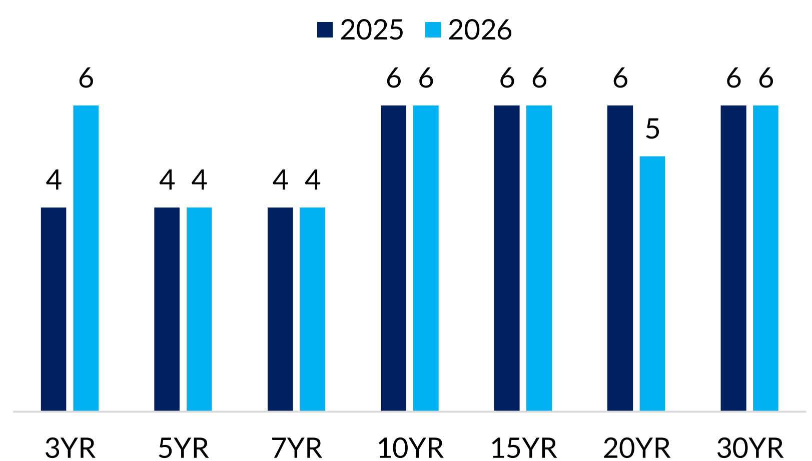
Figure 1: General results for GII

Tender Results	
Tender Description:	GII MURABAHAH 1/2026 31.01.2056
Stock Description:	GZ260001
Issue Date:	GII MURABAHAH 1/2026 4.044% 31.01.2056
Maturity Date:	31/01/2056
Issue Amount (MYR'mil):	3,000
Profit Rate(%):	4.044

General Result	
Amount Accepted / Offered (MYR'mil):	3,000
Amount Applied / Bidded (MYR'mil):	6,213
Amount Rejected (MYR'mil):	3,213
Bid-to-Cover Ratio (x):	2.071

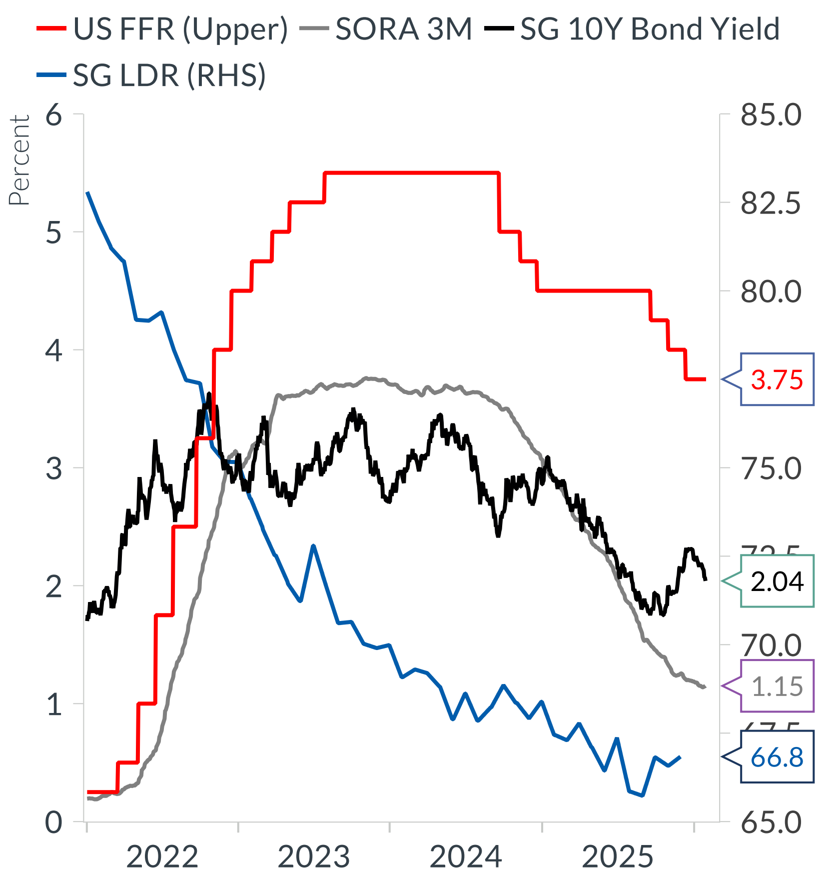
Range of Successful Bids			
	Price	Yield	Discount
Highest	100.416	4.055	-
Lowest	99.810	4.020	-
Average	100.005	4.044	-

Figure 2: The duration profile shows a marginal tilt towards the front-end



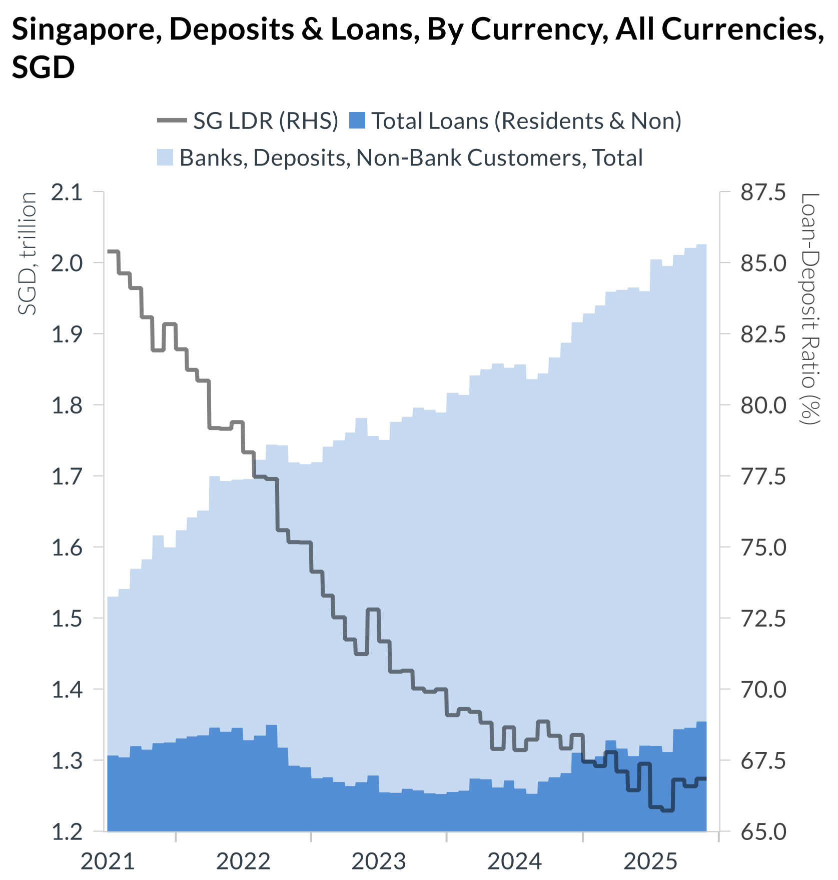
Source : BNM, RHB Economics & Market Strategy

SG rates on a downward path, resuming the momentum from 2025



Source: Macrobond, RHB Economics & Market Strategy.

Liquidity flush as LDR is stable at 66%, with inflows is expected to remain robust

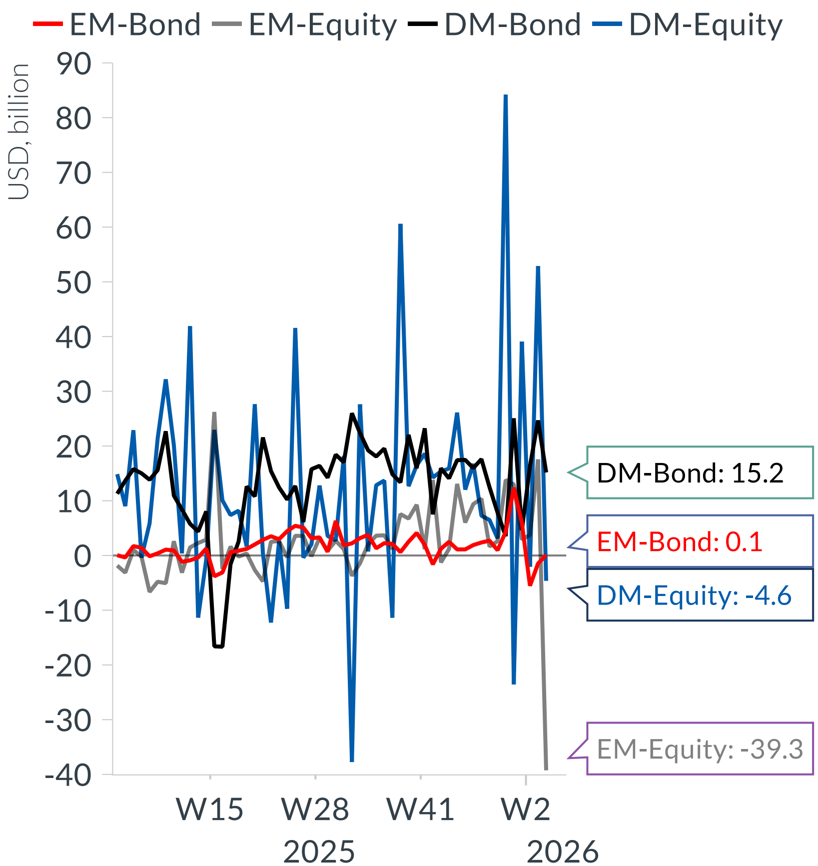


Source: Macrobond, RHB Economics & Market Strategy.

4

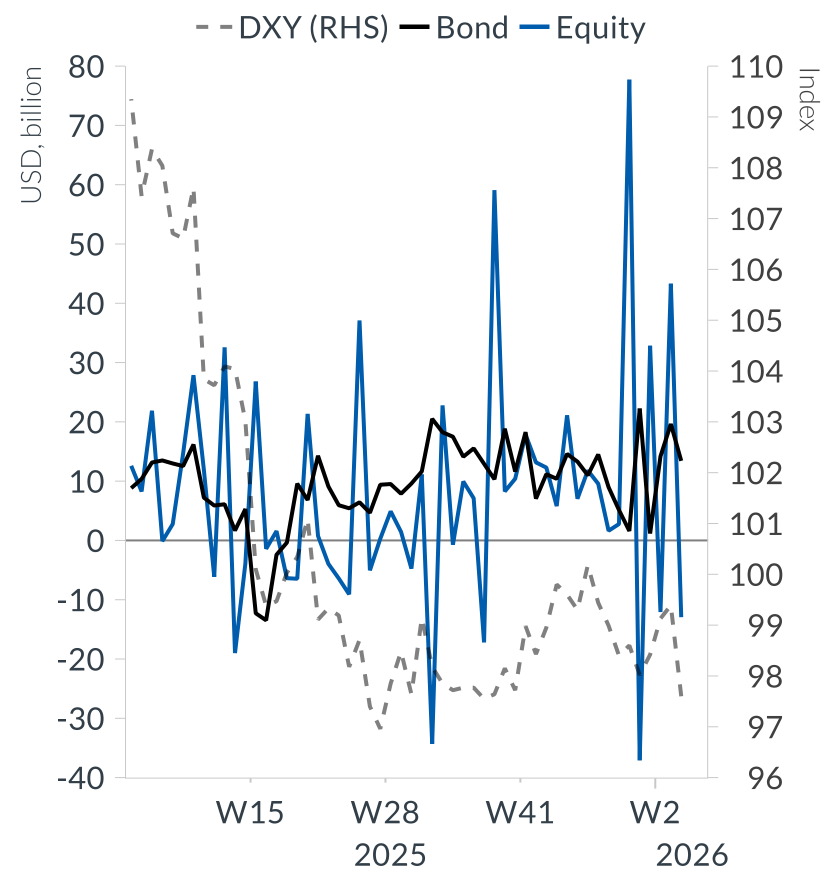
Fund Flows

Global Net Fund Flows



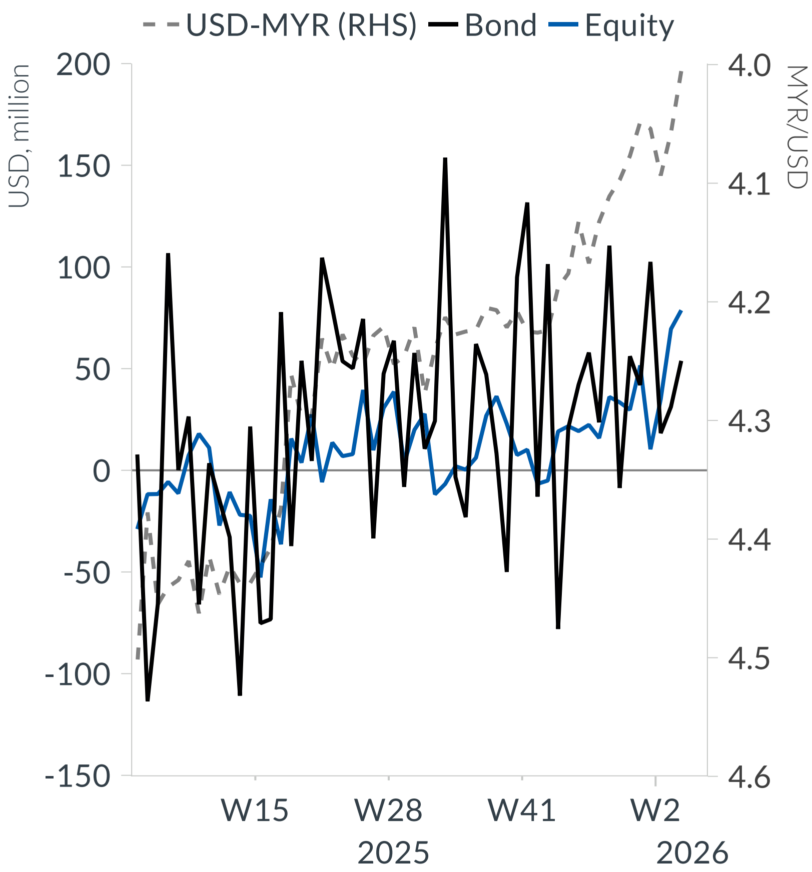
Source: Macrobond, EPFR, RHB Economics & Market Strategy

US Net Fund Flows & DXY



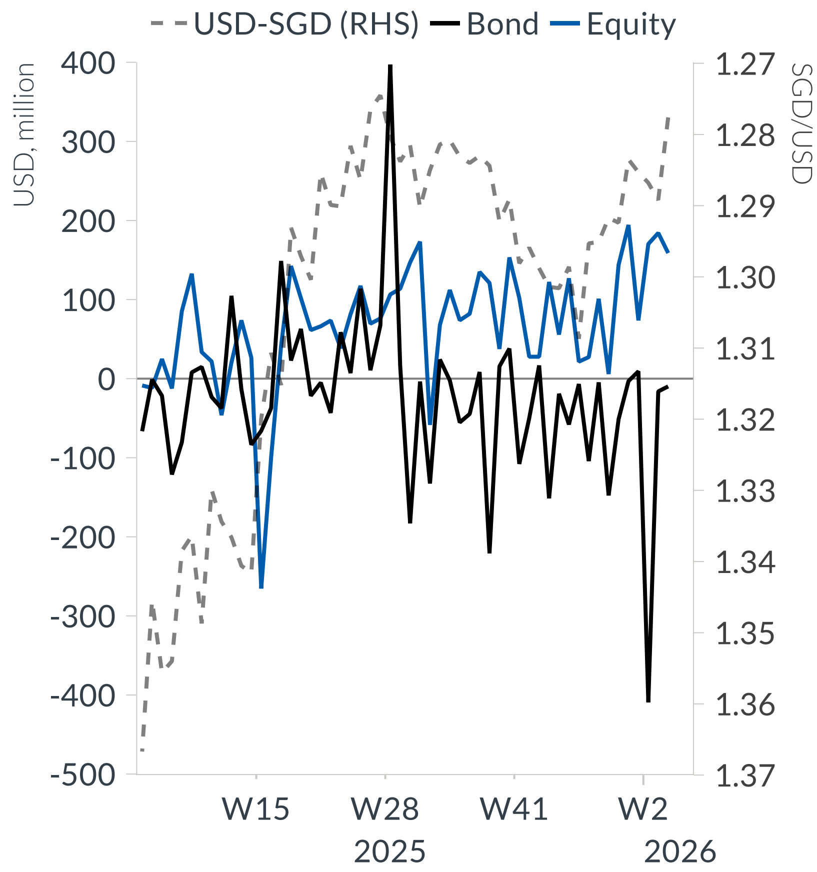
Source: Macrobond, EPFR, RHB Economics & Market Strategy

Malaysia Net Fund Flows



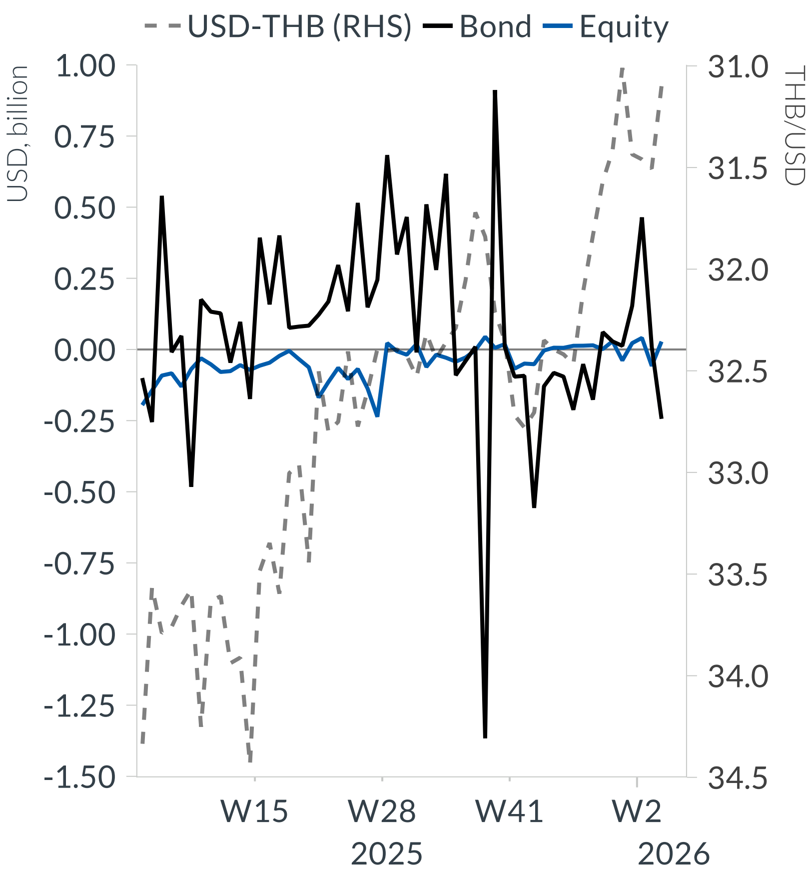
Source: Macrobond, EPFR, RHB Economics & Market Strategy

Singapore Net Fund Flows



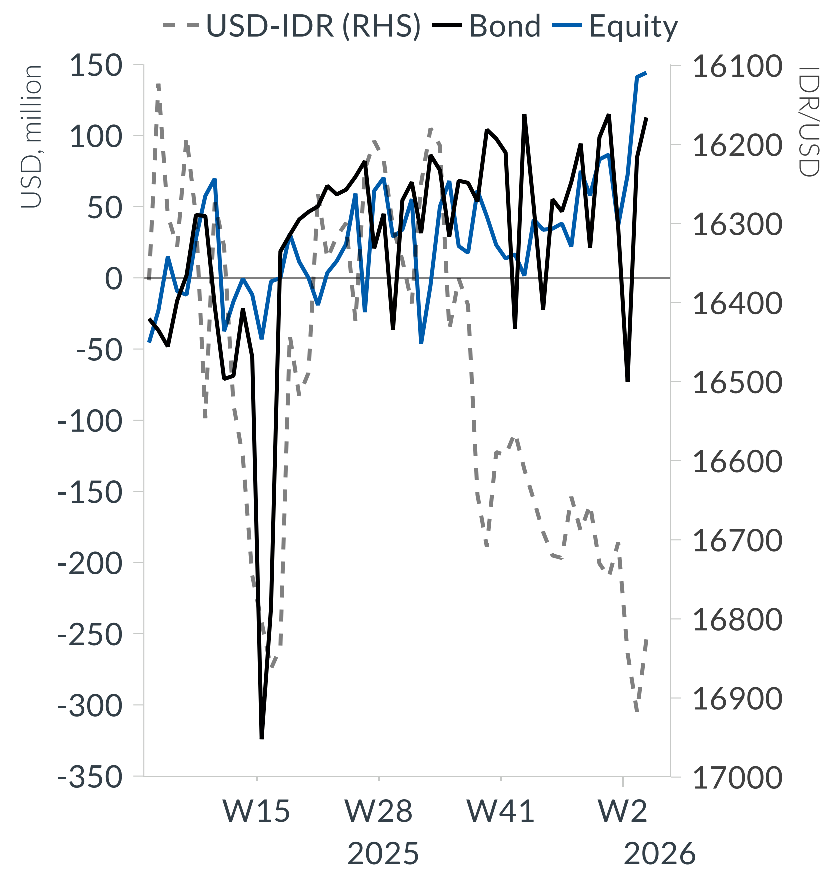
Source: Macrobond, EPFR, RHB Economics & Market Strategy

Thailand Net Fund Flows



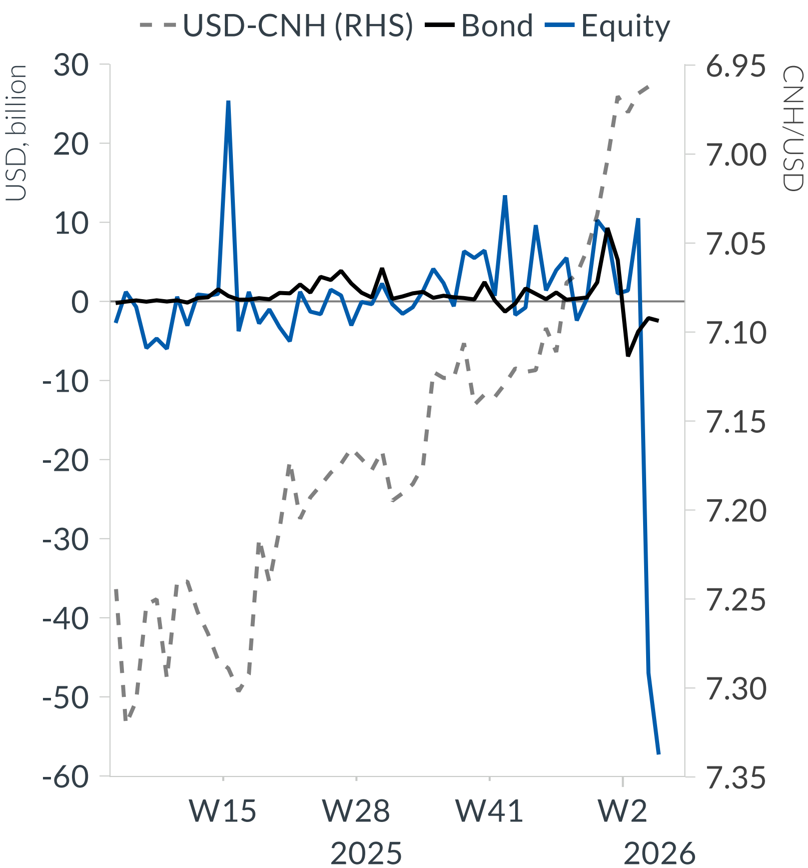
Source: Macrobond, EPFR, RHB Economics & Market Strategy

Indonesia Net Fund Flows



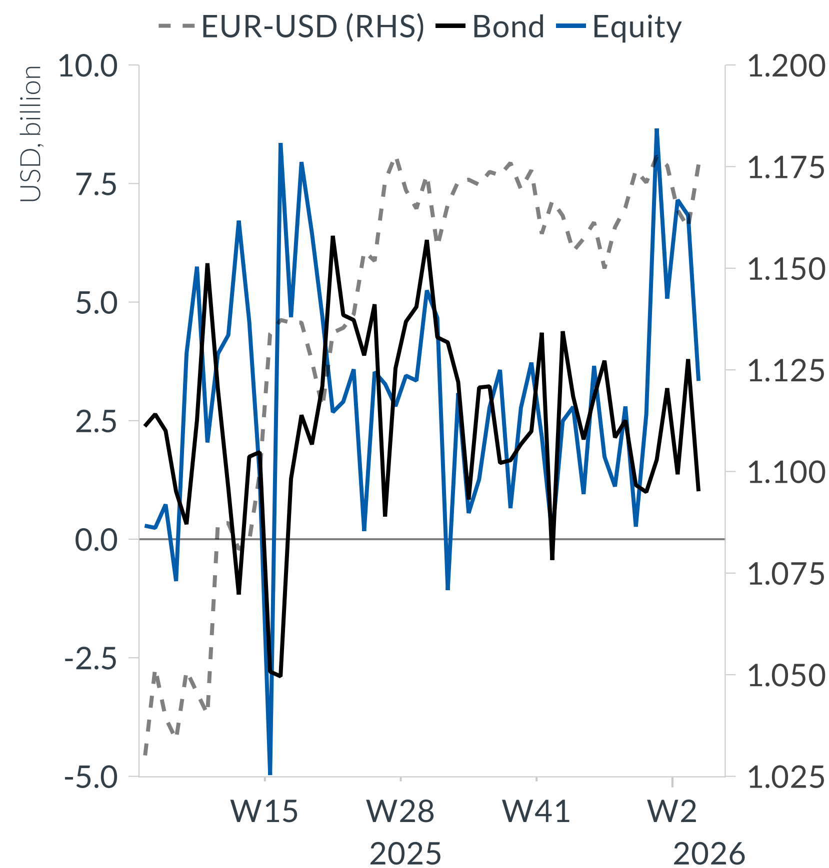
Source: Macrobond, EPFR, RHB Economics & Market Strategy

China Net Fund Flows



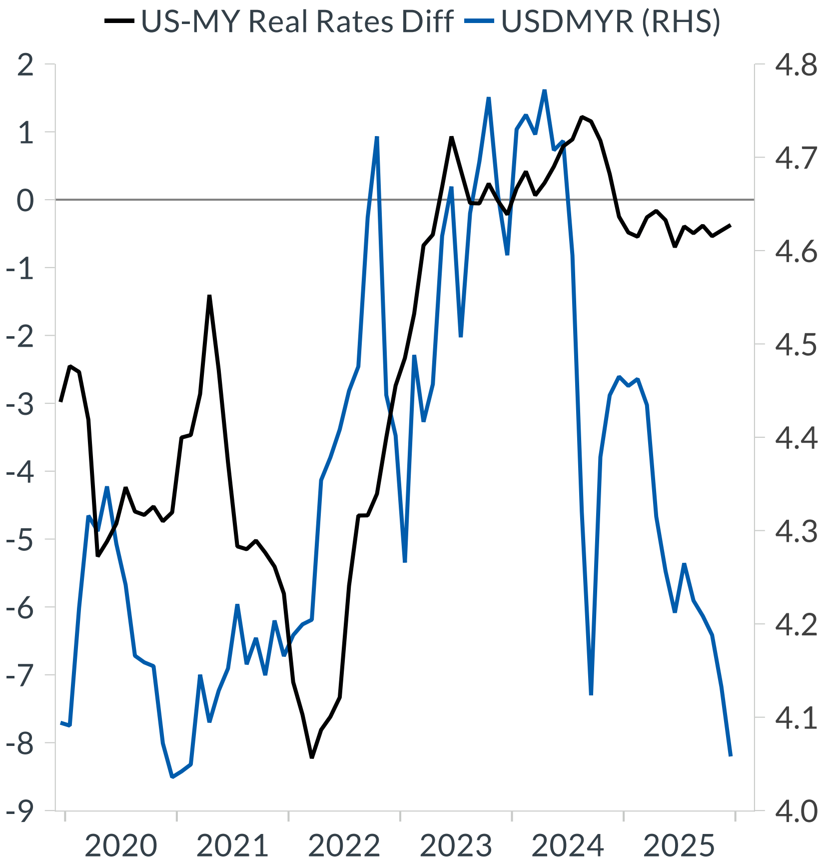
Source: Macrobond, EPFR, RHB Economics & Market Strategy

Europe Net Fund Flows



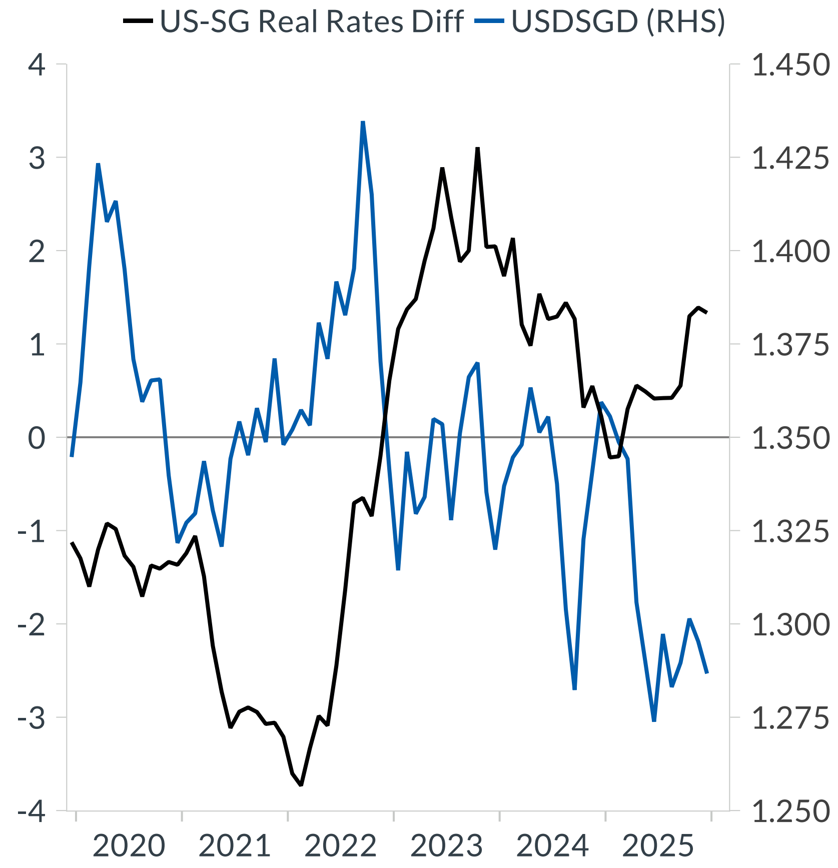
Source: Macrobond, EPFR, RHB Economics & Market Strategy

US-MY real rates diff & MYR



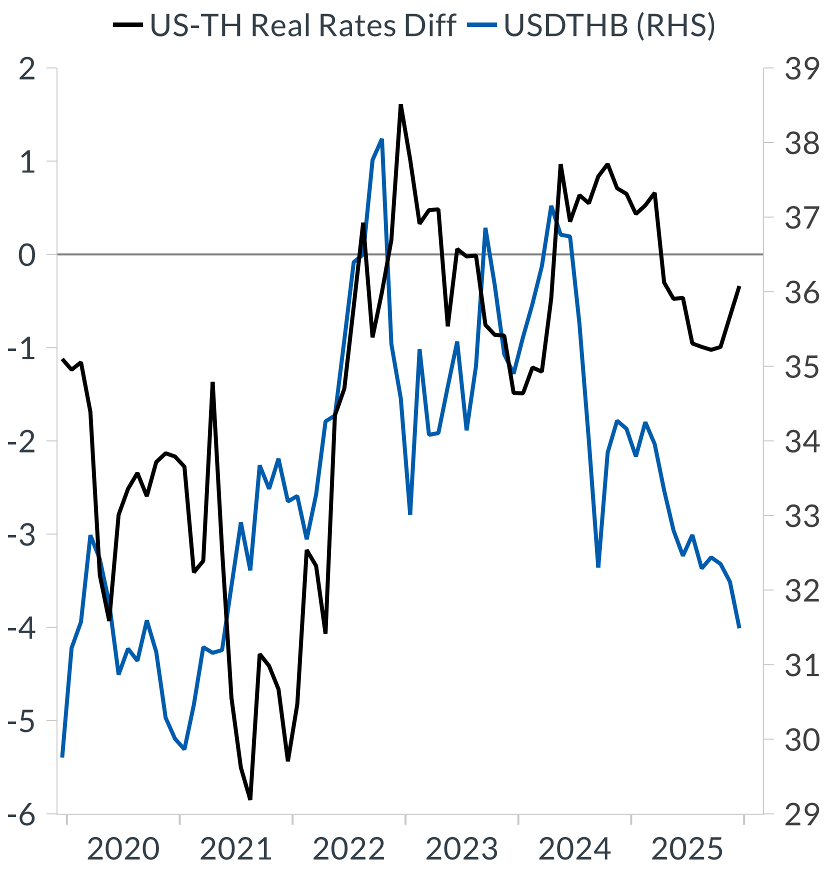
Source : Macrobond, RHB Economics & Market Strategy

US-SG real rates diff & SGD



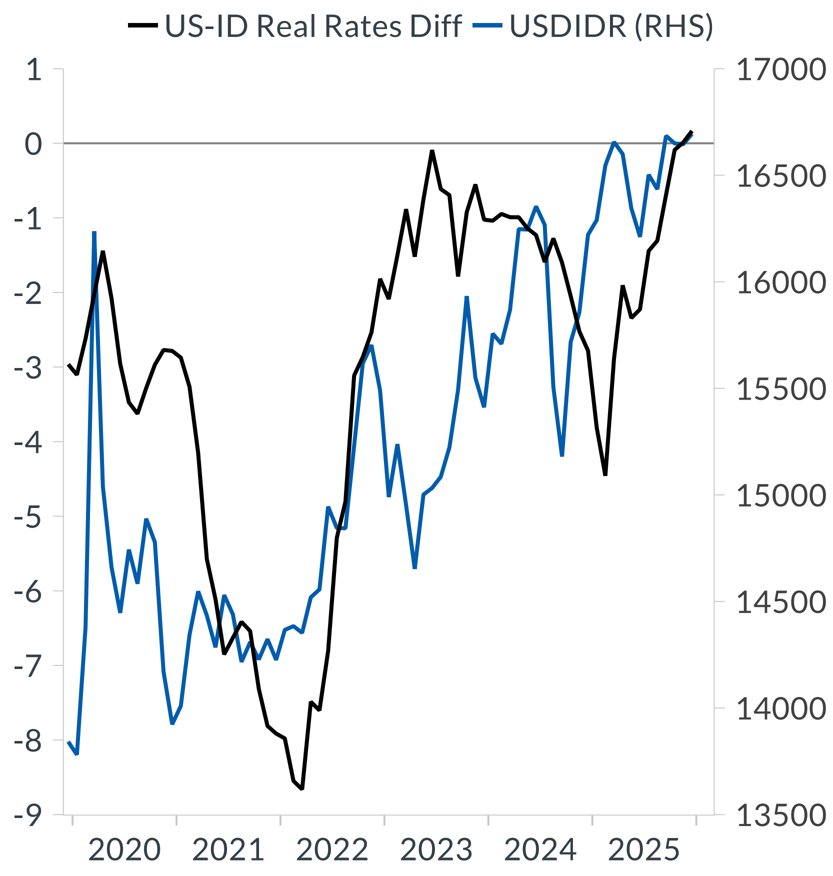
Source : Macrobond, RHB Economics & Market Strategy

US-TH real rates diff & THB



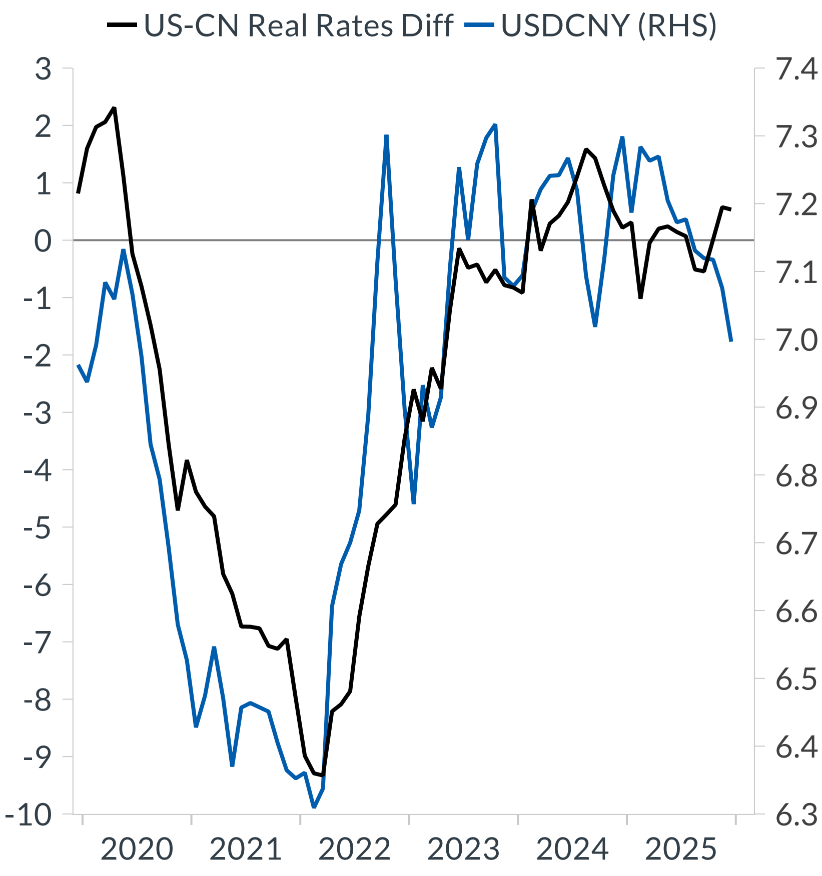
Source : Macrobond, RHB Economics & Market Strategy

US-ID real rates diff & IDR



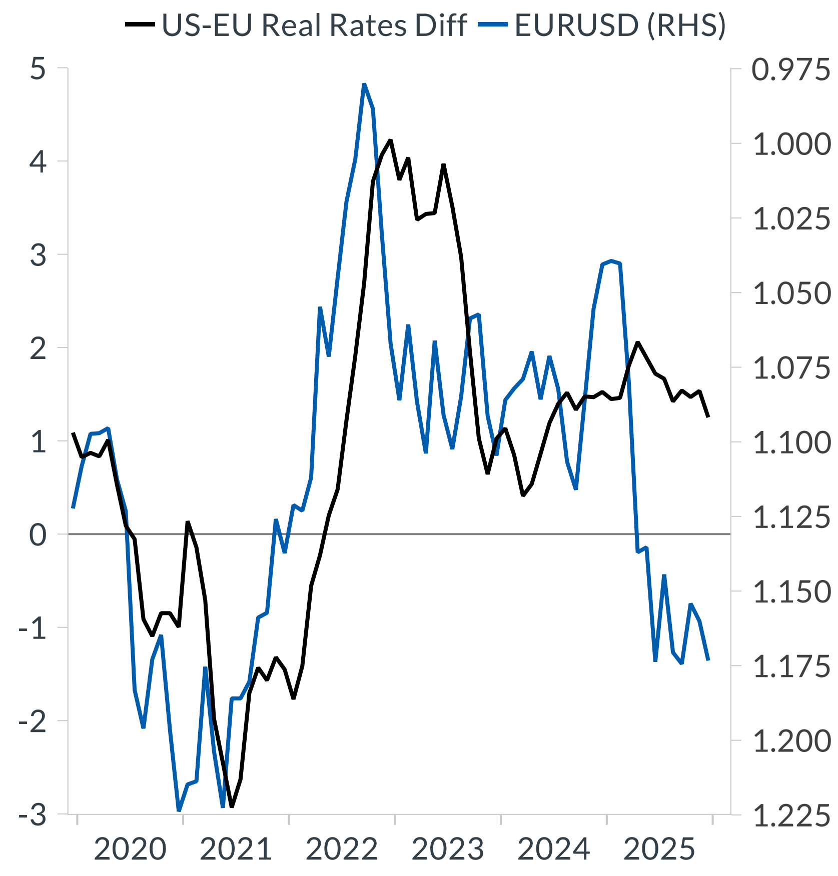
Source : Macrobond, RHB Economics & Market Strategy

US-CN real rates diff & CNH



Source : Macrobond, RHB Economics & Market Strategy

US-EU real rates diff & EUR



Source : Macrobond, RHB Economics & Market Strategy

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