

# FIXED INCOME

## Snapshot: Key events steer markets

- *US-China trade tension in focus once again as US President Trump guided an additional 100% tariff and export controls on China beginning 1 Nov.*
- *Mixed performance for regional bonds: IndoGBs rallied amid IDR stability; MYR sovereign bonds pared earlier sell-off; ThaiGBs bear-flattened after BOT surprised markets with a dovish hold.*
- *Primary market activities ahead include the 5Y GII 08/30 in Malaysia (14 Oct), the sukuk auction in Indonesia (14 Oct), and the sales of THB30bn 3Y LB294A 04/29 (new issue) and THB15bn 15Y LB406A 06/40 (15 Oct).*

### Regional bonds influenced by domestic factors amid US shutdown

- **US.** USTs rallied 10bps across the curve, S&P 500 fell 2.7%, and DXY eased 0.6% on Friday after US President Trump stated that he would impose an additional 100% tariff on China as well as export controls on “critical software” beginning 1 Nov. Prior to Friday, yields were up 1-2bps for the week as markets corrected from the 29 Sep-3 Oct week’s rally driven by soft labour data and shutdown-related safe-haven flows. Sentiment weakened early in the week on fiscal jitters from Japan and France, while the Sep FOMC minutes revealed a more divided Fed – several members cited lingering inflation risks despite broad support for the 25bps cut last month. Rate-cut expectations remain intact, with swaps nearly fully pricing in 25bps cuts in Oct and Dec.
- **Malaysia.** The MYR sovereign bonds cheapened across the curve amid the weak auction result for the 30Y MGS 07/55 on Monday at a BTC of just 1.38x and a large a 6.6bp tail at an average yield of 4.019% (high: 4.085%, low: 3.977%). Despite being the final 30Y issuance of the year, heavy corporate issuance dampened participation. The selloff extended into mid-week, though the 30Y found support at around 4.05%. The sovereign bond yields declined from Thursday afternoon as we headed into the Budget 2026 announcement on Friday, with the government targeting a further fiscal consolidation to 3.5% of GDP next year, from an unchanged target of 3.8% for 2025. MYR sovereign curve will find temporary reprieves into year-end as the lower supply guidance of RM170.5bn points towards lower issuance size for the three remaining MGS auctions, most notably the 10Y MGS 07/35 (RM3bn). We expect the reopening of 5Y GII 08/30 auction on 14 Oct to see firmer demand, with reinvestment flows of RM24.5bn on 15 Oct supporting the trading activity for the week ahead.
- **Indonesia.** The IndoGB curve bull-flattened through the 10Y sector, while the long-ends steepened in another week of rally as IDR strengthened 0.3% wow to close below the 16,600 level. Amid IDR stability, non-resident flows in IndoGB turned positive from mid-week, while headlines that FM Purbaya is planning another IDR70tr liquidity injection into the banking system also supported the rally. The conventional auction drew robust bids of IDR126tr (prior: IDR98tr), prompting the MOF to upsize issuance by IDR5tr to IDR28tr, with long tenors ( $\geq 10Y$ ) making up 73% of supply. The lower 4Q25 issuance target (IDR180tr vs. 3Q25’s IDR280tr) signals limited FY25 funding needs, though some upsizing is likely for FY26 prefunding. The upcoming 4Q25 dim sum bond sale will be closely watched following August’s kangaroo bond success (BTC: ~10x).
- **Thailand.** ThaiGBs were range-bound ahead of the BOT rate decision, as inflation readings were broadly in line with expectations. Nonetheless, as the BOT surprised with a dovish hold at 1.50% – diverging from market and our expectations of a 25bps rate cut – the curve retraced higher for the rest of the week. BOT governor Vitai signalled willingness to ease the policy rate further, and the monetary policy decision is data-dependent and about appropriate timing. We still see scope for two 25bps cuts by 1Q26, conditional on growth momentum. The PDMO’s 1QFY26 auction schedule raised indicative issuance to THB117bn (+31% mom), introducing new 3Y and 50Y benchmarks; the upcoming 3Y LB294A and 15Y LB406A auctions on 15 Oct on are expected to draw solid demand after a three-week auction hiatus.

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### Rates dashboard

|  | Government bond yields |               |              |              |
|--|------------------------|---------------|--------------|--------------|
|  | Malaysia               | Indonesia     | Singapore    | Thailand     |
| Level, % (weekly change, bps)            |                        |               |              |              |
| 3Y*                                      | 3.103 (1.9)            | 5.018 (-10.5) | 1.462 (-2.8) | 1.196 (6.2)  |
| 5Y                                       | 3.230 (2.2)            | 5.356 (-8.3)  | 1.624 (-1.3) | 1.247 (7.2)  |
| 10Y                                      | 3.484 (3.7)            | 6.074 (-22.2) | 1.833 (-7.2) | 1.482 (8.7)  |
| 15Y                                      | 3.724 (6.1)            | 6.562 (-16.3) | 1.899 (-3.9) | 1.752 (10.5) |
| 20Y                                      | 3.871 (5.9)            | 6.687 (-10.2) | 1.895 (-1.6) | 2.103 (8.5)  |
| 30Y                                      | 4.026 (4.2)            | 6.827 (-3.3)  | 1.989 (2.3)  | 2.171 (2.1)  |
| Term structure, bps (weekly change, bps) |                        |               |              |              |
| 3v10**                                   | 38.1 (1.8)             | 105.6 (-11.7) | 37.1 (-4.4)  | 28.6 (2.5)   |
| 5v10                                     | 25.4 (1.5)             | 71.8 (-13.9)  | 20.9 (-5.9)  | 23.5 (1.5)   |
| 10v15                                    | 24.0 (2.4)             | 48.8 (5.9)    | 6.6 (3.3)    | 27.0 (1.8)   |
| 10v20                                    | 38.7 (2.2)             | 61.3 (12.0)   | 6.2 (5.6)    | 62.1 (-0.1)  |
| 10v30                                    | 54.2 (0.5)             | 75.3 (18.9)   | 15.6 (9.5)   | 68.9 (-2.4)  |

\*2Y for SG

\*\*2v10 for SG

### Announcement of policy rate decisions

|     | Fed | ECB | BOE | RBA | SNB | BOJ | BNM | BI | BOT | MAS |
|-----|-----|-----|-----|-----|-----|-----|-----|----|-----|-----|
| Jan | 29  | 30  |     |     |     | 24  | 22  | 15 |     | 24  |
| Feb |     |     | 6   | 18  |     |     |     | 19 | 26  |     |
| Mar | 19  | 6   | 20  |     | 20  | 19  | 6   | 19 |     |     |
| Apr |     | 17  |     | 1   |     |     |     | 23 | 30  | 14  |
| May | 7   |     | 8   | 20  |     | 1   | 8   | 21 |     |     |
| Jun | 18  | 5   | 19  |     | 19  | 17  |     | 18 | 25  |     |
| Jul | 30  | 24  |     | 8   |     | 31  | 9   | 16 |     | x   |
| Aug |     |     | 7   | 12  |     |     |     | 20 | 13  |     |
| Sep | 17  | 11  | 18  | 30  | 25  | 19  | 4   | 17 |     |     |
| Oct | 29  | 30  |     |     |     | 30  |     | 22 | 8   | x   |
| Nov |     |     | 6   | 4   |     |     | 6   | 19 |     |     |
| Dec | 10  | 18  | 18  | 9   | 11  | 19  |     | 17 | 17  |     |

## WEEK IN REVIEW

- Global:** USTs rallied 10bps across the curve, S&P 500 fell 2.7%, and DXY eased 0.6% on Friday after US President Trump stated that he would impose an additional 100% tariff on China as well as export controls on “critical software” beginning 1 Nov. Meanwhile, the US government shutdown has delayed several key releases, most notably the NFP and initial jobless claims. The US budget balance indicated that the budget deficit remained elevated at USD1.8tr in FY2025, despite higher tariffs being in effect. The Sep FOMC meeting minutes revealed a more divided committee than expected. While nearly all members supported the 25bps cut last month, several flagged upside inflation risks, and a few saw a hold to be justified. Markets took the tone as slightly less dovish, but rate-cut expectations in Sep and Dec 2025 remain intact. UoM estimates showed that consumer sentiment for Oct is better-than-expected and 1Y inflation expectation is softer than expected (4.6%, consensus: 4.7%, prior: 4.7%).
- ASEAN:** The BOT surprised market with a dovish hold on 8 Oct, diverging from market and our expectations of a 25bps rate cut. The central bank reaffirmed its support for the economy while maintaining policy flexibility amid limited policy space. Thailand’s Sep CPI confirmed continued deflation (-0.7% yoy; Aug: -0.8%), with core inflation easing to 0.7% yoy (Aug: 0.8%). Malaysia’s international reserves rose to USD123.6bn in Sep (Aug: USD122.8bn), while Indonesia’s fell to USD148.7bn (Aug: USD150.7bn) due to FX intervention. Malaysia’s Aug industrial production grew 4.9% yoy (consensus: 3.4%, Jul: 4.2%).

Figure 1: Weekly data review (6 - 12 Oct)

| Date      | Time  | Country | Indicator                             | Period | Unit   | CIMB forecast | BBG Survey Median | Actual | Prior    | Revision |
|-----------|-------|---------|---------------------------------------|--------|--------|---------------|-------------------|--------|----------|----------|
| 6-Oct-25  | 11:30 | TH      | Headline Inflation                    | Sep    | % yoy  | (0.9)         | (0.6)             | (0.7)  | (0.8)    | -        |
| 6-Oct-25  | 11:30 | TH      | Core Inflation                        | Sep    | % yoy  | 0.8           | 0.8               | 0.7    | 0.8      | -        |
| 7-Oct-25  | 11:00 | ID      | International Reserves                | Sep    | USD bn |               | -                 | 148.7  | 150.7    | -        |
| 7-Oct-25  | 15:00 | MY      | International Reserves                | Sep 30 | USD bn |               | -                 | 123.6  | 122.8    | -        |
| 8-Oct-25  | 09:00 | NZ      | RBNZ Official Cash Rate               | Oct 8  | %      |               | 2.8               | 2.50   | 3.0      | -        |
| 8-Oct-25  | 11:00 | ID      | Consumer Confidence Index (BI Survey) | Sep    | Index  |               | -                 | 115.0  | 117.2    | -        |
| 8-Oct-25  | 15:00 | TH      | BOT 1-Day Repurchase Rate             | Oct 8  | %      | 1.25          | 1.25              | 1.5    | 1.5      | -        |
| 9-Oct-25  | 02:00 | US      | FOMC Meeting Minutes                  | Sep 17 |        |               | -                 | -      | -        | -        |
| 10-Oct-25 | 12:00 | MY      | Industrial Production                 | Aug    | % yoy  |               | 3.40              | 4.90   | 4.2      | -        |
| 10-Oct-25 | 15:30 | TH      | International Reserves                | Oct 3  | USD bn |               | -                 | 273.8  | 271.9    | -        |
| 10-Oct-25 | -     | ID      | Auto Sales                            | Sep    |        |               | -                 | -      | 61,780.0 | -        |
| 10-Oct-25 | 22:00 | EU      | UoM Consumer Sentiment Index          | Oct P  | Index  |               | 54.0              | 55.0   | 55.1     | -        |
| 10-Oct-25 | 22:00 | US      | UoM 1Y Inflation Expectation          | Oct P  | %      |               | 4.7               | 4.6    | 4.7      | -        |
| 10-Oct-25 | 22:00 | US      | UoM 5-10Y Inflation Expectation       | Oct P  | %      |               | 3.7               | 3.7    | 3.7      | -        |

SOURCE: BLOOMBERG, CIMB TREASURY AND MARKETS RESEARCH

## WEEK AHEAD

- Global:** The week of 13-19 Oct features several key releases. Markets will focus on the US PPI release (16 Oct) for policy guidance. With NFP and other labour data delayed, jobless claims will be closely watched. However, jobless claims may also face delays depending on the duration of the shutdown, heightening the relevance of the earlier ADP report (1 Oct). Other data due include the Philadelphia Fed business outlook (16 Oct), building permits, import price index, manufacturing production (17 Oct), and TIC flows (18 Oct).
- ASEAN:** The regional calendar is light but includes key data. Malaysia's advanced 3Q25 GDP estimate and Sep trade data will be released on 17 Oct, while Thailand's Sep trade data is due on 18 Oct.

Figure 2: Weekly data preview (13 - 19 Oct)

| Date      | Time  | Country | Indicator                             | Period | Unit     | CIMB forecast | BBG Survey Median | Actual | Prior     | Revision |
|-----------|-------|---------|---------------------------------------|--------|----------|---------------|-------------------|--------|-----------|----------|
| 14-Oct-25 | 18:00 | US      | NFIB Small Business Optimism          | Sep    | Index    |               | 100.6             | -      | 100.8     | -        |
| 16-Oct-25 | 20:30 | US      | Continuing Jobless Claims             | Oct 4  | '000     |               | 1,925.0           | -      | 1,926.0   | -        |
| 16-Oct-25 | 20:30 | US      | Advance Retail Sales                  | Sep    | % mom sa |               | 0.4               | -      | 0.6       | -        |
| 16-Oct-25 | 20:30 | US      | Advance Retail Sales Less Autos       | Sep    | % mom sa |               | 0.3               | -      | 0.7       | -        |
| 16-Oct-25 | 20:30 | US      | PPI Final Demand                      | Sep    | % mom sa |               | 0.3               | -      | (0.1)     | -        |
| 16-Oct-25 | 20:30 | US      | PPI Final Demand Less Food and Energy | Sep    | % mom sa |               | 0.2               | -      | (0.1)     | -        |
| 16-Oct-25 | 20:30 | US      | PPI Final Demand                      | Sep    | % yoy    |               | 2.6               | -      | 2.6       | -        |
| 16-Oct-25 | 20:30 | US      | PPI Final Demand Less Food and Energy | Sep    | % yoy    |               | 2.7               | -      | 2.8       | -        |
| 16-Oct-25 | 20:30 | US      | Philadelphia Fed Business Outlook     | Oct    | Index    |               | 10.0              | -      | 23.2      | -        |
| 16-Oct-25 | 20:30 | US      | Initial Jobless Claims                | Oct 11 | '000     |               | 229.5             | -      | -         | -        |
| 17-Oct-25 | 12:00 | MY      | GDP Growth                            | 3Q A   | % yoy    |               | 4.2               | -      | 4.4       | -        |
| 17-Oct-25 | 12:00 | MY      | Gross Exports FOB                     | Sep    | % yoy    |               | 3.5               | -      | 1.9       | -        |
| 17-Oct-25 | 12:00 | MY      | Gross Imports CIF                     | Sep    | % yoy    |               | 1.4               | -      | (5.9)     | -        |
| 17-Oct-25 | 12:00 | MY      | Trade Balance                         | Sep    | RM bn    |               | 16.8              | -      | 16.1      | -        |
| 17-Oct-25 | 15:30 | TH      | International Reserves                | Oct 10 | USD bn   |               | -                 | -      | 273.8     | -        |
| 17-Oct-25 | 20:30 | US      | Housing Starts                        | Sep    | '000     |               | 1,320.0           | -      | 1,307.0   | -        |
| 17-Oct-25 | 20:30 | US      | Building Permits                      | Sep P  | '000     |               | 1,342.0           | -      | 1,330.0   | -        |
| 17-Oct-25 | 20:30 | US      | Import Price Index                    | Sep    | % mom    |               | 0.1               | -      | 0.3       | -        |
| 18-Oct-25 | 04:00 | US      | Net Long-Term TIC Flows               | Aug    | USD bn   |               | -                 | -      | 49.2      | -        |
| 18-Oct-25 | 04:00 | US      | Total Net TIC Flows                   | Aug    | USD bn   |               | -                 | -      | 2.1       | -        |
| 18-Oct-25 | -     | TH      | Car Sales                             | Sep    |          |               | -                 | -      | 47,622.0  | -        |
| 18-Oct-25 | -     | TH      | Customs Exports                       | Sep    | % yoy    |               | 9.0               | -      | 5.8       | -        |
| 18-Oct-25 | -     | TH      | Customs Imports                       | Sep    | % yoy    |               | 10.5              | -      | 15.8      | -        |
| 18-Oct-25 | -     | TH      | Customs Trade Balance                 | Sep    | USD m    |               | 350.8             | -      | (1,964.0) | -        |

SOURCE: BLOOMBERG, CIMB TREASURY AND MARKETS RESEARCH

# MALAYSIA

## MYR sovereign bonds found support heading into the Budget 2026 announcement

- MYR sovereign bonds started the week on a weak note amid tepid demand for the 30Y MGS 07/55 reopening auction, registering the fifth lowest BTC ratio (1.38x) since 2015. Despite being the final 30Y issuance of the year, heavy corporate supply and rich valuations dampened participation, resulting in a 6.6bp tail at an average yield of 4.019% (high: 4.085%, low: 3.977%). Sentiment was already fragile ahead of the auction, with the 20Y GII 05/45 opening 7bps higher than Friday's close. News of the low BTC spread rapidly before the auction closed, triggering further selling and weakening bids. The 30Y yield ended 6bps higher, lifting the rest of the MGS curve by 2-4bps, while GII yields rose more sharply by 4-12bps across the curve.
- The selloff extended into mid-week, though the 30Y found support at around 4.05%. The sovereign bond yields declined from Thursday afternoon as we headed into the Budget 2026 announcement on Friday, with the government targeting a further fiscal consolidation to 3.5% of GDP next year, from an unchanged target of 3.8% for 2025 (see our report "Budget 2026: Calibrated Consolidation" on 10 Oct).
- The MOF guided total issuance of MGS and GII at RM82.5bn and RM88.0bn respectively, for 2025, with the grand total of RM170.5bn (2024: RM175bn) lower than our forecast of RM172bn. The residual bond financing of RM26.5bn for the remainder of 2025 comprises: 1) RM15bn across three GII auctions, which translates into RM5bn each for the 5Y GII 08/30 on 15 Oct, 10Y GII 04/35 and 20Y GII 05/45 in Nov, and 2) RM11.5bn for MGS, indicating lower issuance size for the three remaining MGS auctions, most notably the 10Y MGS 07/35 (RM3bn), which is expected to support the MYR sovereign curve into year-end.
- For 2026, bond-to-bill substitution to manage refinancing pressure (2026: RM108.7bn, 2025: RM83.5bn) is expected to keep a lid on gross MGS and GII supply in the range of RM173-178bn. However, heavy redemption through the bellies implies a steepening bias for the curve next year.
- Trading activity for the week was muted (Figure 8) with focus on Budget 2026 announcement on 10 Oct. We expect reinvestment flows from RM24.5bn in maturities on 15 Oct to be supportive of market activity for the week ahead. The reopening of the 5Y GII 08/30 – scheduled for 14 Oct – expected to draw firmer demand due to its shorter tenor and typically better performance for GII (Figure 13). The previous 5Y auction (MGS 05/30) drew a weak BTC of 1.93x, but with 5Y GII yields now 14bps higher, we anticipate healthier bidding interest, likely pushing BTC above 2.00x.

Figure 3: MGS yields

|         | 10-Oct % | 1D           | 1W  | 1M   | 3M  | YTD    |
|---------|----------|--------------|-----|------|-----|--------|
|         |          | Change (bps) |     |      |     |        |
| MGS 3Y  | 3.10     | (1.2)        | 1.3 | 5.2  | 2.7 | (38.2) |
| MGS 5Y  | 3.22     | (1.0)        | 1.3 | 9.9  | 7.4 | (40.0) |
| MGS 7Y  | 3.44     | (2.3)        | 4.7 | 11.4 | 9.8 | (32.5) |
| MGS 10Y | 3.47     | (2.4)        | 2.6 | 7.8  | 4.8 | (34.1) |
| MGS 15Y | 3.71     | (1.5)        | 4.2 | 9.8  | 4.0 | (26.4) |
| MGS 20Y | 3.86     | (0.5)        | 5.2 | 11.6 | 9.8 | (19.6) |
| MGS 30Y | 4.01     | (2.1)        | 2.4 | 13.7 | 1.8 | (17.5) |

Figure 4: GII yields

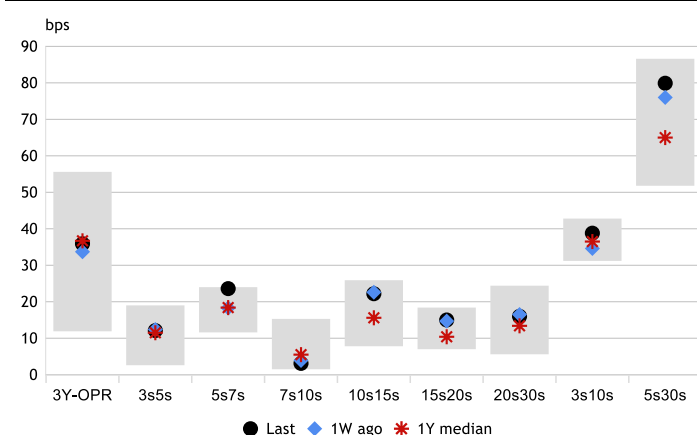
|         | 10-Oct % | 1D           | 1W    | 1M   | 3M   | YTD    |
|---------|----------|--------------|-------|------|------|--------|
|         |          | Change (bps) |       |      |      |        |
| GII 3Y  | 3.12     | (1.2)        | (0.7) | 5.2  | 1.1  | (21.1) |
| GII 5Y  | 3.24     | (0.6)        | 3.1   | 9.5  | 3.4  | (38.2) |
| GII 7Y  | 3.35     | (0.4)        | 0.8   | 8.5  | 0.1  | (38.7) |
| GII 10Y | 3.50     | (2.2)        | 2.0   | 8.1  | 1.3  | (32.9) |
| GII 15Y | 3.70     | (1.3)        | 0.5   | 8.1  | 2.9  | (27.6) |
| GII 20Y | 3.91     | 0.4          | 7.5   | 13.5 | 13.2 | (17.2) |
| GII 30Y | 4.01     | (1.7)        | 1.9   | 9.9  | 2.9  | (17.3) |

Figure 5: OPR, KLIBOR and IRS

|           | 10-Oct % | 1D           | 1W    | 1M   | 3M    | YTD    |
|-----------|----------|--------------|-------|------|-------|--------|
|           |          | Change (bps) |       |      |       |        |
| OPR       | 2.75     | -            | -     | -    | -     | (25.0) |
| MYOR      | 2.75     | -            | -     | -    | -     | (25.0) |
| KLIBOR 1M | 3.00     | -            | -     | -    | (1.0) | (29.0) |
| KLIBOR 3M | 3.22     | -            | -     | 1.0  | (1.0) | (51.0) |
| KLIBOR 6M | 3.26     | -            | -     | -    | (4.0) | (51.0) |
| IRS 1Y    | 3.23     | 0.5          | -     | 8.5  | 5.0   | (34.5) |
| IRS 3Y    | 3.16     | (0.5)        | (1.0) | 8.0  | 4.0   | (34.5) |
| IRS 5Y    | 3.24     | (0.5)        | -     | 9.0  | 4.0   | (31.0) |
| IRS 7Y    | 3.31     | (1.0)        | 0.5   | 10.0 | 3.0   | (32.5) |
| IRS 10Y   | 3.44     | 0.6          | 1.1   | 10.1 | 4.1   | (28.4) |

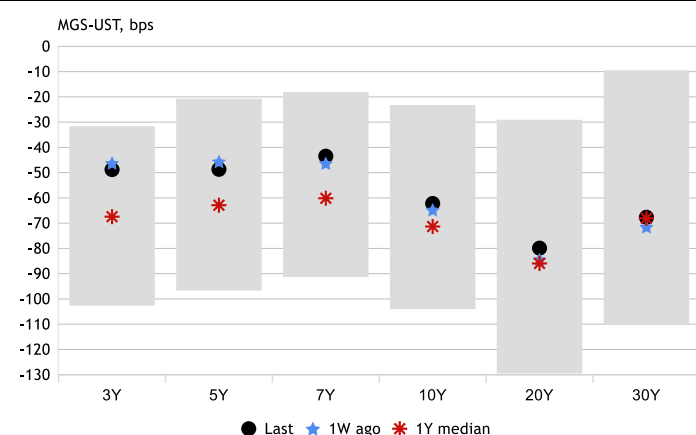
SOURCE: BLOOMBERG, CIMB TREASURY AND MARKETS RESEARCH

Figure 6: MGS term premia relative to 1Y median



SOURCE: BLOOMBERG, MACROBOND, CIMB TREASURY AND MARKETS RESEARCH

Figure 7: MGS-UST spread relative to 1Y median



SOURCE: BLOOMBERG, MACROBOND, CIMB TREASURY AND MARKETS RESEARCH

Figure 8: Daily trading volume

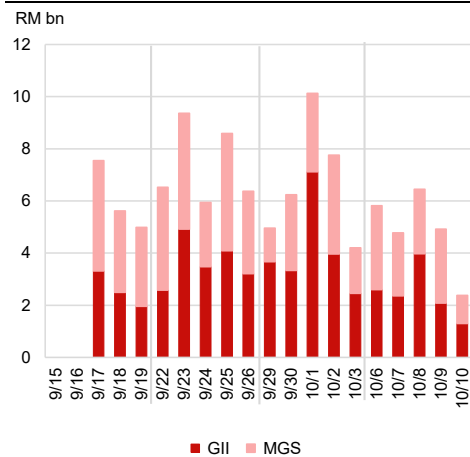


Figure 9: YTD fiscal performance

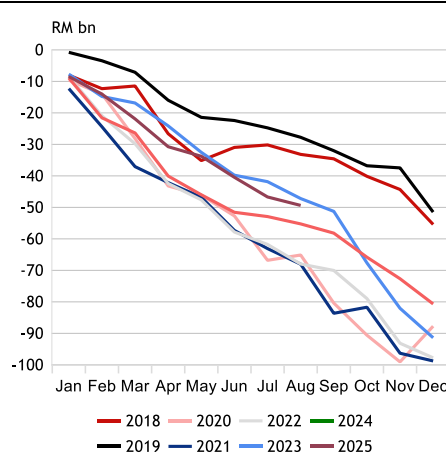
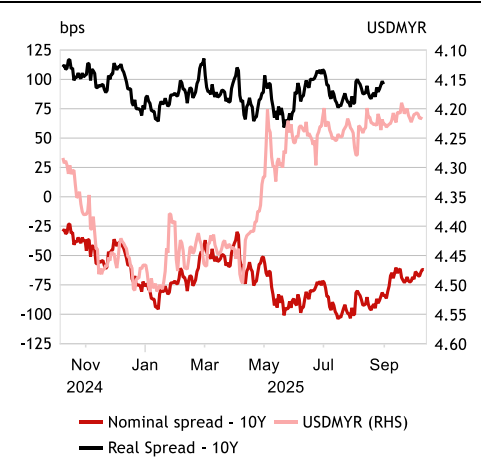


Figure 10: US-MY spreads vs. USDMYR



SOURCE: BNM, BLOOMBERG, MACROBOND, CIMB TREASURY AND MARKETS RESEARCH

Figure 11: BTC and issuance by tenor - MGS

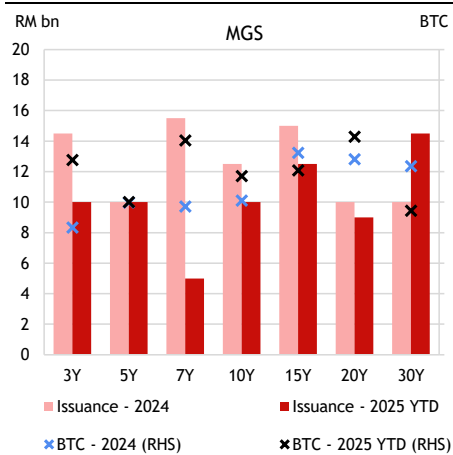


Figure 12: BTC and issuance by tenor - GII

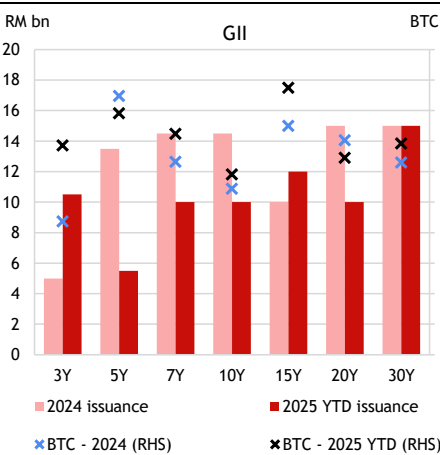
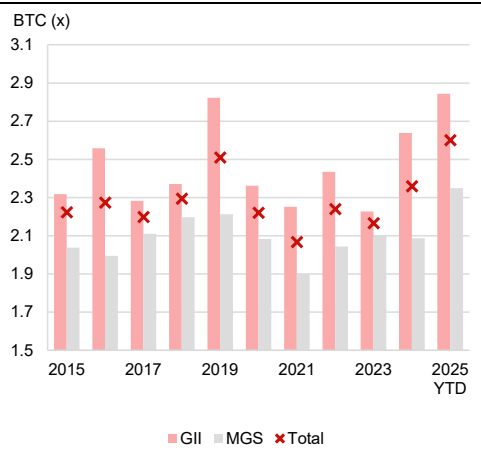


Figure 13: Historical BTCs for MGS and GII



SOURCE: BNM, CIMB TREASURY AND MARKETS RESEARCH

Figure 14: Auction calendar

| Issue date | New issue / reopening | MGS / MGII | Tenor (years) | Maturity | Coupon / profit rate | Incoming bid (RM bn) | Auction size (RM bn) | Private Placement (RM bn) | Total issuance (RM bn) | BTC   |
|------------|-----------------------|------------|---------------|----------|----------------------|----------------------|----------------------|---------------------------|------------------------|-------|
| 1Q25       |                       |            |               |          |                      | 113.08               | 40.00                | 8.00                      | 48.00                  | 2.827 |
| 2Q25       |                       |            |               |          |                      | 90.06                | 32.00                | 6.00                      | 38.00                  | 2.814 |
| 3Q25       |                       |            |               |          |                      | 99.59                | 43.00                | 10.00                     | 53.00                  | 2.316 |
| 6-Oct-25   | Reopening             | MGS        | 30.0          | 07/55    | 3.917%               | 4.14                 | 3.00                 | 2.00                      | 5.00                   | 1.380 |
| 14-Oct-25  | Reopening             | GII        | 5.0           | 08/30    | 3.635%               | -                    | 5.00                 | -                         | 5.00                   | -     |
| Oct        | Reopening             | MGS        | 20.0          | 05/44    | 4.180%               |                      |                      |                           |                        |       |
| Nov        | Reopening             | GII        | 10.0          | 04/35    | 3.612%               |                      |                      |                           |                        |       |
| Nov        | Reopening             | MGS        | 7.0           | 07/32    | 3.582%               |                      |                      |                           |                        |       |
| Nov        | Reopening             | GII        | 20.0          | 05/45    | 3.775%               |                      |                      |                           |                        |       |
| Dec        | Reopening             | MGS        | 10.0          | 07/35    | 3.476%               |                      |                      |                           |                        |       |
| 4Q25       |                       |            |               |          |                      | 4.14                 | 3.00                 | 2.00                      | 5.00                   | 1.380 |

SOURCE: BNM, CIMB TREASURY AND MARKETS RESEARCH

# INDONESIA

## IndoGBs extended gains on IDR stability

- The IndoGB curve bull-flattened through the 10Y sector, while the long-ends steepened in another week of rally as IDR strengthened 0.3% wov to close below the 16,600 level. Amid IDR stability, non-residents (NR) shifted from net sellers from the start of the week into net buyers (Figure 17). Net NR outflows eased from -IDR1.3tr on Monday to -IDR0.4tr on Tuesday, before rebounding into net inflows of IDR0.6tr on Wednesday and IDR3.9tr on Thursday. The rally was further supported by headlines that the Finance Minister Purbaya is planning an IDR70tr transfer of idle government funds placed in Bank Indonesia into regional banks including Bank Jakarta and Bank Jatim – following IDR200tr liquidity injection into SOE banks last month – that will further boost liquidity and support the domestic economy.
- Better market sentiment supported Tuesday's conventional bond auction, with incoming bids rising to IDR126tr (prior: IDR98tr). Demand was strongest for 10Y FR0108 04/36 and 15Y FR106 08/40. As a result, the MOF upsized issuance by IDR5tr to IDR28tr (target: IDR23tr) and extended duration with ≥10Y tenors accounting for 73% of total issuance.
- The SRBI auction also saw strong support, with incoming bids of IDR42.6tr (prior: IDR40.7tr). BI issued IDR18tr (prior: IDR11tr) against the maturities of IDR18.7tr during the week, resulting in a 1-3bps decline in SRBI yields. SRBI maturities are set to rise to IDR20-30tr over the next five weeks, which should support the front-end, assuming net SRBI issuance stays negative.
- DJPPR set a lower 4Q25 issuance target of IDR180tr (3Q25: IDR280tr), reflecting the residual financing needs for FY25, though we still expect eventual upsizing to support FY26 prefunding – consistent with recent year's trend. The upcoming sukuk auction on 14 Oct sets an indicative target of IDR7tr (average issuance in 3Q25: IDR10.3tr), featuring one additional bill auction with a one-month tenor that may potentially act as an interim instrument for banks to invest in while loans are disbursed. Meanwhile, the government announced plans to issue dim sum bonds in 4Q25. The sale will be closely watched after the strong response to August's kangaroo bond issuance, which drew nearly AUD8bn in orders for an AUD800m offering (BTC: ~10x).

Figure 15: Key interest rates

|         | 10-Oct | 1D           | 1W    | 1M     | 3M      | YTD     |
|---------|--------|--------------|-------|--------|---------|---------|
|         | %      | Change (bps) |       |        |         |         |
| BI-Rate | 4.75   | -            | -     | (25.0) | (75.0)  | (125.0) |
| IndONIA | 4.03   | 1.6          | (3.2) | (55.9) | (108.1) | (215.3) |
| SRBI    | 6M     | 4.74         | (1.9) | (1.9)  | (32.4)  | (244.0) |
|         | 9M     | 4.75         | (1.1) | (1.1)  | (35.5)  | (246.0) |
|         | 12M    | 4.76         | (3.9) | (3.9)  | (37.5)  | (254.4) |
|         | 1Y     | 4.68         | (3.7) | (10.4) | (51.4)  | (113.6) |
| IndoGB  | 2Y     | 4.80         | (0.6) | (8.3)  | (51.5)  | (109.7) |
|         | 3Y     | 5.03         | (1.6) | (9.0)  | (43.1)  | (96.2)  |
|         | 5Y     | 5.36         | (0.7) | (8.1)  | (38.5)  | (81.5)  |
|         | 10Y    | 6.09         | (1.1) | (20.8) | (31.8)  | (47.6)  |
|         | 15Y    | 6.58         | (6.3) | (14.9) | (23.7)  | (28.6)  |
|         | 20Y    | 6.70         | (0.3) | (8.8)  | (18.8)  | (26.3)  |
|         | 30Y    | 6.83         | 0.4   | (2.9)  | (8.4)   | (16.0)  |

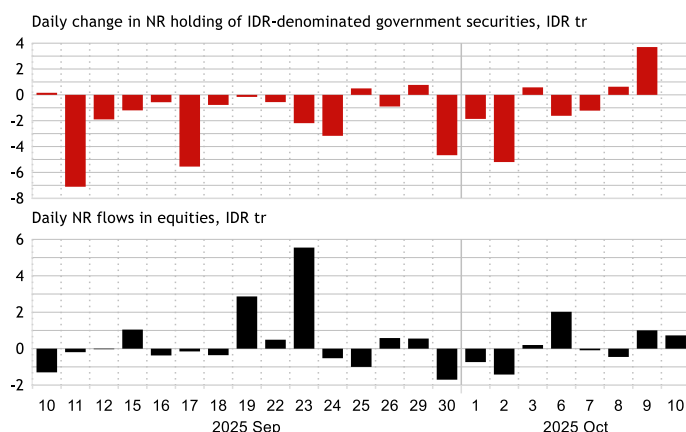
Figure 16: Auction results and upcoming auction plan

| Auction date |       | 7-Oct |       |       |       |       |       |       |
|--------------|-------|-------|-------|-------|-------|-------|-------|-------|
|              | ≤1Y   | 5Y    | 10Y   | 15Y   | 20Y   | 30Y   | 40Y   | Total |
|              | Bills | FR109 | FR108 | FR106 | FR107 | FR102 | FR105 |       |
|              |       | 03/31 | 04/36 | 08/40 | 08/45 | 07/54 | 07/64 |       |
| Bids         | 5.9   | 19.0  | 47.0  | 28.2  | 10.0  | 8.3   | 7.7   | 126.2 |
|              | (5%)  | (15%) | (37%) | (22%) | (8%)  | (7%)  | (6%)  |       |
| Issue        | 3.0   | 4.5   | 6.4   | 4.1   | 3.3   | 3.8   | 3.1   | 28.0  |
|              | (11%) | (16%) | (23%) | (14%) | (12%) | (13%) | (11%) |       |
| BTC          | 1.96  | 4.23  | 7.40  | 6.97  | 3.03  | 2.21  | 2.54  | 4.51  |

| Auction date |       | 14-Oct |       |       |       |       |        |
|--------------|-------|--------|-------|-------|-------|-------|--------|
|              | ≤1Y   | 2Y     | 4Y    | 13Y   | 17Y   | 25Y   | Total  |
|              | Bills | PBS3   | PBS30 | PBS34 | PBS39 | PBS38 |        |
|              |       | 01/27  | 07/28 | 06/39 | 07/41 | 12/49 |        |
| Bids         | -     | -      | -     | -     | -     | -     | -      |
| Issue        | -     | -      | -     | -     | -     | -     | 7.0    |
|              |       |        |       |       |       |       | Target |
| BTC          | -     | -      | -     | -     | -     | -     | -      |

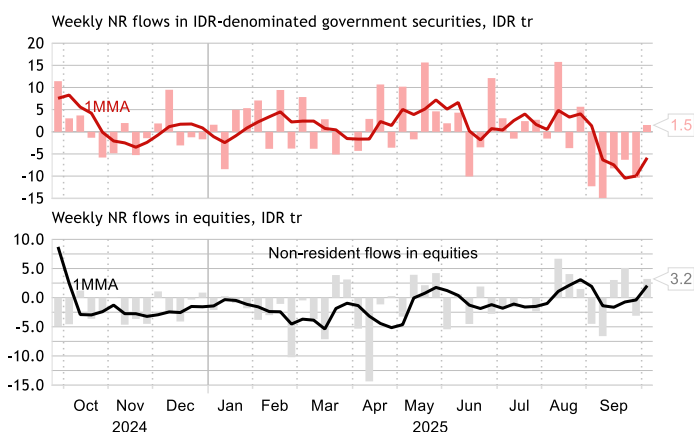
SOURCE: BLOOMBERG, DJPPR, CIMB TREASURY AND MARKETS RESEARCH

Figure 17: Daily NR flows in government securities and equities



SOURCE: BLOOMBERG, MACROBOND, CIMB TREASURY AND MARKETS RESEARCH

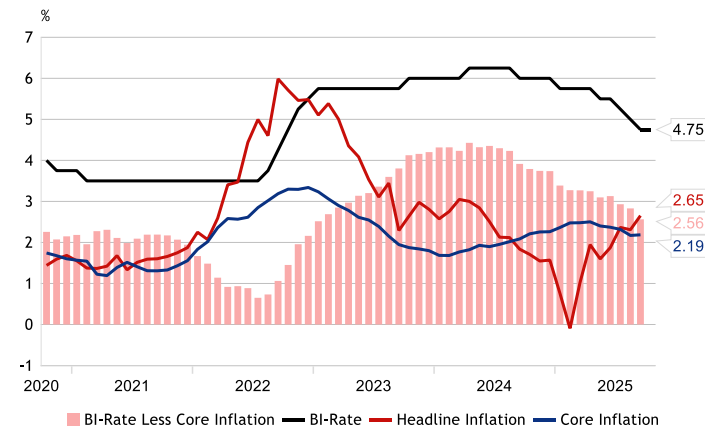
Figure 18: Weekly NR flows in government securities and equities



SOURCE: BLOOMBERG, MACROBOND, CIMB TREASURY AND MARKETS RESEARCH

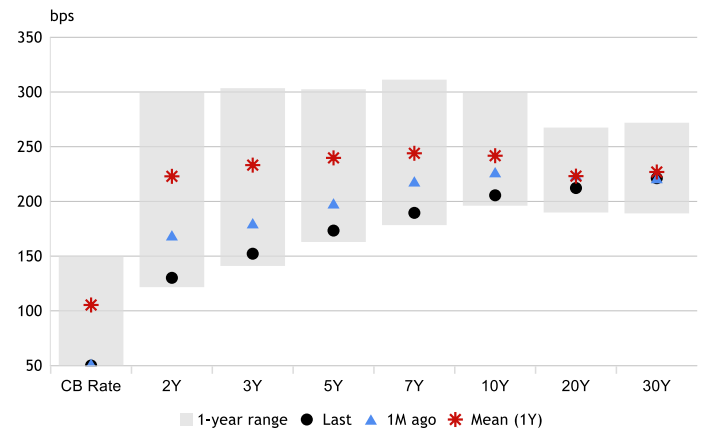


Figure 19: Policy rate and inflation



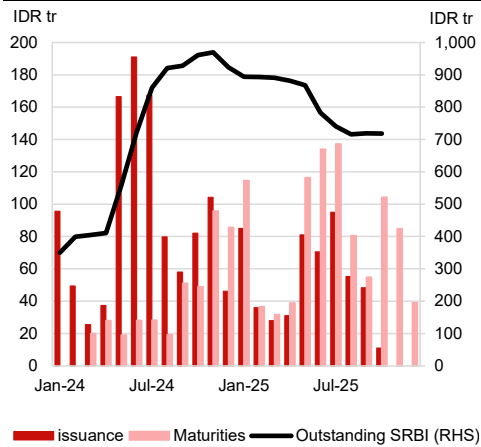
SOURCE: BLOOMBERG, MACROBOND, CIMB TREASURY AND MARKETS RESEARCH

Figure 20: Nominal IndoGB-UST spreads



SOURCE: BLOOMBERG, MACROBOND, CIMB TREASURY AND MARKETS RESEARCH

Figure 21: Outstanding SRBI falls further



SOURCE: BI, MACROBOND, CIMB TREASURY AND MARKETS RESEARCH

Figure 22: YTD fiscal deficit performance

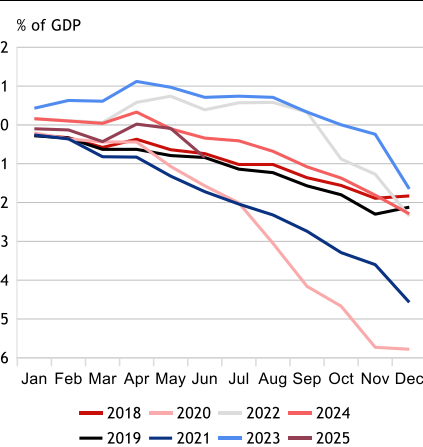


Figure 23: USDIDR vs. forward points

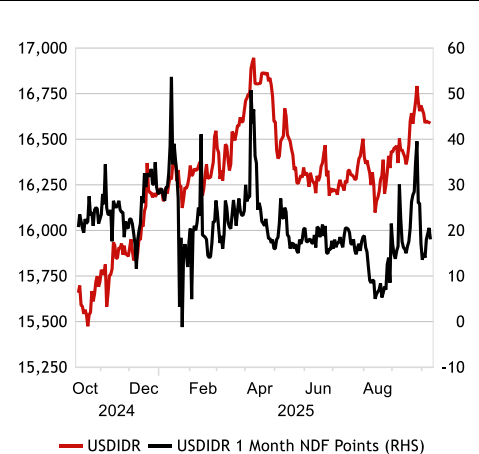


Figure 24: Auction calendar

| Auction date | Issuance - conventional |      |      |      |      |      |      |      | Issuance - sukuk |     |      |      |     |      |     |      | Incoming bid | Actual issuance | BTC (x) | Indicative target | Actual vs. target | Quarterly Target |
|--------------|-------------------------|------|------|------|------|------|------|------|------------------|-----|------|------|-----|------|-----|------|--------------|-----------------|---------|-------------------|-------------------|------------------|
|              | 3M                      | 12M  | 5Y   | 10Y  | 15Y  | 20Y  | 30Y  | 40Y  | 6M               | 9M  | 2Y   | 4Y   | 7Y  | 13Y  | 17Y | 25Y  |              |                 |         |                   |                   |                  |
| 1Q25         | -                       | 12.4 | 57.7 | 48.2 | 22.4 | 20.2 | 1.7  | 5.9  | 5.9              | 9.1 | 15.3 | 10.8 | 2.0 | 0.4  | -   | 10.7 | 491.2        | 222.2           | 2.21    | 208.0             | 14.20             | 228              |
| 2Q25         | -                       | 10.0 | 35.8 | 50.5 | 25.9 | 12.7 | 4.0  | 5.2  | 2.7              | 6.4 | 13.5 | 20.4 | 3.7 | 1.5  | 5.6 | 10.3 | 622.4        | 208.0           | 2.99    | 184.0             | 24.00             | 190              |
| 3Q25         | 3.3                     | 22.6 | 43.0 | 50.9 | 37.9 | 26.7 | 15.5 | 15.8 | 1.9              | 7.4 | 6.0  | 15.9 | 5.9 | 13.6 | 5.6 | 15.8 | 1,110.3      | 287.4           | 3.86    | 252.0             | 35.35             | 252              |
| 7-Oct        | -                       | 3.0  | 4.5  | 6.4  | 4.1  | 3.3  | 3.8  | 3.1  |                  |     |      |      |     |      |     |      | 126.2        | 28.0            | 4.51    | 23.0              | 5.00              |                  |
| 14-Oct       |                         |      |      |      |      |      |      |      |                  |     |      |      |     |      |     |      |              |                 |         | 7.0               |                   |                  |
| 21-Oct       |                         |      |      |      |      |      |      |      |                  |     |      |      |     |      |     |      |              |                 |         |                   |                   |                  |
| 28-Oct       |                         |      |      |      |      |      |      |      |                  |     |      |      |     |      |     |      |              |                 |         |                   |                   |                  |
| 4-Nov        |                         |      |      |      |      |      |      |      |                  |     |      |      |     |      |     |      |              |                 |         |                   |                   |                  |
| 11-Nov       |                         |      |      |      |      |      |      |      |                  |     |      |      |     |      |     |      |              |                 |         |                   |                   |                  |
| 18-Nov       |                         |      |      |      |      |      |      |      |                  |     |      |      |     |      |     |      |              |                 |         |                   |                   |                  |
| 25-Nov       |                         |      |      |      |      |      |      |      |                  |     |      |      |     |      |     |      |              |                 |         |                   |                   |                  |
| 2-Dec        |                         |      |      |      |      |      |      |      |                  |     |      |      |     |      |     |      |              |                 |         |                   |                   |                  |
| 9-Dec        |                         |      |      |      |      |      |      |      |                  |     |      |      |     |      |     |      |              |                 |         |                   |                   |                  |
| 16-Dec       |                         |      |      |      |      |      |      |      |                  |     |      |      |     |      |     |      |              |                 |         |                   |                   |                  |
| 4Q25         | -                       | 3.0  | 4.5  | 6.4  | 4.1  | 3.3  | 3.8  | 3.1  | -                | -   | -    | -    | -   | -    | -   | -    | 126.2        | 28.0            | 4.51    | 30.0              | 5.00              |                  |

SOURCE: DJPPR, CIMB TREASURY AND MARKETS RESEARCH

# THAILAND

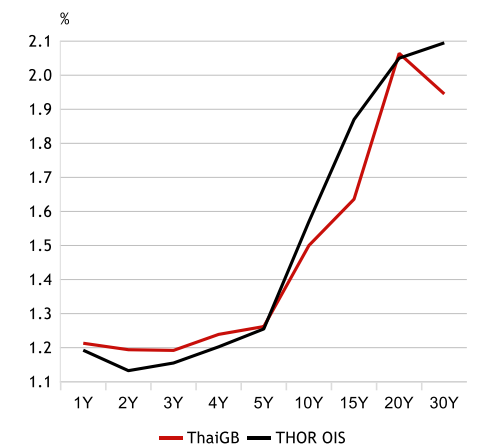
## ThaiGBs cheapened in bear-flattening bias after BOT surprised with a dovish hold

- The month of Sep marked the sixth consecutive month of headline deflation (Sep: -0.7% yoy; consensus: -0.6%, Aug: -0.8%), while core inflation eased slightly to 0.7% yoy (consensus: 0.8%, Aug: 0.8%). The readings were broadly in line with expectations, and ThaiGBs traded range-bound with market expecting a 25bps rate cut (including CIMB) by BOT on Wednesday.
- Nonetheless, BOT surprised markets by holding the policy rate at 1.50%, reaffirming its commitment to support recovery while maintaining flexibility amid limited policy space. It noted that past rate cuts are still filtering through the economy and stressed that timing further easing will be key to effectiveness. The ThaiGB curve retraced higher post-decision, with further weakening for the rest of the week. Likewise for the IRS curve, which rose by an average of 11bps wow.
- Meanwhile, BOT Governor Vitai, in his first official meeting with the press on Friday, signalled willingness to ease the policy rate further, and the monetary policy decision is data-dependent and about appropriate timing. His remarks reinforces our view that Wednesday's policy rate decision was a dovish hold, with an accommodative monetary policy stance through 2026 amid slower growth and softer inflation. We expect two 25bps cuts – in Dec and 1Q26 – though the latter could be deferred to 2Q26 if growth stabilises.
- The 1QFY26 auction schedule (Figure 35) includes new benchmarks for 3Y (LB294A 04/29) and 50Y (LB776A 06/77). The indicative issuance target for Oct is set at THB117bn. This marks a 31% mom increase from THB89bn in Sep, with 3Y LB294A and 10Y LB353A each making up 25% of the total. Next week marks the first auction of 1QFY26, featuring a new issue of the 3Y LB294A 04/29 and a reopening of the 15Y LB406A 06/40. We expect firm demand – especially for the new 3Y issuance – following the three-week auction hiatus.

Figure 25: Key interest rates

|       | 10-Oct | 1D           | 1W   | 1M   | 3M     | YTD     |
|-------|--------|--------------|------|------|--------|---------|
|       | %      | Change (bps) |      |      |        |         |
| 1D RR | 1.50   | -            | -    | -    | (25.0) | (75.0)  |
| 3Y    | 1.19   | 0.4          | 5.8  | 11.4 | (15.7) | (82.6)  |
| 5Y    | 1.26   | 3.0          | 8.7  | 16.9 | (11.3) | (81.3)  |
| 10Y   | 1.50   | 2.2          | 10.5 | 27.4 | (3.6)  | (75.2)  |
| 15Y   | 1.75   | 2.6          | 10.5 | 28.1 | 6.2    | (73.4)  |
| 20Y   | 2.10   | 1.4          | 8.5  | 29.0 | 7.9    | (58.4)  |
| 30Y   | 2.17   | 0.1          | 6.3  | 25.4 | 1.3    | (65.4)  |
| 50Y   | 2.05   | -            | -    | -    | (24.6) | (104.4) |
| 2Y    | 1.13   | 1.5          | 11.3 | 11.3 | (10.3) | (77.5)  |
| 5Y    | 1.26   | 2.0          | 11.0 | 14.5 | (4.9)  | (72.5)  |
| 7Y    | 1.38   | 2.1          | 11.8 | 16.3 | (3.0)  | (71.5)  |
| 10Y   | 1.57   | 1.8          | 11.8 | 18.0 | (1.3)  | (71.5)  |
| 15Y   | 1.87   | 1.3          | 11.3 | 16.8 | 1.4    | (63.0)  |
| 20Y   | 2.05   | 1.2          | 8.5  | 16.3 | 2.0    | (53.0)  |
| 30Y   | 2.10   | 2.5          | 9.3  | 17.3 | (3.9)  | (52.3)  |

Figure 26: ThaiGB and swap curves



SOURCE: BLOOMBERG, MACROBOND, CIMB TREASURY AND MARKETS RESEARCH

Figure 27: ThaiGB 3Y less BOT policy rate



SOURCE: BLOOMBERG, MACROBOND, CIMB TREASURY AND MARKETS RESEARCH

Figure 28: ThaiGB 3s10s

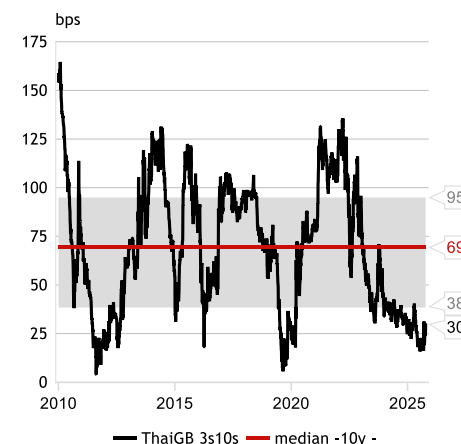


Figure 29: ThaiGB 5s30s

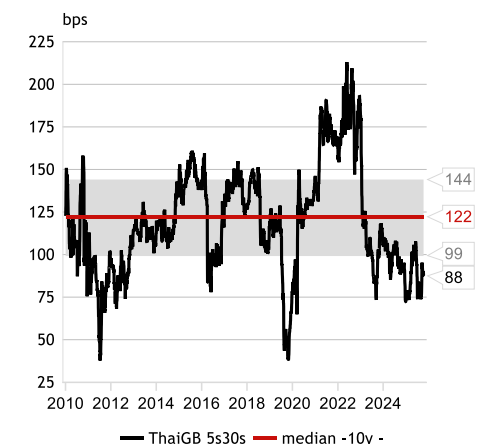
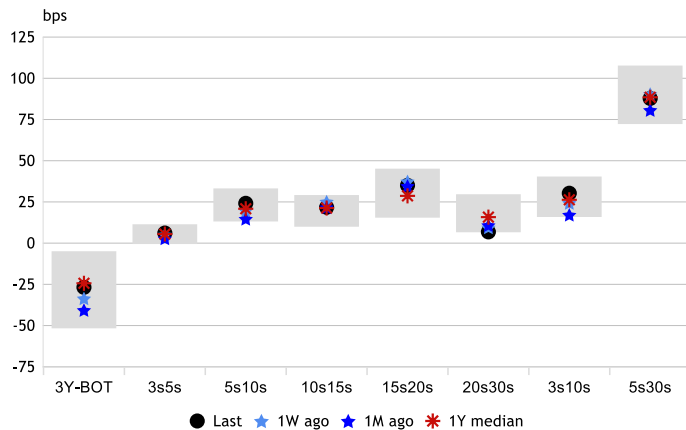


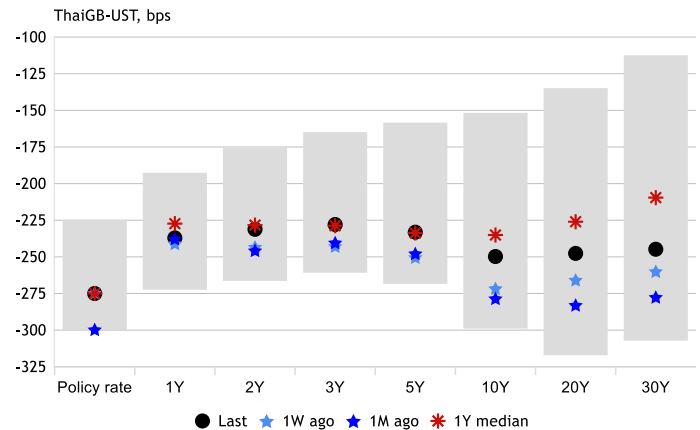


Figure 30: ThaiGB term structure relative to 1Y median



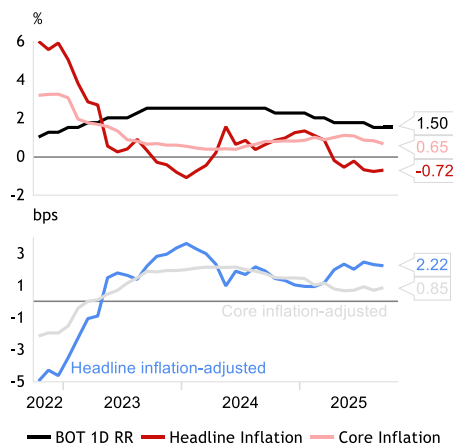
SOURCE: BLOOMBERG, MACROBOND, CIMB TREASURY AND MARKETS RESEARCH

Figure 31: ThaiGB-UST spread relative to 1Y median



SOURCE: BLOOMBERG, MACROBOND, CIMB TREASURY AND MARKETS RESEARCH

Figure 32: Nominal vs. real policy rate



SOURCE: BLOOMBERG, MACROBOND, THAIBMA, PDMO, CIMB TREASURY AND MARKETS RESEARCH

Figure 33: Weekly non-resident flows in equities and bonds

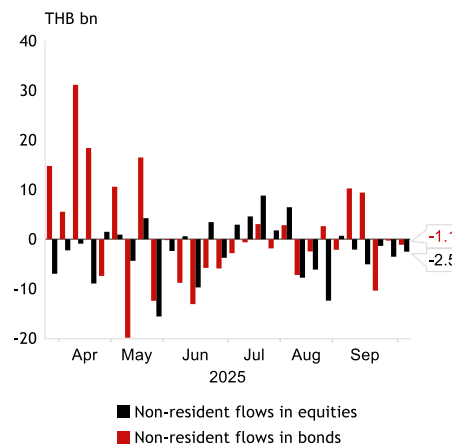


Figure 34: Quarterly supply in FY24-26

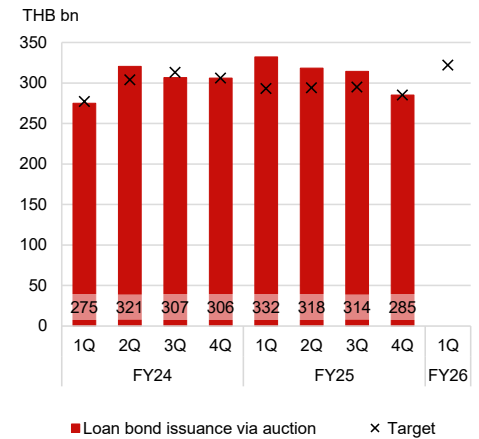


Figure 35: Auction calendar

| Auction Date | Total issuance (THB bn) |           |            |             |            |             |            |             | BCR (x)   |           |            |             |            |             |            |            | Overall BCR |
|--------------|-------------------------|-----------|------------|-------------|------------|-------------|------------|-------------|-----------|-----------|------------|-------------|------------|-------------|------------|------------|-------------|
|              | LB294A* 3Y              | LB303A 5Y | LB353A 10Y | SLB406A 15Y | LB456A 20Y | LBA506A 25Y | LB556A 30Y | LB776A* 50Y | LB294A 3Y | LB303A 5Y | LB353A 10Y | SLB406A 15Y | LB456A 20Y | LBA506A 25Y | LB556A 30Y | LB776A 50Y |             |
| 15-Oct-25    | 30.0                    |           |            | 15.0        |            |             |            |             |           |           |            |             |            |             |            |            | -           |
| 21-Oct-25    |                         | 25.0      |            |             |            | 10.0        |            |             |           |           |            |             |            |             |            |            | -           |
| 29-Oct-25    |                         |           | 30.0       |             |            |             |            | 7.0         |           |           |            |             |            |             |            |            | -           |
| 5-Nov-25     |                         |           |            |             |            | TBA         |            |             |           |           |            |             |            |             |            |            | -           |
| 12-Nov-25    |                         |           | TBA        |             |            |             |            |             |           |           |            |             |            |             |            |            | -           |
| 26-Nov-25    | TBA                     |           |            |             |            |             | TBA        |             |           |           |            |             |            |             |            |            | -           |
| 3-Dec-25     |                         |           | TBA        |             |            | TBA         |            |             |           |           |            |             |            |             |            |            | -           |
| 9-Dec-25     |                         |           | TBA        |             |            | TBA         |            |             |           |           |            |             |            |             |            |            | -           |
| 24-Dec-25    |                         |           |            | TBA         |            |             |            | TBA         |           |           |            |             |            |             |            |            | -           |
| 1QFY26       | 30.0                    | 25.0      | 30.0       | 15.0        | -          | 10.0        | -          | 7.0         |           |           |            |             |            |             |            |            | -           |

\*New issue

SOURCE: PDMO, THAIBMA, CIMB TREASURY AND MARKETS RESEARCH

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