

# DAILY DIGEST

## Malaysia's FM II defends fiscal deficit

- Macro:** US Fed Governor Lisa Cook cautioned on elevated inflation. US private sector payrolls rose less than expected in Jan. Malaysia's FM II said the fiscal deficit reporting meets international standards.
- Fixed Income:** USTs twist-steepen after the quarterly refunding announcement signals steady supply. Regional bonds mixed with IndoGBs supported by strong SRBI demand.
- FX:** The DXY strengthens on stronger than expected ISM data, leading to most G10 and ASEAN currencies to weaken.

### Global macro wrap

- Global:** US Fed Governor Lisa Cook struck a cautious tone on inflation – similar concerns voiced out by other Fed officials – suggesting the FFR is likely to remain unchanged for a while until price growth decelerates further and provided there are no material negative surprises in the labour market. ADP data showed private sector payrolls continued to rise in Jan albeit at a slower-than-expected pace of 22k (consensus: 45k), while the Dec number was revised lower from 41k to 37k. A lengthy call on Wednesday between US President Donald Trump and Chinese President Xi Jinping touched on broader trade and geopolitical issues such as Taiwan and Iran.
- ASEAN:** Malaysia's FM II Amir Hamzah defended the government's fiscal deficit reporting as internationally compliant, citing deficit reduction progress and accelerated tax refunds to address concerns. Indonesia's OJK plans to roll out a 15% minimum free-float policy by Mar, which will be implemented over a three-year period, while the IDX has identified the 49 largest listed companies (out of 267 companies that have yet to meet the new free-float threshold) as a priority group to comply with the requirement. Thailand's Bhumjaithai Party signalled that it will allow the party that wins the most seats at the 8 Feb election to take the first shot in forming a government, while the People's Party said it will assume the opposition role if it finishes second.

### Fixed Income

- Global:** USTs twist-steepened with the 5-7Y sector largely unchanged after the quarterly refunding announcement, which delivered as-expected auction sizes and no major shift in issuance strategy. The Treasury noted strong bill demand but gave limited guidance on notes and bonds, saying it will continue evaluating potential increases to nominal coupon and FRN sizes. As markets had speculated on near-term reductions in longer-tenor sizes ahead of the meeting, the long end faced upward pressure. Yields showed little reaction to the stronger-than-expected ISM services print, with Fed funds futures still pricing about 50bps of easing in 2026 (up from 48bps on Monday).
- ASEAN:** MYR sovereign bonds weakened, with dealers paring positions in the 20-30Y sector ahead of today's RM5bn reopening of the 10Y MGS 07/35, last seen WI at 3.57/3.56%. IndoGBs strengthened on robust SRBI demand, with bids rising to IDR61.6tr (prior: IDR53.0tr) and BI absorbing IDR17tr (target: IDR15tr), pushing SRBI yields about 4bps lower on average. ThaiGBs extended gains alongside lower THOR rates, though momentum is fading. Yields were little affected by the weak reopening of the 50Y LB776A, which drew a BTC of 1.63x and tailed by 3bps (high: 2.980%, low: 2.899%, avg: 2.949%).

### FX

- Majors:** The DXY rose 0.2%, supported by upbeat ISM services data. All G10 currencies weakened against the stronger dollar, with the JPY (-0.8%) underperforming and breaking past 156.50 amid rising fiscal concerns ahead of the snap election. The GBP (-0.3%) slipped ahead of today's BOE MPC meeting, where a hold is widely expected.
- ASEAN:** Regional FX mostly weakened against the stronger dollar, led by the THB (-0.3%), which has now fallen in five of the past six sessions.

### Research Analysts

**Michelle Chia**  
Head of Research  
+603 2261 8353  
michelle.chia@cimb.com

**Lim Yee Ping**  
Senior Economist  
+603 2261 8339  
yeeping.limyp@cimb.com

**Chew Khai Yen**  
Economist  
+603 2261 8557  
khaiyen.chew@cimb.com

**Joel Cheung**  
Economist  
+603 2261 8278  
yilin.cheung@cimb.com

**Dinessh Kumar Thanasegeren**  
Economist  
+603 2261 8296  
dinessh.thanasegeren@cimb.com

### Rates dashboard

|            | 4-Feb | 1D           | 1W   | 1M    | YTD   |
|------------|-------|--------------|------|-------|-------|
|            | Close | Change (bps) |      |       |       |
| UST 2Y     | 3.55  | -1.6         | -1.8 | 10.2  | 8.0   |
| UST 10Y    | 4.27  | 0.8          | 3.0  | 11.2  | 10.7  |
| MGS 3Y     | 3.01  | -0.4         | 0.8  | 2.3   | 1.7   |
| MGS 10Y    | 3.56  | 2.4          | 6.3  | 5.3   | 5.5   |
| IndoGB 2Y  | 5.03  | -2.2         | -9.1 | -7.5  | 13.0  |
| IndoGB 10Y | 6.30  | -1.6         | -4.7 | 22.5  | 24.8  |
| SGS 2Y     | 1.35  | -2.7         | -0.3 | -13.8 | -11.3 |
| SGS 10Y    | 2.05  | -2.1         | 2.4  | -7.2  | -5.7  |
| ThaiGB 2Y  | 1.19  | -0.5         | -0.1 | 5.0   | 6.2   |
| ThaiGB 10Y | 1.94  | -1.1         | 1.5  | 25.1  | 27.9  |

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

### FX dashboard

|        | 4-Feb  | 1D         | 1W   | 1M   | YTD  |
|--------|--------|------------|------|------|------|
|        | Close  | Change (%) |      |      |      |
| DXY    | 97.65  | 0.2        | 1.3  | -0.6 | -0.7 |
| EURUSD | 1.1804 | -0.1       | -1.3 | 0.7  | 0.5  |
| GBPUSD | 1.3654 | -0.3       | -1.1 | 0.8  | 1.3  |
| AUDUSD | 0.6996 | -0.4       | -0.6 | 4.2  | 4.8  |
| USDCHF | 0.7771 | 0.2        | 1.2  | -1.8 | -2.0 |
| USDJPY | 156.92 | 0.8        | 2.3  | 0.3  | 0.1  |
| USDCNH | 6.9417 | 0.1        | 0.0  | -0.6 | -0.5 |
| USDMYR | 3.9323 | 0.0        | 0.3  | -3.4 | -3.2 |
| USDIDR | 16,775 | 0.1        | 0.4  | 0.2  | 0.5  |
| USDSGD | 1.2727 | 0.2        | 0.8  | -0.8 | -1.0 |
| USDTHB | 31.64  | 0.3        | 1.9  | 1.0  | 0.4  |

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

### Commodities dashboard

|        | 4-Feb  | 1D         | 1W   | 1M   | YTD  |
|--------|--------|------------|------|------|------|
|        | Close  | Change (%) |      |      |      |
| WTI    | 64.42  | 1.9        | 1.9  | 10.5 | 12.2 |
| Brent  | 68.57  | 1.8        | 0.2  | 11.0 | 12.7 |
| Copper | 13,478 | 0.0        | 3.0  | 3.7  | 8.5  |
| Gold   | 4,955  | 0.2        | -8.5 | 11.4 | 14.7 |
| CPO    | 4,141  | 0.0        | -1.4 | 4.8  | 3.6  |

**Figure 1: Data Preview**

| Date  | Country | Indicator                                                 | Period | Survey | Prior   |
|-------|---------|-----------------------------------------------------------|--------|--------|---------|
| 5 Feb | TH      | CPI YoY                                                   | Jan    | -0.4%  | -0.3%   |
| 5 Feb | TH      | CPI NSA MoM                                               | Jan    | 0.0%   | 0.0%    |
| 5 Feb | TH      | CPI Core YoY                                              | 14 Nov | 0.6%   | 0.6%    |
| 5 Feb | ID      | GDP QoQ                                                   | 4Q     | 0.7%   | 1.4%    |
| 5 Feb | ID      | GDP Annual YoY                                            | 2025   | 5.0%   | 5.0%    |
| 5 Feb | ID      | GDP YoY                                                   | 4Q     | 5.1%   | 5.0%    |
| 5 Feb | SI      | Retail Sales Ex Auto YoY                                  | Dec    | --     | 5.8%    |
| 5 Feb | SI      | Retail Sales YoY                                          | Dec    | 8.0%   | 6.3%    |
| 5 Feb | SI      | Retail Sales SA MoM                                       | Dec    | --     | 0.0%    |
| 5 Feb | UK      | Bank of England Bank Rate                                 | 5 Feb  | 3.75%  | 3.75%   |
| 5 Feb | US      | Challenger Job Cuts Total                                 | Jan    | --     | 35553   |
| 5 Feb | EC      | ECB Deposit Facility Rate                                 | 5 Feb  | 2.00%  | 2.00%   |
| 5 Feb | EC      | ECB Main Refinancing Rate                                 | 5 Feb  | 2.15%  | 2.15%   |
| 5 Feb | EC      | ECB Marginal Lending Facility                             | 5 Feb  | 2.40%  | 2.40%   |
| 5 Feb | US      | Initial Jobless Claims                                    | 31 Jan | 212k   | 209k    |
| 5 Feb | US      | Initial Claims 4-Wk Moving Avg                            | 31 Jan | --     | 206.25k |
| 5 Feb | EC      | ECB President Christine Lagarde Holds Press Conference    |        |        |         |
| 5 Feb | US      | Fed's Bostic Speaks with Dean of Clark Atlanta University |        |        |         |

SOURCE: BLOOMBERG, CIMB TREASURY AND MARKETS RESEARCH

**Figure 2: Data Review**

| Date  | Country | Indicator                                        | Period | Survey | Actual | Prior |
|-------|---------|--------------------------------------------------|--------|--------|--------|-------|
| 4 Feb | SI      | S&P Global Singapore PMI                         | Jan    | --     | 56.8   | 54.1  |
| 4 Feb | CH      | RatingDog China PMI Composite                    | Jan    | --     | 51.6   | 51.3  |
| 4 Feb | CH      | RatingDog China PMI Services                     | Jan    | 52.0   | 52.3   | 52.0  |
| 4 Feb | US      | ADP Employment Change                            | Jan    | 45k    | 22k    | 37k   |
| 4 Feb | US      | US Treasury Quarterly Refunding Announcement     |        |        |        |       |
| 4 Feb | US      | S&P Global US Services PMI                       | Jan F  | 52.5   | 52.7   | 52.5  |
| 4 Feb | US      | S&P Global US Composite PMI                      | Jan F  | 52.9   | 53.0   | 52.8  |
| 4 Feb | US      | ISM Services Index                               | Jan    | 53.5   | 53.8   | 53.8  |
| 4 Feb | US      | ISM Services Employment                          | Jan    | 51.8   | 50.3   | 51.7  |
| 4 Feb | US      | ISM Services Prices Paid                         | Jan    | 65.0   | 66.6   | 65.1  |
| 4 Feb | US      | ISM Services New Orders                          | Jan    | 55.0   | 53.1   | 56.5  |
| 5 Feb | US      | Fed's Cook Speaks on Monetary Policy and Economy |        |        |        |       |

SOURCE: BLOOMBERG, CIMB TREASURY AND MARKETS RESEARCH

Figure 3: Sovereign yields and CDS

|               | 4-Feb | 1D           | 1W    | 1M    | YTD    |
|---------------|-------|--------------|-------|-------|--------|
| 10Y yields, % | Close | Change (bps) |       |       |        |
| US            | 4.28  | 1.0          | 3.2   | 11.4  | 10.9   |
| UK            | 4.55  | 2.9          | 0.2   | 4.0   | 6.9    |
| Germany       | 2.86  | -3.1         | 0.2   | -1.1  | 0.4    |
| Japan         | 2.25  | -1.0         | 1.3   | 13.0  | 18.8   |
| Australia     | 4.87  | 3.2          | 5.2   | 6.9   | 12.5   |
| China         | 1.81  | 0.3          | 0.1   | -3.5  | -2.8   |
| Malaysia      | 3.56  | 2.4          | 6.3   | 5.3   | 5.5    |
| Indonesia     | 6.30  | -1.6         | -4.7  | 22.5  | 24.8   |
| Singapore     | 2.05  | -2.1         | 2.4   | -7.2  | -5.7   |
| Thailand      | 1.94  | -1.1         | 1.5   | 25.1  | 27.9   |
| 5Y IRS, %     | Close | Change (bps) |       |       |        |
| MY            | 3.47  | -1.2         | 3.8   | 8.2   | 12.3   |
| SG            | 1.84  | -3.7         | 8.3   | -6.7  | -7.9   |
| TH            | 1.43  | -1.5         | 0.0   | 11.8  | 19.0   |
| 5Y CDS, bps   | Close | Change (bps) |       |       |        |
| MY            | 37.69 | -14.2        | -88.3 | -3.6  | -66.2  |
| ID            | 76.75 | 25.2         | 137.7 | 872.2 | 789.7  |
| TH            | 37.37 | 26.6         | -6.1  | -35.7 | -116.4 |

SOURCE: BLOOMBERG, CIMB TREASURY AND MARKETS RESEARCH

Figure 4: Interbank rates and credit indices

|                             | 4-Feb | 1D           | 1W    | 1M    | YTD   |
|-----------------------------|-------|--------------|-------|-------|-------|
| Interbank rates, %          | Close | Change (bps) |       |       |       |
| US O/N SOFR                 | 3.69  | 0.0          | 5.0   | -1.0  | -18.0 |
| EU O/N ESTRON               | 1.93  | 0.0          | -0.2  | -0.2  | 1.0   |
| JP O/N TONAR                | 0.73  | 0.0          | 0.3   | 0.3   | 0.3   |
| MY 3M KLIBOR                | 3.23  | 0.0          | 0.0   | -5.0  | -5.0  |
| MY MYOR                     | 2.75  | 0.0          | 0.0   | 0.0   | 0.0   |
| ID IndONIA                  | 3.85  | 5.5          | 12.1  | -5.8  | -27.4 |
| SG O/N SORA                 | 0.98  | 0.0          | -33.1 | -11.8 | 8.4   |
| SG 3M SORA                  | 1.15  | -0.1         | 0.1   | -3.3  | -4.3  |
| TH BOT O/N THOR             | 1.24  | 0.4          | 0.0   | 0.6   | -0.3  |
| Credit indices              | Close | Change (%)   |       |       |       |
| Bloomberg Global Aggregate  | 299   | 0.0          | -0.4  | 0.7   | 0.6   |
| Bloomberg US Aggregate      | 2,349 | 0.0          | -0.1  | 0.0   | 0.0   |
| Bloomberg EUR Aggregate     | 248   | 0.1          | 0.0   | 0.7   | 0.7   |
| Bloomberg Asia Aggregate    | 189   | 0.3          | 1.1   | 0.3   | 0.2   |
| Bloomberg Asia Pac Treasury | 116   | -0.3         | -1.2  | -0.1  | -0.2  |
| Bloomberg ASEAN Corp/Quasi  | 132   | 0.0          | -0.1  | 0.0   | 0.0   |

SOURCE: BLOOMBERG, CIMB TREASURY AND MARKETS RESEARCH

Figure 5: Currencies

|        | 4-Feb  | 1D         | 1W   | 1M   | YTD  |
|--------|--------|------------|------|------|------|
| FX     | Close  | Change (%) |      |      |      |
| DX     | 97.65  | 0.2        | 1.3  | -0.6 | -0.7 |
| EURUSD | 1.1804 | -0.1       | -1.3 | 0.7  | 0.5  |
| GBPUSD | 1.3654 | -0.3       | -1.1 | 0.8  | 1.3  |
| AUDUSD | 0.6996 | -0.4       | -0.6 | 4.2  | 4.8  |
| USDJPY | 156.92 | 0.8        | 2.3  | 0.3  | 0.1  |
| USDCNH | 6.9417 | 0.1        | 0.0  | -0.6 | -0.5 |
| USDMYR | 3.9323 | 0.0        | 0.3  | -3.4 | -3.2 |
| USDIDR | 16,775 | 0.1        | 0.4  | 0.2  | 0.5  |
| USDSGD | 1.2727 | 0.2        | 0.8  | -0.8 | -1.0 |
| USDTHB | 31.64  | 0.3        | 1.9  | 1.0  | 0.4  |
| GBPMYR | 5.3909 | 0.3        | -0.3 | -1.5 | -1.2 |
| AUDMYR | 2.7607 | 0.2        | 0.6  | 1.6  | 1.7  |
| SGDMYR | 3.0925 | 0.0        | -0.6 | -2.2 | -2.0 |
| CNHMYR | 0.5668 | -0.1       | 0.4  | -2.9 | -2.5 |
| IDRMYR | 0.0234 | -0.1       | 0.0  | -3.7 | -3.7 |
| THBMYR | 12.43  | -0.2       | -1.4 | -4.4 | -3.1 |

SOURCE: BLOOMBERG, CIMB TREASURY AND MARKETS RESEARCH

Figure 6: Global equity and commodity prices

|                           | 4-Feb  | 1D         | 1W   | 1M   | YTD  |
|---------------------------|--------|------------|------|------|------|
| Equities                  | Close  | Change (%) |      |      |      |
| S&P 500                   | 6,883  | -0.5       | -1.4 | -0.3 | 0.5  |
| Nasdaq 100                | 24,891 | -1.8       | -4.3 | -2.0 | -1.4 |
| Eurostoxx                 | 5,970  | -0.4       | 0.6  | 0.8  | 3.1  |
| Nikkei 225                | 54,293 | -0.8       | 1.8  | 4.7  | 7.9  |
| Hang Seng                 | 26,847 | 0.0        | -3.5 | 1.9  | 4.7  |
| KLCI                      | 1,743  | -0.3       | -0.8 | 3.7  | 3.7  |
| JCI                       | 8,147  | 0.3        | -2.1 | -8.0 | -5.8 |
| SET                       | 1,347  | 0.8        | 0.6  | 5.2  | 6.9  |
| Commodities               | Close  | Change (%) |      |      |      |
| Bloomberg Commodity Index | 118.84 | 0.9        | -3.3 | 6.3  | 8.3  |
| WTI (USD/bbl)             | 64.42  | 1.9        | 1.9  | 10.5 | 12.2 |
| Brent (USD/bbl)           | 68.57  | 1.8        | 0.2  | 11.0 | 12.7 |
| Natural Gas (USD/mmbtu)   | 3.48   | 5.1        | -6.7 | 20.3 | 11.2 |
| Copper (USD/ton)          | 13,478 | 0.0        | 3.0  | 3.7  | 8.5  |
| Gold (USD/oz)             | 4,955  | 0.2        | -8.5 | 11.4 | 14.7 |
| CPO (RM/ton)              | 4,141  | 0.0        | -1.4 | 4.8  | 3.6  |

SOURCE: BLOOMBERG, CIMB TREASURY AND MARKETS RESEARCH

Figure 7: Economic and commodity price forecasts

| GDP              | 2023  | 2024  | 2025  | 2026  |
|------------------|-------|-------|-------|-------|
| US               | 2.9   | 2.8   | 1.4   | 1.9   |
| Malaysia         | 3.5   | 5.1   | 4.9   | 4.4   |
| Indonesia        | 5.0   | 5.0   | 5.0   | 5.3   |
| Thailand         | 2.0   | 2.5   | 2.1   | 1.9   |
| Inflation        | 2023  | 2024  | 2025  | 2026  |
| US               | 4.1   | 3.0   | 3.0   | 2.4   |
| Malaysia         | 2.5   | 1.8   | 1.4   | 1.5   |
| Indonesia        | 3.7   | 2.3   | 1.9   | 3.0   |
| Thailand         | 1.2   | 0.4   | -0.2  | 0.3   |
| Policy Rate      | 1Q26  | 2Q26  | 3Q26  | 4Q26  |
| US (upper bound) | 3.50  | 3.25  | 3.25  | 3.25  |
| Malaysia         | 2.75  | 2.75  | 2.75  | 2.75  |
| Indonesia        | 4.75  | 4.75  | 4.75  | 4.75  |
| Thailand         | 1.00  | 1.00  | 1.00  | 1.00  |
| Commodities      | 1Q26  | 2Q26  | 3Q26  | 4Q26  |
| Brent (USD/bbl)  | 60    | 55    | 55    | 60    |
| Gold (USD/oz)    | 4,300 | 4,400 | 4,500 | 4,600 |

SOURCE: CIMB TREASURY AND MARKETS RESEARCH

Figure 8: Rates and currency forecasts

| Rates      | 1Q26   | 2Q26   | 3Q26   | 4Q26   |
|------------|--------|--------|--------|--------|
| UST 2Y     | 3.45   | 3.40   | 3.35   | 3.35   |
| UST 10Y    | 4.10   | 4.05   | 4.05   | 4.05   |
| MGS 3Y     | 3.10   | 3.10   | 3.15   | 3.15   |
| MGS 10Y    | 3.60   | 3.70   | 3.70   | 3.75   |
| IndoGB 2Y  | 5.10   | 5.10   | 5.15   | 5.15   |
| IndoGB 10Y | 6.40   | 6.45   | 6.50   | 6.60   |
| ThaiGB 2Y  | 1.05   | 1.10   | 1.10   | 1.10   |
| ThaiGB 10Y | 1.60   | 1.65   | 1.70   | 1.70   |
| SORA 3M    | 1.10   | 1.00   | 1.10   | 1.30   |
| Currency   | 1Q26   | 2Q26   | 3Q26   | 4Q26   |
| DX         | 96.9   | 95.9   | 95.0   | 94.5   |
| EURUSD     | 1.19   | 1.21   | 1.22   | 1.23   |
| GBPUSD     | 1.35   | 1.36   | 1.37   | 1.37   |
| USDCNH     | 7.00   | 7.00   | 7.00   | 7.00   |
| USDJPY     | 152    | 150    | 149    | 148    |
| USDCNH     | 7.00   | 7.00   | 7.00   | 7.00   |
| USDIDR     | 16,700 | 16,750 | 16,700 | 16,700 |
| USDMYR     | 4.05   | 4.10   | 4.13   | 4.15   |
| USDSGD     | 1.27   | 1.26   | 1.26   | 1.26   |
| USDTHB     | 31.50  | 31.00  | 31.50  | 32.00  |

SOURCE: CIMB TREASURY AND MARKETS RESEARCH

### DISCLAIMERS AND DISCLOSURES

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

#### **Restrictions on Distributions etc.**

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

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

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

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

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

Recipients of this report are to contact CIMBB, 50 Raffles Place, #03-03, CIMB Plaza, Singapore in respect of any matters arising from, or in connection with, this report. CIMBB has no obligation to update its opinion or the information in this report. This report is only to be received by an accredited investor, expert investor or institutional investor. This report is strictly confidential and has been provided to you for personal use only and shall not be reproduced, distributed or published by you in whole or in part, for any purpose. If you have received this report by mistake, please delete or destroy it, and notify the sender immediately.

If the recipient is an accredited investor, expert investor or institutional investor, the recipient is deemed to acknowledge that CIMBB is exempt from certain requirements under the FAA and its attendant regulations, and as such, is exempt from complying with the following: (a) Section 25 of the FAA (obligation to disclose product information);

- (b) Section 27 of the FAA (duty not to make recommendation with respect to any investment product without having a reasonable basis where you may be reasonably expected to rely on the recommendation);
- (c) Section 36 of the FAA (obligation on disclosure of interest in securities);
- (d) MAS Notice on Information to Clients and Product Information Disclosure [Notice No. FAA-N03];
- (e) MAS Notice on Recommendation on Investment Products [Notice No. FAA-N16]; and
- (f) any other laws, regulations, notices, directive, guidelines, circulars and practice notes which relate to the above, to the extent permitted by applicable laws, as may be amended from time to time, and any other laws, regulations, notices, directive, guidelines, circulars and practice notes as we may notify you from time to time. In addition, the recipient who is an accredited investor, expert investor or institutional investor acknowledges that CIMBB is exempt from Section 27 of the FAA, the recipient will also not be able to file a civil claim against CIMBB for any loss or damage arising from the recipient's reliance on any recommendation made by CIMBB which would otherwise be a right that is available to the recipient under Section 27 of the FAA, the recipient will also not be able to file a civil claim against CIMBB for any loss or damage arising from the recipient's reliance on any recommendation made by CIMBB which would otherwise be a right that is available to the recipient under Section 27 of the FAA

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

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

#### Additional disclosures

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