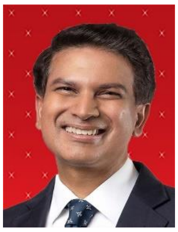
Economics & Strategy Research

Macro Insights Weekly

The uncertainty trade

Economics/Strategy/Rates/FX/Credit

March 17, 2025



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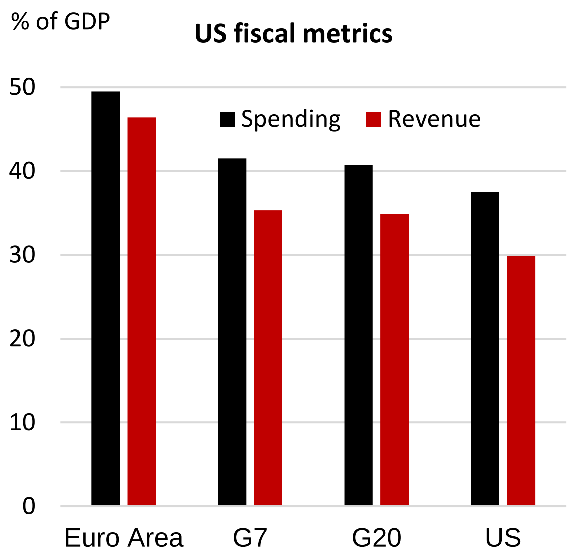
- *There is remarkable macro divergence at play among key economic blocs presently. But the overarching theme is the worsening of growth momentum in the world's largest economy.*
- *Bonds and gold have rallied. So have Chinese and European stocks.*
- *Cryptos have once again proven their beta to risk, selling off with a rise in risk aversion.*
- *We are not convinced if the US fixed income rally sustainable.*
- *Large tax cuts, unmatched by spending cuts, would keep the federal budget deficit under pressure.*
- *Call of the hour: geographical and multi-asset risk diversification.*

Key data release and events this week:

- *The BOJ, PBOC, BI, and CBC are expected to keep their respective policy rates unchanged.*
- *Japan's CPI inflation is expected to ease to 3.5% YoY in February, down from 4% YoY in January.*

Chart of the Week: US fiscal, by comparison

US public sector debt burden, at 121% of GDP, is at an uncomfortable level, as is the fiscal deficit, at 7.5% of GDP. US authorities are keen to tackle this, as seen in the flurry of government worker firings and cancellation of projects. But despite a sharp rise in recent years, US public sector spending as a share of GDP is much smaller than it is in Europe or among the G20 nations. Key issue, in our view, is the sub-30% of GDP revenue ratio in the US. Solving debt and deficit issues in a sustainable manner would entail raising taxes, which unfortunately is not on the cards at all.



Source: IMF, DBS

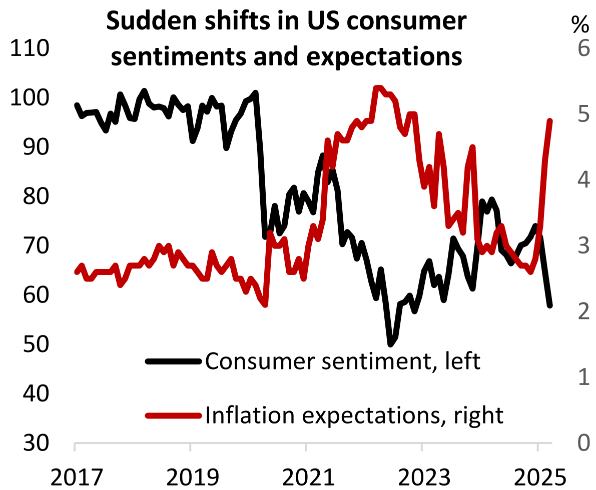
Commentary: The uncertainty trade

There is remarkable macro divergence at play among key economic blocs presently. The US economy is showing signs of slowing amid great policy uncertainty. Europe, faced with an historical weakening of its alliance with the US, is ramping up spending. China, after years of property market distress and external challenges, is finding its feet with a decisively supportive fiscal/monetary/structural policy agenda. But the overarching theme is the worsening of growth momentum in the world's largest economy.

Unsurprisingly, consumption and investment sentiments have faltered. In expectation of a slowdown, US government bonds have rallied. Meanwhile, fears of sticky inflation and lack of clarity about geopolitics have helped gold rally. Volatility traders have had a good month. European and Chinese stocks have rallied, while US stocks have retreated. DM currencies have rallied against the USD, while EM currencies have been steady. Cryptos have once again proven their beta to risk, selling off with a rise in risk aversion.

These trades have worked in 1Q, but there is a good chance a few different ones would be on the table as 2Q gets going. We expect policy uncertainty to persist, especially with announcement by the US on reciprocal tariffs looming. We are however not convinced that the fixed income market rally is sustainable.

Growth slowdown worries are justified, but that does not guarantee substantial Fed rate cuts this year. Two factors complicate that picture. First, inflation is already sticky, and would face mounting upsides as tariffs and immigration tightening measures are combined with tax cut-driven fiscal impulse in 2Q. Second, despite all the DOGE-related headlines, the chance of a meaningful improvement in the fiscal picture is slim. The planned cuts in federal depending barely scratch the surface in bringing the deficit down, with the tax cuts in the pipeline likely to overwhelm any likely savings. As the market comes to terms with ever larger supply of treasuries, the long-end would sell-off. This in turn would risk a substantial steepening of the yield curve if the Fed cuts.



Source: University of Michigan, DBS. Sentiment index set to 100 for 1966 reading. 12-month ahead nflation expectations is survey median reading.

In a scenario in which inflation, deficit, and interest rates remain hight, risk aversion would spike heavily. It would create both economic and political turmoil, primarily in the US, with some attended spillover risk for the global economy. **The portfolio manager's imperative for geographical and multi-asset risk diversification has never been greater**.

Taimur Baig

Tactical trade ideas

Trade	Entry	Exit	Rationale	Returns
Running				
FX				
Short AUD/SGD	Entry 0.8530 (Feb 17), TP: 0.82, SL: 0.8630		AUD is a more vulnerable currency than SGD from Trump's tariffs.	+1.1%
Rates				
Long 10Y CGB	Entry: 1.79% (Feb 24), TP: 1.50%, SL: 2.05%		CGB yields have rebounded on stronger demand for RMB assets and improving data prints. Yet, a sustained recovery will require further easing.	-10bps
Rec 2Y SORA-SOFR basis	Entry: -5bps (Feb 25), TP: -17bps, SL: 2bps		Toppy as carry positions get stretched.	+3.5bps

Note: Performance for Rates ideas are expressed in running basis points and percentage terms.

Key forecasts for the week

Event	DBS	Previous
Mar 17 (Mon)		
Indonesia: exports (Feb)	7.2% y/y	4.7% y/y
- imports	-5.1% y/y	-2.7% y/y
- trade balance	USD3.1bn	USD3.5bn
Mar 18 (Tue)		
India: exports (Feb)	-10.6% y/y	-2.4% y/y
- imports	-1.5% y/y	10.3% y/y
- trade balance	-USD23.0bn	-USD23.0bn
Mar 19 (Wed)		
Indonesia: BI rate	5.75%	5.75%
Japan: BOJ target rate	0.50%	0.50%
Japan: exports (Feb)	13.1% y/y	7.2% y/y
- imports	4.8% y/y	16.7% y/y
- trade balance	JPY252bn	-JPY 2,758bn
Eurozone: CPI (Feb)	2.4% y/y	2.4% y/y
Mar 20 (Thu)		
China: 1Y loan prime rate	3.10%	3.10%
Hong Kong: CPI (Feb)	1.8% y/y	2.0% y/y
Malaysia: exports (Feb)	4.0% y/y	0.3% y/y
- imports	9.0% y/y	6.2% y/y
- trade balance	MYR 6.7bn	MYR3.6bn
Taiwan: CBC discount rate	2.00%	2.00%
Taiwan: export orders (Feb)	23.4% y/y	-3.0% y/y
Mar 21 (Fri)		
Malaysia: CPI (Feb)	1.5% y/y	1.7% y/y
Japan: CPI (Feb)	3.5% y/y	4.0% y/y

Central bank policy meetings

Bank of Japan (Mar 19): The BOJ is expected to keep the policy rate unchanged at 0.50%. February's Tokyo CPI indicates a slowdown in inflation momentum, with headline CPI easing to 2.9% YoY (down from 3.4%) and core CPI easing to 2.2% (down from 2.5%). Nationwide data suggests inflation is primarily driven by goods, with a 6.3% YoY increase in January, compared to just 1.4% for services. Additionally, the preliminary Shunto results released last week did not present any unexpected upside surprises. Rengo secured a wage hike of 5.46%, a slight increase from last year's 5.28%. The yen is also facing some strengthening pressure due to global tariff uncertainties and concerns over a potential US recession. Given these factors, there is no immediate need for the BOJ to raise rates at this meeting.

Bank Indonesia (Mar 19): The decline in February inflation was driven by policy measures (electricity subsidies), rather than a reflection of underlying deflationary risks. Even though the inflation outcome provides the BI the headroom to ease rates, rupiah underperformance on the back of simmering fiscal concerns, subdued growth momentum and portfolio outflows from the equity market, are expected to keep the central bank from lowering rates in March. The currency failed to gain ground despite a correction in the global dollar index, retaining its position as the regional underperformer on YTD basis against the dollar.

Taiwan's central bank (March 20): The central bank is expected to maintain the policy rate at 2.00% during this meeting, with the RRR and LTV ratios on housing loans also remaining unchanged. CPI inflation held steady at 2.1% YoY in Jan-Feb, though inflation expectations have risen due to the potential for an electricity price hike in April. Exports and manufacturing PMIs remained robust in Jan-Feb, but there are downside risks for the 2Q and 2H outlook due to growing uncertainties around US tariffs. Given the heightened economic uncertainties compared to last year, we expect the central bank to avoid raising rates to control inflation expectations as it did in March 2024. Meanwhile, indicators such as property prices and housing loans suggest that previous rounds of RRR and LTV tightening to cool the property market have had their intended effects. Therefore, there is no immediate need for the central bank to further tighten these measures at this meeting.

The People's Bank of China (March 20): The 1-year loan prime rate is expected to remain at 3.10% as the PBOC awaits the effects of ongoing stimulus measures. The overall economy is projected to slow in the first two months of 2025, partly due to the base effect from last year's reopening boost during the same period. However, weak aggregate demand, persistent pressures in the property market, and trade tensions call for additional easing. With inflation remaining modest at -0.1% YoY in January-February, we foresee room for a 50-basis-point cut this year.

Forthcoming data releases

Hong Kong SAR: Consumer prices are expected to slow from 2.0% YoY in January to 1.8% in February, largely due to seasonal effects from an earlier Chinese New Year holiday this year. A strong HKD continues to encourage outbound tourism while weakening visitors' spending power. Local resident departures reached 285,000, compared to only 99,000 daily mainland visitors in February. However, rising rental prices in the housing market are expected to partially offset the slowdown, with the average residential rental yield holding steady at 2.88% in February.

Japan: CPI inflation is expected to ease to 3.5% YoY in February, down from 4% YoY in January. Core CPI, excluding fresh food, is anticipated to soften to 2.9%, while core-core CPI, which excludes both fresh food and energy, is projected to remain steady at 2.5%. The ongoing inflation is primarily driven by goods prices (6.3% YoY in January), rather than services (1.4%). This suggests that inflation could continue to ease as the yen strengthens and imported cost pressures gradually subside. With base wages expected to grow at around 2-2.5% YoY this year, we infer that underlying inflation remains around 1-1.5%, supporting a terminal BOJ rate within this range.

Malaysia: We foresee a rebound in Malaysia's growth of goods exports and a slight moderation of inflation in February 2025. Export activities are likely volatile in 1Q25, and we expect a recovery to 4.0% YoY in February 2025 from 0.3% YoY in January, as they benefitted from favourable base effects, while electronics shipments likely remained supported by the global tech upcycle. However, Malaysia's exports outlook faces significant downside risks from US tariff uncertainty, particularly the proposed 25%

tariffs on semiconductors. We also anticipate headline inflation easing modestly to 1.5% YoY in February 2025 from 1.7% YoY in January 2025. This reflected manageable global cost dynamics and domestic demand pressures. However, potential upside price risks may arise from the government's planned rationalisation of RON95 fuel subsidies, commencing mid-2025.

Taiwan: February export orders are expected to show strong double-digit growth. February exports exceeded expectations, posting a 31.5% YoY increase. S&P and CIER manufacturing PMIs also remained well above 50 in February. US importers are likely front-loading orders and shipments ahead of a broader range of tariff hikes set to take effect. Meanwhile, AI-related orders appear to remain robust, with DeepSeek reportedly driving a surge in H20 GPU orders from China and the US Stargate project contributing to the continued increase in AI server orders from the US.

Economics Team

Recent publications

Kopi Time E149: Longevity with Brian Kennedy

India: Policy pivot as inflation ebbs, eye on global risks

FX: EUR and DXY at a pivotal juncture

EUR/USD should continue to be pulled in both directions, as it was between 1.08 and 1.0950 last week. The hope of a spending boost for the German economy is offset by recession fears driven by the escalating trade tensions between the EU and the US.

The **CDU/CSU and Social Democrats (SPD) have reached an agreement with the Greens to reform Germany's debt brake,** which will significantly boost spending on defence and infrastructure over the next decade. This would require a two-thirds majority vote at the special sessions of the outgoing Bundestag on March 18th and the Bundesrat on March 21st. **While these parties hold the required majority, they need to address internal disputes and prevent defections to ensure the needed majority.** Fitch warned that the "ReArm Europe" plan would lower the EU's debt rating headroom due to additional debt at the EU level.

However, the EU and US are engaged in a tit-for-tat tariff war, which the Bundesbank alerted could tip the externally dependent German economy into recession. The European Central Bank also warned that maintaining stability would be a formidable task because of the exceptionally high level of uncertainties driven by Trump's policies.

Investors remain wary of "Trumpcession" risks from the Trump administration's aggressive stance on trade and implementation of tariffs and counter-tariffs. US Treasury Secretary Scott Bessent dismissed the correction in US equities as healthy. Bessent did not rule out a US recession, adding that the administration was focused on an optimistic outlook in the long term based on major policies such as extending tax cuts, deregulation, anti-immigration, and energy security. The futures market is looking for US stocks to open weaker on Monday after Bessent's comments.

On a positive note, the **US averted a government shutdown with a six-month continuing resolution** that funds federal operations through the end of September. According to estimates, Republican lawmakers still need to resolve their differences in the decision to suspend or raise the debt limit to prevent the US government from defaulting on its debt obligations by summer.

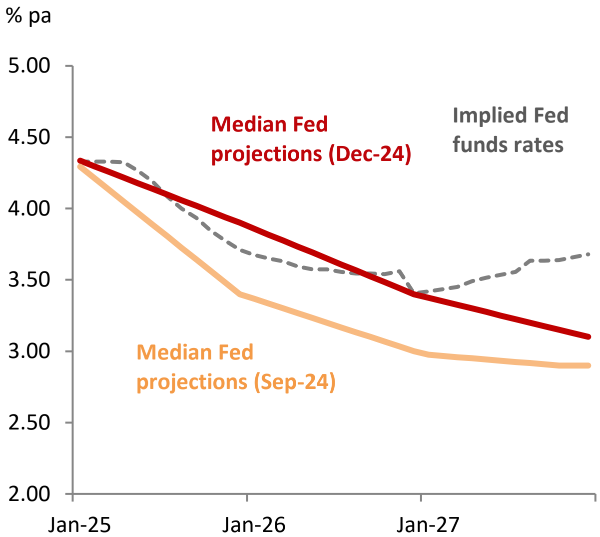
At the **FOMC meeting** on March 18-19, the market will not buck the Fed's guidance for the Fed Funds Rate to stay unchanged at 4.25-4.50%. The **focus will fall on the Summary of Economic Projections**. Given that countries have retaliated against Trump's tariffs with their own duties, the **Fed will likely lift its inflation forecast and lower its GDP growth projection**. Before the Fed's blackout period, Fed Chair Jerome Powell said the Fed would separate the signal from the noise regarding the net effect of Trump's policies on the US economy. **Powell** reckoned that the Fed was well positioned to wait for greater clarity, **hinting that the Fed need not increase its projection for two rate cuts this year to the three discounted in the futures market**. Today, consensus expects advance US retail sales to rebound by 0.6% MoM in February after its 0.9% decline in January. **Despite its negative tone, we remain cautious about the DXY Index.** Following its 6.3% plunge over the past two months, the DXY appears oversold per its 14-day RSI readings amid signs of stabilizing US bond yield differentials against their counterparts.

Philip Wee

USD Rates: No reason for the Fed to change settings just yet

The Fed will not have sufficient reason to adjust the policy rate nor should there be much tweaks to the Summary of Economic Projections (including the dot plot). USD rates have been in flux over the past few weeks as investors worry about the damage that Trump's policies (including the rapidly escalating tariff war) could inflict on the real economy. However, amidst mixed data (somewhat resilient labour market and some signs of inflation stickiness), the market showed some semblance of stabilizing towards the close of the week. At this point, it is **premature to price in a full-blown crisis in the US.** That said, US Treasury yields and stock indices are still substantially down from their respective peaks this year.

Fed vs Market



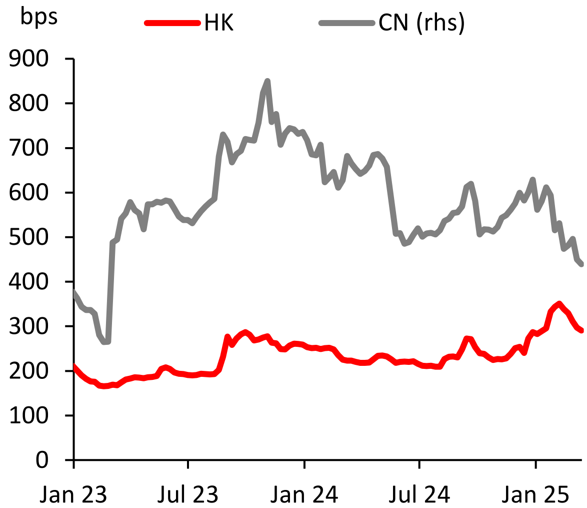
Source: Bloomberg, Federal Reserve

The market also does not expect the Fed to cut this week but is pricing in 2-3 cuts for the year. We think this is reasonable. While there was clearly too much optimism over Trump's victory in January, it is not the case now. Meanwhile, without hard data weakening (or another sharp selloff in risk assets) it does not make sense to price in even more rate cuts. Data, in many ways, are dependent on how Trump's policies (tariffs and fiscal cuts) play out in the coming months. We suspect that the reprieve that the market may be getting right now might not last. Trade investigations due on 1 April would be another focal point where the next barrage of tariffs might hit. A return of growth worries around that point would likely benefit the intermediate tenors more.

Eugene Leow

Credit: China real estate spreads compress

HK/China: Real Estate and REITS DACS Indices



Source: DBS

Despite tariff hikes and trade tensions with the US, Chinese risk assets, including China USD credit, have seen a good start to 2025. Our China DACS index has compressed by 8bps since end 2024, outpacing every other Asian economy. Furthermore, the longtime distressed China real estate sector is showing signs of a recovery. Our China Real Estate DACS sub-index has compressed by a sizeable 190bps, bringing average Chinese real estate credit spreads to the lowest since early 2023.

Issuance activity could also improve with better market conditions. 2024 saw minimal China real estate USD issuance beyond those related to debt restructuring, but 2025 issuance is turning encouraging. In Q1, a China state-backed property company has tapped the USD bond market for the first time since 2021. While the issuance amount is small, it still signifies a reopening of the offshore bond market to high yield Chinese developers. Investors' risk appetite may return with a stabilization in house prices.

Chang Wei Liang

Growth, Inflation, Policy Rates & FX forecasts

	GDP growth, % YoY						CPI inflation, % YoY, ave					
	2021	2022	2023	2024f	2025f	2026f	2021	2022	2023	2024f	2025f	2026f
China	8.1	3.0	5.2	5.0	5.0	4.5	0.9	2.2	0.2	0.6	1.0	1.5
Hong Kong SAR	6.3	-3.5	3.3	2.5	2.5	2.5	1.6	1.9	2.0	1.5	1.5	1.5
India	10.3	7.2	8.7	6.5	6.5	6.5	5.1	6.7	5.7	4.9	4.1	4.0
*India (FY basis)**	*9.7*	*7.6*	*9.2*	*6.5*	*6.4*	*6.4*	*5.5*	*6.7*	*5.4*	*4.7*	*4.2*	*4.0*
Indonesia	3.7	5.3	5.1	5.0	5.1	5.1	1.6	4.2	3.7	2.3	2.0	2.0
Malaysia	3.3	8.9	3.6	5.1	4.8	4.6	2.5	3.4	2.5	1.8	2.8	2.3
Philippines	5.7	7.6	5.6	5.6	5.8	5.6	3.9	5.8	6.0	3.2	2.6	2.4
Singapore	9.8	4.1	1.8	4.4	2.8	2.5	2.3	6.1	4.8	2.4	1.3	1.7
South Korea	4.6	2.7	1.4	2.0	1.7	2.2	2.5	5.1	3.6	2.3	2.0	2.0
Taiwan	6.7	2.7	1.1	4.6	3.0	2.4	2.0	2.9	2.5	2.2	1.9	1.7
Thailand	1.6	2.6	2.0	2.5	2.6	2.4	1.2	6.1	1.2	0.4	1.2	1.5
Vietnam	2.6	8.0	5.0	7.1	6.8	6.6	1.8	3.2	3.3	3.6	3.5	3.3
Eurozone	5.3	3.5	0.5	0.7	1.0	1.2	2.6	8.4	5.5	2.3	2.2	2.0
Japan	2.7	0.9	1.5	0.1	0.9	0.6	-0.3	2.5	3.3	2.7	2.7	1.8
United States	5.9	2.1	2.5	2.8	2.0	2.0	4.7	8.0	4.1	3.0	2.6	2.5

*2020 represents Fiscal 21; ending Mar 21

Policy interest rates, eop

	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26	3Q26	4Q26
China*	3.10	2.95	2.80	2.80	2.80	2.55	2.55	2.55
India	6.25	5.75	5.75	5.75	5.75	5.75	5.75	5.75
Indonesia	5.50	5.25	5.25	5.25	5.25	5.25	5.25	5.25
Malaysia	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Philippines	5.75	5.25	5.25	5.25	5.25	5.25	5.25	5.25
Singapore**	2.88	2.88	2.73	2.63	2.63	2.63	2.63	2.63
South Korea	2.75	2.50	2.50	2.50	2.50	2.50	2.50	2.50
Taiwan	2.00	2.00	2.00	2.00	2.00	2.00	1.875	1.875
Thailand	2.00	2.00	1.75	1.75	1.75	1.50	1.50	1.50
Vietnam***	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50
Eurozone^	2.50	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Japan	0.50	0.50	0.75	0.75	0.75	1.00	1.00	1.00
United States	4.50	4.50	4.25	4.00	4.00	4.00	4.00	4.00

* 1-yr Loan Prime Rate; ** 3M SORA OIS ; *** refinancing rate; ^ deposit facility rate

Exchange rates, eop

Ccy pair	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26	3Q26	4Q26
USD/CNY	7.26	7.26	7.34	7.32	7.29	7.27	7.25	7.22	7.20
USD/HKD	7.78	7.77	7.80	7.79	7.79	7.79	7.78	7.78	7.77
USD/INR	84.0	87.5	88.3	88.3	88.2	88.2	88.1	88.1	88.0
USD/IDR	15910	16450	16500	16430	16370	16300	16230	16170	16100
USD/MYR	4.48	4.45	4.52	4.49	4.47	4.44	4.41	4.39	4.36
USD/PHP	59.1	57.6	59.0	58.9	58.8	58.7	58.5	58.4	58.3
USD/SGD	1.35	1.34	1.37	1.36	1.36	1.35	1.34	1.34	1.33
USD/KRW	1405	1460	1480	1475	1470	1460	1455	1450	1445
USD/THB	34.7	34.1	35.0	34.8	34.5	34.3	34.1	33.8	33.6
USD/VND	25460	25520	25650	25620	25600	25570	25540	25510	25480
AUD/USD	0.65	0.62	0.60	0.61	0.61	0.62	0.62	0.62	0.63
EUR/USD	1.04	1.08	1.04	1.05	1.06	1.07	1.08	1.09	1.10
USD/JPY	155	148	151	149	148	146	144	143	141
GBP/USD	1.25	1.28	1.23	1.24	1.25	1.26	1.28	1.29	1.30

Interest rate forecasts

		2025				2026			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
US	3M SOFR OIS	4.38	4.38	4.13	3.88	3.88	3.88	3.88	3.88
	2Y	4.25	4.20	4.15	3.90	3.90	4.00	4.10	4.10
	10Y	4.30	4.20	4.20	4.50	4.60	4.70	4.75	4.80
	10Y-2Y	5	0	5	60	70	70	65	70
Japan	3M TIBOR	0.65	0.65	0.90	0.90	1.00	1.15	1.15	1.15
	2Y	0.70	0.80	0.90	0.95	1.00	1.10	1.10	1.10
	10Y	1.15	1.25	1.35	1.50	1.60	1.60	1.70	1.70
	10Y-2Y	45	45	45	55	60	50	60	60
Eurozone	3M EURIBOR	2.70	2.20	2.20	2.20	2.20	2.20	2.20	2.20
	2Y	2.20	2.15	2.15	2.15	2.15	2.20	2.30	2.40
	10Y	2.70	2.80	2.90	3.00	3.10	3.20	3.25	3.25
	10Y-2Y	50	65	75	85	95	100	95	85
Indonesia	3M JIBOR	6.35	6.10	6.10	6.10	6.10	6.10	6.10	6.10
	2Y	6.35	6.15	6.20	6.20	6.20	6.25	6.25	6.25
	10Y	6.55	6.45	6.45	6.45	6.45	6.55	6.55	6.55
	10Y-2Y	20	30	25	25	25	30	30	30
Malaysia	3M KLIBOR	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50
	3Y	3.45	3.40	3.40	3.40	3.45	3.45	3.45	3.45
	10Y	3.85	3.80	3.85	3.90	3.95	4.00	4.00	4.00
	10Y-3Y	40	40	45	50	50	55	55	55
Philippines	3M NDF implied yield	5.25	5.00	5.00	5.00	5.00	5.00	5.00	5.00
	2Y	5.75	5.50	5.50	5.55	5.60	5.60	5.60	5.60
	10Y	6.00	5.80	5.80	5.85	5.90	5.90	5.90	5.90
	10Y-2Y	25	30	30	30	30	30	30	30
Singapore	3M SORA OIS	2.88	2.88	2.73	2.63	2.63	2.63	2.63	2.63
	2Y	2.95	2.90	2.85	2.70	2.70	2.80	2.90	2.90
	10Y	2.90	2.80	2.80	3.10	3.10	3.20	3.25	3.25
	10Y-2Y	-5	-10	-5	40	40	40	35	35
Thailand	3M BIBOR	2.15	2.15	1.90	1.90	1.90	1.65	1.65	1.65
	2Y	1.85	1.65	1.55	1.55	1.35	1.25	1.25	1.25
	10Y	2.10	1.95	1.90	1.90	1.75	1.70	1.70	1.70
	10Y-2Y	25	30	35	35	40	45	45	45
China	1Y LPR	3.10	2.95	2.80	2.80	2.80	2.55	2.55	2.55
	2Y	1.35	1.25	1.10	1.10	1.05	1.00	1.00	1.00
	10Y	1.70	1.65	1.50	1.50	1.45	1.40	1.40	1.40
	10Y-2Y	35	40	40	40	40	40	40	40
Hong Kong, SAR	3M HIBOR	3.80	3.80	3.60	3.40	3.40	3.40	3.40	3.40
	2Y*	3.75	3.75	3.75	3.55	3.50	3.60	3.70	3.70
	10Y*	3.60	3.55	3.60	3.95	4.00	4.10	4.15	4.20
	10Y-2Y	-15	-20	-15	40	50	50	45	50
Korea	3M CD	2.85	2.60	2.60	2.60	2.60	2.60	2.60	2.60
	3Y	2.50	2.40	2.40	2.50	2.55	2.60	2.60	2.60
	10Y	2.80	2.70	2.70	2.85	2.90	2.95	2.95	3.00
	10Y-3Y	30	30	30	35	35	35	35	40
India	3M MIBOR	7.00	6.65	6.65	6.65	6.65	6.65	6.65	6.65
	2Y	6.35	6.00	6.00	6.00	6.05	6.10	6.10	6.10
	10Y	6.55	6.45	6.50	6.55	6.60	6.65	6.65	6.65
	10Y-2Y	20	45	50	55	55	55	55	55

%, eop, govt bond yield for 2Y and 10Y, spread bps, *HKD swaps

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Sources: Data for all charts and tables are from CEIC, Bloomberg and DBS Group Research (forecasts and transformations)