

Asia Morning Bites

Final 3Q23 Singapore GDP posts stronger-than-expected gain on a quiet day for markets ahead of the US Thanksgiving holiday



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Global Macro and Markets

- **Global markets:** Tuesday saw modest declines in bond yields and also some slight weakness in stocks while the dollar made back some of its recent losses. The yields on 2Y and 10Y US Treasuries fell by 3.9bp and 2.7bp respectively. The 10Y now sits at 4.393%. The S&P 500 dropped by 0.2%, though it was a fairly flat day after the lower open. The NASDAQ fell 0.59%. Equity futures are pointing to a lower open again today. The USD shrugged off lower yields and rallied against the EUR to take EURUSD back down to 1.0917 after briefly touching 1.09 intraday. The AUD was flattish at 0.6559, but Cable put on some further gains to 1.2542 ahead of the UK Chancellor's Autumn Statement, where modest tax cuts are expected. The JPY was also roughly unchanged from this time yesterday, though it did look at 147 before retreating back up above 148. Most of the Asia pack made modest gains yesterday. The TWD topped the group with a 0.7% gain, dropping to 31.428. USDCNY is now 7.1407.
- **G-7 macro:** It was another extremely quiet day for macro releases. FOMC minutes overnight appear to confirm the cautious approach to Fed policy which is being interpreted by markets as evidence that the Fed has peaked. [Here's a link to the FOMC minutes](#). US existing home sales dropped 4.1% MoM in October. Durable goods orders and the University

of Michigan Consumer Sentiment survey are the main releases of the day. Elsewhere, UK public finances for October showed the government borrowing GBP14bn during the month, more than had been expected, and reducing the room for manoeuvre for Chancellor Jeremy Hunt in today's Autumn Statement, where he will attempt to shore up the Tories' flagging popularity with some tax cuts.

- **Singapore:** The final estimate for 3Q GDP showed the economy grew 1.1% YoY beating consensus expectations for a 0.8% YoY gain and higher than the initial estimate of 0.7% YoY. Compared to the previous quarter, the economy grew by 1.4%. Singapore now expects full-year 2023 GDP to settle at roughly 1.0% YoY. Despite the better-than-expected 3Q GDP report, risks to the growth outlook remain with global demand still patchy, while Singapore's inflation is still expected to remain elevated in 2024.

What to look out for: US data reports

- Australia Westpac leading index (22 November)
- US Univ of Michigan sentiment, initial jobless claims and durable goods orders (22 November)
- Singapore CPI inflation (23 November)
- Bank Indonesia policy (23 November)
- Japan CPI inflation (24 November)
- Singapore industrial production (24 November)

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