



Edward Iskandar Toh  
Chief Investment Officer,  
Fixed Income

**US :** Trade tariffs may throw a spanner in the works. A full blown 'trade war' may take a few basis points off growth and give reasons for pause. At this juncture, economic data point towards **at least 2 more hikes with a possibility of a 3<sup>rd</sup> hike for the year.**

**Europe:** There seem to be a desire to reel back stimulus as scheduled but **interest may rise only early next year.**

**Malaysia :** Lower inflation justifies a patient posture towards any hike. Regardless of elections results, growth momentum has picked up with favourable external factors. There still remain a possible 'ahead of the curve' move for **one more 0.25% rate hike by end of 2018.**