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US : Hawkish rhetoric has simmered after hike in March. With some labour data easing off, no additional hikes apart from what the dot plot had suggested is in the offing. We still expect **2 more hikes or Fed Fund rate of 1.50%** by year-end.

Europe and Japan : Nothing has developed to suggest a change in course as yet. Both the **EU** and **Japan** will likely see continued ultra easy and accommodative monetary policies until inflation can convince otherwise. **Interest rates will still be zero to negative in Japan and the EU** throughout this year.

China : There have been some suggestions that **China** raise their interest rates to counter currency manipulation accusations. **China** will likely address their domestic issues before pending to that. For now, **interest rates are envisioned to remain low and easy.**

Malaysia : Higher inflation is to be expected as transport contributes 13.7% to the CPI basket. With RON95 expected to remain at these levels or higher, cost push inflation is inevitable. In the absence of demand driven inflation, **interest rates will not be raised for now. It will continue to be easy and accommodative** amidst the possibility of General Elections being called this year.