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US : Rates normalisation is still on track for **2 more hikes or Fed Fund rate of 1.50%** by year-end. However, recent White House and geopolitical distractions add to doubts of Trump's campaign promises of healthcare and tax reforms. Nonetheless, economic data point to sustained growth.

Europe and Japan : Easing of **EU** breakup concerns does not remove continued economic malaise despite recent brighter data. Both the **EU** and **Japan** is destined for continued ultra easy and accommodative monetary policies until inflation can pick up slack. **Interest rates will still be zero to negative in Japan and the EU** till end of this year.

China : Better than expected economic data may not suggest a change in monetary policy just yet. Domestic issues like increasing domestic demand and controlling housing issues while containing bad debts remain focus of government. **China** will likely **keep interest rates at current levels** for now.

Malaysia : Continued higher cost driven inflation should not worry policy makers for now as they are largely expected. Volatility of inflation may persist as volatility in Crude oil prices continue, in turn volatility of Refined gas and in turn volatility of RON95. Looming elections and the need for a 'feel good' economy may dictate interest rates direction if economic data do not shift too much. Hence, interest rates will not be raised for now. It will continue to be easy and accommodative.