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US : With the passing of budget resolution, the US is a step closer to tax code overhaul. Following that, comments by the FOMC reinforces expectation of **one more rate hike at the end of the year**. Incoming Fed Chairman, **Jerome Powell**, is widely expected to continue the path of measured rate hike and balance sheet shrinking with minimal shock to the system.

Europe: The statement of gradual reduction of QE by **ECB** president allows for **policy interest rates to remain unchanged beyond the year**.

Japan : Prime Minister Abe's victory secures a pro growth environment with ultra low interest rates policy until inflation picks up. The **BOJ** seek patience to achieve inflation target of 2%. **Negative rates and accommodative interest rates policies will stay for protracted time frame**.

Malaysia : External influence may exert pressure to raise rates. However, impending General Elections still dominate policies as long as macroeconomic numbers remain intact. **Low interest rates policy should remain awhile more**.