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**US** : Bond buying taper, elevated inflation, extended period of inflation, high energy prices, higher wages, likely higher supply of US Treasuries to fund infrastructure rebuild bill; all point to higher rates. It has now become a matter of when. The market has taken recent developments to indicate rates increase to begin sooner rather than later. Half of Federal Reserve members are calling for rates 'lift-off' next year. **Fed Fund Rate could rise by mid 2022.**

**Malaysia** : The need to maintain low interest rates environment may still outweigh global influences for the time being as BNM would want to be assured that our economic growth gain firm momentum before allowing policy rates to rise. However, traders will likely pressure yields higher as imminent reopening will likely shift sentiment. Current data still leads to the believe that **interest rates will remain at current levels till mid next year.**