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**US :** Resurgent in rate hike expectations as positive vibes surround anticipated Trump tax policies as they eclipse geopolitical risks that gripped last month's sentiment. In addition Federal Reserve's balance sheet shrinking that is to begin in October is expected to be undisruptive. Furthermore, talks of replacement of Yellen as Fed Chairperson by a more hawkish candidate is beginning to circle. For now, the market seem to have priced in **one more rate hike for the year.**

**Europe:** It is slightly uncertain as to impact of influence of far right on German policies at moment. Economically, **Euro's** recovery appear steady. It is believed that the **ECB** remains committed to maintain **QE** until growth and inflation gain traction. **Policy interest rates should remain unchanged for rest of the year.**

**Japan :** A victory for Abe in upcoming snap elections would mean continued ultra low interest rates policy until inflation picks up. Indication is that more time will be granted to achieve inflation target of 2%. **Negative rates and accommodative interest rates policies will likely stay till mid next year.**

**Malaysia :** Growth appear on track for sustainable period. Inflation, though cost push remains a concern despite BNM's assurance. Upcoming budget and Elections remain a focus. **Easy monetary policy will remain in place** at least until general elections.