

# MARKET COMMENTARY

## MONEY MARKET REVIEW AND OUTLOOK

February 2020



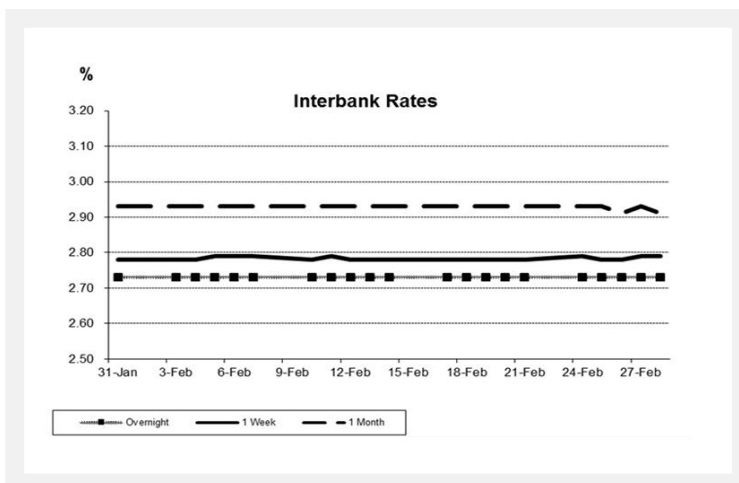


## REVIEW

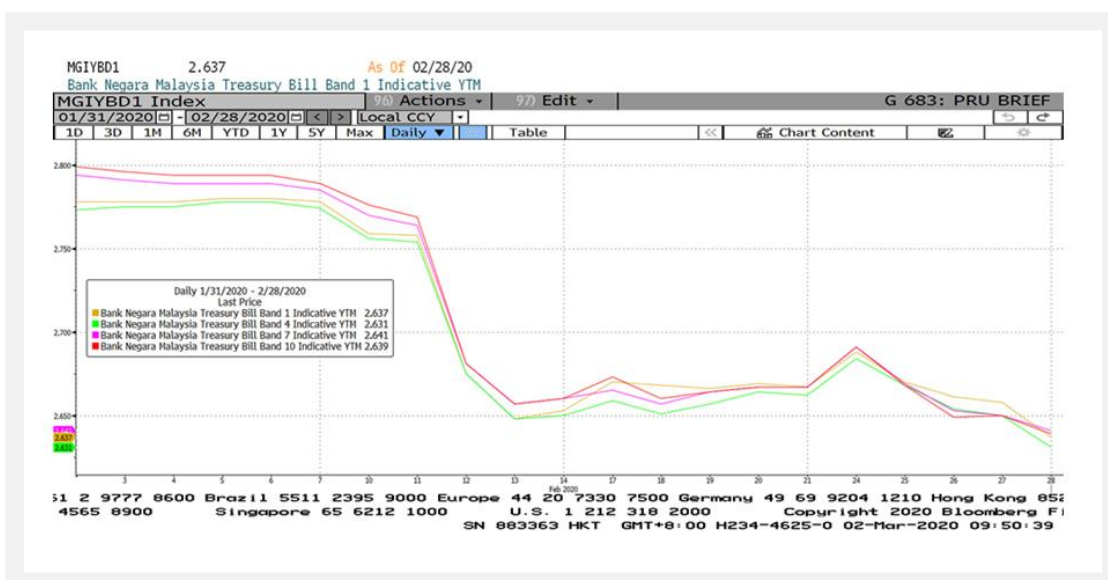
- Short term interbank rates were capped within a tight range with overnight and 1-week rates traded at 2.73% to 2.79%, while the 1-month rates were relatively stable at 2.91% to 2.93%.
- In the short-term Bills market, yields fell by 14-16bps across all tenures in mid Feb on the back of BNM's remarks on ample room for interest rate adjustment. Both 1-month and 1-year yields dipped to 2.64%.

## OUTLOOK

- Short-term rates are expected to stay low and market reflects an increased expectation of a further rate cut.



Source: Bloomberg Interbank Rates



Source: Bloomberg



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