

MARKET COMMENTARY

MONEY MARKET REVIEW AND OUTLOOK

January 2021



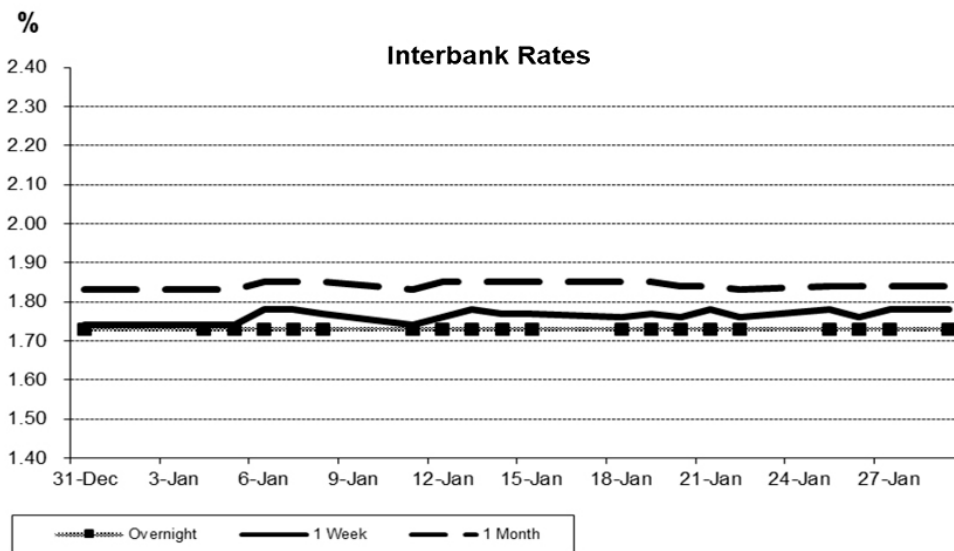


REVIEW

- ▶ BNM maintained the OPR at 1.75% in its first MPC meeting of 2021. Reflecting the unchanged OPR, short-term interbank rates were capped within a tight range with overnight and 1-week rates traded at 1.73% to 1.78%, while the 1-month rates were relatively stable at 1.83% to 1.85%.
- ▶ In the short-term Bills market, the short-term Bills remained well supported and yields were stable across all tenures during the month. Both 1-month and 1-year yields kept steadily at 1.74% and 1.73% respectively.

OUTLOOK

- ▶ Short-term interbank rates are expected to stay low with intervention by BNM in coping with the pandemic-induced economic crisis.



Source: Bloomberg Interbank Rates



Source: Bloomberg



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