



Fixed Income & FX Research

06 October 2025

Macro: US services activity stalled in September, with employment weaknesses noted amid the lack of NFP data. Sanae Takaichi set to become Japan's next PM, with easier fiscal and monetary policies among key risks ahead.

Forex: DXY decline stymied by JPY (-0.1%) weaknesses amid Takaichi's LDP victory. Volatility in Asian FX remained subdued amid cautious US sentiment and the Chinese public holiday.

Fixed Income: UST yields up 2-5 bps, driven by resilient AI-driven equity risk appetite. MGS yields closed unchanged primarily, ahead of today's 30-year MGS 07/55 auction.

Macro

Global: The US shutdown continues, following a failed 54-44 Senate vote to restore government funding (requiring 60 votes), even as Republican Trump ramps up pressure on Democrat-governed cities. The US ISM services PMI fell to 50 in September (consensus: 51.7; August: 52.0), signalling that growth unexpectedly stalled amid intensifying price pressures, deeper contractions in employment, and slowing growth for new orders. Meanwhile, hardline conservative Sanae Takaichi is set to become Japan's next PM, triumphing over her more moderate key competitor Shinjiro Koizumi. Takaichi's policies are likely to drive greater volatility in Japanese financial markets in the near term, with key policies advocated including "Abenomics" (aggressive fiscal spending and easy monetary policy), re-discussing the US trade deal, and more nationalistic policies.

Malaysia: Malaysia's parliament reconvenes today (6 October), with the highly-anticipated Budget 2026 presentation by PM Anwar Ibrahim at 4pm, 10 October.

Forex

Global: DXY's decline (-0.1%) was stymied by greater weaknesses for the JPY (-0.1%), as markets turned bearish on Friday amid rising prospects for Takaichi's victory, which likely heralds easy fiscal and monetary policies ahead for Japan, while BOJ Governor Ueda's remarks on inflation added little clarity on the BOJ pathway ahead. Other G10 FX rose 0.1-0.4% against the USD, with commodity-linked FX AUD and CAD (+0.1%) continuing to underperform on global slowdown worries. EUR gains were better (+0.2%), as Eurozone services PMI accelerated further to an eight-month high of 51.3 in September (August: 50.5), with a widespread recovery seen across most countries.

Asian: MYR closed unchanged alongside the CNH. Daily volatility among other Asian FX was also notably down over the past few sessions, given China's market closure (due to the Golden Week holidays) and cautious sentiment towards US assets trading.

Fixed Income

Global Bonds: UST on the retreat, with the curve bear flattening by 2-5bps. UST losses were driven by some profit-taking amid the resurgence in risk appetite, despite the ongoing US government shutdown. The S&P rose a scant 0.01% - its sixth day streak of gains, while remaining above the 6,700 level for a third consecutive day (since the shutdown), driven by ongoing AI enthusiasm and momentum in fund flows. Ahead, key non-Federal releases include the Fed's FOMC meeting minutes (for September) and the UOM consumer sentiment data.

MYR Bonds: Overall yields remained unchanged amid relatively muted trading, with several players seen paring their positions on Friday due to US event risks over the weekend. The long-end of the curve continues to underperform (+1 bp), closing at a yield of 3.984%, ahead of today's closing for the 30-year MGS 07/55 auction with a public issuance size of MYR5.0 billion.

Commodities

Gold fell 0.2% d/d but rose 3.4% w/w, cementing a seven-week streak of gains on continued safe-haven demand and dovish Fed expectations. **Oil** prices rose 1%, with a further rebound also seen this morning, as OPEC's modest production increase from October staved off traders' fears of a super-sized quota increase.

FX Daily Rates

Vs. USD	Last Close	Per cent
DX	97.72	(0.1)
EUR/USD	1.174	0.2
AUD/USD	0.660	0.1
GBP/USD	1.348	0.3
USD/JPY	147.47	0.1
USD/MYR	4.208	0.0
USD/IDR	16,540	(0.3)
USD/THB	32.39	0.1
USD/SGD	1.289	(0.0)
USD/CNY	7.136	0.1

Ringgit Outlook for The Week

	1	2
Resistance	4.237	4.259
Support	4.190	4.165

Major Sovereign Yields (%)

Sov. Yield	Last Close	bps
UST 2Y	3.58	4
UST 10Y	4.12	4
Germany 10Y	2.70	(0)
UK 10Y	4.69	(2)
Japan 10Y	1.66	0
Australia 10Y	4.33	(0)
China 10Y	1.87	0

MGS Bond Yields (%)

MGS	Last	bps
3-Year	3.08	(0)
5-Year	3.21	(0)
7-Year	3.40	0
10-Year	3.45	1
15-Year	3.66	0
20-Year	3.81	1
30-Year	3.98	1

MYR Swap Rates (%)

Swap / Rates	Last Close	bps
IRS 1-Year	3.23	0
IRS 3-Year	3.17	0
IRS 5-Year	3.24	1
IRS 7-Year	3.30	(1)
IRS 10-Year	3.43	2
3M KLIBOR	3.22	0

Key Commodities

Commodities	Last Close	Per cent
Brent (USD/bbl)	64.53	0.7
WTI (USD/bbl)	60.88	0.7
Gold (USD/oz)	3,887	0.8
CPO (RM/tonne)	4,400	(0.2)

Policy Rates

Central Banks	Current	Next
US Fed Funds	4.25	29-Oct
ECB Deposit Rate	2.00	30-Oct
BOE Base Rate	4.00	06-Nov
RBA Cash Rate	3.60	04-Nov
BOJ Cash Rate	0.50	30-Oct
RBNZ Cash Rate	3.00	08-Oct
PBOC 1Y LPR	3.00	-
BNM OPR	2.75	06-Nov

Sources: Bloomberg, Trading Economics, AmBank Economics
Note: Changes are based on day-on-day percentage, except for MGS Yield, Sovereign Yields, and IRS, where changes are in bps.

Currencies vs USD

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	3-Oct-25	2-Oct-25	26-Sep-25	3-Sep-25	3-Oct-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
DXY Dollar Index	97.72	97.85	98.15	98.14	101.99	(0.1)	(0.4)	(0.4)	(4.2)	(9.9)			
EUR/USD	1.174	1.172	1.170	1.166	1.103	0.2	0.3	0.7	6.4	13.4			
AUD/USD	0.660	0.660	0.654	0.654	0.684	0.1	0.9	0.9	(3.5)	6.7			
GBP/USD	1.348	1.344	1.340	1.344	1.312	0.3	0.6	0.3	2.7	7.7			
USD/JPY	147.47	147.26	149.49	148.1	146.93	0.1	(1.4)	(0.4)	0.4	(6.2)			
USD/MYR	4.208	4.207	4.222	4.227	4.222	0.0	(0.3)	(0.5)	(0.3)	(5.9)			
USD/IDR	16,540	16,588	16,741	16,415	15,420	(0.3)	(1.2)	0.8	7.3	2.7			
USD/THB	32.39	32.37	32.24	32.35	33.10	0.1	0.5	0.1	(2.1)	(5.0)			
USD/SGD	1.289	1.289	1.292	1.288	1.297	(0.0)	(0.2)	0.1	(0.7)	(5.6)			
USD/CNY	7.136	7.133	7.144	7.139	7.052	0.1	(0.1)	(0.0)	1.2	(2.7)			
USD/KRW	1,406	1,406	1,411	1,389	1,323	0.0	(0.3)	1.2	6.3	(4.5)			
USD/INR	88.78	88.69	88.72	88.07	83.97	0.1	0.1	0.8	5.7	3.7			
USD/PHP	57.88	58.10	58.13	57.32	56.39	(0.4)	(0.4)	1.0	2.6	0.1			
USD/TWD	30.38	30.41	30.53	30.72	31.85	(0.1)	(0.5)	(1.1)	(4.6)	(7.4)			
USD/HKD	7.782	7.783	7.780	7.800	7.764	(0.0)	0.0	(0.2)	0.2	0.2			
USD/VND	26,376	26,398	26,403	26,388	24,755	(0.1)	(0.1)	(0.0)	6.5	3.5			
NZD/USD	0.583	0.582	0.577	0.588	0.621	0.2	1.0	(0.8)	(6.1)	4.2			

Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	3-Oct-25	2-Oct-25	26-Sep-25	3-Sep-25	3-Oct-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
EUR/MYR	4.940	4.945	4.931	4.927	4.659	(0.1)	0.2	0.3	6.0	6.0			
GBP/MYR	5.661	5.678	5.638	5.667	5.538	(0.3)	0.4	(0.1)	2.2	0.8			
AUD/MYR	2.780	2.783	2.756	2.761	2.891	(0.1)	0.9	0.7	(3.8)	(0.1)			
JPY/MYR	2.854	2.857	2.824	2.854	2.873	(0.1)	1.0	(0.0)	(0.7)	0.3			
SGD/MYR	3.264	3.269	3.265	3.282	3.255	(0.1)	(0.0)	(0.5)	0.3	(0.7)			
10 CNY/MYR	5.910	5.906	5.918	5.915	5.873	0.1	(0.1)	(0.1)	0.6	(3.5)			
1 million IDR/MYR	2.541	2.534	2.523	2.575	2.736	0.3	0.7	(1.3)	(7.1)	(8.3)			
THB/MYR	12.992	13.001	13.086	13.060	12.747	(0.1)	(0.7)	(0.5)	1.9	(0.2)			
10 HKD/MYR	5.409	5.404	5.428	5.416	5.436	0.1	(0.4)	(0.1)	(0.5)	(6.1)			

Commodities

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	3-Oct-25	2-Oct-25	26-Sep-25	3-Sep-25	3-Oct-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
Brent (USD/barrel)	64.53	64.11	70.13	67.6	77.62	0.7	(8.0)	(4.5)	(16.9)	(13.5)			
WTI (USD/barrel)	60.88	60.48	65.72	63.97	73.71	0.7	(7.4)	(4.8)	(17.4)	(15.1)			
Gold (USD/oz)	3,887	3,857	3,760	3,559	2,656	0.8	3.4	9.2	46.3	48.1			
Malaysia CPO (RM/tonne)	4,400	4,411	4,321	4,362	4,267	(0.2)	1.8	0.9	3.1	(9.5)			

Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	3-Oct-25	2-Oct-25	26-Sep-25	3-Sep-25	3-Oct-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.08	3.09	3.11	3.03	3.35	(0)	(3)	5	(26)	(40)			
5-Year	3.21	3.21	3.23	3.11	3.51	(0)	(2)	10	(31)	(41)			
7-Year	3.40	3.39	3.42	3.33	3.70	0	(2)	6	(30)	(37)			
10-Year	3.45	3.43	3.46	3.41	3.73	1	(1)	4	(28)	(37)			
15-Year	3.66	3.66	3.69	3.61	3.89	0	(2)	5	(23)	(31)			
20-Year	3.81	3.81	3.81	3.75	4.04	1	0	6	(23)	(25)			
30-Year	3.98	3.97	3.92	3.89	4.18	1	7	10	(20)	(20)			

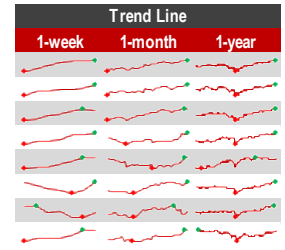
Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	3-Oct-25	2-Oct-25	26-Sep-25	3-Sep-25	3-Oct-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.13	3.13	3.15	3.05	3.33	(0)	(3)	7	(20)	(30)			
5-Year	3.23	3.23	3.23	3.14	3.51	(0)	(1)	9	(28)	(40)			
7-Year	3.34	3.35	3.37	3.28	3.70	(0)	(2)	7	(36)	(40)			
10-Year	3.48	3.48	3.50	3.43	3.76	0	(2)	5	(27)	(35)			
15-Year	3.69	3.69	3.69	3.60	3.91	(0)	0	8	(23)	(29)			
20-Year	3.82	3.82	3.81	3.75	4.05	0	1	6	(23)	(27)			

Major Equity Indices

	Latest	1-day	1 week	1-Month	1-Year
	3-Oct-25	2-Oct-25	26-Sep-25	3-Sep-25	3-Oct-24
S&P500 Index	6,716	6,715	6,644	6,448	5,700
Dow Jones	46,758	46,520	46,247	45,271	42,012
Nasdaq	22,781	22,844	22,484	21,498	17,918
London FTSE	9,491	9,428	9,285	9,178	8,283
German DAX	24,379	24,423	23,739	23,595	19,015
Nikkei 225	45,770	44,937	45,355	41,939	38,552
Japan TOPIX	3,129	3,087	3,187	3,049	2,684
FBM KLCI	1,635	1,638	1,609	1,579	1,642

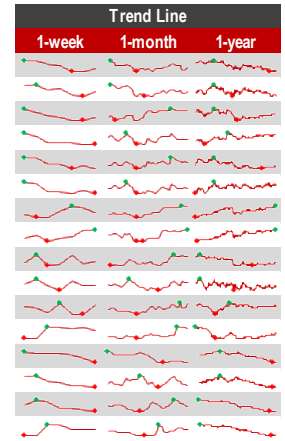
Percentage Change				
1-day	1-week	1-month	1-year	YTD
0.0	1.1	4.1	17.8	74.9
0.5	1.1	3.3	11.3	41.1
(0.3)	1.3	6.0	27.1	117.7
0.7	2.2	3.4	14.6	27.4
(0.2)	2.7	3.3	28.2	75.1
1.9	0.9	9.1	18.7	75.4
1.4	(1.8)	2.6	16.6	65.4
(0.2)	1.6	3.6	(0.4)	9.3



Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year
	3-Oct-25	2-Oct-25	26-Sep-25	3-Sep-25	3-Oct-24
UST 2Y	3.58	3.54	3.64	3.62	3.71
UST 10Y	4.12	4.08	4.18	4.22	3.85
Germany 2Y	2.02	2.01	2.03	1.97	2.08
Germany 10Y	2.70	2.70	2.75	2.74	2.14
UK 2Y	3.97	3.98	4.02	3.96	3.97
UK 10Y	4.69	4.71	4.75	4.75	4.02
Japan 2Y	0.94	0.95	0.93	0.87	0.37
Japan 10Y	1.66	1.66	1.65	1.63	0.83
Australia 2Y	3.50	3.49	3.52	3.45	3.61
Australia 10Y	4.33	4.34	4.39	4.42	4.01
China 2Y	1.46	1.46	1.44	1.40	1.46
China 10Y	1.87	1.87	1.89	1.75	2.21
Indonesia 2Y	4.96	5.00	5.04	5.32	6.27
Indonesia 10Y	6.32	6.33	6.42	6.40	6.54
Thailand 2Y	1.13	1.14	1.19	1.10	2.16
Thailand 10Y	1.40	1.40	1.35	1.24	2.49

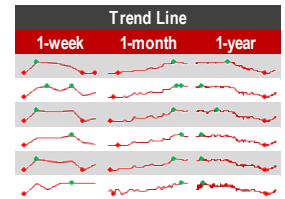
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
4	(7)	(4)	(13)	(67)
4	(6)	(10)	27	(45)
1	(1)	5	(6)	(6)
(0)	(5)	(4)	55	33
(2)	(5)	1	(0)	(43)
(2)	(6)	(6)	67	12
(1)	1	7	57	34
0	1	3	83	56
1	(3)	5	(11)	(36)
(0)	(5)	(9)	32	(3)
0	3	7	1	37
0	(2)	12	(34)	20
(4)	(8)	(36)	(131)	(208)
(2)	(11)	(8)	(22)	(68)
(1)	(6)	2	(103)	(87)
(0)	4	15	(110)	(86)



Key swap rates

	Latest	1-day	1 week	1-Month	1-Year
	3-Oct-25	2-Oct-25	26-Sep-25	3-Sep-25	3-Oct-24
IRS 1-Year	3.23	3.23	3.25	3.13	3.53
IRS 3-Year	3.17	3.16	3.18	3.07	3.43
IRS 5-Year	3.24	3.23	3.26	3.15	3.48
IRS 7-Year	3.30	3.31	3.32	3.22	3.56
IRS 10-Year	3.43	3.42	3.44	3.34	3.66
IRS 20-Year	3.76	3.75	3.75	3.60	3.78

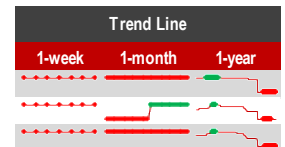
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	(2)	10	(30)	(35)
0	(1)	9	(26)	(34)
1	(2)	9	(24)	(31)
(1)	(2)	8	(26)	(33)
2	(1)	9	(23)	(30)
0	0	16	(2)	(20)



Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year
	3-Oct-25	2-Oct-25	26-Sep-25	3-Sep-25	3-Oct-24
1-Month Klibor	3.00	3.00	3.00	3.00	3.28
3-Month Klibor	3.22	3.22	3.22	3.21	3.56
6-Month Klibor	3.26	3.26	3.26	3.26	3.62

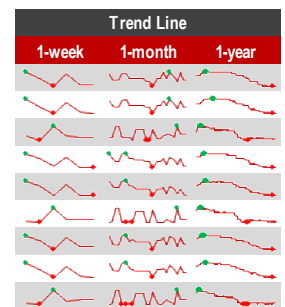
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	0	0	(28)	(29)
0	0	1	(34)	(51)
0	0	0	(36)	(51)



Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year
	3-Oct-25	2-Oct-25	26-Sep-25	3-Sep-25	3-Oct-24
3-Year AAA	3.51	3.51	3.53	3.51	3.75
3-Year AA	3.67	3.67	3.69	3.67	3.87
3-Year A	4.52	4.52	4.52	4.51	4.88
5-Year AAA	3.58	3.58	3.60	3.59	3.83
5-Year AA	3.75	3.75	3.76	3.76	3.96
5-Year A	4.66	4.66	4.66	4.65	5.12
10-Year AAA	3.74	3.74	3.76	3.74	3.98
10-Year AA	3.90	3.90	3.92	3.91	4.15
10-Year A	5.04	5.04	5.02	5.02	5.70

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(0)	(1)	(0)	(24)	(32)
(0)	(2)	(0)	(21)	(35)
0	(0)	1	(36)	(34)
(0)	(1)	(1)	(25)	(34)
(0)	(2)	(2)	(22)	(36)
0	0	1	(47)	(43)
(0)	(2)	(0)	(24)	(33)
(0)	(2)	(1)	(25)	(34)
0	1	2	(67)	(52)



Sources: Bloomberg, AmBank Economics

Note: All values are end-period

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