



Fixed Income & FX Research

23 July 2025

Macro: Japan, Philippine clinched US trade deal, even as Malaysia held firm against certain US demands. PM Anwar to announce 'appreciation package' for Malaysians today.

Forex: JPY rally (+0.5%) from trade deal stymied by fiscal and political fears, while GBP lagged peers on UK budget deficit. MYR held steady as BNM reserves reached decade high.

Fixed Income: UST remain supported from confluence of tailwinds. Late profit-taking however drove mild losses for ringgit government bonds.

Macro

Global: Trump announced that it has reached a trade deal with Japan, setting tariffs at 15% (prior: 30%) while Japan will invest USD550 billion into the US. Japanese PM Ishiba later said he will decide on his (political) future after assessing the outcome of trade negotiations. Meanwhile, Scott Bessent said he expects a tariff truce with the China to be extended in a meeting next week, with negotiations to also focus on its purchases of sanctioned oil and its 'glut of manufacturing'. Bessent also said Fed Chairman Powell should be able to see his term through until it ends in May 2026.

Asean: Trump announced that the Philippines will be charged a slightly lower tariff rate of 19% (July: 20%; April: 17%). Though no further details were provided, the Philippines earlier said they could not offer the US a zero-tariff rate (such as Vietnam and Indonesia), but will plan to raise purchases of soybeans and frozen meat. This comes as sources indicate that Malaysia will seek to lower US tariffs to about 20% (current: 25%), but will resist certain US demands such as national policies and extending US-made EV tax breaks, while also focusing on strengthening strategic industries. Meanwhile, Malaysia's MITI said the second round of FTA negotiations with the EU will take place in November. Separately, the government said it remains committed to subsidising LPG for domestic consumers and micro/small F&B businesses. The government also anticipates saving RM135 million from the three-month egg partial subsidy cut (from 10 sen to 5 sen per egg) between May-July, ahead of a full subsidy withdrawal from August 2025.

Forex

Global: DXY saw another steep 0.5% decline amid a further downtick in UST yields. JPY rallied 0.5%, with stronger gains (from trade deal optimism) stymied by lingering fears for today's 40Y JGB auction and PM Ishiba's political future. EUR (+0.5%) trailed European peers CHF and SEK (+0.7%), amid lacklustre progress for its own US trade talks. GBP (+0.3%) underperformed peers.

Malaysia: MYR (+0.1%) range lingered around the 4.23 level, showing negligible changes from the slower headline June CPI of 1.1% y/y (May: 1.2%), given the greater focus on July's reading instead (post-SST expansion and electricity structure reforms). Meanwhile, BNM reserves rose to USD120.9 billion by mid-July (prior: USD120.6 billion). At a fresh decade high alongside weaker dollar sentiment, this is expected to improve Malaysia's ability to weather any sharp capital outflows.

Fixed Income

Global Bonds: UST yields continued to fall with the curve bull flattening, supported by technical level purchases, decent demand for primary supply, haven demand from upcoming tariff deadlines, Bessent's comments on Powell, and dovish sentiment for the upcoming July FOMC meeting. Positive sentiment spilled over to Gilts, even after the UK June budget deficit recorded at GBP20.7 billion or the second highest June number since 1993, with the impact instead falling on the GBP.

MYR Bonds: Local government bonds saw mild losses on the back of late profit taking activity after some early day gains amid the release of lower-than-expected June CPI. However, IRS rates fell by 1-2 bps. Meanwhile, corporate bonds gained though the firmer bids were on <1Y tenors. Notable trades include AAA rated Infracap 04/35 at 3.70% (-9 bps).

Commodities

CPO prices rose slightly (+0.5%), after the MPOC said prices should stay supported in August from India's festive demand and elevated US soybean oil prices.

FX Daily Rates

Vs. USD	Last Close	Per cent
DX	97.39	(0.5)
EUR/USD	1.175	0.5
AUD/USD	0.656	0.5
GBP/USD	1.353	0.3
USD/JPY	146.63	(0.5)
USD/MYR	4.233	(0.1)
USD/IDR	16,310	(0.0)
USD/THB	32.31	(0.2)
USD/SGD	1.278	(0.2)
USD/CNY	7.169	(0.0)

Ringgit Outlook for The Week

	1	2
Resistance	4.289	4.339
Support	4.193	4.147

Major Sovereign Yields (%)

Sov. Yield	Last Close	bps
UST 2Y	3.83	(3)
UST 10Y	4.34	(3)
Germany 10Y	2.59	(2)
UK 10Y	4.57	(3)
Japan 10Y	1.52	(2)
Australia 10Y	4.30	(2)
China 10Y	1.69	2

MGS Bond Yields (%)

MGS	Last	bps
3-Year	3.08	(0)
5-Year	3.16	0
7-Year	3.36	1
10-Year	3.42	(0)
15-Year	3.66	(0)
20-Year	3.76	0
30-Year	3.92	0

MYR Swap Rates (%)

Swap / Rates	Last Close	bps
IRS 1-Year	3.14	(0)
IRS 3-Year	3.07	(2)
IRS 5-Year	3.16	0
IRS 7-Year	3.23	0
IRS 10-Year	3.36	(1)
3M KLIBOR	3.23	0

Key Commodities

Commodities	Last Close	Per cent
Brent (USD/bl)	68.59	(0.9)
WTI (USD/bl)	66.21	(1.5)
Gold (USD/oz)	3,431	1.0
CPO (RM/tonne)	4,196	0.5

Policy Rates

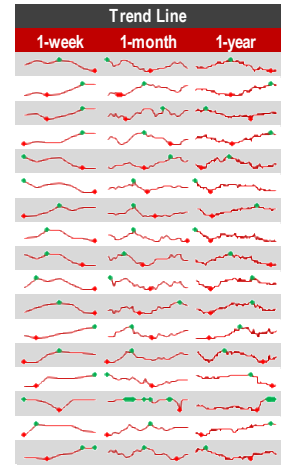
Central Banks	Current	Next
US Fed Funds	4.50	30-Jul
ECB Deposit Rate	2.00	24-Jul
BOE Base Rate	4.25	07-Aug
RBA Cash Rate	3.85	12-Aug
BOJ Cash Rate	0.50	31-Jul
PBOC 1Y LPR	3.00	n.a.
BOK Base Rate	3.00	-
BNM OPR	2.75	05-Sep

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
	22-Jul-25	21-Jul-25	15-Jul-25	22-Jun-25	22-Jul-24
DXY Dollar Index	97.39	97.85	98.62	98.71	104.31
EUR/USD	1.175	1.169	1.160	1.152	1.089
AUD/USD	0.656	0.653	0.651	0.645	0.664
GBP/USD	1.353	1.349	1.338	1.345	1.293
USD/JPY	146.63	147.38	148.88	146.09	157.04
USD/MYR	4.233	4.235	4.242	4.254	4.682
USD/IDR	16,310	16,311	16,260	16,385	16,220
USD/THB	32.31	32.36	32.41	32.75	36.28
USD/SGD	1.278	1.281	1.285	1.287	1.346
USD/CNY	7.169	7.169	7.183	7.182	7.274
USD/KRW	1,381	1,383	1,388	1,371	1,388
USD/INR	86.37	86.30	85.82	86.59	83.67
USD/PHP	57.05	57.16	56.72	57.17	58.39
USD/TWD	29.45	29.41	29.28	29.52	32.86
USD/HKD	7.850	7.850	7.850	7.850	7.807
USD/VND	26,144	26,154	26,135	26,131	25,336
NZD/USD	0.600	0.597	0.595	0.597	0.598

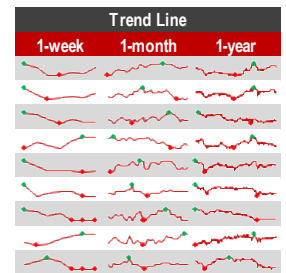
Percentage Change				
1-day	1-week	1-month	1-year	YTD
(0.5)	(1.2)	(1.3)	(6.6)	(10.2)
0.5	1.3	2.0	7.9	13.5
0.5	0.6	1.6	(1.3)	5.9
0.3	1.1	0.6	4.6	8.1
(0.5)	(1.5)	0.4	(6.6)	(6.7)
(0.1)	(0.2)	(0.5)	(9.6)	(5.4)
(0.0)	0.3	(0.5)	0.6	1.3
(0.2)	(0.3)	(1.4)	(10.9)	(5.2)
(0.2)	(0.5)	(0.7)	(5.0)	(6.4)
(0.01)	(0.2)	(0.2)	(1.4)	(1.8)
(0.1)	(0.5)	0.7	(0.5)	(6.2)
0.1	0.6	(0.3)	3.2	0.9
(0.2)	0.6	(0.2)	(2.3)	(1.4)
0.1	0.6	(0.2)	(10.4)	(10.2)
0.0	(0.0)	(0.0)	0.5	1.0
(0.0)	0.0	0.0	3.2	2.6
0.6	0.9	0.6	0.4	7.3



Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year
	22-Jul-25	21-Jul-25	15-Jul-25	22-Jun-25	22-Jul-24
EUR/MYR	4.956	4.931	4.957	4.903	5.100
GBP/MYR	5.712	5.699	5.707	5.739	6.054
AUD/MYR	2.759	2.758	2.785	2.762	3.121
JPY/MYR	2.887	2.873	2.849	2.912	2.981
SGD/MYR	3.304	3.301	3.312	3.311	3.482
10CNY/MYR	5.905	5.904	5.906	5.924	6.437
100IDR/MYR	2.594	2.594	2.608	2.595	2.887
THB/MYR	13.162	13.142	13.087	12.986	12.896
10HKD/MYR	5.394	5.394	5.403	5.418	5.997

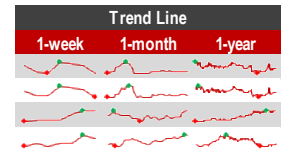
Percentage Change				
1-day	1-week	1-month	1-year	YTD
0.5	(0.0)	1.1	(2.8)	6.4
0.2	0.1	(0.5)	(5.6)	1.7
0.0	(0.9)	(0.1)	(11.6)	(0.8)
0.5	1.3	(0.8)	(3.2)	1.5
0.1	(0.2)	(0.2)	(5.1)	0.6
0.0	(0.0)	(0.3)	(8.3)	(3.6)
0.0	(0.5)	(0.0)	(10.1)	(6.4)
0.2	0.6	1.4	2.1	1.1
0.0	(0.2)	(0.4)	(10.1)	(6.3)



Commodities

	Latest	1-day	1 week	1-Month	1-Year
	22-Jul-25	21-Jul-25	15-Jul-25	22-Jun-25	22-Jul-24
Brent (USD/barrel)	68.59	69.21	68.71	77.01	82.4
WTI (USD/barrel)	66.21	67.2	66.52	74.93	79.78
Gold (USD/oz)	3,431	3,397	3,325	3,368	2,397
Malaysia CPO (RM/tonne)	4,196	4,174	4,109	4,071	4,035

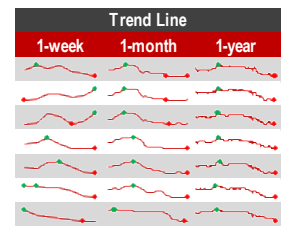
Percentage Change				
1-day	1-week	1-month	1-year	YTD
(0.9)	(0.2)	(10.9)	(16.8)	(8.1)
(1.5)	(0.5)	(11.6)	(17.0)	(7.7)
1.0	3.2	1.9	43.2	30.7
0.5	2.1	3.1	4.0	(13.7)



Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year
	22-Jul-25	21-Jul-25	15-Jul-25	22-Jun-25	22-Jul-24
3-Year	3.08	3.08	3.08	3.20	3.47
5-Year	3.16	3.16	3.17	3.26	3.60
7-Year	3.36	3.36	3.37	3.48	3.76
10-Year	3.42	3.43	3.44	3.58	3.81
15-Year	3.66	3.66	3.67	3.73	3.95
20-Year	3.76	3.76	3.75	3.81	4.08
30-Year	3.92	3.92	3.92	4.01	4.18

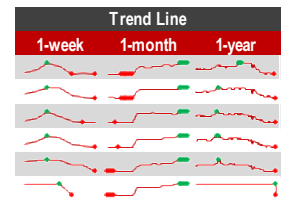
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(0)	(0)	(12)	(40)	(40)
0	(0)	(9)	(43)	(46)
1	(0)	(12)	(39)	(40)
(0)	(2)	(16)	(39)	(39)
(0)	(0)	(7)	(29)	(31)
0	0	(6)	(32)	(30)
0	(0)	(9)	(27)	(27)



Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year
	22-Jul-25	21-Jul-25	15-Jul-25	22-Jun-25	22-Jul-24
3-Year	3.13	3.13	3.13	3.21	3.42
5-Year	3.21	3.21	3.22	3.34	3.59
7-Year	3.36	3.36	3.37	3.44	3.76
10-Year	3.47	3.48	3.48	3.57	3.81
15-Year	3.66	3.67	3.68	3.71	3.97
20-Year	3.74	3.74	3.75	3.78	4.10

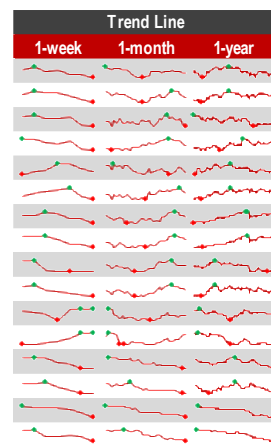
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(0)	(0)	(9)	(29)	(30)
(0)	(1)	(13)	(38)	(42)
0	(1)	(8)	(40)	(38)
(0)	(1)	(10)	(33)	(36)
(1)	(1)	(5)	(31)	(31)
0	(0)	(3)	(36)	(34)



Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year
	22-Jul-25	21-Jul-25	15-Jul-25	22-Jun-25	22-Jul-24
UST 2Y	3.83	3.86	3.94	3.91	4.52
UST 10Y	4.34	4.38	4.48	4.38	4.25
Germany 2Y	1.81	1.82	1.89	1.85	2.83
Germany 10Y	2.59	2.61	2.71	2.52	2.50
UK 2Y	3.84	3.87	3.84	3.92	4.06
UK 10Y	4.57	4.60	4.63	4.54	4.16
Japan 2Y	0.76	0.77	0.78	0.73	0.35
Japan 10Y	1.52	1.54	1.58	1.40	1.06
Australia 2Y	3.34	3.33	3.44	3.27	4.13
Australia 10Y	4.30	4.32	4.38	4.18	4.31
China 2Y	1.39	1.39	1.39	1.37	1.58
China 10Y	1.69	1.68	1.66	1.64	2.24
Indonesia 2Y	5.81	5.87	5.93	6.17	6.82
Indonesia 10Y	6.49	6.52	6.57	6.76	7.00
Thailand 2Y	1.30	1.34	1.36	1.46	2.34
Thailand 10Y	1.49	1.52	1.52	1.68	2.62

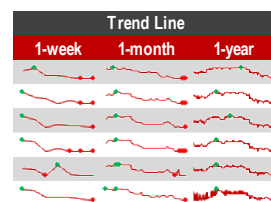
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(3)	(11)	(7)	(68)	(41)
(3)	(14)	(3)	9	(23)
(1)	(8)	(4)	(102)	(27)
(2)	(12)	7	9	22
(3)	1	(8)	(22)	(55)
(3)	(6)	3	41	0
(1)	(2)	4	42	16
(2)	(6)	12	46	42
1	(10)	7	(79)	(52)
(2)	(7)	12	(0)	(6)
0	0	2	(18)	30
2	3	5	(55)	2
(6)	(12)	(36)	(101)	(123)
(3)	(9)	(28)	(51)	(51)
(3)	(5)	(16)	(103)	(69)
(3)	(3)	(19)	(113)	(76)



Key swap rates

	Latest	1-day	1 week	1-Month	1-Year
	22-Jul-25	21-Jul-25	15-Jul-25	22-Jun-25	22-Jul-24
IRS 1-Year	3.14	3.15	3.16	3.28	3.53
IRS 3-Year	3.07	3.09	3.13	3.19	3.49
IRS 5-Year	3.16	3.16	3.21	3.28	3.55
IRS 7-Year	3.23	3.23	3.29	3.38	3.66
IRS 10-Year	3.36	3.37	3.41	3.50	3.77
IRS 20-Year	3.64	3.65	3.70	3.78	4.09

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(0)	(2)	(14)	(39)	(43)
(2)	(6)	(12)	(42)	(43)
0	(5)	(12)	(40)	(39)
0	(6)	(15)	(43)	(40)
(1)	(5)	(14)	(41)	(37)
(1)	(6)	(13)	(44)	(31)



Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year
	22-Jul-25	21-Jul-25	15-Jul-25	22-Jun-25	22-Jul-24
1-Month Klibor	3.01	3.01	3.01	3.26	3.29
3-Month Klibor	3.23	3.23	3.23	3.50	3.58
6-Month Klibor	3.30	3.30	3.30	3.54	3.64

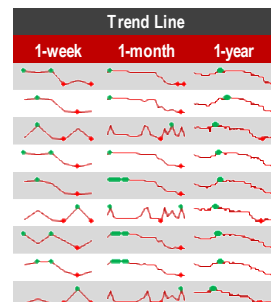
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	0	(25)	(28)	(28)
0	0	(27)	(35)	(50)
0	0	(24)	(34)	(47)



Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year
	22-Jul-25	21-Jul-25	15-Jul-25	22-Jun-25	22-Jul-24
3-Year AAA	3.56	3.56	3.57	3.62	3.80
3-Year AA	3.73	3.73	3.73	3.77	3.94
3-Year A	4.54	4.57	4.55	4.58	4.90
5-Year AAA	3.64	3.64	3.65	3.69	3.90
5-Year AA	3.81	3.80	3.82	3.85	4.03
5-Year A	4.67	4.72	4.68	4.72	5.15
10-Year AAA	3.79	3.79	3.80	3.84	4.06
10-Year AA	3.96	3.95	3.96	4.01	4.23
10-Year A	5.03	5.09	5.03	5.08	5.65

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(0)	(1)	(6)	(24)	(27)
0	(1)	(4)	(21)	(29)
(3)	(0)	(4)	(36)	(32)
0	(1)	(5)	(26)	(29)
0	(1)	(5)	(23)	(30)
(4)	(1)	(4)	(48)	(42)
0	(0)	(5)	(27)	(27)
0	(0)	(5)	(28)	(28)
(6)	(0)	(5)	(62)	(53)



Sources: Bloomberg, AmBank Economics

Note: All values are end-period

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