



Fixed Income & FX Research

28 August 2025

Macro: Actions by several countries suggest faltering global will and cohesion in resisting the US's trade protectionist stance.

Forex: DXY held steady amid lack of US news drivers. AUD outperformed on quickening electricity-driven inflation, while MYR (-0.4%) continued its retreat.

Fixed Income: Front-end UST supported on Sep rate cut bets, ahead of PCE data on Friday. Slight net selling for ringgit govies, ahead of GII 05/45 reopening auction on 29 August.

Macro

Global: Little on direct overnight US news drivers. On the trade war front, the US's 50% tariffs on Indian imports have commenced, fuelling calls for government relief for Indian exporters. Mexico's 2026 budget proposal also includes plans to increase tariffs on Chinese imports such as cars, plastics, and textiles, while the EU said it will fast track legislation to remove tariffs on all US industrial goods by end-August. This comes as Japan's trade negotiator Akazawa plans a visit to the US to push for implementation of lower tariffs on cars and auto parts (as agreed in July). Altogether, this suggests faltering global will and cohesion in resisting the US's trade protectionist stance.

Malaysia: FM2 Amir Hamzah said the government remains committed in continuing fiscal reform initiatives, including its Medium-Term Revenue Strategy (MTRS).

Forex

Global: DXY closed steady, as most major currencies including EUR, JPY, and GBP closing little changed against the USD. Better gains were seen for the NOK (+0.4%) and CAD (+0.3%) amid a rebound in oil prices, while AUD (+0.2%) also outperformed major peers, amid a sharp spike in Australia's inflation in July due to higher electricity prices, driven by an end in government rebates for electricity in some states, as well as from a fresh annual review of electricity prices.

Malaysia: MYR fell 0.4%, underperforming Asian peers alongside the IDR. We think this may be driven by market speculation of another OPR cut by BNM, with ringgit swaps seeing a 50% probability within the next six months. Nevertheless, our house view remains that BNM will hold the OPR steady through year-end as the July cut is sufficient to support near-term growth, with domestic fundamentals remaining broadly solid.

Fixed Income

Global Bonds: US Treasuries were supported as markets were cautious ahead of PCE inflation print this week and as markets also anticipate a September Fed rate cut. However, gains remain limited amid Fed autonomy, trade tariff, and bearish USD risks. The equity market rally and cautious gold price movements also pared UST gains amid indications of some rotation into risk assets.

MYR Bonds: Continued net selling activity was seen in the ringgit government bond market yesterday with flows along MGS and GII benchmarks relatively heavy. The market now looks forward to the auction of GII 05/45 on 29 August, with issuance size MYR3.0 billion and MYR2.0 billion private placement. Amid the cautious sentiment, flows in the corporate bond space remained slanted on high grade papers. GG Danainfra led activity with its 06/38 and 11/40 last dealt at 3.64% (+1 bps) and 3.70% (-1 bps) respectively.

Commodities

Oil prices rebounded 1%, after US inventory data showed stronger-than-expected declines. Nevertheless, Brent has mostly traded within USD65-70/bbl since July, with key events to monitor include: 1) Peace talk progress for Ukraine and Russia, and 2) India's willingness to resist US tariff pressure and continue purchases of Russian oil. The EU is also considering secondary sanctions on third countries that is assisting Russia circumvent existing measures.

FX Daily Rates

Vs. USD	Last Close	Per cent
DXI	98.23	0.0
EUR/USD	1.164	(0.0)
AUD/USD	0.651	0.2
GBP/USD	1.350	0.1
USD/JPY	147.42	0.0
USD/MYR	4.235	0.4
USD/IDR	16,360	0.4
USD/THB	32.47	(0.0)
USD/SGD	1.286	0.1
USD/CNY	7.152	(0.0)

Ringgit Outlook for The Week

	1	2
Resistance	4.268	4.310
Support	4.196	4.166

Major Sovereign Yields (%)

Sov. Yield	Last Close	bps
UST 2Y	3.61	(7)
UST 10Y	4.23	(3)
Germany 10Y	2.70	(2)
UK 10Y	4.74	(0)
Japan 10Y	1.63	(0)
Australia 10Y	4.32	1
China 10Y	1.77	0

MGS Bond Yields (%)

MGS	Last	bps
3-Year	2.97	0
5-Year	3.08	1
7-Year	3.28	1
10-Year	3.39	1
15-Year	3.58	0
20-Year	3.73	0
30-Year	3.88	0

MYR Swap Rates (%)

Swap / Rates	Last Close	bps
IRS 1-Year	3.10	0
IRS 3-Year	3.03	2
IRS 5-Year	3.10	1
IRS 7-Year	3.16	1
IRS 10-Year	3.28	(1)
3M KLIBOR	3.21	0

Key Commodities

Commodities	Last Close	Per cent
Brent (USD/bbl)	68.05	1.2
WTI (USD/bbl)	64.15	1.4
Gold (USD/oz)	3,397	0.1
CPO (RM/tonne)	4,412	0.3

Policy Rates

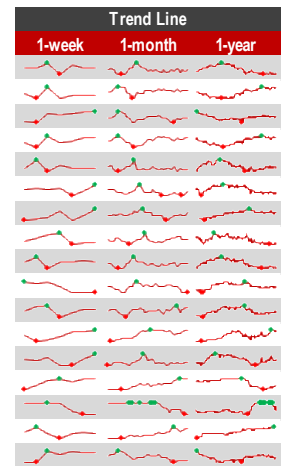
Central Banks	Current	Next
US Fed Funds	4.50	18-Sep
ECB Deposit Rate	2.00	11-Sep
BOE Base Rate	4.00	18-Sep
RBA Cash Rate	3.60	30-Sep
BOJ Cash Rate	0.50	19-Sep
RBNZ Cash Rate	3.00	08-Oct
PBOC 1Y LPR	3.00	-
BNM OPR	2.75	04-Sep

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
	27-Aug-25	26-Aug-25	20-Aug-25	28-Jul-25	27-Aug-24
DXY Dollar Index	98.23	98.23	98.22	98.63	100.55
EUR/USD	1.164	1.164	1.165	1.159	1.118
AUD/USD	0.651	0.650	0.643	0.652	0.679
GBP/USD	1.350	1.348	1.346	1.336	1.326
USD/JPY	147.42	147.4	147.33	148.53	143.96
USD/MYR	4.235	4.219	4.227	4.231	4.348
USD/IDR	16,360	16,295	16,270	16,342	15,495
USD/THB	32.47	32.49	32.55	32.38	34.07
USD/SGD	1.286	1.285	1.285	1.287	1.301
USD/CNY	7.152	7.153	7.176	7.179	7.124
USD/KRW	1,395	1,394	1,397	1,389	1,332
USD/INR	87.68	87.68	87.08	86.66	83.93
USD/PHP	57.18	57.07	56.97	57.17	56.25
USD/TWD	30.58	30.55	30.30	29.52	31.93
USD/HKD	7.786	7.793	7.812	7.850	7.802
USD/VND	26,367	26,353	26,373	26,200	24,832
NZD/USD	0.586	0.586	0.582	0.597	0.625

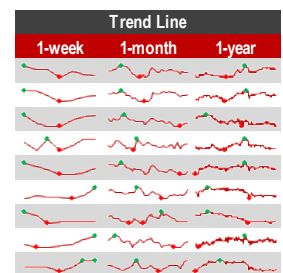
Percentage Change				
1-day	1-week	1-month	1-year	YTD
0.0	0.0	(0.4)	(2.3)	(9.5)
(0.0)	(0.1)	0.4	4.1	12.4
0.2	1.1	(0.2)	(4.2)	5.1
0.1	0.3	1.1	1.8	7.8
0.0	0.1	(0.7)	2.4	(6.2)
0.4	0.2	0.1	(2.6)	(5.3)
0.4	0.6	0.1	5.6	1.6
(0.0)	(0.2)	0.3	(4.7)	(4.8)
0.1	0.1	(0.0)	(1.1)	(5.8)
(0.02)	(0.3)	(0.4)	0.4	(2.0)
0.1	(0.2)	0.4	4.7	(5.2)
0.0	0.7	1.2	4.5	2.4
0.2	0.4	0.0	1.6	(1.2)
0.1	0.9	3.6	(4.2)	(6.8)
(0.1)	(0.3)	(0.8)	(0.2)	0.2
0.1	(0.0)	0.6	6.2	3.5
(0.1)	0.6	(1.9)	(6.3)	4.7



Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year
	27-Aug-25	26-Aug-25	20-Aug-25	28-Jul-25	27-Aug-24
EUR/MYR	4.909	4.911	4.922	4.937	4.856
GBP/MYR	5.693	5.686	5.706	5.676	5.755
AUD/MYR	2.741	2.736	2.720	2.761	2.949
JPY/MYR	2.873	2.862	2.869	2.848	3.021
SGD/MYR	3.286	3.281	3.288	3.294	3.335
10CNY/MYR	5.920	5.892	5.890	5.897	6.104
100IDR/MYR	2.588	2.588	2.598	2.586	2.806
THB/MYR	13.031	12.982	12.983	13.063	12.815
10HKD/MYR	5.439	5.408	5.410	5.389	5.573

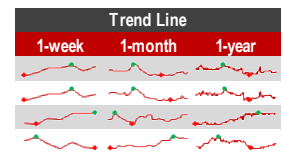
Percentage Change				
1-day	1-week	1-month	1-year	YTD
(0.1)	(0.3)	(0.6)	1.1	5.4
0.1	(0.2)	0.3	(1.1)	1.4
0.2	0.7	(0.7)	(7.1)	(1.5)
0.4	0.1	0.9	(4.9)	1.0
0.2	(0.0)	(0.2)	(1.5)	0.0
0.5	0.5	0.4	(3.0)	(3.4)
0.0	(0.4)	0.1	(7.8)	(6.6)
0.4	0.4	(0.2)	1.7	0.1
0.6	0.5	0.9	(2.4)	(5.6)



Commodities

	Latest	1-day	1 week	1-Month	1-Year
	27-Aug-25	26-Aug-25	20-Aug-25	28-Jul-25	27-Aug-24
Brent (USD/barrel)	68.05	67.22	66.84	70.04	79.55
WTI (USD/barrel)	64.15	63.25	63.21	66.71	75.53
Gold (USD/oz)	3,397	3,394	3,348	3,315	2,525
Malaysia CPO (RM/tonne)	4,412	4,397	4,424	4,150	4,005

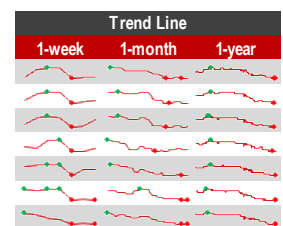
Percentage Change				
1-day	1-week	1-month	1-year	YTD
1.2	1.8	(2.8)	(14.5)	(8.8)
1.4	1.5	(3.8)	(15.1)	(10.6)
0.1	1.5	2.5	34.6	29.4
0.3	(0.3)	6.3	10.2	(9.2)



Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year
	27-Aug-25	26-Aug-25	20-Aug-25	28-Jul-25	27-Aug-24
3-Year	2.97	2.97	2.98	3.05	3.33
5-Year	3.08	3.07	3.08	3.15	3.49
7-Year	3.28	3.27	3.27	3.34	3.69
10-Year	3.39	3.38	3.38	3.38	3.78
15-Year	3.58	3.58	3.59	3.63	3.90
20-Year	3.73	3.73	3.74	3.75	4.05
30-Year	3.88	3.88	3.89	3.91	4.17

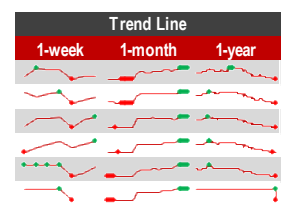
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	(0)	(8)	(36)	(51)
1	0	(7)	(41)	(54)
1	1	(6)	(41)	(49)
1	1	1	(39)	(43)
0	(0)	(5)	(32)	(39)
0	(0)	(2)	(32)	(33)
0	(1)	(3)	(29)	(30)



Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year
	27-Aug-25	26-Aug-25	20-Aug-25	28-Jul-25	27-Aug-24
3-Year	3.02	3.02	3.03	3.11	3.31
5-Year	3.12	3.12	3.12	3.19	3.48
7-Year	3.25	3.24	3.25	3.34	3.69
10-Year	3.41	3.40	3.40	3.45	3.78
15-Year	3.59	3.58	3.59	3.65	3.94
20-Year	3.73	3.73	3.73	3.74	4.06

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	(1)	(9)	(29)	(41)
0	0	(7)	(36)	(51)
1	0	(9)	(44)	(49)
0	1	(4)	(37)	(42)
1	(0)	(6)	(35)	(39)
0	(0)	(1)	(33)	(36)



Major Equity Indices

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	27-Aug-25	26-Aug-25	20-Aug-25	28-Jul-25	27-Aug-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
S&P500 Index	6,481	6,466	6,396	6,390	5,626	0.2	1.3	1.4	15.2	68.8			
Dow Jones	45,565	45,418	44,938	44,838	41,251	0.3	1.4	1.6	10.5	37.5			
Nasdaq	21,590	21,544	21,173	21,179	17,755	0.2	2.0	1.9	21.6	106.3			
London FTSE	9,256	9,266	9,288	9,081	8,345	(0.1)	(0.4)	1.9	10.9	24.2			
German DAX	24,046	24,153	24,277	23,970	18,682	(0.4)	(1.0)	0.3	28.7	72.7			
Nikkei 225	42,520	42,394	42,889	40,998	38,289	0.3	(0.9)	3.7	11.1	62.9			
Japan TOPIX	3,070	3,072	3,099	2,931	2,681	(0.1)	(0.9)	4.7	14.5	62.3			
FBM KLCI	1,588	1,582	1,588	1,529	1,652	0.4	(0.0)	3.8	(3.9)	6.2			

Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	27-Aug-25	26-Aug-25	20-Aug-25	28-Jul-25	27-Aug-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
UST 2Y	3.61	3.68	3.75	3.93	3.90	(7)	(14)	(32)	(29)	(63)			
UST 10Y	4.23	4.26	4.29	4.41	3.82	(3)	(6)	(18)	41	(33)			
Germany 2Y	1.92	1.94	1.93	1.92	2.40	(2)	(2)	(0)	(49)	(17)			
Germany 10Y	2.70	2.72	2.72	2.69	2.29	(2)	(2)	1	41	33			
UK 2Y	3.96	3.97	3.92	3.91	4.11	(0)	4	6	(15)	(43)			
UK 10Y	4.74	4.74	4.67	4.65	4.00	(0)	6	9	74	17			
Japan 2Y	0.87	0.88	0.85	0.84	0.37	(1)	2	3	50	26			
Japan 10Y	1.63	1.63	1.61	1.57	0.88	(0)	2	6	74	53			
Australia 2Y	3.36	3.34	3.34	3.42	3.62	3	3	(5)	(26)	(49)			
Australia 10Y	4.32	4.31	4.30	4.34	3.91	1	3	(1)	42	(4)			
China 2Y	1.41	1.42	1.44	1.42	1.56	(0)	(2)	(1)	(15)	31			
China 10Y	1.77	1.77	1.79	1.72	2.19	0	(2)	5	(42)	10			
Indonesia 2Y	5.33	5.35	5.58	5.74	6.54	(2)	(25)	(41)	(121)	(171)			
Indonesia 10Y	6.33	6.33	6.39	6.54	6.63	(0)	(6)	(21)	(31)	(67)			
Thailand 2Y	1.14	1.13	1.13	1.29	2.20	1	1	(15)	(106)	(86)			
Thailand 10Y	1.30	1.29	1.34	1.48	2.54	1	(4)	(18)	(124)	(95)			

Key swap rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	27-Aug-25	26-Aug-25	20-Aug-25	28-Jul-25	27-Aug-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
IRS 1-Year	3.10	3.10	3.08	3.14	3.40	0	2	(4)	(30)	(47)			
IRS 3-Year	3.03	3.01	3.00	3.07	3.34	2	3	(4)	(31)	(47)			
IRS 5-Year	3.10	3.09	3.08	3.14	3.40	1	2	(4)	(30)	(45)			
IRS 7-Year	3.16	3.16	3.15	3.22	3.48	1	1	(5)	(32)	(47)			
IRS 10-Year	3.28	3.29	3.26	3.34	3.59	(1)	2	(6)	(31)	(45)			
IRS 20-Year	3.53	3.53	3.48	3.62	3.94	0	4	(10)	(41)	(43)			

Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	27-Aug-25	26-Aug-25	20-Aug-25	28-Jul-25	27-Aug-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
1-Month Klibor	3.00	3.00	3.00	3.01	3.28	0	0	(1)	(28)	(29)			
3-Month Klibor	3.21	3.21	3.21	3.23	3.53	0	0	(2)	(32)	(52)			
6-Month Klibor	3.26	3.26	3.26	3.30	3.61	0	0	(4)	(35)	(51)			

Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	27-Aug-25	26-Aug-25	20-Aug-25	28-Jul-25	27-Aug-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year AAA	3.52	3.53	3.53	3.56	3.76	(1)	(1)	(4)	(24)	(31)			
3-Year AA	3.68	3.69	3.70	3.72	3.89	(1)	(1)	(4)	(21)	(33)			
3-Year A	4.51	4.51	4.52	4.54	4.85	0	(0)	(3)	(33)	(35)			
5-Year AAA	3.60	3.61	3.62	3.64	3.83	(1)	(1)	(3)	(23)	(32)			
5-Year AA	3.77	3.78	3.78	3.81	3.98	(1)	(1)	(4)	(21)	(33)			
5-Year A	4.65	4.65	4.65	4.67	5.10	0	(0)	(3)	(46)	(44)			
10-Year AAA	3.76	3.77	3.77	3.79	3.99	(1)	(1)	(3)	(24)	(31)			
10-Year AA	3.92	3.93	3.93	3.95	4.17	(0)	(1)	(3)	(25)	(32)			
10-Year A	5.00	5.00	5.00	5.03	5.62	0	0	(2)	(62)	(56)			

Sources: Bloomberg, AmBank Economics

Note: All values are end-period

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