



## Fixed Income &amp; FX Research

13 May 2026

**Macro:** US headline and core inflation beat expectations in April.

**Forex:** USD momentum continued amid lack of progress in US-Iran talks. GBP, JPY, and AUD saw domestic bearish/bullish drivers, respectively. CNH steady ahead of Trump-Xi meeting.

**Fixed Income:** UST fell amid a bearish trio of US CPI data, no US-Iran news, and UK Gilt losses. MGS yields also closed 1-2bps higher, with volumes light amid the wait for catalysts.

**Macro**

**Global:** US consumer inflation rose 3.8% y/y in April (consensus: 3.7%; March: 3.3%) to its highest since May 2023, supported by the 17.9% jump in energy costs. Core CPI also beat expectations at 2.8% y/y (consensus: 2.7%; March: 2.6%) as shelter inflation accelerated.

**Malaysia:** Deputy Finance Minister Liew Chin Tong said the subsidised Budi95 quota (current: 200 litres/month) is being used as a demand management tool, with the next phase likely to be 150 litres/month (which still shields 60% of the population). However, he later clarified that his statement is not an announcement of a new policy. Separately, Malaysia's unemployment rate held steady at 2.9% in March.

**Forex**

**Global:** A continued lack of progress in US-Iran talks led to an uptick in global oil prices, lifting the greenback vs all G10 currencies and bringing the DXY to close 0.4% d/d firmer. Aside from the oil-linked NOK, European currencies led G10 losses, led by the high-cyclical SEK (-0.8%), while the GBP (-0.5%) also underperformed amid continued political uncertainty in the UK. EUR losses were softer (-0.4%) after Germany's ZEW sentiment indicator rebounded from three-year lows to exceed market expectations in May. AUD fell just 0.1%, despite Australia's wider-than-expected budget deficit of 1% of GDP for FY2027 (estimate: 0.8%), while USD/JPY rose 0.3% to close at 157.63, short of the next resistance seen at 157.9 (the MOF's potential intervention level last week). Supporting the yen was Bessent's comment that 'excessive volatility in FX markets is undesirable'.

**Malaysia:** MYR fell 0.3% alongside most of its Asian peers. The CNH outperformed Asian peers ahead of the Trump-Xi meeting, as markets were bullish on the yuan given the possibility of China allowing yuan appreciation from the meeting. Meanwhile, data also indicated that global central banks tapping the PBOC's yuan swap lines reached their highest levels in two years in March.

**Fixed Income**

**Global Bonds:** UST posted losses overnight on the heels of higher US inflation data, an unresolved US-Iran stalemate, and losses in UK bonds. On the other hand, the impact of US tariffs may temper US inflation, though the impact on fiscal levels could rise as the US has to return tariffs already collected from importers. Tuesday's USD42 billion 10Y UST auction saw BTC of 2.40x, the lowest since February, with a reported tail of about 1 bps. In the UK, 10Y Gilt yields (+10 bps) climbed well past the 5.00% level, while 30Y yields hit their highest since 1998 (5.80%). PM Starmer said he is staying on despite 90 of his own Labour Members of Parliament calling for his resignation, while investors fear that a leadership change could trigger higher fiscal spending to claw back supporters. However, PM Starmer noted that a leadership challenge has not yet been triggered.

**MYR Bonds:** Government bond yields rose by 1-2 bps yesterday, but trading volume was light. We think the market remained in a holding pattern, awaiting more fresh leads on the war and ahead of US data. PDS trading was mixed, with select construction and utilities names leading the flows. MAHB 11/29 (AAA) rose 1 bps to 3.60%.

**Commodities**

**Oil prices (+3-4%)** remain on the rebound amid no progress in US-Iran talks. Meanwhile, reports suggest that Trump is weighing a return to military operations, and/or escorting commercial vessels through Hormuz.

**FX Daily Rates**

Vs. USD	Last Close	Per cent
DXY	98.30	0.4
EUR/USD	1.174	(0.4)
AUD/USD	0.724	(0.1)
GBP/USD	1.354	(0.5)
USD/JPY	157.63	0.3
USD/MYR	3.935	0.3
USD/IDR	17,500	0.5
USD/THB	32.42	(0.0)
USD/SGD	1.272	0.3
USD/CNY	6.791	(0.0)

**Ringgit Outlook for The Week**

	1	2
Resistance	4.011	4.101
Support	3.869	3.818

**Major Sovereign Yields (%)**

Sov. Yield	Last Close	bps
UST 2Y	3.99	4
UST 10Y	4.46	5
Germany 10Y	3.10	6
UK 10Y	5.10	10
Japan 10Y	2.56	4
Australia 10Y	5.03	4
China 10Y	1.76	(0)

**MGS Bond Yields (%)**

MGS	Last	bps
3-Year	3.20	1
5-Year	3.36	1
7-Year	3.45	1
10-Year	3.58	2
15-Year	3.82	0
20-Year	3.95	0
30-Year	4.06	0

**MYR Swap Rates (%)**

Swap / Rates	Last Close	bps
IRS 1-Year	3.36	0
IRS 3-Year	3.41	1
IRS 5-Year	3.48	2
IRS 7-Year	3.56	1
IRS 10-Year	3.69	1
3M KLIBOR	3.35	0

**Key Commodities**

Commodities	Last Close	Per cent
Brent (USD/bbl)	107.77	3.4
WTI (USD/bbl)	102.18	4.2
Gold (USD/oz)	4,715	(0.4)
CPO (RM/tonne)	4,451	(1.0)

**Policy Rates**

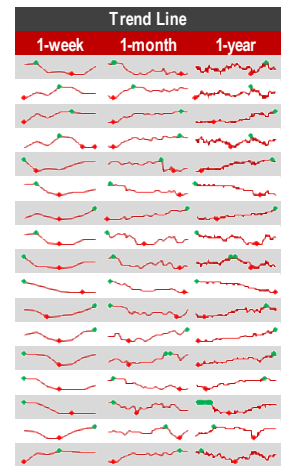
Central Banks	Current	Next
US Fed Funds	3.75	18-Jun
ECB Deposit Rate	2.00	11-Jun
BOE Base Rate	3.75	18-Jun
RBA Cash Rate	4.10	16-Jun
BOJ Cash Rate	0.75	16-Jun
RBNZ Cash Rate	2.25	27-May
PBOC 1Y LPR	3.00	-
BNM OPR	2.75	09-Jul

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

	Latest	1-day	1 week	1-Month	1-Year
	12-May-26	11-May-26	5-May-26	12-Apr-26	12-May-25
DXY Dollar Index	98.30	97.96	98.44	98.65	101.79
EUR/USD	1.174	1.178	1.169	1.172	1.109
AUD/USD	0.724	0.725	0.718	0.706	0.637
GBP/USD	1.354	1.361	1.354	1.346	1.318
USD/JPY	157.63	157.19	157.88	159.27	148.46
USD/MYR	3.935	3.925	3.961	3.965	4.301
USD/IDR	17,500	17,412	17,425	17,098	16,515
USD/THB	32.42	32.42	32.72	32.15	33.02
USD/SGD	1.272	1.268	1.275	1.274	1.306
USD/CNY	6.791	6.792	6.828	6.826	7.201
USD/KRW	1,493	1,473	1,474	1,484	1,418
USD/INR	95.63	95.31	95.29	92.73	85.38
USD/PHP	61.47	61.14	61.56	59.97	55.48
USD/TWD	31.50	31.41	31.62	31.74	30.31
USD/HKD	7.829	7.829	7.836	7.831	7.791
USD/VND	26,334	26,324	26,331	26,331	25,972
NZD/USD	0.595	0.597	0.589	0.584	0.586

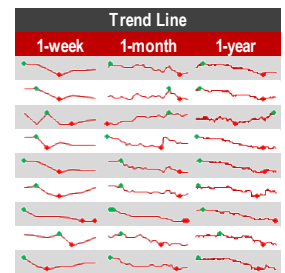
Percentage Change				
1-day	1-week	1-month	1-year	YTD
0.4	(0.1)	(0.4)	(3.4)	(0.0)
(0.4)	0.4	0.1	5.9	(0.1)
(0.1)	0.8	2.5	13.6	8.5
(0.5)	(0.0)	0.6	2.8	0.5
0.3	(0.2)	(1.0)	6.2	0.6
0.3	(0.7)	(0.8)	(8.5)	(3.1)
0.5	0.4	2.4	6.0	4.9
(0.0)	(0.9)	0.8	(1.8)	2.9
0.3	(0.3)	(0.1)	(2.6)	(1.1)
(0.0)	(0.5)	(0.5)	(5.7)	(2.7)
1.4	1.3	0.6	5.3	3.7
0.3	0.4	3.1	12.0	6.4
0.6	(0.1)	2.5	10.8	4.5
0.3	(0.4)	(0.8)	3.9	0.2
0.0	(0.1)	(0.0)	0.5	0.6
0.0	0.0	0.0	1.4	0.1
(0.2)	1.1	2.0	1.7	3.4



Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year
	12-May-26	11-May-26	5-May-26	12-Apr-26	12-May-25
EUR/MYR	4.622	4.618	4.632	4.644	4.827
GBP/MYR	5.328	5.337	5.365	5.329	5.713
AUD/MYR	2.843	2.840	2.838	2.803	2.757
JPY/MYR	2.496	2.496	2.509	2.490	2.903
SGD/MYR	3.091	3.091	3.103	3.112	3.313
10 CNY/MYR	5.791	5.773	5.802	5.806	5.972
1 million IDR/MYR	2.244	2.253	2.273	2.318	2.590
THB/MYR	12.129	12.112	12.170	12.345	13.029
10 HKD/MYR	5.026	5.013	5.056	5.063	5.519

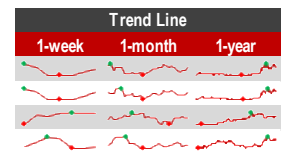
Percentage Change				
1-day	1-week	1-month	1-year	YTD
0.1	(0.2)	(0.5)	(4.3)	(3.0)
(0.2)	(0.7)	(0.0)	(6.7)	(2.3)
0.1	0.2	1.4	3.1	4.7
0.0	(0.5)	0.3	(14.0)	(3.7)
0.0	(0.4)	(0.7)	(6.7)	(2.1)
0.3	(0.2)	(0.3)	(3.0)	(0.3)
(0.4)	(1.3)	(3.2)	(13.4)	(7.8)
0.1	(0.3)	(1.7)	(6.9)	(5.5)
0.3	(0.6)	(0.7)	(8.9)	(3.6)



Commodities

	Latest	1-day	1 week	1-Month	1-Year
	12-May-26	11-May-26	5-May-26	12-Apr-26	12-May-25
Brent (USD/barrel)	107.77	104.21	109.87	95.2	64.96
WTI (USD/barrel)	102.18	98.07	102.27	96.57	61.95
Gold (USD/oz)	4,715	4,736	4,557	4,750	3,236
Malaysia CPO (RM/tonne)	4,451	4,495	4,642	4,491	3,790

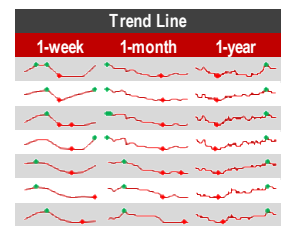
Percentage Change				
1-day	1-week	1-month	1-year	YTD
3.4	(1.9)	13.2	65.9	77.1
4.2	(0.1)	5.8	64.9	78.0
(0.4)	3.5	(0.7)	45.7	9.2
(1.0)	(4.1)	(0.9)	17.4	11.3



Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year
	12-May-26	11-May-26	5-May-26	12-Apr-26	12-May-25
3-Year	3.20	3.20	3.21	3.22	3.16
5-Year	3.36	3.35	3.36	3.37	3.25
7-Year	3.45	3.44	3.45	3.49	3.44
10-Year	3.58	3.56	3.58	3.59	3.55
15-Year	3.82	3.81	3.83	3.87	3.73
20-Year	3.95	3.94	3.96	4.00	3.84
30-Year	4.06	4.06	4.07	4.13	4.04

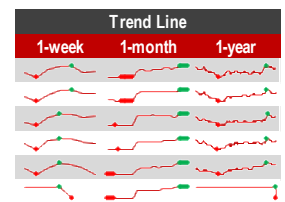
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
1	(0)	(2)	5	21
1	(0)	(1)	11	10
1	0	(4)	2	7
2	0	(1)	3	7
0	(1)	(5)	9	5
0	(2)	(5)	11	10
0	(1)	(7)	2	8



Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year
	12-May-26	11-May-26	5-May-26	12-Apr-26	12-May-25
3-Year	3.19	3.19	3.19	3.22	3.19
5-Year	3.33	3.33	3.33	3.37	3.37
7-Year	3.51	3.51	3.52	3.54	3.46
10-Year	3.57	3.57	3.59	3.61	3.58
15-Year	3.85	3.85	3.87	3.90	3.73
20-Year	3.96	3.96	3.97	4.01	3.85

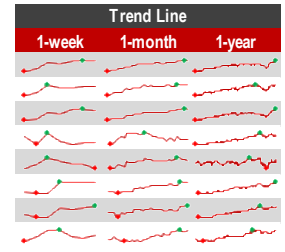
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	(0)	(3)	0	9
0	(1)	(4)	(4)	7
0	(1)	(3)	5	17
0	(1)	(3)	(1)	5
0	(1)	(5)	13	10
0	(1)	(4)	12	10



Major Equity Indices

	Latest	1-day	1 week	1-Month	1-Year
	12-May-26	11-May-26	5-May-26	12-Apr-26	12-May-25
S&P500 Index	7,401	7,413	7,259	6,817	5,844
Dow Jones	49,761	49,704	49,298	47,917	42,410
Nasdaq	26,088	26,274	25,326	22,903	18,708
London FTSE	10,265	10,269	10,219	10,601	8,605
German DAX	23,955	24,350	24,402	23,804	23,567
Nikkei 225	62,743	62,418	59,513	56,924	37,644
Japan TOPIX	3,873	3,841	3,729	3,740	2,742
FBM KLCI	1,751	1,745	1,747	1,691	1,547

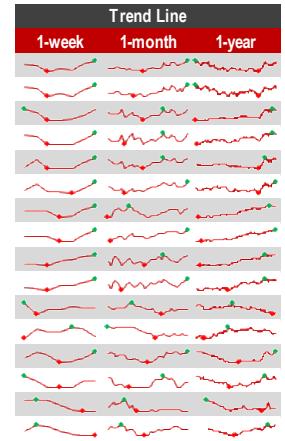
Percentage Change				
1-day	1-week	1-month	1-year	YTD
(0.2)	2.0	8.6	26.6	92.8
0.1	0.9	3.8	17.3	50.1
(0.7)	3.0	13.9	39.4	149.3
(0.0)	0.5	(3.2)	19.3	37.8
(1.6)	(1.8)	0.6	1.6	72.0
0.5	5.4	10.2	66.7	140.4
0.8	3.9	3.6	41.2	104.7
0.3	0.2	3.5	13.2	17.1



Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year
	12-May-26	11-May-26	5-May-26	12-Apr-26	12-May-25
UST 2Y	3.99	3.95	3.94	3.80	4.01
UST 10Y	4.46	4.41	4.42	4.32	4.47
Germany 2Y	2.71	2.65	2.68	2.60	1.91
Germany 10Y	3.10	3.04	3.06	3.06	2.65
UK 2Y	4.54	4.46	4.52	4.26	4.00
UK 10Y	5.10	5.00	5.06	4.84	4.64
Japan 2Y	1.40	1.39	1.39	1.41	0.70
Japan 10Y	2.56	2.52	2.52	2.44	1.46
Australia 2Y	4.74	4.71	4.67	4.67	3.44
Australia 10Y	5.03	4.99	4.97	4.97	4.36
China 2Y	1.29	1.29	1.30	1.32	1.44
China 10Y	1.76	1.77	1.75	1.81	1.68
Indonesia 2Y	6.40	6.31	6.39	6.04	6.40
Indonesia 10Y	6.71	6.62	6.82	6.57	6.86
Thailand 2Y	1.17	1.17	1.23	1.19	1.52
Thailand 10Y	2.15	2.15	2.23	2.02	1.84

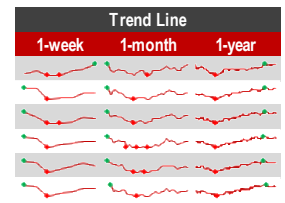
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
4	5	20	(2)	52
5	4	15	(1)	30
7	4	11	80	59
6	4	4	45	25
7	2	28	54	80
10	4	27	46	62
1	1	(1)	70	22
4	4	12	110	49
3	7	6	130	68
4	6	6	67	29
(0)	(1)	(3)	(14)	(8)
(0)	1	(5)	8	(9)
9	1	36	0	140
10	(11)	14	(15)	64
0	(6)	(2)	(35)	5
(0)	(8)	13	31	51



Key swap rates

	Latest	1-day	1 week	1-Month	1-Year
	12-May-26	11-May-26	5-May-26	12-Apr-26	12-May-25
IRS 1-Year	3.36	3.36	3.35	3.33	3.34
IRS 3-Year	3.41	3.40	3.42	3.37	3.14
IRS 5-Year	3.48	3.46	3.49	3.42	3.21
IRS 7-Year	3.56	3.55	3.57	3.52	3.30
IRS 10-Year	3.69	3.68	3.70	3.66	3.42
IRS 20-Year	4.02	4.02	4.04	3.98	3.65

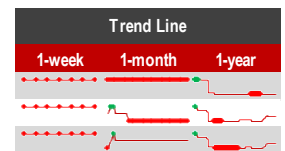
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	1	3	2	16
1	(1)	3	27	14
2	(1)	5	27	13
1	(1)	4	26	15
1	(1)	3	27	13
1	(1)	4	37	14



Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year
	12-May-26	11-May-26	5-May-26	12-Apr-26	12-May-25
1-Month Klibor	3.00	3.00	3.00	3.00	3.27
3-Month Klibor	3.35	3.35	3.35	3.35	3.61
6-Month Klibor	3.39	3.39	3.39	3.39	3.67

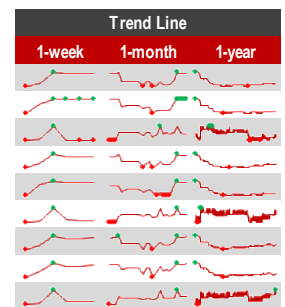
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	0	0	(27)	0
0	0	0	(26)	7
0	0	0	(28)	9



Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year
	12-May-26	11-May-26	5-May-26	12-Apr-26	12-May-25
3-Year AAA	3.56	3.56	3.54	3.56	3.73
3-Year AA	3.69	3.69	3.68	3.69	3.87
3-Year A	4.48	4.48	4.48	4.45	4.48
5-Year AAA	3.64	3.64	3.62	3.63	3.80
5-Year AA	3.78	3.78	3.77	3.77	3.94
5-Year A	4.66	4.66	4.65	4.61	4.60
10-Year AAA	3.81	3.80	3.79	3.80	3.93
10-Year AA	3.95	3.94	3.93	3.94	4.08
10-Year A	5.07	5.07	5.06	5.01	4.94

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	2	0	(18)	5
0	1	0	(18)	3
0	0	2	(0)	(7)
0	1	0	(16)	5
0	1	0	(16)	2
0	1	5	6	(4)
0	2	0	(13)	4
0	1	0	(13)	2
0	1	6	13	(4)



Sources: Bloomberg, AmBank Economics

Note: All values are end-period

AmBank Economics	
Firdaos Rosli	<a href="mailto:firdaos.rosli@ambankgroup.com">firdaos.rosli@ambankgroup.com</a>
Nik Ahmad Mukharriz Nik Muhammad	<a href="mailto:nik-ahmad-mukharriz.n@ambankgroup.com">nik-ahmad-mukharriz.n@ambankgroup.com</a>
Lee Si Xin	<a href="mailto:lee.si-xin@ambankgroup.com">lee.si-xin@ambankgroup.com</a>
Raja Adibah Raja Hasnan	<a href="mailto:raja-adibah.r@ambankgroup.com">raja-adibah.r@ambankgroup.com</a>
Michael Yim	<a href="mailto:yim.soon-kah@ambankgroup.com">yim.soon-kah@ambankgroup.com</a>
Aman Nazmi Abd Karim	<a href="mailto:aman-nazmi.abd-karim@ambankgroup.com">aman-nazmi.abd-karim@ambankgroup.com</a>
Group Treasury & Markets	
Corporate Client Group (CCG)	+603-2059 8700/8600
Institutional Client Group (ICG)	+603-2059 8690
Azli Bin Abdul Jamil	<a href="mailto:azli-abd-jamil@ambankgroup.com">azli-abd-jamil@ambankgroup.com</a>
Jacqueline E. Rodrigues	<a href="mailto:jacqueline-r@ambankgroup.com">jacqueline-r@ambankgroup.com</a>
Ho Su Farn	<a href="mailto:ho-su-farn@ambankgroup.com">ho-su-farn@ambankgroup.com</a>
Melisa Lim Giok Ling	<a href="mailto:melisa-lim@ambankgroup.com">melisa-lim@ambankgroup.com</a>
Roger Yee Chan Chung	<a href="mailto:roger-yee@ambankgroup.com">roger-yee@ambankgroup.com</a>
Muhammad Hafizin Aiman Bin Halim	<a href="mailto:muhammad-hafizin-aiman.h@ambankgroup.com">muhammad-hafizin-aiman.h@ambankgroup.com</a>

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