



Fixed Income & FX Research

28 January 2026

Macro: Trump indicates comfort with USD depreciation, providing fresh impetus for 'sell dollar' trades. MITI to conduct cost-benefit analysis on its ART agreement with the US.

Forex: Humpty-DXY (-0.8%) fell off another wall as the list of bearish-USD reasons grows. USD/MYR is seen at 3.92-3.94 this morning, suggesting a potential 1% appreciation today.

Fixed Income: UST bear steepened up to 6bps amid weak consumer sentiment and ahead of the FOMC meeting. MGS fared mixed amid cautious overall sentiment.

Macro

Global: US President Trump indicated comfort with recent USD declines, reversing an earlier administrative position favouring a 'strong dollar'. His comments suggested an administration now favouring a weaker dollar to boost exports and temper imports, providing fresh impetus for markets' bearish USD bets and other debasement trades. US consumer confidence fell sharply to 84.5 in January (consensus: 91.0; December: 94.2), the lowest level in a decade, amid growing pessimism on the economy, labour markets, and stagnant real income.

Malaysia: Deputy MITI Minister Tze Tzin said the country's total trade growth is expected to moderate to 3-5% in 2026 despite geopolitical uncertainties, following PM Anwar's announcement that MYR45.4 billion in export sales in 2025 were generated from his trade missions. MITI Minister Abdul Ghani also said the ministry is conducting a cost-benefit analysis (CBA) of the ART agreement with the US, which is expected to take 6-12 months.

Forex

Global: Trump's latest comments sent another torpedo towards the USD's value – even despite the lack of overnight data supporting further devaluation, adding to the list of investors' concerns including risks of a government shutdown, uncertain Trump policies (including renewed trade/tariff risks), and speculation of US-Japan joint FX intervention towards USD devaluation. DXY collapsed another 0.8%, while G10 currencies rallied an astonishing 1.0-2.1% against the USD – led by the CHF (safe-haven) and NOK (rising oil prices). Ahead, though no interest rate changes are expected by the Fed today, the FOMC's comments on monetary policy and other issues (such as Fed independence, and recent volatility in financial markets) are expected to be highly watched.

Asia: Overnight traded JPY (+1.3%) and SGD (+0.7%) outperformed the MYR (+0.3%). USD/MYR was seen at 3.92-3.94 this morning, suggesting another significant rally today. Recent elevated daily traded FX volumes (at over USD21 billion/day) suggest significant foreign portfolio inflows amid global financial market volatility, which may see a reversal once conditions stabilise. Meanwhile, BNM Governor Abdul Rasheed attributed policy certainties, ongoing government reforms, and other supportive external factors as having contributed to the ringgit's strength.

Fixed Income

Global Bonds: UST yields rose with the curve bear steepening up to 6 bps, driven by weak demand for the 5Y UST auction (BTC of 2.34x, vs 2.36x average in past six auctions of the same tenor), weak consumer sentiment data, and the selloff in USD positions. Ahead, though the Fed is not expected to cut rates yet this week, markets are eager to hear policymakers' take on future rates trajectory, and potentially on other issues (such as Fed independence, and recent volatility in financial markets). Meanwhile, Bunds continue to see better support amid safe-haven flows, with a first-ever sale of 20Y Bunds recording near record demand.

MYR Bonds: Government bonds were mixed on apparent heavier flows done on benchmark papers. Gains were seen on medium tenor MGS but overall sentiment was cautious. Elsewhere, corporate bond trading was mixed. We think cautious global sentiment ahead of the FOMC meeting, an active PDS primary segment, and emerging geopolitical risks including threat of another US government shutdown limited the buying interest in the overall ringgit bond market.

Commodities**FX Daily Rates**

Vs. USD	Last Close	Per cent
DXY	96.22	(0.8)
EUR/USD	1.204	1.4
AUD/USD	0.701	1.4
GBP/USD	1.385	1.2
USD/JPY	152.21	(1.3)
USD/MYR	3.954	(0.3)
USD/IDR	16,766	(0.1)
USD/THB	31.05	(0.1)
USD/SGD	1.261	(0.7)
USD/CNY	6.934	(0.2)

Ringgit Outlook for The Week

	1	2
Resistance	4.046	4.139
Support	3.907	3.861

Major Sovereign Yields (%)

Sov. Yield	Last Close	bps
UST 2Y	3.57	(2)
UST 10Y	4.24	3
Germany 10Y	2.88	1
UK 10Y	4.53	3
Japan 10Y	2.29	5
Australia 10Y	4.84	3
China 10Y	1.83	1

MGS Bond Yields (%)

MGS	Last	bps
3-Year	2.99	(0)
5-Year	3.26	(0)
7-Year	3.44	(1)
10-Year	3.50	(1)
15-Year	3.77	(1)
20-Year	3.92	(1)
30-Year	4.03	0

MYR Swap Rates (%)

Swap / Rates	Last Close	bps
IRS 1-Year	3.25	2
IRS 3-Year	3.34	(1)
IRS 5-Year	3.44	0
IRS 7-Year	3.54	1
IRS 10-Year	3.68	1
3M KLIBOR	3.23	0

Key Commodities

Commodities	Last Close	Per cent
Brent (USD/bbl)	67.57	3.0
WTI (USD/bbl)	62.39	2.9
Gold (USD/oz)	5,180	3.4
CPO (RM/tonne)	4,182	0.2

Policy Rates

Central Banks	Current	Next
US Fed Funds	3.75	28-Jan
ECB Deposit Rate	2.00	05-Feb
BOE Base Rate	3.75	05-Feb
RBA Cash Rate	3.60	03-Feb
BOJ Cash Rate	0.75	19-Mar
RBNZ Cash Rate	3.00	18-Feb
PBOC 1Y LPR	3.00	-
BNM OPR	2.75	05-Mar

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.

One-way debasement trades continue to gather pace, with **gold (+3.4%)** and **silver (+8.0%)** continuing their rally. **Oil prices (+3.0%)** also continued on the uptrend, as the severe US winter weather has disrupted up to 2mbpd in crude production, though warmer forecasts ahead kept gains tempered and reversed earlier gains in US natural gas futures.

Currencies

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	27-Jan-26	26-Jan-26	20-Jan-26	28-Dec-25	27-Jan-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
DXY Dollar Index	96.22	97.04	98.64	98.02	107.34	(0.8)	(2.5)	(1.8)	(10.4)	(2.1)			
EUR/USD	1.204	1.188	1.173	1.177	1.049	1.4	2.7	2.3	14.8	2.5			
AUD/USD	0.701	0.692	0.674	0.672	0.629	1.4	4.1	4.4	11.4	5.1			
GBP/USD	1.385	1.368	1.344	1.350	1.250	1.2	3.1	2.6	10.8	2.8			
USD/JPY	152.21	154.18	158.15	156.57	154.51	(1.3)	(3.8)	(2.8)	(1.5)	(2.9)			
USD/MYR	3.954	3.965	4.055	4.049	4.380	(0.3)	(2.5)	(2.3)	(9.7)	(2.6)			
USD/IDR	16,766	16,780	16,950	16,762	16,173	(0.1)	(1.1)	0.0	3.7	0.5			
USD/THB	31.05	31.08	31.08	31.07	33.70	(0.1)	(0.1)	(0.1)	(7.9)	(1.5)			
USD/SGD	1.261	1.270	1.284	1.284	1.345	(0.7)	(1.8)	(1.8)	(6.2)	(1.9)			
USD/CNY	6.934	6.949	6.956	7.005	7.252	(0.2)	(0.3)	(1.0)	(4.4)	(0.6)			
USD/KRW	1,438	1,442	1,478	1,442	1,431	(0.3)	(2.7)	(0.3)	0.5	(0.1)			
USD/INR	91.72	91.96	90.98	89.85	86.34	(0.3)	0.8	2.1	6.2	2.1			
USD/PHP	59.09	58.97	59.46	58.77	58.44	0.2	(0.6)	0.6	1.1	0.5			
USD/TWD	31.44	31.50	31.60	31.45	32.69	(0.2)	(0.5)	(0.0)	(3.8)	0.1			
USD/HKD	7.799	7.798	7.799	7.771	7.788	0.0	0.0	0.4	0.1	0.2			
USD/VND	26,139	26,194	26,265	26,292	25,081	(0.2)	(0.5)	(0.6)	4.2	(0.6)			
NZD/USD	0.605	0.597	0.583	0.584	0.569	1.2	3.7	3.6	6.2	5.0			

Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	27-Jan-26	26-Jan-26	20-Jan-26	28-Dec-25	27-Jan-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
EUR/MYR	4.700	4.703	4.756	4.767	4.594	(0.1)	(1.2)	(1.4)	2.3	(1.4)			
GBP/MYR	5.416	5.421	5.465	5.460	5.469	(0.1)	(0.9)	(0.8)	(1.0)	(0.7)			
AUD/MYR	2.739	2.745	2.728	2.712	2.756	(0.2)	0.4	1.0	(0.6)	0.9			
JPY/MYR	2.597	2.571	2.564	2.587	2.835	1.0	1.3	0.4	(8.4)	0.2			
SGD/MYR	3.120	3.126	3.162	3.152	3.255	(0.2)	(1.3)	(1.0)	(4.1)	(1.2)			
10 CNY/MYR	5.684	5.701	5.828	5.780	6.043	(0.3)	(2.5)	(1.7)	(6.0)	(2.2)			
1 million IDR/MYR	2.358	2.362	2.392	2.419	2.708	(0.2)	(1.4)	(2.5)	(12.9)	(3.1)			
THB/MYR	12.740	12.768	13.057	13.038	12.979	(0.2)	(2.4)	(2.3)	(1.8)	(0.7)			
10 HKD/MYR	5.067	5.084	5.200	5.211	5.623	(0.3)	(2.6)	(2.8)	(9.9)	(2.9)			

Commodities

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	27-Jan-26	26-Jan-26	20-Jan-26	28-Dec-25	27-Jan-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
Brent (USD/barrel)	67.57	65.59	64.92	60.64	77.08	3.0	4.1	11.4	(12.3)	11.0			
WTI (USD/barrel)	62.39	60.63	60.34	56.74	73.17	2.9	3.4	10.0	(14.7)	8.7			
Gold (USD/oz)	5,180	5,009	4,763	4,533	2,741	3.4	8.7	14.3	89.0	19.9			
Malaysia CPO (RM/tonne)	4,182	4,172	4,066	4,060	4,509	0.2	2.9	3.0	(7.3)	4.6			

Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	27-Jan-26	26-Jan-26	20-Jan-26	28-Dec-25	27-Jan-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	2.99	2.99	3.05	3.01	3.43	(0)	(6)	(2)	(45)	(1)			
5-Year	3.26	3.26	3.31	3.25	3.60	(0)	(6)	0	(35)	0			
7-Year	3.44	3.44	3.47	3.40	3.77	(1)	(4)	4	(33)	6			
10-Year	3.50	3.51	3.57	3.53	3.80	(1)	(8)	(3)	(31)	(1)			
15-Year	3.77	3.78	3.81	3.76	3.97	(1)	(4)	1	(20)	0			
20-Year	3.92	3.93	3.92	3.87	4.06	(1)	0	5	(14)	7			
30-Year	4.03	4.03	4.01	3.99	4.18	0	2	4	(15)	5			

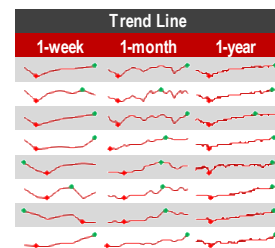
Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	27-Jan-26	26-Jan-26	20-Jan-26	28-Dec-25	27-Jan-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.12	3.11	3.14	3.10	3.51	0	(2)	1	(40)	2			
5-Year	3.28	3.29	3.31	3.25	3.63	(1)	(3)	2	(35)	2			
7-Year	3.37	3.37	3.39	3.35	3.77	(1)	(3)	2	(41)	2			
10-Year	3.53	3.53	3.57	3.55	3.83	0	(4)	(1)	(30)	1			
15-Year	3.82	3.81	3.80	3.75	3.95	0	2	6	(14)	6			
20-Year	3.90	3.91	3.89	3.87	4.08	(1)	1	3	(18)	4			

Major Equity Indices

	Latest	1-day	1 week	1-Month	1-Year
	27-Jan-26	26-Jan-26	20-Jan-26	28-Dec-25	27-Jan-25
S&P500 Index	6,979	6,950	6,797	6,930	6,012
Dow Jones	49,003	49,412	48,489	48,711	44,714
Nasdaq	23,817	23,601	22,954	23,593	19,342
London FTSE	10,208	10,149	10,127	9,871	8,504
German DAX	24,894	24,933	24,703	24,340	21,282
Nikkei 225	53,334	52,885	52,991	50,750	39,566
Japan TOPIX	3,564	3,552	3,626	3,423	2,758
FBM KLCI	1,771	1,744	1,699	1,677	1,559

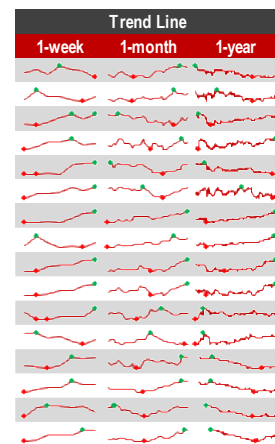
Percentage Change				
1-day	1-week	1-month	1-year	YTD
0.4	2.7	0.7	16.1	81.8
(0.8)	1.1	0.6	9.6	47.8
0.9	3.8	0.9	23.1	127.6
0.6	0.8	3.4	20.0	37.0
(0.2)	0.8	2.3	17.0	78.8
0.8	0.6	5.1	34.8	104.4
0.3	(1.7)	4.1	29.2	88.4
1.6	4.2	5.6	13.6	18.4



Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year
	27-Jan-26	26-Jan-26	20-Jan-26	28-Dec-25	27-Jan-25
UST 2Y	3.57	3.59	3.60	3.48	4.20
UST 10Y	4.24	4.21	4.29	4.13	4.53
Germany 2Y	2.13	2.10	2.07	2.14	2.25
Germany 10Y	2.88	2.87	2.86	2.86	2.53
UK 2Y	3.74	3.74	3.68	3.73	4.29
UK 10Y	4.53	4.50	4.46	4.51	4.59
Japan 2Y	1.28	1.27	1.22	1.11	0.70
Japan 10Y	2.29	2.24	2.36	2.04	1.21
Australia 2Y	4.23	4.18	4.10	4.03	3.89
Australia 10Y	4.84	4.82	4.78	4.74	4.48
China 2Y	1.41	1.40	1.40	1.36	1.28
China 10Y	1.83	1.82	1.84	1.84	1.63
Indonesia 2Y	5.20	5.19	5.10	5.08	6.85
Indonesia 10Y	6.36	6.37	6.32	6.14	7.05
Thailand 2Y	1.19	1.20	1.19	1.14	2.05
Thailand 10Y	1.94	1.95	1.80	1.65	2.27

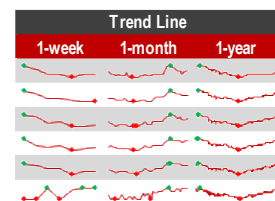
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(2)	(2)	9	(62)	10
3	(5)	12	(29)	8
3	6	(1)	(12)	1
1	2	1	34	2
0	7	1	(55)	1
3	7	2	(6)	5
1	6	17	58	11
5	(7)	25	108	23
4	13	20	33	17
3	6	10	37	10
1	1	4	13	3
1	(1)	(0)	20	(2)
1	10	11	(165)	20
(1)	4	22	(69)	29
(1)	(1)	4	(86)	7
(1)	14	29	(33)	30



Key swap rates

	Latest	1-day	1 week	1-Month	1-Year
	27-Jan-26	26-Jan-26	20-Jan-26	28-Dec-25	27-Jan-25
IRS 1-Year	3.25	3.23	3.29	3.24	3.56
IRS 3-Year	3.34	3.35	3.41	3.30	3.48
IRS 5-Year	3.44	3.43	3.49	3.38	3.53
IRS 7-Year	3.54	3.53	3.58	3.45	3.60
IRS 10-Year	3.68	3.67	3.71	3.58	3.71
IRS 20-Year	4.01	4.00	3.95	3.85	3.95

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
2	(4)	1	(31)	4
(1)	(6)	4	(14)	7
0	(5)	6	(10)	9
1	(4)	9	(6)	13
1	(2)	10	(2)	13
1	5	16	5	13



Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year
	27-Jan-26	26-Jan-26	20-Jan-26	28-Dec-25	27-Jan-25
1-Month Klibor	2.98	2.98	2.98	3.00	3.28
3-Month Klibor	3.23	3.23	3.24	3.27	3.67
6-Month Klibor	3.27	3.27	3.28	3.30	3.73

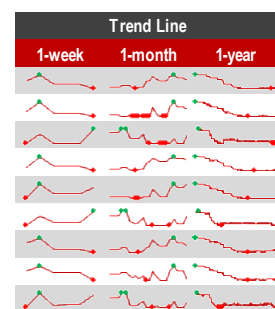
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	0	(2)	(30)	(2)
0	(1)	(4)	(44)	(5)
0	(1)	(3)	(46)	(3)



Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year
	27-Jan-26	26-Jan-26	20-Jan-26	28-Dec-25	27-Jan-25
3-Year AAA	3.52	3.53	3.53	3.50	3.84
3-Year AA	3.68	3.68	3.68	3.67	4.01
3-Year A	4.50	4.46	4.45	4.52	4.83
5-Year AAA	3.61	3.61	3.61	3.59	3.92
5-Year AA	3.77	3.77	3.76	3.75	4.09
5-Year A	4.66	4.60	4.59	4.66	5.03
10-Year AAA	3.78	3.78	3.79	3.77	4.05
10-Year AA	3.92	3.93	3.93	3.92	4.22
10-Year A	5.01	4.98	4.96	5.05	5.43

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(1)	(1)	2	(32)	1
(0)	(0)	1	(34)	1
5	5	(2)	(33)	(4)
(0)	(0)	2	(31)	2
0	1	1	(32)	1
5	7	(0)	(37)	(4)
(0)	(1)	1	(28)	1
(1)	(1)	(1)	(31)	(1)
4	5	(4)	(42)	(9)



Sources: Bloomberg, AmBank Economics

Note: All values are end-period

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