



Fixed Income & FX Research

09 October 2026

Macro: Eyes today are on Malaysia's 2027 Budget announcement, and markets are eager for a bumper spending plan.

Forex: USD remain supported by high energy prices and expectations of higher-for-longer Fed rates. EUR saw a mild 0.1% rebound while ECB minutes revealed policymakers' assessment that inflation risks were skewed to the upside.

Fixed Income: There was support for local government bonds yesterday amid firm demand at the 3Y GII auction.

Macro

Global: Fed Governor Waller said additional rate hikes are likely needed to quell inflation, though he also indicated there is 'flexibility' about the pace.

Malaysia: Deputy Economy Minister Shahar Abdullah said the government is achieving its 40% target of workers' compensation (relative to GDP) by 2030, in line with its earlier 13MP, suggesting that more efforts related to structural economic transformations and higher wage initiatives will be announced for today's Budget 2027, beginning at 3:30 pm today.

Forex

Global: A mild pullback for the DXY (-0.1%), as the USD remain supported by high energy prices and expectations of higher-for-longer Fed rates. EUR only saw a mild 0.1% rebound. While ECB minutes revealed policymakers' assessment that inflation risks were skewed to the upside when they hiked rates, they remained non-committal regarding future policy decisions due to a range of possible scenarios about inflation, suggesting that further rate hikes may be in question if current French/Spanish political uncertainties manifest into growth weaknesses in the Eurozone. AUD (-0.1%) declined amid a rebound for the EUR, ahead of the RBA's own policy meeting minutes next week. USD/JPY (-0.1%) remains trading around the 158 level. The BOJ said price pressures from higher raw material costs are spreading to consumer goods inflation, signalling its concerns over broadening inflationary pressures.

Asia: Separately, the PBOC said the country does not need to rely on yuan depreciation to gain a competitive trade advantage. The CNY has strengthened 4% year-to-date vs. the USD despite widening bond yield differentials. MYR (-0.1%) was down against USD, driven by lower energy prices and risk aversion in global markets.

Fixed Income

Global Bonds: The UST market ended overnight with gains, which we think were mainly due to players reassessing market levels after heavy selling pressure sent yields to over 20-year highs. The market also showed some relief after heavy auctions of 3Y, 10Y and 30Y papers during the past week.

MYR Bonds: There was support for local government bonds yesterday amid firm demand at the 3Y GII auction, despite global bonds remaining under pressure as oil prices sustained higher. The 3Y GII auction, with a size of MYR5.0 billion, received bids totalling MYR15.1 billion. Meanwhile, corporate bonds were dealt with mixed results. Volume traded remained light, but we noted various AAA and AA names traded. The heavier trades include Digi 06/29 (AAA), which rose 2 bps to close at 4.13%.

Commodities

Oil prices closed 3-4% higher after a volatile Thursday session, as traders continued to assess higher risks of supply disruptions ahead from the rising frequency of Iranian attacks. Trump's team is also reportedly considering fresh strikes in the coming weeks – a reversal from an earlier statement that he will not attack before the November midterm elections. Nevertheless, recent aggressive pricing tactics by Saudi suppliers suggest that oil prices may plunge rapidly should risks subside and/or vessels continue to flow, keeping prices highly volatile in the near term.

FX Daily Rates

Vs. USD	Last Close	Per cent
DXY	102.14	(0.1)
EUR/USD	1.121	0.1
AUD/USD	0.696	(0.1)
GBP/USD	1.323	0.1
USD/JPY	157.88	(0.1)
USD/MYR	4.092	0.1
USD/IDR	17,898	0.1
USD/THB	33.68	(0.1)
USD/SGD	1.281	0.1
USD/CNY	6.704	0.0

Ringgit Outlook for The Week

	1	2
Resistance	4.110	4.135
Support	4.050	4.015

Major Sovereign Yields (%)

Sov. Yield	Last Close	bps
UST 2Y	4.76	(1)
UST 10Y	5.23	(6)
Germany 10Y	3.50	2
UK 10Y	5.48	4
Japan 10Y	3.09	(1)
Australia 10Y	5.39	(1)
China 10Y	1.68	1

MGS Bond Yields (%)

MGS	Last	bps
3-Year	3.47	(0)
5-Year	3.77	0
7-Year	3.95	(2)
10-Year	3.96	(3)
15-Year	4.20	(0)
20-Year	4.31	(1)
30-Year	4.42	0

MYR Swap Rates (%)

Swap / Rates	Last Close	bps
IRS 1-Year	3.73	0
IRS 3-Year	3.80	(0)
IRS 5-Year	3.85	0
IRS 7-Year	3.93	0
IRS 10-Year	4.05	0
3M KLIBOR	3.55	0

Key Commodities

Commodities	Last Close	Per cent
Brent (USD/bbl)	104.28	4.1
WTI (USD/bbl)	91.49	3.6
Gold (USD/oz)	4,133	0.5
CPO (RM/tonne)	4,448	3.2

Policy Rates (%)

Central Banks	Current	Next
US Fed Funds	4.00	28-Oct
ECB Deposit Rate	2.50	29-Oct
BOE Base Rate	3.75	05-Nov
RBA Cash Rate	4.60	03-Nov
BOJ Cash Rate	1.25	30-Oct
RBNZ Cash Rate	2.75	28-Oct
PBOC 1Y LPR	3.00	-
BNM OPR	2.75	05-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

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	8-Oct-26	7-Oct-26	1-Oct-26	8-Sep-26	8-Oct-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
DXY Dollar Index	102.14	102.24	102.10	98.79	98.92	(0.1)	0.0	3.4	3.3	3.9			
EUR/USD	1.121	1.120	1.124	1.162	1.163	0.1	(0.3)	(3.6)	(3.6)	(4.6)			
AUD/USD	0.696	0.696	0.693	0.722	0.659	(0.1)	0.4	(3.6)	5.6	4.3			
GBP/USD	1.323	1.321	1.320	1.354	1.340	0.1	0.2	(2.3)	(1.3)	(1.8)			
USD/JPY	157.88	158.08	158.09	153.98	152.69	(0.1)	(0.1)	2.5	3.4	0.7			
USD/MYR	4.092	4.086	4.086	4.063	4.216	0.1	0.2	0.7	(2.9)	0.8			
USD/IDR	17,898	17,882	17,950	17,630	16,560	0.1	(0.3)	1.5	8.1	7.2			
USD/THB	33.68	33.70	33.70	32.93	32.53	(0.1)	(0.1)	2.3	3.5	6.9			
USD/SGD	1.281	1.280	1.281	1.265	1.296	0.1	0.0	1.3	(1.1)	(0.3)			
USD/CNY	6.704	6.703	6.714	6.707	7.150	0.0	(0.2)	(0.0)	(6.2)	(3.9)			
USD/KRW	1,344	1,339	1,360	1,343	1,406	0.3	(1.2)	0.1	(4.4)	(6.6)			
USD/INR	96.79	96.77	96.32	94.83	88.80	0.0	0.5	2.1	9.0	7.7			
USD/PHP	62.89	62.76	62.79	62.63	57.96	0.2	0.1	0.4	8.5	6.9			
USD/TWD	31.90	31.81	31.86	31.55	30.53	0.3	0.1	1.1	4.5	1.5			
USD/HKD	7.848	7.848	7.846	7.841	7.782	(0.0)	0.0	0.1	0.8	0.8			
USD/VND	25,931	25,981	25,974	25,997	26,361	(0.2)	(0.2)	(0.3)	(1.6)	(1.4)			
NZD/USD	0.561	0.560	0.561	0.585	0.579	0.1	0.0	(4.2)	(3.1)	(2.6)			

Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	8-Oct-26	7-Oct-26	1-Oct-26	8-Sep-26	8-Oct-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
EUR/MYR	4.575	4.577	4.604	4.718	4.896	(0.0)	(0.6)	(3.0)	(6.6)	(4.0)			
GBP/MYR	5.398	5.407	5.393	5.497	5.650	(0.2)	0.1	(1.8)	(4.5)	(1.1)			
AUD/MYR	2.845	2.848	2.833	2.931	2.766	(0.1)	0.4	(2.9)	2.9	4.8			
JPY/MYR	2.591	2.586	2.584	2.638	2.761	0.2	0.3	(1.8)	(6.2)	0.0			
SGD/MYR	3.191	3.194	3.188	3.209	3.252	(0.1)	0.1	(0.6)	(1.9)	1.1			
10 CNY/MYR	6.104	6.094	6.093	6.054	5.921	0.2	0.2	0.8	3.1	5.1			
1 million IDR/MYR	2.284	2.285	2.274	2.304	2.544	(0.0)	0.4	(0.9)	(10.2)	(6.2)			
THB/MYR	12.151	12.125	12.139	12.332	12.962	0.2	0.1	(1.5)	(6.3)	(5.3)			
10 HKD/MYR	5.214	5.208	5.206	5.180	5.419	0.1	0.2	0.7	(3.8)	(0.0)			

Commodities

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	8-Oct-26	7-Oct-26	1-Oct-26	8-Sep-26	8-Oct-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
Brent (USD/barrel)	104.28	100.2	102.31	97.92	66.25	4.1	1.9	6.5	57.4	71.4			
WTI (USD/barrel)	91.49	88.28	92.87	93.03	62.55	3.6	(1.5)	(1.7)	46.3	59.3			
Gold (USD/oz)	4,133	4,111	4,178	4,356	4,042	0.5	(1.1)	(5.1)	2.2	(4.3)			
Malaysia CPO (RM/tonne)	4,448	4,310	4,374	4,688	4,468	3.2	1.7	(5.1)	(0.4)	11.3			

Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	8-Oct-26	7-Oct-26	1-Oct-26	8-Sep-26	8-Oct-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.47	3.47	3.48	3.50	3.13	(0)	(2)	(3)	34	47			
5-Year	3.77	3.76	3.78	3.76	3.24	0	(2)	1	52	51			
7-Year	3.95	3.97	4.01	4.00	3.48	(2)	(6)	(5)	47	57			
10-Year	3.96	3.99	4.03	4.09	3.50	(3)	(7)	(13)	46	46			
15-Year	4.20	4.20	4.22	4.28	3.73	(0)	(2)	(8)	47	44			
20-Year	4.31	4.32	4.34	4.36	3.87	(1)	(3)	(5)	44	47			
30-Year	4.42	4.42	4.43	4.41	4.04	0	(1)	1	38	44			

Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	8-Oct-26	7-Oct-26	1-Oct-26	8-Sep-26	8-Oct-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.51	3.53	3.50	3.50	3.15	(2)	1	1	36	41			
5-Year	3.79	3.79	3.78	3.75	3.25	(1)	0	3	53	53			
7-Year	3.94	3.95	4.00	4.00	3.37	(1)	(6)	(6)	57	60			
10-Year	4.02	4.02	4.05	4.08	3.52	0	(3)	(5)	51	50			
15-Year	4.21	4.21	4.19	4.28	3.71	0	2	(8)	49	45			
20-Year	4.34	4.35	4.35	4.35	3.91	(0)	(1)	(1)	44	48			

Major Equity Indices

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	8-Oct-26	7-Oct-26	1-Oct-26	8-Sep-26	8-Oct-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
S&P500 Index	7,765	7,802	7,666	7,674	6,754	(0.5)	1.3	1.2	15.0	102.2			
Dow Jones	51,232	51,180	50,927	52,786	46,602	0.1	0.6	(2.9)	9.9	54.6			
Nasdaq	27,193	27,539	26,872	26,421	23,043	(1.3)	1.2	2.9	18.0	159.8			
London FTSE	10,442	10,459	10,428	10,812	9,549	(0.2)	0.1	(3.4)	9.3	40.1			
German DAX	24,807	25,104	24,939	26,008	24,597	(1.2)	(0.5)	(4.6)	0.9	78.2			
Nikkei 225	69,042	70,036	68,957	65,269	47,735	(1.4)	0.1	5.8	44.6	164.6			
Japan TOPIX	4,091	4,154	4,132	4,050	3,236	(1.5)	(1.0)	1.0	26.4	116.3			
FBM KLCI	1,601	1,612	1,630	1,714	1,628	(0.7)	(1.8)	(6.6)	(1.6)	7.1			

Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	8-Oct-26	7-Oct-26	1-Oct-26	8-Sep-26	8-Oct-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
UST 2Y	4.76	4.77	4.79	4.39	3.58	(1)	(3)	36	118	128			
UST 10Y	5.23	5.28	5.24	4.79	4.12	(6)	(1)	44	111	106			
Germany 2Y	3.11	3.07	3.07	3.00	1.99	4	4	11	112	99			
Germany 10Y	3.50	3.48	3.51	3.37	2.68	2	(1)	13	82	64			
UK 2Y	4.91	4.85	4.80	4.59	4.00	6	11	32	92	118			
UK 10Y	5.48	5.44	5.40	5.17	4.71	4	8	31	77	100			
Japan 2Y	1.95	1.95	1.94	1.85	0.93	0	1	10	103	77			
Japan 10Y	3.09	3.10	3.13	2.90	1.69	(1)	(3)	19	140	103			
Australia 2Y	4.91	4.94	4.99	4.80	3.51	(3)	(8)	11	140	85			
Australia 10Y	5.39	5.41	5.40	5.19	4.36	(1)	(1)	20	103	65			
China 2Y	1.29	1.24	1.24	1.25	1.46	4	4	4	(18)	(9)			
China 10Y	1.68	1.68	1.68	1.69	1.87	1	1	(0)	(19)	(17)			
Indonesia 2Y	6.78	6.78	6.81	6.75	4.90	0	(3)	4	188	179			
Indonesia 10Y	7.21	7.18	7.17	7.11	6.18	2	4	10	103	114			
Thailand 2Y	1.26	1.28	1.32	1.19	1.16	(2)	(6)	7	10	14			
Thailand 10Y	2.34	2.36	2.33	2.21	1.43	(2)	0	12	91	70			

Key swap rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	8-Oct-26	7-Oct-26	1-Oct-26	8-Sep-26	8-Oct-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
IRS 1-Year	3.73	3.73	3.74	3.66	3.22	0	(1)	7	51	52			
IRS 3-Year	3.80	3.80	3.85	3.73	3.17	(0)	(6)	7	63	53			
IRS 5-Year	3.85	3.85	3.91	3.78	3.26	0	(6)	7	60	50			
IRS 7-Year	3.93	3.93	3.96	3.85	3.33	0	(4)	8	60	52			
IRS 10-Year	4.05	4.05	4.09	3.96	3.45	0	(4)	9	61	50			
IRS 20-Year	4.28	4.26	4.33	4.21	3.71	1	(5)	7	57	40			

Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	8-Oct-26	7-Oct-26	1-Oct-26	8-Sep-26	8-Oct-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
1-Month Klibor	3.03	3.03	3.02	3.01	3.00	0	1	2	3	3			
3-Month Klibor	3.55	3.55	3.54	3.47	3.22	0	1	8	33	27			
6-Month Klibor	3.58	3.58	3.57	3.50	3.26	0	1	8	32	28			

Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	8-Oct-26	7-Oct-26	1-Oct-26	8-Sep-26	8-Oct-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year AAA	3.82	3.84	3.81	3.68	3.52	(2)	0	14	30	31			
3-Year AA	3.97	3.99	3.97	3.83	3.68	(2)	0	14	29	31			
3-Year A	4.65	4.69	4.65	4.52	4.52	(4)	0	13	13	10			
5-Year AAA	4.03	4.04	4.02	3.85	3.59	(2)	1	17	43	44			
5-Year AA	4.21	4.23	4.21	4.01	3.76	(1)	0	20	46	46			
5-Year A	4.91	4.95	4.90	4.73	4.66	(5)	0	17	25	21			
10-Year AAA	4.29	4.31	4.29	4.10	3.75	(2)	1	19	54	52			
10-Year AA	4.48	4.49	4.47	4.26	3.92	(1)	1	22	56	55			
10-Year A	5.33	5.39	5.33	5.16	5.03	(6)	1	17	30	22			

Sources: Bloomberg, AmBank Economics

Note: All values are end-period

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