



Fixed Income & FX Research

04 September 2025

Macro: US job openings softened in July, while the Fed's Beige Book revealed weaknesses in US consumer spending. BNM's MPC meeting in focus today on outlook ahead.

Forex: DXY fell 0.3%, as GBP and JPY only partially rebounded due to fiscal worries. AUD continued outperformance on solid 2Q2025 growth. USDMYR traded steady at 4.23 handle.

Fixed Income: UST curve bull flattened 2-7 bps on weak JOLTS data, while most long-dated DM bonds rebounded. 30Y Samurai bonds were weighed down by a record JPY122.45 trillion in budget requests. Front-end MGS led losses ahead of MPC meeting and 3Y MGS auction.

Macro

Global: US job openings fell by 176k to 7.18 million in July, its lowest since September 2024, while also faring worse than expected (consensus: 7.38 million; June: 7.36 million). This comes as factory orders fell 1.3% m/m in July as expected (June: -4.8%), though core factory orders (excluding aircraft) maintained a healthy clip of 0.6% m/m growth (June: 0.4%). Meanwhile, the Fed's Beige Book revealed that economic activity across the US had changed little in recent weeks, with flat to declining consumer spending also reported due to a fall in real wages.

Malaysia: BNM's MPC meeting will take place today, with 22 out of 24 economists polled (including AmBank) expecting no changes to the OPR at 2.75%, with markets on the lookout for policymakers' assessment of the impact of US tariffs and the earlier OPR cut. Deputy MITI Minister Liew Chin Tong said the country is confident of maintaining its middle power status in the global semiconductor supply chain, revealing that it has approved MYR190.3 billion in investments in 1H2025, with a focus on high-impact investments in the tech sector, such as AI and renewable energy.

Forex

Global: DXY retreated 0.3% while G10 currencies pared some earlier losses. AUD (+0.4%) continued to outperform, as Australia's solid growth of 0.6% q/q in 2Q2025 (consensus: 0.5%; 1Q2025: 0.3%) suggests less urgency for the RBA to slash policy rates quickly. As BOE Governor noted, GBP rebounded 0.4%, 'considerably more doubt' on when UK rates can be further reduced; while JPY rebounded a smaller 0.2%, stymied by escalating fiscal worries. EUR rose 0.2%, ahead of French PM Bayrou's confidence vote on 9 September, even as markets also remain looking for higher European defence spending and increased German infrastructure investments.

Asian: MYR rose 0.1%. Intraday trading was solid at the 4.23 handle until its late-evening rally. Morning trading opened nearer to the 4.22 handle, ahead of BNM's MPC meeting today.

Fixed Income

Global Bonds: DM bonds led by UST recovered, as concerns over inflation and financial stresses stabilised slightly. UST bull flattened 2-7 bps, as dip buying quickly emerged after the weak JOLTS data release, further supported by the sluggish read from the Fed's Beige Book release. 30Y UST retreated from a test of the 5.00% level, while rising market expectations of a Fed rate cut in September (95% probability) also bolstered equities. Long-dated Gilts outperformed UST and Bunds amid a rebound in UK assets, after UK FM Rachel Reeves said the budget will be delivered on 26 November, with markets expecting some tax hikes or spending cuts to meet fiscal targets. Meanwhile, 30Y Samurai bonds bucked the trend with a 7bps decline, amid a ballooning budget request of JPY122.45 trillion, its record high for the third consecutive year, even as political uncertainty persisted.

MYR Bonds: The selloff in local government bonds persisted, as the MGS curve bear steepened by 0-2 bps for the day. Tail-end tenors fared better given little risks on Malaysia's long-term inflation and fiscal trajectory, while front-end bonds underperformed as market players continued to reassess prospects of a near-term BNM rate cut, while the announcement of the reopening auction for the 3Y MGS 04/28 (issuance size: MYR5 billion) also accelerated a clearing in inventories pre-auction. As for ringgit corporate bonds, flows focused on high-grade names and bank papers. Notable trades include GG Danainfra 10/32 at 3.41% (+3 bps).

FX Daily Rates

Vs. USD	Last Close	Per cent
DXY	98.14	(0.3)
EUR/USD	1.166	0.2
AUD/USD	0.654	0.4
GBP/USD	1.344	0.4
USD/JPY	148.10	(0.2)
USD/MYR	4.227	(0.1)
USD/IDR	16,415	0.1
USD/THB	32.35	(0.1)
USD/SGD	1.288	(0.0)
USD/CNY	7.142	0.1

Ringgit Outlook for The Week

	1	2
Resistance	4.267	4.309
Support	4.195	4.165

Major Sovereign Yields (%)

Sov. Yield	Last Close	bps
UST 2Y	3.62	(2)
UST 10Y	4.22	(4)
Germany 10Y	2.74	(5)
UK 10Y	4.75	(5)
Japan 10Y	1.63	1
Australia 10Y	4.42	6
China 10Y	1.75	(2)

MGS Bond Yields (%)

MGS	Last	bps
3-Year	3.03	2
5-Year	3.11	2
7-Year	3.33	2
10-Year	3.41	2
15-Year	3.61	2
20-Year	3.75	1
30-Year	3.89	0

MYR Swap Rates (%)

Swap / Rates	Last Close	bps
IRS 1-Year	3.13	2
IRS 3-Year	3.07	3
IRS 5-Year	3.15	4
IRS 7-Year	3.22	3
IRS 10-Year	3.34	4
3M KLIBOR	3.21	0

Key Commodities

Commodities	Last Close	Per cent
Brent (USD/bbl)	67.60	(2.2)
WTI (USD/bbl)	63.97	(2.5)
Gold (USD/oz)	3,559	0.7
CPO (RM/tonne)	4,362	(0.5)

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.

Commodities

The earlier rebound in **oil prices** proved short-lived, as they retreated by 2-3%. Reports indicate OPEC+ is considering raising its oil output at its upcoming weekend meeting, surprising markets given continued signs of weakening global demand and higher output by non-OPEC+ countries in the coming months. **Gold prices** (+0.7%) continued their record-breaking rally, supported by rising market expectations of imminent Fed rate cuts and continued safe-haven demand.

Currencies vs USD

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	3-Sep-25	2-Sep-25	27-Aug-25	4-Aug-25	3-Sep-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
DXY Dollar Index	98.14	98.40	98.23	98.78	101.83	(0.3)	(0.1)	(0.6)	(3.6)	(9.5)			
EUR/USD	1.166	1.164	1.164	1.157	1.104	0.2	0.2	0.8	5.6	12.6			
AUD/USD	0.654	0.652	0.651	0.647	0.671	0.4	0.6	1.2	(2.5)	5.7			
GBP/USD	1.344	1.339	1.350	1.329	1.311	0.4	(0.4)	1.2	2.5	7.4			
USD/JPY	148.1	148.36	147.42	147.09	145.48	(0.2)	0.5	0.7	1.8	(5.8)			
USD/MYR	4.227	4.230	4.235	4.237	4.369	(0.1)	(0.2)	(0.2)	(3.3)	(5.5)			
USD/IDR	16,415	16,400	16,360	16,390	15,525	0.1	0.3	0.2	5.7	1.9			
USD/THB	32.35	32.39	32.47	32.45	34.23	(0.1)	(0.4)	(0.3)	(5.5)	(5.1)			
USD/SGD	1.288	1.288	1.286	1.288	1.307	(0.0)	0.1	0.0	(1.5)	(5.7)			
USD/CNY	7.142	7.138	7.152	7.181	7.122	0.1	(0.1)	(0.5)	0.3	(2.2)			
USD/KRW	1,389	1,396	1,395	1,385	1,342	(0.5)	(0.4)	0.3	3.5	(5.6)			
USD/INR	88.07	88.16	87.68	87.65	83.97	(0.1)	0.4	0.5	4.9	2.9			
USD/PHP	57.32	57.53	57.18	57.38	56.61	(0.4)	0.2	(0.1)	1.2	(0.9)			
USD/TWD	30.72	30.67	30.58	29.90	32.08	0.1	0.5	2.7	(4.2)	(6.3)			
USD/HKD	7.800	7.807	7.786	7.850	7.799	(0.1)	0.2	(0.6)	0.0	0.4			
USD/VND	26,388	26,341	26,367	26,185	24,875	0.2	0.1	0.8	6.1	3.5			
NZD/USD	0.588	0.587	0.586	0.591	0.619	0.2	0.3	(0.5)	(5.0)	5.1			

Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	3-Sep-25	2-Sep-25	27-Aug-25	4-Aug-25	3-Sep-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
EUR/MYR	4.927	4.924	4.909	4.900	4.823	0.0	0.4	0.5	2.1	5.7			
GBP/MYR	5.667	5.668	5.693	5.632	5.730	(0.0)	(0.4)	0.6	(1.1)	0.9			
AUD/MYR	2.761	2.754	2.741	2.744	2.942	0.2	0.7	0.6	(6.2)	(0.7)			
JPY/MYR	2.854	2.852	2.873	2.881	3.003	0.1	(0.7)	(0.9)	(5.0)	0.3			
SGD/MYR	3.282	3.284	3.286	3.289	3.338	(0.1)	(0.1)	(0.2)	(1.7)	(0.1)			
10 CNY/MYR	5.915	5.926	5.920	5.903	6.135	(0.2)	(0.1)	0.2	(3.6)	(3.4)			
1 million IDR/MYR	2.575	2.578	2.588	2.583	2.814	(0.1)	(0.5)	(0.3)	(8.5)	(7.1)			
THB/MYR	13.060	13.058	13.031	13.096	12.752	0.0	0.2	(0.3)	2.4	0.3			
10 HKD/MYR	5.416	5.420	5.439	5.397	5.602	(0.1)	(0.4)	0.4	(3.3)	(6.0)			

Commodities

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	3-Sep-25	2-Sep-25	27-Aug-25	4-Aug-25	3-Sep-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
Brent (USD/barrel)	67.6	69.14	68.05	68.76	73.75	(2.2)	(0.7)	(1.7)	(8.3)	(9.4)			
WTI (USD/barrel)	63.97	65.59	64.15	66.29	70.34	(2.5)	(0.3)	(3.5)	(9.1)	(10.8)			
Gold (USD/oz)	3,559	3,533	3,397	3,374	2,493	0.7	4.8	5.5	42.8	35.6			
Malaysia CPO (RM/tonne)	4,362	4,383	4,412	4,166	4,020	(0.5)	(1.1)	4.7	8.5	(10.3)			

Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	3-Sep-25	2-Sep-25	27-Aug-25	4-Aug-25	3-Sep-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.03	3.01	2.98	3.05	3.36	2	5	(2)	(33)	(45)			
5-Year	3.11	3.09	3.08	3.16	3.52	2	3	(5)	(41)	(51)			
7-Year	3.33	3.31	3.28	3.34	3.71	2	5	(1)	(37)	(44)			
10-Year	3.41	3.40	3.39	3.39	3.77	2	3	2	(36)	(40)			
15-Year	3.61	3.59	3.58	3.61	3.92	2	3	(0)	(31)	(36)			
20-Year	3.75	3.74	3.73	3.76	4.06	1	1	(2)	(31)	(31)			
30-Year	3.89	3.88	3.88	3.91	4.19	0	0	(3)	(31)	(30)			

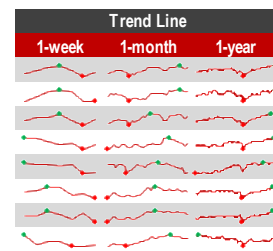
Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	3-Sep-25	2-Sep-25	27-Aug-25	4-Aug-25	3-Sep-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.05	3.04	3.02	3.10	3.34	2	4	(4)	(28)	(37)			
5-Year	3.14	3.13	3.12	3.20	3.53	1	2	(6)	(39)	(49)			
7-Year	3.28	3.25	3.25	3.34	3.71	2	3	(7)	(43)	(47)			
10-Year	3.43	3.42	3.41	3.43	3.80	1	2	0	(37)	(40)			
15-Year	3.60	3.59	3.59	3.64	3.95	1	2	(4)	(34)	(37)			
20-Year	3.75	3.74	3.73	3.74	4.08	1	3	2	(33)	(33)			

Major Equity Indices

	Latest	1-day	1 week	1-Month	1-Year
	3-Sep-25	2-Sep-25	27-Aug-25	4-Aug-25	3-Sep-24
S&P500 Index	6,448	6,416	6,481	6,330	5,529
Dow Jones	45,271	45,296	45,565	44,174	40,937
Nasdaq	21,498	21,280	21,590	21,054	17,136
London FTSE	9,178	9,117	9,256	9,128	8,298
German DAX	23,595	23,487	24,046	23,758	18,747
Nikkei 225	41,939	42,310	42,520	40,291	38,686
Japan TOPIX	3,049	3,082	3,070	2,916	2,733
FBM KLCI	1,579	1,577	1,588	1,527	1,677

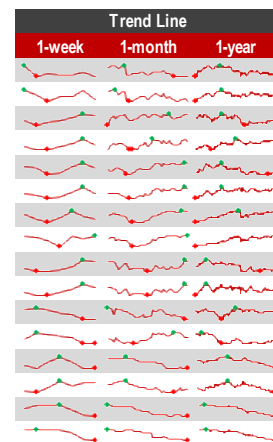
Percentage Change				
1-day	1-week	1-month	1-year	YTD
0.5	(0.5)	1.9	16.6	67.9
(0.1)	(0.6)	2.5	10.6	36.6
1.0	(0.4)	2.1	25.5	105.4
0.7	(0.8)	0.5	10.6	23.2
0.5	(1.9)	(0.7)	25.9	69.5
(0.9)	(1.4)	4.1	8.4	60.7
(1.1)	(0.7)	4.6	11.5	61.2
0.1	(0.6)	3.4	(5.9)	5.6



Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year
	3-Sep-25	2-Sep-25	27-Aug-25	4-Aug-25	3-Sep-24
UST 2Y	3.62	3.64	3.61	3.68	3.86
UST 10Y	4.22	4.26	4.23	4.19	3.83
Germany 2Y	1.97	1.97	1.92	1.90	2.38
Germany 10Y	2.74	2.79	2.70	2.62	2.28
UK 2Y	3.96	3.98	3.96	3.81	4.08
UK 10Y	4.75	4.80	4.74	4.51	3.99
Japan 2Y	0.87	0.87	0.87	0.76	0.39
Japan 10Y	1.63	1.62	1.63	1.52	0.93
Australia 2Y	3.45	3.38	3.36	3.40	3.72
Australia 10Y	4.42	4.36	4.32	4.32	4.00
China 2Y	1.40	1.41	1.41	1.43	1.46
China 10Y	1.75	1.77	1.77	1.71	2.15
Indonesia 2Y	5.32	5.35	5.33	5.79	6.54
Indonesia 10Y	6.40	6.37	6.33	6.49	6.67
Thailand 2Y	1.10	1.11	1.14	1.26	2.16
Thailand 10Y	1.24	1.26	1.30	1.48	2.56

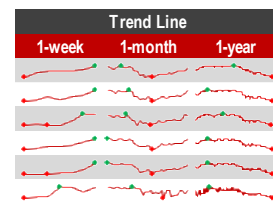
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(2)	1	(6)	(25)	(63)
(4)	(2)	2	39	(35)
(1)	5	6	(41)	(12)
(5)	4	12	46	37
(2)	(0)	15	(12)	(43)
(5)	1	24	76	18
(0)	0	11	48	26
1	0	12	71	53
7	8	5	(27)	(41)
6	9	10	42	6
(1)	(2)	(3)	(6)	30
(2)	(2)	4	(40)	8
(3)	(1)	(47)	(122)	(172)
3	7	(10)	(27)	(60)
(1)	(4)	(16)	(106)	(89)
(1)	(5)	(23)	(132)	(101)



Key swap rates

	Latest	1-day	1 week	1-Month	1-Year
	3-Sep-25	2-Sep-25	27-Aug-25	4-Aug-25	3-Sep-24
IRS 1-Year	3.13	3.11	3.10	3.13	3.44
IRS 3-Year	3.07	3.04	3.03	3.06	3.39
IRS 5-Year	3.15	3.11	3.10	3.13	3.44
IRS 7-Year	3.22	3.19	3.16	3.20	3.53
IRS 10-Year	3.34	3.30	3.28	3.33	3.64
IRS 20-Year	3.60	3.56	3.53	3.65	3.75

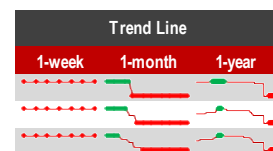
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
2	2	(0)	(31)	(45)
3	4	2	(31)	(43)
4	5	2	(29)	(40)
3	6	2	(31)	(41)
4	6	1	(30)	(39)
4	8	(5)	(15)	(35)



Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year
	3-Sep-25	2-Sep-25	27-Aug-25	4-Aug-25	3-Sep-24
1-Month Klibor	3.00	3.00	3.00	3.00	3.28
3-Month Klibor	3.21	3.21	3.21	3.22	3.53
6-Month Klibor	3.26	3.26	3.26	3.28	3.61

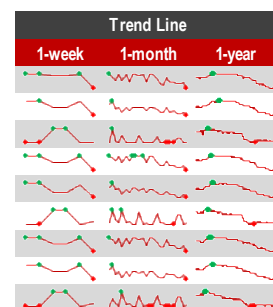
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	0	0	(28)	(29)
0	0	(1)	(32)	(52)
0	0	(2)	(35)	(51)



Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year
	3-Sep-25	2-Sep-25	27-Aug-25	4-Aug-25	3-Sep-24
3-Year AAA	3.51	3.52	3.52	3.53	3.76
3-Year AA	3.67	3.68	3.68	3.71	3.90
3-Year A	4.51	4.51	4.51	4.58	4.86
5-Year AAA	3.59	3.60	3.60	3.61	3.84
5-Year AA	3.76	3.77	3.77	3.80	3.98
5-Year A	4.65	4.65	4.65	4.70	5.12
10-Year AAA	3.74	3.76	3.76	3.77	3.99
10-Year AA	3.91	3.92	3.92	3.95	4.17
10-Year A	5.02	5.01	5.00	5.05	5.63

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(1)	(1)	(2)	(25)	(32)
(1)	(1)	(4)	(22)	(34)
0	0	(7)	(34)	(34)
(1)	(1)	(2)	(24)	(33)
(1)	(1)	(4)	(22)	(34)
0	1	(5)	(47)	(43)
(1)	(1)	(3)	(25)	(33)
(1)	(1)	(4)	(26)	(33)
1	1	(3)	(61)	(54)



Sources: Bloomberg, AmBank Economics

Note: All values are end-period

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

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