



Fixed Income & FX Research

27 February 2026

Macro: Malaysia's PPI fell 2.9% y/y in January (prior: -2.7%) though prices rose 0.1% m/m, dragged down by prices in the mining and services sector. US reports higher initial jobless claims.

Forex: Markets remain cautious on cues from US-Iran and global trade policy risks.

Fixed Income: US government bonds were boosted by demand for safety amid geopolitics, tariffs and labour market risks. Malaysia's 5Y MGS auction receives strong demand.

Macro

Global: In the US, initial jobless claims for the week ended 14 February rose to 212k against 208k the week before which was revised up from 206k. Eurozone economic confidence index fell to 98.3 (consensus: 99.8; prior: 99.3), with services confidence at 5.0 (consensus: 7.5; prior: 6.8).

Malaysia: The PPI fell 2.9% y/y in January 2026 (prior: -2.7%), the 11th straight month of producer deflation, though prices rose 0.1% m/m (prior: -0.2% m/m). Mining sector prices dropped 11.7% y/y and manufacturing contracted 1.7% y/y vs. -8.8% and -1.3% respectively in the month before.

Forex

Global: DXY (+0.1%) remained within recent ranges despite the improving outlook in US labour markets, as markets remain cautious on cues from US-Iran and global trade policy risks. EUR (-0.1%) fell slightly, despite ECB President Lagarde's pushback against declining inflation data for January, indicating that it expects headline inflation to converge to its 2% target soon due to food inflation. GBP slipped a sharp 0.6% despite further record highs in the FTSE 100, given the unexpected constituency by-elections in the UK and possible ramifications for PM Starmer if the Labour Party is defeated. AUD (-0.3%) remains within 0.70-0.72 pending more global developments and local data, while JPY (+0.2%) rebounded amid calls for rate hikes by hawkish BOJ board member Takata.

Malaysia: Ringgit (+0.1%) added gains as the US dollar remained inundated by uncertainties in regards of US tariffs direction and US-Iran developments. Deputy PM Zahid noted the strengthening ringgit (and economic growth) had created a feel-good atmosphere for Malaysia, while FMM President Chor Kok said the 10% MYR appreciation in 2025 makes it an opportune time for new software and machinery adoption among manufacturers and SMEs, given the lower imported cost of equipment and technology.

Fixed Income

Global Bonds: UST trading was anchored by modest safe haven buying with yields down about 5 bps overnight. On top of a rise in oil initial weekly jobless claims, tariff uncertainty continued to direct sentiment as well as drop in equities and tech stocks led by NVIDIA. As the 10Y UST retested 4.00% and inflation expected to recede and the Fed to cut rates later this year, WSJ reported that 30Y mortgage rates fell below 6.00% for the first time since September 2022.

MYR Bonds: Positive sentiment continued in the ringgit government market yesterday. There was noted firm bids on 5Y-10Y tenors with the 5Y MGS auction (MGS 06/31) worth MYR5.0 billion receiving MYR14.6 billion incoming bids for BTC of 2.92x. PDS were also firmer. Infrastructure names led flows. Notable flows include TNB Power Gen 06/37 (AAA) which rallied to 3.91% (-6 bps).

Commodities

Brent remained trading within USD70/bb, as expectations of a global supply glut continue to clash with Middle East risks. Iranian state media declared enriched uranium will not be allowed to leave the country, though Omani mediators earlier said discussions had been constructive. OPEC+'s meeting on Sunday will be noted, with a modest output hike for April under consideration due to Iran risks.

FX Daily Rates

Vs. USD	Last Close	Per cent
DXY	97.79	0.1
EUR/USD	1.180	(0.1)
AUD/USD	0.711	(0.3)
GBP/USD	1.348	(0.6)
USD/JPY	156.13	(0.2)
USD/MYR	3.889	(0.1)
USD/IDR	16,755	(0.2)
USD/THB	31.04	(0.1)
USD/SGD	1.264	0.0
USD/CNY	6.844	(0.1)

Ringgit Outlook for The Week

	1	2
Resistance	4.010	4.135
Support	3.823	3.761

Major Sovereign Yields (%)

Sov. Yield	Last Close	bps
UST 2Y	3.43	(4)
UST 10Y	4.00	(5)
Germany 10Y	2.69	(2)
UK 10Y	4.27	(4)
Japan 10Y	2.16	2
Australia 10Y	4.70	(2)
China 10Y	1.82	1

MGS Bond Yields (%)

MGS	Last	bps
3-Year	3.03	0
5-Year	3.34	6
7-Year	3.43	(1)
10-Year	3.50	(0)
15-Year	3.79	(0)
20-Year	3.93	(0)
30-Year	4.03	0

MYR Swap Rates (%)

Swap / Rates	Last Close	bps
IRS 1-Year	3.25	(1)
IRS 3-Year	3.34	0
IRS 5-Year	3.42	(1)
IRS 7-Year	3.53	(2)
IRS 10-Year	3.69	(1)
3M KLIBOR	3.23	0

Key Commodities

Commodities	Last Close	Per cent
Brent (USD/bbl)	70.75	(0.1)
WTI (USD/bbl)	65.21	(0.3)
Gold (USD/oz)	5,185	0.4
CPO (RM/tonne)	3,955	(1.6)

Policy Rates

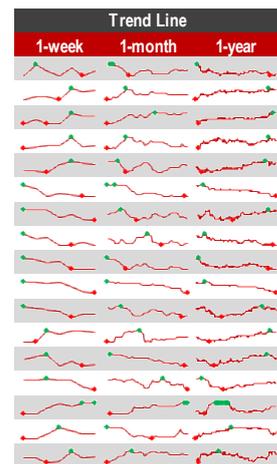
Central Banks	Current	Next
US Fed Funds	3.75	18-Mar
ECB Deposit Rate	2.00	19-Mar
BOE Base Rate	3.75	19-Mar
RBA Cash Rate	3.85	17-Mar
BOJ Cash Rate	0.75	19-Mar
RBNZ Cash Rate	2.25	08-Apr
PBOC 1Y LPR	3.00	-
BNM OPR	2.75	05-Mar

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.

Currencies

	Latest	1-day	1 week	1-Month	1-Year
	26-Feb-26	25-Feb-26	19-Feb-26	27-Jan-26	26-Feb-25
DXY Dollar Index	97.79	97.70	97.93	96.22	106.42
EUR/USD	1.180	1.181	1.177	1.204	1.049
AUD/USD	0.711	0.712	0.706	0.701	0.631
GBP/USD	1.348	1.356	1.347	1.385	1.268
USD/JPY	156.13	156.37	155.01	152.21	149.1
USD/MYR	3.889	3.892	3.909	3.954	4.429
USD/IDR	16,755	16,785	16,880	16,766	16,370
USD/THB	31.04	31.08	31.17	31.05	33.71
USD/SGD	1.264	1.264	1.268	1.261	1.339
USD/CNY	6.844	6.854	6.900	6.934	7.265
USD/KRW	1,433	1,427	1,450	1,438	1,433
USD/INR	90.92	90.96	90.68	91.72	87.20
USD/PHP	57.63	57.51	58.00	59.09	57.89
USD/TWD	31.23	31.32	31.51	31.44	32.80
USD/HKD	7.824	7.820	7.814	7.799	7.774
USD/VND	26,073	26,108	25,965	26,139	25,551
NZD/USD	0.598	0.600	0.597	0.605	0.570

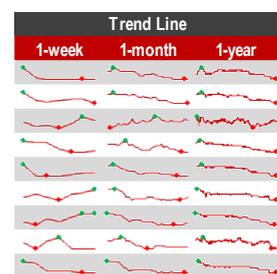
Percentage Change				
1-day	1-week	1-month	1-year	YTD
0.1	(0.1)	1.6	(8.1)	(0.5)
(0.1)	0.2	(2.0)	12.5	0.4
(0.3)	0.7	1.3	12.7	6.5
(0.6)	0.1	(2.7)	6.4	0.1
(0.2)	0.7	2.6	4.7	(0.4)
(0.2)	(0.7)	(0.1)	2.4	0.4
(0.1)	(0.4)	(0.0)	(7.9)	(1.5)
0.0	(0.3)	0.2	(5.6)	(1.7)
(0.1)	(0.8)	(1.3)	(5.8)	(1.9)
0.4	(1.2)	(0.3)	0.0	(0.4)
(0.0)	0.3	(0.9)	4.3	1.2
0.2	(0.6)	(2.5)	(0.5)	(2.0)
(0.3)	(0.9)	(0.7)	(4.8)	(0.6)
0.0	0.1	0.3	0.6	0.5
(0.1)	0.4	(0.3)	2.0	(0.9)
(0.4)	0.1	(1.1)	5.0	3.8



Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year
	26-Feb-26	25-Feb-26	19-Feb-26	27-Jan-26	26-Feb-25
EUR/MYR	4.589	4.589	4.612	4.700	4.648
GBP/MYR	5.261	5.261	5.279	5.416	5.604
AUD/MYR	2.768	2.758	2.760	2.739	2.801
JPY/MYR	2.491	2.490	2.522	2.597	2.970
SGD/MYR	3.078	3.076	3.085	3.120	3.310
10 CNY/MYR	5.685	5.666	5.660	5.684	6.103
1 million IDR/MYR	2.321	2.317	2.313	2.358	2.703
THB/MYR	12.518	12.517	12.532	12.740	13.128
10 HKD/MYR	4.972	4.978	5.001	5.067	5.697

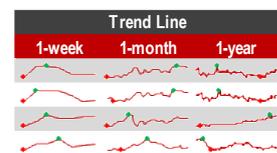
Percentage Change				
1-day	1-week	1-month	1-year	YTD
(0.0)	(0.5)	(2.4)	(1.3)	(3.7)
0.0	(0.3)	(2.9)	(6.1)	(3.6)
0.4	0.3	1.1	(1.1)	2.0
0.1	(1.2)	(4.1)	(16.1)	(3.9)
0.1	(0.2)	(1.3)	(7.0)	(2.5)
0.3	0.4	0.0	(6.8)	(2.1)
0.2	0.3	(1.6)	(14.1)	(4.6)
0.0	(0.1)	(1.7)	(4.7)	(2.5)
(0.1)	(0.6)	(1.9)	(12.7)	(4.7)



Commodities

	Latest	1-day	1 week	1-Month	1-Year
	26-Feb-26	25-Feb-26	19-Feb-26	27-Jan-26	26-Feb-25
Brent (USD/barrel)	70.75	70.85	71.66	67.57	72.53
WTI (USD/barrel)	65.21	65.42	66.43	62.39	68.62
Gold (USD/oz)	5,185	5,165	4,996	5,180	2,916
Malaysia CPO (RM/tonne)	3,955	4,018	4,093	4,182	4,728

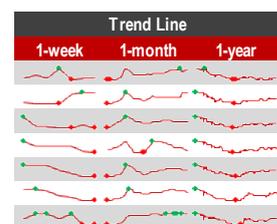
Percentage Change				
1-day	1-week	1-month	1-year	YTD
(0.1)	(1.3)	4.7	(2.5)	16.3
(0.3)	(1.8)	4.5	(5.0)	13.6
0.4	3.8	0.1	77.8	20.0
(1.6)	(3.4)	(5.4)	(16.3)	(1.1)



Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year
	26-Feb-26	25-Feb-26	19-Feb-26	27-Jan-26	26-Feb-25
3-Year	3.03	3.03	3.04	2.99	3.43
5-Year	3.34	3.28	3.27	3.26	3.59
7-Year	3.43	3.44	3.44	3.44	3.75
10-Year	3.50	3.51	3.52	3.50	3.79
15-Year	3.79	3.79	3.80	3.77	3.96
20-Year	3.93	3.94	3.96	3.92	4.06
30-Year	4.03	4.03	4.04	4.03	4.18

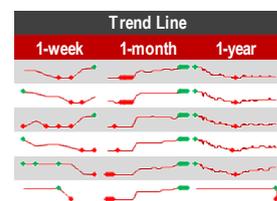
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	(1)	4	(40)	3
6	7	9	(24)	9
(1)	(1)	(1)	(32)	5
(0)	(2)	1	(28)	0
(0)	(2)	2	(17)	2
(0)	(2)	1	(13)	8
0	(0)	0	(14)	5



Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year
	26-Feb-26	25-Feb-26	19-Feb-26	27-Jan-26	26-Feb-25
3-Year	3.10	3.10	3.10	3.12	3.55
5-Year	3.28	3.28	3.28	3.28	3.63
7-Year	3.38	3.38	3.37	3.37	3.76
10-Year	3.53	3.53	3.54	3.53	3.81
15-Year	3.82	3.82	3.83	3.82	3.94
20-Year	3.95	3.95	3.98	3.90	4.07

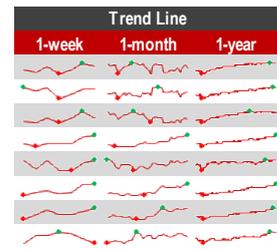
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	0	(1)	(45)	0
0	0	0	(35)	2
0	0	1	(39)	4
0	(1)	(1)	(28)	0
0	(1)	0	(12)	7
0	(3)	4	(13)	8



Major Equity Indices

	Latest	1-day	1 week	1-Month	1-Year
	26-Feb-26	25-Feb-26	19-Feb-26	27-Jan-26	26-Feb-25
S&P500 Index	6,909	6,946	6,862	6,979	5,956
Dow Jones	49,499	49,482	49,395	49,003	43,433
Nasdaq	22,878	23,152	22,683	23,817	19,075
London FTSE	10,847	10,806	10,627	10,208	8,731
German DAX	25,289	25,176	25,044	24,894	22,794
Nikkei 225	58,753	58,583	57,468	53,334	38,142
Japan TOPIX	3,880	3,843	3,852	3,564	2,716
FBM KLCI	1,741	1,748	1,752	1,771	1,589

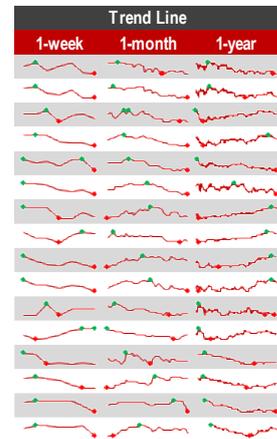
Percentage Change				
1-day	1-week	1-month	1-year	YTD
(0.5)	0.7	(1.0)	16.0	79.9
0.0	0.2	1.0	14.0	49.3
(1.2)	0.9	(3.9)	19.9	118.6
0.4	2.1	6.3	24.2	45.6
0.4	1.0	1.6	10.9	81.6
0.3	2.2	10.2	54.0	125.2
1.0	0.7	8.9	42.8	105.1
(0.4)	(0.6)	(1.7)	9.6	16.4



Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year
	26-Feb-26	25-Feb-26	19-Feb-26	27-Jan-26	26-Feb-25
UST 2Y	3.43	3.47	3.46	3.57	4.07
UST 10Y	4.00	4.05	4.07	4.24	4.26
Germany 2Y	2.04	2.05	2.05	2.13	2.07
Germany 10Y	2.69	2.71	2.74	2.88	2.43
UK 2Y	3.55	3.58	3.57	3.74	4.18
UK 10Y	4.27	4.32	4.37	4.53	4.50
Japan 2Y	1.25	1.22	1.26	1.28	0.80
Japan 10Y	2.16	2.14	2.15	2.29	1.37
Australia 2Y	4.22	4.24	4.29	4.23	3.78
Australia 10Y	4.70	4.72	4.78	4.84	4.36
China 2Y	1.37	1.37	1.38	1.41	1.44
China 10Y	1.82	1.81	1.79	1.83	1.77
Indonesia 2Y	5.11	5.10	5.13	5.20	6.49
Indonesia 10Y	6.42	6.43	6.46	6.36	6.86
Thailand 2Y	1.05	1.15	1.22	1.19	1.97
Thailand 10Y	1.79	1.91	1.91	1.94	2.24

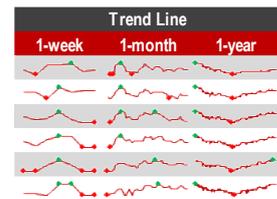
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(4)	(3)	(15)	(64)	(4)
(5)	(6)	(24)	(25)	(16)
(1)	(1)	(9)	(3)	(8)
(2)	(5)	(18)	26	(16)
(3)	(2)	(19)	(63)	(19)
(4)	(9)	(25)	(23)	(21)
2	(2)	(4)	45	7
2	1	(13)	79	9
(2)	(7)	(1)	44	17
(2)	(8)	(14)	34	(4)
0	(1)	(4)	(7)	(1)
1	3	(1)	5	(3)
1	(2)	(9)	(139)	11
(1)	(4)	6	(44)	35
(10)	(17)	(14)	(93)	(7)
(12)	(12)	(15)	(45)	15



Key swap rates

	Latest	1-day	1 week	1-Month	1-Year
	26-Feb-26	25-Feb-26	19-Feb-26	27-Jan-26	26-Feb-25
IRS 1-Year	3.25	3.26	3.26	3.25	3.59
IRS 3-Year	3.34	3.34	3.34	3.34	3.52
IRS 5-Year	3.42	3.43	3.44	3.44	3.57
IRS 7-Year	3.53	3.54	3.54	3.54	3.65
IRS 10-Year	3.69	3.70	3.69	3.68	3.72
IRS 20-Year	4.01	4.04	4.02	4.01	3.96

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(1)	(0)	1	(34)	5
0	0	0	(18)	7
(1)	(1)	(1)	(15)	7
(2)	(1)	(1)	(12)	12
(1)	0	0	(4)	13
(3)	(0)	0	5	13



Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year
	26-Feb-26	25-Feb-26	19-Feb-26	27-Jan-26	26-Feb-25
1-Month Klibor	2.98	2.98	2.98	2.98	3.28
3-Month Klibor	3.23	3.23	3.23	3.23	3.66
6-Month Klibor	3.27	3.27	3.27	3.27	3.73

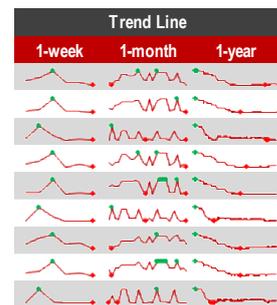
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	0	0	(30)	(2)
0	0	0	(43)	(5)
0	0	0	(46)	(3)



Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year
	26-Feb-26	25-Feb-26	19-Feb-26	27-Jan-26	26-Feb-25
3-Year AAA	3.52	3.53	3.53	3.52	3.83
3-Year AA	3.67	3.68	3.68	3.68	4.01
3-Year A	4.45	4.46	4.46	4.50	4.82
5-Year AAA	3.61	3.61	3.61	3.61	3.91
5-Year AA	3.76	3.76	3.76	3.77	4.08
5-Year A	4.60	4.60	4.60	4.66	5.02
10-Year AAA	3.78	3.79	3.78	3.78	4.04
10-Year AA	3.92	3.93	3.93	3.92	4.21
10-Year A	4.98	4.98	4.98	5.01	5.40

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(0)	(0)	0	(30)	2
(0)	(0)	(0)	(34)	1
(0)	(0)	(5)	(37)	(9)
(0)	(0)	(0)	(30)	2
(0)	(0)	(1)	(33)	0
(0)	(0)	(6)	(42)	(10)
(0)	(0)	1	(26)	1
(0)	(0)	1	(29)	(0)
(0)	(0)	(4)	(42)	(13)



Sources: Bloomberg, AmBank Economics
 Note: All values are end-period

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