



## Fixed Income &amp; FX Research

02 May 2025

**Macro:** US and China report weak economic numbers amid ongoing trade war.**Forex:** Optimism of deals between the US and trade partners sent USD to rally.**Fixed Income:** UST yields rose though the market assessed the likelihood of Fed rate cuts following the US economic contraction in 1Q2025**Macro****US:** The US reported a contraction in its 1Q2025 GDP reading. Figures show GDP declined by -0.3% q/q and marking the first contraction since the pandemic era. Core PCE price index for March fell to +2.6% y/y, lower than upward revised +3.0% (from earlier estimate of +2.8%) in February but was in line with consensus expectations. The ISM manufacturing index remained low at 48.7 in April, down from 49.0 in the month before.**China:** China's manufacturing PMI fell to 49.0 in April from 50.5 in March and lower vs expectation of 49.7. Aside, the Caixin manufacturing PMI eased to 50.4 in April from 51.2 in March but above 49.7 consensus expectation.**Japan:** BOJ held its policy rate at 0.5% and halved its growth projection for this fiscal year to 0.5%. The central bank pushed back its 2% inflation target to be hit by one year down the road to 2027.**Forex****Global:** Optimism of trade deals to be agreed between the US and its trade partners sent the USD to rally with the DXY index closing above the 100 level overnight. This includes reports from Chinese media that the US has reached out to China's government to seek a deal. Meanwhile, the hopes for trade deals pressured the JPY lower. The BOJ held rates steady and warned of risks to growth amid the global tariffs implementation. Elsewhere, the CNY was pressured as signs of slowing growth have emerged due to China's trade war with the US, including reports of slowing goods shipments to US ports and this week's release of weak manufacturing PMI figures.**MYR:** MYR level was supported the day before the 1 May holiday amid the then still weak USD below 100. We express caution for the MYR today as the USD rebounds and NFP release.**Fixed Income****Global Bonds:** UST yields rebounded from three-week lows after April's ISM manufacturing data came in slightly better than expected despite ongoing supply chain strains and elevated input costs due to tariffs on imported goods. Markets also assessed the likelihood of Fed rate cuts following the US economic contraction in 1Q2025. Meanwhile a surge in weekly jobless claims to 241k —highest since February — intensified concerns about labor market weakness.**MYR Bonds:** Local government bonds recorded modest profit taking activity with suspected reining in of rate cut expectations. BNM policymakers' MPC meeting is due 8 May with consensus expectations is for the OPR to be held at 3.00%. The 3Y MGS seen up 2 bps to 3.25% the day before the 1 May holiday. Meanwhile, the MYR corporate bond market was mostly firmer on Wednesday. Select higher grade AAA papers saw interest, as well as longer dated AA1 rated YTL Power. YTLP 08/38 shed 3 bps to 3.93% and its 08/39 tranche fell 1 bps to close at 3.95%.**Other Markets****Gold:** Gold seen weak overnight as hopes for trade deals improved. Release of weak US GDP this week prompted talks of sustained Fed cuts thus did not aid gold demand.**Crude Oil:** Oil prices were pressured with Brent down 1.6%. Potential supply hikes by OPEC+, ongoing trade war concerns despite news of potential trade deals, and risks of US sanctions against Iran contributed to the weak Brent. OPEC is to meet next week on Monday to discuss supply plans.**FX Daily Rates**

Vs. USD	Last Close	Per cent
DXY	100.25	0.8
EUR/USD	1.129	(0.3)
AUD/USD	0.638	(0.3)
GBP/USD	1.328	(0.4)
USD/JPY	145.39	1.6
USD/MYR	4.316	0.0
USD/IDR	16,601	0.0
USD/THB	33.42	0.0
USD/SGD	1.312	0.5
USD/CNY	7.271	0.0

**Ringgit Outlook for The Week**

	1	2
Resistance	4.420	4.430
Support	4.330	4.300

**Major Sovereign Yields (%)**

Sov. Yield	Last Close	bps
UST 2Y	3.70	10
UST 10Y	4.22	6
Germany 10Y	2.44	0
UK 10Y	4.48	4
Japan 10Y	1.26	(6)
Australia 10Y	4.19	2
China 10Y	1.63	0

**MGS Bond Yields (%)**

MGS	Last	bps
3-Year	3.25	0
5-Year	3.33	0
7-Year	3.55	0
10-Year	3.65	0
15-Year	3.80	0
20-Year	3.90	0
30-Year	4.06	0

**MYR Swap Rates (%)**

Swap / Rates	Last Close	bps
IRS 1-Year	3.42	0
IRS 3-Year	3.25	0
IRS 5-Year	3.29	0
IRS 7-Year	3.40	0
IRS 10-Year	3.50	0
3M KLIBOR	3.65	0

**Key Commodities**

Commodities	Last Close	Per cent
Brent (USD/bbl)	62.13	(1.6)
WTI (USD/bbl)	59.24	1.8
Gold (USD/oz)	3,239	(1.5)
CPO (RM/tonne)	3,975	0.0

**Policy Rates**

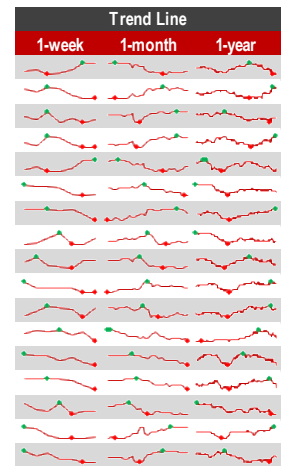
Central Banks	Current	Next
US Fed Funds	4.50	08-May
ECB Main Refinancing	2.40	05-Jun
BOE Base Rate	4.50	08-May
RBA Cash Rate	4.10	20-May
BOJ Cash Rate	0.50	17-Jun
PBOC 1Y LPR	3.10	n.a.
BOK Base Rate	3.00	-
BNM OPR	3.00	08-May

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 vs USD

	Latest	1-day	1 week	1-Month	1-Year
	1-May-25	30-Apr-25	24-Apr-25	1-Apr-25	1-May-24
DXY Dollar Index	100.25	99.47	99.38	104.26	105.76
EUR/USD	1.129	1.133	1.139	1.079	1.071
AUD/USD	0.638	0.640	0.641	0.628	0.652
GBP/USD	1.328	1.333	1.334	1.292	1.253
USD/JPY	145.39	143.07	142.63	149.61	154.57
USD/MYR	4.316	4.316	4.372	4.438	4.773
USD/IDR	16,601	16,601	16,870	16,560	16,260
USD/THB	33.42	33.42	33.44	34.10	37.06
USD/SGD	1.312	1.306	1.311	1.344	1.361
USD/CNY	7.271	7.271	7.289	7.270	7.241
USD/KRW	1,424	1,424	1,433	1,472	1,382
USD/INR	84.50	84.50	85.27	85.46	83.44
USD/PHP	55.86	55.86	56.57	57.23	57.77
USD/TWD	32.00	32.00	32.53	33.21	32.56
USD/HKD	7.757	7.756	7.759	7.781	7.823
USD/VND	25,991	25,990	26,028	25,629	25,334
NZD/USD	0.591	0.594	0.600	0.570	0.593

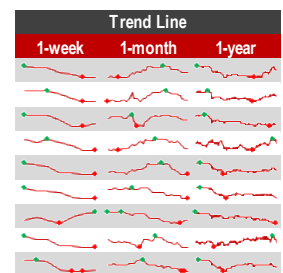
Percentage Change				
1-day	1-week	1-month	1-year	YTD
0.8	0.9	(3.8)	(5.2)	(1.1)
(0.3)	(0.9)	4.6	5.4	2.3
(0.3)	(0.4)	1.7	(2.1)	(6.3)
(0.4)	(0.5)	2.7	6.0	4.3
1.6	1.9	(2.8)	(5.9)	3.1
0.0	(1.3)	(2.8)	(9.6)	(6.1)
0.0	(1.6)	0.2	2.1	7.8
0.0	(0.1)	(2.0)	(9.8)	(2.1)
0.5	0.1	(2.4)	(3.6)	(0.6)
0.00	(0.2)	0.0	0.4	2.4
0.0	(0.6)	(3.3)	3.1	10.6
0.0	(0.9)	(1.1)	1.3	1.5
0.0	(1.2)	(2.4)	(3.3)	0.9
0.0	(1.6)	(3.6)	(1.7)	4.2
0.0	(0.0)	(0.3)	(0.8)	(0.7)
0.0	(0.1)	1.4	2.6	7.1
(0.5)	(1.5)	3.6	(0.4)	(6.5)



## Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year
	1-May-25	30-Apr-25	24-Apr-25	1-Apr-25	1-May-24
EUR/MYR	4.880	4.904	4.978	4.792	5.087
GBP/MYR	5.743	5.766	5.817	5.728	5.957
AUD/MYR	2.757	2.760	2.792	2.774	3.092
JPY/MYR	2.968	3.018	3.066	2.964	3.088
SGD/MYR	3.300	3.305	3.333	3.301	3.495
10CNY/MYR	5.935	5.940	5.998	6.101	6.588
100IDR/MYR	2.607	2.600	2.592	2.656	2.935
THB/MYR	12.908	12.919	13.084	13.052	12.833
10HKD/MYR	5.564	5.564	5.635	5.698	6.100

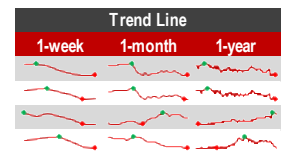
Percentage Change				
1-day	1-week	1-month	1-year	YTD
(0.5)	(2.0)	1.8	(4.1)	(3.9)
(0.4)	(1.3)	0.3	(3.6)	(1.6)
(0.1)	(1.3)	(0.6)	(10.9)	(11.8)
(1.7)	(3.2)	0.1	(3.9)	(8.8)
(0.1)	(1.0)	(0.0)	(5.6)	(5.1)
(0.1)	(1.1)	(2.7)	(9.9)	(8.1)
0.3	0.6	(1.8)	(11.2)	(12.6)
(0.1)	(1.3)	(1.1)	0.6	(3.7)
0.0	(1.3)	(2.4)	(8.8)	(5.4)



## Commodities

	Latest	1-day	1 week	1-Month	1-Year
	1-May-25	30-Apr-25	24-Apr-25	1-Apr-25	1-May-24
Brent (USD/barrel)	62.13	63.12	66.55	74.49	83.44
WTI (USD/barrel)	59.24	58.21	63.57	71.12	79.00
Gold (USD/oz)	3,239	3,289	3,349	3,113	2,320
Malaysia CPO (RM/tonne)	3,975	3,975	4,158	4,748	3,860

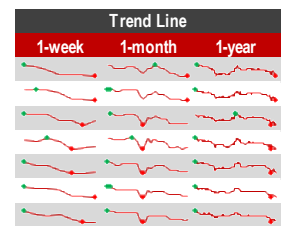
Percentage Change				
1-day	1-week	1-month	1-year	YTD
(1.6)	(6.6)	(16.6)	(25.5)	(19.4)
1.8	(6.8)	(16.8)	(25.0)	(17.3)
(1.5)	(3.3)	4.0	39.6	57.0
0.0	(4.4)	(16.3)	3.0	6.9



## Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year
	1-May-25	30-Apr-25	24-Apr-25	1-Apr-25	1-May-24
3-Year	3.25	3.25	3.27	3.39	3.62
5-Year	3.33	3.33	3.38	3.57	3.78
7-Year	3.55	3.55	3.56	3.72	3.90
10-Year	3.65	3.65	3.67	3.77	3.98
15-Year	3.80	3.80	3.81	3.91	4.06
20-Year	3.90	3.90	3.92	3.99	4.23
30-Year	4.06	4.06	4.07	4.15	4.30

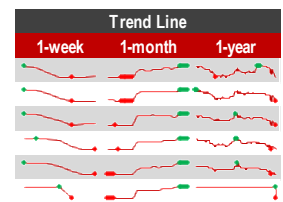
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	(2)	(14)	(37)	(21)
0	(5)	(23)	(45)	(24)
0	(1)	(17)	(36)	(17)
0	(2)	(12)	(33)	(8)
0	(1)	(11)	(26)	(18)
0	(2)	(9)	(33)	(20)
0	(1)	(9)	(24)	(18)



## Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year
	1-May-25	30-Apr-25	24-Apr-25	1-Apr-25	1-May-24
3-Year	3.30	3.30	3.31	3.51	3.60
5-Year	3.42	3.42	3.45	3.59	3.79
7-Year	3.53	3.53	3.55	3.71	3.89
10-Year	3.64	3.64	3.68	3.78	3.99
15-Year	3.79	3.79	3.80	3.90	4.09
20-Year	3.90	3.90	3.91	4.01	4.20

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	(1)	(21)	(30)	(20)
0	(3)	(17)	(37)	(19)
0	(2)	(18)	(36)	(23)
0	(4)	(14)	(35)	(15)
0	(2)	(12)	(30)	(17)
0	(1)	(11)	(30)	(22)



## Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	1-May-25	30-Apr-25	24-Apr-25	1-Apr-25	1-May-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
UST 2Y	3.70	3.60	3.80	3.88	4.96	10	(10)	(18)	(126)	(55)			
UST 10Y	4.22	4.16	4.31	4.17	4.63	6	(10)	5	(41)	34			
Germany 2Y	1.69	1.69	1.69	2.02	3.03	0	0	(34)	(135)	(72)			
Germany 10Y	2.44	2.44	2.45	2.69	2.58	0	(0)	(24)	(14)	42			
UK 2Y	3.82	3.80	3.88	4.17	4.51	2	(6)	(35)	(69)	(16)			
UK 10Y	4.48	4.44	4.50	4.63	4.37	4	(2)	(15)	12	94			
Japan 2Y	0.63	0.68	0.68	0.86	0.28	(5)	(5)	(23)	34	57			
Japan 10Y	1.26	1.32	1.33	1.50	0.89	(6)	(7)	(24)	37	64			
Australia 2Y	3.26	3.27	3.28	3.67	4.18	(1)	(2)	(41)	(91)	(45)			
Australia 10Y	4.19	4.16	4.24	4.41	4.51	2	(5)	(22)	(32)	23			
China 2Y	1.46	1.46	1.49	1.53	1.91	0	(3)	(7)	(45)	(74)			
China 10Y	1.63	1.63	1.66	1.81	2.31	0	(3)	(19)	(69)	(93)			
Indonesia 2Y	6.44	6.44	6.56	6.69	7.02	0	(12)	(25)	(58)	(7)			
Indonesia 10Y	6.88	6.88	6.95	7.00	7.25	0	(8)	(13)	(37)	40			
Thailand 2Y	1.55	1.55	1.55	1.67	2.37	0	(1)	(12)	(82)	(79)			
Thailand 10Y	1.88	1.88	1.94	1.97	2.76	0	(6)	(9)	(89)	(80)			

## Key swap rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	1-May-25	30-Apr-25	24-Apr-25	1-Apr-25	1-May-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
IRS 1-Year	3.42	3.42	3.42	3.54	3.67	0	(0)	(12)	(26)	(16)			
IRS 3-Year	3.25	3.25	3.23	3.43	3.71	0	2	(18)	(46)	(25)			
IRS 5-Year	3.29	3.29	3.28	3.47	3.80	0	2	(18)	(51)	(29)			
IRS 7-Year	3.40	3.40	3.38	3.54	3.91	0	1	(15)	(52)	(31)			
IRS 10-Year	3.50	3.50	3.51	3.64	4.03	0	(0)	(14)	(53)	(32)			
IRS 20-Year	3.71	3.71	3.80	3.90	4.37	0	(9)	(19)	(66)	(50)			

## Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	1-May-25	30-Apr-25	24-Apr-25	1-Apr-25	1-May-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
1-Month Klibor	3.28	3.28	3.28	3.28	3.29	0	0	0	(1)	(9)			
3-Month Klibor	3.65	3.65	3.65	3.66	3.59	0	0	(1)	6	(12)			
6-Month Klibor	3.70	3.70	3.70	3.73	3.64	0	0	(3)	6	(11)			

## Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	1-May-25	30-Apr-25	24-Apr-25	1-Apr-25	1-May-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year AAA	3.75	3.75	3.76	3.80	3.86	0	(0)	(4)	(11)	(10)			
3-Year AA	3.90	3.90	3.90	3.95	4.02	0	(0)	(6)	(12)	(15)			
3-Year A	4.52	4.52	4.58	4.81	5.09	0	(5)	(28)	(57)	(71)			
5-Year AAA	3.82	3.82	3.82	3.87	3.97	0	0	(5)	(15)	(15)			
5-Year AA	3.96	3.96	3.97	4.04	4.11	0	(1)	(7)	(15)	(22)			
5-Year A	4.63	4.63	4.71	5.00	5.37	0	(7)	(36)	(73)	(92)			
10-Year AAA	3.95	3.95	3.95	4.00	4.16	0	(0)	(4)	(21)	(23)			
10-Year AA	4.10	4.10	4.11	4.18	4.35	0	(1)	(7)	(24)	(31)			
10-Year A	4.98	4.98	5.06	5.38	5.92	0	(8)	(40)	(94)	(108)			

Sources: Bloomberg, AmBank Economics

Note: All values are end-period

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