



Fixed Income & FX Research

07 May 2026

Macro: Markets rallied sharply as the US presented a MoU to Iran to end the war and lift vessel blockades. ADP payrolls outperformed expectations, ahead of NFP data on Friday.

Forex: Oil-driven reversals swept FX markets, with JPY and AUD outperforming the pack. MYR also rallied a sharp 1%, ahead of BNM's MPC meeting today.

Fixed Income: UST curve bull steepened 5-8bps as oil prices retreated 7-8%. Malaysia government bonds also rallied as positive US-Iran news came during Asian trading hours.

Macro

Global: Sources indicate that the US has presented a one-page MoU to Iran to end the war, with both sides to gradually lift their blockades on the Strait of Hormuz and Iranian ports, and detailed negotiations over Iran's nuclear program to come later. Iran is expected to respond to this within 2 days. Separately, the Trump administration has begun issuing refunds for the USD166 billion in global tariffs that the US Supreme Court recently struck down. On the US data front, ADP private payrolls added 109k jobs in April (consensus: 99k), with its largest increase since January 2025 driven by additions in the services sector (+94k), though labour markets are still interpreted as a 'low-hire, low-fire' status when assessed with other earlier datapoints.

Malaysia: Investors on watch for BNM's MPC meeting, with no changes expected to the OPR at 2.75%.

Forex

Global: Oil-driven reversals swept FX markets, as the USD faltered across all G10 currencies, except commodity producers NOK (-0.5%) and CAD (-0.1%). Serving as a proxy for global risk sentiment (and supported by the earlier RBA rate hike), the AUD rallied a sharp 0.8%, while the JPY rose a sharper 0.9%, easing pressure on Japan's MOF and the BOJ, as markets pared back bearish yen bets on reduced carry trade appeal, and fading risks on Japan's current account and inflation. However, DXY posted smaller losses (-0.4%) amid the EUR's (+0.5%) gains amid an expected acceleration in Eurozone wage growth and greater impetus for the ECB to raise policy rates in 2H2026, while the GBP's (+0.4%) saw more limited gains, ahead of the UK's municipal elections today.

Malaysia: Asian currencies also closed firmer vs the USD on Wednesday, as news of the US-Iran agreement came during Asian trading hours. MYR rallied 1.0% to close at 3.92, outperforming most Asian FX apart from the THB (+1.5%) and KRW (+1.8%).

Fixed Income

Global Bonds: The UST curve steepened 5-8 bps in reaction to US-Iran news, with slight outperformance on the bellies, which may be driven by near-term uncertainties in the inflation/rates pathway, as well as government fiscal funding needs amid recent high defence spending and tariff-related refunds. Near-term, we think the market will remain cautious pending further developments on the war, as traders remain wary ahead of the NFP data later this week, especially after overnight data showed US private payrolls rose by more than expected.

MYR Bonds: The local government bond market closed firmer, but only after hearing positive late-afternoon developments on the war. The curve decline was led by the front-to-belly, with 3Y to 7Y down 1-2 bps. However, the corporate bond market was mixed, trailing the prior week's govies weakness. Flows were centred mostly on higher-grade and banking issuers. Suria KLCC 06/35 (AAA) closed unchanged at 3.83%, holding steady since mid-April. GG Danainfra 06/55 was stronger at 4.22%, down 3 bps.

Commodities

Oil prices plunged 7-8% after the most concrete sign of an end to the US-Iran war, though Brent is still at USD100/bbl, significantly above pre-war levels of around USD60/bbl due to supply lock-ins. **CPO** prices also fell 3% amid a downtick in oil prices and MYR strength, while **gold** ticked up 3% as global bond yields declined.

FX Daily Rates

Vs. USD	Last Close	Per cent
DXY	98.02	(0.4)
EUR/USD	1.175	0.5
AUD/USD	0.724	0.8
GBP/USD	1.359	0.4
USD/JPY	156.39	(0.9)
USD/MYR	3.923	(1.0)
USD/IDR	17,389	(0.2)
USD/THB	32.23	(1.5)
USD/SGD	1.268	(0.6)
USD/CNY	6.814	(0.2)

Ringgit Outlook for The Week

	1	2
Resistance	4.029	4.096
Support	3.916	3.869

Major Sovereign Yields (%)

Sov. Yield	Last Close	bps
UST 2Y	3.87	(7)
UST 10Y	4.35	(8)
Germany 10Y	3.00	(6)
UK 10Y	4.94	(12)
Japan 10Y	2.52	0
Australia 10Y	4.95	(2)
China 10Y	1.76	1

MGS Bond Yields (%)

MGS	Last	bps
3-Year	3.20	(1)
5-Year	3.35	(1)
7-Year	3.45	(1)
10-Year	3.57	(1)
15-Year	3.82	(1)
20-Year	3.96	(1)
30-Year	4.07	(0)

MYR Swap Rates (%)

Swap / Rates	Last Close	bps
IRS 1-Year	3.36	0
IRS 3-Year	3.42	(0)
IRS 5-Year	3.48	(1)
IRS 7-Year	3.56	(1)
IRS 10-Year	3.69	(0)
3M KLIBOR	3.35	0

Key Commodities

Commodities	Last Close	Per cent
Brent (USD/bbl)	101.27	(7.8)
WTI (USD/bbl)	95.08	(7.0)
Gold (USD/oz)	4,691	3.0
CPO (RM/tonne)	4,527	(2.5)

Policy Rates

Central Banks	Current	Next
US Fed Funds	3.75	18-Jun
ECB Deposit Rate	2.00	11-Jun
BOE Base Rate	3.75	18-Jun
RBA Cash Rate	4.10	16-Jun
BOJ Cash Rate	0.75	16-Jun
RBNZ Cash Rate	2.25	27-May
PBOC 1Y LPR	3.00	-
BNM OPR	2.75	09-Jul

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		
	6-May-26	5-May-26	29-Apr-26	6-Apr-26	6-May-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
DXY Dollar Index	98.02	98.44	98.96	99.98	99.24	(0.4)	(0.9)	(2.0)	(1.2)	(0.3)			
EUR/USD	1.175	1.169	1.168	1.154	1.137	0.5	0.6	1.8	3.3	0.0			
AUD/USD	0.724	0.718	0.712	0.692	0.650	0.8	1.7	4.6	11.4	8.5			
GBP/USD	1.359	1.354	1.348	1.324	1.337	0.4	0.9	2.7	1.7	0.9			
USD/JPY	156.39	157.88	160.41	159.68	142.45	(0.9)	(2.5)	(2.1)	9.8	(0.2)			
USD/MYR	3.923	3.961	3.952	4.028	4.232	(1.0)	(0.7)	(2.6)	(7.3)	(3.4)			
USD/IDR	17,389	17,425	17,290	17,038	16,450	(0.2)	0.6	2.1	5.7	4.2			
USD/THB	32.23	32.72	32.69	32.60	32.66	(1.5)	(1.4)	(1.1)	(1.3)	2.3			
USD/SGD	1.268	1.275	1.281	1.285	1.288	(0.6)	(1.0)	(1.3)	(1.6)	(1.3)			
USD/CNY	6.814	6.828	6.847	6.875	7.210	(0.2)	(0.5)	(0.9)	(5.5)	(2.3)			
USD/KRW	1,448	1,474	1,489	1,507	1,401	(1.8)	(2.7)	(4.0)	3.3	0.6			
USD/INR	94.62	95.29	94.85	93.06	84.44	(0.7)	(0.2)	1.7	12.1	5.3			
USD/PHP	61.35	61.56	61.57	60.08	55.62	(0.4)	(0.4)	2.1	10.3	4.3			
USD/TWD	31.48	31.62	31.57	31.99	30.25	(0.4)	(0.3)	(1.6)	4.0	0.2			
USD/HKD	7.836	7.836	7.837	7.838	7.753	(0.0)	(0.0)	(0.0)	1.1	0.7			
USD/VND	26,326	26,331	26,351	26,337	25,970	(0.0)	(0.1)	(0.0)	1.4	0.1			
NZD/USD	0.596	0.589	0.583	0.571	0.601	1.2	2.2	4.3	(0.9)	3.4			

Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	6-May-26	5-May-26	29-Apr-26	6-Apr-26	6-May-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
EUR/MYR	4.622	4.632	4.622	4.653	4.787	(0.2)	(0.0)	(0.7)	(3.5)	(3.0)			
GBP/MYR	5.346	5.365	5.336	5.335	5.636	(0.4)	0.2	0.2	(5.2)	(2.0)			
AUD/MYR	2.849	2.838	2.826	2.789	2.728	0.4	0.8	2.1	4.4	5.0			
JPY/MYR	2.510	2.509	2.464	2.523	2.972	0.0	1.8	(0.5)	(15.6)	(3.1)			
SGD/MYR	3.097	3.103	3.093	3.138	3.278	(0.2)	0.1	(1.3)	(5.5)	(1.9)			
10 CNY/MYR	5.762	5.802	5.782	5.853	5.863	(0.7)	(0.4)	(1.6)	(1.7)	(0.8)			
1 million IDR/MYR	2.258	2.273	2.281	2.365	2.573	(0.7)	(1.0)	(4.5)	(12.2)	(7.2)			
THB/MYR	12.167	12.170	12.097	12.397	12.967	(0.0)	0.6	(1.9)	(6.2)	(5.2)			
10 HKD/MYR	5.009	5.056	5.043	5.140	5.460	(0.9)	(0.7)	(2.5)	(8.3)	(4.0)			

Commodities

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	6-May-26	5-May-26	29-Apr-26	6-Apr-26	6-May-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
Brent (USD/barrel)	101.27	109.87	118.03	109.77	62.15	(7.8)	(14.2)	(7.7)	62.9	66.4			
WTI (USD/barrel)	95.08	102.27	106.88	112.41	59.09	(7.0)	(11.0)	(15.4)	60.9	65.6			
Gold (USD/oz)	4,691	4,557	4,548	4,650	3,432	3.0	3.2	0.9	36.7	8.6			
Malaysia CPO (RM/tonne)	4,527	4,642	4,505	4,740	3,795	(2.5)	0.5	(4.5)	19.3	13.2			

Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	6-May-26	5-May-26	29-Apr-26	6-Apr-26	6-May-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.20	3.21	3.18	3.24	3.26	(1)	2	(5)	(6)	20			
5-Year	3.35	3.36	3.33	3.43	3.34	(1)	2	(9)	1	9			
7-Year	3.45	3.45	3.43	3.54	3.55	(1)	1	(9)	(11)	7			
10-Year	3.57	3.58	3.55	3.63	3.66	(1)	2	(6)	(10)	6			
15-Year	3.82	3.83	3.82	3.92	3.81	(1)	1	(10)	2	6			
20-Year	3.96	3.96	3.95	4.01	3.91	(1)	0	(5)	5	11			
30-Year	4.07	4.07	4.06	4.16	4.08	(0)	1	(9)	(1)	9			

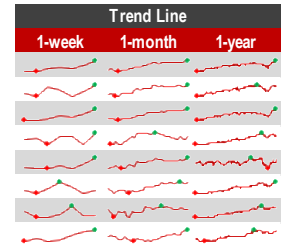
Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	6-May-26	5-May-26	29-Apr-26	6-Apr-26	6-May-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.20	3.19	3.19	3.23	3.30	1	1	(4)	(10)	9			
5-Year	3.34	3.33	3.32	3.40	3.43	1	2	(6)	(10)	8			
7-Year	3.51	3.51	3.50	3.59	3.54	1	2	(8)	(3)	17			
10-Year	3.59	3.58	3.57	3.63	3.65	1	2	(4)	(6)	6			
15-Year	3.86	3.86	3.87	3.91	3.80	0	(1)	(5)	6	11			
20-Year	3.97	3.97	3.99	4.01	3.91	1	(1)	(4)	6	11			

Major Equity Indices

	Latest	1-day	1 week	1-Month	1-Year
	6-May-26	5-May-26	29-Apr-26	6-Apr-26	6-May-25
S&P500 Index	7,365	7,259	7,136	6,612	5,607
Dow Jones	49,911	49,298	48,862	46,670	40,829
Nasdaq	25,839	25,326	24,673	21,996	17,690
London FTSE	10,439	10,219	10,213	10,436	8,597
German DAX	24,919	24,402	23,955	23,168	23,250
Nikkei 225	59,513	59,513	59,917	53,414	36,831
Japan TOPIX	3,729	3,729	3,772	3,645	2,688
FBM KLCI	1,757	1,747	1,720	1,681	1,537

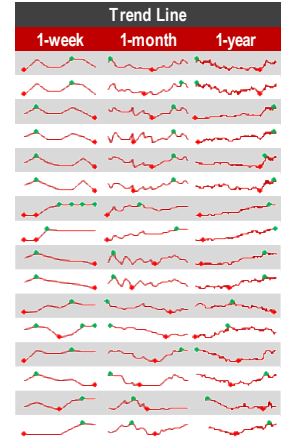
Percentage Change				
1-day	1-week	1-month	1-year	YTD
1.5	3.2	11.4	31.4	91.8
1.2	2.1	6.9	22.2	50.6
2.0	4.7	17.5	46.1	146.9
2.1	2.2	0.0	21.4	40.1
2.1	4.0	7.6	7.2	79.0
0.0	(0.7)	11.4	61.6	128.1
0.0	(1.2)	2.3	38.7	97.1
0.5	2.1	4.5	14.3	17.5



Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year
	6-May-26	5-May-26	29-Apr-26	6-Apr-26	6-May-25
UST 2Y	3.87	3.94	3.95	3.85	3.78
UST 10Y	4.35	4.42	4.43	4.33	4.29
Germany 2Y	2.57	2.68	2.74	2.62	1.74
Germany 10Y	3.00	3.06	3.11	2.99	2.54
UK 2Y	4.38	4.52	4.56	4.32	3.83
UK 10Y	4.94	5.06	5.07	4.83	4.51
Japan 2Y	1.39	1.39	1.38	1.40	0.61
Japan 10Y	2.52	2.52	2.48	2.42	1.26
Australia 2Y	4.66	4.67	4.70	4.74	3.38
Australia 10Y	4.95	4.97	5.00	5.04	4.33
China 2Y	1.28	1.30	1.27	1.30	1.46
China 10Y	1.76	1.75	1.75	1.82	1.63
Indonesia 2Y	6.35	6.39	6.37	6.22	6.41
Indonesia 10Y	6.74	6.82	6.90	6.65	6.88
Thailand 2Y	1.23	1.23	1.20	1.32	1.55
Thailand 10Y	2.22	2.23	2.14	2.16	1.88

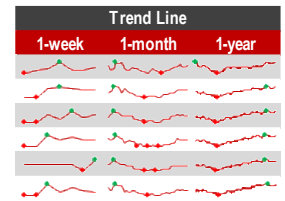
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(7)	(8)	2	8	39
(8)	(8)	2	5	18
(11)	(17)	(5)	83	45
(6)	(11)	1	46	14
(14)	(18)	6	55	65
(12)	(13)	11	43	46
0	1	(1)	78	21
0	4	10	125	45
(0)	(3)	(7)	128	61
(2)	(4)	(9)	62	21
(1)	1	(2)	(18)	(9)
1	2	(5)	14	(9)
(4)	(2)	13	(6)	135
(8)	(16)	8	(14)	67
(0)	2	(10)	(33)	11
(1)	7	6	34	58



Key swap rates

	Latest	1-day	1 week	1-Month	1-Year
	6-May-26	5-May-26	29-Apr-26	6-Apr-26	6-May-25
IRS 1-Year	3.36	3.35	3.35	3.35	3.39
IRS 3-Year	3.42	3.42	3.40	3.40	3.23
IRS 5-Year	3.48	3.49	3.47	3.47	3.27
IRS 7-Year	3.56	3.57	3.55	3.56	3.37
IRS 10-Year	3.69	3.70	3.70	3.70	3.49
IRS 20-Year	4.03	4.04	4.01	4.03	3.73

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	0	0	(4)	15
(0)	2	2	19	15
(1)	1	1	21	13
(1)	2	0	20	15
(0)	(0)	(0)	20	14
(1)	2	0	30	15



Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year
	6-May-26	5-May-26	29-Apr-26	6-Apr-26	6-May-25
1-Month Klibor	3.00	3.00	3.00	3.00	3.28
3-Month Klibor	3.35	3.35	3.35	3.36	3.65
6-Month Klibor	3.39	3.39	3.39	3.39	3.70

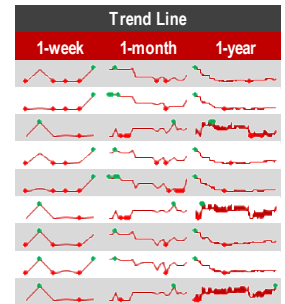
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	0	0	(28)	0
0	0	(1)	(30)	7
0	0	0	(31)	9



Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year
	6-May-26	5-May-26	29-Apr-26	6-Apr-26	6-May-25
3-Year AAA	3.55	3.54	3.54	3.56	3.75
3-Year AA	3.69	3.68	3.68	3.69	3.89
3-Year A	4.48	4.48	4.48	4.46	4.51
5-Year AAA	3.63	3.62	3.62	3.64	3.82
5-Year AA	3.77	3.77	3.77	3.77	3.96
5-Year A	4.66	4.65	4.65	4.62	4.64
10-Year AAA	3.79	3.79	3.79	3.80	3.95
10-Year AA	3.94	3.93	3.93	3.94	4.10
10-Year A	5.06	5.06	5.06	5.01	4.99

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	0	(1)	(20)	4
1	1	(0)	(20)	2
0	0	3	(3)	(6)
1	1	(0)	(19)	4
1	1	0	(19)	2
1	1	4	2	(4)
1	1	(1)	(16)	2
1	1	(0)	(16)	1
1	1	5	7	(4)



Sources: Bloomberg, AmBank Economics

Note: All values are end-period

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