



Fixed Income & FX Research

02 September 2025

Macro: US PCE held steady in July, as expected. A US court ruled Trump's tariffs illegal, but they remain in place for now. We expect BNM to hold the OPR steady at this Thursday's MPC.

Forex: G10 currencies broadly rallied over Friday and Monday, ahead of key US labour data releases this week. MYR tracked downshift in CNH, while IDR fell on domestic protests.

Fixed Income: UST closed weaker on Friday, but remained firmly up for the month. MGS closed mixed within a narrow range, as markets closed positions ahead of the month-end.

Macro

Global: Earlier, US core PCE inflation held steady at 0.3% m/m in July (consensus: 0.3%; June: 0.3%), accelerating slightly on a y/y basis at 2.9% (June: 2.8%). Upside risks, however, lie ahead, as the US's exemption of tariffs for low-value goods/the de minimis rule (below USD800) ended on Friday. As imports surged, the US reported a sharply wider goods trade deficit in July. Meanwhile, consumer spending remained solid at 0.5% m/m in July (June: 0.4%), suggesting potential frontloading effects ahead of more US tariffs. Meanwhile, the USTR said the administration continues trade talks with partners despite a US appellate court ruling that most of Trump's tariffs are illegal. However, the court allowed tariffs to remain in place through 14 October to allow Trump's administration to file an appeal with the US Supreme Court. Separately, a court hearing to fire Fed Governor Lisa Cook has ended with no immediate ruling and Cook to remain in place for now, ahead of the Fed's upcoming meeting on 18 September.

Malaysia: PM Anwar Ibrahim said Malaysia is exploring new markets to diversify its semiconductor industry, with a focus expected on Chinese and Japanese companies. Meanwhile, BNM's MPC meeting will take place on Thursday (4 September), with the OPR not expected to be cut by 20 out of 22 economists, including AmBank.

Forex

Global: G10 currencies broadly rallied against the USD between Friday and Monday. Most majors rallied 0.2-0.3%, with minor gains persisting overnight after the release of US PCE data. Markets now await a series of labour market data this week, including job openings and nonfarm payrolls, which may shape the trajectory of the Fed's subsequent policy rate decisions. Meanwhile, the JPY continued to trade within a very tight 146-148 range, coming amid a slight deceleration in core CPI in Tokyo.

Asian: MYR retreated 0.2% on Friday, in line with a paring of gains for the offshore yuan. In Asia, the IDR is down 0.5% over the long weekend, as protests against the Indonesian administration triggered fresh market concerns of domestic instability. The Indian Rupee (INR) is also down 0.6%, as markets pared risks in Indian markets on US trade and tariff risks.

Fixed Income

Global Bonds: Last Friday, ahead of the month-end, US Treasuries closed weaker to pare their weekly and monthly gains. The main driver for the weak bond market sentiment was the rise in PCE inflation, including the core PCE number. Still, US yields were down for the month as markets generally expect the Fed to cut rates this month, after Powell's comments at Jackson Hole last month. German yields also rose last Friday as traders digested the higher German preliminary inflation data release, while this week opened with losses amid political concerns in France before the confidence vote on 8 September, amid a budget policy standoff against the French PM. Meanwhile, September is set to present a historically weak month for long-dated bonds, with other bearish catalysts on the radar, including sticky inflation in Japan, threats to Fed independence, US payrolls data, and the pickup in bond issuances during the month.

MYR Bonds: Ahead of the long weekend, Malaysian government bonds closed mixed in a narrow yield range as we think players mostly squared positions for the month-end. The 3Y GII benchmark fell 1 bps to 3.02% on heavy MYR400 million flows, but the 3Y MGS rose 1 bps to 3.00% on a lower MYR200 million volume. In the corporate bond market, we noted a mix of AA papers getting trading interest. Of these, Gamuda 06/33 (AA3) was down 10 bps to 3.65%.

FX Daily Rates

Vs. USD	Last Close	Per cent
DX	97.77	0.0
EUR/USD	1.171	0.2
AUD/USD	0.655	0.2
GBP/USD	1.355	0.3
USD/JPY	147.18	0.1
USD/MYR	4.225	0.0
USD/IDR	16,421	(0.4)
USD/THB	32.32	(0.2)
USD/SGD	1.284	0.0
USD/CNY	7.138	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	0
UST 10Y	4.23	0
Germany 10Y	2.75	2
UK 10Y	4.75	3
Japan 10Y	1.63	3
Australia 10Y	4.32	4
China 10Y	1.78	(1)

MGS Bond Yields (%)

MGS	Last	bps
3-Year	2.99	0
5-Year	3.08	0
7-Year	3.30	0
10-Year	3.39	0
15-Year	3.59	0
20-Year	3.73	0
30-Year	3.88	0

MYR Swap Rates (%)

Swap / Rates	Last Close	bps
IRS 1-Year	3.10	0
IRS 3-Year	3.03	0
IRS 5-Year	3.10	0
IRS 7-Year	3.17	0
IRS 10-Year	3.29	0
3M KLIBOR	3.21	0

Key Commodities

Commodities	Last Close	Per cent
Brent (USD/bbl)	68.15	0.0
WTI (USD/bbl)	64.01	0.0
Gold (USD/oz)	3,476	0.8
CPO (RM/tonne)	4,308	0.0

Policy Rates

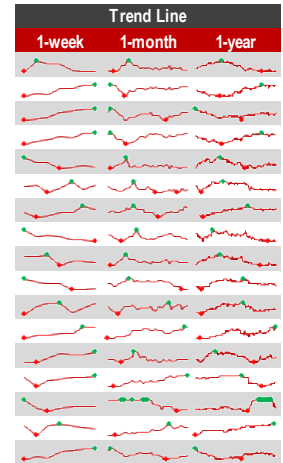
Central Banks	Current	Next
US Fed Funds	4.50	18-Sep
ECB Deposit Rate	2.00	11-Sep
BOE Base Rate	4.00	18-Sep
RBA Cash Rate	3.60	30-Sep
BOJ Cash Rate	0.50	19-Sep
RBNZ Cash Rate	3.00	08-Oct
PBOC 1Y LPR	3.00	-
BNM OPR	2.75	04-Sep

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.

Currencies vs USD

	Latest	1-day	1 week	1-Month	1-Year
	1-Sep-25	29-Aug-25	25-Aug-25	2-Aug-25	1-Sep-24
DXY Dollar Index	97.77	97.77	98.43	99.14	101.70
EUR/USD	1.171	1.169	1.162	1.159	1.105
AUD/USD	0.655	0.654	0.648	0.647	0.677
GBP/USD	1.355	1.350	1.346	1.328	1.313
USD/JPY	147.18	147.05	147.8	147.4	146.17
USD/MYR	4.225	4.225	4.207	4.279	4.321
USD/IDR	16,421	16,490	16,253	16,493	15,455
USD/THB	32.32	32.39	32.44	32.86	33.86
USD/SGD	1.284	1.284	1.286	1.290	1.307
USD/CNY	7.138	7.131	7.154	7.193	7.091
USD/KRW	1,393	1,390	1,391	1,389	1,338
USD/INR	88.20	88.21	87.58	87.53	83.87
USD/PHP	57.22	57.14	56.95	58.17	56.14
USD/TWD	30.62	30.60	30.44	30.01	31.96
USD/HKD	7.797	7.796	7.812	7.850	7.798
USD/VND	26,343	26,345	26,306	26,213	24,875
NZD/USD	0.590	0.589	0.585	0.592	0.625

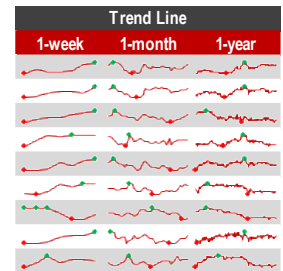
	Percentage Change				
	1-day	1-week	1-month	1-year	YTD
DXY Dollar Index	0.0	(0.7)	(1.4)	(3.9)	(9.9)
EUR/USD	0.2	0.8	1.1	6.0	13.1
AUD/USD	0.2	1.1	1.2	(3.1)	5.9
GBP/USD	0.3	0.7	2.0	3.2	8.2
USD/JPY	0.1	(0.4)	(0.1)	0.7	(6.4)
USD/MYR	0.0	0.4	(1.3)	(2.2)	(5.5)
USD/IDR	(0.4)	1.0	(0.4)	6.3	2.0
USD/THB	(0.2)	(0.4)	(1.7)	(4.6)	(5.2)
USD/SGD	0.0	(0.1)	(0.4)	(1.7)	(6.0)
USD/CNY	0.1	(0.2)	(0.8)	0.7	(2.2)
USD/KRW	0.3	0.2	0.3	4.2	(5.3)
USD/INR	(0.0)	0.7	0.8	5.2	3.0
USD/PHP	0.1	0.5	(1.6)	1.9	(1.1)
USD/TWD	0.1	0.6	2.0	(4.2)	(6.6)
USD/HKD	0.0	(0.2)	(0.7)	(0.0)	0.4
USD/VND	(0.0)	0.1	0.5	5.9	3.4
NZD/USD	0.1	0.9	(0.3)	(5.6)	5.5



Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year
	1-Sep-25	29-Aug-25	25-Aug-25	2-Aug-25	1-Sep-24
EUR/MYR	4.943	4.933	4.920	4.878	4.788
GBP/MYR	5.710	5.687	5.677	5.626	5.696
AUD/MYR	2.771	2.758	2.730	2.748	2.941
JPY/MYR	2.871	2.874	2.847	2.902	2.956
SGD/MYR	3.291	3.288	3.279	3.293	3.317
10 CNY/MYR	5.924	5.926	5.879	5.931	6.093
1 million IDR/MYR	2.564	2.562	2.588	2.591	2.795
THB/MYR	13.038	13.038	12.963	13.025	12.737
10 HKD/MYR	5.420	5.421	5.387	5.450	5.540

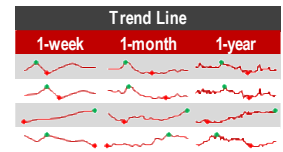
	Percentage Change				
	1-day	1-week	1-month	1-year	YTD
EUR/MYR	0.2	0.5	1.3	3.2	6.1
GBP/MYR	0.4	0.6	1.5	0.2	1.7
AUD/MYR	0.5	1.5	0.8	(5.8)	(0.4)
JPY/MYR	(0.1)	0.8	(1.1)	(2.9)	0.9
SGD/MYR	0.1	0.4	(0.1)	(0.8)	0.2
10 CNY/MYR	(0.0)	0.8	(0.1)	(2.8)	(3.3)
1 million IDR/MYR	0.1	(0.9)	(1.0)	(8.3)	(7.5)
THB/MYR	0.0	0.6	0.1	2.4	0.1
10 HKD/MYR	(0.0)	0.6	(0.6)	(2.2)	(5.9)



Commodities

	Latest	1-day	1 week	1-Month	1-Year
	1-Sep-25	29-Aug-25	25-Aug-25	2-Aug-25	1-Sep-24
Brent (USD/barrel)	68.15	68.12	68.8	69.67	78.8
WTI (USD/barrel)	64.01	64.01	64.8	67.33	73.55
Gold (USD/oz)	3,476	3,448	3,366	3,363	2,503
Malaysia CPO (RM/tonne)	4,308	4,308	4,413	4,193	4,075

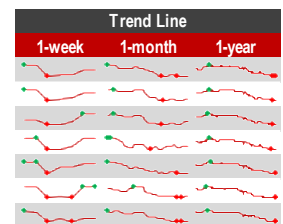
	Percentage Change				
	1-day	1-week	1-month	1-year	YTD
Brent (USD/barrel)	0.0	(0.9)	(2.2)	(13.5)	(8.7)
WTI (USD/barrel)	0.0	(1.2)	(4.9)	(13.0)	(10.8)
Gold (USD/oz)	0.8	3.3	3.3	38.9	32.4
Malaysia CPO (RM/tonne)	0.0	(2.4)	2.7	5.7	(11.4)



Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year
	1-Sep-25	29-Aug-25	25-Aug-25	2-Aug-25	1-Sep-24
3-Year	2.99	2.99	2.97	3.07	3.34
5-Year	3.08	3.08	3.07	3.17	3.50
7-Year	3.30	3.30	3.26	3.36	3.70
10-Year	3.39	3.39	3.37	3.40	3.76
15-Year	3.59	3.59	3.58	3.63	3.91
20-Year	3.73	3.73	3.73	3.77	4.05
30-Year	3.88	3.88	3.88	3.92	4.18

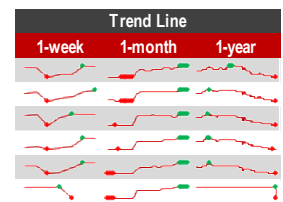
	Basis Points Change				
	1-day	1-week	1-month	1-year	YTD
3-Year	0	2	(8)	(35)	(49)
5-Year	0	1	(9)	(42)	(54)
7-Year	0	4	(6)	(41)	(47)
10-Year	0	2	(1)	(37)	(43)
15-Year	0	1	(4)	(32)	(38)
20-Year	0	0	(3)	(32)	(33)
30-Year	0	(0)	(3)	(30)	(30)



Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year
	1-Sep-25	29-Aug-25	25-Aug-25	2-Aug-25	1-Sep-24
3-Year	3.03	3.03	3.01	3.11	3.32
5-Year	3.13	3.13	3.11	3.20	3.50
7-Year	3.25	3.25	3.23	3.35	3.69
10-Year	3.42	3.42	3.40	3.43	3.79
15-Year	3.59	3.59	3.58	3.64	3.94
20-Year	3.74	3.74	3.73	3.74	4.07

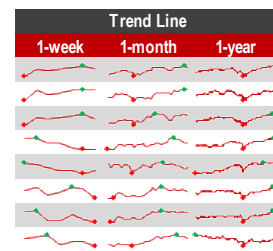
	Basis Points Change				
	1-day	1-week	1-month	1-year	YTD
3-Year	0	1	(8)	(29)	(40)
5-Year	0	2	(7)	(38)	(50)
7-Year	0	2	(10)	(44)	(49)
10-Year	0	2	(1)	(37)	(41)
15-Year	0	1	(5)	(35)	(39)
20-Year	0	2	1	(33)	(34)



Major Equity Indices

	Latest	1-day	1 week	1-Month	1-Year
	1-Sep-25	29-Aug-25	25-Aug-25	2-Aug-25	1-Sep-24
S&P500 Index	6,460	6,460	6,439	6,238	5,648
Dow Jones	45,545	45,545	45,282	43,589	41,563
Nasdaq	21,456	21,456	21,449	20,650	17,714
London FTSE	9,196	9,187	9,321	9,069	8,377
German DAX	24,037	23,902	24,273	23,426	18,907
Nikkei 225	42,189	42,718	42,808	40,800	38,648
Japan TOPIX	3,063	3,075	3,105	2,949	2,713
FBM KLCI	1,575	1,575	1,602	1,533	1,679

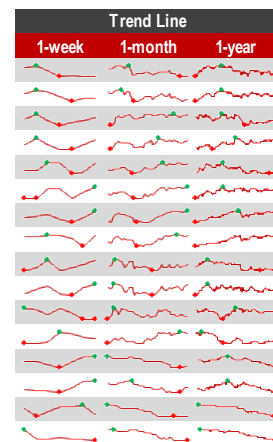
Percentage Change				
1-day	1-week	1-month	1-year	YTD
0.0	0.3	3.6	14.4	68.3
0.0	0.6	4.5	9.6	37.4
0.0	0.0	3.9	21.1	105.0
0.1	(1.3)	1.4	9.8	23.4
0.6	(1.0)	2.6	27.1	72.6
(1.2)	(1.4)	3.4	9.2	61.7
(0.4)	(1.4)	3.9	12.9	61.9
0.0	(1.7)	2.7	(6.2)	5.3



Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year
	1-Sep-25	29-Aug-25	25-Aug-25	2-Aug-25	1-Sep-24
UST 2Y	3.62	3.62	3.72	3.68	3.92
UST 10Y	4.23	4.23	4.28	4.22	3.90
Germany 2Y	1.96	1.94	1.98	1.93	2.39
Germany 10Y	2.75	2.72	2.76	2.68	2.30
UK 2Y	3.97	3.94	3.94	3.79	4.11
UK 10Y	4.75	4.72	4.69	4.53	4.02
Japan 2Y	0.89	0.87	0.88	0.82	0.37
Japan 10Y	1.63	1.60	1.62	1.56	0.90
Australia 2Y	3.35	3.34	3.33	3.40	3.67
Australia 10Y	4.32	4.27	4.28	4.32	3.97
China 2Y	1.41	1.41	1.42	1.43	1.53
China 10Y	1.78	1.79	1.77	1.71	2.18
Indonesia 2Y	5.38	5.35	5.35	5.87	6.51
Indonesia 10Y	6.41	6.36	6.34	6.58	6.63
Thailand 2Y	1.13	1.14	1.12	1.29	2.19
Thailand 10Y	1.28	1.29	1.29	1.50	2.55

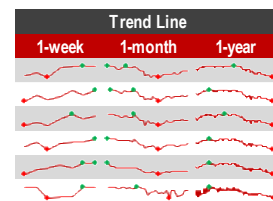
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	(11)	(7)	(30)	(62)
0	(5)	1	33	(34)
2	(2)	3	(44)	(13)
2	(1)	7	45	38
2	2	17	(14)	(43)
3	6	22	74	18
1	1	7	51	28
3	0	7	73	53
1	2	(5)	(32)	(51)
4	3	0	35	(4)
(1)	(1)	(2)	(13)	31
(1)	1	8	(40)	11
3	3	(49)	(113)	(166)
5	7	(17)	(22)	(59)
(2)	0	(16)	(106)	(87)
(1)	(1)	(22)	(127)	(97)



Key swap rates

	Latest	1-day	1 week	1-Month	1-Year
	1-Sep-25	29-Aug-25	25-Aug-25	2-Aug-25	1-Sep-24
IRS 1-Year	3.10	3.10	3.08	3.14	3.45
IRS 3-Year	3.03	3.03	3.00	3.09	3.37
IRS 5-Year	3.10	3.10	3.08	3.17	3.43
IRS 7-Year	3.17	3.17	3.14	3.23	3.50
IRS 10-Year	3.29	3.29	3.28	3.34	3.62
IRS 20-Year	3.60	3.60	3.51	3.66	3.73

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	2	(4)	(35)	(47)
0	3	(6)	(34)	(47)
0	2	(7)	(34)	(45)
0	3	(6)	(33)	(46)
0	1	(5)	(33)	(44)
0	10	(6)	(13)	(35)



Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year
	1-Sep-25	29-Aug-25	25-Aug-25	2-Aug-25	1-Sep-24
1-Month Klibor	3.00	3.00	3.00	3.01	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

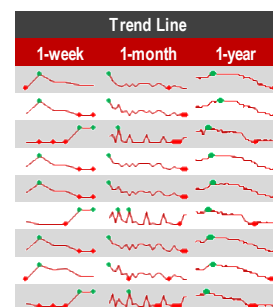
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	0	(1)	(28)	(29)
0	0	(1)	(32)	(52)
0	0	(2)	(35)	(51)



Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year
	1-Sep-25	29-Aug-25	25-Aug-25	2-Aug-25	1-Sep-24
3-Year AAA	3.52	3.52	3.52	3.53	3.76
3-Year AA	3.68	3.68	3.68	3.70	3.90
3-Year A	4.54	4.54	4.51	4.52	4.86
5-Year AAA	3.60	3.60	3.60	3.62	3.84
5-Year AA	3.77	3.77	3.77	3.79	3.98
5-Year A	4.68	4.68	4.65	4.65	5.12
10-Year AAA	3.75	3.75	3.75	3.77	3.99
10-Year AA	3.92	3.92	3.91	3.94	4.17
10-Year A	5.06	5.06	5.02	5.01	5.63

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	0	(1)	(24)	(31)
0	(0)	(2)	(22)	(34)
0	2	2	(32)	(32)
0	(0)	(2)	(24)	(33)
0	(0)	(2)	(22)	(34)
0	3	3	(44)	(40)
0	(0)	(2)	(24)	(32)
0	0	(2)	(26)	(32)
0	4	5	(57)	(50)



Sources: Bloomberg, AmBank Economics

Note: All values are end-period

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