



Fixed Income & FX Research

05 August 2026

Macro: Japan's officials offered a sanguine view on inflation risks, in contrast to the BOJ. SERC expects inflation to trend higher amid cost pass-throughs from businesses.

Forex: DXY remained below the 100 level, with a rebound in EUR and GBP offset by fresh JPY pressure. AUD outperformed amid stronger-than-expected household spending data.

Fixed Income: UST yields eased slightly from July highs. Tepid trading continued in local bonds amid a lack of drivers, with action instead seen at a firm 2.4x BTC for the 5Y GII auction.

Macro

Global: US job openings fell by 178k to 7.36 million in June (consensus: 7.40 million), driven by pullbacks in several services industries. However, hiring picked up for the month while layoffs remained little changed, indicating relatively steady demand for workers into summer. Meanwhile, Japan's Economy Minister Kiuchi said the country has seen only limited cost pass-through from higher energy prices so far, offering a sanguine view of inflationary risks, in sharp contrast to the BOJ's assessment at its monetary policy meeting. This comes alongside the MOF's and BOJ's recent divergence in changes to 2026 growth projections.

Malaysia: The Socio-Economic Research Centre (SERC) said inflation is expected to trend at 2.5-2.8% y/y for 2026 as businesses pass on higher operating costs to consumers in the coming months. Meanwhile, the Inland Revenue Board (IRB) indicated it has raised MYR4.4 billion in additional tax revenue in 1H2026.

Forex

Global: DXY seen consolidating below the 100 level for a second consecutive day. AUD (+0.7%) outperformed peers after the June data, indicating stronger-than-expected Australian household spending, driven by an increase in discretionary spending. This comes ahead of the RBA's monetary policy meeting next week, with the RBA previously indicating consumer activity remains firm despite weak sentiment. However, recent cool inflation data and weaknesses in the housing market suggest rates will remain unchanged next week. EUR (+0.2%) and GBP (+0.1%) gained as energy prices eased, while JPY (-0.4%) was seen reversing earlier sharp gains. This is despite the US's Bessent indicating it would "do whatever it takes" to support Japan, explaining that it has contributed to Japan's inflation issues and risks broader depreciation for other Asian FX. Bessent has also urged the Fed to expand a repo facility that allows foreign governments to obtain US dollars using UST holdings as collateral, suggesting efforts to prevent contagion from Japan's MOF's FX intervention, which is pushing up borrowing costs for the US government.

Asia: USD/MYR continued to see minimal moves, though it has recently trended towards the upper half of its steady 4.05-4.10 trading range. We expect near-term pressure on the Ringgit as global sentiment turned cautious ahead of US NFP data on Friday.

Fixed Income

Global Bonds: UST yields slipped lower, though maintaining about 20 bps above July lows. Hopes for a peace deal aided bond trading as oil prices fell, but sentiment remained negatively affected by the hawkish Fed following last week's FOMC meeting. Meanwhile, Philadelphia Fed president Paulson said she is maintaining an open mind about the path for interest rates, focusing on trends in underlying inflation.

MYR Bonds: A lack of fresh drivers and global yields remaining at relatively elevated levels contributed to weak trading in the local bond market yesterday. The MYR5.0 billion auction of the 5Y GII closed with BTC of a firm 2.4x.

Commodities

Oil prices fell another 5-6% on Tuesday, as traders rapidly dialled back exposure. A proposal from Qatar to reopen the Strait of Hormuz appears to be favourable to both US and Iranian officials, and, if sustained, would be sufficient to reduce global energy prices and flip the global supply-and-demand balance into a net surplus, even if underlying US-Iran tensions or issues remain unresolved.

FX Daily Rates

Vs. USD	Last Close	Per cent
DXY	99.86	(0.0)
EUR/USD	1.153	0.2
AUD/USD	0.705	0.7
GBP/USD	1.345	0.1
USD/JPY	157.75	0.4
USD/MYR	4.098	0.0
USD/IDR	18,023	0.2
USD/THB	33.41	0.2
USD/SGD	1.282	0.0
USD/CNY	6.748	(0.1)

Ringgit Outlook for The Week

	1	2
Resistance	4.107	4.116
Support	4.079	4.061

Major Sovereign Yields (%)

Sov. Yield	Last Close	bps
UST 2Y	4.19	(5)
UST 10Y	4.61	(6)
Germany 10Y	3.11	(4)
UK 10Y	4.90	(6)
Japan 10Y	2.86	2
Australia 10Y	4.97	4
China 10Y	1.71	(1)

MGS Bond Yields (%)

MGS	Last	bps
3-Year	3.32	1
5-Year	3.53	1
7-Year	3.66	1
10-Year	3.73	1
15-Year	3.97	1
20-Year	3.99	0
30-Year	4.12	1

MYR Swap Rates (%)

Swap / Rates	Last Close	bps
IRS 1-Year	3.56	3
IRS 3-Year	3.61	2
IRS 5-Year	3.67	3
IRS 7-Year	3.73	2
IRS 10-Year	3.83	2
3M KLIBOR	3.46	0

Key Commodities

Commodities	Last Close	Per cent
Brent (USD/bbl)	79.36	(5.3)
WTI (USD/bbl)	75.77	(5.7)
Gold (USD/oz)	4,078	0.6
CPO (RM/tonne)	4,551	1.4

Policy Rates

Central Banks	Current	Next
US Fed Funds	3.75	17-Sep
ECB Deposit Rate	2.25	10-Sep
BOE Base Rate	3.75	17-Sep
RBA Cash Rate	4.35	11-Aug
BOJ Cash Rate	1.00	18-Sep
RBNZ Cash Rate	2.50	02-Sep
PBOC 1Y LPR	3.00	-
BNM OPR	2.75	03-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

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	4-Aug-26	3-Aug-26	28-Jul-26	5-Jul-26	4-Aug-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
DXY Dollar Index	99.86	99.90	101.42	100.86	98.78	(0.0)	(1.5)	(1.0)	1.1	1.6			
EUR/USD	1.153	1.151	1.139	1.144	1.157	0.2	1.3	0.8	(0.3)	(1.8)			
AUD/USD	0.705	0.700	0.698	0.694	0.647	0.7	1.0	1.5	9.0	5.6			
GBP/USD	1.345	1.343	1.329	1.335	1.329	0.1	1.2	0.8	1.3	(0.2)			
USD/JPY	157.75	157.18	163.85	161.34	147.09	0.4	(3.7)	(2.2)	7.2	0.7			
USD/MYR	4.098	4.096	4.092	4.072	4.237	0.0	0.1	0.6	(3.3)	0.9			
USD/IDR	18,023	17,990	18,067	17,954	16,390	0.2	(0.2)	0.4	10.0	8.0			
USD/THB	33.41	33.35	33.57	33.14	32.45	0.2	(0.5)	0.8	3.0	6.0			
USD/SGD	1.282	1.282	1.292	1.292	1.288	0.0	(0.8)	(0.7)	(0.4)	(0.2)			
USD/CNY	6.748	6.758	6.771	6.785	7.184	(0.1)	(0.3)	(0.5)	(6.1)	(3.3)			
USD/KRW	1,430	1,432	1,453	1,530	1,385	(0.1)	(1.6)	(6.5)	3.3	(0.7)			
USD/INR	95.39	95.34	95.86	95.22	87.65	0.0	(0.5)	0.2	8.8	6.1			
USD/PHP	61.18	60.94	61.63	61.43	57.38	0.4	(0.7)	(0.4)	6.6	4.0			
USD/TWD	32.47	32.47	32.40	31.95	29.90	0.0	0.2	1.6	8.6	3.3			
USD/HKD	7.843	7.842	7.841	7.843	7.850	0.0	0.0	(0.0)	(0.1)	0.8			
USD/VND	26,278	26,282	26,335	26,297	26,185	(0.0)	(0.2)	(0.1)	0.4	(0.1)			
NZD/USD	0.589	0.587	0.578	0.571	0.591	0.4	1.9	3.2	(0.2)	2.4			

Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	4-Aug-26	3-Aug-26	28-Jul-26	5-Jul-26	4-Aug-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
EUR/MYR	4.714	4.719	4.646	4.658	4.900	(0.1)	1.5	1.2	(3.8)	(1.1)			
GBP/MYR	5.508	5.509	5.434	5.437	5.632	(0.0)	1.4	1.3	(2.2)	0.9			
AUD/MYR	2.879	2.869	2.850	2.825	2.744	0.4	1.0	1.9	4.9	6.1			
JPY/MYR	2.597	2.606	2.496	2.523	2.881	(0.3)	4.0	2.9	(9.8)	0.2			
SGD/MYR	3.192	3.193	3.162	3.154	3.289	(0.0)	0.9	1.2	(3.0)	1.1			
10 CNY/MYR	6.067	6.064	6.039	6.002	5.903	0.0	0.5	1.1	2.8	4.4			
1 million IDR/MYR	2.273	2.276	2.262	2.266	2.583	(0.1)	0.5	0.3	(12.0)	(6.6)			
THB/MYR	12.295	12.281	12.167	12.293	13.096	0.1	1.1	0.0	(6.1)	(4.2)			
10 HKD/MYR	5.223	5.222	5.217	5.191	5.397	0.0	0.1	0.6	(3.2)	0.1			

Commodities

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	4-Aug-26	3-Aug-26	28-Jul-26	5-Jul-26	4-Aug-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
Brent (USD/barrel)	79.36	83.77	84.09	72.12	68.76	(5.3)	(5.6)	10.0	15.4	30.4			
WTI (USD/barrel)	75.77	80.34	79.26	68.69	66.29	(5.7)	(4.4)	10.3	14.3	32.0			
Gold (USD/oz)	4,078	4,054	4,030	4,177	3,374	0.6	1.2	(2.4)	20.9	(5.6)			
Malaysia CPO (RM/tonne)	4,551	4,488	4,540	4,439	4,166	1.4	0.2	2.5	9.2	13.8			

Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	4-Aug-26	3-Aug-26	28-Jul-26	5-Jul-26	4-Aug-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.32	3.31	3.29	3.25	3.05	1	3	7	27	32			
5-Year	3.53	3.52	3.48	3.39	3.16	1	4	14	37	27			
7-Year	3.66	3.65	3.62	3.53	3.34	1	4	13	32	28			
10-Year	3.73	3.71	3.70	3.61	3.39	1	3	12	34	22			
15-Year	3.97	3.96	3.93	3.82	3.61	1	4	15	36	21			
20-Year	3.99	3.99	3.99	3.95	3.76	0	1	5	23	15			
30-Year	4.12	4.12	4.10	4.09	3.91	1	2	3	21	14			

Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	4-Aug-26	3-Aug-26	28-Jul-26	5-Jul-26	4-Aug-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.36	3.36	3.33	3.26	3.10	1	3	11	26	26			
5-Year	3.51	3.50	3.45	3.38	3.20	1	6	13	31	26			
7-Year	3.64	3.64	3.59	3.54	3.34	0	5	10	30	30			
10-Year	3.71	3.71	3.69	3.62	3.43	0	2	9	29	19			
15-Year	3.96	3.96	3.94	3.89	3.64	0	2	7	32	21			
20-Year	4.00	4.00	3.99	3.98	3.74	1	1	3	26	14			

Major Equity Indices

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	4-Aug-26	3-Aug-26	28-Jul-26	5-Jul-26	4-Aug-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
S&P500 Index	7,737	7,601	7,429	7,483	6,330	1.8	4.1	3.4	22.2	101.5			
Dow Jones	54,086	53,178	52,747	52,900	44,174	1.7	2.5	2.2	22.4	63.2			
Nasdaq	26,585	25,914	24,877	25,833	21,054	2.6	6.9	2.9	26.3	154.0			
London FTSE	10,879	10,858	10,871	10,679	9,128	0.2	0.1	1.9	19.2	46.0			
German DAX	26,202	26,001	25,464	25,779	23,758	0.8	2.9	1.6	10.3	88.2			
Nikkei 225	63,958	63,755	62,365	69,744	40,291	0.3	2.6	(8.3)	58.7	145.1			
Japan TOPIX	3,962	3,960	3,964	4,065	2,916	0.0	(0.0)	(2.5)	35.9	109.4			
FBM KLCI	1,733	1,726	1,712	1,679	1,527	0.4	1.2	3.2	13.5	15.9			

Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	4-Aug-26	3-Aug-26	28-Jul-26	5-Jul-26	4-Aug-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
UST 2Y	4.19	4.24	4.29	4.14	3.68	(5)	(10)	5	52	72			
UST 10Y	4.61	4.68	4.61	4.48	4.19	(6)	1	13	42	45			
Germany 2Y	2.72	2.78	2.75	2.54	1.90	(6)	(3)	18	82	60			
Germany 10Y	3.11	3.15	3.10	2.94	2.62	(4)	0	17	48	25			
UK 2Y	4.24	4.31	4.33	4.12	3.81	(7)	(9)	11	43	50			
UK 10Y	4.90	4.95	4.94	4.78	4.51	(6)	(5)	12	39	42			
Japan 2Y	1.58	1.57	1.50	1.39	0.76	1	7	18	81	40			
Japan 10Y	2.86	2.84	2.79	2.79	1.52	2	7	7	134	79			
Australia 2Y	4.55	4.53	4.58	4.45	3.40	2	(3)	10	115	49			
Australia 10Y	4.97	4.93	4.96	4.80	4.32	4	1	17	66	23			
China 2Y	1.26	1.27	1.27	1.24	1.43	(1)	(1)	2	(17)	(12)			
China 10Y	1.71	1.71	1.73	1.74	1.71	(1)	(2)	(3)	(1)	(15)			
Indonesia 2Y	7.05	7.04	7.10	7.18	5.79	1	(5)	(13)	126	205			
Indonesia 10Y	7.34	7.33	7.36	7.14	6.49	0	(3)	20	84	127			
Thailand 2Y	1.10	1.12	1.13	1.12	1.26	(2)	(2)	(2)	(16)	(2)			
Thailand 10Y	2.06	2.05	2.05	2.01	1.48	0	1	5	58	42			

Key swap rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	4-Aug-26	3-Aug-26	28-Jul-26	5-Jul-26	4-Aug-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
IRS 1-Year	3.56	3.53	3.51	3.44	3.13	3	4	11	43	35			
IRS 3-Year	3.61	3.59	3.57	3.47	3.06	2	5	14	56	35			
IRS 5-Year	3.67	3.64	3.62	3.53	3.13	3	5	14	54	32			
IRS 7-Year	3.73	3.70	3.68	3.60	3.20	2	4	13	52	32			
IRS 10-Year	3.83	3.81	3.76	3.72	3.33	2	7	11	50	28			
IRS 20-Year	4.17	3.97	4.07	4.05	3.65	20	10	13	52	29			

Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	4-Aug-26	3-Aug-26	28-Jul-26	5-Jul-26	4-Aug-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
1-Month Klibor	3.01	3.01	3.01	3.01	3.00	0	0	0	1	1			
3-Month Klibor	3.46	3.46	3.45	3.45	3.22	0	1	1	24	18			
6-Month Klibor	3.49	3.49	3.48	3.48	3.28	0	1	1	21	19			

Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	4-Aug-26	3-Aug-26	28-Jul-26	5-Jul-26	4-Aug-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year AAA	3.61	3.61	3.59	3.58	3.53	0	1	3	8	10			
3-Year AA	3.74	3.74	3.73	3.71	3.71	0	1	3	3	7			
3-Year A	4.40	4.40	4.41	4.45	4.58	0	(1)	(5)	(18)	(14)			
5-Year AAA	3.70	3.70	3.68	3.66	3.61	0	2	4	9	11			
5-Year AA	3.83	3.83	3.81	3.80	3.80	0	2	3	3	7			
5-Year A	4.55	4.55	4.56	4.62	4.70	0	(1)	(7)	(16)	(15)			
10-Year AAA	3.88	3.88	3.86	3.84	3.77	0	2	5	12	11			
10-Year AA	4.01	4.01	3.99	3.97	3.95	0	2	4	6	9			
10-Year A	4.94	4.94	4.95	5.01	5.05	0	(1)	(8)	(11)	(17)			

Sources: Bloomberg, AmBank Economics

Note: All values are end-period

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