



Fixed Income & FX Research

07 October 2026

Macro: Normalising flows in Hormuz threatened by the quickening pace of Iranian attacks. World Bank supports integration of GST elements into SST system; urges adjustment to SME tax structure.

Forex: DXY fell 0.3% as most G10 currencies rebounded vs. the USD. EUR seen rebounding despite escalating risks in France. USD/JPY weakened past 158 amid PM Takaichi's fiscal plans.

Fixed Income: UST saw mild support amid signs of peaking yields, though sentiment remains guarded ahead of 10Y and 30Y UST auctions. MGS support is seen in suspected onshore demand.

Macro

Global: The UK Maritime Trade Operations reported that Iran has increased the pace of attacks in the Strait of Hormuz in recent days, even as oil and gas flows across the Strait have recovered to near pre-war levels. The US is also reportedly reluctant to deepen its role in the Saudi Arabia-Houthi conflict beyond providing intelligence support.

Malaysia: The World Bank has expressed support for Malaysia's ongoing tax reforms, noting that the country could simplify its income tax structure for smaller businesses by adopting a single consolidated corporate tax rate and phasing out preferential treatments as these firms outgrow their size.

Forex

Global: A mild pullback for the DXY (-0.3%) as most G10 currencies rebounded vs. the USD, driven by fading concerns of high energy prices and Fed tightening bias. While the EUR (+0.3%) also recovered, attention is expected to focus on France's 2027 budget plan today, while the opposition party Le Pen is also expected to outline plans to cut government spending by EUR25billion/year, even as nearly 25% of French high schools closed in protest for more education funding. GBP rose a sharper 0.4%, after BOE policymaker Mann warned that inflation appeared to be entrenched above its 2% target, and could reach 4% in the coming months. Despite weakening consumer sentiment in Australia, AUD/USD remained near 0.70, supported by weakness in EUR and NZD. USD/JPY (+0.1%) weakened above 158 amid PM Takaichi's fiscal plans, though continued real wage growth data this morning is expected to support the JPY ahead of other data points (current account, household spending, consumer confidence, and machine tool orders) this week.

Asia: USD/MYR closed unchanged, as sentiment remained guarded amid a lack of firm USD direction, and ahead of Malaysia's Budget this Friday.

Fixed Income

Global Bonds: The UST market found support after yields found new multi-year highs earlier this week. We feel that some market participants already regard the levels as attractive. The auction of the 3Y UST at a steady BTC price of 2.62x also aided sentiment. However, after the USD58 billion 3Y sale, the market still has USD39 billion in 10Y sales and USD22 billion in 30Y sales to come this week.

MYR Bonds: In the local government bond market, despite pressure from UST trading, some support was seen yesterday amid suspected onshore demand. News of planned G7 strategic oil reserve release and ship flows via the Strait of Hormuz aided sentiment despite the Saudi Aramco chief recently noting global oil stocks are "a scary thing". Corporate bonds were mixed as we opened the week, and volume remained light. AAA-rated YTL Power 05/27 rose 4 bps to 4.00%.

Commodities

Gold remains hovering around USD4,150/oz, as fading expectations for Fed rate hikes remain insufficient to offset pressure from a firm USD and elevated UST yields. **CPO** prices are also seen around MYR4,300/tonne, having recently dropped to multi-week lows despite the impact of El Niño on CPO plantations, as markets increasingly expect record-large harvests of competing US soybeans.

FX Daily Rates

Vs. USD	Last Close	Per cent
DXY	101.83	(0.3)
EUR/USD	1.126	0.3
AUD/USD	0.698	0.1
GBP/USD	1.328	0.4
USD/JPY	158.10	0.1
USD/MYR	4.085	(0.0)
USD/IDR	17,900	(0.0)
USD/THB	33.62	(0.2)
USD/SGD	1.278	(0.1)
USD/CNY	6.702	(0.0)

Ringgit Outlook for The Week

	1	2
Resistance	4.110	4.135
Support	4.050	4.015

Major Sovereign Yields (%)

Sov. Yield	Last Close	bps
UST 2Y	4.80	(1)
UST 10Y	5.28	(3)
Germany 10Y	3.48	(1)
UK 10Y	5.38	(4)
Japan 10Y	3.11	1
Australia 10Y	5.40	6
China 10Y	1.68	0

MGS Bond Yields (%)

MGS	Last	bps
3-Year	3.47	(2)
5-Year	3.76	(1)
7-Year	3.97	(1)
10-Year	3.99	(2)
15-Year	4.20	(2)
20-Year	4.32	(1)
30-Year	4.42	0

MYR Swap Rates (%)

Swap / Rates	Last Close	bps
IRS 1-Year	3.73	(2)
IRS 3-Year	3.80	(1)
IRS 5-Year	3.84	(1)
IRS 7-Year	3.92	(0)
IRS 10-Year	4.04	(1)
3M KLIBOR	3.55	0

Key Commodities

Commodities	Last Close	Per cent
Brent (USD/bbl)	100.58	0.3
WTI (USD/bbl)	89.44	0.0
Gold (USD/oz)	4,164	0.6
CPO (RM/tonne)	4,340	(1.1)

Policy Rates (%)

Central Banks	Current	Next
US Fed Funds	4.00	28-Oct
ECB Deposit Rate	2.50	29-Oct
BOE Base Rate	3.75	05-Nov
RBA Cash Rate	4.60	03-Nov
BOJ Cash Rate	1.25	30-Oct
RBNZ Cash Rate	2.75	28-Oct
PBOC 1Y LPR	3.00	-
BNM OPR	2.75	05-Nov

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-Oct-26	5-Oct-26	29-Sep-26	6-Sep-26	6-Oct-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
DXY Dollar Index	101.83	102.17	101.37	99.18	98.11	(0.3)	0.5	2.7	3.8	3.6			
EUR/USD	1.126	1.122	1.134	1.161	1.171	0.3	(0.7)	(3.1)	(3.9)	(4.1)			
AUD/USD	0.698	0.697	0.699	0.720	0.662	0.1	(0.1)	(3.1)	5.5	4.6			
GBP/USD	1.328	1.322	1.323	1.352	1.349	0.4	0.3	(1.8)	(1.5)	(1.5)			
USD/JPY	158.1	157.91	157.29	156.26	150.35	0.1	0.5	1.2	5.2	0.9			
USD/MYR	4.085	4.086	4.083	4.045	4.215	(0.0)	0.1	1.0	(3.1)	0.6			
USD/IDR	17,900	17,907	17,975	17,637	16,554	(0.0)	(0.4)	1.5	8.1	7.2			
USD/THB	33.62	33.68	33.59	32.94	32.45	(0.2)	0.1	2.1	3.6	6.7			
USD/SGD	1.278	1.279	1.278	1.267	1.292	(0.1)	(0.0)	0.9	(1.1)	(0.6)			
USD/CNY	6.702	6.704	6.708	6.708	7.144	(0.0)	(0.1)	(0.1)	(6.2)	(3.9)			
USD/KRW	1,339	1,343	1,355	1,352	1,406	(0.2)	(1.1)	(0.9)	(4.8)	(7.0)			
USD/INR	96.43	96.30	95.99	94.50	88.79	0.1	0.5	2.0	8.6	7.3			
USD/PHP	62.78	62.64	62.57	62.60	58.35	0.2	0.3	0.3	7.6	6.7			
USD/TWD	31.80	31.78	31.91	31.64	30.38	0.1	(0.3)	0.5	4.7	1.2			
USD/HKD	7.848	7.847	7.847	7.841	7.783	0.0	0.0	0.1	0.8	0.8			
USD/VND	25,994	25,994	25,971	26,080	26,365	0.0	0.1	(0.3)	(1.4)	(1.2)			
NZD/USD	0.562	0.560	0.564	0.588	0.584	0.4	(0.3)	(4.4)	(3.8)	(2.3)			

Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	6-Oct-26	5-Oct-26	29-Sep-26	6-Sep-26	6-Oct-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
EUR/MYR	4.593	4.580	4.627	4.699	4.918	0.3	(0.7)	(2.2)	(6.6)	(3.6)			
GBP/MYR	5.409	5.405	5.399	5.470	5.664	0.1	0.2	(1.1)	(4.5)	(0.9)			
AUD/MYR	2.847	2.844	2.851	2.912	2.781	0.1	(0.1)	(2.2)	2.4	4.9			
JPY/MYR	2.584	2.588	2.595	2.588	2.804	(0.1)	(0.4)	(0.2)	(7.8)	(0.3)			
SGD/MYR	3.195	3.192	3.191	3.191	3.258	0.1	0.1	0.2	(1.9)	1.2			
10 CNY/MYR	6.095	6.094	6.087	6.027	5.919	0.0	0.1	1.1	3.0	4.9			
1 million IDR/MYR	2.283	2.281	2.270	2.293	2.542	0.1	0.6	(0.4)	(10.2)	(6.2)			
THB/MYR	12.159	12.131	12.179	12.288	12.994	0.2	(0.2)	(1.0)	(6.4)	(5.3)			
10 HKD/MYR	5.206	5.208	5.203	5.159	5.417	(0.0)	0.1	0.9	(3.9)	(0.2)			

Commodities

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	6-Oct-26	5-Oct-26	29-Sep-26	6-Sep-26	6-Oct-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
Brent (USD/barrel)	100.58	100.32	102.59	96.28	65.47	0.3	(2.0)	4.5	53.6	65.3			
WTI (USD/barrel)	89.44	89.43	89.38	91.48	61.69	0.0	0.1	(2.2)	45.0	55.8			
Gold (USD/oz)	4,164	4,140	4,182	4,430	3,961	0.6	(0.4)	(6.0)	5.1	(3.6)			
Malaysia CPO (RM/tonne)	4,340	4,390	4,433	4,608	4,385	(1.1)	(2.1)	(5.8)	(1.0)	8.6			

Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	6-Oct-26	5-Oct-26	29-Sep-26	6-Sep-26	6-Oct-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.47	3.49	3.48	3.42	3.11	(2)	(1)	5	37	47			
5-Year	3.76	3.77	3.79	3.68	3.23	(1)	(4)	8	53	50			
7-Year	3.97	3.98	4.04	3.92	3.43	(1)	(7)	5	54	59			
10-Year	3.99	4.00	4.06	3.97	3.48	(2)	(8)	1	51	48			
15-Year	4.20	4.21	4.21	4.10	3.69	(2)	(1)	9	50	43			
20-Year	4.32	4.33	4.35	4.26	3.86	(1)	(3)	7	47	47			
30-Year	4.42	4.42	4.45	4.32	4.05	0	(3)	10	38	44			

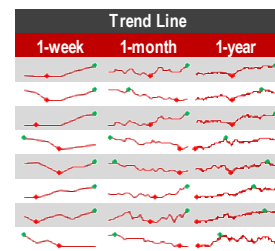
Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	6-Oct-26	5-Oct-26	29-Sep-26	6-Sep-26	6-Oct-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.52	3.51	3.49	3.42	3.14	1	3	10	38	42			
5-Year	3.80	3.80	3.77	3.67	3.23	0	3	13	56	54			
7-Year	3.98	4.00	4.01	3.88	3.36	(1)	(2)	11	62	64			
10-Year	4.05	4.05	4.04	3.95	3.50	(0)	0	9	55	52			
15-Year	4.20	4.20	4.19	4.12	3.70	0	2	9	50	45			
20-Year+D2:U65	4.35	4.36	4.33	4.22	3.87	(1)	2	14	48	49			

Major Equity Indices

	Latest	1-day	1 week	1-Month	1-Year
	6-Oct-26	5-Oct-26	29-Sep-26	6-Sep-26	6-Oct-25
S&P500 Index	7,819	7,774	7,671	7,719	6,740
Dow Jones	51,521	51,268	51,350	53,414	46,695
Nasdaq	27,600	27,477	26,798	26,507	22,942
London FTSE	10,542	10,498	10,637	10,831	9,479
German DAX	25,449	25,254	25,399	26,046	24,378
Nikkei 225	70,684	69,947	65,481	65,021	47,945
Japan TOPIX	4,184	4,145	4,041	4,103	3,226
FBM KLCI	1,633	1,632	1,644	1,708	1,638

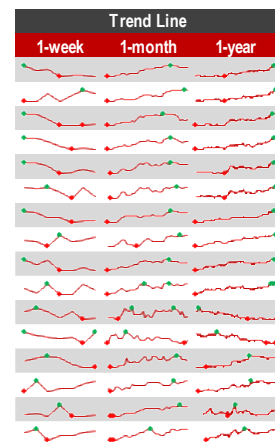
Percentage Change				
1-day	1-week	1-month	1-year	YTD
0.6	1.9	1.3	16.0	103.6
0.5	0.3	(3.5)	10.3	55.4
0.4	3.0	4.1	20.3	163.7
0.4	(0.9)	(2.7)	11.2	41.5
0.8	0.2	(2.3)	4.4	82.8
1.1	7.9	8.7	47.4	170.9
0.9	3.5	2.0	29.7	121.2
0.1	(0.6)	(4.4)	(0.3)	9.2



Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year
	6-Oct-26	5-Oct-26	29-Sep-26	6-Sep-26	6-Oct-25
UST 2Y	4.80	4.81	4.88	4.37	3.59
UST 10Y	5.28	5.30	5.24	4.78	4.15
Germany 2Y	3.11	3.07	3.29	2.95	2.01
Germany 10Y	3.48	3.49	3.63	3.34	2.72
UK 2Y	4.82	4.85	4.91	4.53	3.99
UK 10Y	5.38	5.42	5.41	5.13	4.74
Japan 2Y	1.93	1.92	1.97	1.84	0.91
Japan 10Y	3.11	3.10	3.09	2.92	1.69
Australia 2Y	4.93	4.91	4.99	4.77	3.50
Australia 10Y	5.40	5.34	5.37	5.17	4.33
China 2Y	1.24	1.24	1.24	1.25	1.46
China 10Y	1.68	1.68	1.67	1.68	1.87
Indonesia 2Y	6.78	6.78	6.88	6.74	4.97
Indonesia 10Y	7.21	7.19	7.22	7.12	6.30
Thailand 2Y	1.28	1.28	1.29	1.17	1.13
Thailand 10Y	2.35	2.35	2.36	2.19	1.39

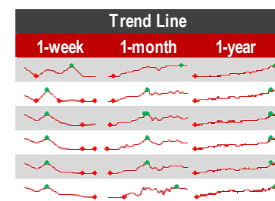
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(1)	(8)	43	121	132
(3)	4	50	113	111
5	(18)	16	111	99
(1)	(15)	14	76	62
(3)	(10)	29	83	108
(4)	(4)	24	64	90
1	(4)	9	103	75
1	2	19	142	104
2	(6)	16	143	87
6	3	22	107	66
0	0	(1)	(22)	(13)
0	1	(0)	(19)	(18)
0	(9)	4	182	179
3	(0)	10	92	114
0	(1)	12	15	16
0	(1)	16	96	71



Key swap rates

	Latest	1-day	1 week	1-Month	1-Year
	6-Oct-26	5-Oct-26	29-Sep-26	6-Sep-26	6-Oct-25
IRS 1-Year	3.73	3.75	3.74	3.64	3.23
IRS 3-Year	3.80	3.81	3.83	3.72	3.18
IRS 5-Year	3.84	3.85	3.90	3.77	3.27
IRS 7-Year	3.92	3.92	3.96	3.83	3.33
IRS 10-Year	4.04	4.05	4.09	3.95	3.46
IRS 20-Year	4.27	4.29	4.32	4.20	3.72

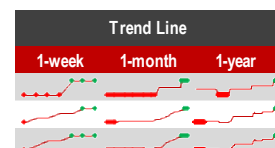
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(2)	(2)	9	50	52
(1)	(3)	8	62	54
(1)	(6)	7	57	49
(0)	(4)	9	59	51
(1)	(4)	10	58	49
(1)	(5)	8	56	39



Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year
	6-Oct-26	5-Oct-26	29-Sep-26	6-Sep-26	6-Oct-25
1-Month Klibor	3.03	3.03	3.02	3.01	3.00
3-Month Klibor	3.55	3.55	3.53	3.47	3.22
6-Month Klibor	3.58	3.58	3.56	3.50	3.26

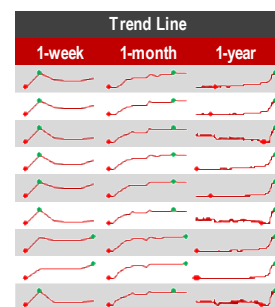
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	1	2	3	3
0	2	8	33	27
0	2	8	32	28



Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year
	6-Oct-26	5-Oct-26	29-Sep-26	6-Sep-26	6-Oct-25
3-Year AAA	3.82	3.81	3.80	3.65	3.52
3-Year AA	3.97	3.97	3.96	3.79	3.68
3-Year A	4.65	4.64	4.63	4.42	4.52
5-Year AAA	4.02	4.02	4.01	3.77	3.59
5-Year AA	4.21	4.21	4.20	3.90	3.76
5-Year A	4.90	4.90	4.89	4.58	4.65
10-Year AAA	4.29	4.29	4.27	3.98	3.75
10-Year AA	4.48	4.47	4.45	4.11	3.91
10-Year A	5.33	5.32	5.31	4.99	5.02

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	2	16	29	31
0	2	18	29	31
0	1	23	13	10
0	1	25	43	44
0	1	31	46	46
0	1	32	25	20
0	2	31	54	52
1	2	37	56	55
0	2	34	31	22



Sources: Bloomberg, AmBank Economics

Note: All values are end-period

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