



## Fixed Income &amp; FX Research

09 October 2025

**Macro:** PIAM warned that medical inflation continues to outpace their premium growth. Malaysia to continue prioritising fiscal consolidation and unveil JS-SEZ 'good news' soon.

**Forex:** DXY upstreak continued amid rising dovish bets on other DM central banks. MYR closed unchanged, with stability remaining anchored by yuan movements.

**Fixed Income:** UST left uninspired amid bifurcated gains among equities and alternative safe-haven assets. Local bonds trading remains skewed towards selling.

**Macro**

**Global:** Fed FOMC meeting minutes revealed concurrence among members to lower policy rates in the September meeting, given the higher downside risks to employment, with around half anticipating two additional rate cuts by end-2025. However, a majority of members emphasised that inflation risks remain tilted to the upside. IMF head Georgieva said the world economy has proven more resilient than earlier expected despite multiple shocks, though noted several underlying risks remain, ahead of its fresh outlook release next week (14 October).

**Malaysia:** The General Insurance Association of Malaysia (PIAM) warned that medical inflation has far outpaced premium growth, with their health and medical insurance segments underwriting losses for several years, suggesting possible spillovers into insurance inflation and higher government healthcare spending in the future. Plantation Minister Abdul Ghani hinted that Budget 2026 will continue to prioritise efforts to reduce the country's fiscal deficit, while MITI Minister Tengku Zafrul also teased good news ahead on the JS-SEZ next week (14 October).

**Forex**

**Global:** DXY upward momentum continued, briefly testing its highest since February above 99.0, before settling lower at 98.9 (+0.3%). Greenback resilience was supported by the relatively hawkish FOMC meeting minutes – which stood in contrast to newfound dovish sentiment in other DM peers. JPY fell another 0.5%, driven in part by risk-on sentiment, though JPY is also down 3.4% this week to its weakest since February post-LDP elections. NZD fell 0.2%, after the RBNZ partly surprised markets with a larger 50bps rate cut to 2.50%, citing the need to restore confidence in an economic recovery. AUD (+0.1%) however outperformed all peers, as markets dialed back bets of an RBA rate cut in November, ahead of the key upcoming 3Q2025 CPI report. The AUD has also outperformed most G10 FX since September, as the government projects gold to become Australia's second-most valuable export in the future. EUR placed midpacked (-0.2%), coming amid conflicting statements from ECB policymakers on the future path, and a slump in German industrial output.

**Asian:** MYR remained steady at around 4.210-4.225, anchored by CNH stability (-0.1%), which remains a persistent trend across the wider EM currency space.

**Fixed Income**

**Global Bonds:** UST limped through the session with a flattish closing, as bifurcated markets drove further gains for tech-driven equities (S&P 500: +0.6%, 33rd new peak) and other safe-haven assets, such as Bunds and gold. Gilts and JGB tracked the languishing UST sentiment amid fiscal risks.

**MYR Bonds:** Uninspired trading also remained for local bonds, with interest remaining skewed towards selling ahead of more auctions and fresh fiscal estimates from Budget 2026. Belly-to-tail tenors underperformed amid continued reduced support from key local players, though the 30-year MGS continue to hold more resilient after an earlier underperformance.

**Commodities**

**Gold (+1.4%)** breached the USD4,000/oz level, underpinned by haven demands, technical breaches, FOMO buying, continued Fed rate cut bets, inflation risks, and the lack of government data clarity. **CPO** also rallied 1.4%, after Indonesia confirmed that it is on track for B50 biodiesel in 2026 (current: 40%), which will further reduce availability of CPO exports by Indonesia in the future.

**FX Daily Rates**

Vs. USD	Last Close	Per cent
DXI	98.92	0.3
EUR/USD	1.163	(0.2)
AUD/USD	0.659	0.1
GBP/USD	1.340	(0.2)
USD/JPY	152.69	0.5
USD/MYR	4.216	0.0
USD/IDR	16,560	0.1
USD/THB	32.53	0.1
USD/SGD	1.296	0.2
USD/CNY	7.150	0.1

**Ringgit Outlook for The Week**

	1	2
Resistance	4.238	4.260
Support	4.191	4.166

**Major Sovereign Yields (%)**

Sov. Yield	Last Close	bps
UST 2Y	3.58	2
UST 10Y	4.12	(1)
Germany 10Y	2.68	(3)
UK 10Y	4.71	(1)
Japan 10Y	1.69	0
Australia 10Y	4.36	(2)
China 10Y	1.87	0

**MGS Bond Yields (%)**

MGS	Last	bps
3-Year	3.13	0
5-Year	3.24	1
7-Year	3.48	3
10-Year	3.50	2
15-Year	3.73	2
20-Year	3.87	2
30-Year	4.04	(0)

**MYR Swap Rates (%)**

Swap / Rates	Last Close	bps
IRS 1-Year	3.22	(1)
IRS 3-Year	3.17	(2)
IRS 5-Year	3.26	(2)
IRS 7-Year	3.33	(0)
IRS 10-Year	3.45	(1)
3M KLIBOR	3.22	0

**Key Commodities**

Commodities	Last Close	Per cent
Brent (USD/bbl)	66.25	1.2
WTI (USD/bbl)	62.55	1.3
Gold (USD/oz)	4,042	1.4
CPO (RM/tonne)	4,468	1.4

**Policy Rates**

Central Banks	Current	Next
US Fed Funds	4.25	29-Oct
ECB Deposit Rate	2.00	30-Oct
BOE Base Rate	4.00	06-Nov
RBA Cash Rate	3.60	04-Nov
BOJ Cash Rate	0.50	30-Oct
RBNZ Cash Rate	3.00	26-Nov
PBOC 1Y LPR	3.00	-
BNM OPR	2.75	06-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 vs USD

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	8-Oct-25	7-Oct-25	1-Oct-25	8-Sep-25	8-Oct-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
DXY Dollar Index	98.92	98.58	97.71	97.45	102.55	0.3	1.2	1.5	(3.5)	(8.8)			
EUR/USD	1.163	1.166	1.173	1.176	1.098	(0.2)	(0.9)	(1.1)	5.9	12.3			
AUD/USD	0.659	0.658	0.661	0.659	0.674	0.1	(0.4)	(0.1)	(2.3)	6.4			
GBP/USD	1.340	1.343	1.348	1.355	1.310	(0.2)	(0.5)	(1.0)	2.3	7.1			
USD/JPY	152.69	151.9	147.07	147.5	148.2	0.5	3.8	3.5	3.0	(2.9)			
USD/MYR	4.216	4.214	4.207	4.219	4.287	0.0	0.2	(0.1)	(1.7)	(5.7)			
USD/IDR	16,560	16,540	16,610	16,304	15,645	0.1	(0.3)	1.6	5.8	2.8			
USD/THB	32.53	32.51	32.36	31.87	33.49	0.1	0.6	2.1	(2.9)	(4.6)			
USD/SGD	1.296	1.293	1.288	1.283	1.304	0.2	0.6	1.0	(0.6)	(5.1)			
USD/CNY	7.150	7.146	7.128	7.122	7.074	0.1	0.3	0.4	1.1	(2.6)			
USD/KRW	1,406	1,406	1,403	1,387	1,346	0.0	0.2	1.4	4.5	(4.5)			
USD/INR	88.80	88.78	88.69	88.27	83.96	0.0	0.1	0.6	5.8	3.7			
USD/PHP	57.96	58.12	58.15	56.71	56.92	(0.3)	(0.3)	2.2	1.8	0.2			
USD/TWD	30.53	30.51	30.44	30.51	32.24	0.1	0.3	0.1	(5.3)	(6.9)			
USD/HKD	7.782	7.783	7.782	7.793	7.776	(0.0)	0.0	(0.1)	0.1	0.2			
USD/VND	26,361	26,365	26,416	26,409	24,841	(0.0)	(0.2)	(0.2)	6.1	3.4			
NZD/USD	0.579	0.580	0.582	0.594	0.614	(0.2)	(0.5)	(2.6)	(5.7)	3.5			

## Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	8-Oct-25	7-Oct-25	1-Oct-25	8-Sep-25	8-Oct-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
EUR/MYR	4.896	4.916	4.936	4.946	4.711	(0.4)	(0.8)	(1.0)	3.9	5.1			
GBP/MYR	5.650	5.665	5.665	5.700	5.614	(0.3)	(0.3)	(0.9)	0.6	0.6			
AUD/MYR	2.766	2.779	2.782	2.777	2.884	(0.5)	(0.6)	(0.4)	(4.1)	(0.6)			
JPY/MYR	2.761	2.774	2.861	2.860	2.893	(0.5)	(3.5)	(3.4)	(4.5)	(3.0)			
SGD/MYR	3.252	3.260	3.264	3.285	3.290	(0.3)	(0.4)	(1.0)	(1.1)	(1.0)			
10 CNY/MYR	5.921	5.917	5.906	5.917	6.077	0.1	0.3	0.1	(2.6)	(3.3)			
1 million IDR/MYR	2.544	2.544	2.529	2.586	2.739	0.0	0.6	(1.6)	(7.1)	(8.2)			
THB/MYR	12.962	12.956	12.994	13.274	12.766	0.0	(0.2)	(2.3)	1.5	(0.5)			
10 HKD/MYR	5.419	5.415	5.407	5.413	5.514	0.1	0.2	0.1	(1.7)	(5.9)			

## Commodities

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	8-Oct-25	7-Oct-25	1-Oct-25	8-Sep-25	8-Oct-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
Brent (USD/barrel)	66.25	65.45	65.35	66.02	77.18	1.2	1.4	0.3	(14.2)	(11.2)			
WTI (USD/barrel)	62.55	61.73	61.78	62.26	73.57	1.3	1.2	0.5	(15.0)	(12.8)			
Gold (USD/oz)	4,042	3,985	3,866	3,636	2,622	1.4	4.6	11.2	54.2	54.0			
Malaysia CPO (RM/tonne)	4,468	4,406	4,359	4,399	4,349	1.4	2.5	1.6	2.7	(8.1)			

## Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	8-Oct-25	7-Oct-25	1-Oct-25	8-Sep-25	8-Oct-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.13	3.12	3.12	3.03	3.42	0	0	10	(29)	(35)			
5-Year	3.24	3.23	3.23	3.11	3.55	1	2	13	(31)	(38)			
7-Year	3.48	3.45	3.41	3.32	3.74	3	7	16	(26)	(29)			
10-Year	3.50	3.48	3.46	3.39	3.77	2	4	11	(27)	(32)			
15-Year	3.73	3.71	3.67	3.61	3.91	2	6	13	(18)	(24)			
20-Year	3.87	3.86	3.81	3.75	4.06	2	6	12	(18)	(19)			
30-Year	4.04	4.05	3.95	3.88	4.19	(0)	10	16	(15)	(14)			

## Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	8-Oct-25	7-Oct-25	1-Oct-25	8-Sep-25	8-Oct-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.15	3.14	3.15	3.06	3.36	1	1	10	(21)	(27)			
5-Year	3.25	3.24	3.24	3.14	3.55	2	1	11	(29)	(37)			
7-Year	3.37	3.36	3.36	3.27	3.74	1	0	10	(38)	(38)			
10-Year	3.52	3.51	3.49	3.42	3.79	1	2	9	(27)	(32)			
15-Year	3.71	3.71	3.70	3.61	3.94	0	2	10	(23)	(27)			
20-Year	3.91	3.90	3.81	3.76	4.08	1	9	15	(17)	(18)			

## Major Equity Indices

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	8-Oct-25	7-Oct-25	1-Oct-25	8-Sep-25	8-Oct-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
S&P500 Index	6,754	6,715	6,711	6,495	5,751	0.6	0.6	4.0	17.4	75.9			
Dow Jones	46,602	46,603	46,441	45,515	42,080	(0.0)	0.3	2.4	10.7	40.6			
Nasdaq	23,043	22,788	22,755	21,799	18,183	1.1	1.3	5.7	26.7	120.2			
London FTSE	9,549	9,484	9,446	9,221	8,191	0.7	1.1	3.6	16.6	28.1			
German DAX	24,597	24,386	24,114	23,807	19,066	0.9	2.0	3.3	29.0	76.7			
Nikkei 225	47,735	47,951	44,551	43,644	38,938	(0.5)	7.1	9.4	22.6	82.9			
Japan TOPIX	3,236	3,228	3,095	3,138	2,699	0.2	4.6	3.1	19.9	71.0			
FBM KLCI	1,628	1,630	1,621	1,586	1,636	(0.2)	0.4	2.6	(0.5)	8.8			

## Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	8-Oct-25	7-Oct-25	1-Oct-25	8-Sep-25	8-Oct-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
UST 2Y	3.58	3.56	3.53	3.49	3.96	2	5	9	(38)	(66)			
UST 10Y	4.12	4.12	4.10	4.04	4.01	(1)	2	8	11	(45)			
Germany 2Y	1.99	2.00	2.01	1.93	2.23	(1)	(2)	6	(24)	(9)			
Germany 10Y	2.68	2.71	2.71	2.64	2.24	(3)	(3)	4	44	31			
UK 2Y	4.00	3.98	3.97	3.90	4.19	1	3	9	(20)	(40)			
UK 10Y	4.71	4.72	4.70	4.61	4.18	(1)	1	10	52	14			
Japan 2Y	0.93	0.91	0.96	0.83	0.41	1	(3)	10	52	32			
Japan 10Y	1.69	1.69	1.65	1.57	0.93	0	4	12	76	59			
Australia 2Y	3.51	3.52	3.52	3.36	3.79	(1)	(1)	15	(28)	(35)			
Australia 10Y	4.36	4.39	4.37	4.28	4.17	(2)	(0)	8	20	0			
China 2Y	1.46	1.46	1.46	1.41	1.47	0	0	5	(0)	37			
China 10Y	1.87	1.87	1.87	1.79	2.21	0	0	8	(34)	20			
Indonesia 2Y	4.90	4.95	5.03	5.40	6.37	(5)	(13)	(50)	(147)	(214)			
Indonesia 10Y	6.18	6.25	6.33	6.39	6.75	(7)	(15)	(21)	(57)	(82)			
Thailand 2Y	1.16	1.13	1.15	1.08	2.21	2	1	7	(105)	(84)			
Thailand 10Y	1.43	1.40	1.40	1.22	2.56	3	3	21	(113)	(83)			

## Key swap rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	8-Oct-25	7-Oct-25	1-Oct-25	8-Sep-25	8-Oct-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
IRS 1-Year	3.22	3.23	3.24	3.13	3.53	(1)	(2)	9	(32)	(36)			
IRS 3-Year	3.17	3.18	3.18	3.05	3.44	(2)	(2)	12	(28)	(34)			
IRS 5-Year	3.26	3.27	3.26	3.12	3.49	(2)	0	14	(24)	(29)			
IRS 7-Year	3.33	3.33	3.33	3.19	3.58	(0)	(0)	14	(25)	(31)			
IRS 10-Year	3.45	3.45	3.44	3.32	3.69	(1)	1	13	(24)	(28)			
IRS 20-Year	3.71	3.72	3.76	3.58	3.80	(1)	(6)	13	(9)	(25)			

## Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	8-Oct-25	7-Oct-25	1-Oct-25	8-Sep-25	8-Oct-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
1-Month Klibor	3.00	3.00	3.00	3.00	3.28	0	0	0	(28)	(29)			
3-Month Klibor	3.22	3.22	3.22	3.21	3.56	0	0	1	(34)	(51)			
6-Month Klibor	3.26	3.26	3.26	3.26	3.62	0	0	0	(36)	(51)			

## Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	8-Oct-25	7-Oct-25	1-Oct-25	8-Sep-25	8-Oct-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year AAA	3.52	3.51	3.52	3.52	3.77	1	(0)	0	(24)	(31)			
3-Year AA	3.68	3.67	3.68	3.68	3.90	1	(0)	(0)	(21)	(33)			
3-Year A	4.52	4.55	4.52	4.51	4.76	(3)	(0)	1	(24)	(34)			
5-Year AAA	3.59	3.58	3.59	3.60	3.84	1	(0)	(1)	(25)	(33)			
5-Year AA	3.76	3.74	3.76	3.77	3.98	1	(0)	(2)	(22)	(35)			
5-Year A	4.66	4.70	4.66	4.65	5.08	(5)	(0)	1	(42)	(43)			
10-Year AAA	3.75	3.74	3.75	3.76	3.98	2	0	(0)	(23)	(31)			
10-Year AA	3.92	3.90	3.91	3.92	4.16	2	0	(1)	(24)	(32)			
10-Year A	5.03	5.10	5.03	5.00	5.62	(7)	0	3	(59)	(53)			

Sources: Bloomberg, AmBank Economics

Note: All values are end-period

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