



Fixed Income & FX Research

06 January 2026

Macro: US manufacturing declined further in December, while China's services growth moderated slightly. Anwar open to relaxing import conditions to keep construction costs low.

Forex: Volatile action for FX post-Maduro capture. EUR and CHF underperformed despite gold's 2.7% gains. MYR slipped 0.4% as regional safe-haven FX strengthened.

Fixed Income: Data and event catalysts were positive for UST for the day, while Malaysia bonds fared mixed amid some profit-taking and news of incoming 15Y GII auction.

Macro

Global: US-Venezuela geopolitical risks appear to be receding as quickly as it started, with Maduro commencing a likely long trial in US courts, while the US reiterated that it does not want to occupy the country. Meanwhile, the US ISM manufacturing PMI fell for a third consecutive month to a 14-month low of 47.9 in December (consensus: 48.4; November: 48.2), signalling greater uncertainties for the overall sector. China's RatingDog services PMI also slipped to 52.0 for the month (November: 52.1), weighed by the slight drop in new export businesses from a drop in tourists from Japan. Separately, the OECD has finalised an agreement for a global minimum tax at 15%, while including an exemption for American companies from some foreign 'compensatory' taxes.

Malaysia: PM Anwar noted the possibility of relaxing import conditions to keep construction costs low, coming as the MOF also extended service tax exemptions on construction contracts signed pre-July 2025 by another year.

Forex

Global: Volatile action on the first main trading day for 2026, as initial USD gains (post-Venezuela events) in pre-US trading hours were mostly erased by the end of session (on weak ISM data). G10 outperformers in the prior year (EUR, CHF) trailed peers, while GBP (+0.6%) continued its recent outperformance post-Autumn budget. JPY (+0.3%) also saw firm gains, though USD/JPY remained within the 155-160 verbal intervention range, as BOJ Governor Ueda's speech to local bankers said it will continue raising interest rates if its economic and price projections materialise. Despite its role as a liquid proxy for global risk appetite, AUD (+0.3%) moved in line with peers through the day, as markets assessed little pass-through impact to Australia's local economy, nor on its trade front.

Asia: Liquidity is back as most people returned from holidays, with Monday's FX turnover seen at a relatively high USD25.1 billion (mid-December average: USD18.3 billion). However, MYR underperformed Asian peers with a 0.4% decline, tracking the CNH slip (-0.2%) while bucking from SGD (+0.3%) and THB (+0.6%) strength, driven by profit-taking after stellar gains last year and amid some market risk-off sentiment. Incoming festive holidays are also expected to drive higher imports for consumer goods, placing some pressure on the MYR.

Fixed Income

Global Bonds: More interest returned to the UST market on Monday as traders started to be confident this week's labour data will be positive for bonds. In any case, catalysts on Monday were also supportive for bonds, as US manufacturing activity fell by more than expected in December, while Minneapolis Fed's Kashkari said that inflation is slowly trending downward.

MYR Bonds: Ringgit government bonds closed mixed despite some selling pressure as authorities announced details for the 15Y GII auction which comes at MYR5.0 billion. Two-way flows improved yesterday as more market participants returned to their desks from the holidays.

Commodities

Gold and oil prices were seen up 3% and 2% respectively on Monday, following news of Venezuelan President Maduro's capture. While US Energy Secretary Chris Wright plans to invite US oil executives to invest in Venezuela's energy sector, the process likely remains drawn out, given significant political/policy uncertainties and complexity of energy extraction in the region, even as Venezuela oil's deep discount to Brent/WTI prices (which are also historically low) reduces profitability of operations.

FX Daily Rates

Vs. USD	Last Close	Per cent
DX	98.27	(0.2)
EUR/USD	1.172	0.0
AUD/USD	0.671	0.3
GBP/USD	1.354	0.6
USD/JPY	156.38	(0.3)
USD/MYR	4.072	0.4
USD/IDR	16,740	0.1
USD/THB	31.33	(0.6)
USD/SGD	1.283	(0.3)
USD/CNY	6.984	0.2

Ringgit Outlook for The Week

	1	2
Resistance	4.134	4.191
Support	4.033	3.989

Major Sovereign Yields (%)

Sov. Yield	Last Close	bps
UST 2Y	3.45	(2)
UST 10Y	4.16	(3)
Germany 10Y	2.87	(3)
UK 10Y	4.51	(3)
Japan 10Y	2.13	6
Australia 10Y	4.80	(4)
China 10Y	1.86	0

MGS Bond Yields (%)

MGS	Last	bps
3-Year	2.99	(0)
5-Year	3.25	0
7-Year	3.38	1
10-Year	3.51	1
15-Year	3.75	(0)
20-Year	3.83	(1)
30-Year	3.98	0

MYR Swap Rates (%)

Swap / Rates	Last Close	bps
IRS 1-Year	3.22	1
IRS 3-Year	3.29	1
IRS 5-Year	3.39	2
IRS 7-Year	3.47	2
IRS 10-Year	3.61	2
3M KLIBOR	3.28	0

Key Commodities

Commodities	Last Close	Per cent
Brent (USD/bbl)	61.76	1.7
WTI (USD/bbl)	58.32	1.7
Gold (USD/oz)	4,449	2.7
CPO (RM/tonne)	3,950	(0.1)

Policy Rates

Central Banks	Current	Next
US Fed Funds	3.75	28-Jan
ECB Deposit Rate	2.00	05-Feb
BOE Base Rate	3.75	05-Feb
RBA Cash Rate	3.60	03-Feb
BOJ Cash Rate	0.75	23-Jan
RBNZ Cash Rate	3.00	18-Feb
PBOC 1Y LPR	3.00	-
BNM OPR	2.75	22-Jan

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		
	5-Jan-26	2-Jan-26	29-Dec-25	6-Dec-25	5-Jan-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
DXY Dollar Index	98.27	98.42	98.04	98.99	108.95	(0.2)	0.2	(0.7)	(9.8)	(0.1)			
EUR/USD	1.172	1.172	1.177	1.164	1.031	0.0	(0.4)	0.7	13.7	(0.2)			
AUD/USD	0.671	0.669	0.669	0.664	0.622	0.3	0.3	1.1	8.0	0.6			
GBP/USD	1.354	1.346	1.351	1.333	1.242	0.6	0.2	1.6	9.0	0.5			
USD/JPY	156.38	156.84	156.06	155.33	157.26	(0.3)	0.2	0.7	(0.6)	(0.2)			
USD/MYR	4.072	4.054	4.060	4.111	4.500	0.4	0.3	(0.9)	(9.5)	0.3			
USD/IDR	16,740	16,725	16,788	16,644	16,190	0.1	(0.3)	0.6	3.4	0.3			
USD/THB	31.33	31.51	31.45	32.04	34.46	(0.6)	(0.4)	(2.2)	(9.1)	(0.6)			
USD/SGD	1.283	1.286	1.286	1.296	1.370	(0.3)	(0.2)	(1.0)	(6.4)	(0.2)			
USD/CNY	6.984	6.970	6.997	7.069	7.358	0.2	(0.2)	(1.2)	(5.1)	0.1			
USD/KRW	1,445	1,445	1,434	1,472	1,471	0.1	0.8	(1.8)	(1.7)	0.4			
USD/INR	90.29	90.20	89.98	89.99	85.78	0.1	0.3	0.3	5.3	0.5			
USD/PHP	59.11	58.86	58.82	58.94	58.20	0.4	0.5	0.3	1.6	0.5			
USD/TWD	31.54	31.41	31.44	31.24	32.92	0.4	0.3	1.0	(4.2)	0.4			
USD/HKD	7.786	7.792	7.774	7.785	7.779	(0.1)	0.1	0.0	0.1	0.0			
USD/VND	26,271	26,288	26,285	26,363	25,428	(0.1)	(0.1)	(0.3)	3.3	(0.1)			
NZD/USD	0.579	0.577	0.580	0.578	0.561	0.4	(0.3)	0.2	3.1	0.5			

Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	5-Jan-26	2-Jan-26	29-Dec-25	6-Dec-25	5-Jan-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
EUR/MYR	4.757	4.752	4.782	4.793	4.631	0.1	(0.5)	(0.7)	2.7	(0.2)			
GBP/MYR	5.474	5.455	5.478	5.486	5.583	0.4	(0.1)	(0.2)	(2.0)	0.3			
AUD/MYR	2.719	2.716	2.720	2.726	2.796	0.1	(0.1)	(0.3)	(2.8)	0.2			
JPY/MYR	2.603	2.585	2.600	2.647	2.861	0.7	0.1	(1.6)	(9.0)	0.5			
SGD/MYR	3.162	3.152	3.159	3.176	3.285	0.3	0.1	(0.4)	(3.7)	0.2			
10 CNY/MYR	5.831	5.800	5.795	5.817	6.149	0.5	0.6	0.2	(5.2)	0.4			
1 million IDR/MYR	2.433	2.424	2.419	2.470	2.778	0.4	0.6	(1.5)	(12.4)	(0.0)			
THB/MYR	13.008	12.916	12.908	12.905	13.064	0.7	0.8	0.8	(0.4)	1.4			
10 HKD/MYR	5.229	5.202	5.224	5.282	5.785	0.5	0.1	(1.0)	(9.6)	0.2			

Commodities

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	5-Jan-26	2-Jan-26	29-Dec-25	6-Dec-25	5-Jan-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
Brent (USD/barrel)	61.76	60.75	61.94	63.75	76.51	1.7	(0.3)	(3.1)	(19.3)	1.5			
WTI (USD/barrel)	58.32	57.32	58.08	60.08	73.96	1.7	0.4	(2.9)	(21.1)	1.6			
Gold (USD/oz)	4,449	4,332	4,332	4,198	2,640	2.7	2.7	6.0	68.5	3.0			
Malaysia CPO (RM/tonne)	3,950	3,954	4,009	4,095	4,723	(0.1)	(1.5)	(3.5)	(16.4)	(1.2)			

Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	5-Jan-26	2-Jan-26	29-Dec-25	6-Dec-25	5-Jan-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	2.99	2.99	3.00	3.02	3.45	(0)	(1)	(3)	(46)	(1)			
5-Year	3.25	3.24	3.25	3.25	3.60	0	(0)	(1)	(36)	(1)			
7-Year	3.38	3.37	3.39	3.46	3.77	1	(1)	(8)	(39)	(0)			
10-Year	3.51	3.50	3.52	3.48	3.81	1	(2)	3	(31)	0			
15-Year	3.75	3.75	3.77	3.75	3.95	(0)	(3)	0	(20)	(2)			
20-Year	3.83	3.84	3.86	3.85	4.04	(1)	(3)	(2)	(21)	(2)			
30-Year	3.98	3.98	3.99	3.98	4.17	0	(1)	(0)	(20)	(0)			

Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	5-Jan-26	2-Jan-26	29-Dec-25	6-Dec-25	5-Jan-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.09	3.09	3.10	3.12	3.40	0	(1)	(2)	(31)	(1)			
5-Year	3.25	3.25	3.26	3.26	3.62	0	(0)	(1)	(37)	(0)			
7-Year	3.33	3.34	3.35	3.35	3.74	(0)	(2)	(2)	(41)	(1)			
10-Year	3.51	3.52	3.55	3.53	3.82	(0)	(3)	(2)	(31)	(1)			
15-Year	3.74	3.74	3.75	3.76	3.97	(0)	(1)	(1)	(23)	(1)			
20-Year	3.86	3.85	3.87	3.89	4.07	0	(2)	(3)	(22)	(1)			

Major Equity Indices

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	5-Jan-26	2-Jan-26	29-Dec-25	6-Dec-25	5-Jan-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
S&P500 Index	6,902	6,858	6,906	6,870	5,942	0.6	(0.1)	0.5	16.1	79.8			
Dow Jones	48,977	48,382	48,462	47,955	42,732	1.2	1.1	2.1	14.6	47.8			
Nasdaq	23,396	23,236	23,474	23,578	19,622	0.7	(0.3)	(0.8)	19.2	123.5			
London FTSE	10,005	9,951	9,867	9,667	8,224	0.5	1.4	3.5	21.7	34.3			
German DAX	24,869	24,539	24,351	24,028	19,906	1.3	2.1	3.5	24.9	78.6			
Nikkei 225	51,833	50,339	50,527	50,492	39,895	3.0	2.6	2.7	29.9	98.6			
Japan TOPIX	3,478	3,409	3,427	3,363	2,785	2.0	1.5	3.4	24.9	83.8			
FBM KLCI	1,680	1,670	1,681	1,617	1,629	0.6	(0.0)	3.9	3.1	12.4			

Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	5-Jan-26	2-Jan-26	29-Dec-25	6-Dec-25	5-Jan-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
UST 2Y	3.45	3.47	3.45	3.56	4.28	(2)	(0)	(11)	(83)	(2)			
UST 10Y	4.16	4.19	4.11	4.14	4.60	(3)	5	3	(44)	(1)			
Germany 2Y	2.13	2.14	2.12	2.10	2.16	(1)	1	3	(3)	0			
Germany 10Y	2.87	2.90	2.83	2.80	2.43	(3)	4	7	45	2			
UK 2Y	3.72	3.74	3.72	3.78	4.42	(1)	0	(6)	(70)	(2)			
UK 10Y	4.51	4.54	4.49	4.48	4.59	(3)	2	3	(9)	3			
Japan 2Y	1.20	1.18	1.12	1.05	0.61	2	8	15	60	2			
Japan 10Y	2.13	2.07	2.05	1.95	1.10	6	7	18	102	6			
Australia 2Y	4.08	4.14	4.05	3.95	3.86	(6)	3	13	22	2			
Australia 10Y	4.80	4.84	4.76	4.68	4.38	(4)	4	11	41	6			
China 2Y	1.37	1.37	1.36	1.43	1.03	0	2	(5)	35	0			
China 10Y	1.86	1.86	1.86	1.83	1.62	0	(0)	2	24	0			
Indonesia 2Y	5.15	5.13	5.01	5.08	7.07	2	14	7	(192)	15			
Indonesia 10Y	6.09	6.05	6.14	6.20	7.02	4	(4)	(11)	(93)	2			
Thailand 2Y	1.11	1.12	1.14	1.34	2.00	(1)	(2)	(23)	(89)	(1)			
Thailand 10Y	1.62	1.64	1.65	1.74	2.27	(2)	(2)	(11)	(65)	(2)			

Key swap rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	5-Jan-26	2-Jan-26	29-Dec-25	6-Dec-25	5-Jan-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
IRS 1-Year	3.22	3.21	3.21	3.23	3.54	1	2	(1)	(32)	2			
IRS 3-Year	3.29	3.29	3.28	3.26	3.48	1	2	4	(18)	3			
IRS 5-Year	3.39	3.38	3.36	3.34	3.52	2	3	5	(13)	4			
IRS 7-Year	3.47	3.44	3.45	3.41	3.60	2	2	6	(13)	5			
IRS 10-Year	3.61	3.59	3.57	3.56	3.69	2	4	5	(8)	5			
IRS 20-Year	3.93	3.85	3.89	3.88	3.95	8	4	5	(2)	5			

Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	5-Jan-26	2-Jan-26	29-Dec-25	6-Dec-25	5-Jan-25	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	3.29	0	0	0	(29)	0			
3-Month Klibor	3.28	3.28	3.28	3.26	3.73	0	0	2	(45)	0			
6-Month Klibor	3.30	3.30	3.30	3.29	3.77	0	0	1	(47)	0			

Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	5-Jan-26	2-Jan-26	29-Dec-25	6-Dec-25	5-Jan-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year AAA	3.50	3.51	3.50	3.52	3.83	(0)	(0)	(2)	(33)	(1)			
3-Year AA	3.67	3.67	3.67	3.68	4.01	(0)	(0)	(1)	(35)	(0)			
3-Year A	4.48	4.49	4.52	4.55	4.82	(1)	(4)	(7)	(34)	(6)			
5-Year AAA	3.58	3.59	3.59	3.59	3.92	(0)	(0)	(1)	(34)	(1)			
5-Year AA	3.75	3.75	3.75	3.76	4.09	(0)	(0)	(0)	(34)	(0)			
5-Year A	4.61	4.62	4.66	4.70	5.04	(1)	(5)	(9)	(42)	(9)			
10-Year AAA	3.76	3.76	3.77	3.76	4.06	(0)	(1)	0	(30)	(1)			
10-Year AA	3.92	3.92	3.92	3.91	4.23	(0)	(0)	0	(31)	(1)			
10-Year A	4.99	5.00	5.05	5.10	5.47	(1)	(6)	(11)	(48)	(12)			

Sources: Bloomberg, AmBank Economics

Note: All values are end-period

AmBank Economics	
Firdaos Rosli	firdaos.rosli@ambankgroup.com
Nik Ahmad Mukharriz Nik Muhammad	nik-ahmad-mukharriz.n@ambankgroup.com
Lee Si Xin	lee.si-xin@ambankgroup.com
Raja Adibah Raja Hasnan	raja-adibah.r@ambankgroup.com
Michael Yim	yim.soon-kah@ambankgroup.com
Aman Nazmi Abd Karim	aman-nazmi.abd-karim@ambankgroup.com
Group Treasury & Markets	
Corporate Client Group (CCG)	+603-2059 8700/8600
Institutional Client Group (ICG)	+603-2059 8690
Azli Bin Abdul Jamil	azli-abd-jamil@ambankgroup.com
Jacqueline E. Rodrigues	jacqueline-r@ambankgroup.com
Ho Su Farn	ho-su-farn@ambankgroup.com
Melisa Lim Giok Ling	melisa-lim@ambankgroup.com
Roger Yee Chan Chung	roger-yee@ambankgroup.com

DISCLOSURE AND DISCLAIMER

This report is prepared for information purposes only, and it is issued by AmBank (M) Berhad ("AmBank") without regard to your individual financial circumstances and objectives. Nothing in this report shall constitute an offer to sell, warranty, representation, recommendation, legal, accounting or tax advice, solicitation, or expression of views to influence anyone to buy or sell any real estate, securities, stocks, foreign exchange, futures, investment, or other products. AmBank recommends that you evaluate a particular investment or strategy based on your individual circumstances and objectives and/or seek financial, legal, or other advice on the appropriateness of the particular investment or strategy.

The information in this report was obtained or derived from sources that AmBank believes are reliable and correct at the time of issue. While all reasonable care has been taken to ensure that the stated facts are accurate and views are fair and reasonable, AmBank has not independently verified the information and does not warrant or represent that it is accurate, adequate, complete, or up-to-date. Therefore, it should not be relied upon as such. All information included in this report constitutes AmBank's views as of this date and is subject to change without notice. Notwithstanding that, AmBank has no obligation to update its opinion or information in this report. Facts and views presented in this report may not reflect the views of or information known to other business units of AmBank's affiliates and/or related corporations (collectively, "AmBank Group").

This report is prepared for the clients of AmBank Group, and it cannot be altered, copied, reproduced, distributed or republished for any purpose without AmBank's prior written consent. AmBank, AmBank Group and its respective directors, officers, employees, and agents ("Relevant Person") accept no liability whatsoever for any direct, indirect, or consequential losses, loss of profits and/or damages arising from the use or reliance on this report and/or further communications given about this report. Any such responsibility is hereby expressly disclaimed.

AmBank is not acting as your advisor and does not owe you any fiduciary duties related to this report. The Relevant Person may provide services to any company and affiliates of such companies in or related to the securities or products and may trade or otherwise effect transactions for their own account or the accounts of their customers, which may give rise to real or potential conflicts of interest.

This report is not directed to or intended for distribution or publication outside Malaysia. If you are outside Malaysia, you should be aware of the laws of the jurisdiction in which you are located.

If any provision of this disclosure and disclaimer is held invalid in whole or part, such provision will be deemed not to form part of this disclosure and disclaimer. The validity and enforceability of the remainder of this disclosure and disclaimer will not be affected.