



## Fixed Income &amp; FX Research

03 March 2026

**Macro:** The US adopts an unrelenting approach until Iran's missile program surrenders or is destroyed. The Strait of Hormuz is now officially closed. Malaysia warns of higher import costs ahead due to airspace/shipping disruptions.

**Forex:** Greenback rose against all currencies, though domestic factors also catalysed individual performance. MYR fell 0.9%, slightly trailing Asian peers amid an afternoon pullback.

**Fixed Income:** UST yields rose sharply amid inflation risks from energy prices and ISM data. Local bonds closed slightly firmer, as safe-haven bids were also met by profit-taking.

**Macro**

**Global:** US ISM Manufacturing PMI printed 52.4 in February (consensus: 51.8; January: 52.6), as the prices paid subindex jumped to 70.5 from 59.0, indicating upside risks to US inflation amid import tariffs – even prior to the energy price surge from US-Iran developments. Meanwhile, Strait of Hormuz disruptions left at least 150 ships at anchor and more than 4 tankers damaged as insurers cancelled war-risk cover effective 5 March. Trump has vowed a 'whatever it takes' approach on Iran, as Secretary of State Rubio warned that the US's 'hardest hits' are yet to come, coming as Israel also launched fresh airstrikes. The Strait of Hormuz is officially closed as Iran says it will attack any ship trying to pass through it.

**Malaysia:** MIDA chairman Tengku Zafrul said closed or restricted Middle East airspace/shipping routes, combined with higher energy costs, may result in more expensive imports ahead, with Malaysia vulnerable due to its high-value total trade through the region. Meanwhile, the government is projecting higher tax revenues for 2026, underpinned by steady wage growth, stronger corporate earnings, and improving tax compliance. The National Semiconductor Strategy (NSS) scheme is also said to have recorded MYR59.85 billion in realised investments between January 2024 and September 2025. Malaysia's Manufacturing PMI fell to 49.3 from 50.2, with a joint-record staffing reduction last matched in August 2020, delivery times at a 15-month high, and backlogs rising for the first time in 19 months.

**Forex**

**Global:** The playbook of US and USD supremacy during wars was revisited, as the greenback strengthened across all G10 and Asian currencies. However, intraday trading betrays an otherwise predictable script: the AUD initially underperforms most G10 peers before an unexpectedly firmer close by day's end, and vice versa for the EUR and CHF. The latter's subsequent declines were attributed to the sharp rally in European gas futures as markets reopened and to the risk of SNB intervention. In comparison, RBA Governor Bullock warned that its March meeting is 'live' (in regard to the policy rate decision) and that its inflation patience has limits, a sharp reversal of earlier comments on 'patience' and 'more difficulty' in judging the economy. Meanwhile, JPY losses (-0.9%) were relatively mild despite exposure to upside energy price risks, after BOJ Deputy Governor Himino signalled continuity in the rate-hike path. GBP losses (-0.6%) were also tempered amid unexpectedly strong tax revenue by the UK.

**Malaysia:** MYR closed 0.9% weaker, slightly underperforming Asian peers, with greater pullbacks seen in the afternoon session. We think declines may be attributed to risk-off sentiment and stronger profit-taking by foreigners, and reflect less on Malaysia's fundamentals given its relative energy import insularity (compared to several Asian peers) and minimal disruptions to key industries.

**Fixed Income**

**Global Bonds:** Inflationary concerns sent UST yields sharply higher amid rising oil prices, while equities proved an unlikely 'safe haven' amid the S&P 500's flat close. At the same time, the sharp jump in the prices paid subindex for US ISM manufacturing data added to UST pressure. Bund and Gilt yields rose similarly, while JGB yields fell amid safe-haven demand.

**MYR Bonds:** The local government bond market closed marginally firmer, as early safe-haven bids amid geopolitical pressures were offset by profit-taking amid global oil price rallies and inflation

**FX Daily Rates**

Vs. USD	Last Close	Per cent
DX	98.38	0.8
EUR/USD	1.169	(1.0)
AUD/USD	0.709	(0.4)
GBP/USD	1.341	(0.6)
USD/JPY	157.39	0.9
USD/MYR	3.927	0.9
USD/IDR	16,861	0.5
USD/THB	31.45	1.2
USD/SGD	1.274	0.7
USD/CNY	6.901	0.6

**Ringgit Outlook for The Week**

	1	2
Resistance	4.010	4.135
Support	3.823	3.761

**Major Sovereign Yields (%)**

Sov. Yield	Last Close	bps
UST 2Y	3.48	10
UST 10Y	4.03	10
Germany 10Y	2.71	7
UK 10Y	4.37	14
Japan 10Y	2.09	(3)
Australia 10Y	4.63	(2)
China 10Y	1.80	(1)

**MGS Bond Yields (%)**

MGS	Last	bps
3-Year	3.03	0
5-Year	3.31	(1)
7-Year	3.40	(1)
10-Year	3.49	0
15-Year	3.76	(1)
20-Year	3.91	(0)
30-Year	4.02	(0)

**MYR Swap Rates (%)**

Swap / Rates	Last Close	bps
IRS 1-Year	3.25	(0)
IRS 3-Year	3.30	(2)
IRS 5-Year	3.37	(2)
IRS 7-Year	3.47	(1)
IRS 10-Year	3.64	(1)
3M KLIBOR	3.23	0

**Key Commodities**

Commodities	Last Close	Per cent
Brent (USD/bbl)	77.74	7.3
WTI (USD/bbl)	71.23	6.3
Gold (USD/oz)	5,322	0.8
CPO (RM/tonne)	4,058	1.7

**Policy Rates**

Central Banks	Current	Next
US Fed Funds	3.75	18-Mar
ECB Deposit Rate	2.00	19-Mar
BOE Base Rate	3.75	19-Mar
RBA Cash Rate	3.85	17-Mar
BOJ Cash Rate	0.75	19-Mar
RBNZ Cash Rate	2.25	08-Apr
PBOC 1Y LPR	3.00	-
BNM OPR	2.75	05-Mar

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.

concerns. Corporate bond trading saw support, but flows were lacking amid the cautious environment. GG bond Danainfra 02/33 closed unchanged at 3.55%.

**Commodities**

Oil prices rose 6-7% d/d – a relatively small rise and even distribution among Brent and WTI, with the US expected to roll out a program to help mitigate rising energy costs today. This contrasts with the 40% sharp jump in European gas futures and 55% jump in Asia LNG futures (including Tuesday morning), as Qatar’s shuttering of the world’s largest export facility threatens the seasonally low European gas inventories. Gold’s gains were relatively tame (+1.7%), reflecting slower portfolio rebalancing and scepticism among investors of a protracted war.

**Currencies**

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	2-Mar-26	27-Feb-26	23-Feb-26	31-Jan-26	2-Mar-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
DXY Dollar Index	98.38	97.61	97.71	96.99	107.61	0.8	0.7	1.4	(8.6)	0.1			
EUR/USD	1.169	1.181	1.179	1.185	1.038	(1.0)	(0.8)	(1.4)	12.7	(0.5)			
AUD/USD	0.709	0.712	0.706	0.696	0.621	(0.4)	0.5	1.9	14.2	6.3			
GBP/USD	1.341	1.348	1.349	1.369	1.258	(0.6)	(0.6)	(2.0)	6.6	(0.5)			
USD/JPY	157.39	156.05	154.65	154.78	150.63	0.9	1.8	1.7	4.5	0.4			
USD/MYR	3.927	3.893	3.890	3.945	4.463	0.9	1.0	(0.5)	(12.0)	(3.3)			
USD/IDR	16,861	16,771	16,794	16,785	16,580	0.5	0.4	0.5	1.7	1.0			
USD/THB	31.45	31.08	31.02	31.48	34.17	1.2	1.4	(0.1)	(8.0)	(0.2)			
USD/SGD	1.274	1.265	1.266	1.270	1.351	0.7	0.6	0.3	(5.7)	(0.9)			
USD/CNY	6.901	6.863	6.888	6.958	7.293	0.6	0.2	(0.8)	(5.4)	(1.1)			
USD/KRW	1,440	1,440	1,443	1,441	1,460	0.0	(0.2)	(0.1)	(1.4)	0.0			
USD/INR	91.48	90.98	90.88	91.99	87.51	0.5	0.7	(0.6)	4.5	1.8			
USD/PHP	58.18	57.66	57.58	58.88	57.99	0.9	1.0	(1.2)	0.3	(1.1)			
USD/TWD	31.44	31.23	31.44	31.47	32.83	0.7	0.0	(0.1)	(4.2)	0.1			
USD/HKD	7.821	7.823	7.819	7.814	7.779	(0.0)	0.0	0.1	0.5	0.5			
USD/VND	26,171	26,058	26,068	25,949	25,557	0.4	0.4	0.9	2.4	(0.5)			
NZD/USD	0.594	0.600	0.596	0.602	0.560	(1.0)	(0.3)	(1.3)	6.1	3.2			

**Ringgit Cross Rates**

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	2-Mar-26	27-Feb-26	23-Feb-26	31-Jan-26	2-Mar-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
EUR/MYR	4.607	4.593	4.591	4.701	4.639	0.3	0.3	(2.0)	(0.7)	(3.3)			
GBP/MYR	5.251	5.249	5.255	5.419	5.621	0.0	(0.1)	(3.1)	(6.6)	(3.8)			
AUD/MYR	2.780	2.769	2.756	2.752	2.773	0.4	0.9	1.0	0.2	2.4			
JPY/MYR	2.495	2.495	2.515	2.550	2.963	0.0	(0.8)	(2.2)	(15.8)	(3.7)			
SGD/MYR	3.088	3.076	3.074	3.110	3.309	0.4	0.5	(0.7)	(6.7)	(2.2)			
10 CNY/MYR	5.703	5.676	5.635	5.680	6.130	0.5	1.2	0.4	(7.0)	(1.8)			
1 million IDR/MYR	2.327	2.320	2.316	2.352	2.689	0.3	0.5	(1.1)	(13.5)	(4.4)			
THB/MYR	12.487	12.518	12.540	12.571	13.074	(0.3)	(0.4)	(0.7)	(4.5)	(2.7)			
10 HKD/MYR	5.019	4.977	4.976	5.055	5.738	0.8	0.9	(0.7)	(12.5)	(3.8)			

**Commodities**

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	2-Mar-26	27-Feb-26	23-Feb-26	31-Jan-26	2-Mar-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
Brent (USD/barrel)	77.74	72.48	71.49	70.69	73.18	7.3	8.7	10.0	6.2	27.8			
WTI (USD/barrel)	71.23	67.02	66.31	65.21	69.76	6.3	7.4	9.2	2.1	24.1			
Gold (USD/oz)	5,322	5,279	5,227	4,894	2,858	0.8	1.8	8.7	86.2	23.2			
Malaysia CPO (RM/tonne)	4,058	3,989	4,051	4,160	4,729	1.7	0.2	(2.5)	(14.2)	1.5			

**Malaysia Government Securities**

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	2-Mar-26	27-Feb-26	23-Feb-26	31-Jan-26	2-Mar-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.03	3.02	3.03	3.01	3.43	0	(1)	1	(40)	3			
5-Year	3.31	3.32	3.27	3.27	3.59	(1)	4	4	(28)	6			
7-Year	3.40	3.41	3.44	3.44	3.75	(1)	(4)	(4)	(35)	2			
10-Year	3.49	3.49	3.52	3.51	3.79	0	(3)	(1)	(29)	(1)			
15-Year	3.76	3.78	3.80	3.77	3.96	(1)	(3)	(1)	(19)	(0)			
20-Year	3.91	3.92	3.94	3.91	4.06	(0)	(3)	0	(14)	6			
30-Year	4.02	4.02	4.03	4.03	4.17	(0)	(1)	(1)	(16)	4			

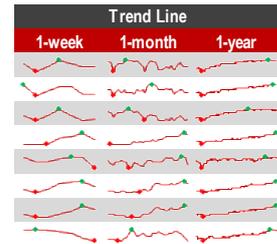
**Malaysia Government Investment Issues**

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	2-Mar-26	27-Feb-26	23-Feb-26	31-Jan-26	2-Mar-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.10	3.11	3.10	3.12	3.55	(1)	0	(2)	(45)	(0)			
5-Year	3.27	3.28	3.27	3.27	3.63	(1)	(0)	0	(36)	2			
7-Year	3.35	3.38	3.37	3.37	3.76	(2)	(2)	(2)	(41)	1			
10-Year	3.51	3.53	3.53	3.53	3.81	(2)	(3)	(3)	(30)	(2)			
15-Year	3.81	3.82	3.83	3.81	3.94	(1)	(2)	0	(13)	6			
20-Year	3.93	3.94	3.97	3.90	4.07	(2)	(4)	2	(14)	7			

Major Equity Indices

	Latest	1-day	1 week	1-Month	1-Year
	2-Mar-26	27-Feb-26	23-Feb-26	31-Jan-26	2-Mar-25
S&P500 Index	6,882	6,879	6,838	6,939	5,955
Dow Jones	48,905	48,978	48,804	48,892	43,841
Nasdaq	22,749	22,668	22,627	23,462	18,847
London FTSE	10,780	10,911	10,685	10,224	8,810
German DAX	24,638	25,284	24,992	24,539	22,551
Nikkei 225	58,057	58,850	56,826	53,323	37,156
Japan TOPIX	3,898	3,939	3,808	3,566	2,682
FBM KLCI	1,700	1,717	1,758	1,741	1,575

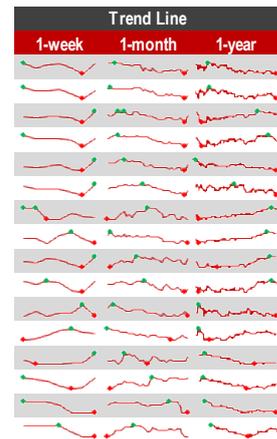
Percentage Change				
1-day	1-week	1-month	1-year	YTD
0.0	0.6	(0.8)	15.6	79.2
(0.1)	0.2	0.0	11.6	47.5
0.4	0.5	(3.0)	20.7	117.3
(1.2)	0.9	5.4	22.4	44.7
(2.6)	(1.4)	0.4	9.3	77.0
(1.3)	2.2	8.9	56.3	122.5
(1.0)	2.4	9.3	45.4	106.1
(1.0)	(3.3)	(2.3)	8.0	13.7



Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year
	2-Mar-26	27-Feb-26	23-Feb-26	31-Jan-26	2-Mar-25
UST 2Y	3.48	3.37	3.44	3.52	3.99
UST 10Y	4.03	3.94	4.03	4.24	4.21
Germany 2Y	2.09	2.00	2.04	2.09	2.03
Germany 10Y	2.71	2.64	2.71	2.84	2.41
UK 2Y	3.64	3.53	3.56	3.72	4.17
UK 10Y	4.37	4.23	4.31	4.52	4.48
Japan 2Y	1.23	1.23	1.26	1.24	0.81
Japan 10Y	2.09	2.12	2.12	2.25	1.38
Australia 2Y	4.16	4.19	4.22	4.20	3.73
Australia 10Y	4.63	4.65	4.72	4.81	4.29
China 2Y	1.36	1.40	1.38	1.38	1.46
China 10Y	1.80	1.81	1.79	1.81	1.78
Indonesia 2Y	5.16	5.11	5.10	5.15	6.58
Indonesia 10Y	6.46	6.43	6.45	6.33	6.91
Thailand 2Y	1.03	1.04	1.21	1.20	1.91
Thailand 10Y	1.71	1.71	1.89	2.00	2.15

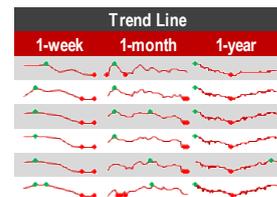
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
10	4	(5)	(51)	0
10	0	(20)	(17)	(13)
9	5	0	6	(3)
7	0	(13)	31	(14)
11	7	(8)	(54)	(10)
14	6	(15)	(11)	(11)
(0)	(3)	(1)	42	5
(3)	(3)	(16)	71	2
(2)	(6)	(4)	43	11
(2)	(9)	(17)	34	(11)
(4)	(2)	(3)	(10)	(2)
(1)	1	(1)	2	(5)
5	5	1	(142)	16
4	1	13	(45)	39
(1)	(18)	(17)	(88)	(9)
(1)	(18)	(29)	(44)	7



Key swap rates

	Latest	1-day	1 week	1-Month	1-Year
	2-Mar-26	27-Feb-26	23-Feb-26	31-Jan-26	2-Mar-25
IRS 1-Year	3.25	3.26	3.26	3.27	3.61
IRS 3-Year	3.30	3.32	3.32	3.36	3.53
IRS 5-Year	3.37	3.39	3.43	3.46	3.55
IRS 7-Year	3.47	3.48	3.54	3.54	3.63
IRS 10-Year	3.64	3.65	3.70	3.72	3.72
IRS 20-Year	3.97	3.99	4.01	4.04	3.96

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(0)	(1)	(2)	(35)	5
(2)	(2)	(7)	(23)	3
(2)	(6)	(9)	(18)	2
(1)	(7)	(7)	(16)	6
(1)	(6)	(8)	(8)	8
(3)	(5)	(7)	0	9



Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year
	2-Mar-26	27-Feb-26	23-Feb-26	31-Jan-26	2-Mar-25
1-Month Klibor	2.98	2.98	2.98	2.98	3.28
3-Month Klibor	3.23	3.23	3.23	3.23	3.66
6-Month Klibor	3.27	3.27	3.27	3.27	3.73

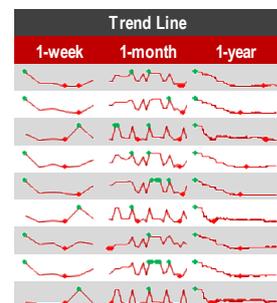
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	0	0	(30)	(2)
0	0	0	(43)	(5)
0	0	0	(46)	(3)



Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year
	2-Mar-26	27-Feb-26	23-Feb-26	31-Jan-26	2-Mar-25
3-Year AAA	3.53	3.52	3.54	3.54	3.82
3-Year AA	3.68	3.67	3.69	3.68	4.00
3-Year A	4.46	4.48	4.47	4.49	4.83
5-Year AAA	3.61	3.61	3.62	3.62	3.90
5-Year AA	3.77	3.76	3.77	3.77	4.07
5-Year A	4.61	4.64	4.61	4.65	5.03
10-Year AAA	3.78	3.79	3.79	3.78	4.03
10-Year AA	3.93	3.93	3.94	3.93	4.20
10-Year A	4.98	5.04	4.99	5.03	5.41

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
1	(1)	(1)	(29)	2
1	(1)	(1)	(32)	1
(2)	(1)	(3)	(37)	(9)
0	(1)	(1)	(28)	2
1	(1)	(0)	(31)	1
(3)	(1)	(4)	(42)	(9)
(0)	(1)	0	(25)	1
1	(1)	0	(27)	1
(5)	(1)	(5)	(43)	(13)



Sources: Bloomberg, AmBank Economics  
 Note: All values are end-period

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