



## Fixed Income &amp; FX Research

09 December 2025

**Macro:** China's trade surplus tops USD1 trillion in 11M2025 amid successful export diversification efforts. Mexico to vote on China tariffs, while the US unveils USD12 billion aid for farmers. Malaysia's BBB+ sovereign rating affirmed by Fitch Ratings.

**Forex:** DXY held steady ahead of the Fed meeting. AUD pared earlier gains, ahead of the expected hawkish rate hold by the RBA. The USD/MYR trading range remained tight.

**Fixed Income:** Some market dislocation as UST yields closed at multi-month highs, despite continued Fed cut expectations. Front-to-belly MGS/GII yields also inched up.

**Macro**

**Global:** China's trade surplus rose to USD111.7 billion in November (consensus: USD103.1 billion; October: USD90 billion), its third largest on record, as exports growth continue to outperform at +5.9% y/y (consensus: 4.0%; prior: -1.1%) amid successful diversification to new export markets; while imports growth remained weak at 1.9% y/y (consensus: +3.0%; prior: 1.0%). This brought China's trade surplus to over USD1 trillion for 11M2025, though more backlash against China's trade policies from EU and ASEAN policymakers is likely ahead. This comes as China has vowed to make strengthening domestic demand its top economic priority in 2026, although actual policy details remain unknown. Meanwhile, Mexico is set to vote on hiking tariffs on China to obtain some US tariff relief, even as US President Trump eyes imposing fresh tariffs on Canadian fertilisers and Indian rice, while also unveiling USD12 billion in aid for farmers. Trump has also granted Nvidia permission to export its H200 AI chip to China in exchange for a 25% surcharge.

**Malaysia:** Fitch Ratings has affirmed Malaysia's BBB+ sovereign credit rating with a stable outlook. Underpinning their decision is the country's strong medium-term growth prospects, a diversified export base, and a steady current account surplus; however, it also warned of persistent issues, such as high public debt, a lower revenue base, and weaker external liquidity compared to its peers.

**Forex**

**Global:** Several major FX (EUR, GBP, SEK) closed little changed amid a lack of catalysts, while the DXY also maintained within a 98.8-99.2 trading range ahead of the Fed meeting. AUD (-0.2%) and CAD (-0.3%) saw larger losses, reversing some of Friday's gains. Ahead of today's RBA meeting, with a hawkish rate hold expected, Australian Treasurer Jim Chalmers also announced that electricity rebates will not be extended, suggesting further inflationary pressure ahead, with estimates that it will lead to a one-off headline CPI contribution by 0.6% y/y. Meanwhile, the JPY fell 0.4%. Markets now expect a one-off rate hike by the BOJ only, given the weak final 3Q2025 GDP reading, as well as slowing declines in real wage earnings.

**Asia:** USD/MYR remained within a tight trading range, closing unchanged, similar to CNH, as sentiment remained cautious ahead of the Fed meeting.

**Fixed Income**

**Global Bonds:** UST yields climbed to multi-month highs as we head closer to the FOMC meeting, despite the futures market maintaining a near 90% probability of a rate cut this week. Opinions on this unusual phenomenon vary, including fading recession risks, falling confidence in US fiscal sustainability, persistent inflation worries, and/or risks of Fed rate cut overextension with the upcoming Fed chair. DM yields also rose elsewhere, with Bunds influenced by hawkish comments from ECB's Isabel Schnabel, who noted upside risks to growth and inflation.

**MYR Bonds:** Except for ultra-long MGS+GII, which closed unchanged, other benchmarks closed 1-2 bps higher amid cautious sentiment and the prior day's UST losses. On the other hand, the PDS market closed firm, though flows were led by high-grade names, especially GGs. 15Y GG MRL 02/40 rose 3 bps to 3.86% on MYR75 million volume.

**FX Daily Rates**

Vs. USD	Last Close	Per cent
DXY	99.09	0.1
EUR/USD	1.164	(0.0)
AUD/USD	0.662	(0.2)
GBP/USD	1.332	(0.0)
USD/JPY	155.92	0.4
USD/MYR	4.113	0.1
USD/IDR	16,690	0.3
USD/THB	31.85	(0.6)
USD/SGD	1.298	0.1
USD/CNY	7.072	0.0

**Ringgit Outlook for The Week**

	1	2
Resistance	4.171	4.230
Support	4.082	4.052

**Major Sovereign Yields (%)**

Sov. Yield	Last Close	bps
UST 2Y	3.58	1
UST 10Y	4.16	3
Germany 10Y	2.86	6
UK 10Y	4.53	5
Japan 10Y	1.98	3
Australia 10Y	4.70	2
China 10Y	1.84	1

**MGS Bond Yields (%)**

MGS	Last	bps
3-Year	3.01	(0)
5-Year	3.26	1
7-Year	3.46	0
10-Year	3.48	1
15-Year	3.74	(0)
20-Year	3.85	0
30-Year	3.98	(0)

**MYR Swap Rates (%)**

Swap / Rates	Last Close	bps
IRS 1-Year	3.22	(1)
IRS 3-Year	3.26	0
IRS 5-Year	3.36	1
IRS 7-Year	3.41	0
IRS 10-Year	3.57	1
3M KLIBOR	3.26	0

**Key Commodities**

Commodities	Last Close	Per cent
Brent (USD/bbl)	62.49	(2.0)
WTI (USD/bbl)	58.88	(2.0)
Gold (USD/oz)	4,191	(0.2)
CPO (RM/tonne)	4,055	(1.0)

**Policy Rates**

Central Banks	Current	Next
US Fed Funds	4.00	11-Dec
ECB Deposit Rate	2.00	18-Dec
BOE Base Rate	4.00	18-Dec
RBA Cash Rate	3.60	09-Dec
BOJ Cash Rate	0.50	19-Dec
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		
	8-Dec-25	5-Dec-25	1-Dec-25	8-Nov-25	8-Dec-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
DXY Dollar Index	99.09	98.99	99.41	99.60	106.06	0.1	(0.3)	(0.5)	(6.6)	(8.7)			
EUR/USD	1.164	1.164	1.161	1.157	1.057	(0.0)	0.2	0.6	10.1	12.4			
AUD/USD	0.662	0.664	0.654	0.649	0.639	(0.2)	1.2	2.0	3.6	7.0			
GBP/USD	1.332	1.333	1.321	1.316	1.274	(0.0)	0.8	1.2	4.5	6.4			
USD/JPY	155.92	155.33	155.46	153.42	150	0.4	0.3	1.6	3.9	(0.8)			
USD/MYR	4.113	4.111	4.132	4.177	4.418	0.1	(0.4)	(1.5)	(6.9)	(8.0)			
USD/IDR	16,690	16,644	16,659	16,685	15,850	0.3	0.2	0.0	5.3	3.7			
USD/THB	31.85	32.04	31.99	32.35	34.07	(0.6)	(0.4)	(1.5)	(6.5)	(6.6)			
USD/SGD	1.298	1.296	1.297	1.301	1.343	0.1	0.1	(0.3)	(3.4)	(5.0)			
USD/CNY	7.072	7.069	7.072	7.126	7.284	0.0	(0.0)	(0.8)	(2.9)	(3.6)			
USD/KRW	1,469	1,472	1,467	1,461	1,423	(0.2)	0.1	0.5	3.2	(0.2)			
USD/INR	90.09	89.99	89.56	88.67	84.70	0.1	0.6	1.6	6.4	5.2			
USD/PHP	58.94	58.94	58.54	59.04	57.75	0.0	0.7	(0.2)	2.1	1.9			
USD/TWD	31.19	31.24	31.44	31.04	32.40	(0.2)	(0.8)	0.5	(3.7)	(4.9)			
USD/HKD	7.781	7.785	7.789	7.777	7.780	(0.1)	(0.1)	0.0	0.0	0.2			
USD/VND	26,360	26,363	26,369	26,310	25,385	(0.0)	(0.0)	0.2	3.8	3.4			
NZD/USD	0.578	0.578	0.573	0.562	0.583	0.0	0.8	2.7	(0.9)	3.3			

## Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	8-Dec-25	5-Dec-25	1-Dec-25	8-Nov-25	8-Dec-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
EUR/MYR	4.790	4.793	4.804	4.818	4.675	(0.0)	(0.3)	(0.6)	2.5	2.8			
GBP/MYR	5.478	5.486	5.467	5.471	5.637	(0.2)	0.2	0.1	(2.8)	(2.4)			
AUD/MYR	2.729	2.726	2.706	2.708	2.839	0.1	0.9	0.8	(3.9)	(1.9)			
JPY/MYR	2.637	2.647	2.658	2.722	2.946	(0.4)	(0.8)	(3.1)	(10.5)	(7.3)			
SGD/MYR	3.172	3.176	3.191	3.203	3.297	(0.1)	(0.6)	(1.0)	(3.8)	(3.5)			
10 CNY/MYR	5.818	5.817	5.845	5.862	6.087	0.0	(0.5)	(0.8)	(4.4)	(5.0)			
1 million IDR/MYR	2.463	2.470	2.481	2.502	2.789	(0.3)	(0.7)	(1.6)	(11.7)	(11.1)			
THB/MYR	12.915	12.905	12.915	12.891	12.974	0.1	(0.0)	0.2	(0.5)	(0.8)			
10 HKD/MYR	5.286	5.282	5.307	5.368	5.681	0.1	(0.4)	(1.5)	(7.0)	(8.2)			

## Commodities

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	8-Dec-25	5-Dec-25	1-Dec-25	8-Nov-25	8-Dec-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
Brent (USD/barrel)	62.49	63.75	63.17	63.63	71.12	(2.0)	(1.1)	(1.8)	(12.1)	(16.3)			
WTI (USD/barrel)	58.88	60.08	59.32	59.75	67.20	(2.0)	(0.7)	(1.5)	(12.4)	(17.9)			
Gold (USD/oz)	4,191	4,198	4,232	4,001	2,633	(0.2)	(1.0)	4.7	59.1	59.7			
Malaysia CPO (RM/tonne)	4,055	4,095	4,060	4,080	5,336	(1.0)	(0.1)	(0.6)	(24.0)	(16.6)			

## Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	8-Dec-25	5-Dec-25	1-Dec-25	8-Nov-25	8-Dec-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.01	3.02	3.03	3.13	3.45	(0)	(1)	(12)	(44)	(47)			
5-Year	3.26	3.25	3.25	3.26	3.57	1	1	0	(31)	(36)			
7-Year	3.46	3.46	3.46	3.46	3.73	0	0	0	(27)	(31)			
10-Year	3.48	3.48	3.46	3.52	3.78	1	2	(4)	(30)	(33)			
15-Year	3.74	3.75	3.74	3.75	3.93	(0)	0	(1)	(19)	(23)			
20-Year	3.85	3.85	3.85	3.92	4.05	0	0	(6)	(20)	(21)			
30-Year	3.98	3.98	3.98	4.01	4.18	(0)	0	(3)	(20)	(20)			

## Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	8-Dec-25	5-Dec-25	1-Dec-25	8-Nov-25	8-Dec-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.12	3.12	3.11	3.14	3.39	0	1	(2)	(27)	(31)			
5-Year	3.26	3.26	3.26	3.25	3.59	0	0	1	(33)	(36)			
7-Year	3.35	3.35	3.36	3.38	3.74	0	(1)	(3)	(39)	(39)			
10-Year	3.53	3.53	3.53	3.56	3.79	0	0	(3)	(26)	(30)			
15-Year	3.76	3.76	3.75	3.76	3.95	0	1	0	(20)	(22)			
20-Year	3.89	3.89	3.89	3.90	4.08	0	(0)	(1)	(19)	(20)			

## Major Equity Indices

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	8-Dec-25	5-Dec-25	1-Dec-25	8-Nov-25	8-Dec-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
S&P500 Index	6,847	6,870	6,813	6,729	6,090	(0.3)	0.5	1.7	12.4	78.3			
Dow Jones	47,739	47,955	47,289	46,987	44,643	(0.4)	1.0	1.6	6.9	44.0			
Nasdaq	23,546	23,578	23,276	23,005	19,860	(0.1)	1.2	2.4	18.6	125.0			
London FTSE	9,645	9,667	9,703	9,683	8,309	(0.2)	(0.6)	(0.4)	16.1	29.4			
German DAX	24,046	24,028	23,589	23,570	20,385	0.1	1.9	2.0	18.0	72.7			
Nikkei 225	50,582	50,492	49,303	50,276	39,091	0.2	2.6	0.6	29.4	93.8			
Japan TOPIX	3,384	3,363	3,338	3,299	2,727	0.6	1.4	2.6	24.1	78.9			
FBM KLCI	1,613	1,617	1,625	1,619	1,613	(0.2)	(0.7)	(0.4)	(0.0)	7.8			

## Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	8-Dec-25	5-Dec-25	1-Dec-25	8-Nov-25	8-Dec-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
UST 2Y	3.58	3.56	3.53	3.56	4.10	1	4	1	(53)	(67)			
UST 10Y	4.16	4.14	4.09	4.10	4.15	3	8	7	1	(40)			
Germany 2Y	2.16	2.10	2.06	1.99	2.00	6	9	17	16	8			
Germany 10Y	2.86	2.80	2.75	2.67	2.11	6	11	20	75	50			
UK 2Y	3.81	3.78	3.75	3.80	4.26	3	6	1	(45)	(58)			
UK 10Y	4.53	4.48	4.48	4.47	4.28	5	5	6	25	(4)			
Japan 2Y	1.07	1.05	1.02	0.94	0.60	2	5	13	48	47			
Japan 10Y	1.98	1.95	1.87	1.68	1.06	3	10	30	92	88			
Australia 2Y	3.97	3.95	3.83	3.58	3.86	2	15	39	11	11			
Australia 10Y	4.70	4.68	4.55	4.35	4.22	2	15	35	48	34			
China 2Y	1.40	1.43	1.44	1.45	1.32	(2)	(3)	(5)	8	30			
China 10Y	1.84	1.83	1.83	1.81	1.95	1	1	3	(11)	16			
Indonesia 2Y	5.09	5.08	5.15	4.86	6.87	1	(7)	23	(178)	(195)			
Indonesia 10Y	6.21	6.20	6.28	6.19	6.92	1	(7)	2	(71)	(79)			
Thailand 2Y	1.19	1.34	1.34	1.34	1.97	(15)	(15)	(15)	(78)	(81)			
Thailand 10Y	1.74	1.74	1.74	1.74	2.26	0	0	0	(52)	(52)			

## Key swap rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	8-Dec-25	5-Dec-25	1-Dec-25	8-Nov-25	8-Dec-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
IRS 1-Year	3.22	3.23	3.22	3.22	3.60	(1)	0	0	(38)	(35)			
IRS 3-Year	3.26	3.26	3.26	3.24	3.47	0	0	2	(21)	(24)			
IRS 5-Year	3.36	3.34	3.35	3.30	3.49	1	0	6	(13)	(19)			
IRS 7-Year	3.41	3.41	3.42	3.37	3.59	0	(1)	4	(18)	(22)			
IRS 10-Year	3.57	3.56	3.56	3.50	3.68	1	1	7	(12)	(16)			
IRS 20-Year	3.89	3.88	3.79	3.82	3.92	1	10	7	(3)	(6)			

## Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	8-Dec-25	5-Dec-25	1-Dec-25	8-Nov-25	8-Dec-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	3.29	0	0	0	(29)	(29)			
3-Month Klibor	3.26	3.26	3.26	3.22	3.69	0	0	4	(43)	(47)			
6-Month Klibor	3.29	3.29	3.29	3.26	3.74	0	0	3	(45)	(48)			

## Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	8-Dec-25	5-Dec-25	1-Dec-25	8-Nov-25	8-Dec-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year AAA	3.52	3.52	3.53	3.53	3.82	0	(1)	(1)	(30)	(31)			
3-Year AA	3.68	3.68	3.69	3.69	4.00	0	(1)	(1)	(32)	(33)			
3-Year A	4.53	4.55	4.52	4.55	4.89	(2)	0	(3)	(36)	(33)			
5-Year AAA	3.59	3.59	3.60	3.60	3.91	0	(1)	(1)	(32)	(33)			
5-Year AA	3.76	3.76	3.77	3.77	4.09	0	(1)	(1)	(33)	(35)			
5-Year A	4.66	4.70	4.66	4.70	5.14	(4)	0	(4)	(48)	(42)			
10-Year AAA	3.75	3.76	3.77	3.78	4.06	(0)	(1)	(2)	(31)	(31)			
10-Year AA	3.91	3.91	3.93	3.93	4.24	(0)	(1)	(2)	(32)	(33)			
10-Year A	5.04	5.10	5.03	5.08	5.63	(6)	1	(4)	(59)	(52)			

Sources: Bloomberg, AmBank Economics

Note: All values are end-period

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