



Fixed Income & FX Research

01 August 2025

Macro: US PCE beat expectations while lower jobless claims continue to reflect a robust labour market. BOJ held its policy rate unchanged at 0.50% and Ueda tempered outlook for quick hikes. News reports indicate the US has imposed 19% tariffs on Malaysia.

Forex: DXY index continued its climb towards the 100.0 level, as JPY weakened post BOJ meeting.

Fixed Income: US Treasuries remained lacking support post FOMC and after release of the PCE price index and consumer spending (+0.3% vs 0% in May) data.

Macro

Global: The US core PCE price index rose 0.3% m/m (consensus: 0.3%; May: 0.2%), its strongest monthly gain in four months, amid quickening inflation for goods, reinforcing Fed Powell's statement that tariff-driven inflation will show up by summer. Nevertheless, Trump has resumed criticism of Powell, following the earlier FOMC decision to maintain the policy rate. Trump has extended Mexico's current tariff rates by another 90 days for negotiations, coming as the US Court of Appeals is 'sharply questioning' the legality of Trump's reciprocal tariffs (and country-specific tariffs). Meanwhile, ahead of today's nonfarm payrolls data (consensus: +104k; June: +147k), initial and outstanding jobless claims data continue to reflect a relatively robust labour backdrop, while the earlier slowdown in hiring has also steadied in July. In China, the NBS manufacturing PMI index unexpectedly deteriorated to 49.3 in July (consensus: 49.7; June: 49.3) despite a tariff truce with the US, as factory activity slowed after an earlier frontloading of exports. BOJ held its policy rate unchanged at 0.50% and raised its core inflation outlook for the current fiscal year from 2.2% to 2.7%. However, Governor Kazuo Ueda tempered expectations of near-term rate hikes, saying the central bank is not in danger of falling behind the curve on inflation, while keeping interest rate differentials firmly in favour of the USD.

Malaysia: The US has announced 19% tariff rate for Malaysian exports which is lower than the 25% rate threatened on Malaysia last month. Bloomberg reports that Trump had sought to address trade imbalances and non-tariff barriers as well as US technology channelled to other countries. The 13th Malaysia Plan (13MP) from 2026-2030 targets a GDP growth of 4.5-5.5% (2025 forecast: 4.0-4.8%), while fiscal deficit is targeted to fall to below 3.0% of GDP by 2030 (2025 target: 3.8%).

Forex

Global: DXY (+0.2%) continued its climb towards the 100.0 level, driven by sharp JPY weaknesses (-0.8%) for the day post BOJ meeting. GBP fell 0.4% against the USD, as investors turn increasingly pessimistic about the UK's economic prospects, especially in contrast to recent solid US data.

Malaysia: MYR fell further yesterday vs. the USD post FOMC decision and what markets perceive as a hawkish outlook by Powell.

Fixed Income

Global Bonds: US Treasuries saw a lack of support post FOMC and after release of the PCE price index and consumer spending (+0.3% vs 0% in May) data. Traders were also wary as ahead of NFP data today and announcements of tariffs on India and South Korea as well as indecision on the trade deal with China. JGB yields held steady as the BOJ kept interest rates unchanged.

MYR Bonds: The ringgit government bond market edged slightly lower as benchmark MGS and GII were spotted about 1 bps higher. Prior day UST losses on the back of the FOMC contributed to the slightly downbeat sentiment. A good mix of higher-grade GGs and AAA as well as AA names were seen traded in the PDS market yesterday. Danainfra 10/41 (GG) and Prasarana 09/42 (GG) were last dealt at 3.76% (-3 bps) and 3.78% (-2 bps) respectively.

Commodities

Brent prices fell 1.0% as markets took profit from earlier gains. This comes as the US Treasury Department announced fresh sanctions on 115 Iran-linked individuals, entities, and vessels, ahead of potential secondary sanctions on purchasers of Russian energy.

FX Daily Rates

Vs. USD	Last Close	Per cent
DXY	99.97	0.2
EUR/USD	1.142	0.1
AUD/USD	0.643	(0.1)
GBP/USD	1.321	(0.2)
USD/JPY	150.75	0.8
USD/MYR	4.265	0.6
USD/IDR	16,455	0.4
USD/THB	32.68	0.6
USD/SGD	1.298	0.1
USD/CNY	7.200	0.0

Ringgit Outlook for The Week

	1	2
Resistance	4.277	4.333
Support	4.181	4.141

Major Sovereign Yields (%)

Sov. Yield	Last Close	bps
UST 2Y	3.96	2
UST 10Y	4.37	0
Germany 10Y	2.70	(1)
UK 10Y	4.57	(3)
Japan 10Y	1.56	(0)
Australia 10Y	4.26	0
China 10Y	1.71	(2)

MGS Bond Yields (%)

MGS	Last	bps
3-Year	3.05	0
5-Year	3.15	0
7-Year	3.34	1
10-Year	3.37	1
15-Year	3.61	(0)
20-Year	3.76	0
30-Year	3.91	0

MYR Swap Rates (%)

Swap / Rates	Last Close	bps
IRS 1-Year	3.13	1
IRS 3-Year	3.06	1
IRS 5-Year	3.13	0
IRS 7-Year	3.20	(1)
IRS 10-Year	3.33	0
3M KLIBOR	3.23	0

Key Commodities

Commodities	Last Close	Per cent
Brent (USD/bbl)	72.53	(1.0)
WTI (USD/bbl)	69.26	(1.1)
Gold (USD/oz)	3,290	0.5
CPO (RM/tonne)	4,175	(0.8)

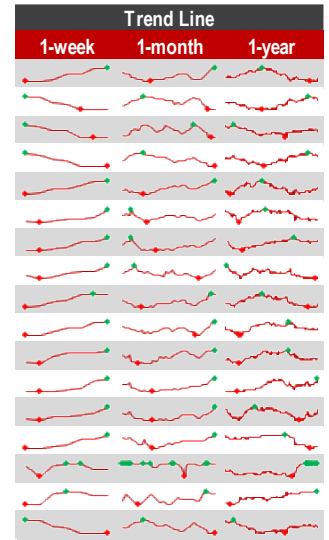
Policy Rates

Central Banks	Current	Next
US Fed Funds	4.50	18-Sep
ECB Deposit Rate	2.00	11-Sep
BOE Base Rate	4.25	07-Aug
RBA Cash Rate	3.85	12-Aug
BOJ Cash Rate	0.50	19-Sep
PBOC 1Y LPR	3.00	n.a.
BOK Base Rate	3.00	-
BNM OPR	2.75	05-Sep

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.

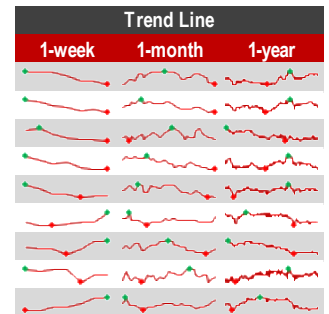
Latest	1-day	1 week	1-Month	1-Year
31-Jul-25	30-Jul-25	24-Jul-25	1-Jul-25	31-Jul-24
99.97	99.82	97.38	96.82	104.10
1.142	1.141	1.175	1.181	1.083
0.643	0.643	0.659	0.658	0.654
1.321	1.324	1.351	1.375	1.286
150.75	149.51	147.01	143.42	149.98
4.265	4.240	4.216	4.197	4.591
16,455	16,393	16,287	16,198	16,260
32.68	32.48	32.26	32.43	35.65
1.298	1.297	1.278	1.273	1.336
7.200	7.197	7.155	7.166	7.227
1,393	1,390	1,372	1,358	1,371
87.60	87.43	86.41	85.54	83.73
58.33	57.59	56.67	56.34	58.37
29.87	29.70	29.39	29.17	32.84
7.850	7.850	7.850	7.850	7.813
26,198	26,214	26,136	26,130	25,264
0.589	0.590	0.603	0.610	0.595

Percentage Change				
1-day	1-week	1-month	1-year	YTD
0.2	2.7	3.3	(4.0)	(7.9)
0.1	(2.8)	(3.3)	5.4	10.2
(0.1)	(2.5)	(2.4)	(1.8)	3.8
(0.2)	(2.2)	(3.9)	2.7	5.5
0.8	2.5	5.1	0.5	(4.1)
0.6	1.2	1.6	(7.1)	(4.6)
0.4	1.0	1.6	1.2	2.2
0.6	1.3	0.8	(8.3)	(4.1)
0.1	1.6	2.0	(2.8)	(4.9)
0.04	0.6	0.5	(0.4)	(1.4)
0.2	1.6	2.6	1.6	(5.3)
0.2	1.4	2.4	4.6	2.3
1.3	2.9	3.5	(0.1)	0.8
0.6	1.6	2.4	(9.1)	(8.9)
(0.0)	(0.0)	(0.0)	0.5	1.0
(0.1)	0.2	0.3	3.7	2.8
(0.1)	(2.3)	(3.4)	(1.0)	5.3



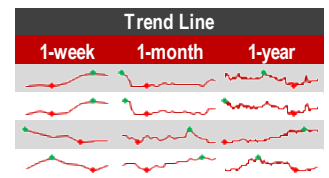
Latest	1-day	1 week	1-Month	1-Year
31-Jul-25	30-Jul-25	24-Jul-25	1-Jul-25	31-Jul-24
4.881	4.902	4.956	4.959	4.970
5.642	5.673	5.712	5.781	5.891
2.750	2.756	2.790	2.763	2.983
2.831	2.838	2.869	2.927	3.061
3.292	3.294	3.303	3.304	3.429
5.933	5.901	5.894	5.861	6.351
2.594	2.587	2.588	2.592	2.823
13.013	12.952	13.071	12.952	12.875
5.433	5.405	5.372	5.348	5.876

Percentage Change				
1-day	1-week	1-month	1-year	YTD
(0.4)	(1.5)	(1.6)	(1.8)	4.8
(0.5)	(1.2)	(2.4)	(4.2)	0.5
(0.2)	(1.4)	(0.5)	(7.8)	(1.1)
(0.2)	(1.3)	(3.3)	(7.5)	(0.5)
(0.1)	(0.3)	(0.4)	(4.0)	0.2
0.5	0.7	1.2	(6.6)	(3.2)
0.3	0.2	0.1	(8.1)	(6.4)
0.5	(0.4)	0.5	1.1	(0.1)
0.5	1.1	1.6	(7.5)	(5.7)



Latest	1-day	1 week	1-Month	1-Year
31-Jul-25	30-Jul-25	24-Jul-25	1-Jul-25	31-Jul-24
72.53	73.24	69.18	67.11	80.72
69.26	70	66.03	65.45	77.91
3,290	3,275	3,369	3,339	2,448
4,175	4,209	4,259	3,942	4,028

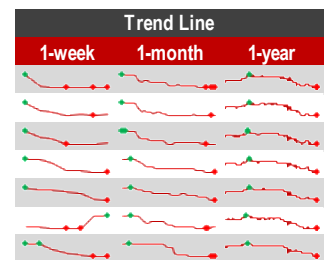
Percentage Change				
1-day	1-week	1-month	1-year	YTD
(1.0)	4.8	8.1	(10.1)	(2.8)
(1.1)	4.9	5.8	(11.1)	(3.4)
0.5	(2.3)	(1.5)	34.4	25.4
(0.8)	(2.0)	5.9	3.6	(14.1)



t Securities

Latest	1-day	1 week	1-Month	1-Year
31-Jul-25	30-Jul-25	24-Jul-25	1-Jul-25	31-Jul-24
3.05	3.05	3.06	3.14	3.36
3.15	3.15	3.15	3.18	3.53
3.34	3.33	3.35	3.39	3.67
3.37	3.37	3.40	3.51	3.72
3.61	3.61	3.65	3.68	3.86
3.76	3.76	3.76	3.78	4.02
3.91	3.91	3.91	4.00	4.14

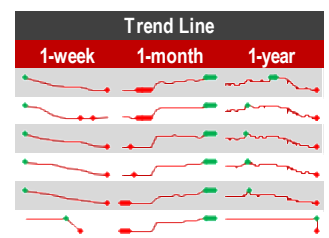
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	(1)	(9)	(32)	(43)
0	0	(3)	(38)	(47)
1	(1)	(5)	(33)	(43)
1	(3)	(14)	(35)	(44)
(0)	(4)	(6)	(25)	(36)
0	0	(2)	(26)	(30)
0	(0)	(9)	(23)	(27)



t Investment Issues

Latest	1-day	1 week	1-Month	1-Year
31-Jul-25	30-Jul-25	24-Jul-25	1-Jul-25	31-Jul-24
3.10	3.10	3.12	3.16	3.35
3.19	3.19	3.20	3.28	3.52
3.33	3.33	3.35	3.38	3.70
3.41	3.42	3.47	3.51	3.73
3.63	3.64	3.66	3.71	3.91
3.73	3.74	3.74	3.77	4.06

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(0)	(2)	(6)	(26)	(33)
0	(1)	(9)	(33)	(44)
(1)	(2)	(5)	(37)	(42)
(1)	(5)	(9)	(32)	(42)
(0)	(3)	(8)	(28)	(35)
(0)	(0)	(4)	(32)	(35)



Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	31-Jul-25	30-Jul-25	24-Jul-25	1-Jul-25	31-Jul-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
UST 2Y	3.96	3.94	3.92	3.77	4.26	2	4	18	(30)	(28)			
UST 10Y	4.37	4.37	4.40	4.24	4.03	0	(2)	13	34	(20)			
Germany 2Y	1.96	1.95	1.93	1.85	2.53	1	3	12	(57)	(12)			
Germany 10Y	2.70	2.71	2.70	2.57	2.30	(1)	(1)	12	39	33			
UK 2Y	3.86	3.88	3.86	3.83	3.83	(1)	(0)	3	4	(53)			
UK 10Y	4.57	4.60	4.62	4.45	3.97	(3)	(5)	12	60	0			
Japan 2Y	0.82	0.83	0.85	0.74	0.46	(1)	(3)	8	37	22			
Japan 10Y	1.56	1.56	1.61	1.39	1.06	(0)	(5)	16	50	46			
Australia 2Y	3.35	3.33	3.41	3.20	3.88	3	(6)	15	(52)	(51)			
Australia 10Y	4.26	4.26	4.35	4.12	4.12	0	(9)	14	15	(10)			
China 2Y	1.44	1.44	1.45	1.37	1.52	(0)	(1)	6	(9)	34			
China 10Y	1.71	1.73	1.74	1.65	2.15	(2)	(3)	6	(44)	4			
Indonesia 2Y	5.83	5.79	5.79	6.02	6.60	4	4	(19)	(77)	(121)			
Indonesia 10Y	6.57	6.56	6.51	6.60	6.90	1	6	(4)	(34)	(43)			
Thailand 2Y	1.29	1.29	1.29	1.39	2.31	0	0	(9)	(102)	(70)			
Thailand 10Y	1.50	1.51	1.48	1.58	2.58	(1)	3	(7)	(108)	(75)			

Key swap rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	31-Jul-25	30-Jul-25	24-Jul-25	1-Jul-25	31-Jul-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
IRS 1-Year	3.13	3.13	3.12	3.24	3.46	1	1	(10)	(32)	(44)			
IRS 3-Year	3.06	3.05	3.05	3.12	3.43	1	1	(6)	(36)	(44)			
IRS 5-Year	3.13	3.13	3.14	3.20	3.49	0	(1)	(7)	(36)	(42)			
IRS 7-Year	3.20	3.21	3.21	3.29	3.56	(1)	(2)	(9)	(37)	(44)			
IRS 10-Year	3.33	3.33	3.34	3.42	3.67	0	(1)	(9)	(34)	(40)			
IRS 20-Year	3.62	3.62	3.64	3.71	4.02	0	(2)	(9)	(40)	(33)			

Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	31-Jul-25	30-Jul-25	24-Jul-25	1-Jul-25	31-Jul-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
1-Month Klibor	3.01	3.01	3.01	3.26	3.29	0	0	(25)	(28)	(28)			
3-Month Klibor	3.23	3.23	3.23	3.50	3.57	0	0	(27)	(34)	(50)			
6-Month Klibor	3.29	3.29	3.30	3.54	3.63	0	(1)	(25)	(34)	(48)			

Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	31-Jul-25	30-Jul-25	24-Jul-25	1-Jul-25	31-Jul-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year AAA	3.54	3.56	3.55	3.61	3.77	(2)	(1)	(7)	(23)	(29)			
3-Year AA	3.71	3.72	3.72	3.77	3.91	(2)	(1)	(6)	(20)	(31)			
3-Year A	4.55	4.54	4.55	4.54	4.87	1	1	1	(32)	(31)			
5-Year AAA	3.62	3.64	3.63	3.68	3.87	(2)	(1)	(6)	(25)	(31)			
5-Year AA	3.79	3.81	3.80	3.85	4.01	(2)	(1)	(6)	(22)	(31)			
5-Year A	4.70	4.67	4.68	4.67	5.12	2	2	2	(42)	(39)			
10-Year AAA	3.77	3.79	3.78	3.84	4.02	(2)	(1)	(7)	(25)	(30)			
10-Year AA	3.94	3.95	3.94	4.00	4.20	(1)	(0)	(6)	(26)	(30)			
10-Year A	5.07	5.03	5.04	5.02	5.64	4	3	5	(57)	(49)			

Sources: Bloomberg, AmBank Economics

Note: All values are end-period

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