



Fixed Income & FX Research

11 May 2026

Macro: US-Iran disagreement continues, while oil prices rebounded. US NFP and UOM sentiment saw mixed results. Malaysia to review petrol subsidies for high-income earners.

Forex: DXY fell 0.2%, though reversals expected today amid fresh weekend news. GBP saw strength amid signs of political/fiscal continuity after UK elections.

Fixed Income: UST whipsawed on US data but ultimately closed firmer on Friday. Limited flows for Malaysia bonds on Friday, while bargain-hunting contributed to a mixed close

Macro

Global: The spectre of an oil-driven crisis is once again haunting the world, after US President Trump rejected Iran's latest peace proposal to end the conflict, with disagreements still stemming from Iran's nuclear ambitions. This comes ahead of a highly anticipated Trump-Xi summit in Beijing on 14-15 May, with Iran, trade, AI, and Taiwan expected to be key agendas on discussion. Meanwhile, the US added 115k jobs in April (consensus: +62k; March: +185k), its first back-to-back monthly increase in nearly a year, indicating that US labour markets remain broadly resilient. However, UOM consumer sentiment fell to a record low of 48.2 in early-May (consensus: 49.5; April: 49.8), driven by growing inflation concerns on real income and purchasing power. Separately, Trump's latest 10% global tariffs was also declared unlawful by a federal trade court.

Malaysia: PM Anwar said the government is reviewing mechanisms for a proposed revision of petrol subsidies for high-income earners, with no decision yet in regard to targeting the T20, T15, or other income categories. The PM is also expected to announce plans in mid-May to ensure national oil supply continuity past June.

Forex

Global: DXY fell 0.2% while key G10 currencies rallied 0.2-0.6% against the USD. Nevertheless, reversals are expected today amid fresh US-Iran disagreements and the uptick in oil prices. GBP (+0.6%) saw relative strength on Friday amid signs of political/fiscal continuity, as PM Starmer vowed to stay in office despite preliminary election results indicating significant losses for his Labour Party, though the decline was less severe than some worst-case forecasts.

Malaysia: USD/MYR seen trading at a stable 3.92 level after an opening spike. We expect slight MYR weaknesses to persist for another day amid USD strength.

Fixed Income

Global Bonds: UST whipsawed on Friday amid the mixed batch of US macroeconomic data, ultimately closing firmer amid earlier market expectations of continued progress in US-Iran negotiations. As per the CME's FedWatch Tool, probability of the Fed holding rates steady up to December meeting rose to 74.5% from 70.1%, though hike expectations are expected to tilt up today amid weekend US-Iran developments. Gilt yields fell as early election results indicated losses for the Labour Party that is not as severe as expected.

MYR Bonds: Ringgit govvies flows were limited last Friday as the market was still concerned over the war and reported exchange of attacks. Yet, our traders noted bargain-hunting activity was present and thus contributed to a mixed close for the market. We think sentiment for Malaysia's bonds were supported by recent developments 1) Official data showing net foreign inflow in MGS at MYR5.8 billion total in March and April 2026 despite the US/Israel-Iran war, 2) Moody's statement that Malaysia is among the most resilient in EM in navigating recent financial shocks, aided by policy strength/response and relatively stable market conditions, and 3) BNM holding OPR last week with a neutral policy signaling, though it warned against downside risks to growth emanating from Middle East developments. Corporate bond trading was cautious as we saw yields moving mixed. Flows were relatively active but focused on AAA names and on shorter tenors <10Y. AAA-rated TNB NE 11/35 and 05/36 rose by 7 bps and 8 bps respectively to 3.92% and 3.94%.

Commodities**FX Daily Rates**

Vs. USD	Last Close	Per cent
DXY	97.90	(0.2)
EUR/USD	1.179	0.5
AUD/USD	0.725	0.5
GBP/USD	1.363	0.6
USD/JPY	156.68	(0.2)
USD/MYR	3.921	0.3
USD/IDR	17,373	0.2
USD/THB	32.21	0.2
USD/SGD	1.267	(0.1)
USD/CNY	6.797	(0.2)

Ringgit Outlook for The Week

	1	2
Resistance	4.005	4.094
Support	3.870	3.826

Major Sovereign Yields (%)

Sov. Yield	Last Close	bps
UST 2Y	3.88	(3)
UST 10Y	4.35	(3)
Germany 10Y	3.01	0
UK 10Y	4.91	(4)
Japan 10Y	2.48	0
Australia 10Y	4.99	7
China 10Y	1.76	0

MGS Bond Yields (%)

MGS	Last	bps
3-Year	3.19	0
5-Year	3.34	1
7-Year	3.44	1
10-Year	3.56	0
15-Year	3.81	0
20-Year	3.95	(0)
30-Year	4.06	(0)

MYR Swap Rates (%)

Swap / Rates	Last Close	bps
IRS 1-Year	3.35	0
IRS 3-Year	3.40	0
IRS 5-Year	3.46	0
IRS 7-Year	3.55	1
IRS 10-Year	3.68	1
3M KLIBOR	3.35	0

Key Commodities

Commodities	Last Close	Per cent
Brent (USD/bbl)	101.29	1.2
WTI (USD/bbl)	95.42	0.6
Gold (USD/oz)	4,715	0.6
CPO (RM/tonne)	4,478	(0.3)

Policy Rates

Central Banks	Current	Next
US Fed Funds	3.75	18-Jun
ECB Deposit Rate	2.00	11-Jun
BOE Base Rate	3.75	18-Jun
RBA Cash Rate	4.10	16-Jun
BOJ Cash Rate	0.75	16-Jun
RBNZ Cash Rate	2.25	27-May
PBOC 1Y LPR	3.00	-
BNM OPR	2.75	09-Jul

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.

Oil prices seen spiking up 4% this morning amid fresh US-Iran disagreements over nuclear proposals. Meanwhile, Saudi Aramco's CEO Amin Nasser said oil markets will only normalise in 2027 should shipping through Hormuz remain curtailed for more than a few weeks.

Currencies

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	8-May-26	7-May-26	1-May-26	8-Apr-26	8-May-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
DXY Dollar Index	97.90	98.07	98.16	99.13	100.64	(0.2)	(0.3)	(1.2)	(2.7)	(0.4)			
EUR/USD	1.179	1.173	1.172	1.166	1.123	0.5	0.6	1.1	5.0	0.3			
AUD/USD	0.725	0.721	0.720	0.704	0.640	0.5	0.6	2.9	13.2	8.6			
GBP/USD	1.363	1.356	1.358	1.339	1.325	0.6	0.4	1.8	2.9	1.2			
USD/JPY	156.68	156.93	157.01	158.57	145.91	(0.2)	(0.2)	(1.2)	7.4	(0.0)			
USD/MYR	3.921	3.908	3.972	3.976	4.282	0.3	(1.3)	(1.4)	(8.4)	(3.4)			
USD/IDR	17,373	17,342	17,353	17,010	16,495	0.2	0.1	2.1	5.3	4.1			
USD/THB	32.21	32.15	32.60	32.02	32.84	0.2	(1.2)	0.6	(1.9)	2.2			
USD/SGD	1.267	1.269	1.273	1.274	1.301	(0.1)	(0.4)	(0.5)	(2.6)	(1.4)			
USD/CNY	6.797	6.809	6.831	6.833	7.243	(0.2)	(0.5)	(0.5)	(6.2)	(2.6)			
USD/KRW	1,462	1,456	1,477	1,478	1,405	0.4	(1.0)	(1.1)	4.1	1.6			
USD/INR	94.48	94.25	94.92	92.58	85.72	0.2	(0.5)	2.1	10.2	5.1			
USD/PHP	60.63	60.41	61.48	59.41	55.62	0.4	(1.4)	2.1	9.0	3.1			
USD/TWD	31.42	31.40	31.67	31.77	30.29	0.1	(0.8)	(1.1)	3.7	(0.0)			
USD/HKD	7.829	7.833	7.835	7.833	7.774	(0.0)	(0.1)	(0.0)	0.7	0.6			
USD/VND	26,309	26,310	26,356	26,335	25,967	(0.0)	(0.2)	(0.1)	1.3	0.0			
NZD/USD	0.597	0.594	0.590	0.582	0.591	0.5	1.2	2.5	1.0	3.6			

Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	8-May-26	7-May-26	1-May-26	8-Apr-26	8-May-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
EUR/MYR	4.614	4.601	4.658	4.644	4.831	0.3	(0.9)	(0.6)	(4.5)	(3.2)			
GBP/MYR	5.339	5.322	5.403	5.338	5.685	0.3	(1.2)	0.0	(6.1)	(2.1)			
AUD/MYR	2.837	2.837	2.857	2.797	2.746	(0.0)	(0.7)	1.4	3.3	4.5			
JPY/MYR	2.503	2.491	2.527	2.507	2.934	0.5	(1.0)	(0.2)	(14.7)	(3.4)			
SGD/MYR	3.093	3.088	3.119	3.118	3.303	0.1	(0.8)	(0.8)	(6.4)	(2.0)			
10 CNY/MYR	5.764	5.748	5.814	5.821	5.911	0.3	(0.9)	(1.0)	(2.5)	(0.8)			
1 million IDR/MYR	2.255	2.255	2.289	2.337	2.593	0.0	(1.5)	(3.5)	(13.0)	(7.4)			
THB/MYR	12.176	12.156	12.217	12.430	13.045	0.2	(0.3)	(2.0)	(6.7)	(5.1)			
10 HKD/MYR	5.008	4.992	5.069	5.077	5.507	0.3	(1.2)	(1.4)	(9.1)	(4.0)			

Commodities

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	8-May-26	7-May-26	1-May-26	8-Apr-26	8-May-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
Brent (USD/barrel)	101.29	100.06	108.17	94.75	62.84	1.2	(6.4)	6.9	61.2	66.5			
WTI (USD/barrel)	95.42	94.81	101.94	94.41	59.91	0.6	(6.4)	1.1	59.3	66.2			
Gold (USD/oz)	4,715	4,686	4,614	4,719	3,306	0.6	2.2	(0.1)	42.6	9.2			
Malaysia CPO (RM/tonne)	4,478	4,491	4,504	4,518	3,772	(0.3)	(0.6)	(0.9)	18.7	12.0			

Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	8-May-26	7-May-26	1-May-26	8-Apr-26	8-May-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.19	3.19	3.20	3.22	3.18	0	(1)	(3)	1	20			
5-Year	3.34	3.33	3.35	3.39	3.27	1	(0)	(5)	7	9			
7-Year	3.44	3.43	3.45	3.50	3.50	1	(1)	(6)	(7)	6			
10-Year	3.56	3.56	3.56	3.58	3.61	0	(1)	(3)	(5)	5			
15-Year	3.81	3.81	3.83	3.90	3.76	0	(2)	(9)	5	5			
20-Year	3.95	3.95	3.96	4.00	3.88	(0)	(1)	(6)	7	10			
30-Year	4.06	4.06	4.07	4.13	4.06	(0)	(1)	(8)	0	7			

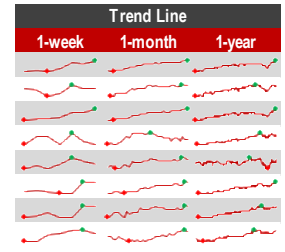
Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	8-May-26	7-May-26	1-May-26	8-Apr-26	8-May-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.19	3.19	3.18	3.21	3.23	0	1	(2)	(4)	9			
5-Year	3.33	3.33	3.31	3.37	3.38	0	2	(5)	(6)	7			
7-Year	3.51	3.51	3.48	3.55	3.51	0	2	(4)	(0)	17			
10-Year	3.58	3.58	3.55	3.61	3.62	0	2	(3)	(4)	5			
15-Year	3.86	3.86	3.85	3.90	3.79	0	1	(4)	7	11			
20-Year	3.97	3.97	3.96	4.01	3.89	0	1	(4)	7	11			

Major Equity Indices

	Latest	1-day	1 week	1-Month	1-Year
	8-May-26	7-May-26	1-May-26	8-Apr-26	8-May-25
S&P500 Index	7,399	7,337	7,230	6,783	5,664
Dow Jones	49,609	49,597	49,499	47,910	41,368
Nasdaq	26,247	25,806	25,114	22,635	17,928
London FTSE	10,233	10,277	10,364	10,609	8,532
German DAX	24,339	24,664	24,292	24,081	23,353
Nikkei 225	62,714	62,834	59,513	56,308	36,929
Japan TOPIX	3,829	3,840	3,729	3,775	2,699
FBM KLCI	1,748	1,759	1,722	1,696	1,543

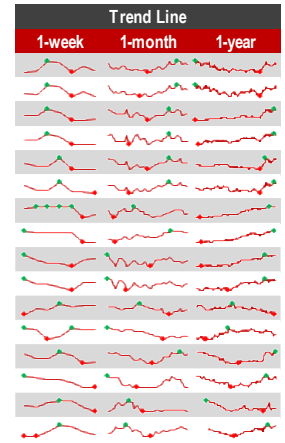
Percentage Change				
1-day	1-week	1-month	1-year	YTD
0.8	2.3	9.1	30.6	92.7
0.0	0.2	3.5	19.9	49.7
1.7	4.5	16.0	46.4	150.8
(0.4)	(1.3)	(3.5)	19.9	37.3
(1.3)	0.2	1.1	4.2	74.8
(0.2)	5.4	11.4	69.8	140.3
(0.3)	2.7	1.4	41.9	102.4
(0.6)	1.5	3.1	13.3	16.9



Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year
	8-May-26	7-May-26	1-May-26	8-Apr-26	8-May-25
UST 2Y	3.88	3.91	3.88	3.79	3.87
UST 10Y	4.35	4.39	4.37	4.29	4.38
Germany 2Y	2.60	2.59	2.64	2.49	1.77
Germany 10Y	3.01	3.00	3.04	2.94	2.54
UK 2Y	4.38	4.39	4.42	4.17	3.93
UK 10Y	4.91	4.95	4.96	4.71	4.55
Japan 2Y	1.38	1.37	1.39	1.39	0.63
Japan 10Y	2.48	2.48	2.52	2.37	1.34
Australia 2Y	4.69	4.64	4.72	4.58	3.32
Australia 10Y	4.99	4.92	5.02	4.86	4.24
China 2Y	1.29	1.29	1.30	1.34	1.42
China 10Y	1.76	1.76	1.75	1.81	1.63
Indonesia 2Y	6.28	6.25	6.32	6.12	6.37
Indonesia 10Y	6.60	6.61	6.85	6.60	6.86
Thailand 2Y	1.18	1.20	1.22	1.16	1.51
Thailand 10Y	2.16	2.18	2.18	2.01	1.80

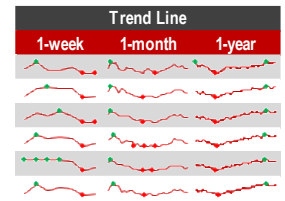
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(3)	1	10	1	41
(3)	(2)	6	(2)	19
2	(4)	11	83	48
0	(3)	6	47	15
(1)	(3)	21	46	65
(4)	(5)	20	37	43
0	(1)	(1)	75	20
0	(3)	12	115	42
5	(3)	11	137	63
7	(3)	13	75	25
0	(1)	(5)	(13)	(8)
0	1	(5)	13	(10)
3	(4)	16	(9)	129
(0)	(25)	(0)	(26)	53
(2)	(4)	2	(33)	6
(2)	(2)	15	36	52



Key swap rates

	Latest	1-day	1 week	1-Month	1-Year
	8-May-26	7-May-26	1-May-26	8-Apr-26	8-May-25
IRS 1-Year	3.35	3.35	3.37	3.35	3.28
IRS 3-Year	3.40	3.39	3.42	3.38	3.09
IRS 5-Year	3.46	3.46	3.48	3.44	3.16
IRS 7-Year	3.55	3.54	3.58	3.51	3.26
IRS 10-Year	3.68	3.67	3.70	3.67	3.37
IRS 20-Year	4.01	4.00	4.05	4.03	3.76

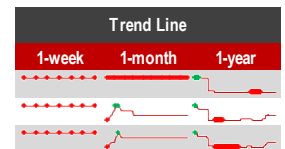
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	(2)	0	7	14
0	(2)	1	31	13
0	(3)	2	30	11
1	(3)	4	29	14
1	(2)	1	31	12
1	(4)	(1)	26	13



Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year
	8-May-26	7-May-26	1-May-26	8-Apr-26	8-May-25
1-Month Klibor	3.00	3.00	3.00	3.00	3.28
3-Month Klibor	3.35	3.35	3.35	3.36	3.63
6-Month Klibor	3.39	3.39	3.39	3.39	3.68

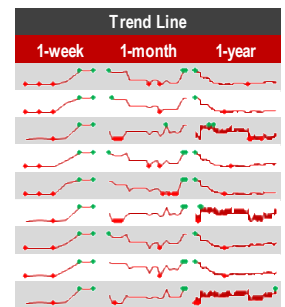
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	0	0	(28)	0
0	0	(1)	(28)	7
0	0	0	(29)	9



Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year
	8-May-26	7-May-26	1-May-26	8-Apr-26	8-May-25
3-Year AAA	3.56	3.56	3.54	3.56	3.75
3-Year AA	3.69	3.69	3.68	3.69	3.89
3-Year A	4.50	4.50	4.48	4.46	4.51
5-Year AAA	3.64	3.64	3.62	3.64	3.82
5-Year AA	3.78	3.78	3.77	3.78	3.96
5-Year A	4.70	4.70	4.65	4.62	4.64
10-Year AAA	3.81	3.81	3.79	3.80	3.95
10-Year AA	3.95	3.95	3.93	3.94	4.10
10-Year A	5.12	5.12	5.06	5.01	4.99

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	2	0	(19)	5
0	1	(0)	(20)	3
0	2	5	(1)	(4)
0	2	0	(18)	5
0	1	0	(19)	2
0	4	8	5	(0)
0	2	0	(14)	4
0	2	0	(15)	2
0	7	11	13	1



Sources: Bloomberg, AmBank Economics

Note: All values are end-period

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