



Fixed Income & FX Research

29 July 2025

Macro: BNM revised 2025 GDP forecasts to 4-4.8% and inflation to 1.5-2.3%, while PPI deflation accelerated in June. The MY-US tariff deal will likely conclude today or tomorrow.

Forex: DXY and EUR outperformed on trade optimism, while other G10 currencies retreated against the duo. MYR fell 0.1%, tracking losses among Asian peers.

Fixed Income: UST weighed by USD strength and risk-on sentiment, while bunds fared better. MGS held firm through BNM's announcement.

Macro

Global: Little seen on overnight global developments, though the data deluge begins today with the US's release of JOLTS and consumer confidence data. Meanwhile, US Commerce Secretary Lutnick said a 90-day trade truce extension with China is likely to result from their current talks.

Malaysia: BNM revised the country's 2025 growth forecasts to 4-4.8% (prior: 4.5-5.5%), which accounts for both prolonged elevated tariffs and more favourable trade deals, while noting that the growth trajectory remains solid from resilient domestic demand, encouraging E&E exports, and robust tourism activity. Inflation forecasts were also revised lower to 1.5-2.3% (prior: 2-3.5%), reflecting a more moderate outlook for commodity-driven demand and cost pressures. This comes as Malaysia's PPI fell by a sharper 4.2% y/y in June (May: -3.6%), driven by declines in the mining (-8%) and manufacturing (-4.3%) sectors. Malaysia's tariff deal with the US will be finalised either today or tomorrow, and we believe both parties will likely heed the August 1st deadline amid the conclusions of tariff deals with the EU and Japan recently. Meanwhile, a Home Ministry official said the foreign worker levy could increase by RM300-500/worker under the proposed multi-tier mechanism, as part of measures to cover the costs incurred by the government. Separately, Thailand and Cambodia have reached an immediate ceasefire deal under a deal brokered by Malaysia Prime Minister Anwar.

Forex

Global: DXY jumped a solid 1.0% d/d, driven by trade optimism and solid demand for short-dated UST in the primary auction. G10 FX movements for the day mostly reflected mean reversion from prior gains. USDJPY (+0.6%) levels are at risk of re-testing the July 2024 level of 152 (when the BOJ raised policy rates) amid light put option positionings above current spot levels. This comes as the BOJ's upcoming messaging (on 31 July) may be less impactful, as policy continuity risks from a potential departure by PM Ishiba weigh on JPY sentiment.

Malaysia: MYR fell 0.2%, in line with regional peers including the CNH (-0.2%) and SGD (-0.4%), as fading risks of a US-EU trade war bolstered the greenback.

Fixed Income

Global Bonds: UST yields edged slightly higher, weighed by an unwinding of safe-haven trades as markets dialled further risk-on, with the S&P 500's mild d/d rise now reaching its 15th new peak this year. UST traders also held cautious amid further details from the EU-US trade deal and ahead of FOMC, GDP and labour market data this week. Bunds were better supported amid weaknesses in the EUR, even as bond traders in Europe are also paring expectations of more ECB rate cuts, after officials last week said the region is in a 'good place' in regards to inflation.

MYR Bonds: The local government bond market continued on a firm path, following BNM's downward revision to growth and inflation. Players were also seen with interest in the IRS segment. In the corporate bond market, flows were heavy on the AA curves. Notable traded papers include AA1 Johor Plant 09/39 tranche, last done at 3.81% (-2 bps).

Commodities

Oil prices jumped more than 2% d/d after Trump pressured Russian President Putin to reach a peace deal within 10-12 days or face potentially harsher economic penalties.

FX Daily Rates

Vs. USD	Last Close	Per cent
DXY	98.63	1.0
EUR/USD	1.159	(1.3)
AUD/USD	0.652	(0.7)
GBP/USD	1.336	(0.6)
USD/JPY	148.53	0.6
USD/MYR	4.231	0.2
USD/IDR	16,342	0.2
USD/THB	32.38	0.0
USD/SGD	1.287	0.4
USD/CNY	7.179	0.1

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	3.93	0
UST 10Y	4.41	2
Germany 10Y	2.69	(3)
UK 10Y	4.65	1
Japan 10Y	1.57	(3)
Australia 10Y	4.34	(1)
China 10Y	1.72	(2)

MGS Bond Yields (%)

MGS	Last	bps
3-Year	3.05	0
5-Year	3.15	(0)
7-Year	3.34	(0)
10-Year	3.38	(1)
15-Year	3.63	(1)
20-Year	3.75	0
30-Year	3.91	(0)

MYR Swap Rates (%)

Swap / Rates	Last Close	bps
IRS 1-Year	3.14	2
IRS 3-Year	3.07	2
IRS 5-Year	3.14	1
IRS 7-Year	3.22	1
IRS 10-Year	3.34	0
3M KLIBOR	3.23	0

Key Commodities

Commodities	Last Close	Per cent
Brent (USD/bbl)	70.04	2.3
WTI (USD/bbl)	66.71	2.4
Gold (USD/oz)	3,315	(0.7)
CPO (RM/tonne)	4,150	(1.7)

Policy Rates

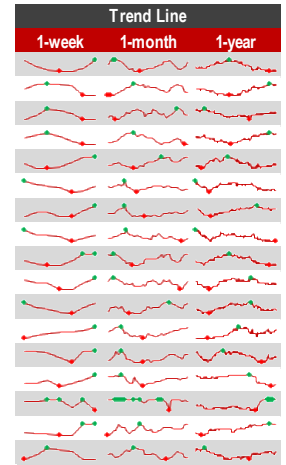
Central Banks	Current	Next
US Fed Funds	4.50	30-Jul
ECB Deposit Rate	2.00	11-Sep
BOE Base Rate	4.25	07-Aug
RBA Cash Rate	3.85	12-Aug
BOJ Cash Rate	0.50	31-Jul
PBOC 1Y LPR	3.00	n.a.
BOK Base Rate	3.00	-
BNM OPR	2.75	05-Sep

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.

Currencies vs USD

	Latest	1-day	1 week	1-Month	1-Year
	28-Jul-25	25-Jul-25	21-Jul-25	28-Jun-25	28-Jul-24
DXY Dollar Index	98.63	97.65	97.85	97.40	104.32
EUR/USD	1.159	1.174	1.169	1.172	1.086
AUD/USD	0.652	0.657	0.653	0.653	0.655
GBP/USD	1.336	1.344	1.349	1.372	1.287
USD/JPY	148.53	147.69	147.38	144.65	153.76
USD/MYR	4.231	4.223	4.235	4.231	4.658
USD/IDR	16,342	16,315	16,311	16,205	16,290
USD/THB	32.38	32.38	32.36	32.62	36.06
USD/SGD	1.287	1.282	1.281	1.276	1.343
USD/CNY	7.179	7.170	7.169	7.173	7.251
USD/KRW	1,389	1,383	1,383	1,362	1,384
USD/INR	86.66	86.52	86.30	85.49	83.73
USD/PHP	57.17	57.13	57.16	56.56	58.35
USD/TWD	29.52	29.44	29.41	29.15	32.84
USD/HKD	7.850	7.850	7.850	7.850	7.807
USD/VND	26,200	26,140	26,154	26,095	25,321
NZD/USD	0.597	0.602	0.597	0.606	0.589

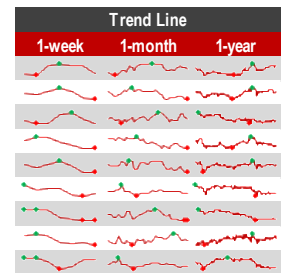
Percentage Change				
1-day	1-week	1-month	1-year	YTD
1.0	0.8	1.3	(5.4)	(9.1)
(1.3)	(0.9)	(1.1)	6.8	11.9
(0.7)	(0.1)	(0.1)	(0.4)	5.4
(0.6)	(1.0)	(2.6)	3.8	6.7
0.6	0.8	2.7	(3.4)	(5.5)
0.2	(0.1)	0.0	(9.2)	(5.4)
0.2	0.2	0.8	0.3	1.5
0.0	0.1	(0.7)	(10.2)	(5.0)
0.4	0.5	0.8	(4.2)	(5.8)
0.13	0.1	0.1	(1.0)	(1.7)
0.5	0.5	2.0	0.4	(5.6)
0.2	0.4	1.4	3.5	1.2
0.1	0.0	1.1	(2.0)	(1.2)
0.3	0.4	1.3	(10.1)	(10.0)
0.0	0.0	0.0	0.6	1.0
0.2	0.2	0.4	3.5	2.8
(0.8)	0.0	(1.4)	1.4	6.7



Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year
	28-Jul-25	25-Jul-25	21-Jul-25	28-Jun-25	28-Jul-24
EUR/MYR	4.937	4.955	4.931	4.956	5.056
GBP/MYR	5.676	5.685	5.699	5.815	5.994
AUD/MYR	2.761	2.771	2.758	2.769	3.054
JPY/MYR	2.848	2.859	2.873	2.926	3.027
SGD/MYR	3.294	3.296	3.301	3.319	3.466
10CNY/MYR	5.897	5.890	5.904	5.902	6.423
100IDR/MYR	2.586	2.587	2.594	2.614	2.857
THB/MYR	13.063	13.045	13.142	13.003	12.929
10HKD/MYR	5.389	5.379	5.394	5.392	5.967

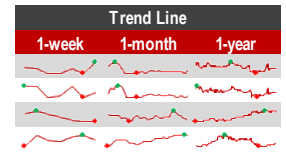
Percentage Change				
1-day	1-week	1-month	1-year	YTD
(0.4)	0.1	(0.4)	(2.4)	6.0
(0.2)	(0.4)	(2.4)	(5.3)	1.1
(0.4)	0.1	(0.3)	(9.6)	(0.7)
(0.4)	(0.9)	(2.7)	(5.9)	0.1
(0.1)	(0.2)	(0.7)	(5.0)	0.3
0.1	(0.1)	(0.1)	(8.2)	(3.7)
(0.0)	(0.3)	(1.1)	(9.5)	(6.7)
0.1	(0.6)	0.5	1.0	0.3
0.2	(0.1)	(0.1)	(9.7)	(6.4)



Commodities

	Latest	1-day	1 week	1-Month	1-Year
	28-Jul-25	25-Jul-25	21-Jul-25	28-Jun-25	28-Jul-24
Brent (USD/barrel)	70.04	68.44	69.21	67.77	81.13
WTI (USD/barrel)	66.71	65.16	67.2	65.52	77.16
Gold (USD/oz)	3,315	3,337	3,397	3,274	2,387
Malaysia CPO (RM/tonne)	4,150	4,221	4,174	3,986	4,044

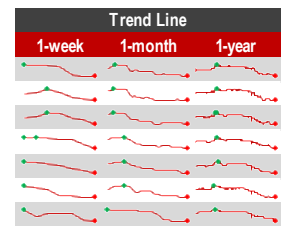
Percentage Change				
1-day	1-week	1-month	1-year	YTD
2.3	1.2	3.3	(13.7)	(6.2)
2.4	(0.7)	1.8	(13.5)	(7.0)
(0.7)	(2.4)	1.2	38.8	26.3
(1.7)	(0.6)	4.1	2.6	(14.6)



Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year
	28-Jul-25	25-Jul-25	21-Jul-25	28-Jun-25	28-Jul-24
3-Year	3.05	3.05	3.08	3.13	3.43
5-Year	3.15	3.15	3.16	3.20	3.57
7-Year	3.34	3.34	3.36	3.39	3.72
10-Year	3.38	3.39	3.43	3.52	3.78
15-Year	3.63	3.65	3.66	3.69	3.92
20-Year	3.75	3.75	3.76	3.77	4.05
30-Year	3.91	3.91	3.92	4.01	4.17

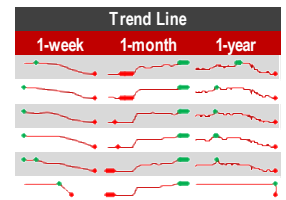
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	(3)	(8)	(37)	(43)
(0)	(1)	(5)	(42)	(48)
(0)	(2)	(5)	(38)	(43)
(1)	(5)	(15)	(40)	(44)
(1)	(3)	(5)	(28)	(34)
0	(0)	(2)	(30)	(31)
(0)	(1)	(10)	(26)	(27)



Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year
	28-Jul-25	25-Jul-25	21-Jul-25	28-Jun-25	28-Jul-24
3-Year	3.11	3.11	3.13	3.15	3.40
5-Year	3.19	3.19	3.21	3.28	3.56
7-Year	3.34	3.34	3.36	3.39	3.72
10-Year	3.45	3.46	3.48	3.52	3.78
15-Year	3.65	3.66	3.67	3.70	3.95
20-Year	3.74	3.74	3.74	3.77	4.09

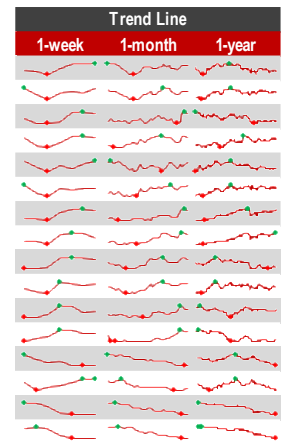
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(0)	(2)	(5)	(29)	(32)
(0)	(2)	(10)	(37)	(44)
(0)	(2)	(5)	(38)	(41)
(1)	(3)	(7)	(34)	(38)
(1)	(2)	(6)	(31)	(33)
0	(1)	(3)	(35)	(35)



Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year
	28-Jul-25	25-Jul-25	21-Jul-25	28-Jun-25	28-Jul-24
UST 2Y	3.93	3.92	3.86	3.75	4.38
UST 10Y	4.41	4.39	4.38	4.28	4.19
Germany 2Y	1.92	1.95	1.82	1.86	2.62
Germany 10Y	2.69	2.72	2.61	2.59	2.41
UK 2Y	3.91	3.88	3.87	3.84	3.92
UK 10Y	4.65	4.64	4.60	4.50	4.10
Japan 2Y	0.84	0.86	0.77	0.75	0.40
Japan 10Y	1.57	1.61	1.54	1.44	1.07
Australia 2Y	3.42	3.42	3.33	3.19	4.10
Australia 10Y	4.34	4.34	4.32	4.13	4.31
China 2Y	1.42	1.44	1.39	1.36	1.52
China 10Y	1.72	1.74	1.68	1.65	2.19
Indonesia 2Y	5.74	5.74	5.87	6.14	6.68
Indonesia 10Y	6.54	6.52	6.52	6.66	6.98
Thailand 2Y	1.29	1.29	1.34	1.40	2.36
Thailand 10Y	1.48	1.48	1.52	1.60	2.60

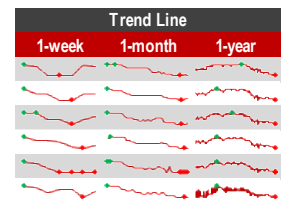
	Basis Points Change				
	1-day	1-week	1-month	1-year	YTD
UST 2Y	0	6	18	(46)	(32)
UST 10Y	2	3	13	22	(16)
Germany 2Y	(3)	9	6	(70)	(16)
Germany 10Y	(3)	8	10	28	32
UK 2Y	2	4	7	(1)	(49)
UK 10Y	1	4	14	55	8
Japan 2Y	(2)	7	9	44	23
Japan 10Y	(3)	3	13	50	47
Australia 2Y	(0)	9	22	(69)	(44)
Australia 10Y	(1)	2	21	3	(2)
China 2Y	(2)	3	6	(10)	32
China 10Y	(2)	4	7	(47)	4
Indonesia 2Y	(1)	(14)	(41)	(94)	(130)
Indonesia 10Y	1	1	(12)	(45)	(46)
Thailand 2Y	0	(4)	(10)	(107)	(70)
Thailand 10Y	0	(4)	(13)	(112)	(78)



Key swap rates

	Latest	1-day	1 week	1-Month	1-Year
	28-Jul-25	25-Jul-25	21-Jul-25	28-Jun-25	28-Jul-24
IRS 1-Year	3.14	3.13	3.15	3.24	3.47
IRS 3-Year	3.07	3.05	3.09	3.13	3.42
IRS 5-Year	3.14	3.13	3.16	3.22	3.51
IRS 7-Year	3.22	3.21	3.23	3.32	3.59
IRS 10-Year	3.34	3.34	3.37	3.43	3.71
IRS 20-Year	3.62	3.64	3.65	3.72	4.05

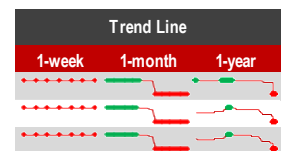
	Basis Points Change				
	1-day	1-week	1-month	1-year	YTD
IRS 1-Year	2	(0)	(10)	(33)	(43)
IRS 3-Year	2	(2)	(6)	(35)	(43)
IRS 5-Year	1	(1)	(7)	(37)	(41)
IRS 7-Year	1	(2)	(10)	(38)	(42)
IRS 10-Year	0	(3)	(9)	(37)	(39)
IRS 20-Year	(2)	(3)	(10)	(43)	(33)



Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year
	28-Jul-25	25-Jul-25	21-Jul-25	28-Jun-25	28-Jul-24
1-Month Klibor	3.01	3.01	3.01	3.26	3.29
3-Month Klibor	3.23	3.23	3.23	3.50	3.57
6-Month Klibor	3.30	3.30	3.30	3.54	3.63

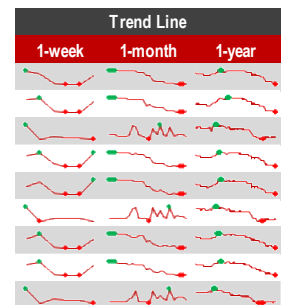
	Basis Points Change				
	1-day	1-week	1-month	1-year	YTD
1-Month Klibor	0	0	(25)	(28)	(28)
3-Month Klibor	0	0	(27)	(34)	(50)
6-Month Klibor	0	0	(24)	(33)	(47)



Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year
	28-Jul-25	25-Jul-25	21-Jul-25	28-Jun-25	28-Jul-24
3-Year AAA	3.56	3.55	3.56	3.62	3.80
3-Year AA	3.72	3.72	3.73	3.77	3.94
3-Year A	4.54	4.55	4.57	4.55	4.90
5-Year AAA	3.64	3.63	3.64	3.69	3.90
5-Year AA	3.81	3.80	3.80	3.85	4.03
5-Year A	4.67	4.68	4.72	4.68	5.15
10-Year AAA	3.79	3.78	3.79	3.84	4.06
10-Year AA	3.95	3.94	3.95	4.01	4.23
10-Year A	5.03	5.04	5.09	5.02	5.65

	Basis Points Change				
	1-day	1-week	1-month	1-year	YTD
3-Year AAA	1	(0)	(6)	(24)	(27)
3-Year AA	1	(0)	(5)	(22)	(29)
3-Year A	(0)	(3)	(1)	(36)	(32)
5-Year AAA	1	0	(5)	(26)	(29)
5-Year AA	1	0	(5)	(23)	(29)
5-Year A	(1)	(4)	(0)	(48)	(41)
10-Year AAA	1	0	(6)	(27)	(28)
10-Year AA	1	0	(5)	(28)	(29)
10-Year A	(2)	(7)	0	(63)	(53)



Sources: Bloomberg, AmBank Economics

Note: All values are end-period

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