



## Fixed Income &amp; FX Research

06 August 2025

**Macro:** US services activity nears stagnation, while employment fell deeper into contraction. US drugs and chips tariffs to be announced within a week. Malaysia parliament to commence Budget 2026 consultation session tomorrow (7 August), ahead of tabling on 10 October.

**Forex:** DXY held steady as G10 and Asian currencies traded rangebound against the USD.

**Fixed Income:** UST yields closed higher, with front-end leading declines on poor demand for 3Y auction. MGS closed slightly firmer, while BNM announced details for the MGS 05/44 auction with MYR2.5 billion public issuance size.

**Macro**

**Global:** The US ISM services PMI unexpectedly fell to 50.1 in July (consensus: 51.5; June: 50.8), showing activity nearly stagnated, as the impact from seasonal and weather factors helped drove employment deeper into contraction. The US trade deficit fell sharply to USD60.2 billion in June (consensus: USD61 billion; May: USD71.7 billion), its lowest since September 2023, as the deficit shrank significantly against China after an earlier frontloading of imports, subsequent US tariffs, and while consumer goods remained in China due to the Chinese government's subsidy measures for domestic purchases. Meanwhile, Trump said sectoral tariffs on semiconductors and pharmaceuticals will be announced 'within a week or so', while the replacement for Fed Governor Adriana Kugler will be announced by end of the week.

**Malaysia:** PM Anwar clarified that the country stood firm on key national policies such as its affirmative action program during its trade negotiation with the US, while adding that the Boeing aircraft purchase deal also comes with a requirement for partial local production. Meanwhile, education reforms dominate the second day of debate on the 13MP, while the Parliament will also commence its Budget 2026 consultation session tomorrow (7 August), which is scheduled to be tabled on 10 October.

**Forex**

**Global:** DXY closed steady, as G10 FX fared mixed against the USD – even despite the weak US ISM services print. Major currencies closed little changed – within a -0.1% to +0.1% range against the USD. JPY however fell a sharper 0.4%, after an auction for 10Y JGBs attracted weaker demand than the recent one-year average, given the recent plunge in global bond yields.

**Malaysia:** MYR strengthened 0.2% against the USD, in line with regional peers THB (+0.2%) and IDR (+0.1%), while slightly outperforming majority of Asian pack (up to -0.1% decline).

**Fixed Income**

**Global Bonds:** Release of weaker than expected ISM services PMI number contributed to firm showing in the US Treasuries market overnight, continuing the weak US data and UST rally since last Friday's NFP. However, news of pause in EU retaliatory tariffs limited the UST safe-haven demand, while a disappointing 3Y auction for UST added to a drag on the front-end.

**MYR Bonds:** The ringgit government bond market continued to see gains yesterday though the decline in yields were less than the day before. IRS rates also slipped. Details for auction of MGS 05/44 was announced at MYR2.5 billion public tender and MYR2.0 billion in private placement. Slight gains were also seen in the PDS market yesterday. Notable trades include Prasarana 12/32 which fell 4 bps to 3.45%.

**Commodities**

**Oil** prices continued to decline (-1.6%), after reports that Russia is mulling a symbolic air-truce offer with Ukraine to avert US secondary tariffs targeting buyers of Russian oil. The development reduces the probability of massive supply reduction from inaccessibility of Russian oil, leading markets to refocus on the outlook of rising supply (OPEC+ policy) and weakening demand ahead.

**FX Daily Rates**

Vs. USD	Last Close	Per cent
DXY	98.78	(0.0)
EUR/USD	1.158	0.0
AUD/USD	0.647	0.1
GBP/USD	1.330	0.1
USD/JPY	147.62	0.4
USD/MYR	4.228	(0.2)
USD/IDR	16,381	(0.1)
USD/THB	32.38	(0.2)
USD/SGD	1.288	0.0
USD/CNY	7.184	0.0

**Ringgit Outlook for The Week**

	1	2
Resistance	4.316	4.352
Support	4.220	4.160

**Major Sovereign Yields (%)**

Sov. Yield	Last Close	bps
UST 2Y	3.72	5
UST 10Y	4.21	2
Germany 10Y	2.62	0
UK 10Y	4.52	1
Japan 10Y	1.47	(4)
Australia 10Y	4.23	(9)
China 10Y	1.71	0

**MGS Bond Yields (%)**

MGS	Last	bps
3-Year	3.05	0
5-Year	3.15	(1)
7-Year	3.34	(1)
10-Year	3.39	(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	3.11	(2)
IRS 3-Year	3.02	(4)
IRS 5-Year	3.09	(4)
IRS 7-Year	3.16	(4)
IRS 10-Year	3.31	(2)
3M KLIBOR	3.22	0

**Key Commodities**

Commodities	Last Close	Per cent
Brent (USD/bbl)	67.64	(1.6)
WTI (USD/bbl)	65.16	(1.7)
Gold (USD/oz)	3,381	0.2
CPO (RM/tonne)	4,250	2.0

**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.

## Currencies vs USD

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	5-Aug-25	4-Aug-25	29-Jul-25	6-Jul-25	5-Aug-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
DXY Dollar Index	98.78	98.78	98.89	97.18	102.69	(0.0)	(0.1)	1.6	(3.8)	(8.9)			
EUR/USD	1.158	1.157	1.155	1.178	1.095	0.0	0.2	(1.7)	5.7	11.8			
AUD/USD	0.647	0.647	0.651	0.656	0.650	0.1	(0.6)	(1.3)	(0.4)	4.6			
GBP/USD	1.330	1.329	1.335	1.365	1.278	0.1	(0.4)	(2.6)	4.1	6.3			
USD/JPY	147.62	147.09	148.46	144.47	144.18	0.4	(0.6)	2.2	2.4	(6.1)			
USD/MYR	4.228	4.237	4.234	4.223	4.427	(0.2)	(0.1)	0.1	(4.5)	(5.5)			
USD/IDR	16,381	16,390	16,398	16,185	16,185	(0.1)	(0.1)	1.2	1.2	1.7			
USD/THB	32.38	32.45	32.43	32.36	35.23	(0.2)	(0.1)	0.1	(8.1)	(5.0)			
USD/SGD	1.288	1.288	1.288	1.274	1.325	0.0	0.0	1.1	(2.8)	(5.7)			
USD/CNY	7.184	7.181	7.177	7.166	7.140	0.04	0.1	0.3	0.6	(1.6)			
USD/KRW	1,386	1,385	1,390	1,363	1,369	0.1	(0.2)	1.7	1.3	(5.8)			
USD/INR	87.81	87.65	86.82	85.40	83.84	0.2	1.1	2.8	4.7	2.6			
USD/PHP	57.65	57.38	57.33	56.43	57.90	0.5	0.6	2.2	(0.4)	(0.3)			
USD/TWD	29.92	29.90	29.70	28.92	32.64	0.1	0.8	3.5	(8.3)	(8.7)			
USD/HKD	7.850	7.850	7.850	7.849	7.789	(0.0)	(0.0)	0.0	0.8	1.0			
USD/VND	26,233	26,185	26,219	26,180	25,101	0.2	0.1	0.2	4.5	2.9			
NZD/USD	0.590	0.591	0.596	0.606	0.594	(0.1)	(0.9)	(2.6)	(0.6)	5.5			

## Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	5-Aug-25	4-Aug-25	29-Jul-25	6-Jul-25	5-Aug-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
EUR/MYR	4.881	4.900	4.902	4.973	4.849	(0.4)	(0.4)	(1.9)	0.7	4.8			
GBP/MYR	5.620	5.632	5.654	5.767	5.642	(0.2)	(0.6)	(2.5)	(0.4)	0.1			
AUD/MYR	2.731	2.744	2.758	2.769	2.856	(0.5)	(1.0)	(1.4)	(4.4)	(1.8)			
JPY/MYR	2.865	2.881	2.852	2.923	3.070	(0.5)	0.5	(2.0)	(6.7)	0.7			
SGD/MYR	3.282	3.289	3.289	3.315	3.352	(0.2)	(0.2)	(1.0)	(2.1)	(0.1)			
10CNY/MYR	5.883	5.903	5.901	5.894	6.209	(0.3)	(0.3)	(0.2)	(5.3)	(4.0)			
100IDR/MYR	2.580	2.583	2.580	2.609	2.734	(0.1)	0.0	(1.1)	(5.6)	(6.9)			
THB/MYR	13.041	13.096	13.065	13.055	12.511	(0.4)	(0.2)	(0.1)	4.2	0.1			
10HKD/MYR	5.387	5.397	5.394	5.379	5.687	(0.2)	(0.1)	0.1	(5.3)	(6.5)			

## Commodities

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	5-Aug-25	4-Aug-25	29-Jul-25	6-Jul-25	5-Aug-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
Brent (USD/barrel)	67.64	68.76	72.51	68.3	76.3	(1.6)	(6.7)	(1.0)	(11.3)	(9.4)			
WTI (USD/barrel)	65.16	66.29	69.21	67	72.94	(1.7)	(5.9)	(2.7)	(10.7)	(9.1)			
Gold (USD/oz)	3,381	3,374	3,327	3,337	2,411	0.2	1.6	1.3	40.2	28.8			
Malaysia CPO (RM/tonne)	4,250	4,166	4,188	3,995	3,930	2.0	1.5	6.4	8.1	(12.6)			

## Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	5-Aug-25	4-Aug-25	29-Jul-25	6-Jul-25	5-Aug-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.05	3.05	3.06	3.13	3.28	0	(0)	(8)	(22)	(43)			
5-Year	3.15	3.16	3.15	3.18	3.45	(1)	0	(3)	(30)	(47)			
7-Year	3.34	3.34	3.34	3.38	3.64	(1)	(0)	(4)	(31)	(43)			
10-Year	3.39	3.39	3.38	3.50	3.69	(1)	1	(11)	(30)	(43)			
15-Year	3.61	3.61	3.63	3.67	3.86	0	(2)	(6)	(24)	(36)			
20-Year	3.76	3.76	3.75	3.77	4.02	(0)	1	(1)	(26)	(30)			
30-Year	3.91	3.91	3.91	4.00	4.13	(0)	0	(9)	(22)	(27)			

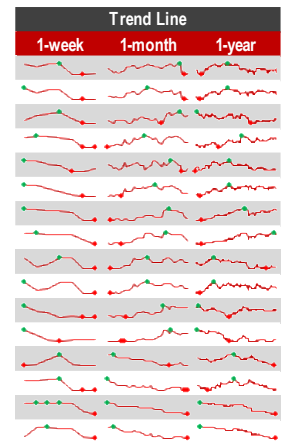
## Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	5-Aug-25	4-Aug-25	29-Jul-25	6-Jul-25	5-Aug-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.10	3.10	3.11	3.15	3.28	(0)	(1)	(6)	(19)	(33)			
5-Year	3.19	3.20	3.19	3.26	3.48	(1)	1	(7)	(28)	(43)			
7-Year	3.34	3.34	3.34	3.37	3.67	(1)	(0)	(3)	(33)	(41)			
10-Year	3.42	3.43	3.44	3.50	3.71	(0)	(2)	(7)	(29)	(41)			
15-Year	3.64	3.64	3.64	3.70	3.89	0	(0)	(6)	(25)	(34)			
20-Year	3.74	3.74	3.74	3.76	4.03	(0)	0	(2)	(29)	(35)			

## Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year
	5-Aug-25	4-Aug-25	29-Jul-25	6-Jul-25	5-Aug-24
UST 2Y	3.72	3.68	3.87	3.88	3.92
UST 10Y	4.21	4.19	4.32	4.35	3.79
Germany 2Y	1.91	1.90	1.94	1.82	2.35
Germany 10Y	2.62	2.62	2.71	2.61	2.19
UK 2Y	3.83	3.81	3.89	3.85	3.62
UK 10Y	4.52	4.51	4.63	4.55	3.87
Japan 2Y	0.76	0.76	0.84	0.74	0.30
Japan 10Y	1.47	1.52	1.58	1.44	0.79
Australia 2Y	3.32	3.40	3.39	3.27	3.80
Australia 10Y	4.23	4.32	4.33	4.19	4.05
China 2Y	1.43	1.43	1.45	1.36	1.51
China 10Y	1.71	1.71	1.75	1.65	2.15
Indonesia 2Y	5.78	5.79	5.77	5.99	6.61
Indonesia 10Y	6.48	6.49	6.56	6.58	6.81
Thailand 2Y	1.25	1.26	1.29	1.40	2.26
Thailand 10Y	1.47	1.48	1.51	1.60	2.52

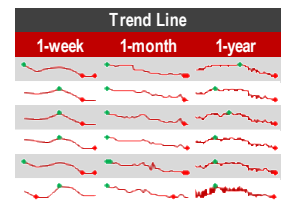
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
5	(14)	(16)	(20)	(52)
2	(11)	(14)	42	(36)
1	(3)	9	(45)	(17)
0	(8)	2	43	26
2	(7)	(3)	20	(57)
1	(12)	(4)	65	(5)
(1)	(8)	2	46	15
(4)	(11)	4	68	37
(8)	(7)	4	(48)	(54)
(9)	(10)	3	17	(14)
(0)	(2)	7	(9)	33
0	(4)	7	(43)	4
(1)	1	(21)	(83)	(126)
(1)	(8)	(10)	(32)	(52)
(2)	(5)	(15)	(101)	(75)
(1)	(4)	(14)	(105)	(79)



## Key swap rates

	Latest	1-day	1 week	1-Month	1-Year
	5-Aug-25	4-Aug-25	29-Jul-25	6-Jul-25	5-Aug-24
IRS 1-Year	3.11	3.13	3.15	3.24	3.38
IRS 3-Year	3.02	3.06	3.06	3.13	3.33
IRS 5-Year	3.09	3.13	3.14	3.19	3.36
IRS 7-Year	3.16	3.20	3.21	3.29	3.44
IRS 10-Year	3.31	3.33	3.35	3.41	3.54
IRS 20-Year	3.63	3.65	3.64	3.68	3.66

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(2)	(4)	(13)	(27)	(47)
(4)	(5)	(11)	(32)	(49)
(4)	(5)	(10)	(27)	(46)
(4)	(5)	(13)	(28)	(47)
(2)	(4)	(11)	(24)	(42)
(2)	(2)	(6)	(3)	(33)



## Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year
	5-Aug-25	4-Aug-25	29-Jul-25	6-Jul-25	5-Aug-24
1-Month Klibor	3.00	3.00	3.01	3.25	3.29
3-Month Klibor	3.22	3.22	3.23	3.49	3.57
6-Month Klibor	3.27	3.28	3.29	3.52	3.63

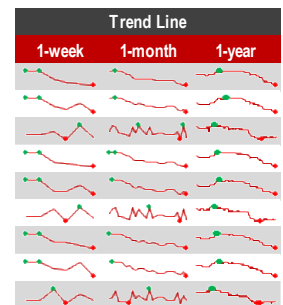
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	(1)	(25)	(29)	(29)
0	(1)	(27)	(35)	(51)
(1)	(2)	(25)	(36)	(50)



## Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year
	5-Aug-25	4-Aug-25	29-Jul-25	6-Jul-25	5-Aug-24
3-Year AAA	3.53	3.53	3.56	3.61	3.77
3-Year AA	3.69	3.71	3.72	3.76	3.91
3-Year A	4.52	4.58	4.54	4.58	4.87
5-Year AAA	3.61	3.61	3.64	3.68	3.87
5-Year AA	3.78	3.80	3.81	3.85	4.01
5-Year A	4.66	4.70	4.67	4.70	5.12
10-Year AAA	3.76	3.77	3.79	3.83	4.02
10-Year AA	3.93	3.95	3.95	4.00	4.20
10-Year A	5.03	5.05	5.03	5.04	5.64

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(0)	(3)	(9)	(25)	(31)
(2)	(3)	(7)	(22)	(32)
(6)	(2)	(5)	(35)	(33)
(0)	(3)	(7)	(26)	(32)
(2)	(3)	(7)	(23)	(32)
(4)	(1)	(4)	(46)	(42)
(1)	(3)	(7)	(26)	(31)
(3)	(3)	(7)	(28)	(31)
(2)	(0)	(2)	(61)	(53)



Sources: Bloomberg, AmBank Economics

Note: All values are end-period

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