AmBank Group

AmBank Economics

Daily Market Snapshot

Fixed Income & FX Research

21 September 2026

Macro: Trump-Xi summit on global agenda this week. Malaysia core inflation softened in August. Trade surplus rose 25% m/m amid strong E&E and natural gas exports.

Forex: JPY sees sharp decline on Friday, after BOJ hikes rates but in a 7-2 split vote decision. MYR (+0.4%) outperforms Asian peers amid MGS rally, with trading activity having also recovered.

Fixed Income: UST faded gains on Friday, supported by a hawkish outlook ahead by the Fed's Kashkari. MGS+GII continued their sharp rally on Friday, while corporate bonds trailed.

Macro

Global: Little on Friday's agenda – giving markets time to digest the recent Fed FOMC meeting and spillovers from the BOJ's meeting on Friday. This week, attention is expected to focus on talks by President Trump and Xi in Washington from 23-25 September, with key issues including the Iran war, AI, trade, and investments. Gulf leaders are also attempting to meet Trump in the sidelines of this week's UN General Assembly (on 22-28 September) to discuss on Iran developments.

Malaysia: Headline inflation picked up to +1.9% y/y in August (consensus and July: 1.8%), supported by quicker price growth for food, transportation, and utilities. However, core inflation eased to 1.7% y/y for the month (July: 1.8%), suggesting there was no pickup in underlying price pressures. Meanwhile, Malaysia's exports continued to fared well (+45.5% y/y) amid strong demand and pricing power for electronics and natural gas, with deliveries seen sharply increasing to the US and Taiwan. Imports expanded at a slightly slower pace (+41% y/y), putting the August trade surplus up 25% m/m at MYR28.1 billion.

Forex

Global: DXY held unchanged on Friday, with a continued rebound for most G10 currencies offset by sharp losses on the JPY (-0.6%). While the BOJ raised rates by 25bps as expected amid persistent inflation in Japan, the 7-2 vote split indicated divisions on the pace of policy normalisation ahead, suggesting that the JPY may remain pressured ahead – especially with the pace of rate hikes by the Fed expected to be quicker. We also note that the two dissenters – Toichiro Asada and Ayano Sato – were recent appointees by PM Takaichi, indicating fractured efforts by the administration to both support growth and the yen. With Japan now out for a very extended public holiday (until 23 September), significant volatility on the yen is expected ahead – including the possibility of FX interventions by authorities. Meanwhile, the GBP (+0.3%) outperformed peers after its underperformance post-BOE MPC meeting on Thursday, supported by the stronger-than-expected UK retail sales data for August. AUD (+0.1%) fared in line with most major peers, ahead of its own central bank policy meeting next week.

Asia: MYR (+0.4%) outperformed peers on Friday, supported by a strong rally for domestic bonds. Cautious sentiment also appears to have receded with trading volumes observed to be significantly higher in the latest two post-FOMC sessions, after more tepid activity was seen in the prior two weeks.

Fixed Income

Global Bonds: UST consolidated last Friday and yields edged higher, after the rally posted the day before. We think participants took time to reassess the Fed's decision last week and reined in expectations of very strong gains in the short term. In any case, it's likely overall sentiment remained buoyed by an outlook for a more hawkish Fed ahead, supported by post-FOMC remarks by Minneapolis Fed president Kashkari that price pressures in the US have broadened beyond energy prices to 'all aspects of the economy', including evidence of inflation in the services sector.

MYR Bonds: The MGS+GII market ended last week on a strong note when on Friday benchmark yields fell as much as >20 bps, and this was after yields had fallen as much as 15 bps the day before. We reiterate our view that bond markets are generally boosted after global central banks hiked rates as expected so far in September; policymakers signalling appropriate concerns against the geopolitical risks and inflation threats. As for corporate bonds, trading remained weak and still lagging the MGS+GII sentiment. Indicative PDS yields are up 15-40 bps on a monthly basis by last Friday,

FX Daily Rates

Vs. USD	Last Close	Per cent
DXY	100.22	(0.0)
EUR/USD	1.149	0.1
AUD/USD	0.712	0.1
GBP/USD	1.340	0.3
USD/JPY	156.88	0.6
USD/MYR	4.083	(0.4)
USD/IDR	17,742	(0.0)
USD/THB	33.33	(0.1)
USD/SGD	1.276	0.1
USD/CNY	6.696	(0.1)

Ringgit Outlook for The Week

	1	2
Resistance	4.113	4.144
Support	4.039	3.994

Major Sovereign Yields (%)

Sov. Yield	Last Close	bps
UST 2Y	4.74	8
UST 10Y	5.00	7
Germany 10Y	3.52	4
UK 10Y	5.30	7
Japan 10Y	2.99	(1)
Australia 10Y	5.27	(4)
China 10Y	1.69	0

MGS Bond Yields (%)

MGS	Last	bps
3-Year	3.45	(4)
5-Year	3.73	(13)
7-Year	3.92	(21)
10-Year	3.94	(9)
15-Year	4.13	(13)
20-Year	4.26	(10)
30-Year	4.36	(11)

MYR Swap Rates (%)

Swap / Rates	Last Close	bps
IRS 1-Year	3.70	(1)
IRS 3-Year	3.76	(1)
IRS 5-Year	3.81	(4)
IRS 7-Year	3.89	(3)
IRS 10-Year	4.00	(4)
3M KLIBOR	3.48	1

Key Commodities

Commodities	Last Close	Per cent
Brent (USD/bl)	103.87	(0.9)
WTI (USD/bl)	100.30	(1.6)
Gold (USD/oz)	4,379	0.9
CPO (RM/tonne)	4,698	(0.3)

Policy Rates (%)

Central Banks	Current	Next
US Fed Funds	4.00	28-Oct
ECB Deposit Rate	2.50	29-Oct
BOE Base Rate	3.75	05-Nov
RBA Cash Rate	4.35	29-Sep
BOJ Cash Rate	1.25	30-Oct
RBNZ Cash Rate	2.75	28-Oct
PBOC 1Y LPR	3.00	-
BNM OPR	2.75	05-Nov

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.

and seeing MGS yields are now down at least 5 bps w/w on select benchmarks, we think some buying into the PDS market may occur in the short term period if MGS+GII gains happen to hold as well.

Currencies

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	18-Sep-26	17-Sep-26	11-Sep-26	19-Aug-26	18-Sep-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
DXY Dollar Index	100.22	100.25	99.12	98.83	97.35	(0.0)	1.1	1.4	3.0	1.9			
EUR/USD	1.149	1.148	1.160	1.168	1.179	0.1	(1.0)	(1.6)	(2.6)	(2.2)			
AUD/USD	0.712	0.711	0.717	0.713	0.661	0.1	(0.7)	(0.1)	7.7	6.7			
GBP/USD	1.340	1.336	1.352	1.361	1.356	0.3	(1.0)	(1.6)	(1.2)	(0.6)			
USD/JPY	156.88	155.97	153.61	158.17	148	0.6	2.1	(0.8)	6.0	0.1			
USD/MYR	4.083	4.100	4.071	4.059	4.197	(0.4)	0.3	0.6	(2.7)	0.6			
USD/IDR	17,742	17,747	17,600	17,833	16,505	(0.0)	0.8	(0.5)	7.5	6.3			
USD/THB	33.33	33.37	33.04	33.06	31.80	(0.1)	0.9	0.8	4.8	5.8			
USD/SGD	1.276	1.275	1.267	1.271	1.282	0.1	0.7	0.4	(0.5)	(0.7)			
USD/CNY	6.696	6.704	6.708	6.731	7.109	(0.1)	(0.2)	(0.5)	(5.8)	(4.0)			
USD/KRW	1,387	1,380	1,343	1,388	1,388	0.5	3.3	(0.1)	(0.1)	(3.7)			
USD/INR	95.87	95.94	95.56	95.76	88.13	(0.1)	0.3	0.1	8.8	6.7			
USD/PHP	62.77	62.74	62.70	61.83	57.06	0.0	0.1	1.5	10.0	6.7			
USD/TWD	31.80	31.89	31.65	31.96	30.08	(0.3)	0.5	(0.5)	5.7	1.2			
USD/HKD	7.845	7.846	7.842	7.841	7.778	(0.0)	0.0	0.0	0.9	0.8			
USD/VND	26,018	26,003	25,920	26,180	26,380	0.1	0.4	(0.6)	(1.4)	(1.1)			
NZD/USD	0.572	0.573	0.582	0.594	0.588	(0.2)	(1.6)	(3.6)	(2.7)	(0.6)			

Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	18-Sep-26	17-Sep-26	11-Sep-26	19-Aug-26	18-Sep-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
EUR/MYR	4.687	4.702	4.720	4.711	4.969	(0.3)	(0.7)	(0.5)	(5.7)	(1.6)			
GBP/MYR	5.459	5.491	5.499	5.503	5.727	(0.6)	(0.7)	(0.8)	(4.7)	0.1			
AUD/MYR	2.909	2.915	2.918	2.873	2.792	(0.2)	(0.3)	1.2	4.2	7.2			
JPY/MYR	2.602	2.628	2.650	2.566	2.836	(1.0)	(1.8)	1.4	(8.3)	0.4			
SGD/MYR	3.195	3.212	3.211	3.180	3.282	(0.5)	(0.5)	0.5	(2.6)	1.2			
10 CNY/MYR	6.093	6.110	6.068	6.023	5.907	(0.3)	0.4	1.2	3.2	4.9			
1 million IDR/MYR	2.299	2.309	2.311	2.275	2.540	(0.4)	(0.5)	1.1	(9.5)	(5.5)			
THB/MYR	12.240	12.292	12.316	12.274	13.191	(0.4)	(0.6)	(0.3)	(7.2)	(4.6)			
10 HKD/MYR	5.203	5.224	5.191	5.176	5.397	(0.4)	0.2	0.5	(3.6)	(0.2)			

Commodities

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	18-Sep-26	17-Sep-26	11-Sep-26	19-Aug-26	18-Sep-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
Brent (USD/barrel)	103.87	104.82	104.61	91.62	67.44	(0.9)	(0.7)	13.4	54.0	70.7			
WTI (USD/barrel)	100.3	101.91	100.05	85.83	63.57	(1.6)	0.2	16.9	57.8	74.7			
Gold (USD/oz)	4,379	4,342	4,349	4,516	3,644	0.9	0.7	(3.0)	20.2	1.4			
Malaysia CPO (RM/tonne)	4,698	4,712	4,550	4,654	4,368	(0.3)	3.3	0.9	7.6	17.5			

Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	18-Sep-26	17-Sep-26	11-Sep-26	19-Aug-26	18-Sep-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.45	3.49	3.56	3.33	3.04	(4)	(11)	12	41	45			
5-Year	3.73	3.85	3.86	3.56	3.12	(13)	(14)	17	61	47			
7-Year	3.92	4.13	4.11	3.70	3.32	(21)	(19)	22	61	54			
10-Year	3.94	4.04	4.17	3.76	3.39	(9)	(23)	18	55	44			
15-Year	4.13	4.25	4.38	3.98	3.61	(13)	(26)	15	52	36			
20-Year	4.26	4.37	4.48	4.11	3.75	(10)	(22)	15	51	42			
30-Year	4.36	4.47	4.51	4.22	3.87	(11)	(15)	14	49	38			

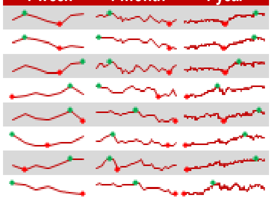
Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	18-Sep-26	17-Sep-26	11-Sep-26	19-Aug-26	18-Sep-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.48	3.58	3.52	3.35	3.06	(10)	(4)	13	42	38			
5-Year	3.74	3.86	3.80	3.55	3.15	(11)	(6)	19	59	49			
7-Year	3.89	4.09	4.07	3.71	3.27	(20)	(17)	18	62	55			
10-Year	3.94	4.12	4.15	3.77	3.42	(18)	(21)	17	52	42			
15-Year	4.12	4.33	4.32	3.99	3.62	(21)	(20)	13	50	37			
20-Year	4.29	4.45	4.39	4.09	3.77	(16)	(10)	20	52	43			

Major Equity Indices

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change 1-day	1-week	1-month	1-year	YTD
	18-Sep-26	17-Sep-26	11-Sep-26	19-Aug-26	18-Sep-25					
S&P500 Index	7,651	7,638	7,657	7,708	6,632	0.2	(0.1)	(0.7)	15.4	99.3
Dow Jones	51,683	51,778	52,573	53,463	46,142	(0.2)	(1.7)	(3.3)	12.0	55.9
Nasdaq	26,523	26,418	26,333	26,331	22,471	0.4	0.7	0.7	18.0	153.4
London FTSE	10,659	10,816	10,650	10,743	9,228	(1.5)	0.1	(0.8)	15.5	43.0
German DAX	25,304	25,717	25,569	26,091	23,675	(1.6)	(1.0)	(3.0)	6.9	81.7
Nikkei 225	65,019	64,136	64,011	65,326	45,303	1.4	1.6	(0.5)	43.5	149.2
Japan TOPIX	4,091	4,094	4,028	4,012	3,159	(0.1)	1.6	2.0	29.5	116.3
FBM KLCI	1,666	1,675	1,687	1,731	1,599	(0.5)	(1.3)	(3.8)	4.2	11.4

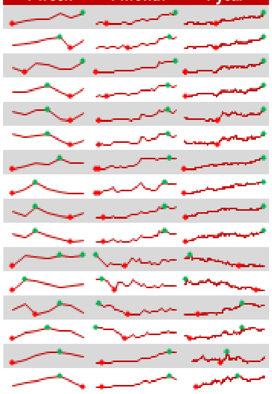
Trend Line: 1-week, 1-month, 1-year



Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change 1-day	1-week	1-month	1-year	YTD
	18-Sep-26	17-Sep-26	11-Sep-26	19-Aug-26	18-Sep-25					
UST 2Y	4.74	4.66	4.63	4.16	3.56	8	12	58	118	127
UST 10Y	5.00	4.93	4.97	4.65	4.10	7	3	35	89	83
Germany 2Y	3.28	3.23	3.20	2.87	2.01	5	9	41	127	116
Germany 10Y	3.52	3.48	3.50	3.26	2.73	4	2	26	79	66
UK 2Y	4.84	4.74	4.81	4.36	3.96	10	3	48	88	110
UK 10Y	5.30	5.22	5.34	5.04	4.68	7	(5)	25	62	82
Japan 2Y	1.86	1.87	1.84	1.68	0.89	(1)	2	18	97	68
Japan 10Y	2.99	3.00	2.99	2.90	1.60	(1)	0	9	139	92
Australia 2Y	4.95	4.97	5.00	4.59	3.33	(2)	(5)	36	162	89
Australia 10Y	5.27	5.30	5.37	5.06	4.19	(4)	(10)	21	107	53
China 2Y	1.26	1.26	1.26	1.24	1.44	0	0	2	(18)	(12)
China 10Y	1.69	1.68	1.69	1.69	1.78	0	(0)	(1)	(10)	(17)
Indonesia 2Y	6.80	6.85	6.87	6.77	5.00	(5)	(7)	3	180	181
Indonesia 10Y	7.12	7.16	7.15	7.11	6.28	(4)	(3)	2	85	105
Thailand 2Y	1.25	1.26	1.24	1.13	1.13	(1)	1	12	11	13
Thailand 10Y	2.24	2.31	2.29	2.10	1.34	(7)	(4)	15	90	61

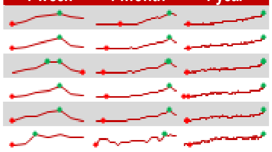
Trend Line: 1-week, 1-month, 1-year



Key swap rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change 1-day	1-week	1-month	1-year	YTD
	18-Sep-26	17-Sep-26	11-Sep-26	19-Aug-26	18-Sep-25					
IRS 1-Year	3.70	3.71	3.71	3.55	3.17	(1)	(0)	15	54	50
IRS 3-Year	3.76	3.77	3.79	3.60	3.08	(1)	(3)	17	69	50
IRS 5-Year	3.81	3.85	3.86	3.66	3.15	(4)	(5)	15	67	46
IRS 7-Year	3.89	3.93	3.94	3.72	3.23	(3)	(4)	18	67	48
IRS 10-Year	4.00	4.04	4.06	3.83	3.34	(4)	(6)	17	66	45
IRS 20-Year	4.26	4.26	4.31	4.08	3.68	(0)	(5)	18	58	38

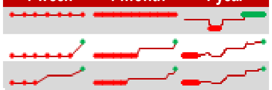
Trend Line: 1-week, 1-month, 1-year



Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change 1-day	1-week	1-month	1-year	YTD
	18-Sep-26	17-Sep-26	11-Sep-26	19-Aug-26	18-Sep-25					
1-Month Klibor	3.01	3.01	3.01	3.01	3.00	0	0	0	1	1
3-Month Klibor	3.48	3.47	3.47	3.46	3.22	1	1	2	26	20
6-Month Klibor	3.52	3.51	3.50	3.49	3.26	1	2	3	26	22

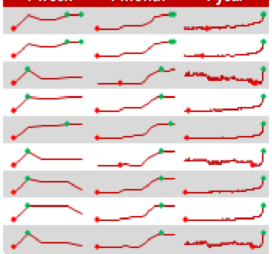
Trend Line: 1-week, 1-month, 1-year



Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change 1-day	1-week	1-month	1-year	YTD
	18-Sep-26	17-Sep-26	11-Sep-26	19-Aug-26	18-Sep-25					
3-Year AAA	3.77	3.77	3.75	3.62	3.51	0	2	15	26	26
3-Year AA	3.92	3.92	3.90	3.75	3.67	0	2	18	25	26
3-Year A	4.59	4.59	4.58	4.42	4.50	0	2	17	9	5
5-Year AAA	3.96	3.97	3.95	3.71	3.59	(0)	2	25	37	38
5-Year AA	4.14	4.14	4.12	3.84	3.76	(0)	2	30	39	39
5-Year A	4.84	4.84	4.82	4.56	4.65	(0)	3	28	20	14
10-Year AAA	4.22	4.24	4.22	3.90	3.74	(1)	0	32	48	45
10-Year AA	4.40	4.41	4.39	4.02	3.90	(1)	1	38	50	48
10-Year A	5.27	5.28	5.26	4.96	5.01	(1)	1	31	26	16

Trend Line: 1-week, 1-month, 1-year



Sources: Bloomberg, AmBank Economics
Note: All values are end-period

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