



Fixed Income & FX Research

29 August 2025

Macro: US 2Q2025 GDP revised upwards by 0.3 percentage points in second reading, while jobless claims ticked down. Malaysia PPI deflation slowed slightly to -3.8% y/y in July.

Forex: DXY pared recent gains, while EUR and AUD led advance. MYR rallied alongside Asian FX, driven by stronger recalibration of the CNY by the PBOC.

Fixed Income: UST curve flattened amid profit-taking moves on front-end on bullish US data. 20Y GII reopening auction saw lukewarm demand with BTC below 2.0.

Macro

Global: US GDP for 2Q2025 was revised up to 3.3% y/y (consensus: 3.1%; 1st reading: 3.0%; 1Q2025: 0.5%), due to upward revisions in investments (+5.7% vs. 1.9% first estimate) and consumer spending (+1.6% vs. +1.4% first estimate). Meanwhile, US initial and continuing jobless claims fell by 5k and 7k respectively in the latest data, reflecting a resilient economy that may not be in need of a rate cut, ahead of tonight's core PCE inflation data for July (consensus: 0.3% m/m; June: 0.3%).

Malaysia: Malaysia's PPI deflation slowed to 3.8% y/y in July (June: -4.2%), though still driven by the decline in the mining (-8.7%) and manufacturing (-4.0%) sectors. Meanwhile, PM Anwar announced that Budget 2026 will include some developments requested by individual states.

Forex

Global: DXY (-0.4%) pared recent gains, tracking profit-taking moves on short-dated UST, though markets remain firmly convinced of a FFR cut in September with an 86% probability. GBP and CHF (+0.1%) underperformed after earlier gains, while the AUD (+0.4%) led peers, supported by tempered bets of another rate cut from the RBA given the earlier hot July inflation reading. EUR (+0.4%) also fared well, coming as the ECB's July meeting minutes revealed a split among policymakers on the inflation outlook, with temporary factors potentially at play in keeping inflation subdued currently.

Malaysia: The onshore yuan (CNY) rose 0.3%, after the PBOC was seen nudging the yuan higher by raising its daily yuan reference rate to its strongest in nearly a year – despite the dollar remaining largely stable recently. The move suggests a modest calibration from its earlier strategy of keeping the yuan largely stable, stoking market bets of a stronger exchange rate in the future as it engineers an emphasis towards domestic consumption rather than exports. As a result, the offshore yuan (CNH) rose a stronger 0.5%, lifting most Asian currencies including the MYR (+0.4%) as a result.

Fixed Income

Global Bonds: The US Treasuries market was dealt mixed as we noted profit taking on shorter tenors after recent rallies in anticipation of a September Fed rate cut, given the stronger revised 2Q2025 US GDP, drop in initial claims, and weaker demand in the 7Y UST auction. Nevertheless, overall sentiment remains guarded as Fed governor Cook filed a lawsuit against Trump and ahead of PCE inflation data release. Meanwhile, the S&P 500 (+0.3%) rose to a fresh record above 6,500 after a choppy recent rally, supported by ongoing AI-driven enthusiasm despite mixed Nvidia results.

MYR Bonds: The ringgit government bond market closed mixed as profit takers and bargain hunters jostled for positions. Meanwhile, the 20Y GII auction received lukewarm demand at <2x BTC for the MYR3.0 billion public tender as we think levels may have been too rich amid the flat yield curve. Corporate bond trading was more supported yesterday but amid the mixed govies, higher grade credits continued to drive flows. Heavily traded was PASB 04/39 (AAA) which rose 2 bps to 3.75%, but PASB06/39 edged 1 bps lower to close at a richer 3.65%, being a GG tranche.

Commodities

Oil prices rebounded another 1%, as markets digest the fast-fading prospects of a quick Russia-Ukraine peace deal and an easing in restrictions for Russian oil. Instead, geopolitical concerns have also rebounded alongside **gold** prices (+0.6%), with China's President Xi Jinping set to unveil a military parade next week together with leaders from several Western-sanctioned countries attending – including Russia, North Korea, Iran, and Myanmar.

FX Daily Rates

Vs. USD	Last Close	Per cent
DXY	97.81	(0.4)
EUR/USD	1.168	0.4
AUD/USD	0.653	0.4
GBP/USD	1.351	0.1
USD/JPY	146.93	(0.3)
USD/MYR	4.217	(0.4)
USD/IDR	16,345	(0.1)
USD/THB	32.37	(0.3)
USD/SGD	1.283	(0.3)
USD/CNY	7.131	(0.3)

Ringgit Outlook for The Week

	1	2
Resistance	4.268	4.310
Support	4.196	4.166

Major Sovereign Yields (%)

Sov. Yield	Last Close	bps
UST 2Y	3.63	2
UST 10Y	4.20	(3)
Germany 10Y	2.70	(1)
UK 10Y	4.70	(4)
Japan 10Y	1.62	(1)
Australia 10Y	4.29	(4)
China 10Y	1.79	2

MGS Bond Yields (%)

MGS	Last	bps
3-Year	2.99	1
5-Year	3.08	0
7-Year	3.28	0
10-Year	3.39	0
15-Year	3.59	1
20-Year	3.74	0
30-Year	3.89	0

MYR Swap Rates (%)

Swap / Rates	Last Close	bps
IRS 1-Year	3.10	0
IRS 3-Year	3.02	(1)
IRS 5-Year	3.09	(1)
IRS 7-Year	3.16	0
IRS 10-Year	3.29	1
3M KLIBOR	3.21	0

Key Commodities

Commodities	Last Close	Per cent
Brent (USD/bbl)	68.62	0.8
WTI (USD/bbl)	64.60	0.7
Gold (USD/oz)	3,417	0.6
CPO (RM/tonne)	4,375	(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	4.00	18-Sep
RBA Cash Rate	3.60	30-Sep
BOJ Cash Rate	0.50	19-Sep
RBNZ Cash Rate	3.00	08-Oct
PBOC 1Y LPR	3.00	-
BNM OPR	2.75	04-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		
	28-Aug-25	27-Aug-25	21-Aug-25	29-Jul-25	28-Aug-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
DXY Dollar Index	97.81	98.23	98.62	98.89	101.09	(0.4)	(0.8)	(1.1)	(3.2)	(9.8)			
EUR/USD	1.168	1.164	1.161	1.155	1.112	0.4	0.7	1.2	5.1	12.8			
AUD/USD	0.653	0.651	0.642	0.651	0.679	0.4	1.7	0.3	(3.7)	5.6			
GBP/USD	1.351	1.350	1.341	1.335	1.319	0.1	0.8	1.2	2.4	8.0			
USD/JPY	146.93	147.42	148.37	148.46	144.59	(0.3)	(1.0)	(1.0)	1.6	(6.5)			
USD/MYR	4.217	4.235	4.224	4.234	4.344	(0.4)	(0.2)	(0.4)	(2.9)	(5.7)			
USD/IDR	16,345	16,360	16,285	16,398	15,425	(0.1)	0.4	(0.3)	6.0	1.5			
USD/THB	32.37	32.47	32.62	32.43	33.99	(0.3)	(0.8)	(0.2)	(4.8)	(5.1)			
USD/SGD	1.283	1.286	1.289	1.288	1.304	(0.3)	(0.5)	(0.4)	(1.6)	(6.1)			
USD/CNY	7.131	7.152	7.181	7.177	7.128	(0.3)	(0.7)	(0.6)	0.0	(2.3)			
USD/KRW	1,385	1,395	1,399	1,390	1,336	(0.7)	(1.0)	(0.4)	3.6	(5.9)			
USD/INR	87.63	87.68	87.26	86.82	83.96	(0.1)	0.4	0.9	4.4	2.4			
USD/PHP	57.12	57.18	56.97	57.33	56.25	(0.1)	0.3	(0.4)	1.6	(1.2)			
USD/TWD	30.58	30.58	30.50	29.70	31.97	0.0	0.3	3.0	(4.3)	(6.7)			
USD/HKD	7.794	7.786	7.814	7.850	7.801	0.1	(0.3)	(0.7)	(0.1)	0.3			
USD/VND	26,358	26,367	26,429	26,219	24,863	(0.0)	(0.3)	0.5	6.0	3.4			
NZD/USD	0.588	0.586	0.582	0.596	0.624	0.4	1.1	(1.2)	(5.8)	5.2			

Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	28-Aug-25	27-Aug-25	21-Aug-25	29-Jul-25	28-Aug-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
EUR/MYR	4.912	4.909	4.925	4.902	4.838	0.1	(0.3)	0.2	1.5	5.4			
GBP/MYR	5.694	5.693	5.692	5.654	5.745	0.0	0.0	0.7	(0.9)	1.4			
AUD/MYR	2.750	2.741	2.714	2.758	2.951	0.3	1.3	(0.3)	(6.8)	(1.1)			
JPY/MYR	2.870	2.873	2.848	2.852	3.004	(0.1)	0.8	0.6	(4.5)	0.8			
SGD/MYR	3.283	3.286	3.284	3.289	3.335	(0.1)	(0.0)	(0.2)	(1.6)	(0.1)			
10 CNY/MYR	5.913	5.920	5.887	5.901	6.097	(0.1)	0.5	0.2	(3.0)	(3.5)			
1 million IDR/MYR	2.578	2.588	2.594	2.580	2.817	(0.4)	(0.6)	(0.1)	(8.5)	(7.0)			
THB/MYR	13.042	13.031	12.942	13.065	12.750	0.1	0.8	(0.2)	2.3	0.2			
10 HKD/MYR	5.410	5.439	5.408	5.394	5.569	(0.5)	0.0	0.3	(2.9)	(6.1)			

Commodities

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	28-Aug-25	27-Aug-25	21-Aug-25	29-Jul-25	28-Aug-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
Brent (USD/barrel)	68.62	68.05	67.67	72.51	78.65	0.8	1.4	(5.4)	(12.8)	(8.1)			
WTI (USD/barrel)	64.6	64.15	63.52	69.21	74.52	0.7	1.7	(6.7)	(13.3)	(9.9)			
Gold (USD/oz)	3,417	3,397	3,339	3,327	2,505	0.6	2.3	2.7	36.4	30.2			
Malaysia CPO (RM/tonne)	4,375	4,412	4,391	4,188	4,020	(0.8)	(0.4)	4.5	8.8	(10.0)			

Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	28-Aug-25	27-Aug-25	21-Aug-25	29-Jul-25	28-Aug-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	2.99	2.98	2.98	3.06	3.33	1	1	(7)	(35)	(49)			
5-Year	3.08	3.08	3.08	3.15	3.49	0	(0)	(7)	(41)	(54)			
7-Year	3.28	3.28	3.28	3.34	3.70	0	1	(6)	(41)	(48)			
10-Year	3.39	3.39	3.38	3.38	3.78	0	1	1	(39)	(43)			
15-Year	3.59	3.58	3.59	3.63	3.91	1	0	(4)	(32)	(38)			
20-Year	3.74	3.73	3.74	3.75	4.05	0	(0)	(1)	(31)	(32)			
30-Year	3.89	3.88	3.89	3.91	4.18	0	(0)	(3)	(30)	(30)			

Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	28-Aug-25	27-Aug-25	21-Aug-25	29-Jul-25	28-Aug-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.03	3.02	3.03	3.11	3.31	1	0	(8)	(29)	(40)			
5-Year	3.13	3.12	3.12	3.19	3.48	1	0	(6)	(36)	(50)			
7-Year	3.25	3.25	3.25	3.34	3.69	(0)	0	(9)	(44)	(49)			
10-Year	3.42	3.41	3.40	3.44	3.78	2	2	(2)	(36)	(41)			
15-Year	3.59	3.59	3.59	3.64	3.94	1	0	(5)	(34)	(38)			
20-Year	3.74	3.73	3.73	3.74	4.07	1	1	1	(32)	(34)			

Major Equity Indices

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	28-Aug-25	27-Aug-25	21-Aug-25	29-Jul-25	28-Aug-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
S&P500 Index	6,502	6,481	6,370	6,371	5,592	0.3	2.1	2.1	16.3	69.3			
Dow Jones	45,637	45,565	44,786	44,633	41,091	0.2	1.9	2.2	11.1	37.7			
Nasdaq	21,705	21,590	21,100	21,098	17,556	0.5	2.9	2.9	23.6	107.4			
London FTSE	9,217	9,256	9,309	9,136	8,344	(0.4)	(1.0)	0.9	10.5	23.7			
German DAX	24,040	24,046	24,293	24,217	18,782	(0.0)	(1.0)	(0.7)	28.0	72.7			
Nikkei 225	42,829	42,520	42,610	40,675	38,372	0.7	0.5	5.3	11.6	64.1			
Japan TOPIX	3,090	3,070	3,083	2,909	2,692	0.7	0.2	6.2	14.8	63.3			
FBM KLCI	1,587	1,588	1,593	1,524	1,675	(0.1)	(0.4)	4.2	(5.3)	6.1			

Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	28-Aug-25	27-Aug-25	21-Aug-25	29-Jul-25	28-Aug-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
UST 2Y	3.63	3.61	3.79	3.87	3.87	2	(16)	(24)	(24)	(61)			
UST 10Y	4.20	4.23	4.33	4.32	3.83	(3)	(12)	(12)	37	(37)			
Germany 2Y	1.93	1.92	1.97	1.94	2.39	2	(4)	(1)	(45)	(15)			
Germany 10Y	2.70	2.70	2.76	2.71	2.26	(1)	(6)	(1)	43	33			
UK 2Y	3.94	3.96	3.97	3.89	4.11	(3)	(3)	4	(18)	(46)			
UK 10Y	4.70	4.74	4.73	4.63	4.00	(4)	(3)	7	70	13			
Japan 2Y	0.86	0.87	0.86	0.84	0.38	(1)	0	2	48	26			
Japan 10Y	1.62	1.63	1.61	1.58	0.90	(1)	1	4	72	52			
Australia 2Y	3.33	3.36	3.33	3.39	3.66	(4)	(0)	(6)	(33)	(53)			
Australia 10Y	4.29	4.32	4.28	4.33	3.93	(4)	1	(4)	36	(8)			
China 2Y	1.42	1.41	1.44	1.45	1.55	1	(2)	(3)	(13)	32			
China 10Y	1.79	1.77	1.77	1.75	2.18	2	2	4	(39)	12			
Indonesia 2Y	5.31	5.33	5.53	5.77	6.54	(2)	(22)	(46)	(122)	(173)			
Indonesia 10Y	6.31	6.33	6.33	6.56	6.63	(2)	(2)	(25)	(32)	(69)			
Thailand 2Y	1.14	1.14	1.14	1.29	2.19	0	(0)	(15)	(105)	(86)			
Thailand 10Y	1.29	1.30	1.35	1.51	2.54	(0)	(6)	(22)	(125)	(96)			

Key swap rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	28-Aug-25	27-Aug-25	21-Aug-25	29-Jul-25	28-Aug-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
IRS 1-Year	3.10	3.10	3.08	3.15	3.39	0	2	(5)	(29)	(47)			
IRS 3-Year	3.02	3.03	3.00	3.06	3.35	(1)	2	(5)	(33)	(49)			
IRS 5-Year	3.09	3.10	3.08	3.14	3.40	(1)	1	(5)	(31)	(46)			
IRS 7-Year	3.16	3.16	3.15	3.21	3.48	0	1	(5)	(32)	(47)			
IRS 10-Year	3.29	3.28	3.27	3.35	3.59	1	2	(6)	(30)	(44)			
IRS 20-Year	3.61	3.53	3.60	3.64	3.71	8	0	(4)	(10)	(35)			

Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	28-Aug-25	27-Aug-25	21-Aug-25	29-Jul-25	28-Aug-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
1-Month Klibor	3.00	3.00	3.00	3.01	3.28	0	0	(1)	(28)	(29)			
3-Month Klibor	3.21	3.21	3.21	3.23	3.53	0	0	(2)	(32)	(52)			
6-Month Klibor	3.26	3.26	3.26	3.29	3.61	0	0	(3)	(35)	(51)			

Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	28-Aug-25	27-Aug-25	21-Aug-25	29-Jul-25	28-Aug-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year AAA	3.52	3.52	3.53	3.56	3.76	0	(0)	(4)	(24)	(31)			
3-Year AA	3.68	3.68	3.69	3.72	3.89	0	(0)	(4)	(21)	(33)			
3-Year A	4.51	4.51	4.54	4.54	4.85	0	(3)	(3)	(33)	(35)			
5-Year AAA	3.60	3.60	3.61	3.64	3.83	0	(0)	(3)	(23)	(32)			
5-Year AA	3.77	3.77	3.77	3.81	3.98	0	(0)	(4)	(21)	(33)			
5-Year A	4.65	4.65	4.69	4.67	5.10	(0)	(4)	(3)	(46)	(44)			
10-Year AAA	3.76	3.76	3.76	3.79	3.99	0	(0)	(3)	(24)	(31)			
10-Year AA	3.92	3.92	3.92	3.95	4.17	0	0	(3)	(25)	(32)			
10-Year A	5.00	5.00	5.06	5.03	5.62	0	(6)	(2)	(62)	(56)			

Sources: Bloomberg, AmBank Economics

Note: All values are end-period

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