



Fixed Income & FX Research

16 March 2026

Macro: US seeks Hormuz help from NATO and China. UOM sentiment declines on ME war. Malaysia subsidy allocation up MYR2.5billion/month to maintain RON95 and diesel pricing.

Forex: DXY reclaims 100.0 handle, with oil- and safe-haven related currencies outperforming. MYR fell 0.3%, with downside risks seen due to holiday-shortened weeks ahead.

Fixed Income: UST sustained weaker closes amid grip by energy markets and inflation risks. MGS pressure also persisted, while 3Y MGS 03/29 auction saw BTC at 2.218x.

Macro

Global: Brent prices remain comfortably above USD100/bbl amid continued escalatory attacks in the ME. Markets are now eyeing NATO's and China's response, with Trump requesting assistance to resolve risks/blockades in the Strait of Hormuz, while implying he may delay his meeting with China's President Xi (in end-March) if China does not provide help. On the US data front, headline PCE inflation for January came in at 2.8% y/y (consensus and prior: 2.9%), while core inflation inched up to 3.1% y/y as expected (prior: 3.0%), indicating disinflation progress had stalled even prior to the latest energy-driven inflation risks. Headline and core capital goods orders also saw no growth for January, while UOM consumer sentiment also fell to 55.5 in March (February: 56.6), as households reacted to the Iran conflict with more medium-term pessimism.

Malaysia: FM2 Amir Hamzah said the government is allocating MYR2 billion and MYR1.2 billion per month for RON95 and diesel subsidies respectively, totalling MYR3.2 billion/month – up from MYR0.7 billion/month previously. Meanwhile, PM Anwar reaffirmed the government's commitment to Sabah's 40% revenue entitlement under MA63 as a final policy decision, with the government only seeking negotiations on how this would be implemented.

Forex

Global: US Dollar supremacy continues with the DXY (+0.6%) closing firmly above the 100.0 handle as the war approaches its third week. DM currencies' performance continues to remain volatile and see large one-sided losses against the USD, led by the risk-sensitive SEK, AUD, and NZD (-1.3% to -1.4%), as high energy prices and inflation is expected to drive some demand destruction ahead. EUR and GBP (-0.8%) fared mid-packed, while the oil-linked (CAD, CHF) and alternate safe-havens (CHF, JPY) continue to outperform this pack. Meanwhile, the Fed, ECB, BOE, RBA, BOJ, SNB, and PBOC are expected to hold their respective monetary policy decisions this week. Though only the RBA is largely expected to continue raising interest rates, all central banks are expected to tilt hawkish given the inflation risks ahead, which we think the ECB is most at risk of (in regard to current swap market pricing that sees only an ECB rate hike by July 2026).

Malaysia: Performance among Asian currencies also continue to reflect their economy's vulnerability towards higher energy prices, due to energy import dependency. While the PHP, KRW, and PHP closed 0.6-1.4% weaker against the USD, MYR fell a relatively minor 0.3% - in line with the Asian majority. We think declines may be relatively steeper ahead this week – given continued global risks vis-à-vis the holiday-shortened rest of March.

Fixed Income

Global Bonds: UST sustained a weaker close on Friday and completed losses for the week with yields up >10 bps w/w, though some losses were pared after PCE data came in at 0.3% m/m in (December: +0.4%). With bond investors now firmly in oil market's grip – investors will look towards the Fed's FOMC meeting this week for its assessment on stagflationary risks ahead.

MYR Bonds: Pressure persisted in MGS trading last Friday. Benchmark MGS yields were up 1-2 bps though there were some support for shorter tenors. The MYR5.0 billion MGS 03/29 received MYR11.1 billion bids for BTC of 2.218x but at the higher average yield of 3.237% than WI two days prior at 3.19%. As for corporate bonds, some support was seen but flows were mostly done on higher grade names and bank papers. GG paper PTPTN 12/34 edged up 1 bps to 3.68%.

FX Daily Rates

Vs. USD	Last Close	Per cent
DXY	100.36	0.6
EUR/USD	1.142	(0.8)
AUD/USD	0.698	(1.4)
GBP/USD	1.323	(0.8)
USD/JPY	159.73	0.2
USD/MYR	3.938	0.3
USD/IDR	16,944	0.3
USD/THB	32.30	1.4
USD/SGD	1.283	0.3
USD/CNY	6.907	0.4

Ringgit Outlook for The Week

	1	2
Resistance	4.041	4.114
Support	3.892	3.816

Major Sovereign Yields (%)

Sov. Yield	Last Close	bps
UST 2Y	3.72	(2)
UST 10Y	4.28	2
Germany 10Y	2.98	3
UK 10Y	4.82	5
Japan 10Y	2.26	7
Australia 10Y	4.95	(0)
China 10Y	1.83	1

MGS Bond Yields (%)

MGS	Last	bps
3-Year	3.13	1
5-Year	3.38	1
7-Year	3.45	(0)
10-Year	3.56	1
15-Year	3.83	0
20-Year	3.95	0
30-Year	4.05	0

MYR Swap Rates (%)

Swap / Rates	Last Close	bps
IRS 1-Year	3.32	2
IRS 3-Year	3.40	2
IRS 5-Year	3.49	2
IRS 7-Year	3.60	4
IRS 10-Year	3.74	2
3M KLIBOR	3.28	1

Key Commodities

Commodities	Last Close	Per cent
Brent (USD/bbl)	103.14	2.7
WTI (USD/bbl)	98.71	3.1
Gold (USD/oz)	5,019	(1.2)
CPO (RM/tonne)	4,525	2.3

Policy Rates

Central Banks	Current	Next
US Fed Funds	3.75	18-Mar
ECB Deposit Rate	2.00	19-Mar
BOE Base Rate	3.75	19-Mar
RBA Cash Rate	3.85	17-Mar
BOJ Cash Rate	0.75	19-Mar
RBNZ Cash Rate	2.25	08-Apr
PBOC 1Y LPR	3.00	-
BNM OPR	2.75	07-May

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

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	13-Mar-26	12-Mar-26	6-Mar-26	11-Feb-26	13-Mar-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
DXY Dollar Index	100.36	99.74	98.99	96.83	103.83	0.6	1.4	3.6	(3.3)	2.1			
EUR/USD	1.142	1.151	1.162	1.187	1.085	(0.8)	(1.7)	(3.8)	5.2	(2.8)			
AUD/USD	0.698	0.708	0.703	0.713	0.629	(1.4)	(0.7)	(2.0)	11.1	4.6			
GBP/USD	1.323	1.334	1.341	1.363	1.295	(0.8)	(1.4)	(2.9)	2.1	(1.8)			
USD/JPY	159.73	159.35	157.78	153.26	147.81	0.2	1.2	4.2	8.1	1.9			
USD/MYR	3.938	3.926	3.948	3.916	4.437	0.3	(0.3)	0.6	(11.2)	(3.0)			
USD/IDR	16,944	16,893	16,906	16,783	16,425	0.3	0.2	1.0	3.2	1.5			
USD/THB	32.30	31.84	31.94	31.08	33.77	1.4	1.1	3.9	(4.4)	2.5			
USD/SGD	1.283	1.279	1.278	1.262	1.336	0.3	0.4	1.6	(4.0)	(0.2)			
USD/CNY	6.907	6.881	6.903	6.910	7.248	0.4	0.1	(0.0)	(4.7)	(1.0)			
USD/KRW	1,499	1,488	1,488	1,447	1,455	0.7	0.7	3.6	3.0	4.1			
USD/INR	92.46	92.20	91.75	90.71	87.01	0.3	0.8	1.9	6.3	2.9			
USD/PHP	59.74	59.40	59.00	58.30	57.36	0.6	1.3	2.5	4.1	1.6			
USD/TWD	31.94	31.87	31.69	31.45	32.97	0.2	0.8	1.6	(3.1)	1.7			
USD/HKD	7.828	7.827	7.822	7.818	7.772	0.0	0.1	0.1	0.7	0.6			
USD/VND	26,286	26,275	26,214	26,000	25,493	0.0	0.3	1.1	3.1	(0.0)			
NZD/USD	0.577	0.586	0.590	0.605	0.570	(1.4)	(2.1)	(4.5)	1.3	0.3			

Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	13-Mar-26	12-Mar-26	6-Mar-26	11-Feb-26	13-Mar-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
EUR/MYR	4.511	4.538	4.570	4.665	4.824	(0.6)	(1.3)	(3.3)	(6.5)	(5.3)			
GBP/MYR	5.222	5.258	5.260	5.363	5.750	(0.7)	(0.7)	(2.6)	(9.2)	(4.3)			
AUD/MYR	2.770	2.802	2.763	2.786	2.791	(1.1)	0.3	(0.6)	(0.7)	2.1			
JPY/MYR	2.466	2.464	2.502	2.554	3.000	0.1	(1.4)	(3.4)	(17.8)	(4.8)			
SGD/MYR	3.075	3.080	3.082	3.102	3.324	(0.2)	(0.2)	(0.9)	(7.5)	(2.6)			
10 CNY/MYR	5.711	5.717	5.715	5.664	6.122	(0.1)	(0.1)	0.8	(6.7)	(1.7)			
1 million IDR/MYR	2.323	2.324	2.332	2.332	2.699	(0.0)	(0.4)	(0.4)	(13.9)	(4.6)			
THB/MYR	12.191	12.292	12.388	12.618	13.167	(0.8)	(1.6)	(3.4)	(7.4)	(5.0)			
10 HKD/MYR	5.031	5.015	5.046	5.007	5.705	0.3	(0.3)	0.5	(11.8)	(3.5)			

Commodities

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	13-Mar-26	12-Mar-26	6-Mar-26	11-Feb-26	13-Mar-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
Brent (USD/barrel)	103.14	100.46	92.69	69.4	69.88	2.7	11.3	48.6	47.6	69.5			
WTI (USD/barrel)	98.71	95.73	90.9	64.63	66.55	3.1	8.6	52.7	48.3	71.9			
Gold (USD/oz)	5,019	5,079	5,172	5,084	2,989	(1.2)	(2.9)	(1.3)	67.9	16.2			
Malaysia CPO (RM/tonne)	4,525	4,425	4,250	4,003	4,773	2.3	6.5	13.0	(5.2)	13.2			

Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	13-Mar-26	12-Mar-26	6-Mar-26	11-Feb-26	13-Mar-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.13	3.11	3.08	3.03	3.39	1	5	10	(27)	13			
5-Year	3.38	3.37	3.35	3.29	3.56	1	2	9	(19)	12			
7-Year	3.45	3.45	3.44	3.45	3.71	(0)	2	0	(26)	7			
10-Year	3.56	3.55	3.55	3.55	3.76	1	1	1	(20)	5			
15-Year	3.83	3.83	3.80	3.81	3.93	0	3	2	(10)	6			
20-Year	3.95	3.95	3.93	3.96	4.03	0	2	(1)	(8)	10			
30-Year	4.05	4.05	4.02	4.03	4.16	0	3	2	(11)	7			

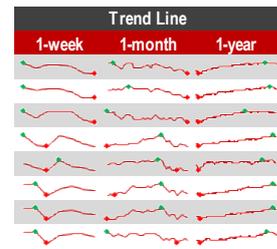
Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	13-Mar-26	12-Mar-26	6-Mar-26	11-Feb-26	13-Mar-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.19	3.17	3.14	3.11	3.54	2	5	8	(35)	9			
5-Year	3.32	3.31	3.30	3.28	3.60	1	2	4	(28)	7			
7-Year	3.40	3.39	3.37	3.37	3.72	1	3	4	(32)	6			
10-Year	3.56	3.56	3.54	3.54	3.78	0	2	1	(22)	3			
15-Year	3.87	3.87	3.83	3.82	3.93	0	4	5	(6)	12			
20-Year	3.96	3.96	3.94	3.95	4.05	0	2	1	(9)	10			

Major Equity Indices

	Latest	1-day	1 week	1-Month	1-Year
	13-Mar-26	12-Mar-26	6-Mar-26	11-Feb-26	13-Mar-25
S&P500 Index	6,632	6,673	6,740	6,941	5,522
Dow Jones	46,558	46,678	47,502	50,121	40,814
Nasdaq	22,105	22,312	22,388	23,066	17,303
London FTSE	10,261	10,305	10,285	10,472	8,543
German DAX	23,447	23,590	23,591	24,856	22,567
Nikkei 225	53,820	54,453	55,621	57,651	36,790
Japan TOPIX	3,629	3,650	3,717	3,855	2,698
FBM KLCI	1,699	1,711	1,718	1,756	1,510

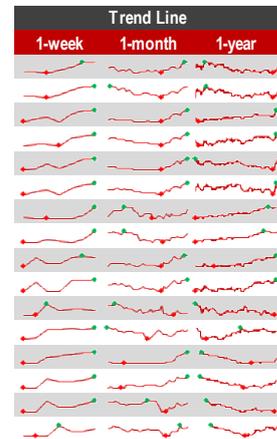
Percentage Change				
1-day	1-week	1-month	1-year	YTD
(0.6)	(1.6)	(4.5)	20.1	72.7
(0.3)	(2.0)	(7.1)	14.1	40.5
(0.9)	(1.3)	(4.2)	27.8	111.2
(0.4)	(0.2)	(2.0)	20.1	37.7
(0.6)	(0.6)	(5.7)	3.9	68.4
(1.2)	(3.2)	(6.6)	46.3	106.2
(0.6)	(2.4)	(5.9)	34.5	91.8
(0.7)	(1.1)	(3.3)	12.5	13.6



Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year
	13-Mar-26	12-Mar-26	6-Mar-26	11-Feb-26	13-Mar-25
UST 2Y	3.72	3.74	3.56	3.51	3.96
UST 10Y	4.28	4.26	4.14	4.17	4.27
Germany 2Y	2.44	2.42	2.31	2.07	2.18
Germany 10Y	2.98	2.96	2.86	2.79	2.86
UK 2Y	4.13	4.09	3.87	3.62	4.19
UK 10Y	4.82	4.77	4.63	4.48	4.68
Japan 2Y	1.30	1.27	1.25	1.31	0.86
Japan 10Y	2.26	2.19	2.17	2.24	1.55
Australia 2Y	4.53	4.51	4.38	4.23	3.75
Australia 10Y	4.95	4.95	4.84	4.76	4.42
China 2Y	1.35	1.36	1.34	1.36	1.57
China 10Y	1.83	1.82	1.80	1.80	1.86
Indonesia 2Y	6.00	5.95	5.32	5.11	6.61
Indonesia 10Y	6.80	6.72	6.61	6.43	6.94
Thailand 2Y	1.18	1.15	1.11	1.17	1.86
Thailand 10Y	1.98	1.92	1.83	1.90	2.13

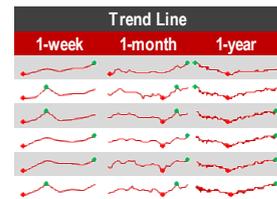
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(2)	16	21	(24)	24
2	14	10	1	11
2	13	38	26	32
3	12	19	13	13
4	26	51	(6)	39
5	20	35	15	34
3	5	(1)	44	12
7	9	2	71	19
2	15	30	78	48
(0)	11	19	53	21
(0)	1	(1)	(22)	(2)
1	3	3	(3)	(3)
5	68	89	(60)	100
7	19	36	(15)	73
3	8	2	(67)	6
6	14	7	(16)	34



Key swap rates

	Latest	1-day	1 week	1-Month	1-Year
	13-Mar-26	12-Mar-26	6-Mar-26	11-Feb-26	13-Mar-25
IRS 1-Year	3.32	3.30	3.29	3.26	3.56
IRS 3-Year	3.40	3.38	3.37	3.36	3.47
IRS 5-Year	3.49	3.47	3.46	3.47	3.50
IRS 7-Year	3.60	3.57	3.56	3.57	3.58
IRS 10-Year	3.74	3.72	3.71	3.73	3.67
IRS 20-Year	4.09	4.06	4.06	4.03	3.90

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
2	3	6	(24)	12
2	3	4	(6)	14
2	2	2	(1)	14
4	4	4	2	19
2	2	0	7	18
3	3	6	19	21



Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year
	13-Mar-26	12-Mar-26	6-Mar-26	11-Feb-26	13-Mar-25
1-Month Klibor	3.00	3.00	2.99	2.98	3.28
3-Month Klibor	3.28	3.27	3.25	3.23	3.66
6-Month Klibor	3.31	3.30	3.28	3.27	3.73

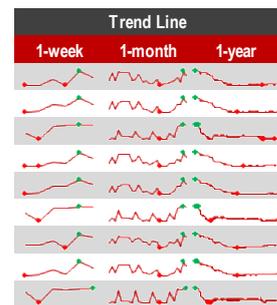
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	1	2	(28)	0
1	3	5	(38)	0
1	3	4	(42)	1



Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year
	13-Mar-26	12-Mar-26	6-Mar-26	11-Feb-26	13-Mar-25
3-Year AAA	3.54	3.54	3.53	3.54	3.82
3-Year AA	3.68	3.70	3.67	3.69	3.98
3-Year A	4.51	4.51	4.48	4.46	4.80
5-Year AAA	3.62	3.63	3.61	3.62	3.89
5-Year AA	3.77	3.78	3.75	3.77	4.06
5-Year A	4.66	4.67	4.64	4.61	4.99
10-Year AAA	3.79	3.79	3.78	3.79	4.03
10-Year AA	3.94	3.95	3.93	3.94	4.19
10-Year A	5.05	5.05	5.03	4.98	5.38

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(1)	1	(0)	(28)	3
(1)	2	(0)	(29)	2
(0)	3	5	(29)	(4)
(1)	1	(0)	(27)	3
(1)	2	0	(29)	2
(1)	3	6	(33)	(4)
(0)	1	0	(24)	2
(1)	1	(0)	(25)	1
0	2	7	(33)	(6)



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

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