



Fixed Income & FX Research

26 May 2026

Macro: Brent prices tumbled 7% on growing peace optimism, though negotiations remain rhetorically tough. Malaysia to expand access to diesel subsidy for the agri-commodity sector.

Forex: G10 and Asian currencies mostly rallied vs. USD, led by high-cyclical currencies. USD/MYR fell 0.4% to middle of 3.90-4.00 range. US markets closed for holiday.

Fixed Income: MGS and Bund sovereign curve bull steepened on easing inflation and rate hike risks. JGB curve bear flattened on subsiding fiscal and debt supply risks.

Macro

Global: Little on global developments due to public holidays, aside for US-Iran developments. The US conference board of consumer confidence for May will be noted tonight (consensus: 92; April: 92.8), prior to core PCE inflation data for April on Thursday (consensus: 3.3% y/y; March: 3.2%).

Malaysia: Economy Minister Akmal Nasrullah noted that several industries are beginning to feel the economic impact of the Middle East conflict, with disruptions expected to intensify in the coming months, while logistics costs have risen by 50-80%. To that end, the government will expand access to diesel subsidies for the agri-commodity sector to ease cost pressures, while cost adjustments for medicines (and related devices) will be targeted based on risk and need assessments.

Forex

Global: G10 currencies seen firming up to 1.1% vs the USD despite an unchanged DXY (due to the holiday), with gains led by high cyclicals, including the SEK and AUD (+0.6%). The GBP (+0.5%) also continued to find support on fading fiscal fears, with declining energy prices adding to the probability that PM contender Burnham will not need to undertake significant fiscal measures to ease cost-of-living concerns. JPY gains were minor (+0.2%), as dissipating debt concerns accrued primarily to JGBs instead. NZD rose 0.4% ahead of an expected RBNZ rate hold tomorrow.

Malaysia: Asian currencies generally rallied vs. the USD including the MYR (+0.4%), which outperformed all peers except for the INR and THB. USD/MYR has generally remained within the 3.90-4.00 level since the Middle East conflict.

Fixed Income

Global Bonds: UST markets were closed for the Memorial Day holiday. Significant gains are expected today, tracking yield movements of Bunds that fell 7-11 bps across the curve in a bull steepener. JGBs also rallied 2-8 bps but in a flattener fashion, reflecting a drop in domestic fiscal and JGB supply risks, after Japan PM Takaichi indicated that its planned JPY3 trillion supplementary budget will be financed without increasing bond issuance on a calendar basis, supported by stronger-than-expected tax revenues.

MYR Bonds: Risk-on session for MGS trading given the weekend news of peace optimism. Excluding a slight pullback for the 7Y after the earlier auction, gains were centered on the front-to-bellies region, given implications of falling energy prices on global inflation and policy interest rates. Bids on duration tenors trailed the curve, coming amid BNM's reopening auction for the 30Y GII 01/56 on Thursday (issuance size: MYR5.0 billion, including MYR2.0 billion private placement).

Commodities

Brent prices tumbled 7% below the key USD100/bbl level on growing peace optimism. However, potential for sharp reversals remain high, given tough rhetoric deployed by both the US (Either a meaningful deal, or none) and Iran (consensus reached on many issues, but agreement is not imminent), as well as fresh US/Israel strikes on Iranian vessels. Israel has also indicated strikes ahead against Hezbollah in Lebanon – actions with support from Trump but are against Iran's demand. Meanwhile, **Asia LNG** prices are expected to fall amid a new Iran-Qatar peace discussion, with three LNG ships also seen passing through the Hormuz strait to Asian destinations recently.

FX Daily Rates

Vs. USD	Last Close	Per cent
DXY	99.24	0.0
EUR/USD	1.164	0.4
AUD/USD	0.717	0.6
GBP/USD	1.350	0.5
USD/JPY	158.91	(0.2)
USD/MYR	3.953	(0.4)
USD/IDR	17,743	0.2
USD/THB	32.47	(0.6)
USD/SGD	1.277	(0.2)
USD/CNY	6.784	(0.2)

Ringgit Outlook for The Week

	1	2
Resistance	4.035	4.094
Support	3.914	3.850

Major Sovereign Yields (%)

Sov. Yield	Last Close	bps
UST 2Y	4.12	0
UST 10Y	4.56	0
Germany 10Y	2.95	(9)
UK 10Y	4.90	0
Japan 10Y	2.70	(6)
Australia 10Y	4.88	(4)
China 10Y	1.75	(0)

MGS Bond Yields (%)

MGS	Last	bps
3-Year	3.22	(1)
5-Year	3.40	(1)
7-Year	3.55	3
10-Year	3.58	(2)
15-Year	3.82	(2)
20-Year	3.96	(1)
30-Year	4.08	(1)

MYR Swap Rates (%)

Swap / Rates	Last Close	bps
IRS 1-Year	3.40	(0)
IRS 3-Year	3.45	(3)
IRS 5-Year	3.53	(2)
IRS 7-Year	3.62	(3)
IRS 10-Year	3.74	(3)
3M KLIBOR	3.35	0

Key Commodities

Commodities	Last Close	Per cent
Brent (USD/bbl)	96.14	(7.1)
WTI (USD/bbl)	96.60	0.0
Gold (USD/oz)	4,571	1.4
CPO (RM/tonne)	4,410	(0.5)

Policy Rates

Central Banks	Current	Next
US Fed Funds	3.75	18-Jun
ECB Deposit Rate	2.00	11-Jun
BOE Base Rate	3.75	18-Jun
RBA Cash Rate	4.10	16-Jun
BOJ Cash Rate	0.75	16-Jun
RBNZ Cash Rate	2.25	27-May
PBOC 1Y LPR	3.00	-
BNM OPR	2.75	09-Jul

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		
	25-May-26	22-May-26	18-May-26	25-Apr-26	25-May-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
DXY Dollar Index	99.24	99.24	99.19	98.53	99.11	0.0	0.0	0.7	0.1	0.9			
EUR/USD	1.164	1.160	1.166	1.172	1.136	0.4	(0.1)	(0.7)	2.5	(0.9)			
AUD/USD	0.717	0.713	0.717	0.715	0.649	0.6	0.1	0.3	10.6	7.5			
GBP/USD	1.350	1.343	1.343	1.353	1.354	0.5	0.5	(0.2)	(0.2)	0.2			
USD/JPY	158.91	159.18	158.82	159.38	142.56	(0.2)	0.1	(0.3)	11.5	1.4			
USD/MYR	3.953	3.969	3.975	3.965	4.232	(0.4)	(0.5)	(0.3)	(6.6)	(2.7)			
USD/IDR	17,743	17,709	17,656	17,205	16,222	0.2	0.5	3.1	9.4	6.3			
USD/THB	32.47	32.68	32.64	32.43	32.58	(0.6)	(0.5)	0.1	(0.3)	3.1			
USD/SGD	1.277	1.280	1.279	1.275	1.285	(0.2)	(0.1)	0.1	(0.6)	(0.7)			
USD/CNY	6.784	6.798	6.799	6.835	7.173	(0.2)	(0.2)	(0.7)	(5.4)	(2.7)			
USD/KRW	1,518	1,518	1,494	1,476	1,366	0.0	1.6	2.8	11.1	5.4			
USD/INR	95.24	95.71	96.36	94.26	85.22	(0.5)	(1.2)	1.0	11.8	6.0			
USD/PHP	61.47	61.69	61.74	60.73	55.27	(0.4)	(0.4)	1.2	11.2	4.5			
USD/TWD	31.46	31.55	31.56	31.50	30.01	(0.3)	(0.3)	(0.1)	4.8	0.1			
USD/HKD	7.834	7.835	7.830	7.836	7.832	(0.0)	0.0	(0.0)	0.0	0.7			
USD/VND	26,356	26,356	26,357	26,344	25,957	0.0	(0.0)	0.0	1.5	0.2			
NZD/USD	0.587	0.585	0.588	0.588	0.599	0.4	(0.1)	(0.2)	(1.9)	2.0			

Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	25-May-26	22-May-26	18-May-26	25-Apr-26	25-May-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
EUR/MYR	4.602	4.604	4.625	4.634	4.803	(0.0)	(0.5)	(0.7)	(4.2)	(3.4)			
GBP/MYR	5.333	5.329	5.311	5.345	5.712	0.1	0.4	(0.2)	(6.6)	(2.2)			
AUD/MYR	2.833	2.829	2.844	2.827	2.735	0.1	(0.4)	0.2	3.6	4.4			
JPY/MYR	2.488	2.492	2.502	2.488	2.968	(0.2)	(0.6)	(0.0)	(16.2)	(4.0)			
SGD/MYR	3.095	3.100	3.106	3.103	3.292	(0.2)	(0.3)	(0.2)	(6.0)	(2.0)			
10 CNY/MYR	5.828	5.838	5.846	5.802	5.889	(0.2)	(0.3)	0.5	(1.0)	0.3			
1 million IDR/MYR	2.228	2.239	2.249	2.301	2.609	(0.5)	(0.9)	(3.2)	(14.6)	(8.5)			
THB/MYR	12.174	12.147	12.159	12.230	12.976	0.2	0.1	(0.5)	(6.2)	(5.1)			
10 HKD/MYR	5.045	5.063	5.076	5.061	5.404	(0.4)	(0.6)	(0.3)	(6.6)	(3.3)			

Commodities

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	25-May-26	22-May-26	18-May-26	25-Apr-26	25-May-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
Brent (USD/barrel)	96.14	103.54	112.1	105.33	64.78	(7.1)	(14.2)	(8.7)	48.4	58.0			
WTI (USD/barrel)	96.6	96.6	108.66	94.4	61.53	0.0	(11.1)	2.3	57.0	68.2			
Gold (USD/oz)	4,571	4,509	4,567	4,710	3,358	1.4	0.1	(3.0)	36.1	5.8			
Malaysia CPO (RM/tonne)	4,410	4,430	4,491	4,517	3,824	(0.5)	(1.8)	(2.4)	15.3	10.3			

Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	25-May-26	22-May-26	18-May-26	25-Apr-26	25-May-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.22	3.23	3.23	3.18	3.17	(1)	(1)	4	4	22			
5-Year	3.40	3.41	3.40	3.33	3.21	(1)	0	7	19	15			
7-Year	3.55	3.52	3.52	3.45	3.43	3	3	10	12	17			
10-Year	3.58	3.60	3.60	3.56	3.56	(2)	(2)	2	3	8			
15-Year	3.82	3.84	3.85	3.83	3.70	(2)	(2)	(1)	12	6			
20-Year	3.96	3.97	3.97	3.97	3.82	(1)	(0)	(1)	15	11			
30-Year	4.08	4.08	4.09	4.10	4.06	(1)	(1)	(3)	2	10			

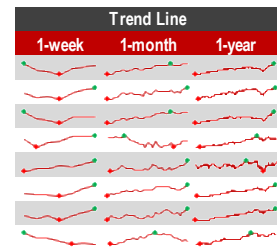
Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	25-May-26	22-May-26	18-May-26	25-Apr-26	25-May-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.24	3.23	3.21	3.19	3.18	1	3	5	6	14			
5-Year	3.37	3.37	3.35	3.32	3.34	0	2	5	4	12			
7-Year	3.57	3.57	3.53	3.50	3.46	1	4	8	12	23			
10-Year	3.62	3.62	3.60	3.57	3.55	0	2	5	7	10			
15-Year	3.90	3.90	3.86	3.87	3.73	0	3	3	16	15			
20-Year	3.98	3.98	3.97	3.99	3.85	(0)	1	(1)	13	12			

Major Equity Indices

	Latest	1-day	1 week	1-Month	1-Year
	25-May-26	22-May-26	18-May-26	25-Apr-26	25-May-25
S&P500 Index	7,473	7,473	7,403	7,165	5,803
Dow Jones	50,580	50,580	49,686	49,231	41,603
Nasdaq	26,344	26,344	26,091	24,837	18,737
London FTSE	10,466	10,466	10,324	10,379	8,718
German DAX	25,389	24,889	24,308	24,129	23,630
Nikkei 225	65,158	63,339	60,816	59,716	37,160
Japan TOPIX	3,943	3,892	3,827	3,717	2,736
FBM KLCI	1,709	1,713	1,728	1,720	1,535

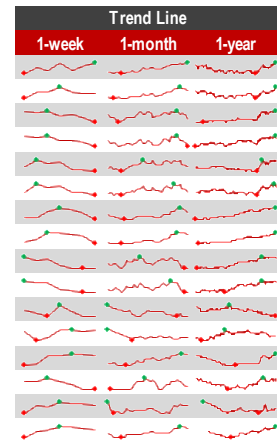
Percentage Change				
1-day	1-week	1-month	1-year	YTD
0.0	1.0	4.3	28.8	94.6
0.0	1.8	2.7	21.6	52.6
0.0	1.0	6.1	40.6	151.7
0.0	1.4	0.8	20.1	40.5
2.0	4.4	5.2	7.4	82.3
2.9	7.1	9.1	75.3	149.7
1.3	3.0	6.1	44.1	108.4
(0.2)	(1.1)	(0.7)	11.3	14.2



Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year
	25-May-26	22-May-26	18-May-26	25-Apr-26	25-May-25
UST 2Y	4.12	4.12	4.04	3.78	3.99
UST 10Y	4.56	4.56	4.59	4.30	4.51
Germany 2Y	2.54	2.64	2.71	2.55	1.76
Germany 10Y	2.95	3.04	3.15	2.99	2.57
UK 2Y	4.33	4.33	4.48	4.35	3.98
UK 10Y	4.90	4.90	5.10	4.91	4.68
Japan 2Y	1.41	1.44	1.42	1.36	0.73
Japan 10Y	2.70	2.76	2.74	2.44	1.54
Australia 2Y	4.56	4.58	4.75	4.69	3.40
Australia 10Y	4.88	4.92	5.11	4.98	4.42
China 2Y	1.25	1.26	1.26	1.25	1.48
China 10Y	1.75	1.75	1.75	1.76	1.70
Indonesia 2Y	6.65	6.68	6.48	6.19	6.24
Indonesia 10Y	6.68	6.74	6.77	6.78	6.83
Thailand 2Y	1.26	1.27	1.26	1.21	1.59
Thailand 10Y	2.34	2.37	2.32	2.13	1.86

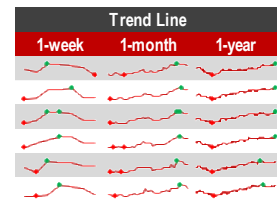
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	8	34	13	65
0	(3)	26	5	39
(11)	(17)	(1)	77	41
(9)	(20)	(5)	38	9
0	(14)	(2)	35	60
0	(20)	(1)	22	42
(2)	(0)	5	69	24
(6)	(3)	26	117	64
(2)	(19)	(13)	117	51
(4)	(23)	(10)	46	14
(1)	(1)	0	(23)	(12)
(0)	0	(1)	5	(10)
(3)	17	46	41	166
(5)	(9)	(10)	(14)	61
(1)	(0)	5	(33)	14
(3)	2	21	48	70



Key swap rates

	Latest	1-day	1 week	1-Month	1-Year
	25-May-26	22-May-26	18-May-26	25-Apr-26	25-May-25
IRS 1-Year	3.40	3.40	3.40	3.34	3.27
IRS 3-Year	3.45	3.48	3.44	3.39	3.17
IRS 5-Year	3.53	3.55	3.52	3.45	3.26
IRS 7-Year	3.62	3.64	3.60	3.53	3.36
IRS 10-Year	3.74	3.77	3.73	3.66	3.50
IRS 20-Year	4.07	4.09	4.06	4.01	3.72

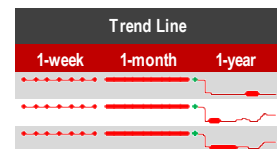
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(0)	0	6	13	19
(3)	1	7	28	19
(2)	1	9	28	18
(3)	2	9	25	21
(3)	1	8	24	18
(2)	1	6	35	19



Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year
	25-May-26	22-May-26	18-May-26	25-Apr-26	25-May-25
1-Month Klibor	3.00	3.00	3.00	3.00	3.27
3-Month Klibor	3.35	3.35	3.35	3.35	3.52
6-Month Klibor	3.39	3.39	3.39	3.39	3.56

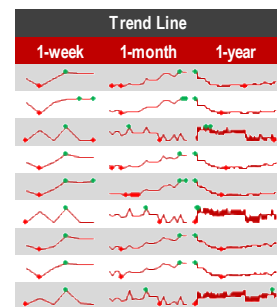
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	0	0	(27)	0
0	0	0	(17)	7
0	0	0	(17)	9



Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year
	25-May-26	22-May-26	18-May-26	25-Apr-26	25-May-25
3-Year AAA	3.57	3.57	3.57	3.54	3.71
3-Year AA	3.71	3.71	3.70	3.68	3.86
3-Year A	4.45	4.45	4.45	4.48	4.48
5-Year AAA	3.65	3.65	3.65	3.63	3.77
5-Year AA	3.79	3.79	3.78	3.77	3.93
5-Year A	4.62	4.62	4.62	4.66	4.60
10-Year AAA	3.83	3.83	3.82	3.79	3.92
10-Year AA	3.96	3.96	3.96	3.94	4.07
10-Year A	5.02	5.03	5.02	5.06	4.95

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	0	3	(13)	7
0	0	2	(15)	4
(0)	0	(3)	(3)	(9)
0	0	3	(12)	6
0	1	2	(14)	4
(0)	0	(4)	2	(8)
0	1	4	(9)	6
0	0	2	(11)	4
(0)	0	(4)	8	(9)



Sources: Bloomberg, AmBank Economics

Note: All values are end-period

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