



Fixed Income & FX Research

30 October 2024

Snapshot Summary...

Global FX: Dollar trimmed gains following downbeat US job openings data**Global Rates:** UST yields fell after reaching four-month highs**MYR Bonds:** Local govies continued to show weakness**USD/MYR:** The ringgit weakened as narrative remains directed towards US politics and Fed policy

Macro News

Japan: Japan's unemployment rate dropped to 2.4% in September from 2.5% in August and aligning with market expectations. This marks the lowest rate since January, with the number of unemployed individuals decreasing to a 20-month low.**Germany:** The GfK Consumer Climate Indicator for Germany increased to -18.3 for the month of November, up from a revised -21.0 (21.2 prior estimate) in the previous month. This is the highest level since April 2022, with sentiment improving for the second consecutive month and surpassing market expectations of -20.5.**US:** The Dallas Fed Services Index climbed to 2.0 in October from -2.6 the previous month. This marks the first positive reading since May 2022, suggesting the beginning of a positive trend in regional activity.

US Jolts jobs opening decreased by 418k to 7.443 million in September, down from a downward revised 7.861 million in August and falling short of market expectations of 7.99 million. This marks the lowest level since January 2021, signaling a cooling labor market.

Fixed Income

Global Bonds: US Treasuries showed strength as there was some pickup after yields had reached four-month highs. Sentiment was aided as the Jolts jobs number came in below expectations. Meanwhile, there was firm demand for the USD44 billion sale of 7Y notes on Tuesday, at 2.74x BTC.**MYR Government Bonds:** Malaysian government bond market continued to show weakness to follow the UST yields continuing to climb ahead of the US trading open overnight. Elsewhere, the 7Y GII reopening auction garnered BTC slightly below 2.0x as sentiment remained guarded in the overall market.**MYR Corporate Bonds:** Sentiment in the ringgit corporate bond market also continued to be weak. Markets remained wary over the rise in US yields ahead of key events in November. Despite that, there were still gains on select AAA papers though seen especially on the shorter maturities. Of these, Danum 02/25 fell 4 bps to 3.42% and Putrajaya 04/25 which shed 10 bps to 4.46%.

FX Daily Rates

Vs. USD	Last Close	Per cent
DX	104.32	0.0
EUR/USD	1.082	0.1
AUD/USD	0.656	(0.3)
GBP/USD	1.302	0.3
USD/JPY	153.36	0.0
USD/MYR	4.379	0.4
USD/IDR	15,760	0.2
USD/THB	33.76	(0.3)
USD/SGD	1.324	0.1
USD/CNY	7.129	(0.0)
USD/KRW	1,386	0.1
USD/INR	84.08	0.0
USD/PHP	58.27	0.1
USD/TWD	32.10	0.0
USD/HKD	7.771	(0.0)
USD/VND	25,304	(0.2)
NZD/USD	0.597	(0.1)

MYR Cross Rates

MYR Cross	Last Close	Per cent
EUR/MYR	4.737	0.4
GBP/MYR	5.683	0.4
AUD/MYR	2.879	(0.0)
JPY/MYR	2.855	0.3
SGD/MYR	3.306	0.2
10CNY/MYR	6.142	0.3
100IDR/MYR	2.777	0.1
THB/MYR	12.990	0.6
10HKD/MYR	5.634	0.4
100INR/MYR	5.210	0.4

MGS Bond Yields (%)

MGS	Maturity	Last	bps
3-Year	05/27	3.52	0
5-Year	08/29	3.66	2
7-Year	04/31	3.89	3
10-Year	07/34	3.91	2
15-Year	04/39	4.02	1
20-Year	05/44	4.15	0
30-Year	03/53	4.23	0

MYR Swap Rates (%)

Swap / Rates	Last Close	bps
IRS 1-Year	3.58	(0)
IRS 3-Year	3.54	1
IRS 5-Year	3.58	1
IRS 7-Year	3.67	1
IRS 10-Year	3.77	1
3-M KLIBOR	3.58	0

Major Sovereign Yields (%)

Sov. Yield	Last Close	bps
UST 2Y	4.10	(4)
UST 10Y	4.25	(3)
Germany 10Y	2.34	5
UK 10Y	4.32	6
Japan 10Y	0.98	0
Australia 10Y	4.45	(4)
China 10Y	2.16	(0)
Korea 10Y	3.12	(1)
Indonesia 10Y	6.86	4
Thailand 10Y	2.41	1
Malaysia 10Y	3.91	2

Forex

US: The dollar trimmed some of its gains but still closed Tuesday in the green following the September US job openings dropped to their lowest level in over three and a half years, with the previous month's figures also revised downward, indicating an ongoing slowdown in the labor market.

Europe: The pound strengthened, and volatility rose as traders awaited the UK budget. Finance Minister Rachel Reeves announcement of a 6.7% minimum wage increase for April, while emphasizing, alongside PM Keir Starmer, the need for strict fiscal measures to address the public finance gap and sustain investor confidence. Meanwhile, the EUR also went up 0.1%.

Asia Pacific: The Chinese yuan remained steady near its mid-August lows against the dollar, despite potential plans for over USD1.4 trillion in new debt to stimulate the economy. News flow indicate China's legislature is expected to approve a CNY6 trillion fiscal package, partly funded by special bonds, at the end of its 4-8 November meeting. The JPY weakened again as the currency has been under pressure following Japan's ruling coalition losing its parliamentary majority, while the BoJ is expected to keep rates steady at its upcoming policy decision.

Malaysia: Most of Asian currencies fell as the market narrative continued to be focused on the developments relating to US political space and the Fed to cut less aggressively moving forward. Ringgit weakened 0.4% on the day to close at 4.379.

Other Markets

Gold: Gold reached another record high on Tuesday, driven by safe-haven demand ahead of the US election, despite rising dollar and yield levels.

Oil: Oil prices eased as concerns about Middle East tensions reside, with the market shifting attention to global supply dynamics and OPEC production outlook.

Palm Oil: Traders' reluctance to place large fresh bets meant palm oil price was stuck in range. Nevertheless, prices remain near two-year highs amid tight supply expectations versus expectations of weak demand come the winter season.

Weekly Indicative PDS Yields (%)

PDS Indicative	Last Close	bps
3-Year AAA	3.77	0
3-Year AA	3.92	0
3-Year A	4.96	0
5-Year AAA	3.86	0
5-Year AA	4.02	0
5-Year A	5.22	0
10-Year AAA	4.02	0
10-Year AA	4.22	0
10-Year A	5.85	0

Key Commodities

Commodities	Last Close	Per cent
Brent (USD/bl)	71.12	(0.4)
WTI (USD/bl)	67.21	(0.3)
Gold (USD/oz)	2,775	1.2
CPO (RM/tonne)	4,693	0.0

Equity Indices

Equity	Last Close	Per cent
S&P500 Index	5,833	0.2
Dow Jones	42,233	(0.4)
Nasdaq	18,713	0.8
London FTSE	8,220	(0.8)
German DAX	19,478	(0.3)
Nikkei 225	38,904	0.8
Japan TOPIX	2,682	0.9
FBM KLCI	1,615	0.3
Strait Times	3,590	0.2
Jakarta	7,607	(0.4)
Shanghai	3,286	(1.1)
MSCI Asia Pac	187	0.1
MSCI World	3,718	0.0
Hang Seng	20,701	0.5
KOSPI	2,618	0.2
Thai Stock Exc	1,451	(0.1)
Taiwan	22,927	(1.2)
India	80,369	0.5
Australia	8,249	0.3

Policy Rates

Central Banks	Current	Next
US Fed Funds	5.00	08-Novt
ECB Main Refinancing	3.40	12-Dec
BoE Base Rate	5.00	07-Novt
RBA Cash Rate	4.35	05-Nov
BoJ Cash Rate	0.25	31-Oct
PBoC 1Y LPR	3.10	n.a.
BoK Base Rate	3.25	-
BNM OPR	3.00	06-Nov

Ringgit Outlook for The Week

	1	2
Resistance	4.400	4.464
Support	4.273	4.300

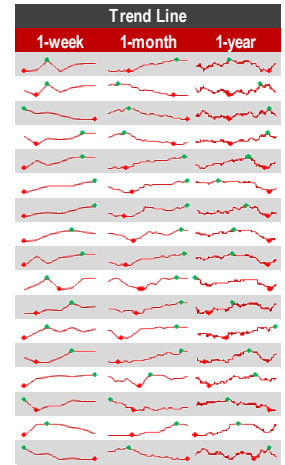
Sources: Bloomberg, Trading Economics, AmBank Economics

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
	29-Oct-24	28-Oct-24	22-Oct-24	29-Sep-24	30-Oct-23
DXY Dollar Index	104.32	104.32	104.08	100.38	106.12
EUR/USD	1.082	1.081	1.080	1.116	1.062
AUD/USD	0.656	0.658	0.668	0.690	0.637
GBP/USD	1.302	1.297	1.298	1.337	1.217
USD/JPY	153.36	153.29	151.08	142.21	149.1
USD/MYR	4.379	4.362	4.328	4.126	4.764
USD/IDR	15,760	15,725	15,560	15,125	15,890
USD/THB	33.76	33.86	33.50	32.40	35.96
USD/SGD	1.324	1.323	1.316	1.281	1.364
USD/CNY	7.129	7.129	7.124	7.011	7.311
USD/KRW	1,386	1,384	1,377	1,311	1,351
USD/INR	84.08	84.08	84.08	83.70	83.25
USD/PHP	58.27	58.24	57.86	56.10	56.96
USD/TWD	32.10	32.10	32.06	31.68	32.44
USD/HKD	7.771	7.772	7.772	7.772	7.821
USD/VND	25,304	25,357	25,405	24,606	24,567
NZD/USD	0.597	0.598	0.604	0.634	0.584

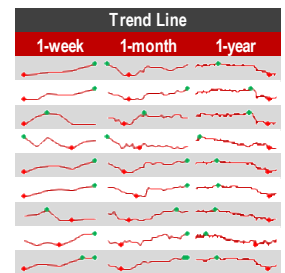
	Percentage Change				
	1-day	1-week	1-month	1-year	YTD
DXY Dollar Index	0.0	0.2	3.9	(1.7)	2.9
EUR/USD	0.1	0.2	(3.1)	1.9	(2.0)
AUD/USD	(0.3)	(1.8)	(5.0)	2.9	(3.7)
GBP/USD	0.3	0.2	(2.7)	6.9	2.2
USD/JPY	0.0	1.5	7.8	2.9	8.7
USD/MYR	0.4	1.2	6.1	(8.1)	(4.7)
USD/IDR	0.2	1.3	4.2	(0.8)	2.4
USD/THB	(0.3)	0.8	4.2	(6.1)	(1.1)
USD/SGD	0.1	0.6	3.4	(2.9)	0.3
USD/CNY	(0.00)	0.1	1.7	(2.5)	0.4
USD/KRW	0.1	0.6	5.8	2.6	7.6
USD/INR	0.0	0.0	0.5	1.0	1.0
USD/PHP	0.1	0.7	3.9	2.3	5.2
USD/TWD	0.0	0.1	1.4	(1.0)	4.5
USD/HKD	(0.0)	(0.0)	(0.0)	(0.6)	(0.5)
USD/VND	(0.2)	(0.4)	2.8	3.0	4.3
NZD/USD	(0.1)	(1.2)	(5.8)	2.2	(5.5)



Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year
	29-Oct-24	28-Oct-24	22-Oct-24	29-Sep-24	30-Oct-23
EUR/MYR	4.737	4.717	4.681	4.604	5.039
GBP/MYR	5.683	5.659	5.614	5.521	5.777
AUD/MYR	2.879	2.880	2.891	2.842	3.034
JPY/MYR	2.855	2.846	2.865	2.901	3.195
SGD/MYR	3.306	3.299	3.290	3.217	3.487
10CNY/MYR	6.142	6.122	6.076	5.882	6.514
100IDR/MYR	2.777	2.774	2.781	2.727	2.997
THB/MYR	12.990	12.916	12.918	12.742	13.246
10HKD/MYR	5.634	5.613	5.569	5.307	6.089

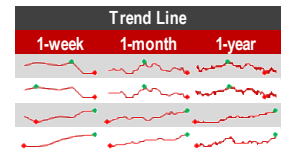
	Percentage Change				
	1-day	1-week	1-month	1-year	YTD
EUR/MYR	0.4	1.2	2.9	(6.0)	(6.7)
GBP/MYR	0.4	1.2	2.9	(1.6)	(2.6)
AUD/MYR	(0.0)	(0.4)	1.3	(5.1)	(7.9)
JPY/MYR	0.3	(0.3)	(1.6)	(10.6)	(12.3)
SGD/MYR	0.2	0.5	2.8	(5.2)	(4.9)
10CNY/MYR	0.3	1.1	4.4	(5.7)	(4.9)
100IDR/MYR	0.1	(0.1)	1.8	(7.3)	(6.9)
THB/MYR	0.6	0.6	1.9	(1.9)	(3.0)
10HKD/MYR	0.4	1.2	6.2	(7.5)	(4.2)



Commodities

	Latest	1-day	1 week	1-Month	1-Year
	29-Oct-24	28-Oct-24	22-Oct-24	29-Sep-24	30-Oct-23
Brent (USD/barrel)	71.12	71.42	76.04	71.98	87.45
WTI (USD/barrel)	67.21	67.38	72.09	68.18	82.31
Gold (USD/oz)	2,775	2,742	2,749	2,658	1,996
Malaysia CPO (RM/tonne)	4,693	4,693	4,433	4,202	3,630

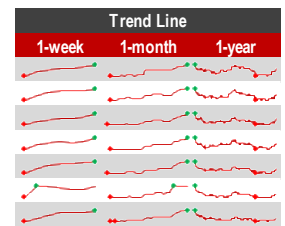
	Percentage Change				
	1-day	1-week	1-month	1-year	YTD
Brent (USD/barrel)	(0.4)	(6.5)	(1.2)	(18.7)	(7.7)
WTI (USD/barrel)	(0.3)	(6.8)	(1.4)	(18.3)	(6.2)
Gold (USD/oz)	1.2	0.9	4.4	39.0	34.5
Malaysia CPO (RM/tonne)	0.0	5.9	11.7	29.3	26.3



Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year
	29-Oct-24	28-Oct-24	22-Oct-24	29-Sep-24	30-Oct-23
3-Year	3.52	3.51	3.45	3.33	3.68
5-Year	3.66	3.64	3.58	3.51	3.89
7-Year	3.89	3.87	3.79	3.68	4.10
10-Year	3.91	3.89	3.83	3.72	4.11
15-Year	4.02	4.01	3.97	3.89	4.27
20-Year	4.15	4.14	4.15	4.04	4.44
30-Year	4.23	4.23	4.21	4.18	4.56

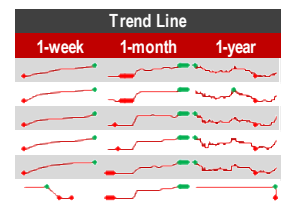
	Basis Points Change				
	1-day	1-week	1-month	1-year	YTD
3-Year	0	6	18	(17)	5
5-Year	2	7	14	(23)	8
7-Year	3	11	21	(21)	18
10-Year	2	8	19	(20)	18
15-Year	1	5	13	(25)	4
20-Year	0	(0)	11	(30)	5
30-Year	0	2	5	(33)	(1)



Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year
	29-Oct-24	28-Oct-24	22-Oct-24	29-Sep-24	30-Oct-23
3-Year	3.45	3.44	3.39	3.32	3.72
5-Year	3.66	3.65	3.61	3.51	3.89
7-Year	3.91	3.86	3.81	3.69	4.11
10-Year	3.94	3.92	3.89	3.76	4.13
15-Year	4.01	4.01	3.98	3.91	4.27
20-Year	4.16	4.16	4.14	4.05	4.48

	Basis Points Change				
	1-day	1-week	1-month	1-year	YTD
3-Year	1	6	13	(27)	(5)
5-Year	1	4	15	(24)	6
7-Year	5	9	22	(20)	15
10-Year	2	5	18	(19)	16
15-Year	1	4	10	(26)	6
20-Year	0	3	12	(32)	4



Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	29-Oct-24	28-Oct-24	22-Oct-24	29-Sep-24	30-Oct-23	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
UST 2Y	4.10	4.14	4.03	3.56	5.05	(4)	6	54	(96)	(15)			
UST 10Y	4.25	4.28	4.21	3.75	4.89	(3)	5	50	(64)	38			
Germany 2Y	2.14	2.10	2.18	2.08	3.01	4	(4)	7	(87)	(26)			
Germany 10Y	2.34	2.29	2.32	2.13	2.82	5	2	20	(49)	31			
UK 2Y	4.26	4.21	4.07	3.94	4.78	5	19	32	(52)	28			
UK 10Y	4.32	4.25	4.17	3.98	4.56	6	15	34	(25)	78			
Japan 2Y	0.46	0.46	0.45	0.37	0.10	(0)	1	9	36	41			
Japan 10Y	0.98	0.98	0.98	0.85	0.89	0	0	13	9	37			
Australia 2Y	3.98	4.00	3.98	3.63	4.43	(3)	0	35	(45)	27			
Australia 10Y	4.45	4.48	4.43	3.96	4.87	(4)	1	49	(43)	49			
China 2Y	1.49	1.50	1.53	1.43	2.37	(1)	(4)	6	(88)	(71)			
China 10Y	2.16	2.16	2.14	2.18	2.72	(0)	2	(2)	(56)	(40)			
Indonesia 2Y	6.53	6.52	6.46	6.28	6.98	1	8	26	(45)	2			
Indonesia 10Y	6.86	6.82	6.68	6.47	7.12	4	18	39	(26)	38			
Thailand 2Y	2.10	2.09	2.09	2.15	2.56	1	1	(5)	(46)	(23)			
Thailand 10Y	2.41	2.40	2.40	2.46	3.24	1	2	(5)	(82)	(26)			

Key swap rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	29-Oct-24	28-Oct-24	22-Oct-24	29-Sep-24	30-Oct-23	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
IRS 1-Year	3.58	3.58	3.56	3.51	3.81	(0)	2	7	(23)	0			
IRS 3-Year	3.54	3.53	3.53	3.39	3.91	1	1	15	(37)	4			
IRS 5-Year	3.58	3.58	3.55	3.45	4.03	1	3	14	(44)	0			
IRS 7-Year	3.67	3.66	3.65	3.54	4.16	1	2	13	(50)	(4)			
IRS 10-Year	3.77	3.76	3.75	3.65	4.31	1	2	12	(54)	(5)			
IRS 20-Year	3.88	3.86	3.86	3.99	4.66	2	2	(12)	(78)	(34)			

Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	29-Oct-24	28-Oct-24	22-Oct-24	29-Sep-24	30-Oct-23	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
1-Month Klibor	3.28	3.28	3.28	3.28	3.31	0	0	0	(3)	(9)			
3-Month Klibor	3.58	3.58	3.58	3.55	3.64	0	0	3	(6)	(19)			
6-Month Klibor	3.65	3.64	3.63	3.62	3.69	1	2	3	(4)	(16)			

Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	29-Oct-24	28-Oct-24	22-Oct-24	29-Sep-24	30-Oct-23	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year AAA	3.77	3.77	3.77	3.74	4.08	0	0	3	(31)	(8)			
3-Year AA	3.92	3.92	3.92	3.87	4.24	0	0	5	(32)	(12)			
3-Year A	4.96	4.96	4.96	4.83	5.34	0	0	13	(38)	(28)			
5-Year AAA	3.86	3.86	3.86	3.82	4.18	0	0	4	(32)	(11)			
5-Year AA	4.02	4.02	4.02	3.96	4.35	0	0	6	(33)	(16)			
5-Year A	5.22	5.22	5.22	5.06	5.69	0	0	16	(47)	(33)			
10-Year AAA	4.02	4.02	4.02	3.99	4.46	0	0	3	(43)	(16)			
10-Year AA	4.22	4.22	4.22	4.14	4.64	0	0	7	(43)	(20)			
10-Year A	5.85	5.85	5.85	5.61	6.18	0	0	24	(33)	(21)			

Sources: Bloomberg, AmBank Economics

Note: All values are end-period

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