



Fixed Income & FX Research

11 September 2025

Macro: US PPI unexpectedly eased in August, ahead of CPI data today. Mexico plans tariffs on Asian products, ahead of US trade talks. Malaysia's unemployment rate remained at 3.0%.

Forex: DXY held steady. Risk-related currencies made gains, to the detriment of EUR and CHF, ahead of today's ECB meeting. MYR fell 0.4% amid earlier USD strength.

Fixed Income: Long-dated UST led gains amid a soft inflation print and stellar 10Y auction. Cautious sentiment continues to prevail in the local bond space.

Macro

Global: US core PPI unexpectedly fell 0.1% m/m in August (consensus: +0.3%; July: +0.7%), the first decline in four months, driven by a 0.2% m/m drop in services. Given the surprise, today's CPI data is expected to be highly watched due to implications on Fed decision-making (consensus: +0.3% m/m; July: +0.3%). Meanwhile, China's CPI fell 0.4% y/y in August (consensus: 0.0%; July: -0.2%), driven mainly by the sharp 4.3% y/y drop in food prices. However, core CPI rose 0.9% y/y (July 0.8%), its highest in 18 months, while headline PPI deflation also moderated to 2.9% y/y (July: -3.6%), suggesting some success in government efforts to rein in excessive competition and price wars. Separately, Mexico is planning up to 50% import tariffs on several products from several Asian economies, including China, aligning its trade policy with the US ahead of trade talks.

Malaysia: Malaysia's unemployment rate held at its decade-low of 3.0% in July, with the number of employed persons rising amid an expanding workforce. The Parliament has also passed amendments to the anti-dumping law to protect local industries. Deputy FM Hui Ying reiterated that the low-value goods tax will remain to ensure fair competition.

Forex

Global: DXY closed unchanged, with post-PPI losses pared by market closing, ahead of US CPI data today. G10 FX fared mixed, with risk-related currencies such as NOK (+0.5%), AUD (+0.4%), SEK (+0.3%), and NZD (+0.2%) posting gains vs. losses for safe-haven currencies EUR (-0.1%) and CHF (-0.2%). This comes ahead of today's ECB policy meeting, with no changes expected to the current monetary settings. Meanwhile, the CAD (-0.2%) has remained a laggard among G10 peers, as growth risks from US tariffs and abundant labour supply are expected to keep the BOC dovish.

Asian: USD/MYR rose 0.4% to 4.220 amid earlier USD strength. Quarter-to-date, USD/MYR has traded mostly within the 4.20-4.25 range, anchored by relative stability on USD strength, and a mildly appreciating trajectory for the CNH.

Fixed Income

Global Bonds: US Treasuries yields fell and are near five-month lows after the print of softer inflation data. Firm demand at the 10Y UST auction supported an outperformance for the long end. However, post-PPI gains faded into closing ahead of tonight's more critically watched CPI report. Bund yields fell slightly along with the UST movement, but sentiment was cautious ahead of the ECB meeting tonight, with an expected hold by European policymakers.

MYR Bonds: Sentiment in the government bond market continued to be cautious. There remains a lack of drivers on the rates front after last week's MPC. Also, govies remain guarded as the 30Y GII (GII 03/54) auction was announced at MYR3.0 billion public tender and MYR2.0 billion PP. The corporate bond market was mixed as well. Trading was dominated by higher-grade AAA names, although there was some heavy flow on AA-rated UEMS 07/35 at 3.74% (+1 bps).

Commodities

Oil prices continued their rebound (+1.7%), amid rising tensions in the Middle East and in Europe, with the probability of secondary sanctions on China and India also rising amid Russian drone incursions into Polish airspace – a NATO member. Meanwhile, **CPO** prices slipped 1%, after Malaysia reported a 2.4% m/m increase in CPO production in August.

FX Daily Rates

Vs. USD	Last Close	Per cent
DXY	97.78	(0.0)
EUR/USD	1.170	(0.1)
AUD/USD	0.661	0.4
GBP/USD	1.353	0.0
USD/JPY	147.46	0.0
USD/MYR	4.220	0.4
USD/IDR	16,461	(0.1)
USD/THB	31.79	0.4
USD/SGD	1.283	(0.0)
USD/CNY	7.121	(0.0)

Ringgit Outlook for The Week

	1	2
Resistance	4.257	4.304
Support	4.185	4.160

Major Sovereign Yields (%)

Sov. Yield	Last Close	bps
UST 2Y	3.54	(1)
UST 10Y	4.05	(4)
Germany 10Y	2.65	(1)
UK 10Y	4.63	1
Japan 10Y	1.57	(0)
Australia 10Y	4.27	1
China 10Y	1.82	2

MGS Bond Yields (%)

MGS	Last	bps
3-Year	3.04	0
5-Year	3.12	0
7-Year	3.33	0
10-Year	3.40	0
15-Year	3.61	(0)
20-Year	3.75	1
30-Year	3.87	(0)

MYR Swap Rates (%)

Swap / Rates	Last Close	bps
IRS 1-Year	3.14	2
IRS 3-Year	3.08	1
IRS 5-Year	3.15	1
IRS 7-Year	3.21	0
IRS 10-Year	3.34	(1)
3M KLIBOR	3.21	0

Key Commodities

Commodities	Last Close	Per cent
Brent (USD/bbl)	67.49	1.7
WTI (USD/bbl)	63.67	1.7
Gold (USD/oz)	3,641	0.4
CPO (RM/tonne)	4,340	(1.1)

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	06-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.

Currencies vs USD

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	10-Sep-25	9-Sep-25	3-Sep-25	11-Aug-25	10-Sep-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
DXY Dollar Index	97.78	97.79	98.14	98.52	101.63	(0.0)	(0.4)	(0.8)	(3.8)	(9.9)			
EUR/USD	1.170	1.171	1.166	1.162	1.102	(0.1)	0.3	0.7	6.1	13.0			
AUD/USD	0.661	0.659	0.654	0.651	0.665	0.4	1.1	1.5	(0.6)	6.9			
GBP/USD	1.353	1.353	1.344	1.343	1.308	0.0	0.6	0.7	3.4	8.1			
USD/JPY	147.46	147.41	148.1	148.15	142.44	0.0	(0.4)	(0.5)	3.5	(6.2)			
USD/MYR	4.220	4.205	4.227	4.234	4.342	0.4	(0.2)	(0.3)	(2.8)	(5.6)			
USD/IDR	16,461	16,475	16,415	16,274	15,450	(0.1)	0.3	1.1	6.5	2.2			
USD/THB	31.79	31.67	32.35	32.33	33.75	0.4	(1.7)	(1.7)	(5.8)	(6.8)			
USD/SGD	1.283	1.283	1.288	1.287	1.305	(0.0)	(0.4)	(0.4)	(1.7)	(6.1)			
USD/CNY	7.121	7.124	7.142	7.189	7.121	(0.0)	(0.3)	(0.9)	0.0	(2.4)			
USD/KRW	1,389	1,388	1,389	1,391	1,344	0.0	(0.1)	(0.2)	3.3	(5.7)			
USD/INR	88.10	88.11	88.07	87.66	83.98	(0.0)	0.0	0.5	4.9	2.9			
USD/PHP	57.13	56.99	57.32	57.05	56.39	0.3	(0.3)	0.1	1.3	(1.2)			
USD/TWD	30.29	30.37	30.72	29.91	32.19	(0.3)	(1.4)	1.3	(5.9)	(7.6)			
USD/HKD	7.789	7.789	7.800	7.850	7.798	0.0	(0.1)	(0.8)	(0.1)	0.3			
USD/VND	26,392	26,385	26,388	26,226	24,662	0.0	0.0	0.6	7.0	3.6			
NZD/USD	0.594	0.593	0.588	0.594	0.615	0.2	1.1	0.0	(3.4)	6.2			

Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	10-Sep-25	9-Sep-25	3-Sep-25	11-Aug-25	10-Sep-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
EUR/MYR	4.943	4.949	4.927	4.929	4.793	(0.1)	0.3	0.3	3.1	6.1			
GBP/MYR	5.715	5.714	5.667	5.696	5.687	0.0	0.8	0.3	0.5	1.8			
AUD/MYR	2.789	2.783	2.761	2.760	2.895	0.2	1.0	1.1	(3.7)	0.3			
JPY/MYR	2.862	2.853	2.854	2.858	3.048	0.3	0.3	0.1	(6.1)	0.6			
SGD/MYR	3.290	3.285	3.282	3.295	3.328	0.1	0.3	(0.2)	(1.1)	0.1			
10 CNY/MYR	5.926	5.903	5.915	5.893	6.098	0.4	0.2	0.6	(2.8)	(3.3)			
1 million IDR/MYR	2.562	2.552	2.575	2.601	2.809	0.4	(0.5)	(1.5)	(8.8)	(7.6)			
THB/MYR	13.280	13.280	13.060	13.068	12.900	0.0	1.7	1.6	2.9	2.0			
10 HKD/MYR	5.417	5.400	5.416	5.394	5.569	0.3	0.0	0.4	(2.7)	(5.9)			

Commodities

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	10-Sep-25	9-Sep-25	3-Sep-25	11-Aug-25	10-Sep-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
Brent (USD/barrel)	67.49	66.39	67.6	66.63	69.19	1.7	(0.2)	1.3	(2.5)	(9.6)			
WTI (USD/barrel)	63.67	62.63	63.97	63.96	65.75	1.7	(0.5)	(0.5)	(3.2)	(11.2)			
Gold (USD/oz)	3,641	3,627	3,559	3,342	2,517	0.4	2.3	8.9	44.7	38.7			
Malaysia CPO (RM/tonne)	4,340	4,388	4,362	4,334	3,981	(1.1)	(0.5)	0.1	9.0	(10.7)			

Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	10-Sep-25	9-Sep-25	3-Sep-25	11-Aug-25	10-Sep-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.04	3.04	3.03	3.02	3.35	0	1	3	(30)	(44)			
5-Year	3.12	3.12	3.11	3.09	3.49	0	1	3	(37)	(50)			
7-Year	3.33	3.33	3.33	3.27	3.70	0	(1)	6	(37)	(44)			
10-Year	3.40	3.39	3.41	3.36	3.74	0	(2)	3	(35)	(42)			
15-Year	3.61	3.61	3.61	3.60	3.89	(0)	(0)	1	(28)	(36)			
20-Year	3.75	3.74	3.75	3.74	4.05	1	0	1	(30)	(31)			
30-Year	3.87	3.87	3.89	3.90	4.19	(0)	(1)	(3)	(32)	(31)			

Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	10-Sep-25	9-Sep-25	3-Sep-25	11-Aug-25	10-Sep-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.07	3.06	3.05	3.05	3.33	1	1	2	(27)	(36)			
5-Year	3.15	3.14	3.14	3.14	3.52	0	1	0	(37)	(48)			
7-Year	3.27	3.27	3.28	3.24	3.70	1	(0)	3	(43)	(47)			
10-Year	3.42	3.42	3.43	3.39	3.78	0	(1)	4	(36)	(41)			
15-Year	3.62	3.61	3.60	3.61	3.94	0	1	1	(32)	(36)			
20-Year	3.77	3.76	3.75	3.74	4.09	0	1	3	(32)	(32)			

Major Equity Indices

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	10-Sep-25	9-Sep-25	3-Sep-25	11-Aug-25	10-Sep-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
S&P500 Index	6,532	6,513	6,448	6,373	5,496	0.3	1.3	2.5	18.9	70.1			
Dow Jones	45,491	45,711	45,271	43,975	40,737	(0.5)	0.5	3.4	11.7	37.2			
Nasdaq	21,886	21,879	21,498	21,385	17,026	0.0	1.8	2.3	28.5	109.1			
London FTSE	9,225	9,243	9,178	9,130	8,206	(0.2)	0.5	1.0	12.4	23.8			
German DAX	23,633	23,718	23,595	24,081	18,266	(0.4)	0.2	(1.9)	29.4	69.7			
Nikkei 225	43,838	43,459	41,939	41,820	36,159	0.9	4.5	4.8	21.2	68.0			
Japan TOPIX	3,141	3,122	3,049	3,024	2,577	0.6	3.0	3.9	21.9	66.0			
FBM KLCI	1,591	1,587	1,579	1,563	1,660	0.2	0.8	1.8	(4.2)	6.4			

Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	10-Sep-25	9-Sep-25	3-Sep-25	11-Aug-25	10-Sep-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
UST 2Y	3.54	3.56	3.62	3.77	3.59	(1)	(7)	(22)	(5)	(70)			
UST 10Y	4.05	4.09	4.22	4.28	3.64	(4)	(17)	(24)	40	(52)			
Germany 2Y	1.95	1.94	1.97	1.96	2.18	1	(1)	(1)	(23)	(13)			
Germany 10Y	2.65	2.66	2.74	2.70	2.13	(1)	(9)	(4)	52	29			
UK 2Y	3.94	3.91	3.96	3.86	3.86	3	(2)	8	8	(45)			
UK 10Y	4.63	4.62	4.75	4.57	3.82	1	(12)	7	81	7			
Japan 2Y	0.86	0.84	0.87	0.77	0.40	1	(1)	9	46	25			
Japan 10Y	1.57	1.57	1.63	1.49	0.90	(0)	(6)	8	67	47			
Australia 2Y	3.38	3.37	3.45	3.35	3.65	1	(7)	3	(28)	(48)			
Australia 10Y	4.27	4.26	4.42	4.25	3.91	1	(15)	2	36	(9)			
China 2Y	1.45	1.42	1.40	1.41	1.40	2	5	4	4	35			
China 10Y	1.82	1.80	1.75	1.72	2.12	2	7	10	(30)	15			
Indonesia 2Y	5.41	5.47	5.32	5.63	6.53	(6)	10	(21)	(112)	(163)			
Indonesia 10Y	6.42	6.44	6.40	6.44	6.62	(2)	3	(1)	(20)	(58)			
Thailand 2Y	1.08	1.08	1.10	1.21	2.16	0	(2)	(13)	(107)	(91)			
Thailand 10Y	1.23	1.22	1.24	1.44	2.55	0	(2)	(22)	(133)	(103)			

Key swap rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	10-Sep-25	9-Sep-25	3-Sep-25	11-Aug-25	10-Sep-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
IRS 1-Year	3.14	3.13	3.13	3.06	3.44	2	2	8	(30)	(43)			
IRS 3-Year	3.08	3.06	3.07	2.98	3.35	1	0	10	(28)	(43)			
IRS 5-Year	3.15	3.14	3.15	3.06	3.40	1	(0)	9	(26)	(40)			
IRS 7-Year	3.21	3.21	3.22	3.13	3.50	0	(2)	8	(29)	(43)			
IRS 10-Year	3.34	3.35	3.34	3.26	3.60	(1)	0	9	(26)	(39)			
IRS 20-Year	3.59	3.58	3.60	3.58	3.71	1	(1)	1	(12)	(36)			

Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	10-Sep-25	9-Sep-25	3-Sep-25	11-Aug-25	10-Sep-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	3.00	3.28	0	0	0	(28)	(29)			
3-Month Klibor	3.21	3.21	3.21	3.21	3.53	0	0	0	(32)	(52)			
6-Month Klibor	3.26	3.26	3.26	3.26	3.61	0	0	0	(35)	(51)			

Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	10-Sep-25	9-Sep-25	3-Sep-25	11-Aug-25	10-Sep-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year AAA	3.51	3.52	3.51	3.52	3.75	(1)	0	(1)	(24)	(32)			
3-Year AA	3.67	3.69	3.67	3.68	3.89	(1)	0	(1)	(21)	(34)			
3-Year A	4.51	4.51	4.51	4.52	4.87	0	0	(0)	(35)	(34)			
5-Year AAA	3.60	3.60	3.59	3.61	3.83	(1)	0	(1)	(24)	(33)			
5-Year AA	3.76	3.77	3.76	3.78	3.98	(1)	0	(1)	(21)	(34)			
5-Year A	4.65	4.65	4.65	4.66	5.12	1	(0)	(1)	(47)	(43)			
10-Year AAA	3.74	3.76	3.74	3.76	3.99	(2)	0	(1)	(25)	(32)			
10-Year AA	3.91	3.93	3.91	3.92	4.16	(1)	0	(1)	(25)	(33)			
10-Year A	5.02	5.00	5.02	5.02	5.62	1	0	(0)	(61)	(54)			

Sources: Bloomberg, AmBank Economics

Note: All values are end-period

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