



Fixed Income & FX Research

16 October 2025

Macro: Bessent floats tariff-rare earth truce idea for China. Malaysia in trade discussions with US, aims to finalise sectoral tariff deal with US by Asean Summit next week.

Forex: EUR and JPY advanced amid political developments, dragging DXY (-0.3%) down. MYR held steady, supported by strong PBOC yuan fixing amid US-China tensions.

Fixed Income: 10Y UST reversed intraday gains after testing 4.00% briefly, while European bonds see better gains. Higher IRS rates dragged MGS yields higher.

Macro

Global: US Treasury Secretary Scott Bessent floated a longer pause on higher US tariffs on Chinese goods, in exchange for China to delay planned restrictions on rare earth exports. The relief followed earlier escalations, after Trump threatened a cooking oil embargo in response to China's current US soybean boycott. Bessent also said that the government shutdown is costing up to USD15 billion in lost output per day. Meanwhile, the IMF warned that global public debt is on track to exceed 100% of GDP by 2030, driven by rising debt-servicing costs, defence spending, and ageing populations.

Malaysia: MITI Minister Tengku Zafrul said Malaysia is holding discussions with the US on sectoral tariffs (including semiconductors), and aims to finalise it by the Asean Leaders Summit next week. The IMF maintained real GDP growth forecasts for Malaysia at 4.5% (2025) and 4.0% (2026) respectively. Nevertheless, it noted a declining growth trajectory for several Asean economies – which largely mimic the effective tariff rates applied on said countries.

Forex

Global: DXY (-0.3%) fell below the 99.0 level amid continued US-China tensions, rising conviction of a Fed rate cut in end-October (to nearly 100%), and also gains in DM currencies. EUR (+0.3%) rebounded above 1.16 amid potential signs of political stabilisation in France, after PM Lecornu backed down on pension reforms until the 2027 presidential election, as he aims to secure Socialist support to survive today's (16 October) no-confidence vote against him. JPY (+0.5%) also rose on political catalysts, with markets unwinding the 'Takaichi' trade of looser fiscal/monetary policies, given the potential for the opposition to also secure enough votes to form a new government. AUD rose 0.4%, after the RBA signaled that 3Q2025 inflation may run hotter than expected, reducing market conviction of near-term rate cuts.

Asian: MYR closed unchanged amid CNY support and comments from BNM. Governor Abdul Rasheed said it remains optimistic about the trajectory of the ringgit. The Governor also pledged to ensure the FX market remain resilient and stable, suggesting a slight reversal in earlier comments that USD/MYR may hit 4.00 by year-end. CNH rebounded 0.1%, snapping a three-day loss streak, after the PBOC reaffirmed its commitment to currency stability, while setting the onshore yuan fixing at 7.0995 – breaking the key 7.1 threshold and its strongest level in over a year.

Fixed Income

Global Bonds: The UST market reversed gains after testing 4.00% again overnight. Sentiment was still clouded by US-China trade tensions while rise in Empire State index but Beige Book pointing to soft labour market also drove trading. European bonds gained slightly as trade tensions and France politics dominated sentiment.

MYR Bonds: Mixed trading for the day as early-session gains were pared in the afternoon, given the drag up in IRS, though the overall curve still managed to close slightly firmer for the day. As for PDS, gains led losers despite an active primary segment this week including issuances of AAA rated SEB 3.62% 10/32 and 3.88% 10/40.

Commodities

Gold (+0.5%) further extended its bullish run to new-highs, while **Brent prices (-0.8%)** continued its slide, as persistent US-China tensions added to risk-off sentiment.

FX Daily Rates

Vs. USD	Last Close	Per cent
DXY	98.79	(0.3)
EUR/USD	1.165	0.3
AUD/USD	0.651	0.4
GBP/USD	1.340	0.6
USD/JPY	151.05	(0.5)
USD/MYR	4.233	0.0
USD/IDR	16,576	(0.2)
USD/THB	32.56	(0.5)
USD/SGD	1.296	(0.2)
USD/CNY	7.130	(0.1)

Ringgit Outlook for The Week

	1	2
Resistance	4.243	4.262
Support	4.196	4.168

Major Sovereign Yields (%)

Sov. Yield	Last Close	bps
UST 2Y	3.50	2
UST 10Y	4.03	(0)
Germany 10Y	2.57	(4)
UK 10Y	4.54	(5)
Japan 10Y	1.65	0
Australia 10Y	4.22	(2)
China 10Y	1.84	1

MGS Bond Yields (%)

MGS	Last	bps
3-Year	3.07	(0)
5-Year	3.19	(0)
7-Year	3.40	(1)
10-Year	3.45	(1)
15-Year	3.69	0
20-Year	3.86	0
30-Year	3.99	(0)

MYR Swap Rates (%)

Swap / Rates	Last Close	bps
IRS 1-Year	3.19	0
IRS 3-Year	3.11	1
IRS 5-Year	3.18	(1)
IRS 7-Year	3.25	0
IRS 10-Year	3.37	0
3M KLIBOR	3.22	0

Key Commodities

Commodities	Last Close	Per cent
Brent (USD/bl)	61.91	(0.8)
WTI (USD/bl)	58.27	(0.7)
Gold (USD/oz)	4,207	1.6
CPO (RM/tonne)	4,300	(1.1)

Policy Rates

Central Banks	Current	Next
US Fed Funds	4.25	29-Oct
ECB Deposit Rate	2.00	30-Oct
BOE Base Rate	4.00	06-Nov
RBA Cash Rate	3.60	04-Nov
BOJ Cash Rate	0.50	30-Oct
RBNZ Cash Rate	3.00	26-Nov
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		
	15-Oct-25	14-Oct-25	8-Oct-25	15-Sep-25	15-Oct-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
DXY Dollar Index	98.79	99.05	98.92	97.30	103.26	(0.3)	(0.1)	1.5	(4.3)	(8.9)			
EUR/USD	1.165	1.161	1.163	1.176	1.089	0.3	0.2	(1.0)	6.9	12.5			
AUD/USD	0.651	0.649	0.659	0.667	0.670	0.4	(1.1)	(2.3)	(2.8)	5.3			
GBP/USD	1.340	1.332	1.340	1.360	1.307	0.6	(0.0)	(1.4)	2.5	7.1			
USD/JPY	151.05	151.84	152.69	147.4	149.2	(0.5)	(1.1)	2.5	1.2	(3.9)			
USD/MYR	4.233	4.233	4.217	4.203	4.310	0.0	0.4	0.7	(1.8)	(5.3)			
USD/IDR	16,576	16,603	16,573	16,416	15,589	(0.2)	0.0	1.0	6.3	2.8			
USD/THB	32.56	32.71	32.51	31.79	33.32	(0.5)	0.2	2.4	(2.3)	(5.2)			
USD/SGD	1.296	1.298	1.296	1.281	1.309	(0.2)	0.0	1.2	(1.0)	(5.1)			
USD/CNY	7.130	7.140	7.150	7.119	7.135	(0.1)	(0.3)	0.2	(0.1)	(2.8)			
USD/KRW	1,422	1,428	1,424	1,386	1,366	(0.4)	(0.1)	2.6	4.1	(3.8)			
USD/INR	88.07	88.80	88.80	88.22	84.04	(0.8)	(0.8)	(0.2)	4.8	2.9			
USD/PHP	58.05	58.24	57.95	57.19	57.85	(0.3)	0.2	1.5	0.3	0.1			
USD/TWD	30.56	30.77	30.57	30.25	32.18	(0.7)	(0.0)	1.0	(5.0)	(6.8)			
USD/HKD	7.775	7.774	7.782	7.780	7.767	0.0	(0.1)	(0.1)	0.1	0.1			
USD/VND	26,342	26,355	26,361	26,384	24,923	(0.0)	(0.1)	(0.2)	5.7	3.4			
NZD/USD	0.572	0.572	0.579	0.597	0.608	0.1	(1.1)	(4.1)	(5.9)	2.3			

Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	15-Oct-25	14-Oct-25	8-Oct-25	15-Sep-25	15-Oct-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
EUR/MYR	4.925	4.891	4.896	4.937	4.703	0.7	0.6	(0.2)	4.7	5.7			
GBP/MYR	5.649	5.614	5.650	5.712	5.638	0.6	(0.0)	(1.1)	0.2	0.6			
AUD/MYR	2.759	2.728	2.766	2.797	2.893	1.1	(0.2)	(1.3)	(4.6)	(0.8)			
JPY/MYR	2.802	2.788	2.761	2.851	2.889	0.5	1.5	(1.7)	(3.0)	(1.5)			
SGD/MYR	3.267	3.253	3.252	3.279	3.294	0.4	0.5	(0.4)	(0.8)	(0.6)			
10 CNY/MYR	5.940	5.932	5.921	5.902	6.054	0.1	0.3	0.6	(1.9)	(3.0)			
1 million IDR/MYR	2.554	2.550	2.544	2.560	2.765	0.2	0.4	(0.2)	(7.6)	(7.9)			
THB/MYR	13.002	12.897	12.962	13.259	12.952	0.8	0.3	(1.9)	0.4	(0.2)			
10 HKD/MYR	5.445	5.444	5.419	5.403	5.548	0.0	0.5	0.8	(1.9)	(5.5)			

Commodities

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	15-Oct-25	14-Oct-25	8-Oct-25	15-Sep-25	15-Oct-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
Brent (USD/barrel)	61.91	62.39	66.25	67.44	74.25	(0.8)	(6.6)	(8.2)	(16.6)	(17.1)			
WTI (USD/barrel)	58.27	58.7	62.55	63.3	70.58	(0.7)	(6.8)	(7.9)	(17.4)	(18.8)			
Gold (USD/oz)	4,207	4,143	4,042	3,679	2,663	1.6	4.1	14.4	58.0	60.3			
Malaysia CPO (RM/tonne)	4,300	4,350	4,468	4,383	4,350	(1.1)	(3.8)	(1.9)	(1.1)	(11.5)			

Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	15-Oct-25	14-Oct-25	8-Oct-25	15-Sep-25	15-Oct-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.07	3.08	3.13	3.05	3.42	(0)	(5)	2	(35)	(41)			
5-Year	3.19	3.19	3.24	3.13	3.55	(0)	(5)	6	(36)	(43)			
7-Year	3.40	3.41	3.48	3.34	3.75	(1)	(8)	6	(35)	(37)			
10-Year	3.45	3.46	3.50	3.41	3.80	(1)	(5)	3	(35)	(37)			
15-Year	3.69	3.69	3.73	3.60	3.93	0	(4)	9	(24)	(28)			
20-Year	3.86	3.86	3.87	3.75	4.07	0	(2)	11	(21)	(20)			
30-Year	3.99	3.99	4.04	3.87	4.20	(0)	(5)	12	(21)	(19)			

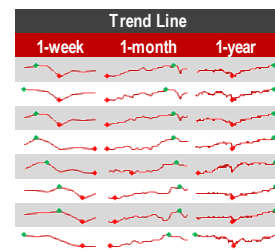
Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	15-Oct-25	14-Oct-25	8-Oct-25	15-Sep-25	15-Oct-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.09	3.10	3.15	3.07	3.37	(1)	(6)	1	(28)	(34)			
5-Year	3.21	3.22	3.25	3.16	3.55	(1)	(5)	5	(35)	(42)			
7-Year	3.33	3.33	3.37	3.28	3.76	(0)	(3)	5	(43)	(41)			
10-Year	3.47	3.47	3.52	3.43	3.83	0	(4)	4	(36)	(36)			
15-Year	3.69	3.69	3.71	3.62	3.95	(0)	(2)	7	(26)	(29)			
20-Year	3.88	3.89	3.91	3.77	4.08	(1)	(2)	11	(20)	(20)			

Major Equity Indices

	Latest	1-day	1 week	1-Month	1-Year
	15-Oct-25	14-Oct-25	8-Oct-25	15-Sep-25	15-Oct-24
S&P500 Index	6,671	6,644	6,754	6,615	5,815
Dow Jones	46,253	46,270	46,602	45,883	42,740
Nasdaq	22,670	22,522	23,043	22,349	18,316
London FTSE	9,425	9,453	9,549	9,277	8,249
German DAX	24,181	24,237	24,597	23,749	19,486
Nikkei 225	47,673	46,847	47,735	44,768	39,911
Japan TOPIX	3,184	3,134	3,236	3,160	2,724
FBM KLCI	1,612	1,611	1,628	1,600	1,642

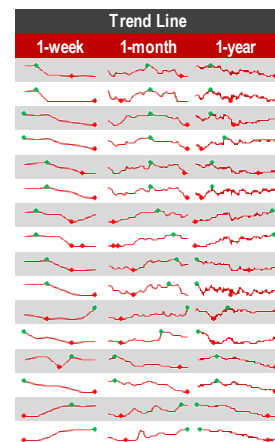
Percentage Change				
1-day	1-week	1-month	1-year	YTD
0.4	(1.2)	0.8	14.7	73.7
(0.0)	(0.7)	0.8	8.2	39.5
0.7	(1.6)	1.4	23.8	116.6
(0.3)	(1.3)	1.6	14.2	26.5
(0.2)	(1.7)	1.8	24.1	73.7
1.8	(0.1)	6.5	19.4	82.7
1.6	(1.6)	0.7	16.9	68.3
0.0	(1.0)	0.7	(1.9)	7.8



Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year
	15-Oct-25	14-Oct-25	8-Oct-25	15-Sep-25	15-Oct-24
UST 2Y	3.50	3.48	3.58	3.54	3.95
UST 10Y	4.03	4.03	4.12	4.04	4.03
Germany 2Y	1.92	1.94	1.99	2.02	2.21
Germany 10Y	2.57	2.61	2.68	2.69	2.22
UK 2Y	3.90	3.90	4.00	3.95	4.13
UK 10Y	4.54	4.59	4.71	4.63	4.16
Japan 2Y	0.90	0.89	0.93	0.87	0.43
Japan 10Y	1.65	1.65	1.69	1.59	0.97
Australia 2Y	3.43	3.42	3.51	3.40	3.84
Australia 10Y	4.22	4.23	4.36	4.27	4.25
China 2Y	1.44	1.43	1.46	1.45	1.44
China 10Y	1.84	1.84	1.87	1.80	2.15
Indonesia 2Y	4.90	4.92	4.90	5.21	6.42
Indonesia 10Y	6.02	6.07	6.18	6.34	6.70
Thailand 2Y	1.19	1.18	1.16	1.15	2.17
Thailand 10Y	1.51	1.50	1.43	1.26	2.51

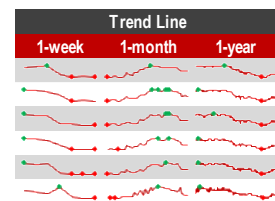
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
2	(8)	(4)	(45)	(74)
(0)	(9)	(1)	(0)	(54)
(1)	(7)	(10)	(29)	(16)
(4)	(11)	(12)	35	20
0	(9)	(5)	(23)	(49)
(5)	(17)	(9)	38	(2)
1	(3)	3	47	30
0	(4)	6	68	55
1	(7)	3	(41)	(43)
(2)	(15)	(6)	(4)	(15)
1	(2)	(0)	0	34
1	(3)	4	(30)	17
(1)	0	(31)	(152)	(214)
(5)	(16)	(32)	(67)	(98)
0	3	4	(98)	(81)
1	8	25	(100)	(75)



Key swap rates

	Latest	1-day	1 week	1-Month	1-Year
	15-Oct-25	14-Oct-25	8-Oct-25	15-Sep-25	15-Oct-24
IRS 1-Year	3.19	3.19	3.22	3.15	3.53
IRS 3-Year	3.11	3.10	3.17	3.08	3.47
IRS 5-Year	3.18	3.19	3.26	3.16	3.53
IRS 7-Year	3.25	3.25	3.33	3.23	3.62
IRS 10-Year	3.37	3.37	3.45	3.35	3.72
IRS 20-Year	3.62	3.64	3.71	3.60	4.05

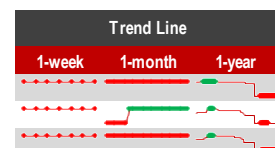
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	(2)	4	(34)	(38)
1	(5)	3	(36)	(39)
(1)	(7)	2	(35)	(37)
0	(8)	2	(37)	(38)
0	(7)	2	(35)	(36)
(1)	(8)	2	(43)	(33)



Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year
	15-Oct-25	14-Oct-25	8-Oct-25	15-Sep-25	15-Oct-24
1-Month Klibor	3.00	3.00	3.00	3.00	3.28
3-Month Klibor	3.22	3.22	3.22	3.22	3.56
6-Month Klibor	3.26	3.26	3.26	3.26	3.62

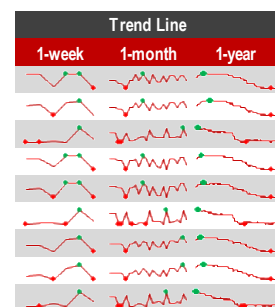
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	0	0	(28)	(29)
0	0	0	(34)	(51)
0	0	0	(36)	(51)



Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year
	15-Oct-25	14-Oct-25	8-Oct-25	15-Sep-25	15-Oct-24
3-Year AAA	3.51	3.52	3.52	3.51	3.77
3-Year AA	3.67	3.69	3.68	3.67	3.92
3-Year A	4.53	4.56	4.52	4.53	4.92
5-Year AAA	3.59	3.60	3.59	3.59	3.86
5-Year AA	3.75	3.76	3.76	3.76	4.00
5-Year A	4.67	4.70	4.66	4.69	5.19
10-Year AAA	3.75	3.76	3.75	3.74	4.00
10-Year AA	3.91	3.93	3.92	3.91	4.19
10-Year A	5.04	5.08	5.03	5.06	5.79

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(1)	(1)	(0)	(26)	(32)
(1)	(1)	0	(24)	(34)
(3)	1	(1)	(39)	(33)
(1)	(1)	(1)	(27)	(34)
(1)	(0)	(1)	(25)	(35)
(3)	1	(2)	(53)	(42)
(1)	(1)	0	(25)	(32)
(2)	(0)	1	(28)	(33)
(4)	1	(2)	(75)	(52)



Sources: Bloomberg, AmBank Economics

Note: All values are end-period

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