



## Fixed Income &amp; FX Research

02 October 2025

**Macro:** US ADP data unexpectedly weak, while White House confirms imminent layoffs amid government shutdown. Manufacturing activity mostly weak across the world in September.

**Forex:** DXY fell 0.1% amid volatile trading. JPY (+0.6%) outperformed amid positive Tankan sentiment, while other Asian FX held little changed amid China's Golden Week holiday.

**Fixed Income:** Front-end UST rally spurred by Fed rate cut bets, with gains spilling to Bunds and Gilts. Locally, 3Y GII 07/28 still saw heavy trading interest post-auction.

**Macro**

**Global:** The US fiscal year 2026 commenced with a government shutdown – its first in nearly seven years, and its 22nd time since 1976. The delay to BLS's key nonfarm payroll data centered market attention on the alternative ADP data, which came in much weaker than expected at a 32k contraction (consensus: +51k; August downward revision: -57k). Its steepest decline since March 2023 comes alongside the first two-consecutive months of decline since 2020, marked by a 28k job losses in the key services sector. US (ISM data) and Eurozone (HCOB data) manufacturing PMI improved slightly in September, though still remained in contractionary territory. This comes after earlier PMI data for Asia saw shrinking activity in China, Japan, Taiwan, Philippines, and Malaysia; while South Korea's managed a rebound amid improving overseas demand. Meanwhile, as per our earlier expectations, White House Budget Director Russell Vought confirmed that layoffs of federal workers will be within 'two days, imminent', while also halting funding for infrastructure and renewable energy projects in key Democrat states.

**Malaysia:** A survey indicated that more than 35% of global corporates plan to boost or maintain trade with Malaysia – particularly by China and the US (more than 50% each), suggesting some optimism ahead for Malaysia's trade-dependent sectors.

**Forex**

**Global:** Intraday volatility was high for DM currencies, while the DXY closed just 0.1% lower. G10 FX fared mixed. JPY outperformed (+0.6%), after Tankan surveys showed sentiment among large manufacturers further improving. This comes as Japan trade negotiator Akazawa also said its USD550 billion investment pledge to the US will not impact currency markets, as it will fund the vehicle via methods such as loans from its FX special account, of which uses what Japan already holds in USD terms. NZD (+0.4%) and GBP (+0.2%) found room for retracement amid greenback uncertainties, while EUR held little changed, despite the slight acceleration in euro area inflation to 2.2% y/y in September (prior three months: 2.0%), though core CPI held stable at 2.3% y/y.

**Asian:** Gains among most Asian FX were limited despite the US shutdown. The high beta IDR was exuded a tad more influence (+0.3%), while others held little changed. We think Asian FX were anchored by the lack of offshore yuan movement, as China's onshore markets are closed for the Golden Week holiday from 1-7 October. USD/MYR closed unchanged, after seeing slightly elevated volatility for the day. Meanwhile, India has unveiled several measures to expand the use of the Rupee internationally, coming as South Korea also announced that the Won can be traded 24-hours from next year, as part of measures to boost its global liquidity and secure inclusion in the MSCI DM Index.

**Fixed Income**

**Global Bonds:** UST staged a solid 2-7 bps rally with gains led by the front-end, driven by sharp private payroll job losses and likely NFP data weaknesses ahead (given White House firings). Dovish Fed bets were rebuilt, as swaps now price in a 88% chance of two consecutive rate cuts for the remaining year (prior: 74%). Rate cut hopes spilled into Wall Street, with the S&P 500 (+0.3%) touching another new high despite Congress's impasse. Front-to-belly Bunds and Gilts also rallied alongside, while Samurai bonds remain weighed by prospects of BOJ rate hikes.

**MYR Bonds:** MGS fared mixed across the curve, with some duration-shortening exercise seen amid weaknesses in the bellies (up to 1 bp) while the 3Y MGS rose slightly, coming as the 3Y GII 07/28 series continue to see large volumes being traded post-recent auction.

**FX Daily Rates**

Vs. USD	Last Close	Per cent
DXY	97.71	(0.1)
EUR/USD	1.173	(0.0)
AUD/USD	0.661	0.0
GBP/USD	1.348	0.2
USD/JPY	147.07	(0.6)
USD/MYR	4.207	(0.0)
USD/IDR	16,610	(0.3)
USD/THB	32.36	(0.1)
USD/SGD	1.288	(0.2)
USD/CNY	7.128	(0.0)

**Ringgit Outlook for The Week**

	1	2
Resistance	4.237	4.259
Support	4.190	4.165

**Major Sovereign Yields (%)**

Sov. Yield	Last Close	bps
UST 2Y	3.53	(7)
UST 10Y	4.10	(5)
Germany 10Y	2.71	0
UK 10Y	4.70	(0)
Japan 10Y	1.65	0
Australia 10Y	4.37	7
China 10Y	1.87	0

**MGS Bond Yields (%)**

MGS	Last	bps
3-Year	3.12	(0)
5-Year	3.23	0
7-Year	3.41	1
10-Year	3.46	1
15-Year	3.67	0
20-Year	3.81	(0)
30-Year	3.95	1

**MYR Swap Rates (%)**

Swap / Rates	Last Close	bps
IRS 1-Year	3.24	(1)
IRS 3-Year	3.18	1
IRS 5-Year	3.26	0
IRS 7-Year	3.33	1
IRS 10-Year	3.44	0
3M KLIBOR	3.22	0

**Key Commodities**

Commodities	Last Close	Per cent
Brent (USD/bbl)	65.35	(2.5)
WTI (USD/bbl)	61.78	(0.9)
Gold (USD/oz)	3,866	0.2
CPO (RM/tonne)	4,359	1.3

**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	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		
	1-Oct-25	30-Sep-25	24-Sep-25	1-Sep-25	1-Oct-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
DXY Dollar Index	97.71	97.78	97.87	97.77	101.19	(0.1)	(0.2)	(0.1)	(3.4)	(9.9)			
EUR/USD	1.173	1.173	1.174	1.171	1.107	(0.0)	(0.1)	0.2	6.0	13.3			
AUD/USD	0.661	0.661	0.658	0.655	0.688	0.0	0.5	0.9	(3.9)	6.9			
GBP/USD	1.348	1.345	1.345	1.355	1.329	0.2	0.2	(0.5)	1.4	7.7			
USD/JPY	147.07	147.9	148.9	147.18	143.57	(0.6)	(1.2)	(0.1)	2.4	(6.4)			
USD/MYR	4.207	4.207	4.212	4.225	4.157	(0.0)	(0.1)	(0.4)	1.2	(5.9)			
USD/IDR	16,610	16,665	16,676	16,421	15,200	(0.3)	(0.4)	1.2	9.3	3.2			
USD/THB	32.36	32.40	32.00	32.32	32.59	(0.1)	1.1	0.1	(0.7)	(5.1)			
USD/SGD	1.288	1.290	1.289	1.284	1.288	(0.2)	(0.0)	0.3	0.0	(5.7)			
USD/CNY	7.128	7.128	7.137	7.134	7.030	(0.0)	(0.1)	(0.1)	1.4	(2.9)			
USD/KRW	1,403	1,404	1,404	1,393	1,315	(0.0)	(0.1)	0.7	6.7	(4.7)			
USD/INR	88.69	88.79	88.70	88.20	83.82	(0.1)	(0.0)	0.6	5.8	3.6			
USD/PHP	58.15	58.21	57.47	57.22	56.16	(0.1)	1.2	1.6	3.5	0.5			
USD/TWD	30.44	30.46	30.31	30.62	31.85	(0.1)	0.4	(0.6)	(4.4)	(7.2)			
USD/HKD	7.782	7.783	7.779	7.797	7.772	(0.0)	0.0	(0.2)	0.1	0.2			
USD/VND	26,416	26,424	26,418	26,343	24,610	(0.0)	(0.0)	0.3	7.3	3.7			
NZD/USD	0.582	0.579	0.582	0.590	0.628	0.4	0.0	(1.4)	(7.4)	4.0			

## Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	1-Oct-25	30-Sep-25	24-Sep-25	1-Sep-25	1-Oct-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
EUR/MYR	4.936	4.943	4.960	4.943	4.612	(0.1)	(0.5)	(0.1)	7.0	5.9			
GBP/MYR	5.665	5.657	5.677	5.710	5.539	0.1	(0.2)	(0.8)	2.3	0.9			
AUD/MYR	2.782	2.782	2.785	2.771	2.872	0.0	(0.1)	0.4	(3.1)	0.0			
JPY/MYR	2.861	2.844	2.831	2.871	2.896	0.6	1.1	(0.3)	(1.2)	0.5			
SGD/MYR	3.264	3.262	3.277	3.291	3.230	0.1	(0.4)	(0.8)	1.1	(0.6)			
10 CNY/MYR	5.906	5.906	5.909	5.924	5.873	0.0	(0.1)	(0.3)	0.6	(3.6)			
1 million IDR/MYR	2.529	2.524	2.526	2.564	2.734	0.2	0.1	(1.4)	(7.5)	(8.8)			
THB/MYR	12.994	12.970	13.156	13.038	12.748	0.2	(1.2)	(0.3)	1.9	(0.2)			
10 HKD/MYR	5.407	5.407	5.418	5.420	5.347	0.0	(0.2)	(0.2)	1.1	(6.1)			

## Commodities

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	1-Oct-25	30-Sep-25	24-Sep-25	1-Sep-25	1-Oct-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
Brent (USD/barrel)	65.35	67.02	69.31	68.15	73.56	(2.5)	(5.7)	(4.1)	(11.2)	(12.4)			
WTI (USD/barrel)	61.78	62.37	64.99	64.01	69.83	(0.9)	(4.9)	(3.5)	(11.5)	(13.9)			
Gold (USD/oz)	3,866	3,859	3,736	3,476	2,663	0.2	3.5	11.2	45.2	47.3			
Malaysia CPO (RM/tonne)	4,359	4,305	4,331	4,308	4,166	1.3	0.6	1.2	4.6	(10.3)			

## Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	1-Oct-25	30-Sep-25	24-Sep-25	1-Sep-25	1-Oct-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.12	3.12	3.06	2.99	3.33	(0)	6	13	(21)	(36)			
5-Year	3.23	3.22	3.17	3.08	3.50	0	5	14	(27)	(40)			
7-Year	3.41	3.41	3.37	3.30	3.69	1	4	12	(28)	(36)			
10-Year	3.46	3.45	3.43	3.39	3.72	1	3	7	(26)	(35)			
15-Year	3.67	3.67	3.65	3.59	3.88	0	1	8	(22)	(30)			
20-Year	3.81	3.81	3.78	3.73	4.04	(0)	3	8	(22)	(25)			
30-Year	3.95	3.94	3.90	3.88	4.18	1	5	6	(24)	(24)			

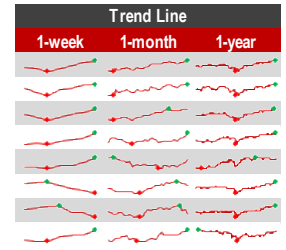
## Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	1-Oct-25	30-Sep-25	24-Sep-25	1-Sep-25	1-Oct-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.15	3.15	3.11	3.03	3.32	(0)	4	12	(18)	(28)			
5-Year	3.24	3.25	3.19	3.13	3.51	(0)	6	11	(26)	(38)			
7-Year	3.36	3.36	3.31	3.25	3.70	0	6	11	(33)	(38)			
10-Year	3.49	3.49	3.47	3.42	3.75	(0)	2	7	(26)	(34)			
15-Year	3.70	3.69	3.65	3.59	3.91	0	4	10	(22)	(28)			
20-Year	3.81	3.81	3.79	3.74	4.05	0	2	7	(24)	(27)			

## Major Equity Indices

	Latest	1-day	1 week	1-Month	1-Year
	1-Oct-25	30-Sep-25	24-Sep-25	1-Sep-25	1-Oct-24
S&P500 Index	6,711	6,688	6,638	6,460	5,709
Dow Jones	46,441	46,398	46,121	45,545	42,157
Nasdaq	22,755	22,660	22,498	21,456	17,910
London FTSE	9,446	9,350	9,250	9,196	8,277
German DAX	24,114	23,881	23,667	24,037	19,213
Nikkei 225	44,551	44,933	45,630	42,189	38,652
Japan TOPIX	3,095	3,138	3,170	3,063	2,691
FBM KLCI	1,621	1,612	1,600	1,575	1,656

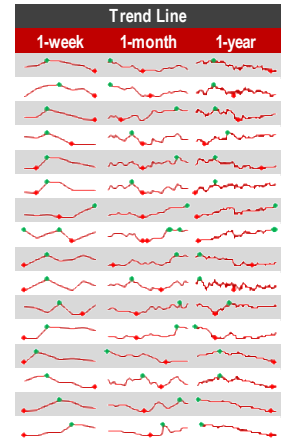
Percentage Change				
1-day	1-week	1-month	1-year	YTD
0.3	1.1	3.9	17.6	74.8
0.1	0.7	2.0	10.2	40.1
0.4	1.1	6.1	27.1	117.4
1.0	2.1	2.7	14.1	26.8
1.0	1.9	0.3	25.5	73.2
(0.8)	(2.4)	5.6	15.3	70.7
(1.4)	(2.4)	1.0	15.0	63.6
0.6	1.3	2.9	(2.1)	8.4



## Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year
	1-Oct-25	30-Sep-25	24-Sep-25	1-Sep-25	1-Oct-24
UST 2Y	3.53	3.61	3.60	3.62	3.60
UST 10Y	4.10	4.15	4.15	4.23	3.73
Germany 2Y	2.01	2.02	2.02	1.96	2.02
Germany 10Y	2.71	2.71	2.75	2.75	2.04
UK 2Y	3.97	3.99	3.95	3.97	3.96
UK 10Y	4.70	4.70	4.67	4.75	3.94
Japan 2Y	0.96	0.94	0.93	0.89	0.39
Japan 10Y	1.65	1.65	1.65	1.63	0.86
Australia 2Y	3.52	3.49	3.45	3.35	3.61
Australia 10Y	4.37	4.30	4.29	4.32	4.01
China 2Y	1.46	1.46	1.44	1.41	1.46
China 10Y	1.87	1.87	1.91	1.78	2.21
Indonesia 2Y	5.03	5.04	5.02	5.38	6.18
Indonesia 10Y	6.33	6.37	6.39	6.41	6.47
Thailand 2Y	1.15	1.15	1.13	1.13	2.10
Thailand 10Y	1.40	1.42	1.35	1.28	2.48

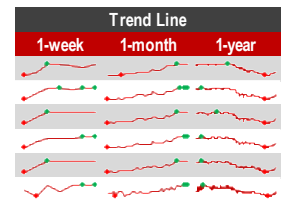
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(7)	(7)	(8)	(7)	(71)
(5)	(5)	(13)	37	(47)
(1)	(1)	6	(1)	(7)
0	(4)	(4)	68	35
(2)	1	0	1	(43)
(0)	3	(5)	76	13
1	2	7	56	35
0	1	2	80	55
3	7	17	(9)	(34)
7	8	5	36	0
0	2	6	1	37
0	(3)	9	(34)	20
(1)	1	(35)	(115)	(201)
(4)	(5)	(8)	(14)	(67)
(0)	1	2	(96)	(85)
(2)	5	12	(109)	(85)



## Key swap rates

	Latest	1-day	1 week	1-Month	1-Year
	1-Oct-25	30-Sep-25	24-Sep-25	1-Sep-25	1-Oct-24
IRS 1-Year	3.24	3.24	3.22	3.10	3.53
IRS 3-Year	3.18	3.17	3.13	3.03	3.41
IRS 5-Year	3.26	3.25	3.19	3.10	3.46
IRS 7-Year	3.33	3.32	3.26	3.17	3.56
IRS 10-Year	3.44	3.43	3.38	3.29	3.65
IRS 20-Year	3.76	3.76	3.71	3.60	3.75

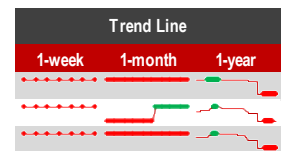
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(1)	2	14	(29)	(33)
1	6	15	(23)	(32)
0	6	16	(21)	(29)
1	8	16	(23)	(30)
0	6	15	(22)	(29)
0	5	16	1	(19)



## Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year
	1-Oct-25	30-Sep-25	24-Sep-25	1-Sep-25	1-Oct-24
1-Month Klibor	3.00	3.00	3.00	3.00	3.28
3-Month Klibor	3.22	3.22	3.22	3.21	3.55
6-Month Klibor	3.26	3.26	3.26	3.26	3.62

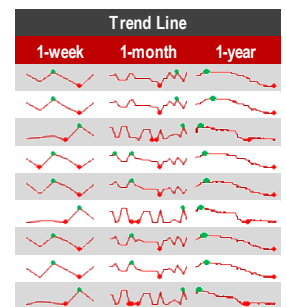
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	0	0	(28)	(29)
0	0	1	(33)	(51)
0	0	0	(36)	(51)



## Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year
	1-Oct-25	30-Sep-25	24-Sep-25	1-Sep-25	1-Oct-24
3-Year AAA	3.52	3.51	3.52	3.52	3.75
3-Year AA	3.68	3.67	3.68	3.68	3.87
3-Year A	4.52	4.55	4.52	4.54	4.88
5-Year AAA	3.59	3.59	3.59	3.60	3.83
5-Year AA	3.76	3.75	3.76	3.77	3.96
5-Year A	4.66	4.70	4.65	4.68	5.12
10-Year AAA	3.75	3.73	3.75	3.75	3.98
10-Year AA	3.91	3.90	3.91	3.92	4.15
10-Year A	5.03	5.09	5.02	5.06	5.70

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
2	0	0	(23)	(31)
1	0	0	(19)	(33)
(2)	1	(1)	(36)	(33)
1	0	(1)	(24)	(33)
1	(0)	(1)	(21)	(34)
(4)	1	(3)	(47)	(43)
2	0	0	(23)	(31)
2	0	(0)	(24)	(33)
(6)	1	(3)	(67)	(53)



Sources: Bloomberg, AmBank Economics

Note: All values are end-period

AmBank Economics	
Firdaos Rosli	<a href="mailto:firdaos.rosli@ambankgroup.com">firdaos.rosli@ambankgroup.com</a>
Nik Ahmad Mukharriz Nik Muhammad	<a href="mailto:nik-ahmad-mukharriz.n@ambankgroup.com">nik-ahmad-mukharriz.n@ambankgroup.com</a>
Lee Si Xin	<a href="mailto:lee.si-xin@ambankgroup.com">lee.si-xin@ambankgroup.com</a>
Raja Adibah Raja Hasnan	<a href="mailto:raja-adibah.r@ambankgroup.com">raja-adibah.r@ambankgroup.com</a>
Michael Yim	<a href="mailto:yim.soon-kah@ambankgroup.com">yim.soon-kah@ambankgroup.com</a>
Aman Nazmi Abd Karim	<a href="mailto:aman-nazmi.abd-karim@ambankgroup.com">aman-nazmi.abd-karim@ambankgroup.com</a>
Group Treasury & Markets	
Corporate Client Group (CCG)	+603-2059 8700/8600
Institutional Client Group (ICG)	+603-2059 8690
Azli Bin Abdul Jamil	<a href="mailto:azli-abd-jamil@ambankgroup.com">azli-abd-jamil@ambankgroup.com</a>
Jacqueline E. Rodrigues	<a href="mailto:jacqueline-r@ambankgroup.com">jacqueline-r@ambankgroup.com</a>
Ho Su Farn	<a href="mailto:ho-su-farn@ambankgroup.com">ho-su-farn@ambankgroup.com</a>
Melisa Lim Giok Ling	<a href="mailto:melisa-lim@ambankgroup.com">melisa-lim@ambankgroup.com</a>
Roger Yee Chan Chung	<a href="mailto:roger-yee@ambankgroup.com">roger-yee@ambankgroup.com</a>

### DISCLOSURE AND DISCLAIMER

This report is prepared for information purposes only, and it is issued by AmBank (M) Berhad ("AmBank") without regard to your individual financial circumstances and objectives. Nothing in this report shall constitute an offer to sell, warranty, representation, recommendation, legal, accounting or tax advice, solicitation, or expression of views to influence anyone to buy or sell any real estate, securities, stocks, foreign exchange, futures, investment, or other products. AmBank recommends that you evaluate a particular investment or strategy based on your individual circumstances and objectives and/or seek financial, legal, or other advice on the appropriateness of the particular investment or strategy.

The information in this report was obtained or derived from sources that AmBank believes are reliable and correct at the time of issue. While all reasonable care has been taken to ensure that the stated facts are accurate and views are fair and reasonable, AmBank has not independently verified the information and does not warrant or represent that it is accurate, adequate, complete, or up-to-date. Therefore, it should not be relied upon as such. All information included in this report constitute AmBank's views as of this date and are subject to change without notice. Notwithstanding that, AmBank has no obligation to update its opinion or information in this report. Facts and views presented in this report may not reflect the views of or information known to other business units of AmBank's affiliates and/or related corporations (collectively, "AmBank Group").

This report is prepared for the clients of AmBank Group, and it cannot be altered, copied, reproduced, distributed or republished for any purpose without AmBank's prior written consent. AmBank, AmBank Group and its respective directors, officers, employees, and agents ("Relevant Person") accept no liability whatsoever for any direct, indirect, or consequential losses, loss of profits and/or damages arising from the use or reliance on this report and/or further communications given about this report. Any such responsibility is hereby expressly disclaimed.

AmBank is not acting as your advisor and does not owe you any fiduciary duties related to this report. The Relevant Person may provide services to any company and affiliates of such companies in or related to the securities or products and may trade or otherwise effect transactions for their own account or the accounts of their customers, which may give rise to real or potential conflicts of interest.

This report is not directed to or intended for distribution or publication outside Malaysia. If you are outside Malaysia, you should have regard to the laws of the jurisdiction in which you are located.

If any provision of this disclosure and disclaimer is held invalid in whole or part, such provision will be deemed not to form part of this disclosure and disclaimer. The validity and enforceability of the remainder of this disclosure and disclaimer will not be affected.