



Fixed Income & FX Research

07 February 2025

Snapshot Summary...

Global FX: USD struggled to sustain gains amid mixed data while GBP fell as the BOE cut its policy rate.

Global Rates: UST trading was cautious before today's US jobs data release.

MYR Bonds: There was some support for MYR bonds as players reacted to the recent UST strength.

USD/MYR: Amidst weaker regional currencies, ringgit pared gains made earlier during the week.

Macro News

UK: The BOE lowered its benchmark Bank Rate by 25 bps to 4.50% in its February meeting, marking the third rate cut since the start of its cutting cycle in August of last year, as anticipated. The central bank reiterated that monetary easing will be gradual this year, due to growth concerns against persistent levels of underlying services inflation. Furthermore, the BOE downgraded its growth forecasts for the current year, as economic activity had fallen short of November's expectations, signalling a dovish shift in balancing growth and rising prices in the near term.

Germany: Factory orders surged by 6.9% m/m in December, rebounding from a downward revised -5.2% m/m in November and significantly surpassing expectations of a 2.0% increase. This marked the first growth in three months and the strongest pace since September, driven by a 55.5% m/m surge in large-scale orders for aircraft, ships, and trains, along with an 8.6% m/m rise in machinery and equipment orders.

Fixed Income

Global Bonds: UST yields rose slightly with traders conducting some modest net selling activity after recent gains and amid a cautious mood before today's NFP data release. Paring the weakness was initial jobless claims rising to 219k in the week ended 1 February, from an upward revised 208k the week before.

MYR Government Bonds: In the ringgit government bond market, we noted some support coming in due to players reacting to the recent strength in the UST market. We suspect flows were led by foreign interest. Benchmark yields were about 0.5-1 bps lower.

MYR Corporate Bonds: In the ringgit corporate bond market, sentiment improved yesterday with interest seen on some AAA and AA1 names. Amongst these, AAA rated TNB Power Gen 03/33 shed 5 bps to 3.92% and AAA rated BSN IMTN 02/26 fell 3 bps to close at 3.61%.

FX Daily Rates

Vs. USD	Last Close	Per cent
DX/USD	107.69	0.1
EUR/USD	1.038	(0.2)
AUD/USD	0.628	(0.0)
GBP/USD	1.244	(0.6)
USD/JPY	151.41	(0.8)
USD/MYR	4.436	0.3
USD/IDR	16,330	0.3
USD/THB	33.78	0.6
USD/SGD	1.351	0.2
USD/CNY	7.285	0.2
USD/KRW	1,447	0.2
USD/INR	87.58	0.1
USD/PHP	58.19	0.2
USD/TWD	32.83	(0.0)
USD/HKD	7.787	0.0
USD/VND	25,258	0.4
NZD/USD	0.568	(0.2)

MYR Cross Rates

MYR Cross	Last Close	Per cent
EUR/MYR	4.595	(0.1)
GBP/MYR	5.511	(0.5)
AUD/MYR	2.777	0.0
JPY/MYR	2.928	1.0
SGD/MYR	3.276	(0.0)
10CNY/MYR	6.086	0.1
100IDR/MYR	2.715	0.0
THB/MYR	13.122	(0.5)
10HKD/MYR	5.696	0.3
100INR/MYR	5.070	0.4

MGS Bond Yields (%)

MGS	Maturity	Last	bps
3-Year	05/27	3.44	(1)
5-Year	08/29	3.61	(0)
7-Year	07/32	3.77	(0)
10-Year	07/34	3.81	(0)
15-Year	04/39	3.96	(0)
20-Year	05/44	4.06	(0)
30-Year	03/53	4.18	(0)

MYR Swap Rates (%)

Swap / Rates	Last Close	bps
IRS 1-Year	3.56	0
IRS 3-Year	3.47	0
IRS 5-Year	3.52	(0)
IRS 7-Year	3.60	0
IRS 10-Year	3.69	0
3-M KLIBOR	3.67	0

Major Sovereign Yields (%)

Sov. Yield	Last Close	bps
UST 2Y	4.21	3
UST 10Y	4.43	2
Germany 10Y	2.38	1
UK 10Y	4.49	5
Japan 10Y	1.28	(1)
Australia 10Y	4.32	(4)
China 10Y	1.60	(2)
Korea 10Y	2.80	(1)
Indonesia 10Y	6.90	(3)
Thailand 10Y	2.28	(0)
Malaysia 10Y	3.81	(0)

Forex

US: The dollar struggled to sustain gains amid mixed economic data, inching up by a modest 0.1%. Nevertheless, it was aided by higher treasury yields and comments from Chicago Fed President Goolsbee, who suggested that fiscal policy uncertainty might lead to fewer Fed rate cuts. Traders remain cautious, as they await the release of NFP data.

Europe: Cable fell after the BOE rate cut drove it to a session low of 1.2361, especially after two policymakers pushed for an even bigger reduction, but it managed to recover slightly, ending around 1.244. Traders are now pricing in roughly 67 bps of additional BoE easing by year-end.

Asia Pacific: The yen spiked after BoJ's Tamura suggested rates might need to climb toward 1.00% by the latter half of 2025, but it trimmed gains once he clarified he wasn't pegging a new neutral rate. The Japanese yen was last hovering around 151.41 on the day, as weaker US wage data took some shine off dollar strength. On a broader front, China's new WTO complaint against fresh US tariffs reignited trade-war worries. The yuan subsequently slipped to 7.285 despite a stronger PBOC midpoint at 7.1691.

Malaysia: Amidst weaker regional currencies, ringgit fell to 4.436, paring some gains made earlier during the week. Last night's weaker-to-mixed US data could open a firmer path for the ringgit but any further escalation of trade tensions could wipe that prospects away.

Other Markets

Gold: Gold fell off from the recent record highs as UST yields and dollar rose slightly.

Oil: WTI and Brent slid for a fourth consecutive session, as swelling US crude stockpiles overshadowed Saudi Arabia's bullish pricing for Asian buyers.

Weekly Indicative PDS Yields (%)

PDS Indicative	Last Close	bps
3-Year AAA	3.83	(1)
3-Year AA	4.01	0
3-Year A	4.84	0
5-Year AAA	3.91	(0)
5-Year AA	4.08	(0)
5-Year A	5.04	1
10-Year AAA	4.04	(1)
10-Year AA	4.21	(1)
10-Year A	5.43	0

Key Commodities

Commodities	Last Close	Per cent
Brent (USD/bl)	74.29	(0.4)
WTI (USD/bl)	70.61	(0.6)
Gold (USD/oz)	2,856	(0.4)
CPO (RM/tonne)	4,650	0.0

Equity Indices

Equity	Last Close	Per cent
S&P500 Index	6,084	0.4
Dow Jones	44,748	(0.3)
Nasdaq	19,792	0.5
London FTSE	8,727	1.2
German DAX	21,902	1.5
Nikkei 225	39,067	0.6
Japan TOPIX	2,752	0.2
FBM KLCI	1,585	0.7
Strait Times	3,830	0.4
Jakarta	6,876	(2.1)
Shanghai	3,271	1.3
MSCI Asia Pac	185	0.6
MSCI World	3,864	0.4
Hang Seng	20,892	1.4
KOSPI	2,537	1.1
Thai Stock Exc	1,262	(1.9)
Taiwan	23,317	0.7
India	78,058	(0.3)
Australia	8,521	1.2

Policy Rates

Central Banks	Current	Next
US Fed Funds	4.50	19-Mar
ECB Main Refinancing	2.90	06-Mar
BoE Base Rate	4.75	06-Feb
RBA Cash Rate	4.35	18-Feb
BoJ Cash Rate	0.50	19-Mar
PBoC 1Y LPR	3.10	n.a.
BoK Base Rate	3.00	-
BNM OPR	3.00	06-Mar

Ringgit Outlook for The Week

	1	2
Resistance	4.460	4.500
Support	4.300	4.350

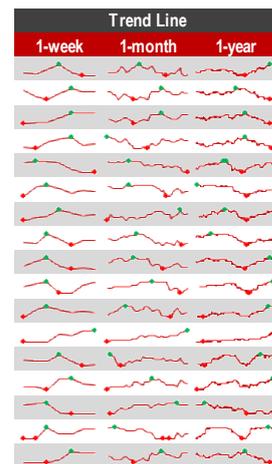
Sources: Bloomberg, Trading Economics, AmBank Economics

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
	6-Feb-25	5-Feb-25	30-Jan-25	7-Jan-25	7-Feb-24
DXY Dollar Index	107.69	107.58	107.80	108.54	104.06
EUR/USD	1.038	1.040	1.039	1.034	1.077
AUD/USD	0.628	0.629	0.621	0.623	0.652
GBP/USD	1.244	1.251	1.242	1.248	1.263
USD/JPY	151.41	152.61	154.29	158.05	148.18
USD/MYR	4.436	4.423	4.395	4.487	4.761
USD/IDR	16,330	16,285	16,260	16,131	15,635
USD/THB	33.78	33.59	33.73	34.48	35.59
USD/SGD	1.351	1.348	1.353	1.364	1.343
USD/CNY	7.285	7.272	7.245	7.328	7.195
USD/KRW	1,447	1,444	1,431	1,452	1,328
USD/INR	87.58	87.46	86.63	85.72	82.97
USD/PHP	58.19	58.10	58.31	58.16	55.96
USD/TWD	32.83	32.84	32.69	32.73	31.36
USD/HKD	7.787	7.786	7.792	7.777	7.819
USD/VND	25,258	25,165	25,082	25,374	24,419
NZD/USD	0.568	0.569	0.564	0.564	0.611

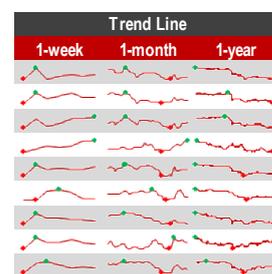
Percentage Change				
1-day	1-week	1-month	1-year	YTD
0.1	(0.1)	(0.8)	3.5	(0.7)
(0.2)	(0.1)	0.4	(3.6)	0.3
(0.0)	1.2	0.9	(3.6)	1.5
(0.6)	0.1	(0.3)	(1.5)	(0.6)
(0.8)	(1.9)	(4.2)	2.2	(3.7)
0.3	0.9	(1.2)	(6.8)	(0.8)
0.3	0.4	1.2	4.4	1.4
0.6	0.2	(2.0)	(5.1)	(0.9)
0.2	(0.2)	(1.0)	0.5	(1.1)
0.18	0.6	(0.6)	1.3	(0.2)
0.2	1.2	(0.3)	9.0	(1.7)
0.1	1.1	2.2	5.6	2.3
0.2	(0.2)	0.1	4.0	0.6
(0.0)	0.4	0.3	4.7	0.1
0.0	(0.1)	0.1	(0.4)	0.2
0.4	0.7	(0.5)	3.4	(0.9)
(0.2)	0.7	0.7	(7.2)	1.4



Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year
	6-Feb-25	5-Feb-25	30-Jan-25	7-Jan-25	7-Feb-24
EUR/MYR	4.595	4.602	4.578	4.680	5.127
GBP/MYR	5.511	5.537	5.468	5.638	6.015
AUD/MYR	2.777	2.777	2.739	2.820	3.109
JPY/MYR	2.928	2.899	2.848	2.839	3.213
SGD/MYR	3.276	3.277	3.255	3.301	3.545
10CNY/MYR	6.086	6.082	6.064	6.124	6.617
100IDR/MYR	2.715	2.715	2.702	2.780	3.044
THB/MYR	13.122	13.194	12.993	12.987	13.359
10HKD/MYR	5.696	5.680	5.639	5.770	6.089

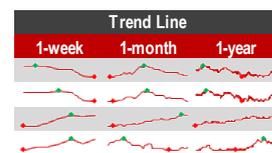
Percentage Change				
1-day	1-week	1-month	1-year	YTD
(0.1)	0.4	(1.8)	(10.4)	(1.4)
(0.5)	0.8	(2.2)	(8.4)	(1.8)
0.0	1.4	(1.5)	(10.7)	(0.1)
1.0	2.8	3.1	(8.9)	2.9
(0.0)	0.7	(0.7)	(7.6)	(0.3)
0.1	0.4	(0.6)	(8.0)	(0.7)
0.0	0.5	(2.3)	(10.8)	(2.1)
(0.5)	1.0	1.0	(1.8)	0.8
0.3	1.0	(1.3)	(6.5)	(1.1)



Commodities

	Latest	1-day	1 week	1-Month	1-Year
	6-Feb-25	5-Feb-25	30-Jan-25	7-Jan-25	7-Feb-24
Brent (USD/barrel)	74.29	74.61	76.87	77.05	79.21
WTI (USD/barrel)	70.61	71.03	72.73	74.25	73.86
Gold (USD/oz)	2,856	2,867	2,795	2,649	2,035
Malaysia CPO (RM/tonne)	4,650	4,650	4,560	4,715	3,898

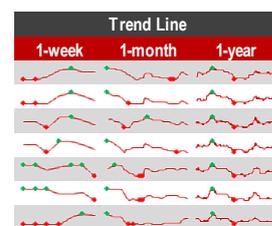
Percentage Change				
1-day	1-week	1-month	1-year	YTD
(0.4)	(3.4)	(3.6)	(6.2)	(0.5)
(0.6)	(2.9)	(4.9)	(4.4)	(1.5)
(0.4)	2.2	7.8	40.3	8.8
0.0	2.0	(1.4)	19.3	(5.5)



Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year
	6-Feb-25	5-Feb-25	30-Jan-25	7-Jan-25	7-Feb-24
3-Year	3.44	3.45	3.44	3.44	3.39
5-Year	3.61	3.61	3.60	3.61	3.53
7-Year	3.77	3.78	3.77	3.77	3.70
10-Year	3.81	3.81	3.80	3.82	3.80
15-Year	3.96	3.97	3.97	3.94	3.99
20-Year	4.06	4.06	4.06	4.04	4.05
30-Year	4.18	4.18	4.18	4.18	4.20

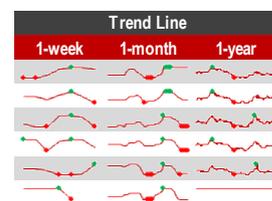
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(1)	0	(0)	6	(4)
(0)	1	0	7	(1)
(0)	1	0	8	1
(0)	1	(1)	0	(1)
(0)	(0)	2	(2)	(0)
(0)	(0)	1	0	(0)
(0)	0	0	(2)	(0)



Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year
	6-Feb-25	5-Feb-25	30-Jan-25	7-Jan-25	7-Feb-24
3-Year	3.55	3.55	3.51	3.39	3.43
5-Year	3.62	3.63	3.63	3.62	3.57
7-Year	3.77	3.78	3.77	3.76	3.75
10-Year	3.83	3.83	3.83	3.83	3.84
15-Year	3.96	3.95	3.95	3.96	3.98
20-Year	4.08	4.08	4.08	4.08	4.13

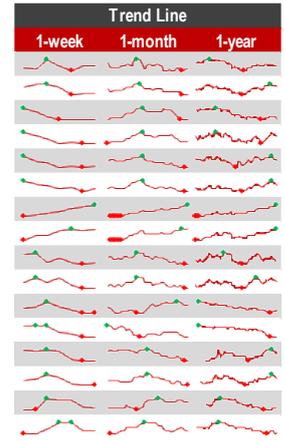
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(1)	3	15	12	12
(0)	(1)	0	5	(0)
(1)	(0)	1	2	3
(0)	(0)	(1)	(1)	(0)
0	0	0	(3)	(2)
0	(0)	0	(5)	(1)



Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year
	6-Feb-25	5-Feb-25	30-Jan-25	7-Jan-25	7-Feb-24
UST 2Y	4.21	4.19	4.21	4.29	4.43
UST 10Y	4.43	4.42	4.52	4.69	4.12
Germany 2Y	2.06	2.06	2.21	2.20	2.63
Germany 10Y	2.38	2.37	2.52	2.48	2.32
UK 2Y	4.17	4.15	4.26	4.47	4.48
UK 10Y	4.49	4.44	4.56	4.68	3.99
Japan 2Y	0.77	0.76	0.72	0.64	0.11
Japan 10Y	1.28	1.29	1.22	1.14	0.72
Australia 2Y	3.71	3.73	3.78	3.93	3.75
Australia 10Y	4.32	4.36	4.38	4.48	4.09
China 2Y	1.24	1.26	1.28	1.06	2.14
China 10Y	1.60	1.62	1.63	1.61	2.42
Indonesia 2Y	6.73	6.74	6.85	7.01	6.17
Indonesia 10Y	6.90	6.93	6.97	7.14	6.62
Thailand 2Y	2.04	2.04	2.04	2.00	2.23
Thailand 10Y	2.28	2.28	2.27	2.33	2.64

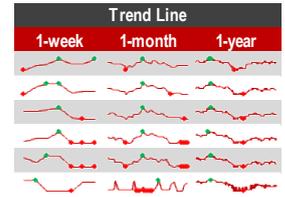
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
3	0	(8)	(22)	(3)
2	(8)	(25)	31	(13)
0	(15)	(14)	(57)	(2)
1	(14)	(10)	6	1
2	(8)	(30)	(30)	(22)
5	(7)	(20)	50	95
1	6	14	67	17
(1)	6	14	56	18
(1)	(7)	(22)	(4)	(15)
(4)	(6)	(16)	23	(5)
(2)	(4)	18	(91)	14
(2)	(3)	(1)	(82)	(7)
(2)	(12)	(28)	56	(31)
(3)	(7)	(23)	29	(9)
(0)	0	4	(20)	4
(0)	1	(5)	(36)	3



Key swap rates

	Latest	1-day	1 week	1-Month	1-Year
	6-Feb-25	5-Feb-25	30-Jan-25	7-Jan-25	7-Feb-24
IRS 1-Year	3.56	3.56	3.56	3.56	3.51
IRS 3-Year	3.47	3.47	3.47	3.50	3.47
IRS 5-Year	3.52	3.52	3.53	3.54	3.58
IRS 7-Year	3.60	3.60	3.60	3.61	3.69
IRS 10-Year	3.69	3.69	3.71	3.72	3.83
IRS 20-Year	4.03	3.92	4.05	3.95	4.20

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	0	0	5	(1)
0	0	(2)	1	(3)
(0)	(2)	(2)	(6)	(3)
0	(0)	(1)	(10)	(3)
0	(2)	(3)	(15)	(4)
11	(2)	8	(17)	8



Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year
	6-Feb-25	5-Feb-25	30-Jan-25	7-Jan-25	7-Feb-24
1-Month Klibor	3.28	3.28	3.28	3.29	3.29
3-Month Klibor	3.67	3.67	3.67	3.71	3.55
6-Month Klibor	3.73	3.73	3.73	3.76	3.63

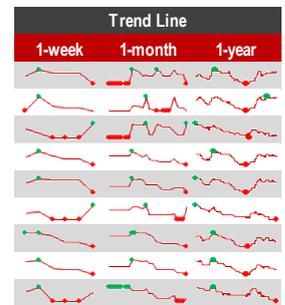
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	0	(1)	(1)	(1)
0	0	(4)	12	(6)
0	0	(3)	10	(4)



Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year
	6-Feb-25	5-Feb-25	30-Jan-25	7-Jan-25	7-Feb-24
3-Year AAA	3.83	3.84	3.84	3.83	3.80
3-Year AA	4.01	4.02	4.01	4.01	4.00
3-Year A	4.84	4.83	4.83	4.82	5.15
5-Year AAA	3.91	3.91	3.92	3.92	3.93
5-Year AA	4.08	4.09	4.09	4.09	4.13
5-Year A	5.04	5.02	5.03	5.04	5.42
10-Year AAA	4.04	4.05	4.05	4.07	4.10
10-Year AA	4.21	4.22	4.22	4.23	4.31
10-Year A	5.43	5.41	5.43	5.49	5.89

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(1)	(1)	0	3	0
(0)	0	0	1	(0)
1	0	1	(31)	(2)
(0)	(0)	(1)	(2)	(2)
(0)	(0)	(1)	(4)	(2)
2	1	0	(38)	(4)
(0)	(1)	(2)	(6)	(2)
(0)	(1)	(1)	(10)	(3)
2	0	(5)	(46)	(13)



Sources: Bloomberg, AmBank Economics

Note: All values are end-period

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