AmBank Group

AmBank Economics

Daily Market Snapshot

Fixed Income & FX Research

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Macro: Volatility in markets on news the US Treasury is ramping up buybacks of long-dated government debt. FOMC minutes revealed nothing new; confirming markets' view that officials see a need for higher rates.

Forex: A sharp 0.8% teardown for the DXY as G10 currencies rallied strongly against the USD.

Fixed Income: Bonds reacted to the US Treasury news, including the 10Y UST down 6 bps, but the pace was more aggressive on the far end of the curve as levels fell by 12-15 bps.

Macro

Global: Volatility in global debt and FX markets after the US Treasury unexpectedly announced it is ramping up buybacks of long-dated government debt. Meanwhile, the Fed's July FOMC minutes revealed nothing new; confirming markets' view that officials see a need for higher rates if inflation doesn't cool, with an earlier rate hike preferred to prevent sharper inflationary pressure later on. Separately, the Trump administration has also delayed 50% tariffs on Canadian products for three days, citing a tentative agreement to resolve a broader trade dispute; though PM Carney stopped short of indicating they had a deal. The US Treasury is to at least double its monthly maximum size of its long-end liquidity-support buybacks of securities — upsizing from USD2.0 billion to at least USD4.0 billion. This comes at a time that long end 30Y UST yield had reached the highest since 2007. The support program targets off-the-run securities of 10Y up to 30Y.

Malaysia: Communications Minister Fadzil said the MOF will be given time to conduct a comprehensive study on PM Anwar's proposal to combine elements of the GST within the SST system. While a specific time frame was not announced, cautious signalling from the minister amid earlier setbacks from the prior GST system suggest that the hybrid system may not be ready in time by Budget 2027 (to be announced on 9 October). Regionally, Singapore has pledged to offer lucrative tax exemptions for fund managers (with details currently unclear), driven by intensifying competition with Hong Kong, with the latter also expected to offer something similar.

Forex

Global: A sharp 0.8% teardown for the DXY as G10 currencies rallied strongly against the USD, after the US Treasury announced a doubling of its long-dated UST buyback program. The US Treasury's move raises the outlook of dollar liquidity in the global financial system, thereby reducing its value; while active intervention efforts (that are in line with other global efforts to limit the surge in long-dated bond yields) had also earlier driven weaknesses for the USD. EUR and JPY rallied 0.9% amid an upward adjustment in European/Japanese bond yields as markets rotated into UST; while the GBP rally (+0.5%) was limited as investors digested UK labour market and July's unchanged core inflation print (at +2.6% y/y); which prompted a downward repricing of the BOE's interest rate pathway. AUD rose a softer 0.5% amid earlier soft 2Q2026 wages data, though RBA Deputy Governor Hauser reiterated risks of inflation upside ahead on the Middle East conflict, the global AI boom, and weak domestic productivity growth.

Asia: The ringgit found late support amid dollar resistance yesterday below the 100 DXY level. CNY rallied in late trading overnight as USD/CNY level moved to 6.7296. Expect MYR to rally as the DXY seen this morning down to around the 98.80 level. IDR eked out modest gain as BI held rates in Destry Damayanti's first meeting as interim governor.

Fixed Income

Global Bonds: The UST market reacted to the US Treasury news of doubling its monthly buybacks. The bond market rally included the 10Y falling 6 bps, but the pace was more aggressive on the far end of the curve as levels fell by about 12-15 bps. And the market boost cancelled out news of hawkish leaning comments from some policymakers in the latest FOMC minutes.

MYR Bonds: The local government bond market was weak yesterday amid the continuing worries over global geopolitical risks lifting crude prices and the recent surge in UST yields. However, this had come prior to the overnight news of the US government intending to support the UST market. The

FX Daily Rates

Vs. USD	Last Close	Per cent
DXY	98.83	(0.8)
EUR/USD	1.168	0.9
AUD/USD	0.713	0.5
GBP/USD	1.361	0.5
USD/JPY	158.17	(0.9)
USD/MYR	4.059	(0.0)
USD/IDR	17,833	(0.1)
USD/THB	33.06	(0.1)
USD/SGD	1.271	(0.5)
USD/CNY	6.731	(0.2)

Ringgit Outlook for The Week

	1	2
Resistance	4.085	4.110
Support	4.047	4.035

Major Sovereign Yields (%)

Sov. Yield	Last Close	bps
UST 2Y	4.16	(1)
UST 10Y	4.65	(6)
Germany 10Y	3.26	0
UK 10Y	5.04	(4)
Japan 10Y	2.90	(6)
Australia 10Y	5.06	(4)
China 10Y	1.69	3

MGS Bond Yields (%)

MGS	Last	bps
3-Year	3.33	(0)
5-Year	3.55	2
7-Year	3.70	1
10-Year	3.76	0
15-Year	3.98	1
20-Year	4.11	2
30-Year	4.22	1

MYR Swap Rates (%)

Swap / Rates	Last Close	bps
IRS 1-Year	3.55	(1)
IRS 3-Year	3.60	(1)
IRS 5-Year	3.66	(1)
IRS 7-Year	3.72	(0)
IRS 10-Year	3.83	(1)
3M KLIBOR	3.46	0

Key Commodities

Commodities	Last Close	Per cent
Brent (USD/bl)	91.62	0.7
WTI (USD/bl)	85.83	1.0
Gold (USD/oz)	4,516	4.2
CPO (RM/tonne)	4,654	0.8

Policy Rates

Central Banks	Current	Next
US Fed Funds	3.75	17-Sep
ECB Deposit Rate	2.25	10-Sep
BOE Base Rate	3.75	17-Sep
RBA Cash Rate	4.35	19-Sep
BOJ Cash Rate	1.00	18-Sep
RBNZ Cash Rate	2.50	02-Sep
PBOC 1Y LPR	3.00	-
BNM OPR	2.75	03-Sep

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.

PDS market also weakened yesterday. AAA YTL Power 08/35 shed 4 bps to 3.89% but 07/36 was traded unchanged at 3.98%.

Commodities

Gold saw a massive 4% rally to above USD4,500/oz, its highest since early-June, driven by falling UST yields and a softer USD outlook. Lower borrowing costs reduce the opportunity cost for markets to hold precious metals, which are non-yielding. Oil rise continues as Brent rose 0.7%.

Currencies

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	19-Aug-26	18-Aug-26	12-Aug-26	20-Jul-26	19-Aug-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
DXY Dollar Index	98.83	99.66	100.01	100.95	98.27	(0.8)	(1.2)	(2.1)	0.6	0.5			
EUR/USD	1.168	1.158	1.153	1.141	1.165	0.9	1.3	2.3	0.3	(0.6)			
AUD/USD	0.713	0.709	0.706	0.700	0.645	0.5	0.9	1.8	10.4	6.8			
GBP/USD	1.361	1.353	1.350	1.343	1.349	0.5	0.8	1.3	0.9	1.0			
USD/JPY	158.17	159.61	159.42	162.5	147.67	(0.9)	(0.8)	(2.7)	7.1	0.9			
USD/MYR	4.059	4.060	4.085	4.093	4.224	(0.0)	(0.6)	(0.8)	(3.9)	(0.0)			
USD/IDR	17,833	17,857	17,875	17,942	16,245	(0.1)	(0.2)	(0.6)	9.8	6.8			
USD/THB	33.06	33.07	33.16	33.64	32.51	(0.1)	(0.3)	(1.7)	1.7	4.9			
USD/SGD	1.271	1.278	1.281	1.291	1.285	(0.5)	(0.7)	(1.5)	(1.1)	(1.1)			
USD/CNY	6.731	6.746	6.746	6.769	7.187	(0.2)	(0.2)	(0.6)	(6.3)	(3.5)			
USD/KRW	1,388	1,411	1,417	1,478	1,391	(1.6)	(2.1)	(6.1)	(0.3)	(3.6)			
USD/INR	95.76	95.68	95.33	96.45	86.96	0.1	0.4	(0.7)	10.1	6.5			
USD/PHP	61.83	61.78	61.19	61.69	57.11	0.1	1.0	0.2	8.3	5.1			
USD/TWD	31.96	31.96	32.25	32.27	30.12	0.0	(0.9)	(1.0)	6.1	1.7			
USD/HKD	7.841	7.844	7.847	7.841	7.799	(0.0)	(0.1)	0.0	0.5	0.8			
USD/VND	26,180	26,177	26,125	26,292	26,313	0.0	0.2	(0.4)	(0.5)	(0.4)			
NZD/USD	0.594	0.588	0.586	0.584	0.589	1.0	1.3	1.7	0.7	3.1			

Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	19-Aug-26	18-Aug-26	12-Aug-26	20-Jul-26	19-Aug-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
EUR/MYR	4.711	4.701	4.713	4.678	4.933	0.2	(0.0)	0.7	(4.5)	(1.1)			
GBP/MYR	5.503	5.494	5.520	5.510	5.710	0.2	(0.3)	(0.1)	(3.6)	0.9			
AUD/MYR	2.873	2.886	2.886	2.864	2.741	(0.4)	(0.4)	0.3	4.8	5.9			
JPY/MYR	2.566	2.543	2.563	2.518	2.860	0.9	0.1	1.9	(10.3)	(1.0)			
SGD/MYR	3.180	3.178	3.192	3.170	3.292	0.1	(0.4)	0.3	(3.4)	0.7			
10 CNY/MYR	6.023	6.017	6.058	6.045	5.883	0.1	(0.6)	(0.4)	2.4	3.7			
1 million IDR/MYR	2.275	2.273	2.286	2.280	2.600	0.1	(0.5)	(0.2)	(12.5)	(6.5)			
THB/MYR	12.274	12.279	12.355	12.168	12.996	(0.0)	(0.7)	0.9	(5.6)	(4.4)			
10 HKD/MYR	5.176	5.175	5.207	5.220	5.414	0.0	(0.6)	(0.8)	(4.4)	(0.8)			

Commodities

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	19-Aug-26	18-Aug-26	12-Aug-26	20-Jul-26	19-Aug-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
Brent (USD/barrel)	91.62	91.02	88.98	89.22	65.79	0.7	3.0	2.7	39.3	50.6			
WTI (USD/barrel)	85.83	84.94	83.27	83.23	62.35	1.0	3.1	3.1	37.7	49.5			
Gold (USD/oz)	4,516	4,335	4,408	4,008	3,316	4.2	2.4	12.7	36.2	4.5			
Malaysia CPO (RM/tonne)	4,654	4,616	4,510	4,568	4,449	0.8	3.2	1.9	4.6	16.4			

Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	19-Aug-26	18-Aug-26	12-Aug-26	20-Jul-26	19-Aug-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.33	3.33	3.33	3.26	2.98	(0)	(1)	7	35	33			
5-Year	3.55	3.54	3.54	3.43	3.07	2	1	13	48	30			
7-Year	3.70	3.69	3.67	3.56	3.27	1	3	14	43	32			
10-Year	3.76	3.75	3.74	3.64	3.38	0	2	11	38	25			
15-Year	3.98	3.97	3.97	3.86	3.58	1	1	12	40	21			
20-Year	4.11	4.09	4.06	3.95	3.74	2	6	17	38	26			
30-Year	4.22	4.21	4.21	4.09	3.89	1	1	13	33	24			

Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	19-Aug-26	18-Aug-26	12-Aug-26	20-Jul-26	19-Aug-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.35	3.35	3.36	3.29	3.02	(0)	(1)	6	34	25			
5-Year	3.55	3.54	3.54	3.39	3.13	2	1	16	43	30			
7-Year	3.71	3.69	3.67	3.56	3.24	2	4	15	47	37			
10-Year	3.77	3.76	3.74	3.64	3.40	2	4	13	38	25			
15-Year	3.99	3.98	3.99	3.90	3.59	1	0	9	40	24			
20-Year	4.09	4.06	4.04	3.98	3.73	3	4	11	36	22			

Major Equity Indices

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	19-Aug-26	18-Aug-26	12-Aug-26	20-Jul-26	19-Aug-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
S&P500 Index	7,708	7,692	7,749	7,443	6,411	0.2	(0.5)	3.6	20.2	100.8			
Dow Jones	53,463	53,343	53,770	51,839	44,922	0.2	(0.6)	3.1	19.0	61.3			
Nasdaq	26,331	26,290	26,588	25,508	21,315	0.2	(1.0)	3.2	23.5	151.6			
London FTSE	10,743	10,728	10,833	10,525	9,189	0.1	(0.8)	2.1	16.9	44.2			
German DAX	26,091	26,128	26,331	24,847	24,423	(0.1)	(0.9)	5.0	6.8	87.4			
Nikkei 225	65,326	67,461	67,524	64,141	43,546	(3.2)	(3.3)	1.8	50.0	150.3			
Japan TOPIX	4,012	4,140	4,139	3,919	3,117	(3.1)	(3.1)	2.4	28.7	112.1			
FBM KLCI	1,731	1,733	1,742	1,722	1,590	(0.1)	(0.6)	0.5	8.9	15.8			

Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	19-Aug-26	18-Aug-26	12-Aug-26	20-Jul-26	19-Aug-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
UST 2Y	4.16	4.17	4.20	4.21	3.75	(1)	(4)	(4)	41	69			
UST 10Y	4.65	4.70	4.69	4.59	4.31	(6)	(5)	5	34	48			
Germany 2Y	2.87	2.85	2.79	2.79	1.96	1	8	8	91	75			
Germany 10Y	3.26	3.26	3.16	3.15	2.75	0	10	11	51	41			
UK 2Y	4.36	4.38	4.32	4.40	3.98	(2)	4	(4)	38	62			
UK 10Y	5.04	5.08	4.97	5.03	4.74	(4)	7	1	30	57			
Japan 2Y	1.68	1.70	1.65	1.44	0.85	(1)	3	24	83	50			
Japan 10Y	2.90	2.96	2.86	2.70	1.60	(6)	4	20	130	84			
Australia 2Y	4.59	4.61	4.58	4.57	3.37	(2)	2	2	122	53			
Australia 10Y	5.06	5.10	5.02	4.96	4.33	(4)	3	10	73	32			
China 2Y	1.24	1.24	1.25	1.28	1.43	0	(1)	(3)	(19)	(13)			
China 10Y	1.69	1.67	1.71	1.74	1.77	3	(1)	(4)	(8)	(16)			
Indonesia 2Y	6.77	6.81	6.98	7.13	5.61	(4)	(21)	(35)	116	178			
Indonesia 10Y	7.11	7.16	7.24	7.28	6.41	(6)	(13)	(17)	69	104			
Thailand 2Y	1.13	1.13	1.10	1.11	1.13	(0)	3	2	(0)	1			
Thailand 10Y	2.10	2.09	2.04	2.03	1.34	0	6	7	76	46			

Key swap rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	19-Aug-26	18-Aug-26	12-Aug-26	20-Jul-26	19-Aug-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
IRS 1-Year	3.55	3.56	3.55	3.51	3.08	(1)	(0)	4	47	35			
IRS 3-Year	3.60	3.61	3.59	3.54	3.01	(1)	1	5	59	33			
IRS 5-Year	3.66	3.66	3.64	3.60	3.08	(1)	2	6	58	31			
IRS 7-Year	3.72	3.72	3.71	3.66	3.16	(0)	1	5	56	31			
IRS 10-Year	3.83	3.84	3.82	3.77	3.28	(1)	1	6	55	27			
IRS 20-Year	4.08	4.09	4.09	4.11	3.60	(1)	(1)	(3)	49	20			

Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	19-Aug-26	18-Aug-26	12-Aug-26	20-Jul-26	19-Aug-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
1-Month Klibor	3.01	3.01	3.01	3.01	3.00	0	0	0	1	1			
3-Month Klibor	3.46	3.46	3.46	3.45	3.21	0	0	1	25	18			
6-Month Klibor	3.49	3.49	3.49	3.48	3.26	0	0	1	23	19			

Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	19-Aug-26	18-Aug-26	12-Aug-26	20-Jul-26	19-Aug-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year AAA	3.62	3.61	3.61	3.58	3.53	0	1	3	8	11			
3-Year AA	3.75	3.74	3.74	3.72	3.70	0	1	2	5	8			
3-Year A	4.42	4.42	4.40	4.44	4.52	0	2	(2)	(9)	(12)			
5-Year AAA	3.71	3.71	3.70	3.67	3.62	1	1	4	10	12			
5-Year AA	3.84	3.83	3.83	3.81	3.78	1	1	3	6	9			
5-Year A	4.56	4.56	4.54	4.61	4.65	0	2	(4)	(8)	(14)			
10-Year AAA	3.90	3.89	3.88	3.84	3.77	1	2	6	13	13			
10-Year AA	4.02	4.02	4.01	3.98	3.93	1	1	5	9	10			
10-Year A	4.96	4.95	4.93	4.99	5.00	1	2	(4)	(5)	(15)			

Sources: Bloomberg, AmBank Economics
Note: All values are end-period

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