



Fixed Income & FX Research

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Macro: Fed Governor Waller signalled his preference for rate cuts by up to another 100 bps to neutral. PM Anwar said the recent Cabinet reshuffle was meant to signal leadership regeneration, with an emphasis on providing opportunities for younger leaders.

Forex: DM currencies fell against USD strength ahead of BOE, ECB, and BOJ monetary policy meetings.

Fixed Income: UST yields were steady sans important economic data releases on Wednesday.

Macro

Global: As markets continue to digest yesterday's US NFP data and ahead of CPI data on Thursday, Fed Governor Waller signalled his preference for further rate cuts by up to another 100 bps to the neutral policy settings, though added inflation remains high, and that there's no rush for the Fed to ease monetary policy. Separately, the US and Japan are set to review energy projects as potential debut investments for their USD550 billion joint investment fund (as part of their earlier trade deal).

Malaysia: PM Anwar said the country must accept the reality of not being overly dependent on dividends from Petronas. Anwar also said the recent Cabinet reshuffle was meant to signal leadership regeneration, with an emphasis on providing opportunities for younger leaders.

Forex

Global: DXY (+0.2%) rebounded slightly, as markets digested the mixed reading of stronger-than-expected NFP numbers alongside higher unemployment, ahead of US CPI data later this week, as well as the BOE, ECB, and BOJ monetary policy meetings today/tomorrow. GBP (-0.4%) shed earlier gains, after UK inflation unexpectedly sharply slowed to 3.2% y/y in November (consensus: +3.5%; October: +3.6%). The figure was also lower than BOE's estimate of 3.4% y/y, prompting markets to price in more BOE rate cuts ahead in 2026 – especially with the earlier batch of weakening economic data (GDP, employment, wage growth). JPY (-0.6%) also saw a pullback, though recent data (exports, core machinery orders, and Tankan sentiment) suggest appropriate conditions for the BOJ to hike rates this Friday. AUD (-0.5%) extended losses for a fifth straight session, after earlier topping recent highs at 0.667 in early-December, while EUR (-0.1%) closed little changed.

Asia: Stronger US dollar worked against CNH levels even as the PBOC set the yuan fixing at a modestly stronger 7.0573 versus 7.0602 a day previous. MYR (-0.1%) fell as signs were that traders took profits after recent rallies and with USD/MYR steadily below the 4.100 mark. With the MYR strength despite the firm USD, the ringgit performed better against DM currencies but down vs. EM Asean FX.

Fixed Income

Global Bonds: UST yields were steady sans important economic data releases on Wednesday and the market was left parsing through the prior day's jobs report which, despite the rise in November unemployment, did not provide great clarity over the next Fed action.

MYR Bonds: Gains were recorded in the government bond market yesterday, especially along the bellies of the curve, though overall gains were pared by late profit taking. Long end trading was muted without fresh positive drivers.

Commodities

Oil prices pared an earlier losing streak, after US President Trump ordered a 'total and complete' blockade of sanctioned oil tankers in Venezuela. This followed earlier moves to buildup military presence in the region and seizures of blacklisted tankers. However, oil prices remained on a downtrend since 2H2025, driven by a softening demand outlook (in China, US, and the Middle East) vis-à-vis incoming supply from Russia (non-sanctioned supplies), and higher outputs from both OPEC+ and non-OPEC+ producers.

FX Daily Rates

Vs. USD	Last Close	Per cent
DX	98.37	0.2
EUR/USD	1.174	(0.1)
AUD/USD	0.661	(0.4)
GBP/USD	1.338	(0.4)
USD/JPY	155.69	0.6
USD/MYR	4.089	0.1
USD/IDR	16,688	(0.0)
USD/THB	31.50	(0.1)
USD/SGD	1.291	0.1
USD/CNY	7.040	0.1

Ringgit Outlook for The Week

	1	2
Resistance	4.164	4.230
Support	4.064	4.030

Major Sovereign Yields (%)

Sov. Yield	Last Close	bps
UST 2Y	3.48	(0)
UST 10Y	4.15	1
Germany 10Y	2.86	2
UK 10Y	4.48	(4)
Japan 10Y	1.98	2
Australia 10Y	4.75	2
China 10Y	1.84	(2)

MGS Bond Yields (%)

MGS	Last	bps
3-Year	3.02	(1)
5-Year	3.28	(1)
7-Year	3.45	(3)
10-Year	3.56	(1)
15-Year	3.77	(1)
20-Year	3.88	(0)
30-Year	3.99	(0)

MYR Swap Rates (%)

Swap / Rates	Last Close	bps
IRS 1-Year	3.23	(2)
IRS 3-Year	3.31	1
IRS 5-Year	3.41	2
IRS 7-Year	3.47	1
IRS 10-Year	3.61	0
3M KLIBOR	3.26	0

Key Commodities

Commodities	Last Close	Per cent
Brent (USD/bbl)	59.68	1.3
WTI (USD/bbl)	55.94	1.2
Gold (USD/oz)	4,338	0.8
CPO (RM/tonne)	3,951	0.1

Policy Rates

Central Banks	Current	Next
US Fed Funds	3.75	28-Jan
ECB Deposit Rate	2.00	18-Dec
BOE Base Rate	4.00	18-Dec
RBA Cash Rate	3.60	03-Feb
BOJ Cash Rate	0.50	19-Dec
RBNZ Cash Rate	3.00	18-Feb
PBOC 1Y LPR	3.00	-
BNM OPR	2.75	22-Jan

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

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	17-Dec-25	16-Dec-25	10-Dec-25	17-Nov-25	17-Dec-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
DXY Dollar Index	98.37	98.15	98.79	99.59	106.96	0.2	(0.4)	(1.2)	(8.0)	(9.3)			
EUR/USD	1.174	1.175	1.170	1.159	1.049	(0.1)	0.4	1.3	11.9	13.4			
AUD/USD	0.661	0.663	0.668	0.649	0.634	(0.4)	(1.1)	1.7	4.2	6.7			
GBP/USD	1.338	1.342	1.338	1.316	1.271	(0.4)	(0.1)	1.7	5.2	6.9			
USD/JPY	155.69	154.72	156.02	155.26	153.46	0.6	(0.2)	0.3	1.5	(1.0)			
USD/MYR	4.089	4.086	4.118	4.150	4.467	0.1	(0.7)	(1.5)	(8.5)	(8.6)			
USD/IDR	16,688	16,692	16,685	16,729	16,065	(0.0)	0.0	(0.2)	3.9	3.6			
USD/THB	31.50	31.52	31.82	32.43	34.27	(0.1)	(1.0)	(2.9)	(8.1)	(7.6)			
USD/SGD	1.291	1.289	1.293	1.303	1.350	0.1	(0.1)	(0.9)	(4.4)	(5.5)			
USD/CNY	7.040	7.036	7.061	7.108	7.288	0.1	(0.3)	(1.0)	(3.4)	(4.1)			
USD/KRW	1,475	1,473	1,471	1,461	1,437	0.1	0.2	1.0	2.6	0.2			
USD/INR	90.38	91.03	89.98	88.64	84.90	(0.7)	0.4	2.0	6.4	5.6			
USD/PHP	58.73	58.75	59.23	58.93	58.89	(0.0)	(0.8)	(0.3)	(0.3)	1.5			
USD/TWD	31.54	31.47	31.19	31.17	32.52	0.2	1.1	1.2	(3.0)	(3.8)			
USD/HKD	7.781	7.780	7.781	7.775	7.769	0.0	0.0	0.1	0.1	0.2			
USD/VND	26,334	26,340	26,357	26,353	25,428	(0.0)	(0.1)	(0.1)	3.6	3.3			
NZD/USD	0.577	0.578	0.582	0.566	0.575	(0.1)	(0.7)	2.1	0.3	3.2			

Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	17-Dec-25	16-Dec-25	10-Dec-25	17-Nov-25	17-Dec-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
EUR/MYR	4.792	4.803	4.791	4.814	4.684	(0.2)	0.0	(0.5)	2.3	2.9			
GBP/MYR	5.448	5.480	5.482	5.464	5.668	(0.6)	(0.6)	(0.3)	(3.9)	(3.0)			
AUD/MYR	2.704	2.711	2.738	2.706	2.833	(0.2)	(1.2)	(0.1)	(4.5)	(2.8)			
JPY/MYR	2.627	2.641	2.639	2.673	2.910	(0.5)	(0.5)	(1.7)	(9.7)	(7.7)			
SGD/MYR	3.165	3.167	3.177	3.188	3.307	(0.1)	(0.4)	(0.7)	(4.3)	(3.7)			
10 CNY/MYR	5.806	5.801	5.829	5.839	6.132	0.1	(0.4)	(0.6)	(5.3)	(5.2)			
1 million IDR/MYR	2.450	2.448	2.467	2.479	2.774	0.1	(0.7)	(1.2)	(11.7)	(11.6)			
THB/MYR	12.974	12.974	12.930	12.775	13.077	0.0	0.3	1.6	(0.8)	(0.4)			
10 HKD/MYR	5.258	5.252	5.292	5.338	5.749	0.1	(0.6)	(1.5)	(8.5)	(8.7)			

Commodities

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	17-Dec-25	16-Dec-25	10-Dec-25	17-Nov-25	17-Dec-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
Brent (USD/barrel)	59.68	58.92	62.21	64.2	73.19	1.3	(4.1)	(7.0)	(18.5)	(20.0)			
WTI (USD/barrel)	55.94	55.27	58.46	59.91	70.08	1.2	(4.3)	(6.6)	(20.2)	(22.0)			
Gold (USD/oz)	4,338	4,302	4,229	4,045	2,647	0.8	2.6	7.3	63.9	65.3			
Malaysia CPO (RM/tonne)	3,951	3,947	4,000	4,118	4,889	0.1	(1.2)	(4.1)	(19.2)	(18.7)			

Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	17-Dec-25	16-Dec-25	10-Dec-25	17-Nov-25	17-Dec-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.02	3.03	3.05	3.04	3.47	(1)	(3)	(2)	(45)	(46)			
5-Year	3.28	3.29	3.30	3.23	3.63	(1)	(2)	5	(35)	(34)			
7-Year	3.45	3.48	3.49	3.41	3.78	(3)	(4)	4	(32)	(32)			
10-Year	3.56	3.57	3.55	3.45	3.82	(1)	1	12	(26)	(25)			
15-Year	3.77	3.78	3.77	3.71	3.95	(1)	1	6	(18)	(20)			
20-Year	3.88	3.88	3.88	3.86	4.05	(0)	0	1	(17)	(18)			
30-Year	3.99	4.00	3.99	3.97	4.18	(0)	1	3	(19)	(19)			

Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	17-Dec-25	16-Dec-25	10-Dec-25	17-Nov-25	17-Dec-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.13	3.13	3.15	3.10	3.41	(1)	(3)	2	(29)	(30)			
5-Year	3.28	3.29	3.29	3.23	3.63	(1)	(1)	5	(35)	(34)			
7-Year	3.37	3.37	3.38	3.34	3.77	(1)	(1)	3	(41)	(38)			
10-Year	3.56	3.57	3.57	3.52	3.83	(0)	(0)	4	(26)	(27)			
15-Year	3.76	3.76	3.76	3.74	3.95	0	0	2	(19)	(21)			
20-Year	3.90	3.90	3.90	3.88	4.09	(0)	(0)	2	(19)	(19)			

Major Equity Indices

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	17-Dec-25	16-Dec-25	10-Dec-25	17-Nov-25	17-Dec-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
S&P500 Index	6,721	6,800	6,887	6,672	6,051	(1.2)	(2.4)	0.7	11.1	75.1			
Dow Jones	47,886	48,114	48,058	46,590	43,450	(0.5)	(0.4)	2.8	10.2	44.5			
Nasdaq	22,693	23,111	23,654	22,708	20,109	(1.8)	(4.1)	(0.1)	12.9	116.8			
London FTSE	9,774	9,685	9,656	9,675	8,195	0.9	1.2	1.0	19.3	31.2			
German DAX	23,961	24,077	24,130	23,591	20,246	(0.5)	(0.7)	1.6	18.3	72.1			
Nikkei 225	49,512	49,383	50,603	50,324	39,365	0.3	(2.2)	(1.6)	25.8	89.7			
Japan TOPIX	3,369	3,371	3,389	3,348	2,728	(0.0)	(0.6)	0.7	23.5	78.1			
FBM KLCI	1,641	1,648	1,611	1,627	1,597	(0.4)	1.9	0.9	2.8	9.8			

Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	17-Dec-25	16-Dec-25	10-Dec-25	17-Nov-25	17-Dec-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
UST 2Y	3.48	3.49	3.54	3.61	4.24	(0)	(6)	(13)	(76)	(76)			
UST 10Y	4.15	4.15	4.15	4.14	4.40	1	1	1	(25)	(42)			
Germany 2Y	2.14	2.13	2.18	2.04	2.05	0	(4)	10	9	6			
Germany 10Y	2.86	2.85	2.85	2.71	2.23	2	1	15	63	50			
UK 2Y	3.71	3.77	3.79	3.80	4.45	(6)	(8)	(9)	(75)	(69)			
UK 10Y	4.48	4.52	4.51	4.54	4.52	(4)	(3)	(6)	(5)	(9)			
Japan 2Y	1.07	1.07	1.07	0.94	0.60	1	0	14	48	47			
Japan 10Y	1.98	1.96	1.96	1.74	1.08	2	2	24	89	88			
Australia 2Y	4.04	4.02	4.12	3.70	3.90	2	(8)	34	15	18			
Australia 10Y	4.75	4.73	4.81	4.48	4.30	2	(6)	27	45	38			
China 2Y	1.40	1.40	1.41	1.45	1.17	(0)	(1)	(5)	23	30			
China 10Y	1.84	1.85	1.84	1.81	1.73	(2)	(0)	3	11	16			
Indonesia 2Y	5.10	5.08	5.10	4.84	7.02	2	(0)	26	(192)	(194)			
Indonesia 10Y	6.14	6.18	6.19	6.14	7.06	(4)	(6)	(0)	(93)	(86)			
Thailand 2Y	1.20	1.21	1.19	1.34	1.98	(1)	1	(15)	(78)	(80)			
Thailand 10Y	1.70	1.70	1.74	1.74	2.27	(0)	(4)	(4)	(57)	(55)			

Key swap rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	17-Dec-25	16-Dec-25	10-Dec-25	17-Nov-25	17-Dec-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
IRS 1-Year	3.23	3.25	3.24	3.22	3.60	(2)	(1)	1	(38)	(35)			
IRS 3-Year	3.31	3.30	3.30	3.23	3.52	1	1	8	(21)	(19)			
IRS 5-Year	3.41	3.39	3.39	3.31	3.57	2	2	10	(16)	(14)			
IRS 7-Year	3.47	3.46	3.47	3.38	3.65	1	0	9	(17)	(16)			
IRS 10-Year	3.61	3.61	3.61	3.52	3.74	0	0	9	(13)	(12)			
IRS 20-Year	3.92	3.92	3.87	3.84	3.87	(0)	5	8	5	(3)			

Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	17-Dec-25	16-Dec-25	10-Dec-25	17-Nov-25	17-Dec-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	3.29	0	0	0	(29)	(29)			
3-Month Klibor	3.26	3.26	3.26	3.22	3.72	0	0	4	(46)	(47)			
6-Month Klibor	3.29	3.29	3.29	3.26	3.77	0	0	3	(48)	(48)			

Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	17-Dec-25	16-Dec-25	10-Dec-25	17-Nov-25	17-Dec-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year AAA	3.51	3.54	3.52	3.52	3.82	(3)	(2)	(2)	(32)	(32)			
3-Year AA	3.67	3.69	3.68	3.68	4.00	(3)	(1)	(1)	(34)	(35)			
3-Year A	4.52	4.52	4.53	4.53	4.87	(0)	(1)	(1)	(36)	(34)			
5-Year AAA	3.58	3.61	3.60	3.59	3.91	(2)	(1)	(1)	(32)	(34)			
5-Year AA	3.75	3.77	3.76	3.76	4.09	(2)	(1)	(1)	(34)	(35)			
5-Year A	4.66	4.66	4.66	4.67	5.10	0	(0)	(1)	(44)	(43)			
10-Year AAA	3.76	3.77	3.76	3.75	4.08	(1)	0	0	(32)	(31)			
10-Year AA	3.92	3.93	3.91	3.91	4.25	(1)	1	1	(33)	(32)			
10-Year A	5.05	5.02	5.04	5.04	5.58	3	1	1	(53)	(51)			

Sources: Bloomberg, AmBank Economics

Note: All values are end-period

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