



Fixed Income & FX Research

21 May 2026

Macro: Fed minutes revealed officials' preference to drop easing bias. Malaysia trade balance surged to MYR28.8 billion in April, supported by 37% jump in exports.

Forex: DXY down 0.2% amid swing to risk-on market sentiment. JPY upside (+0.1%) continue to remain limited. MYR gains similar to the CNH (+0.2%) despite positive trade data.

Fixed Income: Global bonds rallied sharply amid fresh optimism of incoming end to ME conflict and vessel disruption. MGS weakened slightly amid an earlier bond selloff.

Macro

Global: The Fed's FOMC minutes revealed a majority of officials warning of the need to consider rate hikes if inflation remains persistently above 2%, with officials calling for an end to messaging indicating an easing bias. Meanwhile, the EU has struck a provisional agreement to remove import duties on US goods, as part of measures to finalise a trade deal with the US. China also confirmed that it will purchase 200 Boeing jets (but no confirmation yet on the USD17 billion agricultural products' purchase), and will seek to extend a trade truce with the US (expiring November).

Malaysia: Malaysia's trade balance surged to MYR28.75 billion in April (consensus: MYR16.6 billion; March: MYR24.5 billion), supported by the very sharp 36.9% y/y (or +23% m/m) uptick in exports. Exports of E&E products (+46% y/y) made up nearly half of the total exports value of MYR182.7 billion, though non-E&E segments were also contributed to the outperformance including petroleum products (+70% y/y) and machinery deliveries (+27%). Meanwhile, imports climbed 20% y/y to MYR154 billion, with inbound consumption goods offsetting the y/y contraction for capital and intermediate goods.

Forex

Global: Risk-on sentiment took hold on words from US President Trump, outweighing the impact of a relatively hawkish FOMC meeting minutes. DXY falling 0.2% while cyclical currencies (SEK, AUD, NZD) outperformed G10 peers. GBP (+0.3%) also outperformed its EUR (+0.2%) peer, as markets overlooked the downtick in UK's April inflation to 2.8% y/y, after the UK energy regulator introduced price caps from April. Upside to the JPY (+0.1%) continue to remain limited amid the reinstatement of bearish yen positionings, after some trades were earlier cleared due to MOF intervention.

Malaysia: MYR rose 0.2%, with gains similar to the CNH (+0.2%) despite Malaysia's very positive trade data, potentially driven by the slight selloff in local bonds. Meanwhile, the IDR (+0.6%) rebounded above record-lows against the USD, supported by the surprise jumbo 50 bps rate hike by Bank Indonesia (BI) – its first such move since 2022. A slight rally prior to BI's decision was also noted, which comes amid several policy announcements by Indonesia President Prabowo.

Fixed Income

Global Bonds: Global bonds sharply rebounded, supported by fresh optimism of an end to the war, the downtick in oil prices, and technical indicators suggesting oversold conditions. UST rallied 6-8 bps with the bellies outperforming amid an earlier underperformance, while swap markets now price in a 50% chance of a Fed rate hike by end-2026.

MYR Bonds: MGS yields closed up 1-2 bps across the curve, tracking the global bond selloff in prior sessions, with an underperformance persisting around the 7Y's. This comes ahead of today's 7Y MGS 04/33 auction (size: MYR5.0 billion)

Commodities

Oil futures fell 6-8% on fresh hopes of an end to the ME war, after Trump indicated that the US is in the 'final stages of talks' with Iran, providing a positive catalyst for bearish traders. Optimism on supply was magnified by satellite data showing three supertankers crossing the Strait of Hormuz, potentially reflecting a looser grip on traffic. Nevertheless, Trump also pledged to restart attacks if Iran does not agree to their terms, while Iran insisted it is 'not being forced to surrender', suggesting a binary outcome ahead for oil prices' trajectory.

FX Daily Rates

Vs. USD	Last Close	Per cent
DXY	99.09	(0.2)
EUR/USD	1.162	0.2
AUD/USD	0.715	0.6
GBP/USD	1.344	0.3
USD/JPY	158.92	(0.1)
USD/MYR	3.970	(0.2)
USD/IDR	17,605	(0.6)
USD/THB	32.69	0.1
USD/SGD	1.278	(0.3)
USD/CNY	6.802	(0.2)

Ringgit Outlook for The Week

	1	2
Resistance	4.035	4.094
Support	3.914	3.850

Major Sovereign Yields (%)

Sov. Yield	Last Close	bps
UST 2Y	4.06	(6)
UST 10Y	4.59	(8)
Germany 10Y	3.10	(10)
UK 10Y	4.99	(14)
Japan 10Y	2.78	(1)
Australia 10Y	5.07	1
China 10Y	1.75	0

MGS Bond Yields (%)

MGS	Last	bps
3-Year	3.24	2
5-Year	3.43	2
7-Year	3.55	2
10-Year	3.62	2
15-Year	3.86	1
20-Year	3.98	1
30-Year	4.10	1

MYR Swap Rates (%)

Swap / Rates	Last Close	bps
IRS 1-Year	3.40	1
IRS 3-Year	3.47	2
IRS 5-Year	3.56	3
IRS 7-Year	3.63	1
IRS 10-Year	3.78	7
3M KLIBOR	3.35	0

Key Commodities

Commodities	Last Close	Per cent
Brent (USD/bbl)	105.02	(5.6)
WTI (USD/bbl)	98.26	(8.8)
Gold (USD/oz)	4,544	1.4
CPO (RM/tonne)	4,515	(0.6)

Policy Rates

Central Banks	Current	Next
US Fed Funds	3.75	18-Jun
ECB Deposit Rate	2.00	11-Jun
BOE Base Rate	3.75	18-Jun
RBA Cash Rate	4.10	16-Jun
BOJ Cash Rate	0.75	16-Jun
RBNZ Cash Rate	2.25	27-May
PBOC 1Y LPR	3.00	-
BNM OPR	2.75	09-Jul

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		
	20-May-26	19-May-26	13-May-26	20-Apr-26	20-May-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
DXY Dollar Index	99.09	99.33	98.52	98.10	100.12	(0.2)	0.6	1.0	(1.0)	0.8			
EUR/USD	1.162	1.161	1.171	1.179	1.128	0.2	(0.7)	(1.4)	3.0	(1.0)			
AUD/USD	0.715	0.711	0.726	0.718	0.642	0.6	(1.5)	(0.4)	11.3	7.2			
GBP/USD	1.344	1.340	1.352	1.354	1.339	0.3	(0.7)	(0.7)	0.3	(0.3)			
USD/JPY	158.92	159.07	157.86	158.81	144.51	(0.1)	0.7	0.1	10.0	1.4			
USD/MYR	3.970	3.977	3.931	3.954	4.298	(0.2)	1.0	0.4	(7.6)	(2.2)			
USD/IDR	17,605	17,705	17,465	17,170	16,415	(0.6)	0.8	2.5	7.2	5.5			
USD/THB	32.69	32.65	32.35	32.09	33.07	0.1	1.0	1.9	(1.1)	3.8			
USD/SGD	1.278	1.282	1.273	1.270	1.295	(0.3)	0.4	0.6	(1.3)	(0.6)			
USD/CNY	6.802	6.817	6.787	6.816	7.215	(0.2)	0.2	(0.2)	(5.7)	(2.5)			
USD/KRW	1,497	1,511	1,489	1,473	1,394	(0.9)	0.5	1.7	7.4	4.0			
USD/INR	96.83	96.54	95.71	93.12	85.64	0.3	1.2	4.0	13.1	7.7			
USD/PHP	61.74	61.75	61.39	59.98	55.62	(0.0)	0.6	2.9	11.0	5.0			
USD/TWD	31.66	31.66	31.52	31.52	30.17	(0.0)	0.4	0.4	4.9	0.8			
USD/HKD	7.834	7.833	7.830	7.830	7.827	0.0	0.0	0.0	0.1	0.7			
USD/VND	26,368	26,357	26,348	26,332	25,962	0.0	0.1	0.1	1.6	0.3			
NZD/USD	0.587	0.584	0.594	0.589	0.593	0.5	(1.1)	(0.4)	(1.0)	1.9			

Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	20-May-26	19-May-26	13-May-26	20-Apr-26	20-May-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
EUR/MYR	4.600	4.621	4.602	4.652	4.838	(0.4)	(0.0)	(1.1)	(4.9)	(3.4)			
GBP/MYR	5.313	5.332	5.314	5.345	5.747	(0.4)	(0.0)	(0.6)	(7.6)	(2.6)			
AUD/MYR	2.824	2.829	2.848	2.830	2.758	(0.2)	(0.9)	(0.2)	2.4	4.0			
JPY/MYR	2.498	2.500	2.490	2.489	2.974	(0.1)	0.3	0.3	(16.0)	(3.6)			
SGD/MYR	3.099	3.104	3.089	3.109	3.317	(0.2)	0.3	(0.3)	(6.6)	(1.8)			
10 CNY/MYR	5.835	5.835	5.788	5.798	5.953	(0.0)	0.8	0.6	(2.0)	0.4			
1 million IDR/MYR	2.248	2.246	2.249	2.303	2.619	0.1	(0.0)	(2.4)	(14.2)	(7.6)			
THB/MYR	12.150	12.185	12.147	12.345	12.997	(0.3)	0.0	(1.6)	(6.5)	(5.3)			
10 HKD/MYR	5.068	5.077	5.020	5.050	5.491	(0.2)	1.0	0.4	(7.7)	(2.8)			

Commodities

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	20-May-26	19-May-26	13-May-26	20-Apr-26	20-May-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
Brent (USD/barrel)	105.02	111.28	105.63	95.48	65.38	(5.6)	(0.6)	10.0	60.6	72.6			
WTI (USD/barrel)	98.26	107.77	101.02	89.61	62.56	(8.8)	(2.7)	9.7	57.1	71.1			
Gold (USD/oz)	4,544	4,483	4,689	4,821	3,290	1.4	(3.1)	(5.7)	38.1	5.2			
Malaysia CPO (RM/tonne)	4,515	4,540	4,390	4,455	3,920	(0.6)	2.8	1.3	15.2	12.9			

Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	20-May-26	19-May-26	13-May-26	20-Apr-26	20-May-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.24	3.23	3.21	3.18	3.19	2	3	6	6	25			
5-Year	3.43	3.41	3.37	3.34	3.28	2	6	9	15	17			
7-Year	3.55	3.53	3.48	3.45	3.46	2	7	9	9	17			
10-Year	3.62	3.60	3.59	3.56	3.59	2	3	5	3	12			
15-Year	3.86	3.84	3.82	3.85	3.72	1	3	1	13	9			
20-Year	3.98	3.97	3.95	3.98	3.83	1	2	(1)	15	13			
30-Year	4.10	4.09	4.07	4.13	4.06	1	4	(2)	4	12			

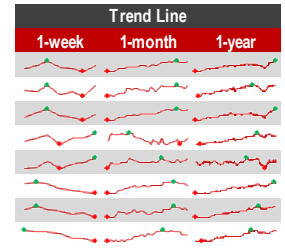
Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	20-May-26	19-May-26	13-May-26	20-Apr-26	20-May-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.24	3.23	3.21	3.20	3.20	1	3	4	4	14			
5-Year	3.38	3.37	3.34	3.32	3.36	1	3	5	2	12			
7-Year	3.58	3.57	3.53	3.50	3.48	1	5	8	10	24			
10-Year	3.63	3.62	3.61	3.57	3.59	1	2	6	4	11			
15-Year	3.90	3.89	3.86	3.88	3.75	1	4	2	15	15			
20-Year	3.98	3.98	3.97	4.00	3.86	0	2	(2)	12	12			

Major Equity Indices

	Latest	1-day	1 week	1-Month	1-Year
	20-May-26	19-May-26	13-May-26	20-Apr-26	20-May-25
S&P500 Index	7,433	7,354	7,444	7,109	5,940
Dow Jones	50,009	49,364	49,693	49,443	42,677
Nasdaq	26,270	25,871	26,402	24,404	19,143
London FTSE	10,432	10,331	10,325	10,609	8,781
German DAX	24,737	24,401	24,137	24,418	24,036
Nikkei 225	59,804	60,551	63,272	58,825	37,529
Japan TOPIX	3,792	3,851	3,919	3,777	2,739
FBM KLCI	1,718	1,727	1,746	1,702	1,549

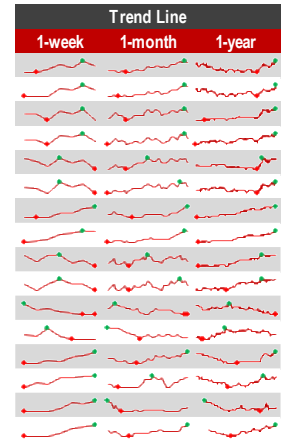
Percentage Change				
1-day	1-week	1-month	1-year	YTD
1.1	(0.2)	4.6	25.1	93.6
1.3	0.6	1.1	17.2	50.9
1.5	(0.5)	7.6	37.2	151.0
1.0	1.0	(1.7)	18.8	40.0
1.4	2.5	1.3	2.9	77.7
(1.2)	(5.5)	1.7	59.4	129.2
(1.5)	(3.3)	0.4	38.4	100.4
(0.6)	(1.6)	0.9	10.9	14.9



Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year
	20-May-26	19-May-26	13-May-26	20-Apr-26	20-May-25
UST 2Y	4.06	4.12	3.98	3.72	3.97
UST 10Y	4.59	4.67	4.47	4.25	4.49
Germany 2Y	2.66	2.76	2.71	2.46	1.84
Germany 10Y	3.10	3.19	3.10	2.98	2.61
UK 2Y	4.37	4.51	4.49	4.19	4.04
UK 10Y	4.99	5.13	5.07	4.83	4.70
Japan 2Y	1.45	1.44	1.40	1.36	0.72
Japan 10Y	2.78	2.79	2.59	2.39	1.51
Australia 2Y	4.71	4.70	4.74	4.60	3.43
Australia 10Y	5.07	5.06	5.06	4.94	4.40
China 2Y	1.25	1.26	1.29	1.29	1.48
China 10Y	1.75	1.75	1.75	1.77	1.67
Indonesia 2Y	6.65	6.53	6.35	5.89	6.25
Indonesia 10Y	6.82	6.78	6.69	6.60	6.84
Thailand 2Y	1.29	1.26	1.18	1.23	1.56
Thailand 10Y	2.40	2.34	2.17	2.12	1.86

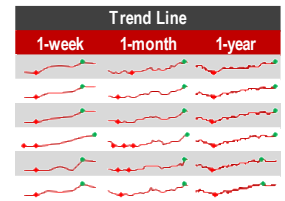
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(6)	8	33	8	58
(8)	12	33	10	42
(10)	(6)	20	81	53
(10)	(0)	12	49	24
(14)	(12)	18	32	63
(14)	(8)	15	29	51
1	6	9	73	28
(1)	19	39	128	72
1	(3)	10	128	65
(1)	1	13	67	33
(1)	(4)	(4)	(23)	(12)
0	(1)	(2)	8	(11)
13	31	77	41	166
4	13	23	(2)	75
3	11	7	(27)	17
6	23	28	54	76



Key swap rates

	Latest	1-day	1 week	1-Month	1-Year
	20-May-26	19-May-26	13-May-26	20-Apr-26	20-May-25
IRS 1-Year	3.40	3.39	3.38	3.33	3.35
IRS 3-Year	3.47	3.45	3.42	3.38	3.23
IRS 5-Year	3.56	3.53	3.48	3.41	3.28
IRS 7-Year	3.63	3.62	3.56	3.51	3.40
IRS 10-Year	3.78	3.70	3.70	3.64	3.44
IRS 20-Year	4.11	4.07	4.04	3.98	3.80

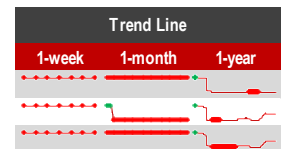
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
1	3	8	5	20
2	5	10	24	21
3	8	16	28	21
1	7	13	23	22
7	8	14	34	22
4	7	13	31	23



Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year
	20-May-26	19-May-26	13-May-26	20-Apr-26	20-May-25
1-Month Klibor	3.00	3.00	3.00	3.00	3.27
3-Month Klibor	3.35	3.35	3.35	3.35	3.56
6-Month Klibor	3.39	3.39	3.39	3.39	3.61

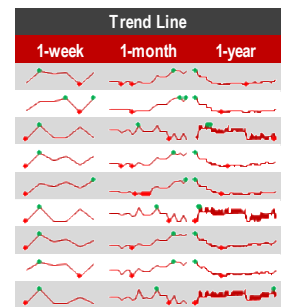
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	0	0	(27)	0
0	0	0	(21)	7
0	0	0	(22)	9



Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year
	20-May-26	19-May-26	13-May-26	20-Apr-26	20-May-25
3-Year AAA	3.57	3.56	3.56	3.54	3.71
3-Year AA	3.70	3.70	3.70	3.69	3.86
3-Year A	4.45	4.47	4.45	4.48	4.48
5-Year AAA	3.65	3.64	3.64	3.63	3.78
5-Year AA	3.78	3.78	3.78	3.77	3.93
5-Year A	4.62	4.65	4.62	4.66	4.60
10-Year AAA	3.82	3.82	3.82	3.79	3.92
10-Year AA	3.96	3.95	3.95	3.94	4.07
10-Year A	5.03	5.05	5.02	5.06	4.94

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
1	1	3	(14)	6
1	1	2	(16)	4
(2)	0	(3)	(3)	(9)
1	1	2	(13)	6
0	1	1	(15)	3
(3)	0	(4)	2	(8)
1	1	3	(10)	5
1	0	2	(11)	3
(2)	0	(4)	8	(8)



Sources: Bloomberg, AmBank Economics

Note: All values are end-period

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