



Fixed Income & FX Research

28 March 2025

Snapshot Summary...

Global FX: The dollar faced pressure as it fell 0.2%**Global Rates:** Long dated UST papers saw their yields higher overnight, due to worries over the impact of tariffs on inflation**MYR Bonds:** Cautious sentiment caused weak closing along the MGS market**USD/MYR:** Ringgit was weaker following softer PPI data

Macro News

Malaysia: Malaysia PPI increased by 0.3% y/y in February 2025, down from a six-month high of 0.8% in January. This marked the third consecutive month of producer inflation, though at a slower pace, mainly due to slower inflation in water supply (2.9% y/y compared to 7.6% in January) and agriculture, forestry, and fishing (15.2% y/y compared to 16.5%).**US:** US GDP grew at an annualized rate of 2.4% in 4Q2024, slightly above the previous estimate of 2.3%, mainly due to a downward revision in imports. Exports decreased slightly less (-0.2% vs -0.5%), while imports fell more than initially expected (-1.9% vs -1.2%), resulting in a positive net trade contribution of 0.26%. Personal consumption, the main growth driver, rose by 4%, slightly below the previous estimate of 4.2%, but still the largest increase since 1Q2023.

US initial jobless claims fell by 1,000 to 224,000 for the week ending 22 March, slightly below the market expectation of 225,000, maintaining historically low levels. The results suggested that the US labour market remains strong despite ongoing restrictive monetary policies and a series of pessimistic economic data in the first quarter.

Fixed Income

Global Bonds: Long dated UST papers saw their yields higher overnight, due to worries over the impact of tariffs on inflation. Meanwhile, lower number of weekly jobless claims added to the weaker bond trading. Aside, concerns over the tariffs sent bund yields lower with the 10Y closing below 2.8%.**MYR Government Bonds:** Cautious sentiment with markets watching US tariffs news and weak UST market caused weak closing along the MGS market yesterday. The primary segment was also weak where auction of the 10Y MGS recorded 1.67x BTC.**MYR Corporate Bonds:** The ringgit corporate bond market was mixed yesterday to go along with the weak hobbies trading. Heavier trading included papers such as AA-rated TG Treasury IMTN which fell 2 bps to close at 4.03%, and AA1 rated SCC which closed unchanged at 3.91%.

Forex

FX Daily Rates

Vs. USD	Last Close	Per cent
DXY	104.34	(0.2)
EUR/USD	1.080	0.4
AUD/USD	0.631	0.1
GBP/USD	1.295	0.5
USD/JPY	151.05	0.3
USD/MYR	4.432	0.1
USD/IDR	16,560	(0.1)
USD/THB	33.93	(0.1)
USD/SGD	1.340	(0.1)
USD/CNY	7.262	(0.1)
USD/KRW	1,465	(0.2)
USD/INR	85.79	0.1
USD/PHP	57.39	(0.5)
USD/TWD	33.11	0.0
USD/HKD	7.776	(0.0)
USD/VND	25,582	0.0
NZD/USD	0.574	0.2

MYR Cross Rates

MYR Cross	Last Close	Per cent
EUR/MYR	4.774	(0.2)
GBP/MYR	5.726	0.1
AUD/MYR	2.795	(0.2)
JPY/MYR	2.935	(0.2)
SGD/MYR	3.308	(0.1)
10CNY/MYR	6.103	0.1
100IDR/MYR	2.675	0.2
THB/MYR	13.102	0.5
10HKD/MYR	5.699	0.1
100INR/MYR	5.170	0.0

MGS Bond Yields (%)

MGS	Maturity	Last	bps
3-Year	05/27	3.39	0
5-Year	08/29	3.56	1
7-Year	07/32	3.72	1
10-Year	07/34	3.77	1
15-Year	04/39	3.91	1
20-Year	05/44	4.00	1
30-Year	03/53	4.14	0

MYR Swap Rates (%)

Swap / Rates	Last Close	bps
IRS 1-Year	3.54	0
IRS 3-Year	3.45	1
IRS 5-Year	3.49	2
IRS 7-Year	3.56	2
IRS 10-Year	3.65	2
3-M KLIBOR	3.66	0

Major Sovereign Yields (%)

Sov. Yield	Last Close	bps
UST 2Y	3.99	(3)
UST 10Y	4.36	1
Germany 10Y	2.77	(2)
UK 10Y	4.78	6
Japan 10Y	1.59	0
Australia 10Y	4.50	3
China 10Y	1.81	0
Korea 10Y	2.85	(1)
Indonesia 10Y	7.00	(12)
Thailand 10Y	2.06	(1)
Malaysia 10Y	3.77	1

US: The dollar faced pressure as it fell 0.2% following President Trump's announcement of 25% tariffs on US auto imports, which could potentially hinder US economic growth. Additionally, today's dovish economic updates revealed downward revisions in 4Q2024 personal consumption and the 4Q2024 core PCE price index, further weighing on the dollar. However, its losses were somewhat offset by unexpectedly strong US weekly jobless claims data and a GDP revision.

Europe: The euro climbed by 0.4% following a six-day bearish trend, despite escalating concerns over a possible trade war between the US and the Eurozone as Trump warned of imposing substantial tariffs on Canada and the Eurozone early Thursday. Meanwhile, ECB official Pierre Wunsch highlighted the potential for inflation risks upside, dismissing the prospect of a rate cut in April. GBP/USD edged up 0.5% following improved risk appetite. The fiscal spending plans unveiled by UK Treasury chief Rachel Reeves look positive for the pound as she found significant potential for savings with 14 billion pounds worth of spending cuts. Market participants are also hopeful of Reeves' tariff talks with the Trump administration ahead of UK 4Q2024 final GDP and retail sales data today.

Asia Pacific: The yen fell to a 3.5-week low against the dollar on Thursday following President Trump's decision to impose 25% tariffs on US auto imports, which could disrupt economic growth and prevent the BoJ from raising interest rates. We also suspect that the market is still digesting Japan's PPI data and hawkish remarks from BoJ Ueda on Wednesday. On the other hand, the yuan strengthened against the dollar on Thursday after the PBoC tightened its control over the official daily fix, setting the guidance rate at 7.1763 per dollar before the market opened, marking the largest gap in over three weeks. Additionally, Trump demonstrated some flexibility in reducing tariffs on China, as they are willing to lower tariffs to finalize a deal with TikTok's Chinese parent company, ByteDance.

Malaysia: Ringgit was weaker among other emerging currencies as it fell by 0.1% following Malaysia's softer PPI data. Market participants are eagerly anticipating President Trump's announcement of reciprocal tariffs next week. This comes at a time when Malaysia has limited economic data releases until the end of the week, partly due to the Hari Raya holiday early in the week.

Other Markets

Gold: Gold prices strengthened 1.3% as it received push from safe-haven demand ahead of more tariffs and as the equities markets fell.

Oil: Expectations of tighter supplies supported crude oil prices overnight. Data showing a relatively heavy drop in US crude inventories for last week of about 3.3 million barrels aided prices.

Weekly Indicative PDS Yields (%)

PDS Indicative	Last Close	bps
3-Year AAA	3.80	(0)
3-Year AA	3.96	0
3-Year A	4.79	0
5-Year AAA	3.88	(0)
5-Year AA	4.04	(1)
5-Year A	4.98	0
10-Year AAA	4.00	(0)
10-Year AA	4.18	0
10-Year A	5.37	0

Key Commodities

Commodities	Last Close	Per cent
Brent (USD/bl)	74.03	0.3
WTI (USD/bl)	69.92	0.4
Gold (USD/oz)	3,057	1.3
CPO (RM/tonne)	4,625	0.0

Equity Indices

Equity	Last Close	Per cent
S&P500 Index	5,693	(0.3)
Dow Jones	42,300	(0.4)
Nasdaq	17,804	(0.5)
London FTSE	8,666	(0.3)
German DAX	22,679	(0.7)
Nikkei 225	37,800	(0.6)
Japan TOPIX	2,815	0.1
FBM KLCI	1,536	1.2
Strait Times	3,982	0.5
Jakarta	6,511	0.6
Shanghai	3,374	0.1
MSCI Asia Pac	188	(0.2)
MSCI World	3,696	(0.4)
Hang Seng	23,579	0.4
KOSPI	2,607	(1.4)
Thai Stock Exc	1,188	(0.2)
Taiwan	21,952	(1.4)
India	77,606	0.4
Australia	7,969	(0.4)

Policy Rates

Central Banks	Current	Next
US Fed Funds	4.50	08-May
ECB Main Refinancing	2.65	17-Apr
BOE Base Rate	4.50	08-May
RBA Cash Rate	4.10	01-Apr
BOJ Cash Rate	0.50	01-May
PBOC 1Y LPR	3.10	n.a.
BOK Base Rate	3.00	-
BNM OPR	3.00	08-May

Ringgit Outlook for The Week

	1	2
Resistance	4.464	4.491
Support	4.377	4.366

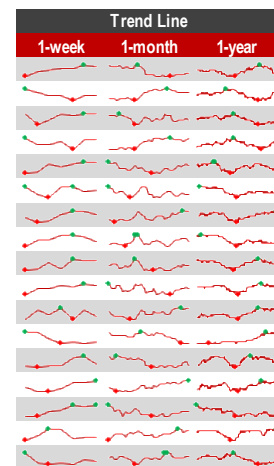
Sources: Bloomberg, Trading Economics, AmBank Economics

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
	27-Mar-25	26-Mar-25	20-Mar-25	25-Feb-25	27-Mar-24
DXY Dollar Index	104.34	104.55	103.85	106.31	104.35
EUR/USD	1.080	1.075	1.085	1.051	1.083
AUD/USD	0.631	0.630	0.630	0.634	0.654
GBP/USD	1.295	1.289	1.297	1.267	1.264
USD/JPY	151.05	150.57	148.78	149.03	151.33
USD/MYR	4.432	4.429	4.425	4.424	4.735
USD/IDR	16,560	16,580	16,475	16,345	15,855
USD/THB	33.93	33.98	33.70	33.71	36.42
USD/SGD	1.340	1.341	1.335	1.336	1.348
USD/CNY	7.262	7.268	7.249	7.251	7.226
USD/KRW	1,465	1,468	1,468	1,434	1,349
USD/INR	85.79	85.72	86.37	87.20	83.38
USD/PHP	57.39	57.68	57.23	57.94	56.22
USD/TWD	33.11	33.10	33.02	32.81	32.01
USD/HKD	7.776	7.776	7.773	7.774	7.824
USD/VND	25,582	25,574	25,556	25,519	24,783
NZD/USD	0.574	0.573	0.576	0.573	0.600

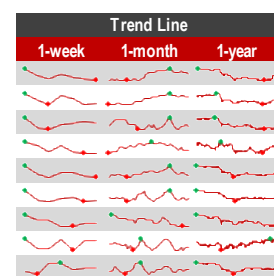
Percentage Change				
1-day	1-week	1-month	1-year	YTD
(0.2)	0.5	(1.9)	(0.0)	3.0
0.4	(0.5)	2.7	(0.2)	(2.2)
0.1	0.0	(0.6)	(3.5)	(7.4)
0.5	(0.1)	2.2	2.4	1.7
0.3	1.5	1.4	(0.2)	7.1
0.1	0.1	0.2	(6.4)	(3.5)
(0.1)	0.5	1.3	4.4	7.6
(0.1)	0.7	0.7	(6.8)	(0.6)
(0.1)	0.4	0.3	(0.6)	1.5
(0.08)	0.2	0.2	0.5	2.3
(0.2)	(0.2)	2.2	8.6	13.7
0.1	(0.7)	(1.6)	2.9	3.1
(0.5)	0.3	(0.9)	2.1	3.6
0.0	0.3	0.9	3.5	7.8
(0.0)	0.0	0.0	(0.6)	(0.5)
0.0	0.1	0.2	3.2	5.4
0.2	(0.3)	0.2	(4.4)	(9.2)



Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year
	27-Mar-25	26-Mar-25	20-Mar-25	25-Feb-25	27-Mar-24
EUR/MYR	4.774	4.782	4.801	4.633	5.126
GBP/MYR	5.726	5.718	5.733	5.585	5.977
AUD/MYR	2.795	2.801	2.785	2.802	3.089
JPY/MYR	2.935	2.942	2.974	2.968	3.130
SGD/MYR	3.308	3.311	3.315	3.302	3.513
10CNY/MYR	6.103	6.095	6.103	6.100	6.553
100IDR/MYR	2.675	2.670	2.684	2.702	2.985
THB/MYR	13.102	13.041	13.121	13.091	13.006
10HKD/MYR	5.699	5.696	5.692	5.690	6.051

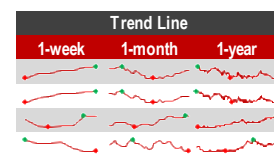
Percentage Change				
1-day	1-week	1-month	1-year	YTD
(0.2)	(0.6)	3.1	(6.9)	(5.9)
0.1	(0.1)	2.5	(4.2)	(1.9)
(0.2)	0.4	(0.2)	(9.5)	(10.6)
(0.2)	(1.3)	(1.1)	(6.2)	(9.8)
(0.1)	(0.2)	0.2	(5.8)	(4.9)
0.1	(0.0)	0.0	(6.9)	(5.6)
0.2	(0.3)	(1.0)	(10.4)	(10.4)
0.5	(0.1)	0.1	0.7	(2.2)
0.1	0.1	0.2	(5.8)	(3.1)



Commodities

	Latest	1-day	1 week	1-Month	1-Year
	27-Mar-25	26-Mar-25	20-Mar-25	25-Feb-25	27-Mar-24
Brent (USD/barrel)	74.03	73.79	72	73.02	86.09
WTI (USD/barrel)	69.92	69.65	68.26	69.26	81.35
Gold (USD/oz)	3,057	3,019	3,045	2,915	2,195
Malaysia CPO (RM/tonne)	4,625	4,625	4,707	4,793	4,285

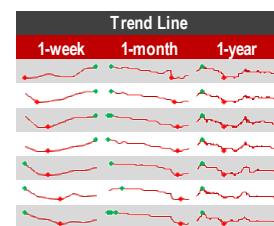
Percentage Change				
1-day	1-week	1-month	1-year	YTD
0.3	2.8	1.4	(14.0)	(3.9)
0.4	2.4	1.0	(14.1)	(2.4)
1.3	0.4	4.9	39.3	48.2
0.0	(1.8)	(3.5)	7.9	24.4



Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year
	27-Mar-25	26-Mar-25	20-Mar-25	25-Feb-25	27-Mar-24
3-Year	3.39	3.39	3.35	3.44	3.49
5-Year	3.56	3.55	3.53	3.60	3.58
7-Year	3.72	3.71	3.68	3.75	3.77
10-Year	3.77	3.76	3.74	3.79	3.85
15-Year	3.91	3.90	3.89	3.96	3.98
20-Year	4.00	3.99	3.99	4.06	4.07
30-Year	4.14	4.14	4.14	4.18	4.18

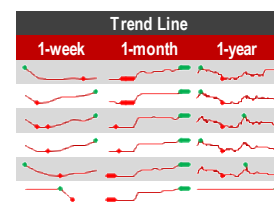
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	4	(6)	(10)	(8)
1	3	(3)	(2)	(1)
1	4	(4)	(5)	(0)
1	3	(2)	(8)	4
1	2	(4)	(6)	(7)
1	1	(7)	(7)	(10)
0	0	(3)	(4)	(10)



Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year
	27-Mar-25	26-Mar-25	20-Mar-25	25-Feb-25	27-Mar-24
3-Year	3.51	3.50	3.51	3.55	3.45
5-Year	3.58	3.58	3.57	3.63	3.60
7-Year	3.70	3.70	3.69	3.77	3.75
10-Year	3.77	3.76	3.75	3.81	3.86
15-Year	3.90	3.90	3.90	3.94	3.96
20-Year	4.01	4.00	4.01	4.07	4.11

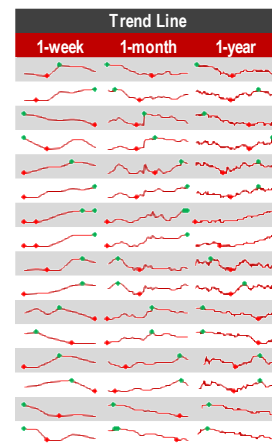
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	0	(4)	5	1
0	1	(4)	(2)	(2)
1	2	(6)	(4)	(6)
1	2	(4)	(9)	(1)
0	0	(4)	(6)	(5)
1	(0)	(6)	(10)	(11)



Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year
	27-Mar-25	26-Mar-25	20-Mar-25	25-Feb-25	27-Mar-24
UST 2Y	3.99	4.02	3.96	4.09	4.57
UST 10Y	4.36	4.35	4.24	4.29	4.19
Germany 2Y	2.07	2.12	2.17	2.07	2.83
Germany 10Y	2.77	2.80	2.78	2.46	2.29
UK 2Y	4.27	4.29	4.24	4.17	4.14
UK 10Y	4.78	4.73	4.65	4.51	3.93
Japan 2Y	0.89	0.89	0.84	0.80	0.20
Japan 10Y	1.59	1.59	1.52	1.37	0.73
Australia 2Y	3.77	3.77	3.73	3.80	3.78
Australia 10Y	4.50	4.48	4.37	4.40	4.00
China 2Y	1.51	1.52	1.52	1.49	1.95
China 10Y	1.81	1.80	1.84	1.78	2.30
Indonesia 2Y	6.69	6.74	6.63	6.47	6.36
Indonesia 10Y	7.00	7.13	7.11	6.86	6.73
Thailand 2Y	1.76	1.77	1.80	2.01	2.17
Thailand 10Y	2.06	2.07	2.13	2.24	2.54

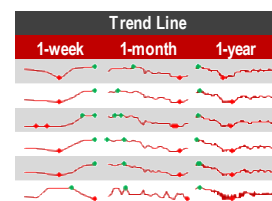
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(3)	3	(10)	(58)	(26)
1	12	6	17	48
(5)	(10)	0	(76)	(34)
(2)	(1)	32	48	75
(2)	3	10	13	29
6	14	27	85	125
0	5	9	69	83
0	7	22	86	98
0	5	(3)	(1)	7
3	13	11	50	55
(1)	(1)	3	(44)	(68)
0	(4)	3	(49)	(75)
(4)	6	22	33	18
(12)	(11)	14	27	52
(1)	(4)	(25)	(41)	(57)
(1)	(7)	(18)	(48)	(62)



Key swap rates

	Latest	1-day	1 week	1-Month	1-Year
	27-Mar-25	26-Mar-25	20-Mar-25	25-Feb-25	27-Mar-24
IRS 1-Year	3.54	3.54	3.54	3.59	3.60
IRS 3-Year	3.45	3.43	3.43	3.52	3.57
IRS 5-Year	3.49	3.46	3.46	3.56	3.66
IRS 7-Year	3.56	3.54	3.53	3.63	3.76
IRS 10-Year	3.65	3.63	3.63	3.73	3.88
IRS 20-Year	3.90	3.97	3.88	3.96	4.23

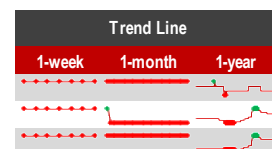
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	0	(5)	(5)	(3)
1	2	(7)	(12)	(5)
2	3	(7)	(17)	(9)
2	3	(7)	(20)	(15)
2	2	(8)	(23)	(17)
(8)	2	(6)	(33)	(32)



Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year
	27-Mar-25	26-Mar-25	20-Mar-25	25-Feb-25	27-Mar-24
1-Month Klibor	3.28	3.28	3.28	3.28	3.29
3-Month Klibor	3.66	3.66	3.66	3.66	3.58
6-Month Klibor	3.73	3.73	3.73	3.73	3.64

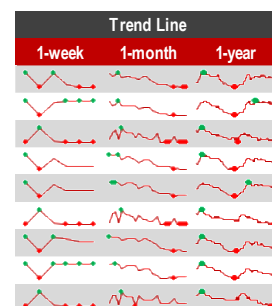
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	0	0	(1)	(9)
0	0	0	8	(11)
0	0	0	9	(8)



Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year
	27-Mar-25	26-Mar-25	20-Mar-25	25-Feb-25	27-Mar-24
3-Year AAA	3.80	3.80	3.81	3.83	3.80
3-Year AA	3.96	3.96	3.96	4.01	3.96
3-Year A	4.79	4.79	4.79	4.82	5.02
5-Year AAA	3.88	3.88	3.88	3.90	3.87
5-Year AA	4.04	4.04	4.05	4.08	4.05
5-Year A	4.98	4.98	4.98	5.01	5.27
10-Year AAA	4.00	4.00	4.01	4.04	4.07
10-Year AA	4.18	4.18	4.18	4.21	4.28
10-Year A	5.37	5.37	5.37	5.40	5.79

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	(0)	(2)	0	(5)
0	0	(5)	0	(8)
0	0	(3)	(23)	(45)
0	(0)	(3)	0	(10)
0	(1)	(4)	(1)	(13)
0	0	(4)	(30)	(58)
0	(0)	(4)	(7)	(18)
0	0	(3)	(10)	(23)
0	0	(3)	(42)	(69)



Sources: Bloomberg, AmBank Economics

Note: All values are end-period

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