



Fixed Income & FX Research

19 March 2026

Macro: Fed keeps FFR unchanged, with Powell indicating inflation progress needed before any further rate cuts. US PPI also surged sharply prior to Middle East (ME) war.

Forex: DXY (+0.5%) rebounded amid Fed meeting, hot PPI data, and rise in energy prices. Focus now turns to ECB, BOE, and BOJ policy meetings and their assessment of ME conflict.

Fixed Income: UST closed significantly weaker amid further upward repricing of rates pathway. Local bonds posted slight gains amid holiday-thinned trading.

Macro

Global: The Fed kept policy rates unchanged at 3.50-3.75% for a second consecutive meeting as expected, as policymakers noted elevated inflation and solid economic growth, vs. job gains that are low. Fed chair Powell also guided that while implications from the ME war remain uncertain, the Fed won't lower rates further until inflation resumes cooling. Against this backdrop, revised Fed projections see 2026 GDP growth at 2.4% y/y (prior: 2.3%), headline and core PCE inflation at 2.7% each (prior: 2.4% and 2.5% respectively), while unemployment rate projections remain at 4.4%. Median dot plot projections also still see one cut in 2026 and 2027, of which swap markets are pricing in the first cut only by end-2026. Meanwhile, US PPI surged 0.7% m/m in February (January: 0.5%), much higher than estimates at 0.3% even prior to the ME war, as goods prices soared 1.1% on energy and food-related inflation. Core PPI was also lifted by 0.5% m/m (consensus: 0.3%; prior: 0.8%) amid the sharp services' 0.5% m/m increase. Meanwhile, the Trump administration has announced a 60-day waiver to its Jones Act shipping regulations, amid efforts to ease supply-chain disruption and inflation. Meanwhile, Japan's PM Sanae Takaichi is set for a 'extremely difficult' meeting with US President Trump today, after earlier rebuffing his demand for help in Hornuz.

Malaysia: Prices of diesel (in Peninsular Malaysia only) and RON97 has been raised by another 20.4% and 18.2% respectively, while unsubsidised RON95 prices has been maintained due to the public holidays ahead. MOF noted that petroleum products for domestic use remains obtained from global markets, suggesting intensifying subsidy pressures being borned by the government.

Forex

Global: DXY (+0.5%) reclaimed the 100.0 handle amid the Fed's monetary policy decision and hot PPI data. Escalations in the ME conflict and the rise in energy prices also drove USD strength, as well as relative outperformance for oil producers CAD and NOK. JPY, GBP, and EUR fell 0.5-0.7% ahead of their respective central banks' policy meetings today, with the BOJ especially on watch, given USD/JPY levels approaching the 160.0 level. Meanwhile, ECB President Lagarde is expected to outline strategies to protect the Eurozone from inflationary pressures, while the BOE is expected to hold policy rates in a 7-2 or 6-3 decision. NZD fell 1.0% after NZ growth in 4Q2025 disappointed at 0.2% q/q, with the AUD (-1.1%) also erasing all gains post-RBA decision yesterday.

Malaysia: MYR rose slightly (+0.1%), though gains are expected to reverse following overnight USD strength, and as markets positioned cautiously ahead of the extended weekend holiday.

Fixed Income

Global Bonds: US Treasuries closed significantly weaker with yields on the 10Y again surging above 4.25%. Bonds lost out amid the Fed's hawkish requirements for cutting rates further, after it also revised higher its US GDP growth projections for 2026 and 2027. Powell said there was discussion of a possible rate hike and though most policymakers don't see that as a base case, Powell signalled nothing is off the table. Bonds also lost out amid higher US PPI reading.

MYR Bonds: Local govies posted gains though on relatively thinner volume approaching the holidays. There was a push for bonds on hopes the US can open up key waterways for oil shipments as well as news earlier this week of Iraq resuming oil exports in a deal with Kurdistan.

Commodities

Oil and LNG prices jumped as attacks on energy infrastructure continued, with Qatar reporting 'extensive damage' to its Ras Laffan Industrial City LNG export plant – which may potentially render

FX Daily Rates

Vs. USD	Last Close	Per cent
DXY	100.09	0.5
EUR/USD	1.145	(0.8)
AUD/USD	0.702	(1.1)
GBP/USD	1.326	(0.7)
USD/JPY	159.86	0.5
USD/MYR	3.916	(0.1)
USD/IDR	16,985	0.0
USD/THB	32.37	0.0
USD/SGD	1.284	0.6
USD/CNY	6.900	0.3

Ringgit Outlook for The Week

	1	2
Resistance	3.968	4.002
Support	3.894	3.854

Major Sovereign Yields (%)

Sov. Yield	Last Close	bps
UST 2Y	3.77	10
UST 10Y	4.27	7
Germany 10Y	2.94	3
UK 10Y	4.74	4
Japan 10Y	2.22	(6)
Australia 10Y	4.90	(4)
China 10Y	1.83	(1)

MGS Bond Yields (%)

MGS	Last	bps
3-Year	3.21	(2)
5-Year	3.35	(1)
7-Year	3.43	(1)
10-Year	3.54	(1)
15-Year	3.82	(0)
20-Year	3.94	(1)
30-Year	4.04	(0)

MYR Swap Rates (%)

Swap / Rates	Last Close	bps
IRS 1-Year	3.35	0
IRS 3-Year	3.40	(0)
IRS 5-Year	3.46	(2)
IRS 7-Year	3.56	(4)
IRS 10-Year	3.71	(5)
3M KLIBOR	3.31	1

Key Commodities

Commodities	Last Close	Per cent
Brent (USD/bl)	107.38	3.8
WTI (USD/bl)	96.32	0.1
Gold (USD/oz)	4,819	(3.7)
CPO (RM/tonne)	4,502	(0.9)

Policy Rates

Central Banks	Current	Next
US Fed Funds	3.75	18-Mar
ECB Deposit Rate	2.00	19-Mar
BOE Base Rate	3.75	19-Mar
RBA Cash Rate	3.85	17-Mar
BOJ Cash Rate	0.75	19-Mar
RBNZ Cash Rate	2.25	08-Apr
PBOC 1Y LPR	3.00	-
BNM OPR	2.75	07-May

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.

it offline for months. This comes after Iran declared that energy sites in Gulf countries are now 'legitimate targets', after Israel attacked Iran's South Pars gas field and associated assets.

Currencies

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	18-Mar-26	17-Mar-26	11-Mar-26	16-Feb-26	18-Mar-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
DXY Dollar Index	100.09	99.58	99.23	96.92	103.24	0.5	0.9	3.3	(3.1)	1.8			
EUR/USD	1.145	1.154	1.157	1.185	1.095	(0.8)	(1.0)	(3.4)	4.6	(2.5)			
AUD/USD	0.702	0.711	0.715	0.707	0.636	(1.1)	(1.8)	(0.7)	10.4	5.3			
GBP/USD	1.326	1.336	1.341	1.363	1.300	(0.7)	(1.2)	(2.7)	2.0	(1.6)			
USD/JPY	159.86	159	158.95	153.47	149.27	0.5	0.6	4.2	7.1	2.0			
USD/MYR	3.916	3.918	3.919	3.900	4.446	(0.1)	(0.1)	0.4	(11.9)	(3.5)			
USD/IDR	16,985	16,985	16,870	16,839	16,425	0.0	0.7	0.9	3.4	1.8			
USD/THB	32.37	32.36	31.74	31.09	33.58	0.0	2.0	4.1	(3.6)	2.8			
USD/SGD	1.284	1.276	1.274	1.263	1.331	0.6	0.7	1.7	(3.5)	(0.1)			
USD/CNY	6.900	6.883	6.877	6.884	7.228	0.3	0.3	0.2	(4.5)	(1.1)			
USD/KRW	1,501	1,488	1,476	1,444	1,451	0.8	1.6	3.9	3.4	4.2			
USD/INR	92.64	92.38	92.04	90.65	86.57	0.3	0.6	2.2	7.0	3.1			
USD/PHP	59.52	59.81	59.15	57.99	57.31	(0.5)	0.6	2.6	3.9	1.2			
USD/TWD	31.84	31.90	31.74	31.51	33.00	(0.2)	0.3	1.1	(3.5)	1.3			
USD/HKD	7.838	7.836	7.826	7.816	7.770	0.0	0.2	0.3	0.9	0.7			
USD/VND	26,300	26,288	26,251	25,969	25,531	0.0	0.2	1.3	3.0	0.0			
NZD/USD	0.580	0.586	0.591	0.603	0.582	(1.0)	(2.0)	(3.9)	(0.4)	0.7			

Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	18-Mar-26	17-Mar-26	11-Mar-26	16-Feb-26	18-Mar-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
EUR/MYR	4.520	4.512	4.545	4.628	4.870	0.2	(0.5)	(2.3)	(7.2)	(5.1)			
GBP/MYR	5.232	5.225	5.257	5.322	5.782	0.1	(0.5)	(1.7)	(9.5)	(4.1)			
AUD/MYR	2.786	2.778	2.801	2.763	2.837	0.3	(0.5)	0.8	(1.8)	2.6			
JPY/MYR	2.450	2.464	2.466	2.541	2.978	(0.6)	(0.7)	(3.6)	(17.7)	(5.4)			
SGD/MYR	3.069	3.066	3.078	3.091	3.342	0.1	(0.3)	(0.7)	(8.2)	(2.8)			
10 CNY/MYR	5.700	5.686	5.707	5.648	6.155	0.2	(0.1)	0.9	(7.4)	(1.9)			
1 million IDR/MYR	2.313	2.304	2.322	2.318	2.707	0.4	(0.4)	(0.2)	(14.6)	(5.0)			
THB/MYR	12.072	12.101	12.360	12.537	13.237	(0.2)	(2.3)	(3.7)	(8.8)	(5.9)			
10 HKD/MYR	4.998	4.999	5.009	4.990	5.724	(0.0)	(0.2)	0.2	(12.7)	(4.2)			

Commodities

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	18-Mar-26	17-Mar-26	11-Mar-26	16-Feb-26	18-Mar-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
Brent (USD/barrel)	107.38	103.42	91.98	68.65	70.56	3.8	16.7	56.4	52.2	76.5			
WTI (USD/barrel)	96.32	96.21	87.25	62.89	66.90	0.1	10.4	53.2	44.0	67.7			
Gold (USD/oz)	4,819	5,006	5,176	4,992	3,035	(3.7)	(6.9)	(3.5)	58.8	11.6			
Malaysia CPO (RM/tonne)	4,502	4,542	4,385	4,013	4,605	(0.9)	2.7	12.2	(2.2)	12.6			

Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	18-Mar-26	17-Mar-26	11-Mar-26	16-Feb-26	18-Mar-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.21	3.22	3.11	3.03	3.37	(2)	10	17	(17)	21			
5-Year	3.35	3.36	3.36	3.28	3.56	(1)	(1)	6	(22)	9			
7-Year	3.43	3.44	3.44	3.43	3.70	(1)	(1)	(0)	(27)	5			
10-Year	3.54	3.56	3.55	3.52	3.76	(1)	(0)	2	(21)	4			
15-Year	3.82	3.82	3.81	3.80	3.92	(0)	0	2	(10)	5			
20-Year	3.94	3.94	3.94	3.96	4.02	(1)	(0)	(2)	(9)	9			
30-Year	4.04	4.04	4.04	4.04	4.16	(0)	(0)	0	(12)	6			

Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	18-Mar-26	17-Mar-26	11-Mar-26	16-Feb-26	18-Mar-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.19	3.19	3.18	3.10	3.54	(1)	1	9	(35)	9			
5-Year	3.33	3.33	3.33	3.28	3.59	0	0	5	(26)	8			
7-Year	3.39	3.40	3.41	3.38	3.72	(1)	(2)	1	(33)	5			
10-Year	3.54	3.55	3.56	3.53	3.77	(0)	(2)	1	(23)	2			
15-Year	3.87	3.87	3.88	3.83	3.93	(0)	(1)	4	(6)	12			
20-Year	3.95	3.96	3.96	3.98	4.05	(1)	(0)	(2)	(10)	9			

Major Equity Indices

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	18-Mar-26	17-Mar-26	11-Mar-26	16-Feb-26	18-Mar-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
S&P500 Index	6,625	6,716	6,776	6,836	5,615	(1.4)	(2.2)	(3.1)	18.0	72.5			
Dow Jones	46,225	46,993	47,417	49,501	41,581	(1.6)	(2.5)	(6.6)	11.2	39.5			
Nasdaq	22,152	22,480	22,716	22,547	17,504	(1.5)	(2.5)	(1.7)	26.6	111.7			
London FTSE	10,305	10,404	10,354	10,474	8,705	(0.9)	(0.5)	(1.6)	18.4	38.3			
German DAX	23,502	23,731	23,640	24,801	23,381	(1.0)	(0.6)	(5.2)	0.5	68.8			
Nikkei 225	55,239	53,700	55,025	56,806	37,845	2.9	0.4	(2.8)	46.0	111.7			
Japan TOPIX	3,717	3,627	3,699	3,787	2,784	2.5	0.5	(1.8)	33.5	96.5			
FBM KLCI	1,730	1,711	1,709	1,741	1,528	1.1	1.2	(0.7)	13.2	15.7			

Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	18-Mar-26	17-Mar-26	11-Mar-26	16-Feb-26	18-Mar-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
UST 2Y	3.77	3.67	3.65	3.41	4.04	10	12	37	(27)	30			
UST 10Y	4.27	4.20	4.23	4.05	4.28	7	4	22	(2)	10			
Germany 2Y	2.44	2.38	2.38	2.04	2.18	6	7	40	27	32			
Germany 10Y	2.94	2.91	2.93	2.75	2.81	3	1	19	13	9			
UK 2Y	4.10	4.04	4.01	3.59	4.20	6	9	51	(10)	36			
UK 10Y	4.74	4.69	4.69	4.40	4.64	4	5	34	10	26			
Japan 2Y	1.26	1.28	1.26	1.27	0.82	(3)	0	(2)	44	8			
Japan 10Y	2.22	2.28	2.17	2.21	1.51	(6)	5	0	71	15			
Australia 2Y	4.51	4.54	4.43	4.22	3.76	(3)	8	28	75	45			
Australia 10Y	4.90	4.94	4.85	4.71	4.40	(4)	5	19	50	16			
China 2Y	1.31	1.34	1.36	1.38	1.56	(2)	(4)	(6)	(24)	(6)			
China 10Y	1.83	1.84	1.82	1.79	1.89	(1)	1	4	(6)	(2)			
Indonesia 2Y	6.18	6.14	5.85	5.08	6.60	4	33	110	(42)	119			
Indonesia 10Y	6.87	6.89	6.71	6.39	7.03	(2)	16	48	(16)	80			
Thailand 2Y	1.20	1.21	1.13	1.18	1.84	(1)	6	2	(65)	8			
Thailand 10Y	2.05	2.09	1.92	1.87	2.13	(4)	13	18	(9)	41			

Key swap rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	18-Mar-26	17-Mar-26	11-Mar-26	16-Feb-26	18-Mar-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
IRS 1-Year	3.35	3.35	3.30	3.25	3.57	0	5	9	(22)	14			
IRS 3-Year	3.40	3.40	3.38	3.31	3.46	(0)	2	9	(6)	13			
IRS 5-Year	3.46	3.48	3.46	3.43	3.49	(2)	(0)	4	(3)	11			
IRS 7-Year	3.56	3.60	3.56	3.54	3.56	(4)	0	3	0	15			
IRS 10-Year	3.71	3.75	3.72	3.68	3.66	(5)	(1)	3	5	15			
IRS 20-Year	4.07	4.08	4.06	4.02	4.01	(1)	1	5	6	19			

Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	18-Mar-26	17-Mar-26	11-Mar-26	16-Feb-26	18-Mar-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
1-Month Klibor	3.00	3.00	3.00	2.98	3.28	0	0	2	(28)	0			
3-Month Klibor	3.31	3.30	3.27	3.23	3.66	1	4	8	(35)	3			
6-Month Klibor	3.33	3.32	3.30	3.27	3.73	1	3	6	(40)	3			

Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	18-Mar-26	17-Mar-26	11-Mar-26	16-Feb-26	18-Mar-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year AAA	3.54	3.53	3.53	3.54	3.81	1	2	1	(27)	4			
3-Year AA	3.69	3.68	3.68	3.69	3.97	1	1	0	(28)	2			
3-Year A	4.47	4.50	4.51	4.46	4.79	(3)	(3)	1	(32)	(7)			
5-Year AAA	3.62	3.61	3.61	3.62	3.88	1	1	(0)	(26)	3			
5-Year AA	3.77	3.77	3.77	3.77	4.05	0	(0)	(0)	(28)	2			
5-Year A	4.62	4.66	4.66	4.61	4.98	(4)	(4)	1	(36)	(8)			
10-Year AAA	3.79	3.79	3.78	3.79	4.01	1	1	0	(22)	2			
10-Year AA	3.94	3.93	3.93	3.94	4.18	0	1	(0)	(25)	1			
10-Year A	5.01	5.05	5.04	4.98	5.37	(4)	(3)	3	(36)	(10)			

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

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