



Fixed Income & FX Research

03 July 2026

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Forex: A softer DXY (-0.5%) was seen after US labour data surprised to the downside, which prompted scaled-back market expectations of Fed rate hikes.

Fixed Income: UST yields recoiled from recent highs following the release of weaker-than-expected NFP data.

Macro

Global: US non-farm payroll additions were far below forecasts at 57k for June (consensus: 110k; May: 129k), while the combined downward revision for April and May was 74k. June's data marked its lowest addition in four months after three months of expectations-beating gains, though it is slightly above the latest 12-month average of 36k. However, the unemployment rate fell to 4.2% amid a 720k exit from the labour force, potentially driven by delayed reactions to the West Asia war, the seasonal (summer) effect, and the current World Cup. Meanwhile, US factory orders fell 1.3% m/m in May (consensus: -1.8%), following an upward revision to April's surge at +5.3% m/m.

Malaysia: With Johor state election campaigns in full swing, the Barisan Nasional-led state government has urged the federal government to immediately release the delayed JS-SEZ master plan. This comes ahead of Pakatan Harapan's launching of its manifesto for the 16th Johor state elections today.

Forex

Global: A softer DXY (-0.5%) was seen after US labour data surprised to the downside, prompting scaled-back market expectations of further Fed rate hikes. Markets now see only a 50/50 chance of a hike by September, down from nearly two-thirds before the data. EUR (+0.5%) rebounded from one-year lows on the softer data, though advances remain limited by earlier weaker-than-expected Eurozone inflation data and dovish ECB remarks. GBP advance (+0.5%) was higher, while AUD (+0.4%) failed to see sizeable more gains – driven by an unexpectedly large AUD\$3.02 billion trade deficit for Australia in May, driven by both four-month low exports and record-high imports. Instead, the JPY rose over 1% intraday before trimming gains, closing 0.9% firmer. Besides the dimmer appeal of carry yen trades amid fading Fed-hike bets, a report also indicates that the MOF will stop signalling intervention plans in advance (unlike before), which may be more effective at catching speculative bets off guard.

Malaysia: MYR (+0.3%) gained on the back of the weaker dollar yesterday, even if markets were cautious ahead of the NFP release.

Fixed Income

Global Bonds: UST yields recoiled from recent highs following the release of weaker-than-expected NFP data. Expectations of a Fed rate hike in July fell as the CME Fedwatch stated the probability is down to 19.8% from 28.9% before the data release. Further gains in the UST were limited as the market closed early at 2pm ET for the 4 July break.

MYR Bonds: Malaysian government bonds underperformed yesterday, coming ahead of caution before the release of US NFP jobs numbers, as well as lukewarm reception at the 10Y MGS reopening auction, where BTC came below 2x (bids at MYR9.3 billion for the MYR5.0 billion sale).

Commodities

Gold (+2.3%) rebounded from an eight-month low, supported by scaled-back expectations of Fed hikes following the weak NFP data. **Oil** prices remain range-bound, with the US and Iran concluding a round of indirect talks without any breakthroughs towards a lasting peace agreement.

FX Daily Rates

Vs. USD	Last Close	Per cent
DXY	100.86	(0.5)
EUR/USD	1.143	0.5
AUD/USD	0.692	0.4
GBP/USD	1.335	0.5
USD/JPY	161.11	(0.9)
USD/MYR	4.081	(0.3)
USD/IDR	17,994	0.3
USD/THB	33.30	(0.3)
USD/SGD	1.293	(0.2)
USD/CNY	6.789	(0.1)

Ringgit Outlook for The Week

	1	2
Resistance	4.181	4.273
Support	3.964	3.839

Major Sovereign Yields (%)

Sov. Yield	Last Close	bps
UST 2Y	4.14	(4)
UST 10Y	4.48	0
Germany 10Y	2.90	3
UK 10Y	4.78	2
Japan 10Y	2.79	7
Australia 10Y	4.82	3
China 10Y	1.75	1

MGS Bond Yields (%)

MGS	Last	bps
3-Year	3.25	(0)
5-Year	3.39	0
7-Year	3.53	(0)
10-Year	3.62	1
15-Year	3.83	(0)
20-Year	3.95	0
30-Year	4.09	0

MYR Swap Rates (%)

Swap / Rates	Last Close	bps
IRS 1-Year	3.45	(1)
IRS 3-Year	3.48	(1)
IRS 5-Year	3.53	0
IRS 7-Year	3.59	(1)
IRS 10-Year	3.72	(1)
3M KLIBOR	3.45	(1)

Key Commodities

Commodities	Last Close	Per cent
Brent (USD/bbl)	71.80	0.3
WTI (USD/bbl)	68.69	0.2
Gold (USD/oz)	4,122	2.3
CPO (RM/tonne)	4,445	(0.9)

Policy Rates

Central Banks	Current	Next
US Fed Funds	3.75	30-Jul
ECB Deposit Rate	2.25	23-Jul
BOE Base Rate	3.75	30-Jul
RBA Cash Rate	4.35	11-Aug
BOJ Cash Rate	1.00	31-Jul
RBNZ Cash Rate	2.25	08-Jul
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		
	2-Jul-26	1-Jul-26	25-Jun-26	2-Jun-26	2-Jul-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
DXY Dollar Index	100.86	101.39	101.43	99.22	96.78	(0.5)	(0.6)	1.7	4.2	2.6			
EUR/USD	1.143	1.138	1.137	1.163	1.180	0.5	0.5	(1.7)	(3.1)	(2.7)			
AUD/USD	0.692	0.689	0.691	0.718	0.658	0.4	0.2	(3.6)	5.1	3.7			
GBP/USD	1.335	1.328	1.319	1.347	1.364	0.5	1.2	(0.9)	(2.1)	(1.0)			
USD/JPY	161.11	162.58	161.79	159.91	143.66	(0.9)	(0.4)	0.8	12.1	2.8			
USD/MYR	4.081	4.094	4.119	3.965	4.226	(0.3)	(0.9)	2.9	(3.4)	0.5			
USD/IDR	17,994	17,948	17,925	17,838	16,242	0.3	0.4	0.9	10.8	7.8			
USD/THB	33.30	33.39	33.35	32.57	32.45	(0.3)	(0.1)	2.3	2.6	5.7			
USD/SGD	1.293	1.296	1.296	1.280	1.273	(0.2)	(0.3)	1.0	1.6	0.6			
USD/CNY	6.789	6.795	6.802	6.762	7.161	(0.1)	(0.2)	0.4	(5.2)	(2.7)			
USD/KRW	1,539	1,551	1,543	1,519	1,356	(0.8)	(0.3)	1.3	13.4	6.9			
USD/INR	95.40	95.25	94.40	95.27	85.71	0.2	1.1	0.1	11.3	6.1			
USD/PHP	61.57	61.62	61.31	61.69	56.38	(0.1)	0.4	(0.2)	9.2	4.7			
USD/TWD	31.93	31.89	31.85	31.46	29.00	0.1	0.3	1.5	10.1	1.6			
USD/HKD	7.843	7.844	7.841	7.837	7.850	(0.0)	0.0	0.1	(0.1)	0.8			
USD/VND	26,291	26,302	26,320	26,331	26,162	(0.0)	(0.1)	(0.2)	0.5	(0.0)			
NZD/USD	0.570	0.567	0.565	0.592	0.609	0.4	0.9	(3.8)	(6.5)	(1.1)			

Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	2-Jul-26	1-Jul-26	25-Jun-26	2-Jun-26	2-Jul-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
EUR/MYR	4.656	4.663	4.679	4.616	4.976	(0.1)	(0.5)	0.9	(6.4)	(2.3)			
GBP/MYR	5.444	5.423	5.431	5.340	5.786	0.4	0.2	1.9	(5.9)	(0.2)			
AUD/MYR	2.817	2.820	2.842	2.847	2.774	(0.1)	(0.9)	(1.1)	1.6	3.8			
JPY/MYR	2.533	2.518	2.545	2.479	2.943	0.6	(0.5)	2.2	(13.9)	(2.3)			
SGD/MYR	3.154	3.157	3.176	3.101	3.318	(0.1)	(0.7)	1.7	(5.0)	(0.1)			
10 CNY/MYR	6.012	6.026	6.057	5.863	5.900	(0.2)	(0.7)	2.6	1.9	3.5			
1 million IDR/MYR	2.268	2.281	2.296	2.222	2.602	(0.6)	(1.2)	2.1	(12.8)	(6.8)			
THB/MYR	12.257	12.272	12.337	12.159	13.057	(0.1)	(0.6)	0.8	(6.1)	(4.5)			
10 HKD/MYR	5.203	5.220	5.252	5.059	5.385	(0.3)	(0.9)	2.8	(3.4)	(0.2)			

Commodities

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	2-Jul-26	1-Jul-26	25-Jun-26	2-Jun-26	2-Jul-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
Brent (USD/barrel)	71.8	71.57	75.26	96	69.11	0.3	(4.6)	(25.2)	3.9	18.0			
WTI (USD/barrel)	68.69	68.58	71.92	93.76	67.45	0.2	(4.5)	(26.7)	1.8	19.6			
Gold (USD/oz)	4,122	4,031	4,027	4,489	3,357	2.3	2.4	(8.2)	22.8	(4.6)			
Malaysia CPO (RM/tonne)	4,445	4,485	4,513	4,470	4,034	(0.9)	(1.5)	(0.6)	10.2	11.2			

Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	2-Jul-26	1-Jul-26	25-Jun-26	2-Jun-26	2-Jul-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.25	3.25	3.25	3.22	3.12	(0)	0	3	13	26			
5-Year	3.39	3.39	3.40	3.40	3.17	0	(1)	(1)	22	13			
7-Year	3.53	3.54	3.55	3.53	3.38	(0)	(1)	1	15	15			
10-Year	3.62	3.61	3.61	3.56	3.50	1	1	5	11	11			
15-Year	3.83	3.83	3.84	3.82	3.68	(0)	(2)	1	15	6			
20-Year	3.95	3.95	3.97	3.96	3.78	0	(2)	(1)	18	11			
30-Year	4.09	4.09	4.11	4.08	4.00	0	(2)	1	9	11			

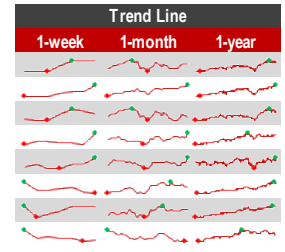
Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	2-Jul-26	1-Jul-26	25-Jun-26	2-Jun-26	2-Jul-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.25	3.25	3.25	3.22	3.16	0	0	3	10	15			
5-Year	3.39	3.39	3.39	3.37	3.27	(0)	(1)	1	12	13			
7-Year	3.54	3.55	3.55	3.56	3.39	(0)	(1)	(1)	16	20			
10-Year	3.62	3.62	3.62	3.61	3.50	0	0	1	12	10			
15-Year	3.89	3.89	3.91	3.88	3.70	0	(2)	1	19	14			
20-Year	3.98	3.98	4.00	3.97	3.76	0	(2)	0	21	11			

Major Equity Indices

	Latest	1-day	1 week	1-Month	1-Year
	2-Jul-26	1-Jul-26	25-Jun-26	2-Jun-26	2-Jul-25
S&P500 Index	7,483	7,483	7,357	7,610	6,227
Dow Jones	52,900	52,305	51,921	51,308	44,484
Nasdaq	25,833	26,040	25,359	27,094	20,393
London FTSE	10,653	10,478	10,530	10,374	8,775
German DAX	25,581	25,040	24,995	25,124	23,790
Nikkei 225	68,733	70,475	72,366	66,734	39,762
Japan TOPIX	4,015	4,012	4,016	3,924	2,826
FBM KLCI	1,662	1,657	1,664	1,683	1,550

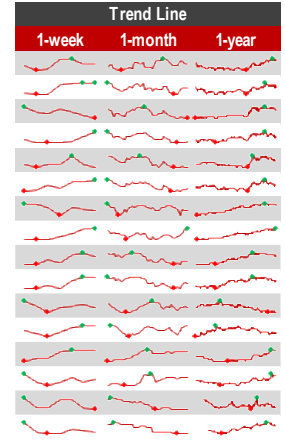
Percentage Change				
1-day	1-week	1-month	1-year	YTD
0.0	1.7	(1.7)	20.2	94.9
1.1	1.9	3.1	18.9	59.6
(0.8)	1.9	(4.7)	26.7	146.8
1.7	1.2	2.7	21.4	43.0
2.2	2.3	1.8	7.5	83.7
(2.5)	(5.0)	3.0	72.9	163.4
0.1	(0.0)	2.3	42.1	112.2
0.3	(0.1)	(1.3)	7.2	11.1



Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year
	2-Jul-26	1-Jul-26	25-Jun-26	2-Jun-26	2-Jul-25
UST 2Y	4.14	4.17	4.12	4.04	3.78
UST 10Y	4.48	4.48	4.39	4.44	4.28
Germany 2Y	2.50	2.51	2.53	2.62	1.86
Germany 10Y	2.90	2.88	2.86	2.98	2.66
UK 2Y	4.12	4.13	4.12	4.31	3.88
UK 10Y	4.78	4.76	4.70	4.86	4.61
Japan 2Y	1.39	1.40	1.42	1.39	0.75
Japan 10Y	2.79	2.71	2.63	2.58	1.43
Australia 2Y	4.48	4.47	4.42	4.57	3.24
Australia 10Y	4.82	4.79	4.73	4.88	4.15
China 2Y	1.26	1.25	1.27	1.23	1.37
China 10Y	1.75	1.74	1.73	1.70	1.64
Indonesia 2Y	7.22	7.23	7.14	6.76	6.01
Indonesia 10Y	7.16	7.17	7.18	6.76	6.62
Thailand 2Y	1.12	1.13	1.13	1.21	1.39
Thailand 10Y	2.03	2.03	2.03	2.23	1.59

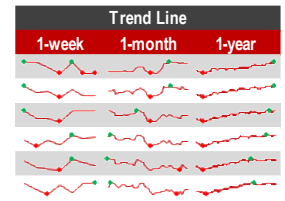
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(4)	1	9	35	66
0	9	4	21	32
(1)	(3)	(12)	64	38
3	5	(7)	24	5
(1)	0	(19)	24	38
2	8	(8)	16	30
(1)	(2)	1	64	22
7	15	21	135	72
1	6	(9)	124	42
3	9	(6)	67	8
1	(1)	3	(11)	(12)
1	2	5	11	(11)
(0)	8	47	121	222
(1)	(2)	40	55	109
(0)	(0)	(9)	(26)	1
(1)	(0)	(20)	43	39



Key swap rates

	Latest	1-day	1 week	1-Month	1-Year
	2-Jul-26	1-Jul-26	25-Jun-26	2-Jun-26	2-Jul-25
IRS 1-Year	3.45	3.46	3.46	3.40	3.24
IRS 3-Year	3.48	3.49	3.50	3.47	3.12
IRS 5-Year	3.53	3.53	3.53	3.53	3.20
IRS 7-Year	3.59	3.60	3.59	3.62	3.28
IRS 10-Year	3.72	3.74	3.73	3.75	3.41
IRS 20-Year	4.06	4.05	4.03	4.08	3.70

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(1)	(1)	5	22	25
(1)	(2)	2	36	22
0	(0)	0	34	18
(1)	0	(3)	31	18
(1)	(0)	(2)	31	17
0	2	(3)	36	18



Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year
	2-Jul-26	1-Jul-26	25-Jun-26	2-Jun-26	2-Jul-25
1-Month Klibor	3.01	3.01	3.01	3.00	3.26
3-Month Klibor	3.45	3.46	3.42	3.35	3.49
6-Month Klibor	3.49	3.49	3.44	3.39	3.53

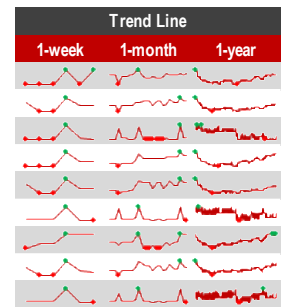
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	0	1	(25)	1
(1)	3	10	(4)	17
0	5	10	(4)	19



Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year
	2-Jul-26	1-Jul-26	25-Jun-26	2-Jun-26	2-Jul-25
3-Year AAA	3.58	3.58	3.58	3.57	3.61
3-Year AA	3.71	3.71	3.71	3.71	3.77
3-Year A	4.45	4.46	4.45	4.45	4.54
5-Year AAA	3.66	3.66	3.66	3.65	3.68
5-Year AA	3.80	3.80	3.80	3.79	3.85
5-Year A	4.62	4.62	4.62	4.62	4.67
10-Year AAA	3.84	3.84	3.83	3.83	3.84
10-Year AA	3.97	3.97	3.97	3.96	4.00
10-Year A	5.01	5.02	5.02	5.02	5.02

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	0	0	(4)	7
0	(0)	1	(5)	5
(0)	0	0	(9)	(9)
0	0	1	(2)	8
0	(0)	1	(5)	4
(0)	(1)	(0)	(6)	(8)
0	1	1	(0)	7
(0)	(0)	1	(3)	4
(0)	(1)	(1)	(0)	(9)



Sources: Bloomberg, AmBank Economics

Note: All values are end-period

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