



Fixed Income & FX Research

14 May 2025

Macro: US annual inflation rate softened to 2.3% in April compared to 2.4% in the previous month.

Forex: The dollar fell hard on the back of the low US inflation data release.

Fixed Income: The local bond market saw profit-taking activity following risk-on sentiment as US-China trade tensions eased.

Macro

US: The US Bureau of Labour Statistics indicated that US consumer prices rose at a pace of 0.2% m/m in April, which is lower than expected. The y/y pace was 2.3% against 2.4% expectations and 2.4% in March. The latest US CPI print lifted some concerns over a tariff-led price surge. The low inflation data may also give reason for the Fed not to consider too long delays in rate cuts, thus supporting bond markets overnight. On the other hand, core prices showed steady pressures, up 0.2% m/m from 0.1% in March, and markets may need to see more coming months' CPI data (considering the rise in tariffs) before pricing in fast Fed rate cuts.

Malaysia: Malaysia's retail sales rose 6.6% y/y in March 2025 from a revised 5.7% in February. The Index of Services moderated to 5.3% in 1Q2025 from 6.1% in 4Q2024.

Forex

Global: The dollar fell hard on the back of the low US inflation data release, and the DXY index backtracked from the prior day's rally, which brought it above the 101 level. The DXY index fell 0.8% to close at the 101 level. GBP and EUR both gained as USD fell. The EUR also lifted from the release of Germany's ZEW Economic Sentiment index, which rose to 25.2 in May vs. expectations of 11.9 per Reuters. CNY was supported yesterday, gaining amid the reprieve of US-China tariffs. The CNY rise also boosted the AUD and NZD.

MYR: Ringgit sentiment was cautious yesterday, and levels were down d/d, possibly in view of GDP data to be released this week and the US inflation figures. We also think the background of volatility in USD contributed to the MYR movement. USD/MYR was up 0.5% to close at 4.322 yesterday.

Fixed Income

Global Bonds: UST yields pared their gains late Tuesday as US inflation data softened to 2.3% (March: 2.4%). However, concerns that inflation may rise in the coming months to take account of higher tariffs raise expectations that the Fed might adopt a cautious approach before resuming its easing cycle. The 10y yield retreated from a five-week high of 4.50%. The UK 10y gilt yield increased to 4.7% despite weaker labour data, as the unemployment rate increased to 4.5%.

MYR Bonds: The local bond market saw profit-taking activity following risk-on sentiment as US-China trade tensions eased. The front end of the yield curve edged up by 1-3 bps, even as the market remained guided by BNM's dovish stance and the recent SRR cut. Meanwhile, we noticed some pickup on select AAA and AA-rated names in the ringgit corporate bond market. Notable traded names include AA1-rated YTL Power 03/36, which fell 12 bps to 3.81% on MYR30 million flows, while AAA-rated Tenaga 03/37 fell 6 bps to 3.79%.

Other Markets

Gold: Gold price was off weekly lows, aided by the release of the US inflation data.

Crude Oil: Oil prices remained supported. Brent was seen near weekly highs, hovering near USD66.6 per barrel, compared with the May low just below the USD60 level, amidst ease in global trade concerns. However, supply hike concerns remain, with OPEC and IEA publishing market reports later this week.

FX Daily Rates

Vs. USD	Last Close	Per cent
DXY	101.00	(0.8)
EUR/USD	1.119	0.9
AUD/USD	0.647	1.6
GBP/USD	1.331	1.0
USD/JPY	147.48	(0.7)
USD/MYR	4.322	0.5
USD/IDR	16,515	0.0
USD/THB	33.22	0.6
USD/SGD	1.301	(0.4)
USD/CNY	7.205	(0.0)

Ringgit Outlook for The Week

	1	2
Resistance	4.360	4.380
Support	4.250	4.200

Major Sovereign Yields (%)

Sov. Yield	Last Close	bps
UST 2Y	4.00	(1)
UST 10Y	4.47	(1)
Germany 10Y	2.68	3
UK 10Y	4.67	3
Japan 10Y	1.44	(1)
Australia 10Y	4.43	7
China 10Y	1.66	(2)

MGS Bond Yields (%)

MGS	Last	bps
3-Year	3.19	4
5-Year	3.30	5
7-Year	3.49	5
10-Year	3.60	5
15-Year	3.75	2
20-Year	3.87	3
30-Year	4.05	2

MYR Swap Rates (%)

Swap / Rates	Last Close	bps
IRS 1-Year	3.38	4
IRS 3-Year	3.20	6
IRS 5-Year	3.26	5
IRS 7-Year	3.33	3
IRS 10-Year	3.49	6
3M KLIBOR	3.60	(1)

Key Commodities

Commodities	Last Close	Per cent
Brent (USD/bbl)	66.63	2.6
WTI (USD/bbl)	63.67	2.8
Gold (USD/oz)	3,250	0.4
CPO (RM/tonne)	3,877	2.1

Policy Rates

Central Banks	Current	Next
US Fed Funds	4.50	18-Jun
ECB Main Refinancing	2.40	05-Jun
BOE Base Rate	4.25	19-Jun
RBA Cash Rate	4.10	20-May
BOJ Cash Rate	0.50	17-Jun
PBOC 1Y LPR	3.10	n.a.
BOK Base Rate	3.00	-
BNM OPR	3.00	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 vs USD

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	13-May-25	12-May-25	6-May-25	13-Apr-25	13-May-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
DXY Dollar Index	101.00	101.79	99.24	100.10	105.22	(0.8)	1.8	0.9	(4.0)	(6.9)			
EUR/USD	1.119	1.109	1.137	1.136	1.079	0.9	(1.6)	(1.5)	3.7	8.0			
AUD/USD	0.647	0.637	0.650	0.629	0.661	1.6	(0.4)	2.9	(2.1)	4.6			
GBP/USD	1.331	1.318	1.337	1.309	1.256	1.0	(0.5)	1.7	5.9	6.3			
USD/JPY	147.48	148.46	142.45	143.54	156.22	(0.7)	3.5	2.7	(5.6)	(6.2)			
USD/MYR	4.322	4.301	4.232	4.425	4.730	0.5	2.1	(2.3)	(8.6)	(3.4)			
USD/IDR	16,515	16,515	16,450	16,795	16,080	0.0	0.4	(1.7)	2.7	2.6			
USD/THB	33.22	33.02	32.66	33.63	36.82	0.6	1.7	(1.2)	(9.8)	(2.6)			
USD/SGD	1.301	1.306	1.288	1.319	1.354	(0.4)	1.0	(1.4)	(3.9)	(4.7)			
USD/CNY	7.205	7.205	7.219	7.292	7.233	(0.01)	(0.2)	(1.2)	(0.4)	(1.3)			
USD/KRW	1,416	1,418	1,401	1,422	1,368	(0.2)	1.0	(0.4)	3.5	(3.8)			
USD/INR	85.35	85.38	84.44	86.05	83.53	(0.0)	1.1	(0.8)	2.2	(0.3)			
USD/PHP	55.80	55.48	55.62	56.98	57.87	0.6	0.3	(2.1)	(3.6)	(3.5)			
USD/TWD	30.45	30.31	30.25	32.68	32.42	0.5	0.6	(6.8)	(6.1)	(7.1)			
USD/HKD	7.797	7.791	7.753	7.755	7.812	0.1	0.6	0.5	(0.2)	0.4			
USD/VND	25,959	25,972	25,970	25,737	25,452	(0.1)	(0.0)	0.9	2.0	1.9			
NZD/USD	0.594	0.586	0.601	0.583	0.602	1.4	(1.2)	1.9	(1.3)	6.1			

Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	13-May-25	12-May-25	6-May-25	13-Apr-25	13-May-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
EUR/MYR	4.800	4.827	4.787	5.035	5.100	(0.6)	0.3	(4.7)	(5.9)	3.0			
GBP/MYR	5.711	5.713	5.636	5.804	5.925	(0.0)	1.3	(1.6)	(3.6)	1.7			
AUD/MYR	2.772	2.757	2.728	2.756	3.126	0.5	1.6	0.6	(11.3)	(0.3)			
JPY/MYR	2.925	2.903	2.972	3.082	3.027	0.7	(1.6)	(5.1)	(3.4)	2.8			
SGD/MYR	3.312	3.313	3.278	3.356	3.494	(0.0)	1.0	(1.3)	(5.2)	0.8			
10CNY/MYR	6.001	5.972	5.863	6.063	6.539	0.5	2.4	(1.0)	(8.2)	(2.0)			
100IDR/MYR	2.600	2.590	2.573	2.634	2.942	0.4	1.0	(1.3)	(11.6)	(6.2)			
THB/MYR	13.013	13.029	12.967	13.192	12.852	(0.1)	0.4	(1.4)	1.3	(0.1)			
10HKD/MYR	5.544	5.519	5.460	5.703	6.054	0.5	1.5	(2.8)	(8.4)	(3.7)			

Commodities

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	13-May-25	12-May-25	6-May-25	13-Apr-25	13-May-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
Brent (USD/barrel)	66.63	64.96	62.15	64.76	83.36	2.6	7.2	2.9	(20.1)	(10.7)			
WTI (USD/barrel)	63.67	61.95	59.09	61.5	79.12	2.8	7.8	3.5	(19.5)	(11.2)			
Gold (USD/oz)	3,250	3,236	3,432	3,238	2,336	0.4	(5.3)	0.4	39.1	23.8			
Malaysia CPO (RM/tonne)	3,877	3,797	3,878	4,498	3,920	2.1	(0.0)	(13.8)	(1.1)	(21.2)			

Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	13-May-25	12-May-25	6-May-25	13-Apr-25	13-May-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.19	3.16	3.26	3.39	3.60	4	(6)	(20)	(41)	(29)			
5-Year	3.30	3.25	3.34	3.52	3.74	5	(4)	(22)	(45)	(33)			
7-Year	3.49	3.44	3.55	3.66	3.85	5	(7)	(17)	(36)	(28)			
10-Year	3.60	3.55	3.66	3.75	3.93	5	(7)	(15)	(33)	(22)			
15-Year	3.75	3.73	3.81	3.88	4.03	2	(6)	(13)	(29)	(22)			
20-Year	3.87	3.84	3.91	3.97	4.16	3	(4)	(10)	(29)	(19)			
30-Year	4.05	4.04	4.08	4.10	4.27	2	(3)	(5)	(21)	(13)			

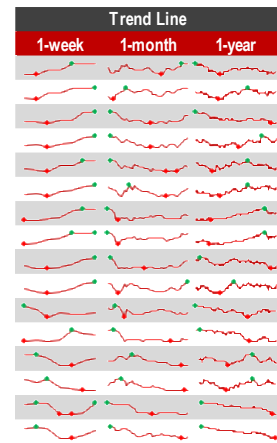
Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	13-May-25	12-May-25	6-May-25	13-Apr-25	13-May-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.22	3.19	3.30	3.47	3.54	3	(8)	(25)	(33)	(21)			
5-Year	3.40	3.37	3.43	3.56	3.72	4	(3)	(16)	(31)	(22)			
7-Year	3.51	3.46	3.54	3.67	3.82	5	(3)	(16)	(32)	(23)			
10-Year	3.60	3.58	3.65	3.73	3.91	2	(5)	(13)	(31)	(23)			
15-Year	3.75	3.73	3.80	3.83	4.03	2	(5)	(9)	(29)	(23)			
20-Year	3.86	3.85	3.91	3.97	4.17	2	(5)	(10)	(31)	(22)			

Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year
	13-May-25	12-May-25	6-May-25	13-Apr-25	13-May-24
UST 2Y	4.00	4.01	3.78	3.96	4.86
UST 10Y	4.47	4.47	4.29	4.49	4.49
Germany 2Y	1.94	1.91	1.74	1.79	2.96
Germany 10Y	2.68	2.65	2.54	2.57	2.51
UK 2Y	3.98	4.00	3.83	4.05	4.33
UK 10Y	4.67	4.64	4.51	4.75	4.17
Japan 2Y	0.72	0.70	0.61	0.61	0.33
Japan 10Y	1.44	1.46	1.26	1.32	0.94
Australia 2Y	3.53	3.44	3.38	3.25	4.02
Australia 10Y	4.43	4.36	4.33	4.40	4.33
China 2Y	1.44	1.44	1.46	1.42	1.84
China 10Y	1.66	1.68	1.63	1.66	2.29
Indonesia 2Y	6.40	6.40	6.41	6.85	7.02
Indonesia 10Y	6.86	6.86	6.88	7.07	6.99
Thailand 2Y	1.55	1.52	1.55	1.56	2.34
Thailand 10Y	1.87	1.84	1.88	1.97	2.76

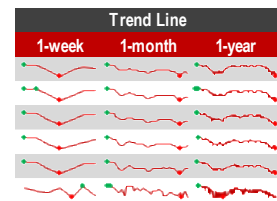
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(1)	22	4	(86)	(24)
(1)	17	(2)	(2)	(10)
2	19	15	(102)	(15)
3	14	11	17	31
(2)	15	(7)	(35)	(41)
3	16	(8)	50	10
2	11	11	39	12
(1)	18	12	51	34
9	15	28	(49)	(33)
7	10	3	10	7
0	(3)	2	(40)	34
(2)	3	0	(63)	(1)
0	(1)	(45)	(62)	(64)
0	(2)	(21)	(13)	(14)
3	0	(1)	(79)	(44)
4	(0)	(10)	(89)	(38)



Key swap rates

	Latest	1-day	1 week	1-Month	1-Year
	13-May-25	12-May-25	6-May-25	13-Apr-25	13-May-24
IRS 1-Year	3.38	3.34	3.39	3.44	3.65
IRS 3-Year	3.20	3.14	3.23	3.29	3.68
IRS 5-Year	3.26	3.21	3.27	3.34	3.76
IRS 7-Year	3.33	3.30	3.37	3.42	3.87
IRS 10-Year	3.49	3.42	3.49	3.52	3.99
IRS 20-Year	3.78	3.65	3.73	3.87	4.33

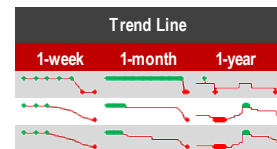
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
4	(1)	(6)	(27)	(19)
6	(2)	(9)	(47)	(30)
5	(1)	(8)	(50)	(29)
3	(4)	(9)	(55)	(31)
6	(1)	(3)	(50)	(24)
13	5	(8)	(55)	(17)



Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year
	13-May-25	12-May-25	6-May-25	13-Apr-25	13-May-24
1-Month Klibor	3.27	3.27	3.28	3.28	3.29
3-Month Klibor	3.60	3.61	3.65	3.65	3.59
6-Month Klibor	3.66	3.67	3.70	3.71	3.64

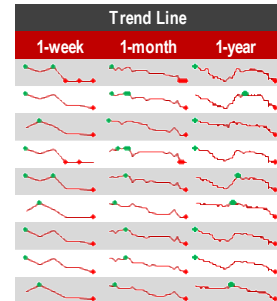
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	(1)	(1)	(2)	(2)
(1)	(5)	(5)	1	(13)
(1)	(4)	(5)	2	(11)



Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year
	13-May-25	12-May-25	6-May-25	13-Apr-25	13-May-24
3-Year AAA	3.73	3.73	3.75	3.77	3.87
3-Year AA	3.86	3.87	3.89	3.91	4.02
3-Year A	4.47	4.48	4.51	4.61	5.05
5-Year AAA	3.80	3.80	3.82	3.82	3.95
5-Year AA	3.93	3.94	3.96	3.98	4.10
5-Year A	4.59	4.60	4.64	4.75	5.29
10-Year AAA	3.93	3.93	3.95	3.97	4.15
10-Year AA	4.07	4.08	4.10	4.14	4.33
10-Year A	4.92	4.94	4.99	5.11	5.83

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	(2)	(4)	(14)	(10)
(1)	(3)	(5)	(16)	(15)
(1)	(4)	(14)	(58)	(39)
0	(2)	(3)	(16)	(13)
(1)	(3)	(5)	(17)	(17)
(1)	(4)	(16)	(70)	(49)
(1)	(3)	(5)	(22)	(14)
(1)	(3)	(7)	(26)	(17)
(2)	(7)	(19)	(91)	(64)



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

AmBank Economics	
Firdaos Rosli	firdaos.rosli@ambankgroup.com
Nik Ahmad Mukharriz Nik Muhammad	nik-ahmad-mukharriz.n@ambankgroup.com
Lee Si Xin	lee.si-xin@ambankgroup.com
Raja Adibah Raja Hasnan	raja-adibah.r@ambankgroup.com
Aman Nazmi Abd Karim	aman-nazmi.abd-karim@ambankgroup.com
Group Treasury & Markets	
Corporate Client Group (CCG)	+603-2059 8700/8600
Institutional Client Group (ICG)	+603-2059 8690
Azli Bin Abdul Jamil	azli-abd-jamil@ambankgroup.com
Jacqueline E. Rodrigues	jacqueline-r@ambankgroup.com
Ho Su Farn	ho-su-farn@ambankgroup.com
Melisa Lim Giok Ling	melisa-lim@ambankgroup.com
Roger Yee Chan Chung	roger-yee@ambankgroup.com
Nadia Binti Hazmi	nadia.hazmi@ambankgroup.com

DISCLOSURE AND DISCLAIMER

This report is prepared for information purposes only, and it is issued by AmBank (M) Berhad ("AmBank") without regard to your individual financial circumstances and objectives. Nothing in this report shall constitute an offer to sell, warranty, representation, recommendation, legal, accounting or tax advice, solicitation, or expression of views to influence anyone to buy or sell any real estate, securities, stocks, foreign exchange, futures, investment, or other products. AmBank recommends that you evaluate a particular investment or strategy based on your individual circumstances and objectives and/or seek financial, legal, or other advice on the appropriateness of the particular investment or strategy.

The information in this report was obtained or derived from sources that AmBank believes are reliable and correct at the time of issue. While all reasonable care has been taken to ensure that the stated facts are accurate and views are fair and reasonable, AmBank has not independently verified the information and does not warrant or represent that they are accurate, adequate, complete, or up-to-date, and they should not be relied upon as such. All information included in this report constitute AmBank's views as of this date and are subject to change without notice. Notwithstanding that, AmBank has no obligation to update its opinion or information in this report. Facts and views presented in this report may not reflect the views of or information known to other business units of AmBank's affiliates and/or related corporations (collectively, "AmBank Group").

This report is prepared for the clients of AmBank Group, and it cannot be altered, copied, reproduced, distributed or republished for any purpose without AmBank's prior written consent. AmBank, AmBank Group and its respective directors, officers, employees, and agents ("Relevant Person") accept no liability whatsoever for any direct, indirect, or consequential losses, loss of profits and/or damages arising from the use or reliance of this report and/or further communications given about this report. Any such responsibility is hereby expressly disclaimed.

AmBank is not acting as your advisor and does not owe you any fiduciary duties related to this report. The Relevant Person may provide services to any company and affiliates of such companies in or related to the securities or products and may trade or otherwise effect transactions for their own account or the accounts of their customers, which may give rise to real or potential conflicts of interest.

This report is not directed to or intended for distribution or publication outside Malaysia. If you are outside Malaysia, you should have regard to the laws of the jurisdiction in which you are located.

If any provision of this disclosure and disclaimer is held invalid in whole or part, such provision will be deemed not to form part of this disclosure and disclaimer. The validity and enforceability of the remainder of this disclosure and disclaimer will not be affected.