AmBank Group

AmBank Economics

Daily Market Snapshot

Fixed Income & FX Research

23 September 2026

Macro: Malaysia to continue development spending this year despite higher subsidy bill; will seek market-funding mechanisms to strengthen R&D ecosystem.

Forex: DXY closed another 0.2% up, while EUR and AUD outperformed major peers amid hawkish outlook. The ringgit joined the Asian FX complex in a slight recovery on Tuesday.

Fixed Income: UST traded in a narrow range, with UST auctions seeing strong demand amid hopes that US-Iran talks may bring a rally soon. MGS also continued strengthening d/d.

Macro

Global: US President Trump and Japanese PM Takaichi indicated cooperation on key issues such as AI, semiconductors, and critical minerals – suggesting a continued strong alliance between the duo ahead of the highly watched Trump-Xi summit later this week.

Malaysia: Economy Minister Nasrullah indicated that the government will maintain development spending next year despite the pressure from higher energy prices on its subsidy bill. He also indicated that the review of the Progressive Wage policy will be completed by end-2026 or early-2027, while emphasising that the focus should be on creating better-paying skilled jobs, raising productivity, and strengthening domestic firms (rather than focusing solely on the headline value of investments). This comes as FM2 Amir Hamzah also said the government will seek more market-driven funding mechanisms and closer industry collaboration to strengthen Malaysia's R&D ecosystem. Meanwhile, the latest World Economic Forum (WEF) update sees Malaysia's growth at 4.7% y/y for 2026.

Forex

Global: DXY closed another 0.2% higher, with most DXY component currencies weakening by up to 0.2% against the USD, as markets continue to reposition towards a more hawkish outlook. Nevertheless, we think momentum may fade in the coming sessions, given tentative signs of peace and peaking energy prices. The JPY (-0.0%) remains broadly stable thus far this week, with no signs of FX intervention by authorities. EUR outperformed relative to GBP peer, after ECB Chief Economist Lane warned that inflation is projected to remain elevated longer than policymakers initially anticipated, with disinflation towards ECB targets only expected from mid-2027. Conversely, the UK's budget office indicated the country borrowed more than forecasts (~10%) for its first five months of the fiscal year, piling pressure on PM Burnham and Chancellor Healey ahead of their budget debut in late-October. AUD (-0.0%) continue to hold resilient, after RBA Assistant Governor Hunter confirmed the need for further rate hikes this year, citing risks of persistent inflation being embedded in firms' price-setting behaviour. Focus turns to Governor Bullock's remarks (and another board member) later today, though swap markets are already pricing in an 85% chance of a hike next week.

Asia: Ringgit closed 0.2% up, in line with a broader rebound for Asian FX post-FOMC meeting, while the CNY (-0.1%) was also seen shedding some of its recent gains. Nevertheless, the slight overnight decline in G10 currencies suggests mild pressure for the Asian complex today. Meanwhile, the IDR (-0.2%) underperformed peers, ahead of Bank Indonesia's monthly policy rate meeting.

Fixed Income

Global Bonds: Treasuries closed in a relatively narrow range from the previous day. The market was positive on Trump's view that a peace deal will be reached after the November midterms and that oil supply in the Middle East has continued to flow. The 2Y UST auction worth USD69 billion met with firm demand at 2.63x BTC against the prior six auction average of 2.61x, and indirect bidders, which include foreign buyers, were just slightly below the 58% average.

MYR Bonds: MYR government bond yields, as well as IRS, notably fell yesterday, driven by positive geopolitical developments and a dip in oil prices. Nevertheless, there was some noted paring of gains around 7Y tenors after the recent new supply announcement. The corporate bond space remained weak, and several papers were repriced aggressively lower in response to the recent considerable rise in government yields.

Commodities

FX Daily Rates

Vs. USD	Last Close	Per cent
DXY	100.60	0.2
EUR/USD	1.145	(0.1)
AUD/USD	0.712	(0.0)
GBP/USD	1.335	(0.2)
USD/JPY	157.39	0.0
USD/MYR	4.072	(0.2)
USD/IDR	17,872	0.2
USD/THB	33.18	(0.3)
USD/SGD	1.275	(0.1)
USD/CNY	6.699	0.1

Ringgit Outlook for The Week

	1	2
Resistance	4.112	4.143
Support	4.037	3.994

Major Sovereign Yields (%)

Sov. Yield	Last Close	bps
UST 2Y	4.75	1
UST 10Y	4.96	1
Germany 10Y	3.46	0
UK 10Y	5.24	3
Japan 10Y	2.99	0
Australia 10Y	5.30	2
China 10Y	1.68	(0)

MGS Bond Yields (%)

MGS	Last	bps
3-Year	3.44	(2)
5-Year	3.73	(4)
7-Year	3.89	(6)
10-Year	3.91	(7)
15-Year	4.12	(2)
20-Year	4.25	(3)
30-Year	4.36	(3)

MYR Swap Rates (%)

Swap / Rates	Last Close	bps
IRS 1-Year	3.67	(5)
IRS 3-Year	3.76	(6)
IRS 5-Year	3.79	(7)
IRS 7-Year	3.85	(7)
IRS 10-Year	3.96	(8)
3M KLIBOR	3.49	1

Key Commodities

Commodities	Last Close	Per cent
Brent (USD/bl)	99.25	(1.1)
WTI (USD/bl)	94.59	(1.2)
Gold (USD/oz)	4,361	0.4
CPO (RM/tonne)	4,639	(1.0)

Policy Rates (%)

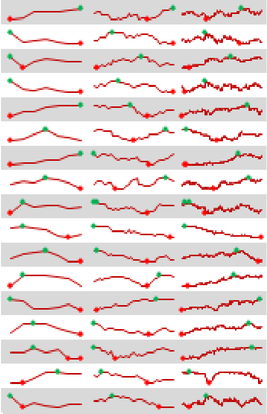
Central Banks	Current	Next
US Fed Funds	4.00	28-Oct
ECB Deposit Rate	2.50	29-Oct
BOE Base Rate	3.75	05-Nov
RBA Cash Rate	4.35	29-Sep
BOJ Cash Rate	1.25	30-Oct
RBNZ Cash Rate	2.75	28-Oct
PBOC 1Y LPR	3.00	-
BNM OPR	2.75	05-Nov

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.

Brent (-1%) fell below USD100/bbl after a fifth consecutive session of decline, after Trump indicated US officials had 'a very good meeting' with Iranian envoys, while indicating a deal with Iran may be reached, ahead of a potential meeting with the Iranian President. Saudi Arabia is also preparing to restart its critical East-West pipeline, with meaningful flows expected from Saturday.

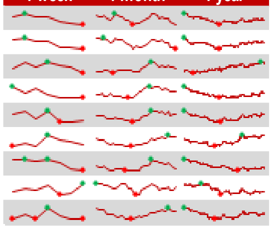
Currencies

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	22-Sep-26	21-Sep-26	15-Sep-26	23-Aug-26	22-Sep-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
DXY Dollar Index	100.60	100.43	99.62	98.80	97.34	0.2	1.0	1.8	3.3	2.3			
EUR/USD	1.145	1.147	1.154	1.168	1.180	(0.1)	(0.8)	(2.0)	(3.0)	(2.5)			
AUD/USD	0.712	0.712	0.713	0.717	0.660	(0.0)	(0.2)	(0.8)	7.8	6.6			
GBP/USD	1.335	1.337	1.348	1.364	1.351	(0.2)	(1.0)	(2.2)	(1.2)	(1.0)			
USD/JPY	157.39	157.36	155.1	158.95	147.72	0.0	1.5	(1.0)	6.5	0.4			
USD/MYR	4.072	4.078	4.087	4.039	4.204	(0.2)	(0.4)	0.8	(3.2)	0.3			
USD/IDR	17,872	17,838	17,691	17,693	16,605	0.2	1.0	1.0	7.6	7.1			
USD/THB	33.18	33.28	33.31	32.68	31.80	(0.3)	(0.4)	1.5	4.3	5.3			
USD/SGD	1.275	1.276	1.273	1.269	1.282	(0.1)	0.2	0.4	(0.5)	(0.8)			
USD/CNY	6.699	6.693	6.712	6.721	7.115	0.1	(0.2)	(0.3)	(5.9)	(4.0)			
USD/KRW	1,356	1,374	1,365	1,387	1,391	(1.3)	(0.6)	(2.2)	(2.5)	(5.8)			
USD/INR	95.60	95.81	95.96	95.71	88.32	(0.2)	(0.4)	(0.1)	8.2	6.4			
USD/PHP	62.72	62.80	62.84	61.66	57.06	(0.1)	(0.2)	1.7	9.9	6.6			
USD/TWD	31.70	31.77	31.88	31.86	30.24	(0.2)	(0.6)	(0.5)	4.8	0.9			
USD/HKD	7.844	7.846	7.845	7.840	7.770	(0.0)	(0.0)	0.0	0.9	0.8			
USD/VND	26,015	26,021	25,988	26,116	26,413	(0.0)	0.1	(0.4)	(1.5)	(1.1)			
NZD/USD	0.573	0.572	0.576	0.598	0.587	0.2	(0.5)	(4.2)	(2.4)	(0.5)			



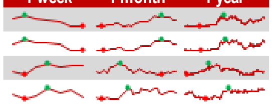
Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	22-Sep-26	21-Sep-26	15-Sep-26	23-Aug-26	22-Sep-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
EUR/MYR	4.673	4.681	4.714	4.725	4.945	(0.2)	(0.9)	(1.1)	(5.5)	(1.9)			
GBP/MYR	5.444	5.458	5.509	5.515	5.676	(0.3)	(1.2)	(1.3)	(4.1)	(0.2)			
AUD/MYR	2.898	2.907	2.913	2.891	2.773	(0.3)	(0.5)	0.3	4.5	6.8			
JPY/MYR	2.589	2.591	2.634	2.541	2.843	(0.1)	(1.7)	1.9	(8.9)	(0.1)			
SGD/MYR	3.197	3.197	3.211	3.183	3.273	0.0	(0.4)	0.5	(2.3)	1.3			
10 CNY/MYR	6.083	6.090	6.087	6.008	5.904	(0.1)	(0.1)	1.2	3.0	4.7			
1 million IDR/MYR	2.279	2.285	2.309	2.283	2.528	(0.3)	(1.3)	(0.2)	(9.8)	(6.4)			
THB/MYR	12.308	12.255	12.276	12.357	13.230	0.4	0.3	(0.4)	(7.0)	(4.1)			
10 HKD/MYR	5.196	5.198	5.209	5.152	5.404	(0.0)	(0.2)	0.9	(3.8)	(0.4)			



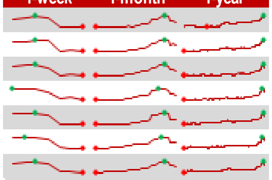
Commodities

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	22-Sep-26	21-Sep-26	15-Sep-26	23-Aug-26	22-Sep-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
Brent (USD/barrel)	99.25	100.34	108.75	94.39	66.57	(1.1)	(8.7)	5.1	49.1	63.1			
WTI (USD/barrel)	94.59	95.78	105.83	87.06	62.64	(1.2)	(10.6)	8.6	51.0	64.7			
Gold (USD/oz)	4,361	4,343	4,292	4,603	3,747	0.4	1.6	(5.3)	16.4	1.0			
Malaysia CPO (RM/tonne)	4,639	4,688	4,597	4,791	4,383	(1.0)	0.9	(3.2)	5.8	16.0			



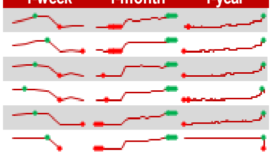
Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	22-Sep-26	21-Sep-26	15-Sep-26	23-Aug-26	22-Sep-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.44	3.46	3.60	3.35	3.06	(2)	(16)	9	39	45			
5-Year	3.73	3.77	3.92	3.57	3.16	(4)	(19)	16	57	47			
7-Year	3.89	3.95	4.17	3.74	3.36	(6)	(28)	16	53	51			
10-Year	3.91	3.98	4.16	3.79	3.43	(7)	(25)	12	48	40			
15-Year	4.12	4.13	4.40	3.99	3.66	(2)	(29)	12	45	35			
20-Year	4.25	4.29	4.48	4.15	3.77	(3)	(23)	11	48	41			
30-Year	4.36	4.39	4.52	4.24	3.88	(3)	(16)	12	47	38			



Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	22-Sep-26	21-Sep-26	15-Sep-26	23-Aug-26	22-Sep-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.50	3.50	3.59	3.36	3.08	(0)	(9)	14	41	40			
5-Year	3.74	3.76	3.85	3.55	3.16	(2)	(11)	19	58	48			
7-Year	3.90	3.96	4.12	3.73	3.29	(6)	(22)	17	62	56			
10-Year	3.95	4.00	4.16	3.79	3.44	(5)	(22)	16	51	42			
15-Year	4.12	4.13	4.36	4.00	3.63	(1)	(24)	12	48	36			
20-Year	4.29	4.30	4.48	4.11	3.77	(1)	(19)	18	51	43			



Major Equity Indices

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	22-Sep-26	21-Sep-26	15-Sep-26	23-Aug-26	22-Sep-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
S&P500 Index	7,765	7,765	7,586	7,674	6,694	(0.0)	2.4	1.2	16.0	102.2			
Dow Jones	51,864	52,049	52,093	53,277	46,382	(0.4)	(0.4)	(2.7)	11.8	56.5			
Nasdaq	27,244	27,122	25,982	26,180	22,789	0.5	4.9	4.1	19.6	160.3			
London FTSE	10,708	10,739	10,658	10,817	9,227	(0.3)	0.5	(1.0)	16.1	43.7			
German DAX	25,579	25,575	25,402	26,137	23,527	0.0	0.7	(2.1)	8.7	83.7			
Nikkei 225	65,019	65,019	63,484	66,016	45,494	0.0	2.4	(1.5)	42.9	149.2			
Japan TOPIX	4,091	4,091	4,037	4,067	3,163	0.0	1.3	0.6	29.3	116.3			
FBM KLCI	1,684	1,667	1,679	1,736	1,603	1.0	0.3	(3.1)	5.0	12.6			

Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	22-Sep-26	21-Sep-26	15-Sep-26	23-Aug-26	22-Sep-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
UST 2Y	4.75	4.75	4.66	4.24	3.60	1	9	52	115	128			
UST 10Y	4.96	4.95	5.00	4.73	4.15	1	(4)	23	81	79			
Germany 2Y	3.23	3.21	3.26	2.85	2.02	1	(3)	38	121	110			
Germany 10Y	3.46	3.46	3.54	3.26	2.75	0	(7)	21	72	61			
UK 2Y	4.78	4.75	4.89	4.36	3.98	3	(11)	42	80	105			
UK 10Y	5.24	5.21	5.39	5.06	4.71	3	(15)	18	53	76			
Japan 2Y	1.86	1.86	1.86	1.68	0.94	0	(0)	18	92	68			
Japan 10Y	2.99	2.99	3.04	2.89	1.65	0	(5)	10	134	92			
Australia 2Y	5.00	4.98	5.05	4.59	3.38	2	(5)	41	162	95			
Australia 10Y	5.30	5.28	5.42	5.06	4.27	2	(12)	24	103	56			
China 2Y	1.26	1.26	1.25	1.24	1.46	1	1	2	(19)	(11)			
China 10Y	1.68	1.68	1.69	1.70	1.79	(0)	(1)	(2)	(12)	(18)			
Indonesia 2Y	6.86	6.81	6.81	6.65	4.94	5	5	21	192	186			
Indonesia 10Y	7.11	7.11	7.18	6.95	6.33	0	(7)	16	78	104			
Thailand 2Y	1.22	1.25	1.26	1.13	1.11	(3)	(4)	10	11	11			
Thailand 10Y	2.19	2.23	2.34	2.10	1.32	(3)	(15)	10	88	56			

Key swap rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	22-Sep-26	21-Sep-26	15-Sep-26	23-Aug-26	22-Sep-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
IRS 1-Year	3.67	3.72	3.73	3.56	3.21	(5)	(6)	11	46	47			
IRS 3-Year	3.76	3.81	3.87	3.63	3.12	(6)	(12)	13	64	49			
IRS 5-Year	3.79	3.85	3.97	3.68	3.19	(7)	(18)	11	59	44			
IRS 7-Year	3.85	3.92	4.04	3.73	3.27	(7)	(19)	12	59	44			
IRS 10-Year	3.96	4.04	4.13	3.86	3.37	(8)	(18)	10	59	40			
IRS 20-Year	4.21	4.29	4.30	4.10	3.69	(9)	(9)	10	52	33			

Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	22-Sep-26	21-Sep-26	15-Sep-26	23-Aug-26	22-Sep-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
1-Month Klibor	3.02	3.02	3.01	3.01	3.00	0	1	1	2	2			
3-Month Klibor	3.49	3.48	3.47	3.46	3.22	1	2	3	27	21			
6-Month Klibor	3.52	3.52	3.51	3.50	3.26	0	1	2	26	22			

Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	22-Sep-26	21-Sep-26	15-Sep-26	23-Aug-26	22-Sep-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year AAA	3.79	3.81	3.76	3.62	3.52	(2)	3	17	28	28			
3-Year AA	3.95	3.97	3.92	3.75	3.67	(1)	4	20	28	28			
3-Year A	4.63	4.67	4.59	4.42	4.51	(4)	4	21	12	9			
5-Year AAA	4.01	4.02	3.96	3.72	3.59	(1)	4	29	41	42			
5-Year AA	4.20	4.20	4.14	3.85	3.76	(0)	6	35	44	44			
5-Year A	4.89	4.93	4.84	4.57	4.65	(4)	5	33	25	20			
10-Year AAA	4.26	4.27	4.24	3.91	3.75	(1)	2	36	52	49			
10-Year AA	4.45	4.46	4.41	4.03	3.91	(0)	4	42	55	53			
10-Year A	5.31	5.36	5.28	4.96	5.01	(5)	3	35	30	20			

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
Michael Yim	yim.soon-kah@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
Muhammad Hafizin Aiman Bin Halim	muhammad-hafizin-aiman.h@ambankgroup.com