



AmBank Group

# AmBank Economics

## Fixed Income & FX Research

## Daily Market Snapshot

21 January 2026

**Macro:** Developments in Davos are the key focus today. Malaysia's trade surplus jumped to MYR19.3 billion in December, while inflation also accelerated slightly to 1.6% y/y.

**Forex:** DXY down sharply on escalating US-EU feud, with CHF, EUR, and gold remaining clear winners. MYR held steady amid USD weakness but risk-off market sentiment.

**Fixed Income:** JGBs sell-off cascaded to UST, though Bunds benefited from US-EU risks. Net selling pressure remained on MGS/GII with heavier flows seen on shorter tenors.

### Macro

**Global:** Treasury Secretary Bessent said Trump's Fed chair pick could come as soon as next week. Governor Stephen Miran's term will end just after the first 2026 FOMC meeting on 28 January, meaning Trump would still have time to select an external candidate to become the next Fed chair by the subsequent FOMC meeting (on 18 March). This comes as current Fed chair Powell plans to attend Governor Lisa Cook's Supreme Court hearing today over her potential dismissal by Trump. Meanwhile, USTR Greer floated more US-China trade talks focused on basic goods and services, noting progress on recent soybean and rare-earth magnet trade.

**Malaysia:** Headline inflation rose to 1.6% y/y in December (November: 1.4%), driven by higher education and household-related costs. However, FY2025 inflation averaged at 1.4% (2024: 1.8%), driven by moderating increases in housing, transport, and health costs. Malaysia's trade surplus also surged to MYR19.3 billion in December (consensus: MYR13.7 billion; November: MYR6.1 billion), as exports surged 10.4% y/y for the month (November: +7.0%) on broad-based growth in both domestic exports and re-exports – primarily to the US. Meanwhile, PM Anwar said the ART agreement with the US is not yet effective, as the country is discussing several clarifications and adjustments to it. Recent announcements, including the latest one, appear to indicate that the government is reviewing its position on ratifying the agreement.

### Forex

**Global:** A sharp 0.8% fall for the DXY as risk sentiment continues to sour. Once again, winners were led by the CHF (+1.0%) and EUR (+0.7%) amid portfolio bond inflows, while the commodity-linked AUD (+0.3%) and CAD (+0.2%) mostly underperformed peers. GBP (+0.1%) lagged peers amid slowing annual ex-bonus wage growth in the UK, suggesting disinflationary pressure and potentially more BOE rate cuts ahead. JPY held unchanged amid significant volatility in JGBs.

**Asia:** MYR closed unchanged, once again underperforming perceived safer regional currencies, including THB, SGD, and CNH. Meanwhile, compared to the rally among G10 peers on USD weaknesses, Asian FX has only fared mixed against the USD.

### Fixed Income

**Global Bonds:** US bonds fell, with yields rising to their highest since August, as the market reacted to the JGB slump and to USD aversion amid Trump's tariff threats against European countries. JGB yields soared after PM Takaichi confirmed snap elections after introducing more debt-increasing fiscal measures. The weak 20Y JGB auction added to negative sentiment yesterday.

**MYR Bonds:** Net selling pressure persisted in the MYR govies segment yesterday, with heavier flows on shorter tenors. Strong Malaysian economic data pressured the front end, as the market considered whether BNM may instead hike rates in the longer term. Meanwhile, risk aversion amid US-Europe geopolitical concerns and Japanese bond market risks further added to MGS+GII losses. Mostly, net selling activity was also seen in the corporate bond market. There was realignment on AAA PLUS maturing <10 years, with PLUS 01/33 leading flows at MYR90 million, ending at 3.70% (unch), and 01/35 at 3.74% (+1 bps).

### Commodities

The fast-escalating US-EU standoff and sharp volatility in JGBs further drove safe-haven flows into precious metals. **Gold (+2.0%)** touched yet another record high, with all eyes set on events by US/EU officials in Davos today on whether gold's sharp rally has further momentum.

### FX Daily Rates

Vs. USD	Last Close	Per cent
DXY	98.64	(0.8)
EUR/USD	1.173	0.7
AUD/USD	0.674	0.3
GBP/USD	1.344	0.1
USD/JPY	158.15	0.0
USD/MYR	4.055	0.0
USD/IDR	16,950	0.0
USD/THB	31.08	(0.6)
USD/SGD	1.284	(0.1)
USD/CNY	6.956	(0.0)

### Ringgit Outlook for The Week

	1	2
Resistance	4.098	4.144
Support	4.027	4.001

### Major Sovereign Yields (%)

Sov. Yield	Last Close	bps
UST 2Y	3.60	1
UST 10Y	4.29	7
Germany 10Y	2.86	2
UK 10Y	4.46	4
Japan 10Y	2.36	9
Australia 10Y	4.78	4
China 10Y	1.84	0

### MGS Bond Yields (%)

MGS	Last	bps
3-Year	3.05	2
5-Year	3.31	2
7-Year	3.47	1
10-Year	3.57	2
15-Year	3.81	3
20-Year	3.92	2
30-Year	4.01	1

### MYR Swap Rates (%)

Swap / Rates	Last Close	bps
IRS 1-Year	3.29	0
IRS 3-Year	3.41	1
IRS 5-Year	3.49	1
IRS 7-Year	3.58	1
IRS 10-Year	3.71	0
3M KLIBOR	3.24	0

### Key Commodities

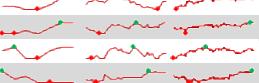
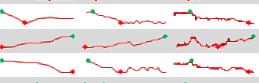
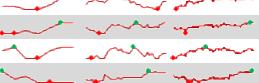
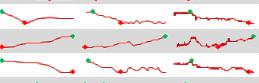
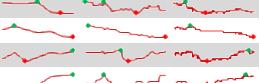
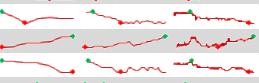
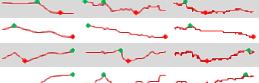
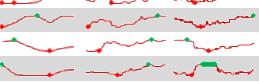
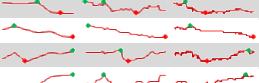
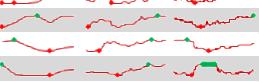
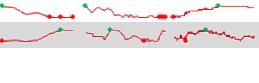
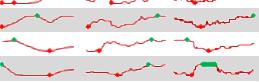
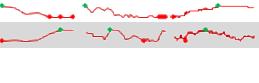
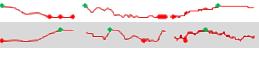
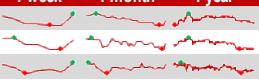
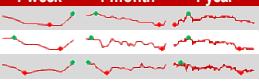
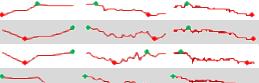
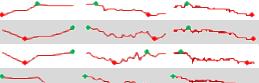
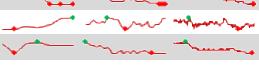
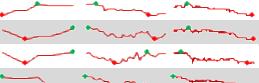
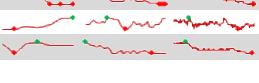
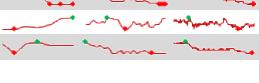
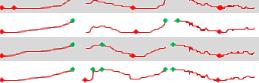
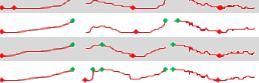
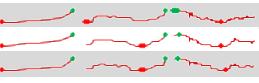
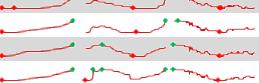
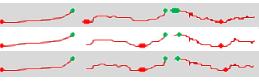
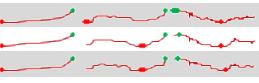
Commodities	Last Close	Per cent
Brent (USD/bl)	64.92	1.5
WTI (USD/bl)	60.34	1.5
Gold (USD/oz)	4,763	2.0
CPO (RM/tonne)	4,066	0.8

### Policy Rates

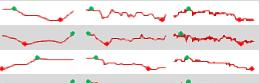
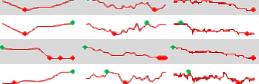
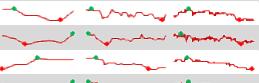
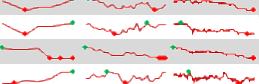
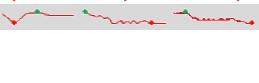
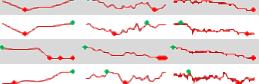
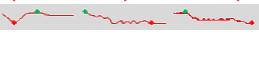
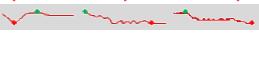
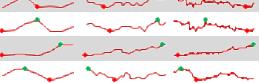
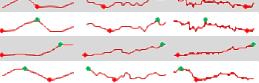
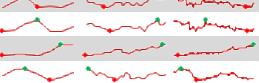
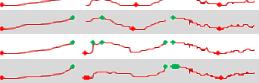
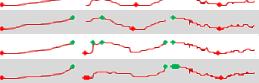
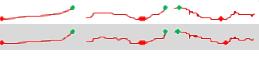
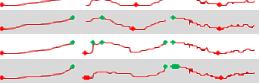
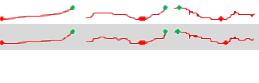
Central Banks	Current	Next
US Fed Funds	3.75	28-Jan
ECB Deposit Rate	2.00	05-Feb
BOE Base Rate	3.75	05-Feb
RBA Cash Rate	3.60	03-Feb
BOJ Cash Rate	0.75	23-Jan
RBNZ Cash Rate	3.00	18-Feb
PBOC 1Y LPR	3.00	-
BNM OPR	2.75	22-Jan

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.

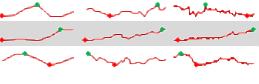
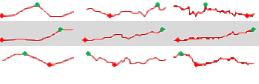
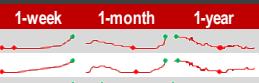
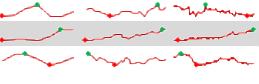
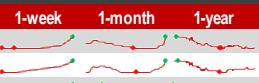
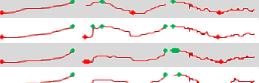
## Currencies

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	20-Jan-26	19-Jan-26	13-Jan-26	21-Dec-25	20-Jan-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
DXY Dollar Index	98.64	99.39	99.13	98.60	109.35	(0.8)	(0.5)	0.0	(9.8)	0.3			
EUR/USD	1.173	1.165	1.164	1.171	1.042	0.7	0.7	0.1	12.6	(0.2)			
AUD/USD	0.674	0.671	0.668	0.661	0.628	0.3	0.8	1.9	7.4	1.0			
GBP/USD	1.344	1.343	1.342	1.338	1.233	0.1	0.1	0.4	9.0	(0.3)			
USD/JPY	158.15	158.11	159.14	157.75	155.62	0.0	(0.6)	0.3	1.6	0.9			
USD/MYR	4.055	4.055	4.058	4.076	4.493	0.0	(0.1)	(0.5)	(9.7)	(0.1)			
USD/IDR	16,950	16,942	16,865	16,745	16,360	0.0	0.5	1.2	3.6	1.6			
USD/THB	31.08	31.26	31.47	31.46	34.30	(0.6)	(1.3)	(1.2)	(9.4)	(1.4)			
USD/SGD	1.284	1.285	1.289	1.293	1.356	(0.1)	(0.4)	(0.7)	(5.3)	(0.1)			
USD/CNY	6.956	6.957	6.974	7.034	7.263	(0.0)	(0.3)	(1.1)	(4.2)	(0.3)			
USD/KRW	1.478	1.473	1.476	1.478	1.440	0.3	0.1	(0.0)	2.6	2.6			
USD/INR	90.98	90.92	90.19	89.65	86.57	0.1	0.9	1.5	5.1	1.2			
USD/PHP	59.46	59.45	59.35	58.73	58.52	0.0	0.2	1.2	1.6	1.1			
USD/TWD	31.60	31.59	31.65	31.54	32.80	0.0	(0.2)	0.2	(3.7)	0.6			
USD/HKD	7.799	7.797	7.801	7.781	7.780	0.0	(0.0)	0.2	0.2	0.2			
USD/VND	26,265	26,265	26,281	26,315	25,321	0.0	(0.1)	(0.2)	3.7	(0.1)			
NZD/USD	0.583	0.580	0.574	0.576	0.567	0.6	1.6	1.3	2.8	1.3			

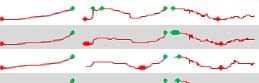
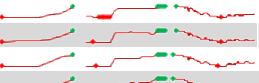
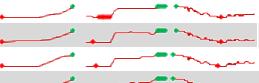
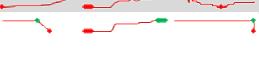
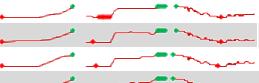
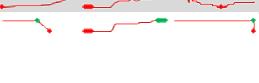
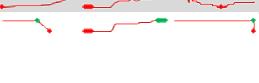
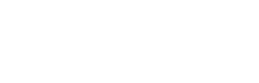
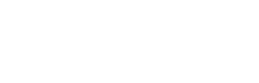
## Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	20-Jan-26	19-Jan-26	13-Jan-26	21-Dec-25	20-Jan-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
EUR/MYR	4.756	4.713	4.736	4.774	4.631	0.9	0.4	(0.4)	2.7	(0.2)			
GBP/MYR	5.465	5.436	5.470	5.455	5.472	0.5	(0.1)	0.2	(0.1)	0.2			
AUD/MYR	2.728	2.715	2.721	2.694	2.786	0.5	0.3	1.3	(2.1)	0.5			
JPY/MYR	2.564	2.564	2.549	2.584	2.887	0.0	0.6	(0.8)	(11.2)	(1.0)			
SGD/MYR	3.162	3.154	3.153	3.154	3.291	0.3	0.3	0.3	(3.9)	0.2			
10 CNY/MYR	5.828	5.823	5.817	5.789	6.180	0.1	0.2	0.7	(5.7)	0.3			
1 million IDR/MYR	2.392	2.392	2.404	2.434	2.746	0.0	(0.5)	(1.7)	(12.9)	(1.7)			
THB/MYR	13.057	12.969	12.897	12.956	13.156	0.7	1.2	0.8	(0.8)	1.7			
10 HKD/MYR	5.200	5.200	5.201	5.239	5.775	0.0	(0.0)	(0.7)	(10.0)	(0.3)			

## Commodities

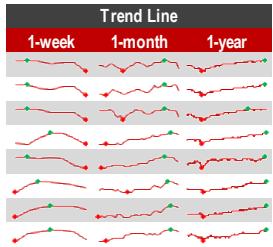
	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	20-Jan-26	19-Jan-26	13-Jan-26	21-Dec-25	20-Jan-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
Brent (USD/barrel)	64.92	63.94	65.47	60.47	80.15	1.5	(0.8)	7.4	(19.0)	6.7			
WTI (USD/barrel)	60.34	59.44	61.15	56.66	77.88	1.5	(1.3)	6.5	(22.5)	5.1			
Gold (USD/oz)	4,763	4,671	4,587	4,339	2,708	2.0	3.9	9.8	75.9	10.3			
Malaysia CPO (RM/tonne)	4,066	4,032	3,965	3,892	4,470	0.8	2.5	4.5	(9.0)	1.7			

## Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	20-Jan-26	19-Jan-26	13-Jan-26	21-Dec-25	20-Jan-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.05	3.03	3.00	3.02	3.45	2	6	3	(40)	5			
5-Year	3.31	3.29	3.27	3.27	3.62	2	5	5	(31)	6			
7-Year	3.47	3.46	3.43	3.43	3.79	1	4	4	(32)	9			
10-Year	3.57	3.56	3.53	3.55	3.82	2	4	2	(25)	7			
15-Year	3.81	3.79	3.77	3.77	3.97	3	5	4	(16)	5			
20-Year	3.92	3.90	3.86	3.87	4.06	2	5	5	(14)	7			
30-Year	4.01	4.00	3.99	3.99	4.18	1	2	1	(17)	3			

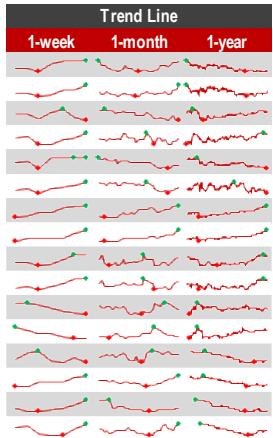
## Major Equity Indices

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change				
	20-Jan-26	19-Jan-26	13-Jan-26	21-Dec-25	20-Jan-25	1-day	1-week	1-month	1-year	YTD
S&P500 Index	6,797	6,940	6,964	6,835	5,997	(2.1)	(2.4)	(0.6)	13.3	77.0
Dow Jones	48,489	49,359	49,192	48,135	43,488	(1.8)	(1.4)	0.7	11.5	46.3
Nasdaq	22,954	23,515	23,710	23,308	19,630	(2.4)	(3.2)	(1.5)	16.9	119.3
London FTSE	10,127	10,195	10,137	9,897	8,521	(0.7)	(0.1)	2.3	18.9	35.9
German DAX	24,703	24,959	25,421	24,288	20,990	(1.0)	(2.8)	1.7	17.7	77.4
Nikkei 225	52,991	53,584	53,549	49,507	38,903	(1.1)	(1.0)	7.0	36.2	103.1
Japan TOPIX	3,626	3,656	3,599	3,384	2,711	(0.8)	0.7	7.2	33.7	91.7
FBM KLCI	1,699	1,712	1,708	1,666	1,572	(0.8)	(0.5)	2.0	8.1	13.6



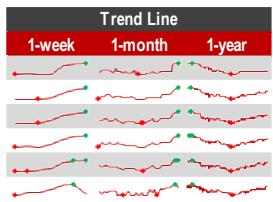
## Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change				
	20-Jan-26	19-Jan-26	13-Jan-26	21-Dec-25	20-Jan-25	1-day	1-week	1-month	1-year	YTD
UST 2Y	3.60	3.59	3.53	3.48	4.28	1	6	11	(69)	12
UST 10Y	4.29	4.22	4.18	4.15	4.63	7	11	15	(33)	13
Germany 2Y	2.07	2.08	2.09	2.15	2.22	(1)	(2)	(9)	(15)	(5)
Germany 10Y	2.86	2.84	2.85	2.90	2.53	2	1	(4)	33	0
UK 2Y	3.68	3.68	3.66	3.75	4.38	0	2	(8)	(70)	(6)
UK 10Y	4.46	4.42	4.40	4.52	4.66	4	6	(7)	(20)	(2)
Japan 2Y	1.22	1.22	1.17	1.10	0.68	0	5	13	54	4
Japan 10Y	2.36	2.27	2.17	2.02	1.20	9	19	34	116	29
Australia 2Y	4.10	4.06	4.04	4.03	3.90	4	7	7	20	5
Australia 10Y	4.78	4.74	4.71	4.75	4.48	4	7	3	30	4
China 2Y	1.40	1.40	1.44	1.40	1.28	(1)	(5)	(1)	12	2
China 10Y	1.84	1.84	1.86	1.83	1.68	0	(1)	1	16	(1)
Indonesia 2Y	5.10	5.11	5.13	5.10	6.94	(2)	(4)	(0)	(185)	10
Indonesia 10Y	6.32	6.30	6.20	6.15	7.16	3	12	17	(84)	25
Thailand 2Y	1.19	1.18	1.16	1.18	2.06	2	4	2	(86)	7
Thailand 10Y	1.80	1.76	1.78	1.68	2.40	4	2	13	(59)	16



## Key swap rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change				
	20-Jan-26	19-Jan-26	13-Jan-26	21-Dec-25	20-Jan-25	1-day	1-week	1-month	1-year	YTD
IRS 1-Year	3.29	3.29	3.23	3.22	3.59	0	6	7	(30)	8
IRS 3-Year	3.41	3.39	3.33	3.30	3.53	1	8	11	(12)	14
IRS 5-Year	3.49	3.48	3.41	3.37	3.58	1	8	12	(9)	14
IRS 7-Year	3.58	3.57	3.49	3.46	3.66	1	9	12	(8)	17
IRS 10-Year	3.71	3.71	3.63	3.60	3.76	0	8	11	(5)	15
IRS 20-Year	3.95	4.02	3.96	3.86	3.97	(6)	(1)	9	(2)	7



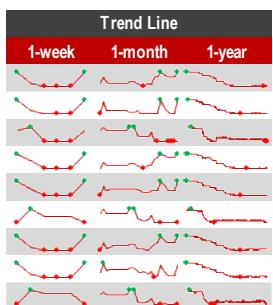
## Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change				
	20-Jan-26	19-Jan-26	13-Jan-26	21-Dec-25	20-Jan-25	1-day	1-week	1-month	1-year	YTD
1-Month Klibor	2.98	2.98	2.99	3.00	3.28	0	(1)	(2)	(30)	(2)
3-Month Klibor	3.24	3.24	3.25	3.26	3.68	0	(1)	(2)	(44)	(4)
6-Month Klibor	3.28	3.28	3.30	3.29	3.73	0	(2)	(1)	(45)	(2)



## Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change				
	20-Jan-26	19-Jan-26	13-Jan-26	21-Dec-25	20-Jan-25	1-day	1-week	1-month	1-year	YTD
3-Year AAA	3.53	3.52	3.53	3.52	3.84	1	0	1	(31)	2
3-Year AA	3.68	3.67	3.68	3.68	4.02	1	0	0	(34)	1
3-Year A	4.45	4.45	4.45	4.54	4.83	0	0	(9)	(38)	(9)
5-Year AAA	3.61	3.60	3.61	3.59	3.92	1	0	2	(31)	2
5-Year AA	3.76	3.75	3.76	3.76	4.10	1	0	1	(33)	1
5-Year A	4.59	4.59	4.59	4.69	5.04	(0)	0	(10)	(45)	(11)
10-Year AAA	3.79	3.78	3.79	3.77	4.07	1	0	1	(28)	2
10-Year AA	3.93	3.92	3.93	3.93	4.24	1	0	(0)	(31)	0
10-Year A	4.96	4.97	4.96	5.09	5.47	(1)	0	(13)	(50)	(15)



Sources: Bloomberg, AmBank Economics

Note: All values are end-period

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