



Fixed Income & FX Research

31 December 2024

Snapshot Summary...

Global FX: Dollar nears two-year high amid expectations of fewer Fed rate cuts**Global Rates:** UST market flattens amid gains on bellies and long curve**MYR Bonds:** Year-end lull in the local govies market with notable profit taking activities**USD/MYR:** Ringgit gained amidst subdued sentiment

Macro News

US: The Dallas Fed's Texas manufacturing activity index climbed six points to 3.4 in December, marking its first positive reading since April 2022.

Fixed Income

Global Bonds: The US Treasuries market received bids yesterday, which we think was mainly due to flows from the profit taking activity in the US stock market. We noted the UST market flattened amid gains on the bellies and long part of the curve, which was partly due to players taking advantage of the steep curve after the recent sell-down.**MYR Government Bonds:** The onshore government bond market saw more muted trading amid the year-end period. However, we noticed some profit taking activities possibly due to portfolio rebalancing.**MYR Corporate Bonds:** The ringgit corporate bond market saw a pickup in trading interest yesterday which we think owed to some year-end rebalancing of portfolios, similar to the govies segment. Notable trades include AAA rated PLUS 01/32 which rose 3 bps to end at 3.96%, and AAA Tenaga 11/41 on the longer part of the curve which fell 2 bps to close at 4.10%.

Forex

US: The dollar was stable near a two-year high on expectations of fewer Fed rate cuts and prospects of inflation staying above target given Trump policies. The DXY is on its way to mark 6.7% annual rise for 2024.**Europe:** For the whole 2024, the euro is set for a 5.7% annual drop against the dollar, pressured by aggressive ECB rate cuts and expectations of more to come. Potential vulnerabilities against Trump's promised tariff also added another predicament for the common currency. Meanwhile, sterling was down 1.4% this year, remains under pressure from similar dynamics.**Asia Pacific:** The yen firmed 0.7% on Monday but for overall 2024, it fell 11.2% against the strong dollar. The yen's current level is almost the same when the BoJ intervened in the market back in July, prompting cautious mode amongst traders for intervention risks. On a similar note, last Friday, Japan's Finance Minister Katsunobu Kato reiterated concerns over the yen's weakness, warning of potential government intervention against excessive currency volatility. The USD/CNY pair grinded higher as markets continue to bet against the yuan amidst unfavourable macro and sentiment backdrop for the

FX Daily Rates

Vs. USD	Last Close	Per cent
DXY	108.13	0.1
EUR/USD	1.041	(0.2)
AUD/USD	0.622	0.1
GBP/USD	1.255	(0.2)
USD/JPY	156.84	(0.7)
USD/MYR	4.467	(0.1)
USD/IDR	16,135	(0.6)
USD/THB	34.10	(0.0)
USD/SGD	1.360	0.1
USD/CNY	7.299	0.0
USD/KRW	1,472	0.1
USD/INR	85.54	(0.0)
USD/PHP	57.84	0.0
USD/TWD	32.73	(0.0)
USD/HKD	7.766	0.0
USD/VND	25,483	0.1
NZD/USD	0.564	0.1

MYR Cross Rates

MYR Cross	Last Close	Per cent
EUR/MYR	4.661	0.1
GBP/MYR	5.618	0.4
AUD/MYR	2.780	0.1
JPY/MYR	2.848	0.4
SGD/MYR	3.291	0.1
10CNY/MYR	6.120	(0.1)
100IDR/MYR	2.767	0.5
THB/MYR	13.039	(0.9)
10HKD/MYR	5.755	(0.1)
100INR/MYR	5.220	0.0

MGS Bond Yields (%)

MGS	Maturity	Last	bps
3-Year	05/27	3.49	(0)
5-Year	08/29	3.64	0
7-Year	04/31	3.77	0
10-Year	07/34	3.81	(1)
15-Year	04/39	3.98	(0)
20-Year	05/44	4.06	(0)
30-Year	03/53	4.18	(0)

MYR Swap Rates (%)

Swap / Rates	Last Close	bps
IRS 1-Year	3.58	1
IRS 3-Year	3.50	(0)
IRS 5-Year	3.57	(0)
IRS 7-Year	3.63	(2)
IRS 10-Year	3.74	(2)
3-M KLIBOR	3.73	0

Major Sovereign Yields (%)

Sov. Yield	Last Close	bps
UST 2Y	4.24	(8)
UST 10Y	4.53	(9)
Germany 10Y	2.37	(3)
UK 10Y	4.61	(2)
Japan 10Y	1.10	(2)
Australia 10Y	4.46	8
China 10Y	1.71	1
Korea 10Y	2.87	(1)
Indonesia 10Y	7.02	(2)
Thailand 10Y	2.25	2
Malaysia 10Y	3.81	(1)

currency. The official PMI data, which are expected to be released today, could become an early sign on how China's economy has fared during the last month of 2024. For the full year, the CNY fell 2.8% vs. the dollar.

Malaysia: While some Asian currencies were subdued, ringgit managed to hold its firm and posted 0.1% gains on Monday, to complete a surprisingly decent year with 2.8% gains for 2024, the only currency managed to do so against firm dollar.

Other Markets

Gold: Gold dipped 0.6%, though already posting above 25% YTD rally, attributed by heightened geopolitical tensions and global central banks embarking on an easing path that supported demand for safe haven assets.

Oil: Oil prices strengthened further on the back of tight supply in the US and also we think was due to traders expecting some better economic numbers especially out of China and the US in the coming few days. These include PMI and ISM survey data.

Weekly Indicative PDS Yields (%)

PDS Indicative	Last Close	bps
3-Year AAA	3.83	0
3-Year AA	4.04	0
3-Year A	4.88	0
5-Year AAA	3.93	0
5-Year AA	4.11	0
5-Year A	5.12	0
10-Year AAA	4.09	0
10-Year AA	4.26	0
10-Year A	5.60	0

Key Commodities

Commodities	Last Close	Per cent
Brent (USD/bl)	74.39	0.3
WTI (USD/bl)	70.99	0.6
Gold (USD/oz)	2,607	(0.6)
CPO (RM/tonne)	4,999	0.3

Equity Indices

Equity	Last Close	Per cent
S&P500 Index	5,907	(1.1)
Dow Jones	42,574	(1.0)
Nasdaq	19,487	(1.2)
London FTSE	8,121	(0.4)
German DAX	19,909	(0.4)
Nikkei 225	39,895	(1.0)
Japan TOPIX	2,785	(0.6)
FBM KLCI	1,638	0.6
Strait Times	3,796	0.6
Jakarta	7,080	0.6
Shanghai	3,407	0.2
MSCI Asia Pac	182	(0.4)
MSCI World	3,719	(1.0)
Hang Seng	20,041	(0.2)
KOSPI	2,399	(0.2)
Thai Stock Exc	1,400	(0.1)
Taiwan	23,190	(0.4)
India	78,248	(0.6)
Australia	8,235	(0.3)

Policy Rates

Central Banks	Current	Next
US Fed Funds	4.50	30-Jan
ECB Main Refinancing	3.15	30-Jan
BoE Base Rate	4.75	06-Feb
RBA Cash Rate	4.35	18-Feb
BoJ Cash Rate	0.25	24-Jan
PBoC 1Y LPR	3.10	n.a.
BoK Base Rate	3.00	-
BNM OPR	3.00	22-Jan

Ringgit Outlook for The Week

	1	2
Resistance	4.540	4.550
Support	4.430	4.450

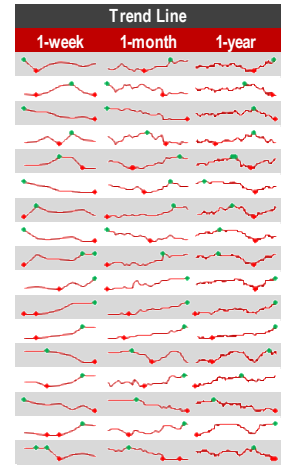
Sources: Bloomberg, Trading Economics, AmBank Economics

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
	30-Dec-24	27-Dec-24	23-Dec-24	30-Nov-24	31-Dec-23
DXY Dollar Index	108.13	108.00	108.04	105.74	101.33
EUR/USD	1.041	1.043	1.041	1.058	1.104
AUD/USD	0.622	0.622	0.625	0.651	0.681
GBP/USD	1.255	1.258	1.254	1.274	1.273
USD/JPY	156.84	157.87	157.17	149.77	141.04
USD/MYR	4.467	4.471	4.490	4.448	4.594
USD/IDR	16,135	16,235	16,175	15,845	15,397
USD/THB	34.10	34.11	34.21	34.30	34.14
USD/SGD	1.360	1.359	1.357	1.340	1.320
USD/CNY	7.299	7.296	7.296	7.247	7.100
USD/KRW	1,472	1,471	1,452	1,397	1,288
USD/INR	85.54	85.54	85.12	84.49	83.21
USD/PHP	57.84	57.84	58.46	58.64	55.39
USD/TWD	32.73	32.73	32.70	32.47	30.71
USD/HKD	7.766	7.763	7.770	7.782	7.812
USD/VND	25,483	25,452	25,450	25,346	24,269
NZD/USD	0.564	0.564	0.565	0.592	0.632

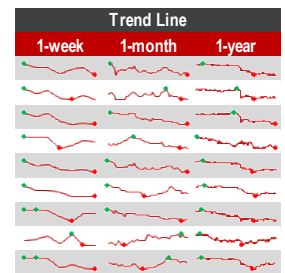
Percentage Change				
1-day	1-week	1-month	1-year	YTD
0.1	0.1	2.3	6.7	6.7
(0.2)	0.0	(1.6)	(5.7)	(5.7)
0.1	(0.4)	(4.5)	(8.7)	(8.7)
(0.2)	0.1	(1.5)	(1.4)	(1.4)
(0.7)	(0.2)	4.7	11.2	11.2
(0.1)	(0.5)	0.4	(2.8)	(2.8)
(0.6)	(0.2)	1.8	4.8	4.8
(0.0)	(0.3)	(0.6)	(0.1)	(0.1)
0.1	0.2	1.5	3.0	3.0
0.04	0.0	0.7	2.8	2.8
0.1	1.4	5.3	14.3	14.3
(0.0)	0.5	1.2	2.8	2.8
0.0	(1.0)	(1.4)	4.4	4.4
(0.0)	0.1	0.8	6.6	6.6
0.0	(0.0)	(0.2)	(0.6)	(0.6)
0.1	0.1	0.5	5.0	5.0
0.1	(0.2)	(4.7)	(10.7)	(10.7)



Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year
	30-Dec-24	27-Dec-24	23-Dec-24	30-Nov-24	31-Dec-23
EUR/MYR	4.661	4.658	4.673	4.694	5.076
GBP/MYR	5.618	5.593	5.644	5.645	5.837
AUD/MYR	2.780	2.776	2.810	2.895	3.126
JPY/MYR	2.848	2.837	2.857	2.969	3.255
SGD/MYR	3.291	3.287	3.312	3.318	3.478
10CNY/MYR	6.120	6.126	6.154	6.138	6.461
100IDR/MYR	2.767	2.754	2.772	2.805	2.984
THB/MYR	13.039	13.160	13.110	12.988	13.399
10HKD/MYR	5.755	5.761	5.778	5.712	5.881

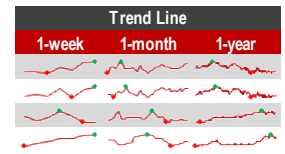
Percentage Change				
1-day	1-week	1-month	1-year	YTD
0.1	(0.2)	(0.7)	(8.2)	(8.2)
0.4	(0.5)	(0.5)	(3.8)	(3.8)
0.1	(1.1)	(4.0)	(11.1)	(11.1)
0.4	(0.3)	(4.1)	(12.5)	(12.5)
0.1	(0.7)	(0.8)	(5.4)	(5.4)
(0.1)	(0.5)	(0.3)	(5.3)	(5.3)
0.5	(0.2)	(1.4)	(7.3)	(7.3)
(0.9)	(0.5)	0.4	(2.7)	(2.7)
(0.1)	(0.4)	0.8	(2.1)	(2.1)



Commodities

	Latest	1-day	1 week	1-Month	1-Year
	30-Dec-24	27-Dec-24	23-Dec-24	30-Nov-24	31-Dec-23
Brent (USD/barrel)	74.39	74.17	72.63	72.94	77.04
WTI (USD/barrel)	70.99	70.6	69.81	68.72	71.65
Gold (USD/oz)	2,607	2,621	2,613	2,643	2,063
Malaysia CPO (RM/tonne)	4,999	4,983	4,853	5,200	3,717

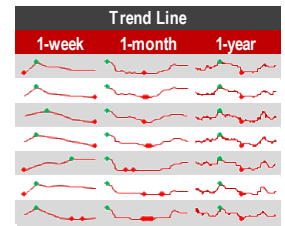
Percentage Change				
1-day	1-week	1-month	1-year	YTD
0.3	2.4	2.0	(3.4)	(3.4)
0.6	1.7	3.3	(0.9)	(0.9)
(0.6)	(0.2)	(1.4)	26.3	26.3
0.3	3.0	(3.9)	34.5	34.5



Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year
	30-Dec-24	27-Dec-24	23-Dec-24	30-Nov-24	31-Dec-23
3-Year	3.49	3.50	3.49	3.46	3.46
5-Year	3.64	3.64	3.64	3.59	3.57
7-Year	3.77	3.77	3.78	3.76	3.72
10-Year	3.81	3.82	3.84	3.81	3.73
15-Year	3.98	3.98	3.98	3.94	3.98
20-Year	4.06	4.07	4.06	4.05	4.10
30-Year	4.18	4.19	4.18	4.18	4.24

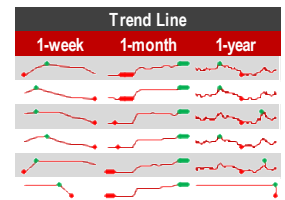
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(0)	0	3	3	3
0	(1)	5	6	6
0	(1)	2	6	6
(1)	(3)	0	8	8
(0)	(0)	4	(0)	(0)
(0)	(0)	1	(4)	(4)
(0)	(0)	1	(6)	(6)



Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year
	30-Dec-24	27-Dec-24	23-Dec-24	30-Nov-24	31-Dec-23
3-Year	3.43	3.44	3.44	3.40	3.50
5-Year	3.63	3.64	3.66	3.61	3.60
7-Year	3.76	3.77	3.79	3.77	3.76
10-Year	3.83	3.84	3.86	3.81	3.78
15-Year	3.98	3.98	3.98	3.96	3.95
20-Year	4.09	4.09	4.10	4.09	4.12

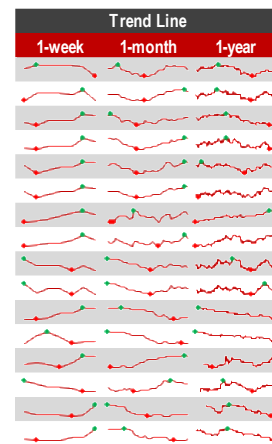
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(1)	(1)	3	(6)	(6)
(1)	(3)	1	3	3
(1)	(3)	(1)	(0)	(0)
(1)	(2)	2	5	5
(0)	(0)	2	3	3
(0)	(1)	(0)	(3)	(3)



Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year
	30-Dec-24	27-Dec-24	23-Dec-24	30-Nov-24	31-Dec-23
UST 2Y	4.24	4.33	4.34	4.15	4.25
UST 10Y	4.53	4.63	4.59	4.17	3.88
Germany 2Y	2.08	2.10	2.06	1.95	2.40
Germany 10Y	2.37	2.40	2.32	2.09	2.02
UK 2Y	4.45	4.47	4.38	4.23	3.98
UK 10Y	4.61	4.63	4.55	4.24	3.54
Japan 2Y	0.61	0.62	0.59	0.59	0.05
Japan 10Y	1.10	1.13	1.08	1.05	0.61
Australia 2Y	3.92	3.87	3.93	3.95	3.71
Australia 10Y	4.46	4.38	4.41	4.34	3.96
China 2Y	1.13	1.09	1.06	1.38	2.20
China 10Y	1.71	1.70	1.71	2.03	2.56
Indonesia 2Y	7.06	7.03	7.02	6.66	6.51
Indonesia 10Y	7.02	7.04	7.05	6.87	6.48
Thailand 2Y	2.00	1.99	1.99	2.00	2.33
Thailand 10Y	2.25	2.23	2.22	2.29	2.68

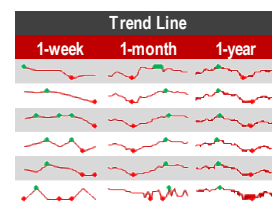
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(8)	(10)	9	(1)	(1)
(9)	(5)	36	65	65
(2)	2	13	(32)	(32)
(3)	4	28	34	34
(1)	7	22	47	47
(2)	6	37	107	107
(1)	2	2	55	55
(2)	3	5	49	49
4	(1)	(4)	21	21
8	5	12	51	51
4	8	(24)	(107)	(107)
1	0	(32)	(85)	(85)
3	3	40	54	54
(2)	(3)	15	54	54
1	1	(0)	(34)	(34)
2	3	(4)	(42)	(42)



Key swap rates

	Latest	1-day	1 week	1-Month	1-Year
	30-Dec-24	27-Dec-24	23-Dec-24	30-Nov-24	31-Dec-23
IRS 1-Year	3.58	3.57	3.59	3.55	3.58
IRS 3-Year	3.50	3.51	3.51	3.45	3.49
IRS 5-Year	3.57	3.57	3.57	3.48	3.58
IRS 7-Year	3.63	3.65	3.64	3.57	3.71
IRS 10-Year	3.74	3.75	3.75	3.68	3.82
IRS 20-Year	4.09	3.95	4.10	4.02	4.21

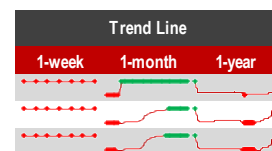
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
1	(1)	3	0	0
(0)	(1)	6	1	1
(0)	0	9	(2)	(2)
(2)	(1)	6	(8)	(8)
(2)	(2)	5	(9)	(9)
14	(1)	6	(13)	(13)



Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year
	30-Dec-24	27-Dec-24	23-Dec-24	30-Nov-24	31-Dec-23
1-Month Klibor	3.29	3.29	3.29	3.29	3.37
3-Month Klibor	3.73	3.73	3.73	3.62	3.77
6-Month Klibor	3.77	3.77	3.77	3.67	3.81

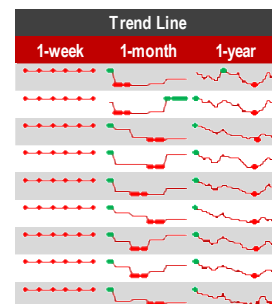
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	0	0	(8)	(8)
0	0	11	(4)	(4)
0	0	10	(4)	(4)



Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year
	30-Dec-24	27-Dec-24	23-Dec-24	30-Nov-24	31-Dec-23
3-Year AAA	3.83	3.83	3.83	3.82	3.85
3-Year AA	4.04	4.04	4.04	4.00	4.04
3-Year A	4.88	4.88	4.88	4.93	5.24
5-Year AAA	3.93	3.93	3.93	3.91	3.97
5-Year AA	4.11	4.11	4.11	4.09	4.18
5-Year A	5.12	5.12	5.12	5.16	5.55
10-Year AAA	4.09	4.09	4.09	4.08	4.18
10-Year AA	4.26	4.26	4.26	4.26	4.41
10-Year A	5.60	5.60	5.60	5.61	6.06

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	0	2	(2)	(2)
0	0	4	(0)	(0)
0	0	(4)	(36)	(36)
0	0	1	(4)	(4)
0	0	1	(7)	(7)
0	0	(4)	(43)	(43)
0	0	1	(9)	(9)
0	0	0	(15)	(15)
0	0	(1)	(46)	(46)



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

AmBank Group Economic Research	
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
Muhamad Farid Anas Johari	muhamad-farid-anas.j@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

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