



Fixed Income & FX Research

08 December 2025

Macro: US personal spending, PCE inflation fares in line with expectations. EU warns of tariffs on China amid rising trade surplus. Malaysia announces higher e-invoicing exemption threshold and doubles tax refund allocations.

Forex: Major FX closed little changed, though CAD sees sharp jump on labour data. USD/MYR held to 4.11 level, with resistance likely at 4.10 ahead of Fed meeting.

Fixed Income: UST weakened as markets consolidated ahead of Fed meeting. MGS/GII bonds closed within tight range, ahead of final 10Y MGS auction and 2026 schedule.

Macro

Global: Delayed data saw US personal spending rising 0.3% m/m in September (consensus: +0.3%; August: +0.5%). Headline PCE prices also rose 0.3% m/m (August: +0.3%), reflecting higher prices for goods (+0.5%) while services' price gains were tamer at 0.2%. Core PCE rose 0.2% m/m and 2.8% y/y (consensus: 2.9%; August: 2.9%), providing room for the Fed's FOMC meeting on 10 December to proceed with an expected third consecutive 25 bps rate cut; though markets also expect intensified divergence in FOMC members' views for 2026 (via the FOMC dot plot projections) given mixed data readings lately. Separately, French President Macron warned that the EU may be forced to subject China to tariffs, given its widening trade surplus with the bloc.

Malaysia: PM Anwar announced that the e-invoicing exemption threshold has been raised from RM500,000 to RM1 million from next year, while doubling the tax refund allocations to RM4 billion to expedite outstanding excess payments to taxpayers. The PM also emphasised the need to intensify efforts to boost trade with new markets. On the administrative front, Anwar also said the four current vacancies in the Cabinet (Ministry of Economy and MITI, among others) will not be quickly filled, with consultations ahead with other coalition parties.

Forex

Global: Currencies closed little changed to end the week, as markets remain uncertain of the Fed's trajectory in 2026. Nevertheless, sharp gains were accrued to the CAD (+1.0%), after Canada's unemployment rate sharply fell to 6.5% in November (consensus: 7.0%; October: 6.9%), reversing a trend of a rising jobless rate this year, while suggesting the data-driven BOC will pause cutting rates this week (10 December). AUD (+0.4%) continued its steady uptrend this week post-GDP data, ahead of an expected RBA rate hold tomorrow. Safe-haven currencies (CHF, JPY) underperformed G10 peers, though only fell 0.1% against the USD.

Asia: USD/MYR (+0.0%) held on to its 4.11 level despite firmer gains seen in other Asian currencies (TWD, PHP, and KRW), suggesting some resistance at the 4.10 level. Traders likely need the final bit of assurance from a Fed cut (and median dot plot projections) to breach below this level. Meanwhile, BNM international reserves held unchanged at USD124.1 billion for the two weeks ending 28 November.

Fixed Income

Global Bonds: Treasuries weakened slightly Friday as the market consolidated ahead of expected Fed rate cut. Release of PCE inflation in line with expectations, while positive UOM consumer sentiment at 53.3 in December (prior: 51) added to the upward pressure in yields. The 10Y UST rose 4 bps on Friday and up 12 bps w/w.

MYR Bonds: Last Friday, MYR government bonds remained mostly in a range with flows light. The market still awaits the last MGS auction for the year (10Y MGS), 2026 MGS+GII auction schedule as well as FOMC meeting. As for MYR credits, trading was also mixed as strong buying interest remained absent. There was a lack of high grade papers traded thus leaving AA names dominating flows. KLK 09/34 (AA1) rose 1 bps to 3.82%.

FX Daily Rates

Vs. USD	Last Close	Per cent
DX	98.99	0.0
EUR/USD	1.164	(0.0)
AUD/USD	0.664	0.5
GBP/USD	1.333	0.0
USD/JPY	155.33	0.1
USD/MYR	4.111	(0.0)
USD/IDR	16,644	(0.0)
USD/THB	32.04	0.0
USD/SGD	1.296	(0.0)
USD/CNY	7.069	(0.0)

Ringgit Outlook for The Week

	1	2
Resistance	4.178	4.245
Support	4.077	4.043

Major Sovereign Yields (%)

Sov. Yield	Last Close	bps
UST 2Y	3.56	4
UST 10Y	4.14	4
Germany 10Y	2.80	3
UK 10Y	4.48	4
Japan 10Y	1.95	1
Australia 10Y	4.68	(2)
China 10Y	1.83	(2)

MGS Bond Yields (%)

MGS	Last	bps
3-Year	3.02	0
5-Year	3.25	(0)
7-Year	3.46	0
10-Year	3.48	(1)
15-Year	3.75	0
20-Year	3.85	1
30-Year	3.98	0

MYR Swap Rates (%)

Swap / Rates	Last Close	bps
IRS 1-Year	3.23	0
IRS 3-Year	3.26	0
IRS 5-Year	3.34	0
IRS 7-Year	3.41	(1)
IRS 10-Year	3.56	2
3M KLIBOR	3.26	0

Key Commodities

Commodities	Last Close	Per cent
Brent (USD/bl)	63.75	0.8
WTI (USD/bl)	60.08	0.7
Gold (USD/oz)	4,198	(0.2)
CPO (RM/tonne)	4,095	0.7

Policy Rates

Central Banks	Current	Next
US Fed Funds	4.00	11-Dec
ECB Deposit Rate	2.00	18-Dec
BOE Base Rate	4.00	18-Dec
RBA Cash Rate	3.60	09-Dec
BOJ Cash Rate	0.50	19-Dec
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		
	5-Dec-25	4-Dec-25	28-Nov-25	5-Nov-25	5-Dec-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
DXY Dollar Index	98.99	98.99	99.46	100.20	105.71	0.0	(0.5)	(1.2)	(6.4)	(8.8)			
EUR/USD	1.164	1.164	1.160	1.149	1.059	(0.0)	0.4	1.3	10.0	12.4			
AUD/USD	0.664	0.661	0.655	0.651	0.645	0.5	1.4	2.1	2.9	7.3			
GBP/USD	1.333	1.333	1.324	1.305	1.276	0.0	0.7	2.1	4.5	6.5			
USD/JPY	155.33	155.1	156.18	154.12	150.1	0.1	(0.5)	0.8	3.5	(1.2)			
USD/MYR	4.111	4.113	4.133	4.192	4.427	(0.0)	(0.5)	(1.9)	(7.1)	(8.1)			
USD/IDR	16,644	16,650	16,660	16,705	15,860	(0.0)	(0.1)	(0.4)	4.9	3.4			
USD/THB	32.04	32.04	32.20	32.54	34.34	0.0	(0.5)	(1.5)	(6.7)	(6.0)			
USD/SGD	1.296	1.296	1.297	1.307	1.339	(0.0)	(0.1)	(0.8)	(3.2)	(5.1)			
USD/CNY	7.069	7.072	7.071	7.131	7.264	(0.0)	(0.0)	(0.9)	(2.7)	(3.7)			
USD/KRW	1,472	1,474	1,467	1,441	1,417	(0.1)	0.3	2.1	3.9	0.0			
USD/INR	89.99	89.98	89.46	88.66	84.74	0.0	0.6	1.5	6.2	5.1			
USD/PHP	58.94	59.04	58.64	58.84	57.89	(0.2)	0.5	0.2	1.8	1.9			
USD/TWD	31.24	31.33	31.40	30.94	32.44	(0.3)	(0.5)	1.0	(3.7)	(4.7)			
USD/HKD	7.785	7.783	7.785	7.775	7.782	0.0	(0.0)	0.1	0.0	0.2			
USD/VND	26,363	26,370	26,365	26,322	25,392	(0.0)	(0.0)	0.2	3.8	3.4			
NZD/USD	0.578	0.576	0.574	0.566	0.589	0.3	0.7	2.0	(1.9)	3.3			

Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	5-Dec-25	4-Dec-25	28-Nov-25	5-Nov-25	5-Dec-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
EUR/MYR	4.793	4.804	4.780	4.813	4.662	(0.2)	0.3	(0.4)	2.8	2.9			
GBP/MYR	5.486	5.489	5.459	5.466	5.632	(0.0)	0.5	0.4	(2.6)	(2.3)			
AUD/MYR	2.726	2.721	2.696	2.717	2.851	0.2	1.1	0.3	(4.4)	(2.0)			
JPY/MYR	2.647	2.652	2.646	2.719	2.950	(0.2)	0.0	(2.7)	(10.3)	(7.0)			
SGD/MYR	3.176	3.177	3.184	3.207	3.301	(0.0)	(0.2)	(1.0)	(3.8)	(3.3)			
10 CNY/MYR	5.817	5.818	5.840	5.880	6.099	(0.0)	(0.4)	(1.1)	(4.6)	(5.0)			
1 million IDR/MYR	2.470	2.471	2.478	2.507	2.792	(0.0)	(0.3)	(1.5)	(11.5)	(10.9)			
THB/MYR	12.905	12.844	12.832	12.892	12.980	0.5	0.6	0.1	(0.6)	(0.9)			
10 HKD/MYR	5.282	5.286	5.308	5.389	5.689	(0.1)	(0.5)	(2.0)	(7.2)	(8.3)			

Commodities

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	5-Dec-25	4-Dec-25	28-Nov-25	5-Nov-25	5-Dec-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
Brent (USD/barrel)	63.75	63.26	63.2	63.52	72.09	0.8	0.9	0.4	(11.6)	(14.6)			
WTI (USD/barrel)	60.08	59.67	58.55	59.6	68.30	0.7	2.6	0.8	(12.0)	(16.2)			
Gold (USD/oz)	4,198	4,208	4,239	3,980	2,632	(0.2)	(1.0)	5.5	59.5	59.9			
Malaysia CPO (RM/tonne)	4,095	4,065	4,099	4,075	5,332	0.7	(0.1)	0.5	(23.2)	(15.8)			

Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	5-Dec-25	4-Dec-25	28-Nov-25	5-Nov-25	5-Dec-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.02	3.01	3.01	3.12	3.45	0	1	(10)	(44)	(46)			
5-Year	3.25	3.25	3.24	3.24	3.57	(0)	2	1	(31)	(37)			
7-Year	3.46	3.46	3.45	3.46	3.73	0	1	(0)	(27)	(31)			
10-Year	3.48	3.48	3.46	3.50	3.78	(1)	2	(2)	(30)	(34)			
15-Year	3.75	3.74	3.72	3.74	3.93	0	3	1	(18)	(22)			
20-Year	3.85	3.85	3.85	3.91	4.04	1	(0)	(6)	(19)	(21)			
30-Year	3.98	3.98	3.98	4.01	4.18	0	0	(3)	(20)	(20)			

Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	5-Dec-25	4-Dec-25	28-Nov-25	5-Nov-25	5-Dec-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.12	3.12	3.11	3.14	3.38	0	1	(2)	(27)	(31)			
5-Year	3.26	3.26	3.25	3.25	3.59	0	1	1	(33)	(36)			
7-Year	3.35	3.35	3.35	3.38	3.75	(0)	0	(3)	(39)	(39)			
10-Year	3.53	3.53	3.53	3.54	3.80	0	0	(1)	(27)	(30)			
15-Year	3.76	3.75	3.75	3.75	3.96	0	1	0	(20)	(22)			
20-Year	3.89	3.89	3.88	3.91	4.08	0	1	(2)	(19)	(20)			

Major Equity Indices

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	5-Dec-25	4-Dec-25	28-Nov-25	5-Nov-25	5-Dec-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
S&P500 Index	6,870	6,857	6,849	6,796	6,075	0.2	0.3	1.1	13.1	78.9			
Dow Jones	47,955	47,851	47,716	47,311	44,766	0.2	0.5	1.4	7.1	44.7			
Nasdaq	23,578	23,505	23,366	23,500	19,701	0.3	0.9	0.3	19.7	125.3			
London FTSE	9,667	9,711	9,721	9,777	8,349	(0.5)	(0.6)	(1.1)	15.8	29.7			
German DAX	24,028	23,882	23,837	24,050	20,359	0.6	0.8	(0.1)	18.0	72.6			
Nikkei 225	50,492	51,028	50,254	50,212	39,396	(1.1)	0.5	0.6	28.2	93.5			
Japan TOPIX	3,363	3,398	3,378	3,268	2,742	(1.0)	(0.5)	2.9	22.6	77.8			
FBM KLCI	1,617	1,621	1,604	1,622	1,616	(0.3)	0.8	(0.3)	0.1	8.1			

Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	5-Dec-25	4-Dec-25	28-Nov-25	5-Nov-25	5-Dec-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
UST 2Y	3.56	3.52	3.49	3.63	4.14	4	7	(7)	(58)	(68)			
UST 10Y	4.14	4.10	4.01	4.16	4.18	4	12	(2)	(4)	(43)			
Germany 2Y	2.10	2.07	2.03	2.00	2.02	2	7	9	8	1			
Germany 10Y	2.80	2.77	2.69	2.67	2.11	3	11	13	69	43			
UK 2Y	3.78	3.74	3.75	3.80	4.27	4	4	(2)	(49)	(61)			
UK 10Y	4.48	4.44	4.44	4.46	4.28	4	4	1	20	(9)			
Japan 2Y	1.05	1.03	0.98	0.93	0.60	3	7	12	46	45			
Japan 10Y	1.95	1.94	1.81	1.66	1.07	1	14	28	88	85			
Australia 2Y	3.95	3.99	3.81	3.57	3.86	(4)	14	37	8	9			
Australia 10Y	4.68	4.70	4.51	4.31	4.23	(2)	17	37	45	32			
China 2Y	1.43	1.41	1.42	1.45	1.32	1	0	(2)	11	33			
China 10Y	1.83	1.86	1.83	1.80	1.96	(2)	0	4	(13)	16			
Indonesia 2Y	5.08	5.06	5.18	4.86	6.82	2	(10)	22	(174)	(196)			
Indonesia 10Y	6.20	6.21	6.32	6.18	6.92	(1)	(12)	2	(72)	(80)			
Thailand 2Y	1.34	1.34	1.34	1.34	2.00	0	0	1	(65)	(65)			
Thailand 10Y	1.74	1.74	1.74	1.71	2.30	0	0	3	(56)	(52)			

Key swap rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	5-Dec-25	4-Dec-25	28-Nov-25	5-Nov-25	5-Dec-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
IRS 1-Year	3.23	3.23	3.23	3.22	3.60	0	0	1	(37)	(34)			
IRS 3-Year	3.26	3.26	3.26	3.22	3.48	0	(0)	4	(22)	(24)			
IRS 5-Year	3.34	3.34	3.33	3.28	3.48	0	1	6	(14)	(20)			
IRS 7-Year	3.41	3.41	3.41	3.35	3.58	(1)	(1)	5	(18)	(23)			
IRS 10-Year	3.56	3.54	3.55	3.48	3.68	2	1	8	(12)	(17)			
IRS 20-Year	3.88	3.81	3.83	3.79	4.03	7	5	9	(15)	(7)			

Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	5-Dec-25	4-Dec-25	28-Nov-25	5-Nov-25	5-Dec-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
1-Month Klibor	3.00	3.00	3.00	3.00	3.29	0	0	0	(29)	(29)			
3-Month Klibor	3.26	3.26	3.26	3.22	3.67	0	0	4	(41)	(47)			
6-Month Klibor	3.29	3.29	3.29	3.26	3.71	0	0	3	(42)	(48)			

Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	5-Dec-25	4-Dec-25	28-Nov-25	5-Nov-25	5-Dec-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year AAA	3.52	3.52	3.52	3.53	3.82	0	0	(0)	(29)	(31)			
3-Year AA	3.68	3.68	3.68	3.68	4.00	(0)	0	(1)	(32)	(34)			
3-Year A	4.55	4.53	4.55	4.52	4.93	2	0	3	(38)	(31)			
5-Year AAA	3.59	3.59	3.59	3.60	3.91	0	0	(1)	(32)	(33)			
5-Year AA	3.76	3.76	3.76	3.76	4.09	(0)	0	(1)	(34)	(35)			
5-Year A	4.70	4.66	4.70	4.66	5.16	4	0	5	(46)	(38)			
10-Year AAA	3.76	3.75	3.76	3.77	4.08	0	(0)	(1)	(32)	(31)			
10-Year AA	3.91	3.91	3.91	3.93	4.26	0	0	(1)	(34)	(33)			
10-Year A	5.10	5.04	5.10	5.03	5.61	6	0	7	(51)	(46)			

Sources: Bloomberg, AmBank Economics

Note: All values are end-period

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