AmBank Group

AmBank Economics

Fixed Income & FX Research

Daily Market Snapshot

07 September 2026

Macro: US nonfarm payrolls sees unexpectedly large gains, emphasising CPI/PPI data this week prior to the Fed's FOMC meeting. Japan PM Takaichi set to reshuffle cabinet.

Forex: DXY bolstered by solid NFP numbers, while JPY remained solid after Thursday's sharp gains. EUR weakened slightly ahead of the ECB meeting this week. MYR remained minimally unchanged, despite some hawkish repricing for BNM's OPR trajectory ahead.

Fixed Income: UST yields continued to drift up on Friday, with local government and corporate bonds also tracking global bond weaknesses.

Macro

Global: Nonfarm payrolls data indicated that the US added an unexpectedly large 162k jobs in August (consensus: 55k), driven by large increases in F&B services and government education, while several other sectors, including manufacturing and healthcare, also posted job gains. This comes as the combined June/July job additions were also revised upwards by 55k, suggesting US labour markets remain much better than the earlier weak July numbers, while reinforcing several earlier, less headline-dominating labour market datapoints as well. Post-NFP data, swap market conviction for an upcoming 17 Sep Fed rate hike was further raised to 58% (pre-NFP data: 51%), following a similar boost on the previous Friday on Fed chair Kevin Warsh's remarks in Jackson Hole. Amid all these, CME Fedwatch points to a 25 bps hike on September 16, but we feel the 58% probability is not compelling enough to draw such a definitive conclusion. In Japan, sources indicate that PM Takaichi is set to reshuffle her cabinet later this month, though FM Katayama is set to be retained, providing JGB and JPY markets with a sense of stability. Trade Minister Akazawa also indicated that progress is being made regarding its USD 550 billion investment initiative with the US. Thus far, USD36 billion in O&G projects and USD73 billion for nuclear and natural gas power plants are being planned.

Malaysia: Economy Minister Akmal Nasrullah revealed that the country is examining its preparedness to become an ageing nation as part of Budget 2027.

Forex

Global: DXY (+0.3%) closed up with a rebound from two-week lows, after stronger-than-expected NFP data bolstered expectations of a Fed rate hike. The JPY (-0.3%) held on to most of its 1.8% gains on Thursday, as markets rush to unwind yen-funded carry trades ahead of high risks of a BOJ rate hike in its upcoming 18 Sep meeting. This followed hawkish comments from BOJ Governor Ueda and board member Takata recently, leading to full-market pricing of an upcoming BOJ rate hike. EUR fell 0.1%, with swap markets already fully pricing in an ECB rate hike this week. GBP and AUD saw minimal changes.

Asia: Asian currencies were mostly firmer versus the USD during the late Friday Asian session. Nevertheless, the Ringgit still closed with minimal change vs the USD, despite hawkish tendencies from the BNM at the recent MPC meeting, with Bloomberg reporting that swap markets are pricing in an 80% probability of a 25 bps rate hike over the next six months. We take a different view as the hawkish sentiments are mostly about the economy's past performance, and are more neutral about the future.

Fixed Income

Global Bonds: UST yields rose modestly last Friday, completing another week of losses on the back of upbeat NFP numbers (including the June/July upward revisions). The past week's bond market was pressured by Warsh's signal to continue to counter inflation, but the market was aided by Fed governor Waller indicating rates may be unchanged if inflation continues to pace slower, indicating that further market conviction (on Fed decision) is expected to hinge on this week's US August CPI and PPI numbers. Meanwhile, Norway's sovereign wealth fund (Norges Bank Investment Management) has proposed significantly reducing its exposure to USTs as part of efforts to improve the fund's returns, with estimates indicating that around USD80 billion in UST exposure could be pared. The fund has indicated it would await Norway's Finance Ministry's response, with any changes also to be made at a gradual pace.

FX Daily Rates

Vs. USD	Last Close	Per cent
DXY	99.18	0.3
EUR/USD	1.161	(0.1)
AUD/USD	0.720	0.0
GBP/USD	1.352	(0.0)
USD/JPY	156.26	0.3
USD/MYR	4.045	0.1
USD/IDR	17,637	(0.1)
USD/THB	32.94	(0.2)
USD/SGD	1.267	(0.1)
USD/CNY	6.708	(0.1)

Ringgit Outlook for The Week

	1	2
Resistance	4.087	4.128
Support	4.014	3.983

Major Sovereign Yields (%)

Sov. Yield	Last Close	bps
UST 2Y	4.37	3
UST 10Y	4.78	1
Germany 10Y	3.34	(0)
UK 10Y	5.13	(0)
Japan 10Y	2.92	(4)
Australia 10Y	5.17	(0)
China 10Y	1.68	0

MGS Bond Yields (%)

MGS	Last	bps
3-Year	3.42	4
5-Year	3.68	4
7-Year	3.92	6
10-Year	3.97	5
15-Year	4.10	3
20-Year	4.26	3
30-Year	4.32	3

MYR Swap Rates (%)

Swap / Rates	Last Close	bps
IRS 1-Year	3.64	1
IRS 3-Year	3.72	0
IRS 5-Year	3.77	0
IRS 7-Year	3.83	(2)
IRS 10-Year	3.95	(1)
3M KLIBOR	3.47	0

Key Commodities

Commodities	Last Close	Per cent
Brent (USD/bl)	96.28	0.8
WTI (USD/bl)	91.48	0.2
Gold (USD/oz)	4,430	(1.0)
CPO (RM/tonne)	4,608	(0.6)

Policy Rates (%)

Central Banks	Current	Next
US Fed Funds	3.75	17-Sep
ECB Deposit Rate	2.25	10-Sep
BOE Base Rate	3.75	17-Sep
RBA Cash Rate	4.35	19-Sep
BOJ Cash Rate	1.00	18-Sep
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.

MYR Bonds: Local government and corporate bonds continued to post weakness. Sentiment was weak following the latest MPC statement and the continued rise in global bond yields ahead of expected global rate hikes in the coming few months. There are concerns that if onshore tight liquidity remained on the tighter side, then a more local yield rise cannot be discounted. Various AAA and AA corporate bond papers were seen trading, and we noted a focus on shorter-dated papers, reflecting weak market sentiment.

Commodities

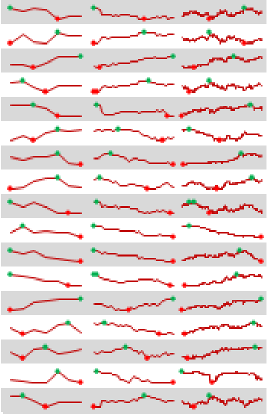
Brent closed the week 8% up, following the US-Iran missile strikes exchange last week. This comes as sources within Iran indicated that the US economic war against the country (including sanctions enforcement, oil exports blockade, and stopping access to international financing networks) is becoming increasingly difficult to withstand, which may have provoked the recent Iranian military response escalation. The US has also pledged to provide Navy escorts for vessels transiting the Strait of Hormuz until the Iranian threat is over.

Currencies

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change				
	4-Sep-26	3-Sep-26	28-Aug-26	5-Aug-26	4-Sep-25	1-day	1-week	1-month	1-year	YTD
DXY Dollar Index	99.18	98.91	99.70	99.68	98.35	0.3	(0.5)	(0.5)	0.8	0.9
EUR/USD	1.161	1.163	1.159	1.155	1.165	(0.1)	0.3	0.5	(0.3)	(1.1)
AUD/USD	0.720	0.720	0.716	0.706	0.652	0.0	0.5	2.1	10.5	7.9
GBP/USD	1.352	1.353	1.354	1.347	1.343	(0.0)	(0.1)	0.4	0.6	0.3
USD/JPY	156.26	155.81	160.09	157.75	148.49	0.3	(2.4)	(0.9)	5.2	(0.3)
USD/MYR	4.045	4.042	4.025	4.094	4.229	0.1	0.5	(1.2)	(4.4)	(0.4)
USD/IDR	17,637	17,660	17,692	17,930	16,420	(0.1)	(0.3)	(1.6)	7.4	5.7
USD/THB	32.94	33.00	32.94	33.21	32.33	(0.2)	(0.0)	(0.8)	1.9	4.5
USD/SGD	1.267	1.267	1.274	1.281	1.290	(0.1)	(0.6)	(1.1)	(1.8)	(1.5)
USD/CNY	6.708	6.718	6.731	6.748	7.139	(0.1)	(0.3)	(0.6)	(6.0)	(3.8)
USD/KRW	1,352	1,357	1,375	1,424	1,395	(0.4)	(1.7)	(5.1)	(3.1)	(6.1)
USD/INR	94.50	94.49	95.39	95.13	88.15	0.0	(0.9)	(0.7)	7.2	5.1
USD/PHP	62.60	62.52	62.26	60.76	57.07	0.1	0.6	3.0	9.7	6.4
USD/TWD	31.64	31.77	31.62	32.30	30.70	(0.4)	0.1	(2.1)	3.1	0.7
USD/HKD	7.841	7.840	7.840	7.844	7.801	0.0	0.0	(0.0)	0.5	0.7
USD/VND	26,080	26,098	26,078	26,268	26,387	(0.1)	0.0	(0.7)	(1.2)	(0.8)
NZD/USD	0.588	0.588	0.592	0.589	0.585	0.0	(0.6)	(0.1)	0.6	2.2

Trend Line

1-week 1-month 1-year

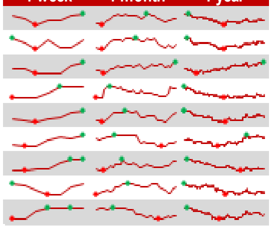


Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change				
	4-Sep-26	3-Sep-26	28-Aug-26	5-Aug-26	4-Sep-25	1-day	1-week	1-month	1-year	YTD
EUR/MYR	4.699	4.692	4.685	4.725	4.924	0.1	0.3	(0.6)	(4.6)	(1.4)
GBP/MYR	5.470	5.456	5.466	5.513	5.684	0.2	0.1	(0.8)	(3.8)	0.3
AUD/MYR	2.912	2.904	2.896	2.885	2.757	0.3	0.5	0.9	5.6	7.3
JPY/MYR	2.588	2.595	2.515	2.595	2.848	(0.2)	2.9	(0.3)	(9.1)	(0.1)
SGD/MYR	3.191	3.186	3.167	3.193	3.280	0.1	0.7	(0.1)	(2.7)	1.1
10 CNY/MYR	6.027	6.016	5.989	6.063	5.924	0.2	0.6	(0.6)	1.7	3.7
1 million IDR/MYR	2.293	2.286	2.275	2.283	2.575	0.3	0.8	0.4	(11.0)	(5.8)
THB/MYR	12.288	12.252	12.216	12.336	13.089	0.3	0.6	(0.4)	(6.1)	(4.3)
10 HKD/MYR	5.159	5.156	5.135	5.220	5.423	0.1	0.5	(1.2)	(4.9)	(1.1)

Trend Line

1-week 1-month 1-year

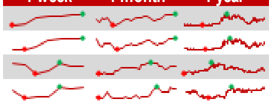


Commodities

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change				
	4-Sep-26	3-Sep-26	28-Aug-26	5-Aug-26	4-Sep-25	1-day	1-week	1-month	1-year	YTD
Brent (USD/barrel)	96.28	95.52	89.31	79.45	66.99	0.8	7.8	21.2	43.7	58.2
WTI (USD/barrel)	91.48	91.3	83.4	75.22	63.48	0.2	9.7	21.6	44.1	59.3
Gold (USD/oz)	4,430	4,473	4,455	4,247	3,546	(1.0)	(0.6)	4.3	24.9	2.6
Malaysia CPO (RM/tonne)	4,608	4,635	4,628	4,519	4,371	(0.6)	(0.4)	2.0	5.4	15.3

Trend Line

1-week 1-month 1-year

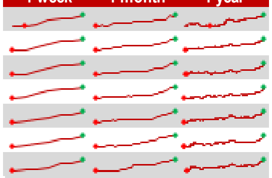


Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change				
	4-Sep-26	3-Sep-26	28-Aug-26	5-Aug-26	4-Sep-25	1-day	1-week	1-month	1-year	YTD
3-Year	3.42	3.38	3.36	3.32	3.03	4	6	10	39	42
5-Year	3.68	3.64	3.60	3.53	3.12	4	8	15	56	42
7-Year	3.92	3.86	3.79	3.67	3.32	6	12	25	60	54
10-Year	3.97	3.93	3.86	3.72	3.40	5	11	25	57	47
15-Year	4.10	4.07	4.04	3.96	3.61	3	7	14	49	34
20-Year	4.26	4.22	4.20	4.00	3.75	3	6	26	50	41
30-Year	4.32	4.30	4.26	4.12	3.88	3	7	20	44	34

Trend Line

1-week 1-month 1-year

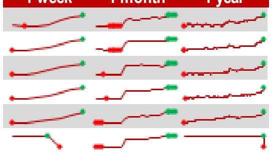


Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change				
	4-Sep-26	3-Sep-26	28-Aug-26	5-Aug-26	4-Sep-25	1-day	1-week	1-month	1-year	YTD
3-Year	3.42	3.41	3.38	3.36	3.06	1	5	6	36	32
5-Year	3.67	3.65	3.60	3.53	3.14	2	7	15	53	42
7-Year	3.88	3.86	3.80	3.65	3.28	2	8	23	60	54
10-Year	3.95	3.92	3.85	3.72	3.43	3	10	23	52	43
15-Year	4.12	4.08	4.04	3.96	3.61	4	7	15	51	37
20-Year	4.22	4.20	4.17	4.00	3.76	1	4	21	45	35

Trend Line

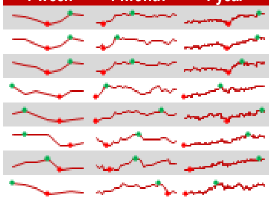
1-week 1-month 1-year



Major Equity Indices

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change				
	4-Sep-26	3-Sep-26	28-Aug-26	5-Aug-26	4-Sep-25	1-day	1-week	1-month	1-year	YTD
S&P500 Index	7,719	7,748	7,712	7,724	6,502	(0.4)	0.1	(0.1)	18.7	101.0
Dow Jones	53,414	53,686	53,560	54,349	45,621	(0.5)	(0.3)	(1.7)	17.1	61.1
Nasdaq	26,507	26,584	26,402	26,363	21,708	(0.3)	0.4	0.5	22.1	153.3
London FTSE	10,831	10,832	10,824	10,888	9,217	(0.0)	0.1	(0.5)	17.5	45.3
German DAX	26,046	26,003	26,570	26,126	23,770	0.2	(2.0)	(0.3)	9.6	87.1
Nikkei 225	65,021	64,214	66,406	66,300	42,580	1.3	(2.1)	(1.9)	52.7	149.2
Japan TOPIX	4,103	4,102	4,147	4,046	3,080	0.0	(1.0)	1.4	33.2	116.9
FBM KLCI	1,708	1,715	1,726	1,748	1,578	(0.4)	(1.0)	(2.3)	8.2	14.2

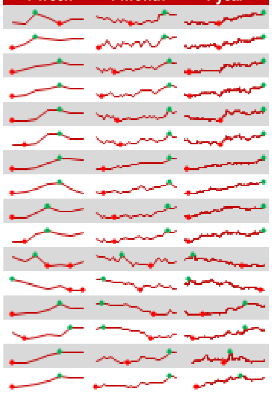
Trend Line: 1-week, 1-month, 1-year



Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change				
	4-Sep-26	3-Sep-26	28-Aug-26	5-Aug-26	4-Sep-25	1-day	1-week	1-month	1-year	YTD
UST 2Y	4.37	4.34	4.34	4.18	3.59	3	2	18	78	89
UST 10Y	4.78	4.77	4.72	4.61	4.16	1	6	17	62	62
Germany 2Y	2.95	2.96	2.91	2.73	1.96	(1)	4	22	99	83
Germany 10Y	3.34	3.34	3.28	3.11	2.72	(0)	6	23	62	48
UK 2Y	4.53	4.52	4.41	4.24	3.95	1	13	29	58	79
UK 10Y	5.13	5.13	5.06	4.89	4.72	(0)	7	24	41	65
Japan 2Y	1.84	1.85	1.71	1.58	0.85	(0)	13	26	99	67
Japan 10Y	2.92	2.96	2.93	2.83	1.60	(4)	(1)	9	132	85
Australia 2Y	4.77	4.78	4.68	4.50	3.41	(1)	9	27	136	71
Australia 10Y	5.17	5.18	5.10	4.91	4.35	(0)	8	27	82	43
China 2Y	1.25	1.25	1.25	1.25	1.41	1	0	0	(15)	(12)
China 10Y	1.68	1.68	1.70	1.71	1.76	0	(1)	(3)	(8)	(17)
Indonesia 2Y	6.74	6.75	6.69	7.04	5.32	(1)	6	(30)	142	175
Indonesia 10Y	7.12	7.13	7.00	7.29	6.40	(1)	11	(18)	72	105
Thailand 2Y	1.17	1.17	1.13	1.09	1.10	0	4	8	6	5
Thailand 10Y	2.19	2.20	2.11	2.04	1.24	(1)	8	14	95	55

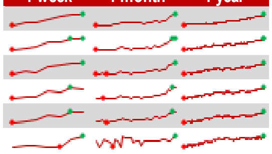
Trend Line: 1-week, 1-month, 1-year



Key swap rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change				
	4-Sep-26	3-Sep-26	28-Aug-26	5-Aug-26	4-Sep-25	1-day	1-week	1-month	1-year	YTD
IRS 1-Year	3.64	3.64	3.58	3.56	3.13	1	6	8	51	44
IRS 3-Year	3.72	3.72	3.65	3.61	3.06	0	8	12	66	46
IRS 5-Year	3.77	3.77	3.69	3.65	3.14	0	8	12	64	42
IRS 7-Year	3.83	3.85	3.76	3.71	3.20	(2)	7	13	63	42
IRS 10-Year	3.95	3.96	3.88	3.84	3.32	(1)	7	11	63	39
IRS 20-Year	4.20	4.16	4.11	4.15	3.56	4	8	5	64	32

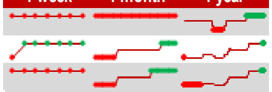
Trend Line: 1-week, 1-month, 1-year



Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change				
	4-Sep-26	3-Sep-26	28-Aug-26	5-Aug-26	4-Sep-25	1-day	1-week	1-month	1-year	YTD
1-Month Klibor	3.01	3.01	3.01	3.01	3.00	0	0	0	1	1
3-Month Klibor	3.47	3.47	3.47	3.46	3.21	0	0	1	26	19
6-Month Klibor	3.50	3.50	3.50	3.49	3.26	0	0	1	24	20

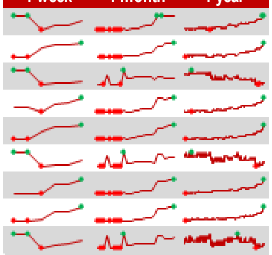
Trend Line: 1-week, 1-month, 1-year



Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change				
	4-Sep-26	3-Sep-26	28-Aug-26	5-Aug-26	4-Sep-25	1-day	1-week	1-month	1-year	YTD
3-Year AAA	3.65	3.65	3.65	3.61	3.51	0	(0)	4	14	15
3-Year AA	3.79	3.79	3.78	3.74	3.67	0	1	6	12	13
3-Year A	4.42	4.42	4.42	4.40	4.55	0	(0)	2	(13)	(13)
5-Year AAA	3.77	3.77	3.77	3.70	3.59	0	0	7	18	18
5-Year AA	3.90	3.90	3.88	3.83	3.76	0	2	8	14	15
5-Year A	4.58	4.58	4.59	4.54	4.70	0	(1)	4	(12)	(12)
10-Year AAA	3.98	3.98	3.97	3.88	3.74	0	1	10	25	21
10-Year AA	4.11	4.10	4.09	4.01	3.90	1	2	10	20	18
10-Year A	4.99	4.98	5.00	4.93	5.08	0	(1)	5	(9)	(12)

Trend Line: 1-week, 1-month, 1-year



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

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