



Fixed Income & FX Research

28 February 2025

Snapshot Summary...

Global FX: The dollar surged to a 1-week high following rise in US GDP growth and Trump's firm remarks on tariffs

Global Rates: UST market consolidate with sentiment cautious before the PCE inflation data release due today

MYR Bonds: Action was in the primary market where the 5Y GII new issuance at MYR5.5 billion size saw BTC above 3x

USD/MYR: MYR and Asian currencies fell on US tariff threats on Mexico, Canada, and China, with latest on the Eurozone

Macro News

Malaysia: Malaysia's PPI rose by 0.8% y/y in January 2025, from a 0.5% increase in the previous month. This marks the second consecutive month of producer inflation and the highest rate since last July.

US: GDP grew at 2.3% y/y annualised rate in 4Q2024, down from 3.1% in 3Q2024 and meeting market expectations. Personal consumption remained the primary driver of growth, rising by 4.2%, the highest since 1Q2023, matching the advance estimate.

US initial jobless claims surged by 22k from the previous week to 242k in the third week of February, marking the highest level in over two months and significantly exceeding market expectations of 221k.

Fixed Income

Global Bonds: UST market consolidate with sentiment cautious before the PCE inflation data release due today. Meanwhile, bonds were pressured as the US durable goods orders for January beat expectations at +3.1% vs 2.0% consensus while the prior month's number was revised up to -1.8% vs -2.2% previous estimate.

MYR Government Bonds: The onshore government market was in range trading. However, action was in the primary market where the 5Y GII new issuance at MYR5.5 billion size saw BTC above 3x with yield averaging at 3.635%.

MYR Corporate Bonds: We saw more mixed trading in the ringgit corporate bond market though various AAA names remained to be picked up. Gains include AAA PSEP 03/28 which fell 3 bps to 3.70% and AAA rated PLUS 01/36 which fell 6 bps to 3.93%.

Forex

US: The dollar surged to a 1-week high following rise in US GDP growth and Trump's firm remarks on tariffs that will take effect next week. Despite mixed data, with US initial jobless claims rising more than expected, the dollar maintained its bullish momentum due to hawkish comments from Fed's Hammack, who advocated for restrictive interest rates to be held steady for an extended period. Traders remain cautious ahead of PCE price index data today.

FX Daily Rates

Vs. USD	Last Close	Per cent
DX/USD	107.24	0.8
EUR/USD	1.040	(0.8)
AUD/USD	0.624	(1.1)
GBP/USD	1.260	(0.6)
USD/JPY	149.81	0.5
USD/MYR	4.441	0.3
USD/IDR	16,450	0.5
USD/THB	33.92	0.6
USD/SGD	1.348	0.7
USD/CNY	7.287	0.4
USD/KRW	1,447	0.9
USD/INR	87.20	(0.0)
USD/PHP	57.90	0.0
USD/TWD	32.83	0.1
USD/HKD	7.778	0.0
USD/VND	25,542	(0.0)
NZD/USD	0.563	(1.1)

MYR Cross Rates

MYR Cross	Last Close	Per cent
EUR/MYR	4.660	0.2
GBP/MYR	5.631	0.5
AUD/MYR	2.799	(0.1)
JPY/MYR	2.967	(0.1)
SGD/MYR	3.312	0.1
10CNY/MYR	6.100	(0.1)
100IDR/MYR	2.701	(0.1)
THB/MYR	13.037	(0.7)
10HKD/MYR	5.714	0.3
100INR/MYR	5.090	0.4

MGS Bond Yields (%)

MGS	Maturity	Last	bps
3-Year	05/27	3.43	(0)
5-Year	08/29	3.59	0
7-Year	07/32	3.75	(0)
10-Year	07/34	3.79	0
15-Year	04/39	3.96	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	3.61	1
IRS 3-Year	3.53	1
IRS 5-Year	3.57	0
IRS 7-Year	3.64	(0)
IRS 10-Year	3.74	2
3-M KLIBOR	3.66	0

Major Sovereign Yields (%)

Sov. Yield	Last Close	bps
UST 2Y	4.05	(2)
UST 10Y	4.26	0
Germany 10Y	2.41	(2)
UK 10Y	4.51	1
Japan 10Y	1.40	3
Australia 10Y	4.34	(2)
China 10Y	1.80	3
Korea 10Y	2.75	(0)
Indonesia 10Y	6.92	6
Thailand 10Y	2.15	(9)
Malaysia 10Y	3.79	0

Europe: EUR/USD fell by 0.8%, ending its two-week rise, due to the dollar's strength and escalating trade tensions. With the threat of EU tariffs, market participants are eagerly awaiting the ECB's interest rate decision next week. The pound declined to 1.260 as markets digest the US-Ukraine mineral deal.

Asia Pacific: Asian currencies fell as global trade worries permeated sentiment. As MYR fell 0.3%, CNY was down 0.4%, and JPY down 0.5%. JPY looks like it will not be helped today after the Tokyo CPI was printed lower than expected at 2.9% y/y vs 3.2% y/y expectations and prior month's +3.4%. This week, BOJ governor Ueda has reiterated the central bank will move in and buy bonds in cases of fast increases in bonds yields. CNY felt pressure as Trump said there'll be additional 10% tariffs on Chinese goods effective 4 March.

Malaysia: Asian currencies fell as global markets were rattled by Trump's tariff threats on Mexico, Canada, and China, with latest on the Eurozone. Malaysian ringgit erased gains made earlier during the week. We may see further weaknesses for the ringgit as tariff threats remain in the headlines.

Other Markets

Gold: Gold extended its pullback from weekly highs after intensified trade tensions fuelled a stronger dollar, while Canada and Mexico warned of retaliatory measures.

Oil: WTI and Brent rallied after Trump revoked Chevron's right to export Venezuelan oil — originally granted by the prior administration — effectively pulling about 240k barrels per day from global supply.

Weekly Indicative PDS Yields (%)

PDS Indicative	Last Close	bps
3-Year AAA	3.83	0
3-Year AA	4.03	0
3-Year A	4.80	0
5-Year AAA	3.91	(0)
5-Year AA	4.08	(0)
5-Year A	4.99	(0)
10-Year AAA	4.04	(0)
10-Year AA	4.21	(0)
10-Year A	5.36	(1)

Key Commodities

Commodities	Last Close	Per cent
Brent (USD/bl)	74.04	2.1
WTI (USD/bl)	70.35	2.5
Gold (USD/oz)	2,878	(1.3)
CPO (RM/tonne)	4,688	(1.5)

Equity Indices

Equity	Last Close	Per cent
S&P500 Index	5,862	(1.6)
Dow Jones	43,240	(0.4)
Nasdaq	18,544	(2.8)
London FTSE	8,756	0.3
German DAX	22,551	(1.1)
Nikkei 225	38,256	0.3
Japan TOPIX	2,736	0.7
FBM KLCI	1,587	(0.1)
Strait Times	3,921	0.3
Jakarta	6,485	(1.8)
Shanghai	3,388	0.2
MSCI Asia Pac	188	(0.5)
MSCI World	3,767	(1.4)
Hang Seng	23,718	(0.3)
KOSPI	2,622	(0.7)
Thai Stock Exc	1,216	(1.3)
Taiwan	23,053	(1.5)
India	74,612	0.0
Australia	8,268	0.3

Policy Rates

Central Banks	Current	Next
US Fed Funds	4.50	19-Mar
ECB Main Refinancing	2.90	06-Mar
BOE Base Rate	4.50	20-Mar
RBA Cash Rate	4.10	01-Apr
BOJ Cash Rate	0.50	19-Mar
PBOC 1Y LPR	3.10	n.a.
BOK Base Rate	3.00	-
BNM OPR	3.00	06-Mar

Ringgit Outlook for The Week

	1	2
Resistance	4.500	4.520
Support	4.350	4.240

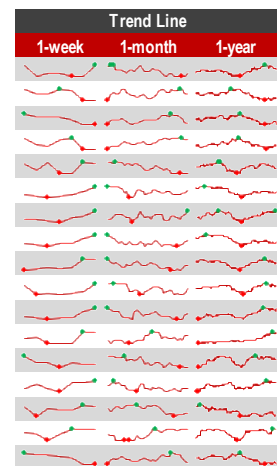
Sources: Bloomberg, Trading Economics, AmBank Economics

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
	27-Feb-25	26-Feb-25	20-Feb-25	28-Jan-25	28-Feb-24
DXY Dollar Index	107.24	106.42	106.37	107.87	103.98
EUR/USD	1.040	1.049	1.050	1.043	1.084
AUD/USD	0.624	0.631	0.640	0.625	0.650
GBP/USD	1.260	1.268	1.267	1.244	1.266
USD/JPY	149.81	149.1	149.64	155.54	150.69
USD/MYR	4.441	4.429	4.430	4.395	4.771
USD/IDR	16,450	16,370	16,330	16,173	15,685
USD/THB	33.92	33.71	33.66	33.91	36.05
USD/SGD	1.348	1.339	1.334	1.351	1.346
USD/CNY	7.287	7.258	7.243	7.245	7.198
USD/KRW	1,447	1,433	1,436	1,431	1,334
USD/INR	87.20	87.20	86.67	86.53	82.93
USD/PHP	57.90	57.89	57.93	58.43	56.24
USD/TWD	32.83	32.80	32.80	32.69	31.58
USD/HKD	7.778	7.774	7.777	7.790	7.828
USD/VND	25,542	25,551	25,526	25,083	24,628
NZD/USD	0.563	0.570	0.576	0.567	0.610

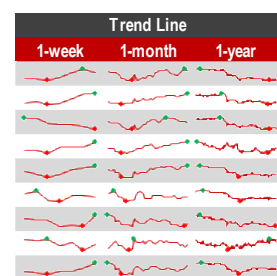
Percentage Change				
1-day	1-week	1-month	1-year	YTD
0.8	0.8	(0.6)	3.1	(1.1)
(0.8)	(1.0)	(0.3)	(4.1)	0.4
(1.1)	(2.6)	(0.3)	(4.0)	0.8
(0.6)	(0.5)	1.3	(0.5)	0.7
0.5	0.1	(3.7)	(0.6)	(4.7)
0.3	0.3	1.1	(6.9)	(0.7)
0.5	0.7	1.7	4.9	2.2
0.6	0.8	0.0	(5.9)	(0.5)
0.7	1.1	(0.2)	0.2	(1.3)
0.40	0.6	0.6	1.2	(0.2)
0.9	0.8	1.1	8.5	(1.7)
(0.0)	0.6	0.8	5.1	1.9
0.0	(0.0)	(0.9)	3.0	0.1
0.1	0.1	0.4	3.9	0.1
0.0	0.0	(0.2)	(0.6)	0.1
(0.0)	0.1	1.8	3.7	0.2
(1.1)	(2.3)	(0.6)	(7.6)	0.7



Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year
	27-Feb-25	26-Feb-25	20-Feb-25	28-Jan-25	28-Feb-24
EUR/MYR	4.660	4.648	4.623	4.586	5.153
GBP/MYR	5.631	5.604	5.588	5.471	6.024
AUD/MYR	2.799	2.801	2.824	2.748	3.097
JPY/MYR	2.967	2.970	2.960	2.827	3.166
SGD/MYR	3.312	3.310	3.308	3.251	3.542
10CNY/MYR	6.100	6.103	6.114	6.065	6.628
100IDR/MYR	2.701	2.703	2.712	2.712	3.040
THB/MYR	13.037	13.128	13.152	12.955	13.246
10HKD/MYR	5.714	5.697	5.696	5.639	6.095

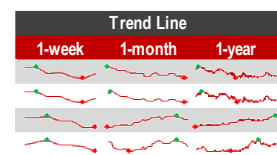
Percentage Change				
1-day	1-week	1-month	1-year	YTD
0.2	0.8	1.6	(9.6)	0.0
0.5	0.8	2.9	(6.5)	0.3
(0.1)	(0.9)	1.8	(9.6)	0.6
(0.1)	0.2	5.0	(6.3)	4.3
0.1	0.1	1.9	(6.5)	0.8
(0.1)	(0.2)	0.6	(8.0)	(0.4)
(0.1)	(0.4)	(0.4)	(11.2)	(2.6)
(0.7)	(0.9)	0.6	(1.6)	0.1
0.3	0.3	1.3	(6.3)	(0.8)



Commodities

	Latest	1-day	1 week	1-Month	1-Year
	27-Feb-25	26-Feb-25	20-Feb-25	28-Jan-25	28-Feb-24
Brent (USD/barrel)	74.04	72.53	76.48	77.49	83.68
WTI (USD/barrel)	70.35	68.62	72.57	73.77	78.54
Gold (USD/oz)	2,878	2,916	2,939	2,764	2,035
Malaysia CPO (RM/tonne)	4,688	4,757	4,841	4,560	4,004

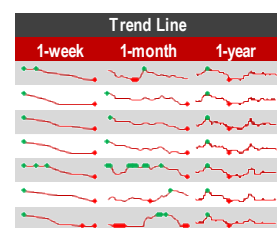
Percentage Change				
1-day	1-week	1-month	1-year	YTD
2.1	(3.2)	(4.5)	(11.5)	(0.8)
2.5	(3.1)	(4.6)	(10.4)	(1.9)
(1.3)	(2.1)	4.1	41.4	9.6
(1.5)	(3.2)	2.8	17.1	(4.7)



Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year
	27-Feb-25	26-Feb-25	20-Feb-25	28-Jan-25	28-Feb-24
3-Year	3.43	3.43	3.45	3.44	3.50
5-Year	3.59	3.59	3.60	3.60	3.59
7-Year	3.75	3.75	3.76	3.77	3.79
10-Year	3.79	3.79	3.80	3.80	3.87
15-Year	3.96	3.96	3.97	3.97	4.02
20-Year	4.06	4.06	4.07	4.06	4.09
30-Year	4.18	4.18	4.18	4.18	4.21

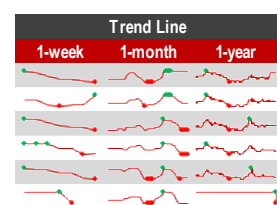
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(0)	(2)	(1)	(7)	(5)
0	(1)	(1)	(0)	(3)
(0)	(1)	(2)	(4)	(2)
0	(1)	(1)	(9)	(3)
0	(1)	(1)	(6)	(1)
(0)	(1)	0	(3)	0
0	(1)	(0)	(4)	(1)



Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year
	27-Feb-25	26-Feb-25	20-Feb-25	28-Jan-25	28-Feb-24
3-Year	3.55	3.55	3.55	3.51	3.48
5-Year	3.63	3.63	3.63	3.63	3.62
7-Year	3.76	3.76	3.77	3.77	3.79
10-Year	3.81	3.81	3.81	3.83	3.88
15-Year	3.94	3.94	3.94	3.95	4.00
20-Year	4.07	4.07	4.07	4.08	4.15

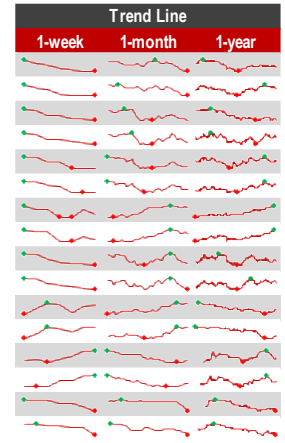
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(0)	(1)	4	6	13
1	0	1	2	1
(0)	(2)	(1)	(3)	2
0	(1)	(2)	(7)	(2)
(0)	(0)	(2)	(7)	(4)
(0)	(0)	(1)	(8)	(1)



Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year
	27-Feb-25	26-Feb-25	20-Feb-25	28-Jan-25	28-Feb-24
UST 2Y	4.05	4.07	4.27	4.19	4.64
UST 10Y	4.26	4.26	4.51	4.53	4.26
Germany 2Y	2.04	2.07	2.15	2.27	2.92
Germany 10Y	2.41	2.43	2.53	2.57	2.46
UK 2Y	4.18	4.18	4.27	4.31	4.34
UK 10Y	4.51	4.50	4.61	4.61	4.19
Japan 2Y	0.82	0.80	0.83	0.70	0.17
Japan 10Y	1.40	1.37	1.45	1.20	0.70
Australia 2Y	3.77	3.78	3.93	3.84	3.82
Australia 10Y	4.34	4.36	4.53	4.42	4.17
China 2Y	1.47	1.44	1.43	1.28	2.05
China 10Y	1.80	1.77	1.72	1.63	2.36
Indonesia 2Y	6.54	6.49	6.46	6.85	6.27
Indonesia 10Y	6.92	6.86	6.79	7.05	6.60
Thailand 2Y	1.92	1.97	2.04	2.04	2.13
Thailand 10Y	2.15	2.24	2.27	2.27	2.55

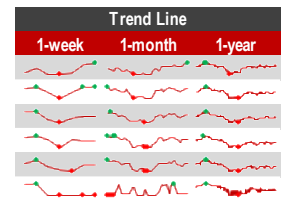
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(2)	(22)	(14)	(59)	(19)
0	(25)	(27)	(0)	(31)
(3)	(12)	(24)	(88)	(5)
(2)	(12)	(15)	(5)	5
0	(9)	(13)	(16)	(22)
1	(10)	(10)	33	98
2	(1)	12	65	21
3	(4)	20	70	30
(1)	(15)	(6)	(5)	(8)
(2)	(19)	(8)	17	(2)
3	5	19	(58)	37
3	8	17	(56)	12
4	8	(31)	27	(50)
6	13	(13)	32	(8)
(5)	(12)	(12)	(21)	(8)
(9)	(12)	(12)	(40)	(10)



Key swap rates

	Latest	1-day	1 week	1-Month	1-Year
	27-Feb-25	26-Feb-25	20-Feb-25	28-Jan-25	28-Feb-24
IRS 1-Year	3.61	3.59	3.59	3.56	3.64
IRS 3-Year	3.53	3.52	3.53	3.47	3.59
IRS 5-Year	3.57	3.57	3.58	3.53	3.68
IRS 7-Year	3.64	3.65	3.65	3.60	3.80
IRS 10-Year	3.74	3.72	3.75	3.71	3.93
IRS 20-Year	3.96	3.96	4.10	4.05	4.30

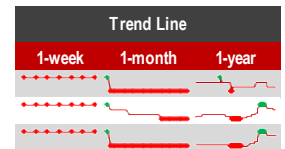
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
1	1	5	(3)	4
1	0	6	(6)	3
0	(1)	4	(11)	2
(0)	(1)	4	(15)	1
2	(1)	4	(19)	2
(0)	(14)	(10)	(35)	0



Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year
	27-Feb-25	26-Feb-25	20-Feb-25	28-Jan-25	28-Feb-24
1-Month Klibor	3.28	3.28	3.28	3.28	3.29
3-Month Klibor	3.66	3.66	3.66	3.67	3.56
6-Month Klibor	3.73	3.73	3.73	3.73	3.63

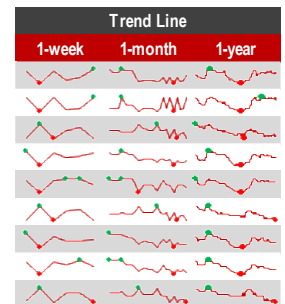
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	0	0	(1)	(1)
0	0	(1)	10	(7)
0	0	0	10	(4)



Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year
	27-Feb-25	26-Feb-25	20-Feb-25	28-Jan-25	28-Feb-24
3-Year AAA	3.83	3.83	3.83	3.84	3.83
3-Year AA	4.03	4.01	4.03	4.01	4.01
3-Year A	4.80	4.82	4.80	4.83	5.10
5-Year AAA	3.91	3.91	3.91	3.92	3.93
5-Year AA	4.08	4.08	4.08	4.09	4.12
5-Year A	4.99	5.02	4.99	5.03	5.39
10-Year AAA	4.04	4.04	4.04	4.05	4.11
10-Year AA	4.21	4.21	4.21	4.22	4.31
10-Year A	5.36	5.40	5.37	5.43	5.90

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
1	0	(0)	1	0
2	0	2	2	2
(2)	0	(3)	(30)	(6)
0	(0)	(1)	(2)	(2)
(0)	(0)	(1)	(4)	(2)
(3)	(0)	(4)	(40)	(10)
0	(0)	(1)	(7)	(3)
(0)	(0)	(1)	(11)	(3)
(3)	(1)	(7)	(53)	(20)



Sources: Bloomberg, AmBank Economics

Note: All values are end-period

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