



Fixed Income & FX Research

30 May 2025

Macro: US federal appeals court blocks Manhattan's decision to reverse the majority of Trump tariffs. Initial jobless claims ticked up to 240k in the latest reading.

Forex: MYR opened weaker yesterday following the US court decision, though overnight USD weakness is expected to lend better support today.

Fixed Income: UST bolstered by overnight US data, helping drive demand for the 7Y UST auction. Duration MGS better supported amid solid BTC of 3.32x on the new 20Y GII 05/45 benchmark auction.

Macro

Global: A federal appeals court has temporarily blocked the US Manhattan Court of International Trade's decision to block most of President Trump's tariffs. The legal fight ahead is expected to inject further uncertainty into the world economy while sapping the US's leverage in negotiations, though the US administration is also exploring alternative avenues to pursue tariffs. Meanwhile, we believe that the 90-day US reciprocal tariff remains as is. Separately, the White House said President Trump pushed Fed Chairman Jerome Powell to lower interest rates at their first in-person meeting, in which Powell continued reiterating incoming information dependency in deciding policy rates ahead. The US economy contracted 0.2% y/y in 1Q25, slightly improving from the first reading of -0.3% y/y. Initial jobless claims, however, rose to 240k for the week ending 24 May (consensus: 230k; prior: 226k), its highest in a month, suggesting labour markets may have started to soften.

Forex

Global: The dollar fell overnight as traders reacted to the release of the weak US GDP number. The dollar was also pressured lower by a rise in US initial jobless claims to 240k in the week ended 24 May from 227k the week before. Levels reversed earlier daily dollar gains which had come from the NY court order against the US reciprocal tariffs. The EUR then benefited from the weaker USD, plus also benefited from some recent hawkish comments from ECB officials. ECB's next policy rate meeting is due next week. JPY is seen on the rise this morning, after Tokyo CPI (a leading indicator of national inflation) accelerated to its quickest in two years, indicating further pressure for the BOJ to hike policy rates (despite risks of a slowing economy) to tame inflation.

MYR: The ringgit depreciated yesterday while the US dollar showed strength following the court order against Trump's tariffs. Sentiment is likely to remain directed by dollar movement today, and the greenback's overnight weakness should provide some ringgit support.

Fixed Income

Global Bonds: Despite a reversal in Wall Street intraday gains, UST saw a steady rally from US opening hours, bolstered by the downward revision in US 1Q25 private consumption, the increase in initial claims, and some cooling of the core PCE price index. This helped drive strong demand for the 7Y UST auction.

MYR Bonds: The MGS curve flattened, with the front-to-bellies paring recent gains amid improved sentiment for global DM bonds. Duration tenors, however, were better supported, following solid demand for the new 20Y GII benchmark, which garnered a BTC of 3.32x on the public issuance size of MYR3 billion with an average yield of 3.775%, or about 2.5bps lower than the closing yield of the 20Y MGS benchmark.

Other Markets

Commodities: Gold found support yesterday amid concerns over global trade prospects despite the court order and the post-release of the US GDP data. Oil prices were mixed, driven by ongoing concerns over OPEC+ output and as traders continued to watch developments on the global trade front. There is still worry that OPEC+ may hike output in July.

FX Daily Rates

Vs. USD	Last Close	Per cent
DX	99.28	(0.6)
EUR/USD	1.137	0.7
AUD/USD	0.644	0.2
GBP/USD	1.349	0.2
USD/JPY	144.21	(0.4)
USD/MYR	4.243	0.4
USD/IDR	16,290	0.0
USD/THB	32.77	0.5
USD/SGD	1.287	(0.2)
USD/CNY	7.186	(0.1)

Ringgit Outlook for The Week

	1	2
Resistance	4.310	4.330
Support	4.200	4.150

Major Sovereign Yields (%)

Sov. Yield	Last Close	bps
UST 2Y	3.94	(5)
UST 10Y	4.42	(6)
Germany 10Y	2.51	(5)
UK 10Y	4.65	(8)
Japan 10Y	1.53	1
Australia 10Y	4.37	4
China 10Y	1.72	1

MGS Bond Yields (%)

MGS	Last	bps
3-Year	3.17	1
5-Year	3.22	3
7-Year	3.39	0
10-Year	3.53	0
15-Year	3.70	(0)
20-Year	3.80	(1)
30-Year	4.03	(1)

MYR Swap Rates (%)

Swap / Rates	Last Close	bps
IRS 1-Year	3.28	2
IRS 3-Year	3.16	1
IRS 5-Year	3.26	2
IRS 7-Year	3.37	1
IRS 10-Year	3.49	1
3M KLIBOR	3.50	(1)

Key Commodities

Commodities	Last Close	Per cent
Brent (USD/bbl)	64.15	(1.2)
WTI (USD/bbl)	60.94	(1.5)
Gold (USD/oz)	3,318	0.9
CPO (RM/tonne)	3,881	0.0

Policy Rates

Central Banks	Current	Next
US Fed Funds	4.50	18-Jun
ECB Main Refinancing	2.40	05-Jun
BOE Base Rate	4.25	19-Jun
RBA Cash Rate	3.85	28-Jul
BOJ Cash Rate	0.50	17-Jun
PBOC 1Y LPR	3.00	n.a.
BOK Base Rate	3.00	-
BNM OPR	3.00	09-Jul

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	Percentage Change					Trend Line		
	29-May-25	28-May-25	22-May-25	29-Apr-25	29-May-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
DXY Dollar Index	99.28	99.88	99.96	99.24	105.12	(0.6)	(0.7)	0.0	(5.6)	(8.5)			
EUR/USD	1.137	1.129	1.128	1.139	1.080	0.7	0.8	(0.1)	5.3	9.8			
AUD/USD	0.644	0.643	0.641	0.638	0.661	0.2	0.5	0.9	(2.5)	4.1			
GBP/USD	1.349	1.347	1.342	1.341	1.270	0.2	0.5	0.6	6.2	7.8			
USD/JPY	144.21	144.84	144.01	142.33	157.64	(0.4)	0.1	1.3	(8.5)	(8.3)			
USD/MYR	4.243	4.225	4.274	4.327	4.705	0.4	(0.7)	(1.9)	(9.8)	(5.1)			
USD/IDR	16,290	16,290	16,330	16,762	16,160	0.0	(0.2)	(2.8)	0.8	1.2			
USD/THB	32.77	32.62	32.83	33.40	36.75	0.5	(0.2)	(1.9)	(10.8)	(3.9)			
USD/SGD	1.287	1.289	1.293	1.308	1.352	(0.2)	(0.4)	(1.6)	(4.8)	(5.8)			
USD/CNY	7.186	7.196	7.206	7.271	7.249	(0.14)	(0.3)	(1.2)	(0.9)	(1.6)			
USD/KRW	1,371	1,375	1,383	1,434	1,365	(0.3)	(0.9)	(4.4)	0.4	(6.9)			
USD/INR	85.53	85.37	86.01	85.26	83.34	0.2	(0.6)	0.3	2.6	(0.1)			
USD/PHP	55.74	55.49	55.61	56.16	58.44	0.5	0.2	(0.7)	(4.6)	(3.6)			
USD/TWD	29.92	29.90	30.04	32.22	32.30	0.1	(0.4)	(7.1)	(7.4)	(8.8)			
USD/HKD	7.842	7.839	7.827	7.759	7.814	0.0	0.2	1.1	0.4	0.9			
USD/VND	26,029	25,953	25,976	25,994	25,458	0.3	0.2	0.1	2.2	2.1			
NZD/USD	0.597	0.597	0.590	0.593	0.612	0.0	1.2	0.6	(2.4)	6.7			

Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	29-May-25	28-May-25	22-May-25	29-Apr-25	29-May-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
EUR/MYR	4.786	4.788	4.826	4.925	5.105	(0.0)	(0.8)	(2.8)	(6.3)	2.7			
GBP/MYR	5.716	5.707	5.727	5.797	6.003	0.1	(0.2)	(1.4)	(4.8)	1.8			
AUD/MYR	2.734	2.722	2.745	2.774	3.126	0.4	(0.4)	(1.5)	(12.5)	(1.7)			
JPY/MYR	2.943	2.916	2.968	3.040	2.984	0.9	(0.8)	(3.2)	(1.4)	3.4			
SGD/MYR	3.289	3.280	3.309	3.305	3.486	0.3	(0.6)	(0.5)	(5.7)	0.1			
10CNY/MYR	5.903	5.875	5.931	5.950	6.489	0.5	(0.5)	(0.8)	(9.0)	(3.6)			
100IDR/MYR	2.602	2.592	2.617	2.581	2.911	0.4	(0.6)	0.8	(10.6)	(6.1)			
THB/MYR	12.968	12.949	13.020	12.934	12.785	0.1	(0.4)	0.3	1.4	(0.4)			
10HKD/MYR	5.414	5.390	5.461	5.577	6.021	0.4	(0.9)	(2.9)	(10.1)	(6.0)			

Commodities

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	29-May-25	28-May-25	22-May-25	29-Apr-25	29-May-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
Brent (USD/barrel)	64.15	64.9	64.44	64.25	83.6	(1.2)	(0.5)	(0.2)	(23.3)	(14.1)			
WTI (USD/barrel)	60.94	61.84	61.84	60.42	79.23	(1.5)	(1.5)	0.9	(23.1)	(15.0)			
Gold (USD/oz)	3,318	3,287	3,295	3,317	2,338	0.9	0.7	0.0	41.9	26.4			
Malaysia CPO (RM/tonne)	3,881	3,881	3,850	4,018	4,020	0.0	0.8	(3.4)	(3.5)	(21.1)			

Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	29-May-25	28-May-25	22-May-25	29-Apr-25	29-May-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.17	3.16	3.19	3.27	3.58	1	(3)	(10)	(41)	(31)			
5-Year	3.22	3.18	3.24	3.34	3.69	3	(2)	(13)	(47)	(40)			
7-Year	3.39	3.39	3.45	3.54	3.85	0	(6)	(14)	(45)	(38)			
10-Year	3.53	3.53	3.58	3.65	3.90	0	(5)	(12)	(37)	(28)			
15-Year	3.70	3.70	3.71	3.80	4.01	(0)	(2)	(10)	(32)	(27)			
20-Year	3.80	3.81	3.83	3.90	4.13	(1)	(2)	(10)	(32)	(26)			
30-Year	4.03	4.04	4.06	4.05	4.22	(1)	(3)	(2)	(19)	(15)			

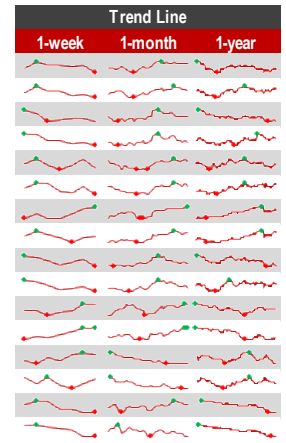
Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	29-May-25	28-May-25	22-May-25	29-Apr-25	29-May-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.17	3.17	3.19	3.29	3.54	(0)	(3)	(13)	(37)	(26)			
5-Year	3.30	3.30	3.35	3.41	3.68	0	(5)	(12)	(38)	(33)			
7-Year	3.41	3.41	3.47	3.53	3.82	0	(6)	(12)	(41)	(33)			
10-Year	3.53	3.54	3.58	3.64	3.90	(0)	(4)	(11)	(37)	(30)			
15-Year	3.70	3.71	3.74	3.79	4.03	(1)	(4)	(9)	(32)	(28)			
20-Year	3.81	3.83	3.86	3.90	4.15	(2)	(5)	(10)	(34)	(28)			

Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year
	29-May-25	28-May-25	22-May-25	29-Apr-25	29-May-24
UST 2Y	3.94	3.99	3.99	3.65	4.97
UST 10Y	4.42	4.48	4.53	4.17	4.61
Germany 2Y	1.77	1.80	1.83	1.74	3.10
Germany 10Y	2.51	2.55	2.64	2.50	2.69
UK 2Y	4.00	4.08	4.03	3.84	4.56
UK 10Y	4.65	4.73	4.75	4.48	4.40
Japan 2Y	0.76	0.75	0.74	0.69	0.38
Japan 10Y	1.53	1.52	1.57	1.32	1.09
Australia 2Y	3.38	3.36	3.41	3.26	4.13
Australia 10Y	4.37	4.33	4.46	4.19	4.40
China 2Y	1.49	1.48	1.48	1.48	1.80
China 10Y	1.72	1.71	1.69	1.63	2.30
Indonesia 2Y	6.25	6.25	6.25	6.52	6.72
Indonesia 10Y	6.84	6.84	6.85	6.89	6.94
Thailand 2Y	1.56	1.56	1.59	1.54	2.38
Thailand 10Y	1.81	1.82	1.88	1.89	2.81

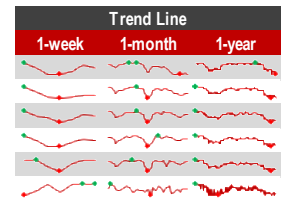
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(5)	(5)	29	(103)	(30)
(6)	(11)	25	(19)	(15)
(3)	(6)	3	(133)	(31)
(5)	(14)	1	(18)	14
(8)	(4)	15	(57)	(40)
(8)	(10)	17	25	8
1	2	7	37	15
1	(4)	21	44	43
2	(3)	12	(75)	(48)
4	(9)	18	(3)	1
1	1	2	(31)	39
1	3	9	(58)	4
0	1	(26)	(46)	(79)
0	(1)	(5)	(11)	(16)
(0)	(4)	2	(82)	(44)
(0)	(6)	(8)	(100)	(44)



Key swap rates

	Latest	1-day	1 week	1-Month	1-Year
	29-May-25	28-May-25	22-May-25	29-Apr-25	29-May-24
IRS 1-Year	3.28	3.26	3.28	3.42	3.61
IRS 3-Year	3.16	3.15	3.20	3.24	3.62
IRS 5-Year	3.26	3.24	3.28	3.29	3.70
IRS 7-Year	3.37	3.35	3.38	3.39	3.80
IRS 10-Year	3.49	3.48	3.49	3.52	3.92
IRS 20-Year	3.77	3.76	3.69	3.71	4.26

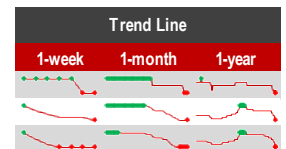
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
2	(0)	(15)	(34)	(30)
1	(5)	(9)	(47)	(35)
2	(2)	(3)	(44)	(29)
1	(1)	(2)	(44)	(27)
1	0	(3)	(43)	(24)
1	8	6	(49)	(18)



Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year
	29-May-25	28-May-25	22-May-25	29-Apr-25	29-May-24
1-Month Klibor	3.26	3.26	3.27	3.28	3.29
3-Month Klibor	3.50	3.51	3.53	3.65	3.59
6-Month Klibor	3.55	3.55	3.57	3.70	3.64

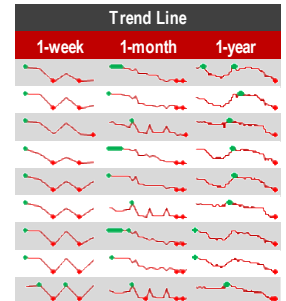
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	(1)	(2)	(3)	(3)
(1)	(3)	(15)	(9)	(23)
0	(2)	(15)	(9)	(22)



Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year
	29-May-25	28-May-25	22-May-25	29-Apr-25	29-May-24
3-Year AAA	3.70	3.70	3.71	3.75	3.85
3-Year AA	3.85	3.85	3.86	3.90	4.01
3-Year A	4.46	4.46	4.48	4.54	5.00
5-Year AAA	3.77	3.77	3.77	3.82	3.95
5-Year AA	3.93	3.92	3.93	3.96	4.10
5-Year A	4.60	4.59	4.60	4.65	5.23
10-Year AAA	3.91	3.91	3.92	3.95	4.12
10-Year AA	4.07	4.05	4.07	4.10	4.30
10-Year A	4.95	4.92	4.94	4.99	5.75

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	(0)	(5)	(15)	(13)
0	(1)	(4)	(16)	(16)
(0)	(2)	(8)	(54)	(40)
0	(1)	(5)	(18)	(16)
1	(0)	(4)	(17)	(18)
1	(0)	(5)	(64)	(49)
0	(1)	(4)	(21)	(15)
1	(0)	(4)	(24)	(17)
2	0	(5)	(81)	(61)



Sources: Bloomberg, AmBank Economics

Note: All values are end-period

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