



Fixed Income & FX Research

31 July 2025

Macro: Fed chair Powell tuned hawkish after FOMC hold, while US data continue to outperform. Malaysia 13MP to be tabled today, with emphasis expected on boosting income.

Forex: DXY rose sharply (+0.9%) on Powell's remarks. KRW outperform Asian FX on US demands for appreciation. USDMYR expected to open 0.7% up around 4.26 today.

Fixed Income: Front-end UST led losses as markets dialed back near-term rate cut bets. Cautious sentiment saw PDS trading slanted towards higher grade names in Malaysia.

Macro

Global: The Fed held rates steady at 4.25-4.50% for a fifth straight meeting as expected, with two expected dissenters calling for a 25bps cut. Fed chair Powell tuned hawkish in later remarks, citing lingering unknowns around tariffs and its impact on inflation and growth as a reason to stand pat, while also noting still-strong labour markets and above-target inflation. Meanwhile, advanced 2Q2025 GDP reading saw the US economy growing 3.0% annualised (consensus: 2.6%; 1Q2025: -0.5%), reflecting mainly a 30.3% y/y plunge in imports after earlier frontloading. Consumer spending rose to 1.4% (prior: 0.5%), though still marked among its tameest growth since the pandemic. ADP private payrolls saw a strong rebound to 104k job additions in July (consensus: +76k; June: -23k). Separately, Trump has announced 15% tariffs for South Korea and 25% for India. Trump has also suspended the 'de minimis' exemption for tariffs on small-value packages, which will commence on 29 August.

Malaysia: The IMF has raised Malaysia's growth forecasts to 4.5% and 4.0% for 2025 and 2026 respectively (prior: 4.1% and 3.8%). The Dewan Rakyat has tabled significant amendments the Countervailing and Anti-Dumping Duties Act 1993 (Act 504), aimed at trade duty evaders or product rerouters. The 13th Malaysia Plan (13MP) will also be tabled by PM Anwar at midday today, with minister Fahmi indicating it will place a strong emphasis on boosting national and household income.

Forex

Global: DXY rebounded another 0.9% to close just below the 100.0 handle on Powell's hawkish stance. Losses among major FX were led by currencies that previously saw the sharpest appreciation on weaker dollar prospects, including the SEK (-1.5%), EUR (-1.2%), and AUD (-1.2%). CAD (-0.4%) outperformed peers after the BOC kept policy rates unchanged as expected, while all eyes are on the JPY (-0.7%) today, with the BOJ policy decision expected. Meanwhile, the US has demanded the appreciation of the KRW in recent currency talks, which has spurred KRW outperformance among Asian FX for the day.

Malaysia: MYR fell 0.1%, though the overnight declines of 0.7% on the SGD and JPY suggests a sharp decline today to an opening around the 4.26 level.

Fixed Income

Global Bonds: Front-end UST yields led the curve higher, after comments from Fed's Powell disappointed markets that were dovish-leaning, while better-than-expected GDP and ADP data also weighed on bonds. Fed futures now see less than a 50% chance of a Fed rate cut in September (prior: 68%), while pricing in only 20bps worth of rate cuts for October (prior: 29bps).

MYR Bonds: Local government bonds closed steady but within a narrow range yesterday, coming ahead of the Fed rate decision. Flows were also relatively light along benchmark papers. Nevertheless, stronger bids were seen on benchmark GII papers. Amid a backdrop of cautious govvies trading, PDS trading saw a slant towards higher grade quasi names as well as bank papers. Notable yesterday were issuance of a couple of Cagamas papers maturing 2032 at 3.60% profit rate.

Commodities

Copper futures in the US staged its largest intra-day fall on record (-20%), after Trump unexpectedly excluded refined copper and ore from the tariff package starting tomorrow – among the most widely forms of copper imported to the US. **Gold** fell 1.5%, as higher-for-longer US rates weighed prices.

FX Daily Rates

Vs. USD	Last Close	Per cent
DXY	99.82	0.9
EUR/USD	1.141	(1.2)
AUD/USD	0.643	(1.2)
GBP/USD	1.324	(0.9)
USD/JPY	149.51	0.7
USD/MYR	4.240	0.1
USD/IDR	16,393	(0.0)
USD/THB	32.48	0.2
USD/SGD	1.297	0.7
USD/CNY	7.197	0.3

Ringgit Outlook for The Week

	1	2
Resistance	4.277	4.333
Support	4.181	4.141

Major Sovereign Yields (%)

Sov. Yield	Last Close	bps
UST 2Y	3.94	7
UST 10Y	4.37	5
Germany 10Y	2.71	(0)
UK 10Y	4.60	(3)
Japan 10Y	1.56	(2)
Australia 10Y	4.26	(7)
China 10Y	1.73	(2)

MGS Bond Yields (%)

MGS	Last	bps
3-Year	3.05	(1)
5-Year	3.14	(1)
7-Year	3.33	(1)
10-Year	3.37	(1)
15-Year	3.61	(2)
20-Year	3.76	1
30-Year	3.91	0

MYR Swap Rates (%)

Swap / Rates	Last Close	bps
IRS 1-Year	3.13	(2)
IRS 3-Year	3.05	(1)
IRS 5-Year	3.13	(1)
IRS 7-Year	3.21	(1)
IRS 10-Year	3.33	(2)
3M KLIBOR	3.23	0

Key Commodities

Commodities	Last Close	Per cent
Brent (USD/bbl)	73.24	1.0
WTI (USD/bbl)	70.00	1.1
Gold (USD/oz)	3,275	(1.5)
CPO (RM/tonne)	4,209	0.5

Policy Rates

Central Banks	Current	Next
US Fed Funds	4.50	30-Jul
ECB Deposit Rate	2.00	11-Sep
BOE Base Rate	4.25	07-Aug
RBA Cash Rate	3.85	12-Aug
BOJ Cash Rate	0.50	31-Jul
PBOC 1Y LPR	3.00	n.a.
BOK Base Rate	3.00	-
BNM OPR	2.75	05-Sep

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		
	30-Jul-25	29-Jul-25	23-Jul-25	30-Jun-25	30-Jul-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
DXY Dollar Index	99.82	98.89	97.21	96.88	104.55	0.9	2.7	3.0	(4.5)	(8.0)			
EUR/USD	1.141	1.155	1.177	1.179	1.082	(1.2)	(3.1)	(3.2)	5.5	10.2			
AUD/USD	0.643	0.651	0.660	0.658	0.654	(1.2)	(2.5)	(2.2)	(1.6)	4.0			
GBP/USD	1.324	1.335	1.358	1.373	1.284	(0.9)	(2.5)	(3.6)	3.1	5.8			
USD/JPY	149.51	148.46	146.51	144.03	152.77	0.7	2.0	3.8	(2.1)	(4.9)			
USD/MYR	4.240	4.234	4.228	4.210	4.622	0.1	0.3	0.7	(8.3)	(5.2)			
USD/IDR	16,393	16,398	16,293	16,238	16,300	(0.0)	0.6	1.0	0.6	1.8			
USD/THB	32.48	32.43	32.16	32.50	35.99	0.2	1.0	(0.1)	(9.7)	(4.7)			
USD/SGD	1.297	1.288	1.277	1.272	1.342	0.7	1.6	2.0	(3.4)	(5.1)			
USD/CNY	7.197	7.177	7.154	7.164	7.241	0.28	0.6	0.5	(0.6)	(1.4)			
USD/KRW	1,390	1,390	1,376	1,354	1,384	0.0	1.0	2.7	0.4	(5.5)			
USD/INR	87.43	86.82	86.42	85.75	83.73	0.7	1.2	2.0	4.4	2.1			
USD/PHP	57.59	57.33	56.89	56.32	58.65	0.5	1.2	2.2	(1.8)	(0.4)			
USD/TWD	29.70	29.70	29.35	29.59	32.85	0.0	1.2	0.4	(9.6)	(9.4)			
USD/HKD	7.850	7.850	7.850	7.850	7.813	0.0	0.0	0.0	0.5	1.0			
USD/VND	26,214	26,219	26,144	26,118	25,284	(0.0)	0.3	0.4	3.7	2.9			
NZD/USD	0.590	0.596	0.605	0.610	0.590	(1.0)	(2.5)	(3.3)	(0.1)	5.4			

Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	30-Jul-25	29-Jul-25	23-Jul-25	30-Jun-25	30-Jul-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
EUR/MYR	4.902	4.902	4.962	4.933	5.006	(0.0)	(1.2)	(0.6)	(2.1)	5.2			
GBP/MYR	5.673	5.654	5.727	5.766	5.945	0.3	(0.9)	(1.6)	(4.6)	1.0			
AUD/MYR	2.756	2.758	2.785	2.747	3.025	(0.1)	(1.0)	0.3	(8.9)	(0.9)			
JPY/MYR	2.838	2.852	2.886	2.923	3.016	(0.5)	(1.7)	(2.9)	(5.9)	(0.3)			
SGD/MYR	3.294	3.289	3.309	3.302	3.439	0.1	(0.5)	(0.2)	(4.2)	0.2			
10CNY/MYR	5.901	5.901	5.905	5.875	6.383	0.0	(0.1)	0.4	(7.5)	(3.7)			
100IDR/MYR	2.587	2.580	2.593	2.592	2.835	0.3	(0.2)	(0.2)	(8.7)	(6.7)			
THB/MYR	12.952	13.065	13.139	12.940	12.840	(0.9)	(1.4)	0.1	0.9	(0.5)			
10HKD/MYR	5.405	5.394	5.386	5.362	5.915	0.2	0.4	0.8	(8.6)	(6.1)			

Commodities

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	30-Jul-25	29-Jul-25	23-Jul-25	30-Jun-25	30-Jul-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
Brent (USD/barrel)	73.24	72.51	68.51	67.61	78.63	1.0	6.9	8.3	(6.9)	(1.9)			
WTI (USD/barrel)	70	69.21	65.25	65.11	74.73	1.1	7.3	7.5	(6.3)	(2.4)			
Gold (USD/oz)	3,275	3,327	3,387	3,303	2,411	(1.5)	(3.3)	(0.8)	35.9	24.8			
Malaysia CPO (RM/tonne)	4,209	4,188	4,244	3,958	4,040	0.5	(0.8)	6.3	4.2	(13.4)			

Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	30-Jul-25	29-Jul-25	23-Jul-25	30-Jun-25	30-Jul-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.05	3.06	3.07	3.14	3.39	(1)	(2)	(9)	(35)	(43)			
5-Year	3.14	3.15	3.16	3.19	3.54	(1)	(1)	(5)	(40)	(48)			
7-Year	3.33	3.34	3.36	3.40	3.69	(1)	(3)	(6)	(35)	(44)			
10-Year	3.37	3.38	3.42	3.51	3.75	(1)	(5)	(15)	(38)	(45)			
15-Year	3.61	3.63	3.66	3.68	3.88	(2)	(4)	(7)	(27)	(36)			
20-Year	3.76	3.75	3.75	3.77	4.03	1	0	(2)	(27)	(30)			
30-Year	3.91	3.91	3.92	4.01	4.16	0	(1)	(10)	(25)	(27)			

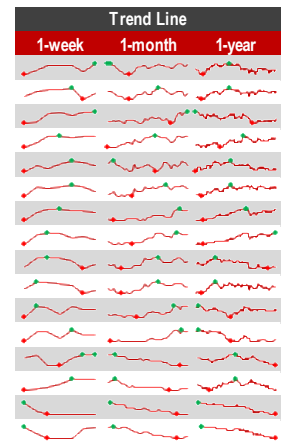
Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	30-Jul-25	29-Jul-25	23-Jul-25	30-Jun-25	30-Jul-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.10	3.11	3.12	3.16	3.38	(0)	(2)	(6)	(28)	(32)			
5-Year	3.19	3.19	3.21	3.28	3.54	0	(2)	(10)	(35)	(44)			
7-Year	3.33	3.34	3.35	3.39	3.71	(1)	(2)	(5)	(38)	(41)			
10-Year	3.42	3.44	3.47	3.52	3.76	(2)	(5)	(9)	(34)	(41)			
15-Year	3.64	3.64	3.66	3.70	3.93	(0)	(3)	(6)	(29)	(34)			
20-Year	3.74	3.74	3.74	3.77	4.07	0	(1)	(3)	(34)	(35)			

Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year
	30-Jul-25	29-Jul-25	23-Jul-25	30-Jun-25	30-Jul-24
UST 2Y	3.94	3.87	3.88	3.72	4.36
UST 10Y	4.37	4.32	4.38	4.23	4.14
Germany 2Y	1.95	1.94	1.84	1.86	2.55
Germany 10Y	2.71	2.71	2.64	2.61	2.34
UK 2Y	3.88	3.89	3.88	3.82	3.88
UK 10Y	4.60	4.63	4.64	4.49	4.04
Japan 2Y	0.83	0.84	0.83	0.75	0.38
Japan 10Y	1.56	1.58	1.59	1.43	1.00
Australia 2Y	3.33	3.39	3.34	3.21	4.10
Australia 10Y	4.26	4.33	4.29	4.16	4.28
China 2Y	1.44	1.45	1.41	1.37	1.53
China 10Y	1.73	1.75	1.71	1.65	2.14
Indonesia 2Y	5.79	5.77	5.78	6.05	6.63
Indonesia 10Y	6.56	6.56	6.50	6.63	6.94
Thailand 2Y	1.29	1.29	1.29	1.40	2.32
Thailand 10Y	1.51	1.51	1.47	1.60	2.59

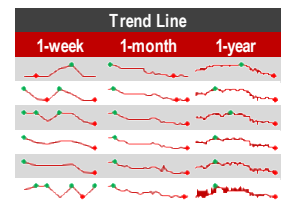
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
7	6	22	(42)	(30)
5	(1)	14	23	(20)
1	11	9	(60)	(13)
(0)	7	10	37	34
(2)	(0)	6	(0)	(52)
(3)	(3)	11	56	4
(1)	(0)	8	45	22
(2)	(3)	13	56	46
(7)	(2)	12	(77)	(53)
(7)	(4)	9	(2)	(11)
(1)	3	7	(9)	34
(2)	2	8	(41)	5
2	1	(26)	(84)	(125)
(0)	6	(7)	(38)	(44)
0	1	(11)	(103)	(70)
0	4	(9)	(108)	(74)



Key swap rates

	Latest	1-day	1 week	1-Month	1-Year
	30-Jul-25	29-Jul-25	23-Jul-25	30-Jun-25	30-Jul-24
IRS 1-Year	3.13	3.15	3.13	3.23	3.48
IRS 3-Year	3.05	3.06	3.07	3.13	3.45
IRS 5-Year	3.13	3.14	3.14	3.21	3.50
IRS 7-Year	3.21	3.21	3.23	3.31	3.61
IRS 10-Year	3.33	3.35	3.35	3.45	3.70
IRS 20-Year	3.62	3.64	3.63	3.74	4.05

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(2)	0	(10)	(35)	(45)
(1)	(2)	(8)	(40)	(45)
(1)	(2)	(9)	(37)	(42)
(1)	(2)	(10)	(40)	(43)
(2)	(2)	(12)	(38)	(40)
(2)	(1)	(12)	(43)	(33)



Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year
	30-Jul-25	29-Jul-25	23-Jul-25	30-Jun-25	30-Jul-24
1-Month Klibor	3.01	3.01	3.01	3.26	3.29
3-Month Klibor	3.23	3.23	3.23	3.50	3.57
6-Month Klibor	3.29	3.29	3.30	3.54	3.63

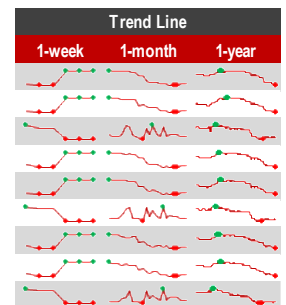
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	0	(25)	(28)	(28)
0	0	(27)	(34)	(50)
0	(1)	(25)	(34)	(48)



Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year
	30-Jul-25	29-Jul-25	23-Jul-25	30-Jun-25	30-Jul-24
3-Year AAA	3.56	3.56	3.55	3.61	3.80
3-Year AA	3.72	3.72	3.72	3.77	3.94
3-Year A	4.54	4.54	4.55	4.54	4.90
5-Year AAA	3.64	3.64	3.63	3.68	3.90
5-Year AA	3.81	3.81	3.80	3.85	4.03
5-Year A	4.67	4.67	4.68	4.67	5.15
10-Year AAA	3.79	3.79	3.78	3.84	4.06
10-Year AA	3.95	3.95	3.95	4.00	4.23
10-Year A	5.03	5.03	5.05	5.02	5.65

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	1	(5)	(24)	(27)
0	1	(4)	(22)	(29)
0	(1)	(0)	(36)	(32)
0	0	(5)	(26)	(29)
0	1	(4)	(23)	(29)
0	(1)	(0)	(48)	(41)
0	1	(5)	(27)	(28)
0	1	(5)	(28)	(29)
0	(2)	1	(63)	(53)



Sources: Bloomberg, AmBank Economics

Note: All values are end-period

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