



## Fixed Income &amp; FX Research

04 August 2025

**Macro:** Weak US NFP data sent shockwaves to financial markets, leading Trump to remove BLS chief. Malaysia parliament to debate US tariffs and RMK13 today.

**Forex:** DXY retreated 0.8% after earlier Fed- and PCE-inspired gains. JPY led G10 gains on weaker dollar conviction, with MYR poised for rebound today.

**Fixed Income:** UST bull steepened 16-28bps from front-to-bellies on US data, though risks ahead from damage to US institutional trust. MGS yields climbed 3 bps on Friday.

**Macro**

**Global:** US nonfarm payrolls (NFP) rose by 73k in July, well below estimates of 104k, while coming alongside sharp downward revision for the June (-133k) and May (-125k) readings, suggesting that labour markets may be cooling more rapidly than earlier expected. ISM manufacturing PMI also declined to 48 in July (consensus: 48.5; June: 49.0), as factory activity slipped deeper into contraction. Meanwhile, Trump removed the head of the Bureau of Labor Statistics (BLS), shortly after the NFP data was published. Trump will also gain greater opportunity to influence the Fed, after Fed Governor Adriana Kugler announced her resignation, with the two appointments expected in the coming days.

**Malaysia:** MITI said the lower 19% US tariff on Malaysia is 'a positive outcome', after the country agreed to reduce tariffs on 98.4% of US products. Minister Zafrul also clarified that tariff exemptions continue to apply for Malaysian semiconductor and pharmaceutical products, while the government will find ways to mitigate the impact of tariffs on other exports, such as CPO, of which Commodities Minister Johari noted that CPO competitor Indonesia is also hit with a 19% rate.

**Forex**

**Global:** DXY started August with a sharp 0.8% decline on US data, after an earlier rebound of more than 3% in July. JPY (+2.2%) significantly outperformed peers on Friday, as weaker dollar conviction pushed markets to par bearish yen bets. EUR rose 1.5%, after Eurozone inflation held steady at the ECB's 2% target in July, while Eurozone manufacturing activity also moved closer to stabilisation. AUD (+0.8%), GBP (+0.5%), and CAD (+0.5%) saw comparatively mild gains against the USD, beset by other woes including falling commodity prices, weak growth prospects, and a higher tariff rate.

**Malaysia:** MYR fell 0.3% against greenback strength on Thursday, following US inflation data. Gains however are expected today, tracking strength of overnight trading Asian counterparts – the JPY (+2.2%), SGD (+0.6%), and KRW (+0.3%).

**Fixed Income**

**Global Bonds:** The UST curve bull steepened 16-28 bps from the 2-10Ys section, while seeing milder gains of 8 bps on the tail-end. The significant rally was primarily driven by the release of weak NFP data. Though bonds were also bolstered by the Treasury Department indicating it will raise buybacks of notes, bonds and TIPS, political pressure on the BLS head removal and Fed Governor Kugler resignation also drove UST yields up – though not enough to erase data-driven momentum. However, longer term trust in US institutions may be at stake which may risk a pullback from US bonds, even in the short-term horizon.

**MYR Bonds:** The ringgit government bond market weakened with yields on benchmark papers up to 3 bps higher last Friday. Announcement of 19% tariffs on Malaysia's exports to the US which is not as bad as 25% earlier feared drove the net selling activity. Stops to the month end demand also weakened sentiment. Risk appetite remained lacking in the corporate bond market. Flows were again led by bank papers, as well as infrastructure names. Infra Cap 04/36 shed 2 bps to 3.72%

**Commodities**

**Gold** prices jumped 2% as UST yields plummeted, while **oil** prices also fell 3-4%, as traders digested the triple whammy bag of US data, further increases in OPEC+ production, and news that India will continue buying Russian oil regardless of tariff threats.

**FX Daily Rates**

Vs. USD	Last Close	Per cent
DXY	99.14	(0.8)
EUR/USD	1.159	1.5
AUD/USD	0.647	0.8
GBP/USD	1.328	0.5
USD/JPY	147.40	(2.2)
USD/MYR	4.279	0.3
USD/IDR	16,493	0.2
USD/THB	32.86	0.6
USD/SGD	1.290	(0.6)
USD/CNY	7.193	(0.1)

**Ringgit Outlook for The Week**

	1	2
Resistance	4.316	4.352
Support	4.220	4.160

**Major Sovereign Yields (%)**

Sov. Yield	Last Close	bps
UST 2Y	3.68	(28)
UST 10Y	4.22	(16)
Germany 10Y	2.68	(2)
UK 10Y	4.53	(4)
Japan 10Y	1.56	0
Australia 10Y	4.32	5
China 10Y	1.71	(1)

**MGS Bond Yields (%)**

MGS	Last	bps
3-Year	3.07	2
5-Year	3.17	2
7-Year	3.36	2
10-Year	3.40	3
15-Year	3.63	2
20-Year	3.77	1
30-Year	3.92	0

**MYR Swap Rates (%)**

Swap / Rates	Last Close	bps
IRS 1-Year	3.14	1
IRS 3-Year	3.09	2
IRS 5-Year	3.17	4
IRS 7-Year	3.23	3
IRS 10-Year	3.34	1
3M KLIBOR	3.22	(1)

**Key Commodities**

Commodities	Last Close	Per cent
Brent (USD/bbl)	69.67	(3.9)
WTI (USD/bbl)	67.33	(2.8)
Gold (USD/oz)	3,363	2.2
CPO (RM/tonne)	4,193	0.4

**Policy Rates**

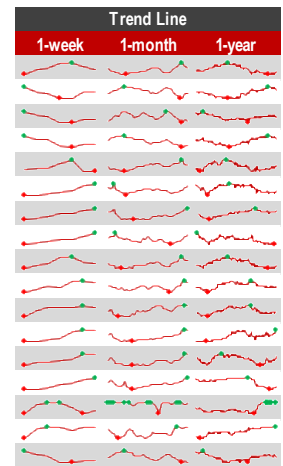
Central Banks	Current	Next
US Fed Funds	4.50	18-Sep
ECB Deposit Rate	2.00	11-Sep
BOE Base Rate	4.25	07-Aug
RBA Cash Rate	3.85	12-Aug
BOJ Cash Rate	0.50	19-Sep
PBOC 1Y LPR	3.00	n.a.
BOK Base Rate	3.00	-
BNM OPR	2.75	05-Sep

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
	1-Aug-25	31-Jul-25	25-Jul-25	2-Jul-25	1-Aug-24
DXY Dollar Index	99.14	99.97	97.65	96.78	104.42
EUR/USD	1.159	1.142	1.174	1.180	1.079
AUD/USD	0.647	0.643	0.657	0.658	0.650
GBP/USD	1.328	1.321	1.344	1.364	1.274
USD/JPY	147.4	150.75	147.69	143.66	149.36
USD/MYR	4.279	4.265	4.223	4.226	4.569
USD/IDR	16,493	16,455	16,315	16,242	16,235
USD/THB	32.86	32.68	32.38	32.45	35.61
USD/SGD	1.290	1.298	1.282	1.273	1.337
USD/CNY	7.193	7.200	7.170	7.163	7.245
USD/KRW	1,389	1,393	1,383	1,366	1,370
USD/INR	87.53	87.60	86.52	85.71	83.72
USD/PHP	58.17	58.33	57.13	56.38	58.35
USD/TWD	30.01	29.87	29.44	29.00	32.77
USD/HKD	7.850	7.850	7.850	7.850	7.815
USD/VND	26,213	26,198	26,140	26,162	25,220
NZD/USD	0.592	0.589	0.602	0.609	0.595

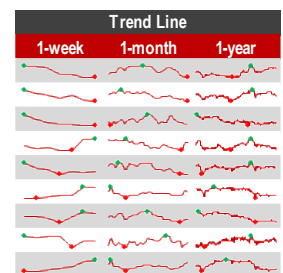
Percentage Change				
1-day	1-week	1-month	1-year	YTD
(0.8)	1.5	2.4	(5.1)	(8.6)
1.5	(1.3)	(1.8)	7.4	11.9
0.8	(1.4)	(1.7)	(0.4)	4.6
0.5	(1.2)	(2.6)	4.2	6.1
(2.2)	(0.2)	2.6	(1.3)	(6.2)
0.3	1.3	1.2	(6.4)	(4.3)
0.2	1.1	1.5	1.6	2.4
0.6	1.5	1.3	(7.7)	(3.6)
(0.6)	0.6	1.3	(3.5)	(5.6)
(0.09)	0.3	0.4	(0.7)	(1.5)
(0.3)	0.5	2.4	1.4	(5.6)
(0.1)	1.2	2.1	4.5	2.2
(0.3)	1.8	3.2	(0.3)	0.6
0.5	1.9	3.5	(8.4)	(8.5)
(0.0)	0.0	(0.0)	0.4	1.0
0.1	0.3	0.2	3.9	2.9
0.5	(1.7)	(2.8)	(0.5)	5.8



## Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year
	1-Aug-25	31-Jul-25	25-Jul-25	2-Jul-25	1-Aug-24
EUR/MYR	4.878	4.881	4.955	4.976	4.925
GBP/MYR	5.626	5.642	5.685	5.786	5.828
AUD/MYR	2.748	2.750	2.771	2.774	2.981
JPY/MYR	2.902	2.831	2.859	2.943	3.059
SGD/MYR	3.293	3.292	3.296	3.318	3.414
10CNY/MYR	5.931	5.933	5.890	5.900	6.307
100IDR/MYR	2.591	2.594	2.587	2.602	2.814
THB/MYR	13.025	13.013	13.045	13.057	12.841
10HKD/MYR	5.450	5.433	5.379	5.385	5.847

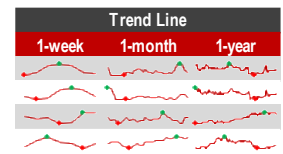
Percentage Change				
1-day	1-week	1-month	1-year	YTD
(0.1)	(1.6)	(2.0)	(1.0)	4.7
(0.3)	(1.0)	(2.8)	(3.5)	0.2
(0.1)	(0.9)	(1.0)	(7.8)	(1.2)
2.5	1.5	(1.4)	(5.1)	2.0
0.0	(0.1)	(0.8)	(3.5)	0.2
(0.0)	0.7	0.5	(6.0)	(3.2)
(0.1)	0.2	(0.4)	(7.9)	(6.5)
0.1	(0.2)	(0.3)	1.4	0.0
0.3	1.3	1.2	(6.8)	(5.4)



## Commodities

	Latest	1-day	1 week	1-Month	1-Year
	1-Aug-25	31-Jul-25	25-Jul-25	2-Jul-25	1-Aug-24
Brent (USD/barrel)	69.67	72.53	68.44	69.11	79.52
WTI (USD/barrel)	67.33	69.26	65.16	67.45	76.31
Gold (USD/oz)	3,363	3,290	3,337	3,357	2,446
Malaysia CPO (RM/tonne)	4,193	4,175	4,221	4,034	3,988

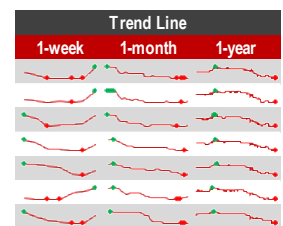
Percentage Change				
1-day	1-week	1-month	1-year	YTD
(3.9)	1.8	0.8	(12.4)	(6.7)
(2.8)	3.3	(0.2)	(11.8)	(6.1)
2.2	0.8	0.2	37.5	28.2
0.4	(0.7)	3.9	5.1	(13.7)



## Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year
	1-Aug-25	31-Jul-25	25-Jul-25	2-Jul-25	1-Aug-24
3-Year	3.07	3.05	3.05	3.12	3.36
5-Year	3.17	3.15	3.15	3.17	3.51
7-Year	3.36	3.34	3.34	3.38	3.67
10-Year	3.40	3.37	3.39	3.50	3.71
15-Year	3.63	3.61	3.65	3.68	3.87
20-Year	3.77	3.76	3.75	3.78	4.02
30-Year	3.92	3.91	3.91	4.00	4.14

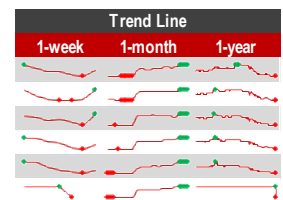
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
2	2	(5)	(30)	(41)
2	3	0	(34)	(45)
2	2	(2)	(31)	(41)
3	1	(10)	(31)	(42)
2	(2)	(5)	(24)	(34)
1	1	(1)	(25)	(29)
0	0	(8)	(22)	(27)



## Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year
	1-Aug-25	31-Jul-25	25-Jul-25	2-Jul-25	1-Aug-24
3-Year	3.11	3.10	3.11	3.16	3.34
5-Year	3.20	3.19	3.19	3.27	3.50
7-Year	3.35	3.33	3.34	3.39	3.68
10-Year	3.43	3.41	3.46	3.50	3.72
15-Year	3.64	3.63	3.66	3.70	3.90
20-Year	3.74	3.73	3.74	3.76	4.04

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
1	(0)	(5)	(23)	(32)
1	1	(7)	(30)	(42)
2	1	(4)	(33)	(39)
2	(3)	(7)	(29)	(40)
1	(1)	(6)	(26)	(34)
0	0	(3)	(31)	(35)



## Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	1-Aug-25	31-Jul-25	25-Jul-25	2-Jul-25	1-Aug-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
UST 2Y	3.68	3.96	3.92	3.78	4.15	(28)	(24)	(10)	(47)	(56)			
UST 10Y	4.22	4.37	4.39	4.28	3.98	(16)	(17)	(6)	24	(35)			
Germany 2Y	1.93	1.96	1.95	1.86	2.45	(3)	(2)	7	(52)	(15)			
Germany 10Y	2.68	2.70	2.72	2.66	2.24	(2)	(4)	1	44	31			
UK 2Y	3.79	3.86	3.88	3.88	3.72	(7)	(9)	(9)	7	(60)			
UK 10Y	4.53	4.57	4.64	4.61	3.88	(4)	(11)	(8)	65	(4)			
Japan 2Y	0.82	0.82	0.86	0.75	0.47	(1)	(4)	6	35	21			
Japan 10Y	1.56	1.56	1.61	1.43	1.04	0	(5)	13	52	46			
Australia 2Y	3.40	3.35	3.42	3.24	3.86	4	(2)	16	(46)	(46)			
Australia 10Y	4.32	4.26	4.34	4.15	4.09	5	(3)	16	23	(5)			
China 2Y	1.43	1.44	1.44	1.37	1.53	(1)	(1)	6	(10)	33			
China 10Y	1.71	1.71	1.74	1.64	2.13	(1)	(3)	6	(42)	3			
Indonesia 2Y	5.87	5.83	5.74	6.01	6.62	4	13	(14)	(75)	(117)			
Indonesia 10Y	6.58	6.57	6.52	6.62	6.88	1	6	(4)	(31)	(42)			
Thailand 2Y	1.29	1.29	1.29	1.39	2.30	(1)	(0)	(10)	(101)	(71)			
Thailand 10Y	1.50	1.50	1.48	1.59	2.58	(0)	3	(9)	(107)	(75)			

## Key swap rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	1-Aug-25	31-Jul-25	25-Jul-25	2-Jul-25	1-Aug-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
IRS 1-Year	3.14	3.13	3.13	3.24	3.45	1	1	(9)	(31)	(43)			
IRS 3-Year	3.09	3.06	3.05	3.12	3.41	2	4	(4)	(33)	(42)			
IRS 5-Year	3.17	3.13	3.13	3.20	3.45	4	4	(3)	(29)	(38)			
IRS 7-Year	3.23	3.20	3.21	3.28	3.53	3	2	(5)	(31)	(41)			
IRS 10-Year	3.34	3.33	3.34	3.41	3.63	1	0	(7)	(29)	(39)			
IRS 20-Year	3.66	3.62	3.64	3.70	3.99	4	2	(4)	(33)	(29)			

## Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	1-Aug-25	31-Jul-25	25-Jul-25	2-Jul-25	1-Aug-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
1-Month Klibor	3.01	3.01	3.01	3.26	3.29	0	0	(25)	(28)	(28)			
3-Month Klibor	3.22	3.23	3.23	3.49	3.57	(1)	(1)	(27)	(35)	(51)			
6-Month Klibor	3.28	3.29	3.30	3.53	3.63	(1)	(2)	(25)	(35)	(49)			

## Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	1-Aug-25	31-Jul-25	25-Jul-25	2-Jul-25	1-Aug-24	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year AAA	3.53	3.54	3.55	3.61	3.77	(1)	(2)	(8)	(24)	(30)			
3-Year AA	3.70	3.71	3.72	3.77	3.91	(0)	(2)	(7)	(21)	(31)			
3-Year A	4.52	4.55	4.55	4.54	4.87	(3)	(3)	(3)	(35)	(34)			
5-Year AAA	3.62	3.62	3.63	3.68	3.87	(0)	(1)	(7)	(26)	(31)			
5-Year AA	3.79	3.79	3.80	3.85	4.01	(0)	(1)	(6)	(22)	(31)			
5-Year A	4.65	4.70	4.68	4.67	5.12	(4)	(3)	(2)	(47)	(43)			
10-Year AAA	3.77	3.77	3.78	3.84	4.02	0	(1)	(7)	(25)	(29)			
10-Year AA	3.94	3.94	3.94	4.00	4.20	(0)	(1)	(6)	(27)	(30)			
10-Year A	5.01	5.07	5.04	5.02	5.64	(6)	(3)	(1)	(63)	(55)			

Sources: Bloomberg, AmBank Economics

Note: All values are end-period

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