



## Fixed Income &amp; FX Research

16 January 2026

**Macro:** Firm US data releases overnight further reduce pressure on the Fed to cut. PBOC signals room to cut rates, RRR.

**Forex:** DXY continued reaching new 2026 highs, as initial claims data reinforced the view that US labour market conditions have stabilised.

**Fixed Income:** Flows remained relatively thin in MYR govies trading; cautious sentiment kept the MGS+GII benchmark papers in a narrow range.

**Macro**

**Global:** US initial jobless claims fell 9k to 198k for the week ending 10 January (consensus: 215k), while continuing claims also fell by 19k for the prior period. Though still above average since 2022, the recent decline was likely driven by year-end seasonal fluctuations. Overall, continuing to reflect a holding pattern in labour markets. In China, new bank loans fell to CNY910 billion in December 2025 (prior December: CNY990 billion), while total social financing also continued to decline y/y, underscoring sluggish borrower demand despite government stimulus measures. The PBOC later signalled that it has room to ease interest rates and bank reserve requirements further this year and will also step up economic support through additional targeted measures.

**Malaysia:** The Federation of Malaysian Business Associations (FMBA) are seeking measurable incentives to improve its competitiveness, as rising costs and tighter financing conditions weigh on local SMEs. Meanwhile, FM2 Amir Hamzah said NPLs are manageable for SMEs at around 2%, despite the growth of the government's guarantee scheme under SJPP. The finance minister also notes that 2026 marks the implementation of the government's reform and development agenda.

**Forex**

**Global:** DXY (+0.3%) continued to reach new 2026 highs, as initial claims data reinforced the view that US labour market conditions have stabilised, reducing pressure on the Fed to continue easing rates quickly. Comments by US President Trump that he has no plans to fire Fed chair Powell also eased some market concerns. EUR (-0.3%) retreated despite solid data from Germany, which posted a 0.2% y/y GDP growth for 2025, with the end of its two-year contraction supported by household and government consumption. GBP fell 0.5%, even as UK growth exceeded expectations at 0.3% m/m for November (consensus and October: +0.1%), easing market expectations of BOE easing ahead. USD/JPY (+0.1%) remains around multi-year highs ahead of the election and fiscal risks.

**Asia:** The ringgit retreated 0.2% yesterday, going against a better-performing US dollar on hopes that the US administration will not pursue the removal of Powell. CNY was better performing, as the PBOC is seen as allowing steady currency appreciation, as it set the midpoint of USD/CNY at 7.0064, the strongest since mid-2023.

**Fixed Income**

**Global Bonds:** Treasuries fell overnight on the release of US data, including lower-than-expected weekly jobless claims and a rise in US import prices of +0.1%, when expectations were for a decline (-0.2%). This partly reversed the sentiment earlier this week when US inflation data was considered benign.

**MYR Bonds:** Flows remained relatively thin in govies trading; cautious sentiment led the MGS+GII benchmark papers to trade in a narrow range yesterday.

**Commodities**

A seismic 5% drop in oil prices on Thursday, as declining odds of US military action in Iran suggest reduced near-term supply risks from the mega producer due to war risks. Meanwhile, Trump has held off on introducing new tariffs on imports of critical minerals. Profit-taking in silver ensued, with gold prices following suit amid fading geopolitical risks.

**FX Daily Rates**

Vs. USD	Last Close	Per cent
DXY	99.32	0.3
EUR/USD	1.161	(0.3)
AUD/USD	0.670	0.3
GBP/USD	1.338	(0.5)
USD/JPY	158.63	0.1
USD/MYR	4.056	0.2
USD/IDR	16,885	0.1
USD/THB	31.39	(0.1)
USD/SGD	1.288	0.0
USD/CNY	6.963	(0.1)

**Ringgit Outlook for The Week**

	1	2
Resistance	4.121	4.170
Support	4.035	3.998

**Major Sovereign Yields (%)**

Sov. Yield	Last Close	bps
UST 2Y	3.56	5
UST 10Y	4.17	4
Germany 10Y	2.82	0
UK 10Y	4.39	5
Japan 10Y	2.16	(3)
Australia 10Y	4.68	(3)
China 10Y	1.85	0

**MGS Bond Yields (%)**

MGS	Last	bps
3-Year	3.01	0
5-Year	3.28	0
7-Year	3.44	(0)
10-Year	3.54	0
15-Year	3.77	0
20-Year	3.87	0
30-Year	3.99	0

**MYR Swap Rates (%)**

Swap / Rates	Last Close	bps
IRS 1-Year	3.23	0
IRS 3-Year	3.33	2
IRS 5-Year	3.44	3
IRS 7-Year	3.51	3
IRS 10-Year	3.65	2
3M KLIBOR	3.25	0

**Key Commodities**

Commodities	Last Close	Per cent
Brent (USD/bbl)	63.76	(4.1)
WTI (USD/bbl)	59.19	(4.6)
Gold (USD/oz)	4,616	(0.2)
CPO (RM/tonne)	3,950	0.0

**Policy Rates**

Central Banks	Current	Next
US Fed Funds	3.75	28-Jan
ECB Deposit Rate	2.00	05-Feb
BOE Base Rate	3.75	05-Feb
RBA Cash Rate	3.60	03-Feb
BOJ Cash Rate	0.75	23-Jan
RBNZ Cash Rate	3.00	18-Feb
PBOC 1Y LPR	3.00	-
BNM OPR	2.75	22-Jan

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

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	15-Jan-26	14-Jan-26	8-Jan-26	16-Dec-25	15-Jan-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
DXY Dollar Index	99.32	99.06	98.93	98.15	109.09	0.3	0.4	1.2	(9.0)	1.0			
EUR/USD	1.161	1.164	1.166	1.175	1.029	(0.3)	(0.4)	(1.2)	12.8	(1.2)			
AUD/USD	0.670	0.668	0.670	0.663	0.623	0.3	0.0	1.0	7.6	0.4			
GBP/USD	1.338	1.344	1.344	1.342	1.224	(0.5)	(0.4)	(0.3)	9.3	(0.7)			
USD/JPY	158.63	158.46	156.87	154.72	156.47	0.1	1.1	2.5	1.4	1.2			
USD/MYR	4.056	4.049	4.062	4.086	4.499	0.2	(0.2)	(0.7)	(9.8)	(0.1)			
USD/IDR	16,885	16,860	16,793	16,692	16,320	0.1	0.5	1.2	3.5	1.2			
USD/THB	31.39	31.43	31.52	31.52	34.73	(0.1)	(0.4)	(0.4)	(9.6)	(0.4)			
USD/SGD	1.288	1.288	1.285	1.289	1.367	0.0	0.3	(0.1)	(5.8)	0.2			
USD/CNY	6.963	6.970	6.982	7.036	7.349	(0.1)	(0.3)	(1.0)	(5.2)	(0.2)			
USD/KRW	1,469	1,464	1,453	1,473	1,456	0.3	1.1	(0.3)	0.9	2.0			
USD/INR	90.30	90.30	90.03	91.03	86.36	0.0	0.3	(0.8)	4.6	0.5			
USD/PHP	59.47	59.45	59.19	58.75	58.61	0.0	0.5	1.2	1.5	1.1			
USD/TWD	31.58	31.62	31.58	31.47	33.07	(0.1)	0.0	0.3	(4.5)	0.5			
USD/HKD	7.797	7.798	7.792	7.780	7.787	(0.0)	0.1	0.2	0.1	0.2			
USD/VND	26,270	26,277	26,270	26,340	25,387	(0.0)	0.0	(0.3)	3.5	(0.1)			
NZD/USD	0.574	0.575	0.575	0.578	0.562	(0.2)	(0.2)	(0.7)	2.2	(0.3)			

## Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	15-Jan-26	14-Jan-26	8-Jan-26	16-Dec-25	15-Jan-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
EUR/MYR	4.720	4.719	4.742	4.803	4.639	0.0	(0.5)	(1.7)	1.8	(0.9)			
GBP/MYR	5.450	5.449	5.459	5.480	5.497	0.0	(0.2)	(0.5)	(0.9)	(0.1)			
AUD/MYR	2.716	2.711	2.719	2.711	2.792	0.2	(0.1)	0.2	(2.7)	0.1			
JPY/MYR	2.557	2.556	2.589	2.641	2.875	0.1	(1.2)	(3.2)	(11.1)	(1.3)			
SGD/MYR	3.152	3.146	3.163	3.167	3.292	0.2	(0.4)	(0.5)	(4.3)	(0.2)			
10 CNY/MYR	5.822	5.807	5.815	5.801	6.136	0.3	0.1	0.4	(5.1)	0.2			
1 million IDR/MYR	2.401	2.401	2.418	2.448	2.756	0.0	(0.7)	(1.9)	(12.9)	(1.4)			
THB/MYR	12.933	12.878	12.902	12.974	13.004	0.4	0.2	(0.3)	(0.6)	0.8			
10 HKD/MYR	5.201	5.194	5.213	5.252	5.777	0.1	(0.2)	(1.0)	(10.0)	(0.3)			

## Commodities

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	15-Jan-26	14-Jan-26	8-Jan-26	16-Dec-25	15-Jan-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
Brent (USD/barrel)	63.76	66.52	61.99	58.92	82.03	(4.1)	2.9	8.2	(22.3)	4.8			
WTI (USD/barrel)	59.19	62.02	57.76	55.27	80.04	(4.6)	2.5	7.1	(26.0)	3.1			
Gold (USD/oz)	4,616	4,627	4,478	4,302	2,696	(0.2)	3.1	7.3	71.2	6.9			
Malaysia CPO (RM/tonne)	3,950	3,950	3,985	3,947	4,675	0.0	(0.9)	0.1	(15.5)	(1.2)			

## Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	15-Jan-26	14-Jan-26	8-Jan-26	16-Dec-25	15-Jan-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.01	3.01	2.99	3.03	3.46	0	2	(2)	(46)	1			
5-Year	3.28	3.27	3.25	3.29	3.62	0	3	(2)	(34)	2			
7-Year	3.44	3.44	3.39	3.48	3.80	(0)	5	(4)	(36)	6			
10-Year	3.54	3.54	3.51	3.57	3.83	0	3	(3)	(29)	4			
15-Year	3.77	3.77	3.75	3.78	3.96	0	2	(1)	(19)	1			
20-Year	3.87	3.87	3.83	3.88	4.05	0	4	(0)	(17)	3			
30-Year	3.99	3.99	3.98	4.00	4.18	0	1	(0)	(19)	1			

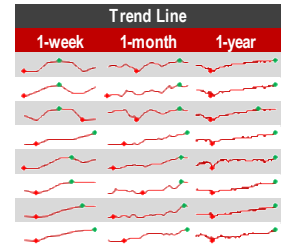
## Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	15-Jan-26	14-Jan-26	8-Jan-26	16-Dec-25	15-Jan-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.10	3.10	3.09	3.13	3.41	(0)	0	(4)	(31)	(0)			
5-Year	3.27	3.27	3.26	3.29	3.64	0	1	(2)	(37)	1			
7-Year	3.35	3.35	3.34	3.37	3.79	(0)	1	(2)	(43)	1			
10-Year	3.52	3.52	3.51	3.57	3.85	0	1	(4)	(32)	(0)			
15-Year	3.75	3.74	3.74	3.76	3.97	0	1	(1)	(22)	(0)			
20-Year	3.86	3.86	3.85	3.90	4.08	0	1	(4)	(22)	(0)			

## Major Equity Indices

	Latest	1-day	1 week	1-Month	1-Year
	15-Jan-26	14-Jan-26	8-Jan-26	16-Dec-25	15-Jan-25
S&P500 Index	6,944	6,927	6,921	6,800	5,950
Dow Jones	49,442	49,150	49,266	48,114	43,222
Nasdaq	23,530	23,472	23,480	23,111	19,511
London FTSE	10,239	10,184	10,045	9,685	8,301
German DAX	25,352	25,286	25,127	24,077	20,575
Nikkei 225	54,111	54,341	51,117	49,383	38,445
Japan TOPIX	3,669	3,644	3,484	3,371	2,691
FBM KLCI	1,715	1,711	1,670	1,648	1,562

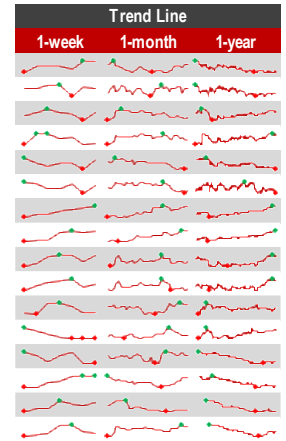
Percentage Change				
1-day	1-week	1-month	1-year	YTD
0.3	0.3	2.1	16.7	80.9
0.6	0.4	2.8	14.4	49.2
0.2	0.2	1.8	20.6	124.8
0.5	1.9	5.7	23.3	37.4
0.3	0.9	5.3	23.2	82.1
(0.4)	5.9	9.6	40.7	107.4
0.7	5.3	8.9	36.4	94.0
0.2	2.7	4.1	9.8	14.7



## Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year
	15-Jan-26	14-Jan-26	8-Jan-26	16-Dec-25	15-Jan-25
UST 2Y	3.56	3.51	3.49	3.49	4.26
UST 10Y	4.17	4.13	4.17	4.15	4.65
Germany 2Y	2.10	2.08	2.10	2.13	2.26
Germany 10Y	2.82	2.81	2.86	2.85	2.56
UK 2Y	3.67	3.63	3.66	3.77	4.47
UK 10Y	4.39	4.34	4.40	4.52	4.73
Japan 2Y	1.19	1.18	1.13	1.07	0.71
Japan 10Y	2.16	2.19	2.08	1.96	1.26
Australia 2Y	4.01	4.03	4.00	4.02	4.01
Australia 10Y	4.68	4.72	4.67	4.73	4.62
China 2Y	1.42	1.43	1.42	1.40	1.23
China 10Y	1.85	1.85	1.89	1.85	1.63
Indonesia 2Y	5.10	5.14	5.14	5.08	7.06
Indonesia 10Y	6.25	6.24	6.13	6.18	7.27
Thailand 2Y	1.16	1.15	1.14	1.21	2.04
Thailand 10Y	1.71	1.73	1.69	1.70	2.41

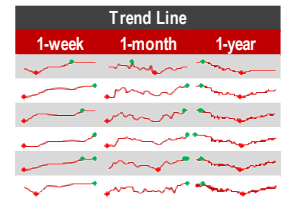
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
5	8	8	(70)	9
4	0	2	(48)	0
2	0	(4)	(16)	(2)
0	(4)	(3)	26	(4)
4	1	(10)	(80)	(7)
5	(2)	(13)	(34)	(9)
1	6	12	48	1
(3)	8	20	91	10
(2)	1	(1)	1	(4)
(3)	2	(4)	6	(6)
(1)	0	2	19	5
0	(4)	(0)	22	(1)
(4)	(4)	2	(196)	11
1	12	7	(102)	18
1	1	(5)	(89)	4
(1)	2	1	(70)	7



## Key swap rates

	Latest	1-day	1 week	1-Month	1-Year
	15-Jan-26	14-Jan-26	8-Jan-26	16-Dec-25	15-Jan-25
IRS 1-Year	3.23	3.23	3.21	3.25	3.58
IRS 3-Year	3.33	3.32	3.28	3.30	3.53
IRS 5-Year	3.44	3.41	3.37	3.39	3.58
IRS 7-Year	3.51	3.48	3.46	3.46	3.66
IRS 10-Year	3.65	3.64	3.60	3.61	3.76
IRS 20-Year	3.98	3.96	3.84	3.92	3.92

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	2	(2)	(35)	2
2	5	3	(19)	7
3	6	5	(15)	9
3	6	5	(14)	10
2	5	4	(11)	9
2	14	6	6	10



## Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year
	15-Jan-26	14-Jan-26	8-Jan-26	16-Dec-25	15-Jan-25
1-Month Klibor	2.99	2.99	3.00	3.00	3.28
3-Month Klibor	3.25	3.25	3.26	3.26	3.68
6-Month Klibor	3.29	3.30	3.30	3.29	3.73

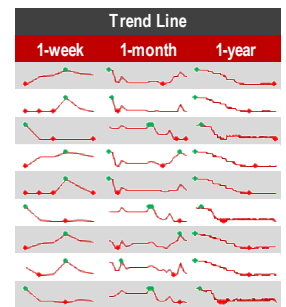
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	(1)	(1)	(29)	(1)
0	(1)	(1)	(43)	(3)
(1)	(1)	0	(44)	(1)



## Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year
	15-Jan-26	14-Jan-26	8-Jan-26	16-Dec-25	15-Jan-25
3-Year AAA	3.52	3.52	3.50	3.54	3.84
3-Year AA	3.67	3.67	3.67	3.69	4.02
3-Year A	4.45	4.46	4.51	4.52	4.84
5-Year AAA	3.60	3.61	3.59	3.61	3.93
5-Year AA	3.75	3.76	3.75	3.77	4.10
5-Year A	4.59	4.60	4.65	4.66	5.04
10-Year AAA	3.78	3.78	3.76	3.77	4.07
10-Year AA	3.92	3.92	3.92	3.93	4.24
10-Year A	4.97	4.98	5.04	5.02	5.47

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(0)	2	(2)	(32)	1
(0)	0	(3)	(35)	0
(0)	(6)	(7)	(39)	(9)
(0)	2	(1)	(33)	1
(0)	0	(2)	(35)	(0)
(0)	(6)	(6)	(45)	(11)
(0)	1	0	(30)	0
(0)	(1)	(2)	(33)	(1)
(0)	(6)	(5)	(50)	(14)



Sources: Bloomberg, AmBank Economics

Note: All values are end-period

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