



Fixed Income & FX Research

25 May 2026

Macro: US signals imminent deal with Iran. Consumer sentiment deteriorates sharply in May. Malaysia's energy supplies are secure until July, with downside risks to E&E exports ahead.

Forex: USD closed broadly firmer, though JPY decline was mild ahead of intervention risks today. AUD fell after earlier weak employment data, while MYR slightly trailed Asian peers.

Fixed Income: Global DM bonds prospered on rotation away from front-end UST. MGS closed slightly firmer by 0-1 bp, with the 7Y outperforming after an earlier solid reopening auction.

Macro

Global: Senior US officials signalled they are closing in on a deal with Iran. However, Iran's semi-official Tasnim news agency indicated the draft deal may still collapse due to disagreements over key issues (such as the unfreezing of assets and missile/uranium stockpiles), suggesting a fragile peace deal rather than a solid one ahead. Meanwhile, US UOM consumer sentiment fell to a record low of 44.8 in May's revised reading (consensus and prior: 48.2), driven by deteriorating consumer sentiment amid rising cost-of-living concerns. Notably, long-term inflation expectations also sharply jumped to 3.9% y/y (prior: 3.4%), raising significant pressure on newly sworn-in Fed chairman Kevin Warsh, whom Trump has advocated to act independently. Separately, sources indicate that the UK and EU are working on a goods and/or customs union, with more discussions expected ahead of an EU-UK summit in July.

Malaysia: Deputy PM Fadillah Yusof announced that the country's energy supply is presently sufficient until July, with Petronas working to secure supplies until December. The Deputy PM also assured that 85% of consumers will remain protected under the current electric tariff protections. Separately, US Jamieson Greer said the US is weighing chip tariffs to encourage domestic production, raising downside risks ahead for Malaysia's E&E exports.

Forex

Global: DXY seen closing unchanged on Friday. JPY (-0.1%) fell amid Japan's inflation missing estimates at 1.4% y/y in April (consensus: 1.6%; March: 1.5%), complicating the BOJ's pathway for raising rates. Nevertheless, losses were relatively tame as markets brace for the risk of intervention today (25 May) amid holiday-thinned liquidity (which raises the likelihood of MOF intervention). EUR also fell a mild 0.1%, as better sentiment from an improvement in German business outlook in May was offset by the IMF's warning on France's fiscal risk. The ECB also said it is set to raise its inflation outlook in its June meeting, with a rate hike also potentially on the cards. GBP closed flat with intraday volatility seen as minimal, despite the UK's retail sales declining sharply by 1.3% m/m in April, underscoring current pressure on PM Keir Starmer's tenure. AUD fell 0.3% after markets digested earlier weak employment data for Australia, while NZD (-0.4%) underperformed G10 peers – ahead of the RBNZ's policy meeting this Wednesday.

Malaysia: MYR weakened 0.2%, slightly underperforming key regional peers for the day. Meanwhile, BNM international reserves eased slightly to USD129.5 billion in mid-May (end-April: USD129.7 billion), though they remained around their strongest level since 2014.

Fixed Income

Global Bonds: The UST curve flattened as yields on the 2-5Y tenors rose 1-4 bps, holding losses from the prior two sessions. Other global DM bonds prospered from front-end UST weakness, with the sovereign curves for Gilts and Bunds seen firming by 4-7 bps. JGB yields also closed 1-2 bps lower after Japanese FM Katayama said an extra budget of around JPY3 trillion will have a limited impact on overall government finances or debt issuance. PM Takaichi is expected to provide further details on the extra budget today (25 May).

MYR Bonds: MGS trading was within a tight range, and closed slightly firmer by 0-1 bp for the day. Better interest was seen in the bellies for both MGS and GII, with the 7Y MGS tenor seen firming a larger 2 bps, after the earlier MGS 04/33 reopening auction garnered a solid BTC of 2.488x.

Commodities**FX Daily Rates**

Vs. USD	Last Close	Per cent
DXY	99.24	(0.0)
EUR/USD	1.160	(0.1)
AUD/USD	0.713	(0.3)
GBP/USD	1.343	0.0
USD/JPY	159.18	0.1
USD/MYR	3.969	0.2
USD/IDR	17,709	0.3
USD/THB	32.68	0.1
USD/SGD	1.280	0.1
USD/CNY	6.798	(0.0)

Ringgit Outlook for The Week

	1	2
Resistance	4.035	4.094
Support	3.914	3.850

Major Sovereign Yields (%)

Sov. Yield	Last Close	bps
UST 2Y	4.12	4
UST 10Y	4.56	(1)
Germany 10Y	3.04	(6)
UK 10Y	4.90	(7)
Japan 10Y	2.76	(1)
Australia 10Y	4.92	(4)
China 10Y	1.75	0

MGS Bond Yields (%)

MGS	Last	bps
3-Year	3.23	(1)
5-Year	3.41	(1)
7-Year	3.52	(2)
10-Year	3.60	(0)
15-Year	3.84	0
20-Year	3.97	(0)
30-Year	4.08	(0)

MYR Swap Rates (%)

Swap / Rates	Last Close	bps
IRS 1-Year	3.40	(0)
IRS 3-Year	3.48	1
IRS 5-Year	3.55	(1)
IRS 7-Year	3.64	(0)
IRS 10-Year	3.77	0
3M KLIBOR	3.35	0

Key Commodities

Commodities	Last Close	Per cent
Brent (USD/bbl)	103.54	0.9
WTI (USD/bbl)	96.60	0.3
Gold (USD/oz)	4,509	(0.7)
CPO (RM/tonne)	4,430	0.6

Policy Rates

Central Banks	Current	Next
US Fed Funds	3.75	18-Jun
ECB Deposit Rate	2.00	11-Jun
BOE Base Rate	3.75	18-Jun
RBA Cash Rate	4.10	16-Jun
BOJ Cash Rate	0.75	16-Jun
RBNZ Cash Rate	2.25	27-May
PBOC 1Y LPR	3.00	-
BNM OPR	2.75	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.

Oil futures are seen down 5% this morning (25 May) amid a potential US-Iran deal ahead. CPO prices continue to trade around the MYR4,500/tonne since Wednesday, with markets still uncertain about how Indonesia's revamping of trade rules will impact total exports from the world's top producer.

Currencies

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	22-May-26	21-May-26	15-May-26	22-Apr-26	22-May-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
DXY Dollar Index	99.24	99.26	99.28	98.59	99.96	(0.0)	(0.0)	0.7	(0.7)	0.9			
EUR/USD	1.160	1.162	1.163	1.171	1.128	(0.1)	(0.2)	(0.9)	2.9	(1.2)			
AUD/USD	0.713	0.715	0.715	0.716	0.641	(0.3)	(0.3)	(0.5)	11.2	6.8			
GBP/USD	1.343	1.343	1.333	1.350	1.342	0.0	0.8	(0.5)	0.1	(0.3)			
USD/JPY	159.18	158.98	158.74	159.48	144.01	0.1	0.3	(0.2)	10.5	1.6			
USD/MYR	3.969	3.960	3.957	3.953	4.274	0.2	0.3	0.4	(7.1)	(2.3)			
USD/IDR	17,709	17,654	17,465	17,175	16,330	0.3	1.4	3.1	8.4	6.1			
USD/THB	32.68	32.64	32.65	32.19	32.83	0.1	0.1	1.5	(0.4)	3.7			
USD/SGD	1.280	1.278	1.281	1.276	1.293	0.1	(0.0)	0.3	(1.0)	(0.4)			
USD/CNY	6.798	6.800	6.814	6.832	7.204	(0.0)	(0.2)	(0.5)	(5.6)	(2.5)			
USD/KRW	1,518	1,509	1,498	1,478	1,383	0.6	1.3	2.7	9.7	5.4			
USD/INR	95.71	96.20	95.97	93.80	86.01	(0.5)	(0.3)	2.0	11.3	6.5			
USD/PHP	61.69	61.59	61.73	60.14	55.61	0.2	(0.1)	2.6	10.9	4.9			
USD/TWD	31.55	31.60	31.55	31.53	30.04	(0.2)	0.0	0.1	5.0	0.4			
USD/HKD	7.835	7.834	7.831	7.833	7.827	0.0	0.1	0.0	0.1	0.7			
USD/VND	26,356	26,355	26,352	26,328	25,976	0.0	0.0	0.1	1.5	0.2			
NZD/USD	0.585	0.588	0.584	0.590	0.590	(0.4)	0.2	(0.9)	(0.8)	1.6			

Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	22-May-26	21-May-26	15-May-26	22-Apr-26	22-May-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
EUR/MYR	4.604	4.606	4.599	4.644	4.826	(0.0)	0.1	(0.9)	(4.6)	(3.4)			
GBP/MYR	5.329	5.323	5.281	5.345	5.727	0.1	0.9	(0.3)	(7.0)	(2.3)			
AUD/MYR	2.829	2.825	2.828	2.831	2.745	0.1	0.0	(0.1)	3.1	4.3			
JPY/MYR	2.492	2.492	2.491	2.479	2.968	0.0	0.1	0.6	(16.0)	(3.8)			
SGD/MYR	3.100	3.098	3.090	3.105	3.309	0.1	0.3	(0.1)	(6.3)	(1.8)			
10 CNY/MYR	5.838	5.825	5.811	5.792	5.931	0.2	0.5	0.8	(1.6)	0.5			
1 million IDR/MYR	2.239	2.242	2.248	2.300	2.617	(0.1)	(0.4)	(2.7)	(14.4)	(8.0)			
THB/MYR	12.147	12.110	12.143	12.276	13.020	0.3	0.0	(1.0)	(6.7)	(5.4)			
10 HKD/MYR	5.063	5.056	5.050	5.048	5.461	0.1	0.3	0.3	(7.3)	(2.9)			

Commodities

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	22-May-26	21-May-26	15-May-26	22-Apr-26	22-May-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
Brent (USD/barrel)	103.54	102.58	109.26	101.91	64.44	0.9	(5.2)	1.6	60.7	70.2			
WTI (USD/barrel)	96.6	96.35	105.42	92.96	61.20	0.3	(8.4)	3.9	57.8	68.2			
Gold (USD/oz)	4,509	4,543	4,540	4,740	3,295	(0.7)	(0.7)	(4.9)	36.9	4.4			
Malaysia CPO (RM/tonne)	4,430	4,403	4,380	4,549	3,822	0.6	1.1	(2.6)	15.9	10.8			

Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	22-May-26	21-May-26	15-May-26	22-Apr-26	22-May-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.23	3.24	3.22	3.18	3.19	(1)	2	5	4	23			
5-Year	3.41	3.42	3.37	3.33	3.24	(1)	4	8	17	16			
7-Year	3.52	3.54	3.48	3.45	3.45	(2)	3	7	6	14			
10-Year	3.60	3.61	3.58	3.56	3.58	(0)	3	5	2	10			
15-Year	3.84	3.84	3.83	3.84	3.71	0	1	0	13	7			
20-Year	3.97	3.97	3.96	3.97	3.83	(0)	1	(1)	14	12			
30-Year	4.08	4.08	4.07	4.12	4.06	(0)	1	(3)	2	10			

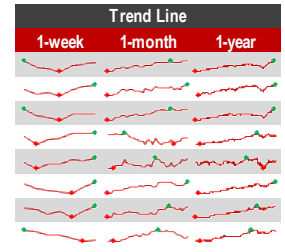
Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	22-May-26	21-May-26	15-May-26	22-Apr-26	22-May-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.23	3.24	3.21	3.19	3.19	(1)	2	4	4	13			
5-Year	3.37	3.37	3.35	3.32	3.35	(0)	2	5	2	11			
7-Year	3.57	3.57	3.53	3.49	3.47	(1)	3	7	9	22			
10-Year	3.62	3.62	3.60	3.57	3.58	(0)	2	5	5	10			
15-Year	3.90	3.90	3.86	3.88	3.74	0	3	2	15	15			
20-Year	3.98	3.98	3.97	3.99	3.86	0	2	(1)	13	12			

Major Equity Indices

	Latest	1-day	1 week	1-Month	1-Year
	22-May-26	21-May-26	15-May-26	22-Apr-26	22-May-25
S&P500 Index	7,473	7,446	7,409	7,138	5,842
Dow Jones	50,580	50,286	49,526	49,490	41,859
Nasdaq	26,344	26,293	26,225	24,658	18,926
London FTSE	10,466	10,443	10,195	10,476	8,739
German DAX	24,889	24,607	23,951	24,195	23,999
Nikkei 225	63,339	61,684	61,409	59,586	36,986
Japan TOPIX	3,892	3,854	3,864	3,745	2,717
FBM KLCI	1,713	1,708	1,740	1,710	1,527

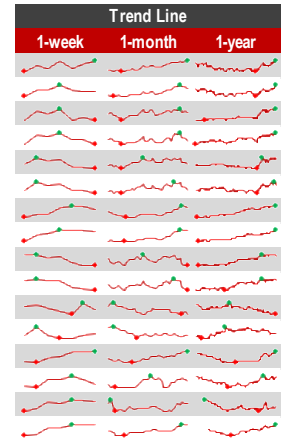
Percentage Change				
1-day	1-week	1-month	1-year	YTD
0.4	0.9	4.7	27.9	94.6
0.6	2.1	2.2	20.8	52.6
0.2	0.5	6.8	39.2	151.7
0.2	2.7	(0.1)	19.8	40.5
1.1	3.9	2.9	3.7	78.8
2.7	3.1	6.3	71.3	142.7
1.0	0.7	3.9	43.3	105.8
0.3	(1.6)	0.1	12.2	14.5



Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year
	22-May-26	21-May-26	15-May-26	22-Apr-26	22-May-25
UST 2Y	4.12	4.08	4.07	3.80	3.99
UST 10Y	4.56	4.57	4.59	4.30	4.53
Germany 2Y	2.64	2.69	2.74	2.56	1.83
Germany 10Y	3.04	3.10	3.17	3.01	2.64
UK 2Y	4.33	4.38	4.55	4.34	4.03
UK 10Y	4.90	4.97	5.17	4.91	4.75
Japan 2Y	1.44	1.45	1.42	1.36	0.74
Japan 10Y	2.76	2.77	2.72	2.40	1.57
Australia 2Y	4.58	4.62	4.75	4.63	3.41
Australia 10Y	4.92	4.97	5.07	4.96	4.46
China 2Y	1.26	1.28	1.27	1.27	1.48
China 10Y	1.75	1.75	1.76	1.73	1.69
Indonesia 2Y	6.68	6.65	6.35	5.98	6.25
Indonesia 10Y	6.74	6.78	6.69	6.61	6.85
Thailand 2Y	1.27	1.28	1.21	1.19	1.59
Thailand 10Y	2.37	2.38	2.21	2.10	1.88

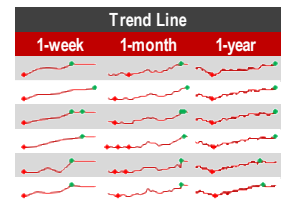
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
4	5	32	13	65
(1)	(4)	26	3	39
(4)	(9)	8	81	52
(6)	(13)	3	40	18
(4)	(22)	(0)	30	60
(7)	(27)	(1)	15	42
(1)	2	7	70	26
(1)	5	36	119	70
(4)	(17)	(5)	117	52
(4)	(15)	(3)	47	18
(2)	(1)	(1)	(22)	(11)
0	(1)	2	7	(10)
3	33	70	43	168
(4)	5	12	(11)	67
(0)	6	9	(32)	16
(0)	16	27	50	73



Key swap rates

	Latest	1-day	1 week	1-Month	1-Year
	22-May-26	21-May-26	15-May-26	22-Apr-26	22-May-25
IRS 1-Year	3.40	3.40	3.39	3.33	3.28
IRS 3-Year	3.48	3.47	3.44	3.37	3.20
IRS 5-Year	3.55	3.56	3.50	3.42	3.28
IRS 7-Year	3.64	3.65	3.58	3.51	3.38
IRS 10-Year	3.77	3.77	3.70	3.66	3.49
IRS 20-Year	4.09	4.10	4.06	3.98	3.69

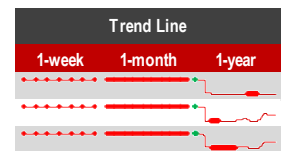
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(0)	1	7	12	20
1	4	11	28	22
(1)	5	13	27	20
(0)	6	13	26	23
0	7	11	28	21
(0)	3	11	40	21



Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year
	22-May-26	21-May-26	15-May-26	22-Apr-26	22-May-25
1-Month Klibor	3.00	3.00	3.00	3.00	3.27
3-Month Klibor	3.35	3.35	3.35	3.35	3.53
6-Month Klibor	3.39	3.39	3.39	3.39	3.57

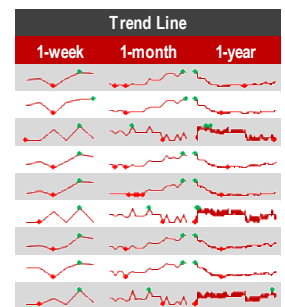
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	0	0	(27)	0
0	0	0	(18)	7
0	0	0	(18)	9



Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year
	22-May-26	21-May-26	15-May-26	22-Apr-26	22-May-25
3-Year AAA	3.57	3.58	3.57	3.54	3.71
3-Year AA	3.71	3.71	3.70	3.69	3.86
3-Year A	4.45	4.48	4.45	4.48	4.48
5-Year AAA	3.65	3.66	3.65	3.63	3.77
5-Year AA	3.79	3.79	3.78	3.77	3.93
5-Year A	4.62	4.66	4.62	4.66	4.60
10-Year AAA	3.83	3.83	3.82	3.79	3.92
10-Year AA	3.96	3.96	3.96	3.94	4.07
10-Year A	5.03	5.08	5.03	5.06	4.94

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(0)	0	3	(14)	7
0	0	2	(15)	4
(2)	0	(3)	(3)	(9)
(0)	1	3	(12)	6
(0)	1	2	(14)	3
(4)	0	(4)	2	(8)
(0)	1	4	(9)	6
(0)	0	2	(11)	4
(5)	0	(3)	9	(8)



Sources: Bloomberg, AmBank Economics

Note: All values are end-period

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