



Fixed Income & FX Research

27 January 2026

Macro: US threatens 25% tariffs on Korea, ahead of potential fresh round of government shutdown. US core capital goods orders remained resilient amid E&E growth.

Forex: JPY rallied another 1% amid rising intervention risks, while further fuelling USD debasement trades. USD/MYR (-1.0%) saw a solid breach past the 4.00 handle.

Fixed Income: UST saw light strength ahead of FOMC and government shutdown risks. MGS/GII saw light gains across the curve, tracking the UST and MYR rallies.

Macro

Global: Following earlier US threats of 100% tariffs on Canada, the US has now threatened to impose 25% tariffs on South Korea, citing the country's legislature's failure to codify the trade deal at 15% tariffs. US Senate Democrats are reported to be planning to withhold approval of new funding if the additional USD1.2 trillion includes allocations to Homeland Security without new safeguards. Senate Republicans have signalled they will reject the Democrats' demands on these issues, suggesting another shutdown after the 30 January deadline. US core capital goods orders (excluding defence and aircraft goods) rose by 0.7% m/m in November (consensus and October: +0.3%), led by orders of E&E equipment/components and fabricated metal products.

Malaysia: Former Economy Minister Rafizi Ramli suggested the government may have 'overstated' its fiscal revenue by including outstanding tax refunds for taxpayers, estimating that FY2024 would otherwise be around 5.8-6.0% of GDP when accounted for (official 2024: 4.1%). Rafizi also indicated the recent MYR4 billion allocation (for tax refunds) appears small, compared to estimated tax refund arrears exceeding MYR33.3 billion for 2025. Meanwhile, PM Anwar suggested public fund losses (due to leakages, fraud, and public theft) are likely to far exceed the MYR15.5 billion recovered in the prior two years, though he stressed that more funds could be saved by strengthening current efforts.

Forex

Global: DXY collapsed another 0.6% to just above the 97.0 handle, driven chiefly by another sharp rise for the JPY, and worries of another US government shutdown. The JPY rose to 1.5% against the USD during the afternoon session, before closing with still-solid gains of 1.0%. Comments from Japan's MOF and PM on Monday reinforced market expectations of currency market intervention ahead, keeping short yen positions in check, though we think the medium-term outlook remains bearish for the yen. Other key G10 currencies such as GBP, AUD, and EUR rose a milder 0.3-0.4% against the USD, with markets on the lookout for Australia's 4Q2025 inflation data tomorrow.

Asia: USD/MYR traded around 3.97 for most of Monday before closing a tad lower at 3.965. Gains of 1.0% d/d outperformed most Asian FX, including the JPY and THB (but excluding the KRW), suggesting continued bullish sentiment towards the ringgit. However, steady trading levels in the remaining day suggest that BNM will intervene to curb excessive one-sided movements recently.

Fixed Income

Global Bonds: UST gained ahead of the FOMC meeting and concerns of another government shutdown. Bond markets were also cautious ahead of data releases, including consumer confidence, producer prices and house prices. JGB yields fared in line with UST peers despite the JPY's continued sharp gains. Bunds saw a rally of up to 9-10 bps on the belly of the curve.

MYR Bonds: Local government bonds gained alongside a UST rally and a strong dip in the USD/MYR pair below the 4.00 level. The long end of the MGS and GII curve was also stronger, which we think was due to firm bargain-hunting interest. Corporate bond trading was mixed, and we think news of incoming new offerings added to the more cautious sentiment. New supply includes Danainfra papers 9Y-20Y tenors at coupons 3.62% to 4.12%.

Commodities

Gold (+0.4%) breached USD5,000/oz on Monday, supported by growing debate over USD debasement trades amid US/Japan intervention measures on the yen.

FX Daily Rates

Vs. USD	Last Close	Per cent
DX	97.04	(0.6)
EUR/USD	1.188	0.4
AUD/USD	0.692	0.3
GBP/USD	1.368	0.3
USD/JPY	154.18	(1.0)
USD/MYR	3.965	(1.0)
USD/IDR	16,780	(0.2)
USD/THB	31.08	(0.4)
USD/SGD	1.270	(0.2)
USD/CNY	6.949	(0.0)

Ringgit Outlook for The Week

	1	2
Resistance	4.074	4.141
Support	3.973	3.940

Major Sovereign Yields (%)

Sov. Yield	Last Close	bps
UST 2Y	3.59	(0)
UST 10Y	4.21	(1)
Germany 10Y	2.87	(4)
UK 10Y	4.50	(1)
Japan 10Y	2.24	(2)
Australia 10Y	4.82	0
China 10Y	1.82	(0)

MGS Bond Yields (%)

MGS	Last	bps
3-Year	2.99	(1)
5-Year	3.26	(1)
7-Year	3.44	(1)
10-Year	3.51	(0)
15-Year	3.78	(2)
20-Year	3.93	(2)
30-Year	4.03	0

MYR Swap Rates (%)

Swap / Rates	Last Close	bps
IRS 1-Year	3.23	(2)
IRS 3-Year	3.35	(1)
IRS 5-Year	3.43	(2)
IRS 7-Year	3.53	(2)
IRS 10-Year	3.67	(2)
3M KLIBOR	3.23	0

Key Commodities

Commodities	Last Close	Per cent
Brent (USD/bbl)	65.59	(0.4)
WTI (USD/bbl)	60.63	(0.7)
Gold (USD/oz)	5,009	0.4
CPO (RM/tonne)	4,172	1.1

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	19-Mar
RBNZ Cash Rate	3.00	18-Feb
PBOC 1Y LPR	3.00	-
BNM OPR	2.75	05-Mar

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		
	26-Jan-26	23-Jan-26	19-Jan-26	27-Dec-25	26-Jan-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
DXY Dollar Index	97.04	97.60	99.39	98.02	107.44	(0.6)	(2.4)	(1.0)	(9.7)	(1.3)			
EUR/USD	1.188	1.183	1.165	1.177	1.050	0.4	2.0	0.9	13.2	1.1			
AUD/USD	0.692	0.689	0.671	0.672	0.631	0.3	3.0	3.0	9.6	3.7			
GBP/USD	1.368	1.364	1.343	1.350	1.248	0.3	1.9	1.4	9.6	1.5			
USD/JPY	154.18	155.7	158.11	156.57	156	(1.0)	(2.5)	(1.5)	(1.2)	(1.6)			
USD/MYR	3.965	4.007	4.055	4.049	4.378	(1.0)	(2.2)	(2.1)	(9.4)	(2.3)			
USD/IDR	16,780	16,822	16,942	16,762	16,173	(0.2)	(1.0)	0.1	3.8	0.5			
USD/THB	31.08	31.20	31.26	31.07	33.65	(0.4)	(0.6)	0.0	(7.6)	(1.4)			
USD/SGD	1.270	1.273	1.285	1.284	1.346	(0.2)	(1.2)	(1.1)	(5.7)	(1.2)			
USD/CNY	6.949	6.949	6.957	7.005	7.244	(0.0)	(0.1)	(0.8)	(4.1)	(0.4)			
USD/KRW	1,442	1,464	1,473	1,442	1,431	(1.5)	(2.1)	(0.0)	0.8	0.2			
USD/INR	91.96	91.96	90.92	89.85	86.21	0.0	1.1	2.3	6.7	2.3			
USD/PHP	58.97	59.09	59.45	58.77	58.34	(0.2)	(0.8)	0.4	1.1	0.3			
USD/TWD	31.50	31.56	31.59	31.45	32.69	(0.2)	(0.3)	0.2	(3.6)	0.3			
USD/HKD	7.798	7.797	7.797	7.771	7.787	0.0	0.0	0.3	0.1	0.2			
USD/VND	26,194	26,243	26,265	26,292	25,085	(0.2)	(0.3)	(0.4)	4.4	(0.4)			
NZD/USD	0.597	0.595	0.580	0.584	0.571	0.4	3.0	2.4	4.6	3.8			

Ringgit Cross Rates

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	26-Jan-26	23-Jan-26	19-Jan-26	27-Dec-25	26-Jan-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
EUR/MYR	4.703	4.702	4.713	4.767	4.594	0.0	(0.2)	(1.4)	2.4	(1.3)			
GBP/MYR	5.421	5.421	5.436	5.460	5.440	0.0	(0.3)	(0.7)	(0.4)	(0.6)			
AUD/MYR	2.745	2.741	2.715	2.712	2.768	0.1	1.1	1.2	(0.8)	1.1			
JPY/MYR	2.571	2.574	2.564	2.587	2.806	(0.1)	0.3	(0.6)	(8.4)	(0.8)			
SGD/MYR	3.126	3.132	3.154	3.152	3.250	(0.2)	(0.9)	(0.8)	(3.8)	(1.0)			
10 CNY/MYR	5.701	5.752	5.823	5.780	6.045	(0.9)	(2.1)	(1.4)	(5.7)	(1.9)			
1 million IDR/MYR	2.362	2.382	2.392	2.419	2.707	(0.8)	(1.3)	(2.4)	(12.7)	(3.0)			
THB/MYR	12.768	12.839	12.969	13.038	13.007	(0.5)	(1.6)	(2.1)	(1.8)	(0.5)			
10 HKD/MYR	5.084	5.137	5.200	5.211	5.621	(1.0)	(2.2)	(2.4)	(9.6)	(2.5)			

Commodities

	Latest	1-day	1 week	1-Month	1-Year	Percentage Change					Trend Line		
	26-Jan-26	23-Jan-26	19-Jan-26	27-Dec-25	26-Jan-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
Brent (USD/barrel)	65.59	65.88	63.94	60.64	78.5	(0.4)	2.6	8.2	(16.4)	7.8			
WTI (USD/barrel)	60.63	61.07	59.44	56.74	74.66	(0.7)	2.0	6.9	(18.8)	5.6			
Gold (USD/oz)	5,009	4,987	4,671	4,533	2,771	0.4	7.2	10.5	80.8	16.0			
Malaysia CPO (RM/tonne)	4,172	4,128	4,032	4,060	4,488	1.1	3.5	2.8	(7.0)	4.4			

Malaysia Government Securities

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	26-Jan-26	23-Jan-26	19-Jan-26	27-Dec-25	26-Jan-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	2.99	3.00	3.03	3.01	3.42	(1)	(4)	(2)	(43)	(1)			
5-Year	3.26	3.27	3.29	3.25	3.60	(1)	(4)	1	(35)	0			
7-Year	3.44	3.45	3.46	3.40	3.78	(1)	(1)	4	(34)	6			
10-Year	3.51	3.51	3.56	3.53	3.81	(0)	(5)	(2)	(30)	1			
15-Year	3.78	3.80	3.79	3.76	3.97	(2)	(1)	2	(19)	1			
20-Year	3.93	3.95	3.90	3.87	4.06	(2)	3	6	(13)	8			
30-Year	4.03	4.02	4.00	3.99	4.18	0	3	4	(15)	5			

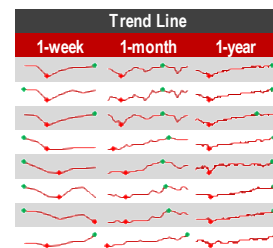
Malaysia Government Investment Issues

	Latest	1-day	1 week	1-Month	1-Year	Basis Points Change					Trend Line		
	26-Jan-26	23-Jan-26	19-Jan-26	27-Dec-25	26-Jan-25	1-day	1-week	1-month	1-year	YTD	1-week	1-month	1-year
3-Year	3.11	3.13	3.11	3.10	3.52	(1)	(0)	1	(41)	1			
5-Year	3.29	3.30	3.28	3.25	3.63	(1)	0	3	(35)	3			
7-Year	3.37	3.39	3.37	3.35	3.78	(2)	0	2	(40)	3			
10-Year	3.53	3.55	3.56	3.55	3.84	(2)	(3)	(1)	(31)	1			
15-Year	3.81	3.83	3.77	3.75	3.96	(2)	4	6	(14)	6			
20-Year	3.91	3.92	3.88	3.87	4.08	(1)	3	4	(17)	5			

Major Equity Indices

	Latest	1-day	1 week	1-Month	1-Year
	26-Jan-26	23-Jan-26	19-Jan-26	27-Dec-25	26-Jan-25
S&P500 Index	6,950	6,916	6,940	6,930	6,101
Dow Jones	49,412	49,099	49,359	48,711	44,424
Nasdaq	23,601	23,501	23,515	23,593	19,954
London FTSE	10,149	10,143	10,195	9,871	8,502
German DAX	24,933	24,901	24,959	24,340	21,395
Nikkei 225	52,885	53,847	53,584	50,750	39,932
Japan TOPIX	3,552	3,630	3,656	3,423	2,751
FBM KLCI	1,744	1,720	1,712	1,677	1,574

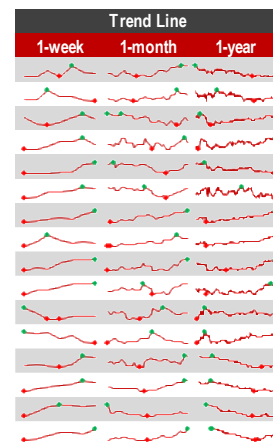
Percentage Change				
1-day	1-week	1-month	1-year	YTD
0.5	0.1	0.3	13.9	81.0
0.6	0.1	1.4	11.2	49.1
0.4	0.4	0.0	18.3	125.5
0.1	(0.5)	2.8	19.4	36.2
0.1	(0.1)	2.4	16.5	79.1
(1.8)	(1.3)	4.2	32.4	102.7
(2.1)	(2.8)	3.8	29.1	87.8
1.4	1.9	4.0	10.8	16.6



Major Sovereign Yields (%)

	Latest	1-day	1 week	1-Month	1-Year
	26-Jan-26	23-Jan-26	19-Jan-26	27-Dec-25	26-Jan-25
UST 2Y	3.59	3.59	3.59	3.48	4.27
UST 10Y	4.21	4.23	4.22	4.13	4.62
Germany 2Y	2.10	2.13	2.08	2.14	2.29
Germany 10Y	2.87	2.91	2.84	2.86	2.57
UK 2Y	3.74	3.73	3.68	3.73	4.33
UK 10Y	4.50	4.51	4.42	4.51	4.63
Japan 2Y	1.27	1.25	1.22	1.11	0.72
Japan 10Y	2.24	2.26	2.27	2.04	1.23
Australia 2Y	4.18	4.18	4.06	4.03	3.89
Australia 10Y	4.82	4.82	4.74	4.74	4.48
China 2Y	1.40	1.40	1.40	1.36	1.32
China 10Y	1.82	1.83	1.84	1.84	1.66
Indonesia 2Y	5.19	5.22	5.11	5.08	6.85
Indonesia 10Y	6.37	6.40	6.30	6.14	7.05
Thailand 2Y	1.20	1.19	1.18	1.14	2.06
Thailand 10Y	1.95	1.86	1.76	1.65	2.30

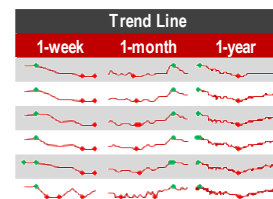
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(0)	0	11	(68)	12
(1)	(1)	8	(41)	4
(3)	2	(4)	(19)	(2)
(4)	3	0	30	1
1	7	1	(59)	0
(1)	8	(1)	(13)	2
2	5	16	55	9
(2)	(3)	20	101	17
0	12	15	29	13
0	8	8	34	8
0	(0)	4	8	2
(0)	(1)	(1)	16	(3)
(2)	8	11	(166)	20
(3)	7	23	(68)	30
0	2	5	(86)	8
9	19	30	(35)	31



Key swap rates

	Latest	1-day	1 week	1-Month	1-Year
	26-Jan-26	23-Jan-26	19-Jan-26	27-Dec-25	26-Jan-25
IRS 1-Year	3.23	3.25	3.29	3.24	3.58
IRS 3-Year	3.35	3.36	3.39	3.30	3.51
IRS 5-Year	3.43	3.46	3.48	3.38	3.55
IRS 7-Year	3.53	3.55	3.57	3.45	3.64
IRS 10-Year	3.67	3.69	3.71	3.58	3.75
IRS 20-Year	4.00	3.95	4.02	3.85	3.94

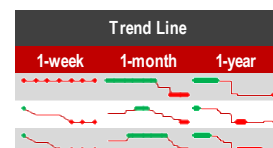
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
(2)	(6)	(0)	(35)	2
(1)	(4)	5	(16)	8
(2)	(5)	6	(12)	8
(2)	(4)	8	(11)	12
(2)	(4)	9	(8)	12
4	(2)	15	6	12



Key KLIBOR rates

	Latest	1-day	1 week	1-Month	1-Year
	26-Jan-26	23-Jan-26	19-Jan-26	27-Dec-25	26-Jan-25
1-Month Klibor	2.98	2.98	2.98	3.00	3.28
3-Month Klibor	3.23	3.23	3.24	3.27	3.67
6-Month Klibor	3.27	3.27	3.28	3.30	3.73

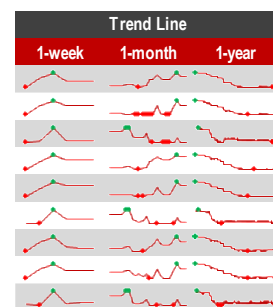
Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	0	(2)	(30)	(2)
0	(1)	(4)	(44)	(5)
0	(1)	(3)	(46)	(3)



Indicative PDS yields

	Latest	1-day	1 week	1-Month	1-Year
	26-Jan-26	23-Jan-26	19-Jan-26	27-Dec-25	26-Jan-25
3-Year AAA	3.53	3.53	3.52	3.50	3.84
3-Year AA	3.68	3.68	3.67	3.67	4.01
3-Year A	4.46	4.46	4.45	4.52	4.84
5-Year AAA	3.61	3.61	3.60	3.59	3.92
5-Year AA	3.77	3.77	3.75	3.75	4.09
5-Year A	4.60	4.60	4.59	4.66	5.03
10-Year AAA	3.78	3.78	3.78	3.77	4.05
10-Year AA	3.93	3.93	3.92	3.92	4.22
10-Year A	4.98	4.98	4.97	5.05	5.43

Basis Points Change				
1-day	1-week	1-month	1-year	YTD
0	1	2	(32)	2
0	1	1	(33)	1
0	0	(6)	(38)	(9)
0	1	3	(31)	2
0	1	1	(33)	1
0	1	(6)	(43)	(9)
0	0	1	(27)	1
0	1	0	(29)	0
0	0	(8)	(45)	(13)



Sources: Bloomberg, AmBank Economics

Note: All values are end-period

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