



Weekly Fixed Income & FX Research Commentary

Flickers of light for US data, with government shutdown to potentially end.

Monday, 10 November 2025

Snapshot Summary...

Global Rates: Contrasting data flow ensured UST closed steady w/w.**MYR Bonds:** MGS was firm amid MYR rally post-MPC meeting.**Global FX:** DXY fell 0.2% amid mixed US data flow and the commencement of the Supreme Court hearing of Trump's reciprocal tariffs.**USD/MYR:** MYR (+0.3%) continue recent outperformance against peers. BNM holds OPR steady at 2.75% as expected, citing it as still appropriate.

Fixed Income

Global Bonds: US Treasuries ended last week near where they started with 2Y UST down just 1bps and 10Y up 2bps. Trading was affected by contrasting economic data, while Fed-speak was overall not convincing enough to sway the market one way or the other. ISM services and ADP payrolls indicate a robust economic performance, but Challenger jobs and the manufacturing PMI suggest otherwise. Meanwhile, the Treasury Department said it expects to borrow USD569 billion in 4Q2025, or USD21 billion less than what it expected in July. However, this did not affect the market as players are cautious ahead of the Supreme Court's hearing on Trump's tariffs; a decision against Trump could lead to larger fiscal deficits and raise government borrowings.

Malaysia Government Bonds: Alongside the BNM OPR decision last week, benchmark papers closed slightly weaker. Nevertheless, as some economists are calling for a rate cut next year, and as MYR rallied well below 4.200, the MGS curve bull steepened late in the week. Overall, bargain hunting was met by an equal amount of profit-taking activity.

Malaysia Government Bonds View: The 10Y GII auction was announced at a size of MYR5.0 billion, larger than some in the market had expected. The early WI level was at 3.56%. Another MYR5.0 billion upcoming issuance, following the first issuance in April this year at MYR5.0 billion and then reopened in July with another MYR5.0 billion, will total MYR15.0 billion outstanding by the end of this week. If 10Y MGS holds at 3.50%, then 10Y GII auction should garner firmer demand above 3.56%.

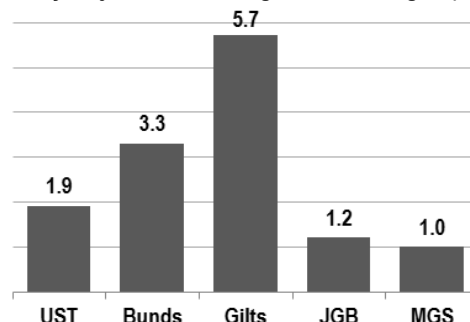
Malaysia Corporate Bonds: Bonds closed firm after a late rally. However, gains were mostly seen in higher-grade GGs, AAA, and AA1 names, and overall gains were limited by profit-taking on higher-yielding papers.

Malaysia Corporate Bonds View: We maintain a preference for GG and AAA names amid the cautious bond market sentiment. Danainfra tranches around 5Y-10Y are our pick (Exhibit 6).

Forex

DXY Index: DXY fell 0.2% w/w to 99.6, after testing intraweek highs above the 100.0 level. The limited US data releases pointed to a mixed reading of

Weekly Major 10Y Sovereign Yield Changes (bps)



Weekly Major Bond Yields (%)

Major Bond Yields	7-Nov-25	31-Oct-25	w/w (bps)
2-year UST	3.56	3.57	(1)
10-year UST	4.10	4.08	2
2-year Bund	1.99	1.97	2
10-year Bund	2.67	2.63	3
2-year Gilt	3.80	3.77	3
10-year Gilt	4.47	4.41	6
2-year JGB	0.94	0.93	2
10-year JGB	1.68	1.67	1
2-year AGB	3.58	3.56	3
10-year AGB	4.35	4.30	6

Weekly MGS Yields (%)

MGS Yields	7-Nov-25	31-Oct-25	w/w (bps)
3-year	3.11	3.12	(1)
5-year	3.25	3.24	0
7-year	3.46	3.44	1
10-year	3.51	3.50	1
15-year	3.75	3.74	0
20-year	3.91	3.92	(1)
30-year	4.01	4.01	(0)

Weekly GII Yields (%)

GII Yields	7-Nov-25	31-Oct-25	w/w (bps)
3-year	3.14	3.13	1
5-year	3.25	3.24	0
7-year	3.38	3.37	1
10-year	3.56	3.51	5
15-year	3.76	3.75	1
20-year	3.90	3.91	(1)

MYR Swap & KLIBOR Rates (%)

IRS & KLIBOR	7-Nov-25	31-Oct-25	w/w (bps)
IRS 3-Year	3.24	3.21	3
IRS 5-Year	3.30	3.27	3
IRS 7-Year	3.37	3.34	3
IRS 10-Year	3.50	3.47	3
3-Month KLIBOR	3.22	3.22	0
6-Month KLIBOR	3.26	3.26	0

US economic/labour market conditions, with the ISM manufacturing PMI, Challenger Job Cuts survey, state-level jobless claims data, and the Michigan sentiment survey being pessimistic, while the ISM services and ADP private payrolls suggest a more resilient US economy. Given these uncertainties, a potential end to the US government shutdown will be welcomed, as sources indicate that some moderate Senate Democrats have agreed to a deal to reopen the government. An end to the shutdown will see the US government's data reporting reinstated, including for October's CPI release on Thursday. Meanwhile, the US Supreme Court appeared sceptical of Trump's "Liberation Day" tariffs, with several justices (including conservatives) questioning Trump's use of the emergency-powers law to collect tariffs. While the court hearing is expected to persist for months, a decision against Trump could lead to larger fiscal deficits and raise government borrowings.

Majors: GBP (+0.1%) continued to trail the EUR (+0.3%). Markets continue to fret about the UK's Budget ahead, given FM Reeves' unconvincing and non-committal statements during her pre-budget speech. However, deeper losses were avoided after the BOE narrowly kept policy rates unchanged at 4.00% in a 5-4 vote. More MPC members voted to cut rates than expected, with the BOE also noting that the risks of persistent inflation have fallen, while downside risks to demand have also risen, amid separate data indicating a 5-year low in UK companies' sentiment. The assessment suggests a more balanced outlook on risks for the BOE (in contrast to the earlier focus on inflation), thereby suggesting rate cuts may come as early as its next meeting. Meanwhile, key ECB officials continue to strike a cautious tone on inflation risks, reinforcing the market's view of a very low chance of a rate cut anytime soon (a 45% chance of one rate cut by September 2026).

Asia: JPY rose 0.4% w/w, paring some losses from prior weeks, after the MOF continued to reiterate warnings against one-sided volatility in FX markets. The BOJ's latest summary of opinions also suggests its next rate hike may come as early as December, after the BOJ board voted 7-2 to keep policy rates unchanged for its latest October meeting. Nevertheless, easing growth in Japan's household spending, as well as further signals by PM Takaichi of an expansionary fiscal policy ahead, suggest the JPY will likely remain pressured in the coming months. Meanwhile, AUD fell 0.8% w/w amid renewed global risk-off sentiment, though the RBA's hawkish tone at its November meeting helped prevent deeper losses – especially when compared to NZD peer (-1.8% w/w), as persistent weak economic activity suggests more rate cuts by the RBNZ ahead.

Malaysia: MYR rose 0.3% w/w, continuing its recent outperformance trend against both the USD and other Asian FX. Supportive of the ringgit this week was monetary policy, after BNM maintained the OPR at 2.75% as expected. BNM stated that the current monetary stance remains supportive of growth (3Q2025: +5.2% y/y), while credit expansion also showed signs of recovery following the earlier July cut. Overall, the statement language remained broadly neutral, suggesting that the approach ahead will depend on incoming data, as well as global macroeconomic developments.

Indicative PDS Yields (%)

PDS Indicative Yields	7-Nov-25	31-Oct-25	w/w (bps)
3-Year AAA	3.53	3.53	0
3-Year AA	3.69	3.68	0
3-Year A	4.55	4.55	0
5-Year AAA	3.60	3.60	0
5-Year AA	3.77	3.76	0
5-Year A	4.70	4.70	0
10-Year AAA	3.78	3.77	0
10-Year AA	3.93	3.93	0
10-Year A	5.08	5.08	0

FX Weekly – vs. USD


FX Against USD	7-Nov-25	31-Oct-25	w/w (%)
DXY Index	99.60	99.80	(0.2)
EUR/USD	1.157	1.154	0.3
AUD/USD	0.649	0.655	(0.8)
GBP/USD	1.316	1.315	0.1
USD/JPY	153.4	154.0	(0.4)
NZD/USD	0.562	0.572	(1.8)
USD/MYR	4.177	4.189	(0.3)
USD/IDR	16,685	16,630	0.3
USD/THB	32.35	32.34	0.0
USD/SGD	1.301	1.301	0.0
USD/CNY	7.122	7.119	0.0
USD/KRW	1,461	1,430	2.2
USD/INR	88.67	88.77	(0.1)
USD/PHP	59.04	58.89	0.3


FX Weekly – Cross Rates vs. MYR


Cross FX Against MYR	7-Nov-25	31-Oct-25	w/w (%)
EUR/MYR	4.82	4.85	(0.7)
GBP/MYR	5.47	5.51	(0.6)
AUD/MYR	2.71	2.74	(1.2)
JPY/MYR	2.72	2.72	0.0
SGD/MYR	3.20	3.22	(0.6)
10 CNY/MYR	5.86	5.89	(0.4)
1 million IDR/MYR	250.20	251.90	(0.7)
THB/MYR	12.89	12.96	(0.6)
100 INR/MYR	4.71	4.72	(0.2)
100 PHP/MYR	7.07	7.13	(0.8)


Sources: Bank Negara Malaysia (BNM), Bloomberg, Trading Economics, AmBank Economics


Technical Pair Summary

DX 	Resistance Level			
	R1	100.48	R2	101.30
	Support Level			
	S1	98.59	S2	97.52
Outlook: Slightly bearish				

EUR/USD 	Resistance Level			
	R1	1.167	R2	1.178
	Support Level			
	S1	1.146	S2	1.137
Outlook: Slightly bullish				

USD/JPY 	Resistance Level			
	R1	155.2	R2	156.6
	Support Level			
	S1	151.4	S2	149.0
Outlook: Slightly bullish				

USD/MYR 	Resistance Level			
	R1	4.212	R2	4.251
	Support Level			
	S1	4.155	S2	4.136
Outlook: Neutral				

GBP/USD 	Resistance Level			
	R1	1.338	R2	1.361
	Support Level			
	S1	1.297	S2	1.279
Outlook: Neutral				


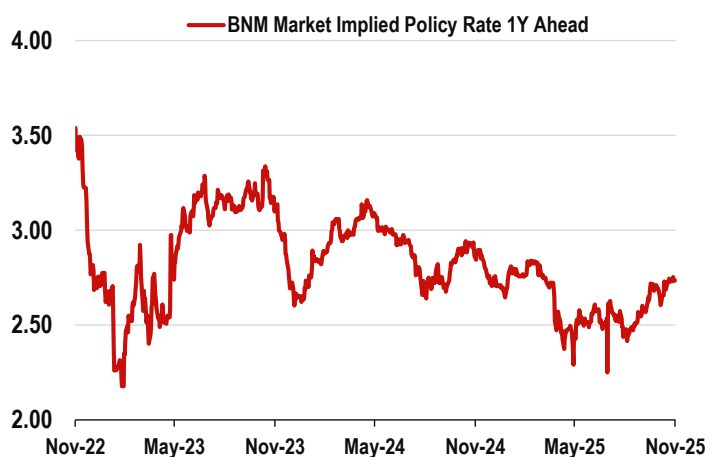
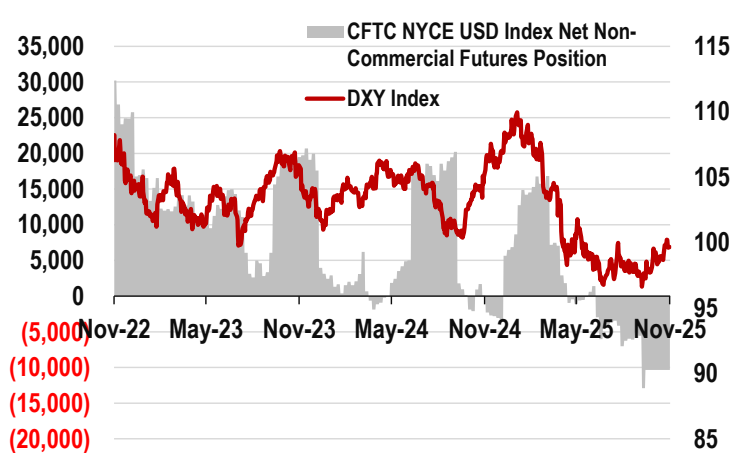
AUD/USD 	Resistance Level			
	R1	0.657	R2	0.663
	Support Level			
	S1	0.646	S2	0.642
Outlook: Neutral				

Exhibit 1: BNM BBG MIPR 1Y Ahead (%)



Sources: BPAM, AmBank Economics

Exhibit 2: CFTC Dollar Insti. Net Fut. Positioning vs. DXY



Sources: Bloomberg, AmBank Economics

Exhibit 3: MSCI AC Asia Ex-JP Currency Index



Sources: Bloomberg, AmBank Economics

Exhibit 4: MGS w/w yield curve changes

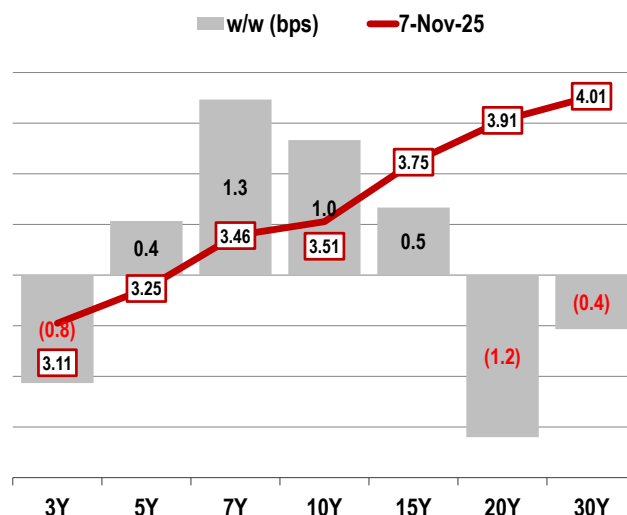
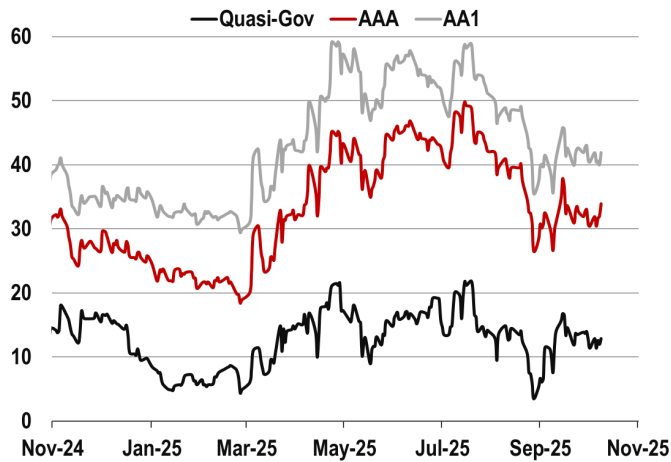
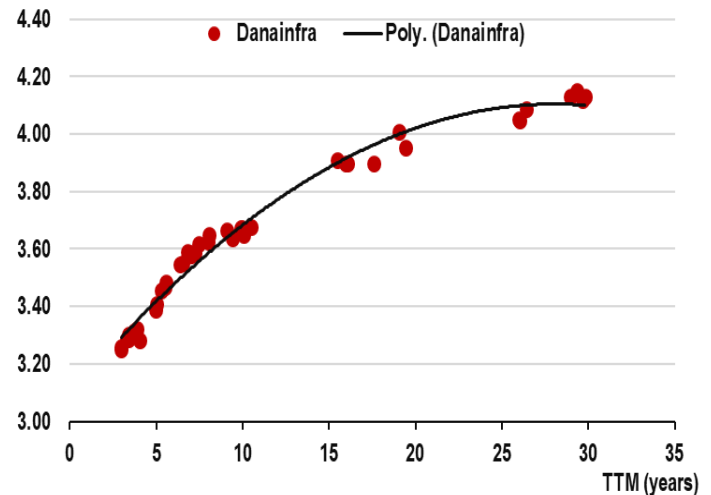
Sources: BNM, BPAM, Bloomberg, AmBank Economics
Using the MGIY ticker on Bloomberg

Exhibit 5: Credit Spreads vs. MGS (5Y tenor) (bps)



Sources: Bloomberg, AmBank Economics

Exhibit 6: Latest Danainfra curve



Sources: BNM, BPAM, Bloomberg, AmBank Economics

Macroeconomic Data/Events Calendar (10 November 2025 –14 November 2025)

Date	Time (+8 GMT)	Country	Indicator	Period	Unit	Survey Median	Prior
2025-11-10	-	CH	Money Supply M2 YoY	Oct	%	8.1	8.4
2025-11-11	07:30	AU	Westpac Consumer Conf SA MoM	Nov	%	-	(3.5)
2025-11-11	07:50	JP	BoP Current Account Balance	Sep	b	2467.7	3775.8
2025-11-11	15:00	UK	ILO Unemployment Rate 3Mths	Sep	%	4.9	4.8
2025-11-11	15:00	UK	Claimant Count Rate	Oct	%	-	4.4
2025-11-11	15:00	UK	Jobless Claims Change	Oct	k	-	25.8
2025-11-12	20:00	US	MBA Mortgage Applications	Nov 7	%	-	(1.9)
2025-11-13	08:30	AU	Employment Change	Oct	k	20.0	14.9
2025-11-13	08:30	AU	Unemployment Rate	Oct	%	4.4	4.5
2025-11-13	07:50	JP	PPI YoY	Oct	%	2.5	2.7
2025-11-13	15:00	UK	GDP QoQ	3Q P	%	0.2	0.3
2025-11-13	15:00	UK	GDP YoY	3Q P	%	1.4	1.4
2025-11-13	15:00	UK	Industrial Production MoM	Sep	%	(0.2)	0.4
2025-11-13	15:00	UK	Manufacturing Production MoM	Sep	%	(0.4)	0.7
2025-11-13	21:30	US	Initial Jobless Claims	Nov 8	k	225.0	-
2025-11-13	21:30	US	CPI MoM	Oct	%	0.2	0.3
2025-11-13	21:30	US	CPI YoY	Oct	%	3.0	3.0
2025-11-14	10:00	CH	Retail Sales YoY	Oct	%	2.8	3.0
2025-11-14	10:00	CH	Industrial Production YoY	Oct	%	5.5	6.5
2025-11-14	12:30	JP	Tertiary Industry Index MoM	Sep	%	0.3	(0.4)
2025-11-14	21:30	US	Retail Sales Advance MoM	Oct	%	(0.2)	-
2025-11-14	21:30	US	PPI Final Demand MoM	Oct	%	0.2	-
2025-11-14	05:30	NZ	BusinessNZ Manufacturing PMI	Oct		-	49.9
2025-11-14	12:00	MY	GDP YoY	3Q F	%	5.2	5.2
2025-11-14	18:00	EU	GDP SA QoQ	3Q S	%	0.2	0.2
2025-11-14	18:00	EU	GDP SA YoY	3Q S	%	1.3	1.3
2025-11-17	07:50	JP	GDP Annualized SA QoQ	3Q P	%	(2.5)	2.2
2025-11-17	07:50	JP	GDP SA QoQ	3Q P	%	(0.6)	0.5
2025-11-17	07:50	JP	GDP Deflator YoY	3Q P	%	3.1	3.0
2025-11-17	12:30	JP	Industrial Production MoM	Sep F	%	-	2.2
2025-11-17	21:30	US	Empire Manufacturing	Nov		7.6	10.7
2025-11-17	05:45	NZ	Food Prices MoM	Oct	%	-	(0.4)
2025-11-17	08:30	SG	Non-oil Domestic Exports YoY	Oct	%	-	6.9

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