AmBank Group

AmBank Economics

Market Wrap-up for the Week ended 13 February 2026

Weekly Fixed Income & FX Research Commentary

We express some caution on MGS this week with January CPI due for release at 1.6%.

Monday, 16 February 2026

Snapshot Summary…

Global Rates: US bonds rallied after the lower-than-expected January CPI reading.
MYR Bonds: We remain cautious on MGS this week, with the January CPI due.
Global FX: Some reversal of Trump policies may offer USD support.
USD/MYR: Following the upbeat GDP print and a relatively weak dollar, we expect MYR sentiment to remain healthy this holiday-shortened week.

Fixed Income

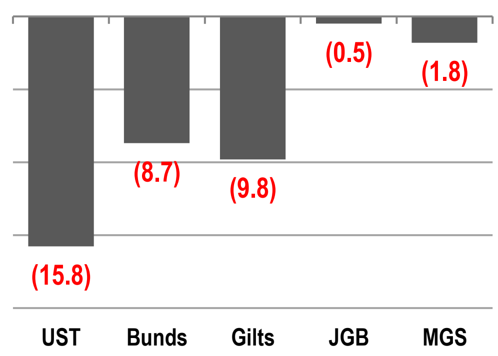
Global Bonds: US bonds rallied after the lower-than-expected US January CPI release, the rise in continuing jobless claims (+21k), and the downside in US retail sales. On the other hand, a print of higher-than-expected NFP for January and a decline in the unemployment rate limited the downside for yields. JGBs were supported. PM Takaichi said that, though fiscal expansion is on the cards, the government does not aim for large bond issues but will rely on special tax measures and non-tax revenues.

Malaysia Government Bonds: Bonds closed mixed. While there was support for longer tenors, we noted weak performance at the front of the curve. We think the outlook for stable OPR policy going forward, as well as the print of strong 4Q2025 GDP, played on the short part of the curve. There was better pickup late last week as UST yields fell. In the primary segment, we saw better pickup, with the MYR3.0 billion 20Y GII public tender attracting 2.90x BTC, or MYR8.9 billion in incoming bids, on top of MYR2.0 billion PP. The auction contrasted with the earlier February auction, where the MYR5.0 billion 10Y MGS garnered BTC of only 1.60x.

Malaysia Government Bonds View: Despite weaker shorter-tenor bonds, there was some support in the belly of the curve, with the 10Y holding near 3.55%. *However, we express caution for MGS this week, with January CPI due. Consensus is for 1.6% y/y rise, similar to the 1.6% pace in December but higher than the +1.4% y/y in November 2025*.

Malaysia Corporate Bonds: The PDS market strengthened last week, supported by rising risk appetite despite mixed govvies performance. We noted a mix of AAA and AA names traded last week, though higher-grade names, including GG papers, led gains. The primary segment was active; we heard of new LPPSA tranches with 5Y-30Y tenors. The 30Y pays a 4.19% profit rate, and the 5Y pays 3.42%.

Weekly Major 10Y Sovereign Yield Changes (bps)



Weekly Major Bond Yields (%)

Major Bond Yields	13-Feb-26	06-Feb-26	w/w (bps)
2-year UST	3.41	3.50	(9)
10-year UST	4.05	4.21	(16)
2-year Bund	2.04	2.09	(5)
10-year Bund	2.76	2.84	(9)
2-year Gilt	3.59	3.62	(3)
10-year Gilt	4.42	4.51	(10)
2-year JGB	1.29	1.29	1
10-year JGB	2.23	2.23	(0)
2-year AGB	4.24	4.25	(1)
10-year AGB	4.75	4.83	(8)

Weekly MGS Yields (%)

MGS Yields	13-Feb-26	06-Feb-26	w/w (bps)
3-year	3.06	3.04	2
5-year	3.30	3.30	0
7-year	3.46	3.45	1
10-year	3.55	3.57	(2)
15-year	3.80	3.79	2
20-year	3.95	3.93	2
30-year	4.04	4.03	0

Weekly GII Yields (%)

GII Yields	13-Feb-26	06-Feb-26	w/w (bps)
3-year	3.10	3.12	(2)
5-year	3.28	3.28	1
7-year	3.37	3.38	(1)
10-year	3.54	3.55	(1)
15-year	3.83	3.82	1
20-year	3.98	3.92	5

MYR Swap & KLIBOR Rates (%)

IRS & KLIBOR	13-Feb-26	06-Feb-26	w/w (bps)
IRS 3-Year	3.35	3.37	(2)
IRS 5-Year	3.44	3.47	(3)
IRS 7-Year	3.54	3.55	(1)
IRS 10-Year	3.70	3.72	(2)
3-Month KLIBOR	3.23	3.23	0
6-Month KLIBOR	3.27	3.27	0

Forex

DXY Index: The dollar posted a 0.7% w/w loss and held below the 97.0 level. The release of US inflation data, modestly lower than expected, suggests no change in the Fed policy rate at the next FOMC meeting. Meanwhile, upbeat US labour market data provided a floor to the DXY. NFP rose 130k in January 2026 (consensus: 70k), well above the downwardly revised December reading (+48k), with gains led by the healthcare industry (+82k). The unemployment rate ticked down to 4.3% (consensus: 4.4%), while average hourly earnings remained resilient at +3-7% y/y. Dollar sentiment had not fully recovered from the previous week's nearly 2% collapse, driven by attacks on US institutions, especially the Fed and continued tariffs. However, *six US House Republicans joining Democrats to pass legislation to block US tariffs on Canada, and the Trump administration loosening tech sector limits on Chinese companies' activities in the US, as well as positive jobs and inflation data, ought to provide some support for the dollar this week.*

Europe: EUR (+0.4% w/w) and GBP (+0.3% w/w) rose amid the dollar weakness. EUR has been supported by ECB's stable outlook on rates, citing inflation outlook is in a 'good place' and against overreacting to short-term or volatile data releases. Meanwhile, the ECB is offering EUR repo lines to all central banks to prevent global market volatility and increase the global use of the EUR. Last week, UK GDP came in at 0.1% q/q in 4Q2025, below the 0.2% consensus, while manufacturing and industrial output also disappointed. And with political concerns continuing to disrupt the GBP.

APAC: CNY completed a 0.4% w/w gain, though levels were flat last Friday. The PBOC reportedly set the midpoint fixing at 6.9398 last Friday, which Reuters said was 350 pips weaker than its estimate, suggesting authorities may be keeping a lid on the currency's strength. JPY rose on upbeat expectations for Japan's fiscal outlook, as the PM, fresh from an election boost, allayed fears over funding for an expected rise in the fiscal deficit. Japan has signalled no significant increase in JGB issuance to fund its fiscal plans, instead targeting higher tax and non-tax revenues.

Malaysia: Some profit-taking on MYR was seen at the end of the week, but the Malaysian currency found its best levels in about 8 years*. After the upbeat GDP print last week and the still-weak dollar, we expect sentiment for the MYR to remain healthy this coming holiday-shortened week*. Malaysia reported an upbeat 4Q2025 GDP of 6.3%, up from 5.4% in the preceding quarter. The latest number was aided by the services sector, which accounts for about 60% of the economy, growing at a firm 6.3% vis-à-vis 5.5% in the previous quarter. DOSM said growth was boosted by private final consumption expenditure and gross fixed capital formation. Overall, the economy grew by 5.2% in 2025, vs official estimates of 4.0-4.8%.

Indicative PDS Yields (%)

PDS Indicative Yields	13-Feb-26	06-Feb-26	w/w (bps)
3-Year AAA	3.54	3.54	0
3-Year AA	3.69	3.69	0
3-Year A	4.49	4.49	0
5-Year AAA	3.62	3.62	0
5-Year AA	3.77	3.77	(0)
5-Year A	4.65	4.65	(0)
10-Year AAA	3.79	3.79	0
10-Year AA	3.94	3.94	0
10-Year A	5.04	5.04	0

FX Weekly – vs. USD

FX Against USD	13-Feb-26	06-Feb-26	w/w (%)
DXY Index	96.92	97.63	(0.7)
EUR/USD	1.187	1.182	0.4
AUD/USD	0.707	0.701	0.9
GBP/USD	1.365	1.361	0.3
USD/JPY	152.7	157.2	(2.9)
NZD/USD	0.604	0.602	0.4
USD/MYR	3.908	3.948	(1.0)
USD/IDR	16,839	16,866	(0.2)
USD/THB	31.08	31.65	(1.8)
USD/SGD	1.263	1.271	(0.7)
USD/CNY	6.905	6.936	(0.4)
USD/KRW	1,444	1,464	(1.3)
USD/INR	90.64	90.66	(0.0)
USD/PHP	58.02	58.59	(1.0)

FX Weekly – Cross Rates vs. MYR

Cross FX Against MYR	13-Feb-26	06-Feb-26	w/w (%)
EUR/MYR	4.64	4.66	(0.4)
GBP/MYR	5.32	5.36	(0.7)
AUD/MYR	2.76	2.75	0.4
JPY/MYR	2.56	2.51	2.0
SGD/MYR	3.09	3.10	(0.2)
10 CNY/MYR	5.66	5.69	(0.6)
1 million IDR/MYR	232.10	234.00	(0.8)
THB/MYR	12.56	12.49	0.6
100 INR/MYR	4.32	4.35	(0.7)
100 PHP/MYR	6.74	6.74	0.0

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

Technical Pair Summary

DXY

Resistance Level			
R1	98.41	R2	99.86
Support Level			
S1	95.86	S2	94.77
Outlook: Slightly bullish			

EUR/USD

Resistance Level			
R1	1.204	R2	1.222
Support Level			
S1	1.169	S2	1.151
Outlook: Neutral			

USD/JPY

Resistance Level			
R1	156.9	R2	160.8
Support Level			
S1	150.7	S2	148.4
Outlook: Neutral			

USD/MYR

Resistance Level			
R1	4.017	R2	4.130
Support Level			
S1	3.847	S2	3.790
Outlook: Slightly bullish MYR			

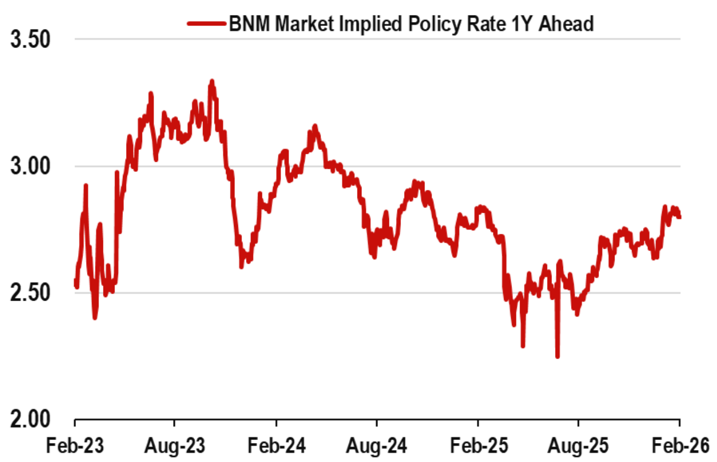
GBP/USD

Resistance Level			
R1	1.385	R2	1.406
Support Level			
S1	1.343	S2	1.322
Outlook: Neutral			

AUD/USD

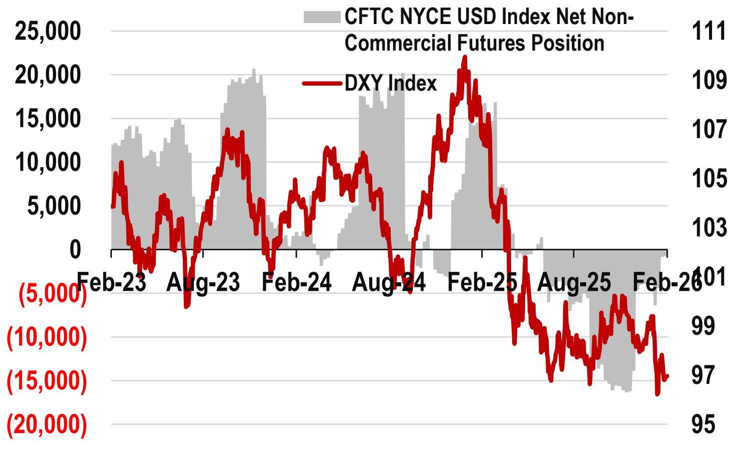
Resistance Level			
R1	0.722	R2	0.737
Support Level			
S1	0.683	S2	0.659
Outlook: Neutral			

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



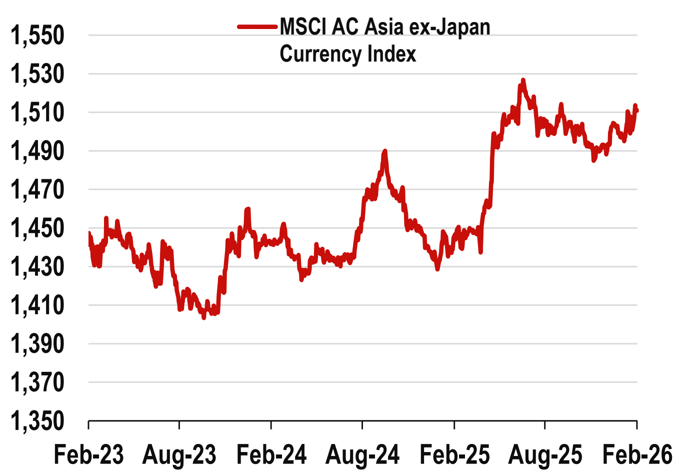
Sources: BPAM, AmBank Economics

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



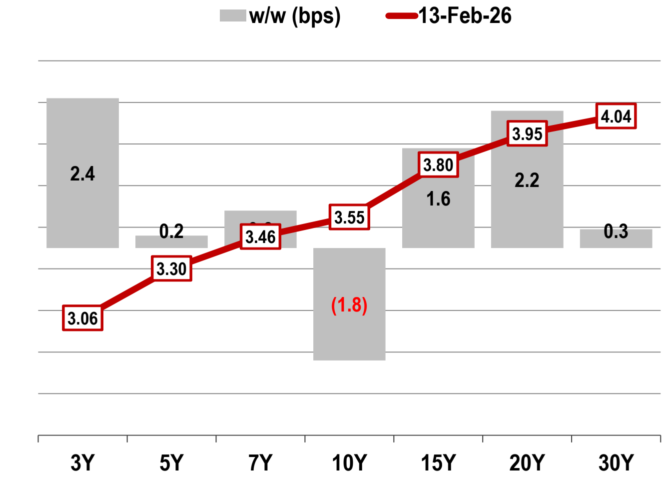
Sources: Bloomberg, AmBank Economics

Exhibit 3: MSCI AC Asia Ex-JP Currency Index



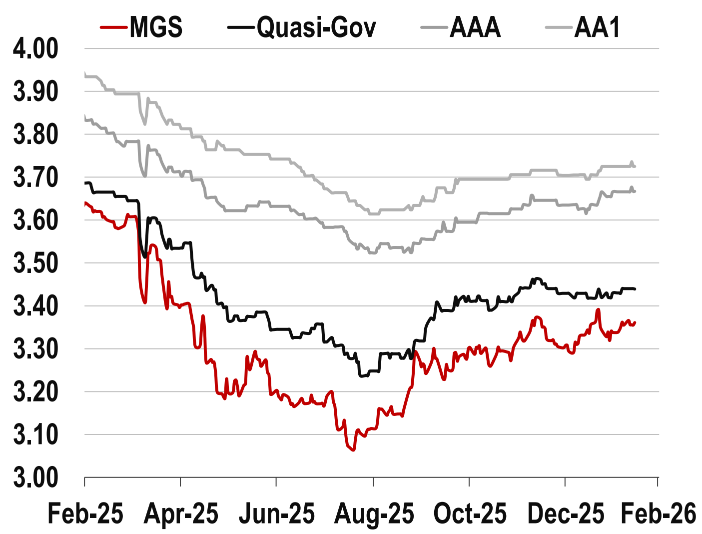
Sources: Bloomberg, AmBank Economics

Exhibit 4: MGS w/w yield curve changes



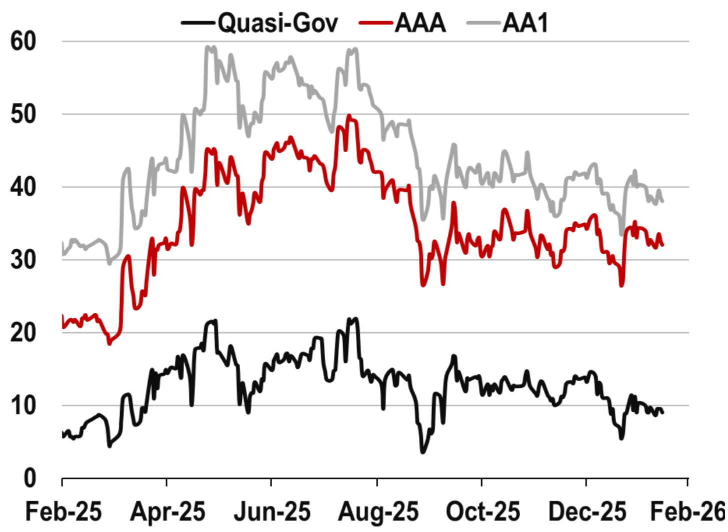
Sources: BNM, BPAM, Bloomberg, AmBank Economics
Using the MGIY ticker on Bloomberg

Exhibit 5: PDS Yields vs. MGS (5Y tenor) (%)



Sources: Bloomberg, AmBank Economics

Exhibit 6: Credit Spreads vs. MGS (5Y tenor) (bps)



Sources: BNM, BPAM, Bloomberg, AmBank Economics

Macroeconomic Data/Events Calendar (16 February 2026 – 23 February 2026)

Date and Time (+8 GMT)	Country	Event	Period	Survey	Prior
2/16/2026 7:50	JN	GDP Annualized SA QoQ	4Q P	1.60%	-2.30%
2/16/2026 7:50	JN	GDP SA QoQ	4Q P	0.40%	-0.60%
2/16/2026 8:30	SI	Non-oil Domestic Exports YoY	Jan	12.00%	6.10%
2/16/2026 8:30	SI	Electronic Exports YoY	Jan	--	24.90%
2/16/2026 12:30	JN	Industrial Production MoM	Dec F	--	-0.10%
2/16/2026 12:30	JN	Industrial Production YoY	Dec F	--	2.60%
2/16/2026 15:30	EC	Bloomberg Feb. Eurozone Economic Survey			
2/16/2026 18:00	EC	Industrial Production SA MoM	Dec	-1.50%	0.70%
2/16/2026 18:00	EC	Industrial Production WDA YoY	Dec	1.30%	2.50%
2/17/2026 21:15	US	ADP Weekly Employment Change	31-Jan	--	6.500k
2/17/2026 21:30	US	Empire Manufacturing	Feb	6.2	7.7
2/18/2026 7:50	JN	Exports YoY	Jan	13.00%	5.10%
2/18/2026 21:30	US	Durables Ex Transportation	Dec P	0.30%	0.40%
2/18/2026 21:30	US	Housing Starts MoM	Dec	4.90%	--
2/18/2026 22:15	US	Industrial Production MoM	Jan	0.40%	0.40%
2/18/2026 23:00	US	Leading Index	Dec	-0.20%	-0.30%
2/19/2026 3:00	US	FOMC Meeting Minutes	28-Jan	--	--
2/19/2026 12:00	MA	CPI YoY	Jan	1.60%	1.60%
2/19/2026 21:30	US	Exports MoM	Dec	--	-3.60%
2/19/2026 21:30	US	Philadelphia Fed Business Outlook	Feb	7.3	12.6
2/19/2026 21:30	US	Initial Jobless Claims	14-Feb	225k	227k
2/19/2026 23:00	EC	Consumer Confidence	Feb P	-11.7	-12.4
2/20/2026 7:30	JN	Natl CPI YoY	Jan	1.60%	2.10%
2/20/2026 8:30	JN	S&P Global Japan PMI Mfg	Feb P	--	51.5
2/20/2026 8:30	JN	S&P Global Japan PMI Services	Feb P	--	53.7
2/20/2026 12:00	MA	Exports YoY	Jan	13.60%	10.40%
2/20/2026 12:00	MA	Imports YoY	Jan	10.90%	12.00%
2/20/2026 12:00	MA	Trade Balance MYR	Jan	9.50b	19.28b
2/20/2026 17:00	EC	HCOB Eurozone Manufacturing PMI	Feb P	50	49.5
2/20/2026 17:00	EC	HCOB Eurozone Services PMI	Feb P	51.9	51.6
2/20/2026 17:00	EC	HCOB Eurozone Composite PMI	Feb P	51.5	51.3
2/20/2026 21:30	US	Personal Spending	Dec	0.40%	0.50%
2/20/2026 21:30	US	PCE Price Index MoM	Dec	0.30%	0.20%
2/20/2026 21:30	US	PCE Price Index YoY	Dec	2.80%	2.80%
2/20/2026 21:30	US	Core PCE Price Index MoM	Dec	0.30%	0.20%
2/20/2026 21:30	US	Core PCE Price Index YoY	Dec	2.90%	2.80%
2/20/2026 21:30	US	GDP Annualized QoQ	4Q A	3.00%	4.40%
2/20/2026 22:45	US	S&P Global US Manufacturing PMI	Feb P	52.3	52.4
2/20/2026 22:45	US	S&P Global US Services PMI	Feb P	52.9	52.7
2/23/2026 13:00	SI	CPI YoY	Jan	--	1.20%
2/23/2026 13:00	SI	CPI NSA MoM	Jan	--	0.30%
2/23/2026 13:00	SI	CPI Core YoY	Jan	--	1.20%
2/23/2026 23:00	US	Factory Orders	Dec	--	2.70%
2/23/2026 23:00	US	Durable Goods Orders	Dec F	--	--

Source: Bloomberg

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