AmBank Group

AmBank Economics

Market Wrap-up for the Week ended 10 April 2026

Monday, 13 April 2026

Weekly Fixed Income & FX Research Commentary

Market volatility continues amid shifting peace/war developments.

Snapshot Summary…

Global Rates: Treasuries closed firm last week, but this was before the US-Iran peace talks. We expect a cautious tone to continue, lest improvements in geopolitical risks emerge.

MYR Bonds: Generally followed the tone of global markets.

Global FX: Earlier dollar weakness set for a reversal this week, as hopes for a ceasefire ended amid no breakthrough in US-Iran talks.

USD/MYR: MYR strengthened 1.6% w/w last week, reversing most of the prior week's losses, though USD/MYR looks set to retest the 4.00 handle.

Fixed Income

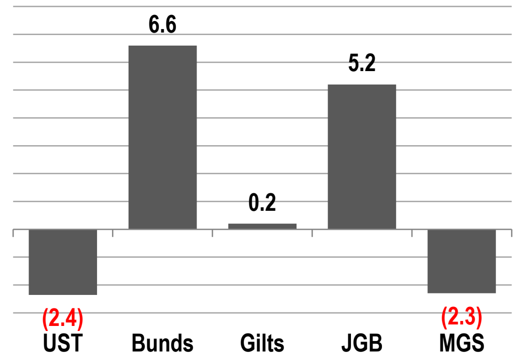
Global Bonds: US Treasuries closed firmly last week ahead of the US-Iran peace talks, though we now anticipate yields to remain stubbornly higher following the failure of the talks to reach a peace deal. With the latest news that the US will blockade the Straits of Hormuz, pressure on oil prices should remain high as long as there are no improvements in the current situation on the war front. As it were, UST is currently also negatively affected by last Friday's US CPI release. US headline CPI up by 0.9% m/m in March (prior: 0.3%) and 3.3% y/y (prior: 2.4%), with the gasoline and other motor fuels subindexes up 21.2% and 30.8% y/y. We expect a cautious tone in UST trading to continue, lest improvements in geopolitical risks emerge.

Malaysia Government Bonds: Generally better tone in MGS trading last week, aided by the ceasefire in the West Asia. There were some improvements in duration demand as crude oil prices fell from recent highs. However, gains were noticeably absent by the end of last week, as sentiment, we think, was cautious ahead of last Saturday's US-Iran peace talks in Pakistan and before the US CPI release.

Malaysia Government Bonds View: Last week's 30Y MGS (MGS 07/55) reopening at MYR3.0 billion public tender (plus MYR2.0 billion private placement) saw firm BTC of 2.03x, but only after WI levels rose by as much as 10 bps from pre-announcement levels. The final average yield at the auction was 4.197%, compared with MGS 07/55, which was seen near 4.13% over a week ago. Next up is the auction of new paper, GII 10/29, which will be the new 3Y GII benchmark. We think demand should be at least decent for a new short tenor paper. Auction size is MYR5.0 billion as expected. Tender closes tomorrow.

Malaysia Corporate Bonds: Overall mixed performance in PDS trading last week. Higher-grade papers, particularly within the construction and banking sectors, led flows. There was continued decent activity in corporate issuances. Last week, we noted AA- rated MRCB issued in the market, where the 2031 maturity pays 4.24% profit rate and the 2037 maturity is priced at a 4.49% rate.

Weekly Major 10Y Sovereign Yield Changes (bps)



Weekly Major Bond Yields (%)

Major Bond Yields	10-Apr-26	3-Apr-26	w/w (bps)
2-year UST	3.80	3.84	(4)
10-year UST	4.32	4.34	(2)
2-year Bund	2.60	2.62	(1)
10-year Bund	3.06	2.99	7
2-year Gilt	4.26	4.32	(6)
10-year Gilt	4.84	4.83	0
2-year JGB	1.41	1.39	2
10-year JGB	2.44	2.39	5
2-year AGB	4.67	4.74	(6)
10-year AGB	4.97	5.04	(7)

Weekly MGS Yields (%)

MGS Yields	10-Apr-26	3-Apr-26	w/w (bps)
3-year	3.23	3.25	(2)
5-year	3.39	3.43	(4)
7-year	3.52	3.55	(2)
10-year	3.60	3.62	(2)
15-year	3.90	3.91	(2)
20-year	4.01	4.01	0
30-year	4.13	4.11	2

Weekly GII Yields (%)

GII Yields	10-Apr-26	3-Apr-26	w/w (bps)
3-year	3.23	3.23	1
5-year	3.40	3.40	0
7-year	3.60	3.59	1
10-year	3.63	3.63	0
15-year	3.92	3.92	0
20-year	4.02	4.01	1

MYR Swap & KLIBOR Rates (%)

IRS & KLIBOR	10-Apr-26	3-Apr-26	w/w (bps)
IRS 3-Year	3.37	3.42	(5)
IRS 5-Year	3.42	3.48	(6)
IRS 7-Year	3.52	3.57	(5)
IRS 10-Year	3.66	3.70	(5)
3-Month KLIBOR	3.35	3.36	(1)
6-Month KLIBOR	3.39	3.39	0

Forex

DXY Index: The dollar index (DXY) fell 1.4% w/w, mostly driven by early last week's news of a US/Israel-Iran ceasefire, with markets jumping the rally early due to the potential of more-lasting peace negotiations ahead. Nevertheless, the DXY was seen rebounding today (13 April) after US–Iran negotiations over the weekend in Pakistan ended without a deal, with both delegations leaving without resolving contentious issues or setting a timeline for further talks. The US has also vowed naval blockades for any vessels entering or leaving Iranian ports from 10am NYT today, raising pressure on Iran's energy revenue lifeline, as well as oil supplies globally. As back-and-forth developments and elevated FX volatility continue, the energy shock has permeated through March macroeconomic data, including US headline CPI at 3.3% y/y (prior month: 2.4%), 1-year inflation expectations rising to 4.8% and 3.4% y/y respectively for the UOM consumer sentiment and NY Fed surveys (prior: 3.8% and 3.0%), and ISM services PMI cooling to 54.0 (prior: 56.1) on easing business activity and employment. However, FOMC meeting minutes revealed officials' concern about two-sided risks (labour markets and inflation) from the Iran war, suggesting a more cloudy outlook for the Fed's rate path, given current labour market uncertainty.

Europe: EUR and GBP rose 1.8% and 2.0% w/w respectively vs. the USD, while underperforming vs. more pro-cyclical G10 peers. Gains are expected to reverse this week amid the collapse in US-Iran talks and the rebounding USD, given the Eurozone and UK's reliance on energy imports, following this morning's (13 April) 10% rise in oil and European LNG prices and its expected impact on their respective trade accounts. However, swap market pricing on the ECB and BOE rate path has remained relatively stable, given the lack of informative macro data from the Eurozone/UK last week.

APAC: JPY only rose 0.3% w/w – in contrast to better gains by G10 peers. USD/JPY remains tightly traded within 158-160, with upside (above 160) capped by markets' reluctance to test the intervention resolve by authorities – last triggered in July 2024; while the 158 support level also remains sticky amid markets' continued bearish view on the JPY. A dovish BOJ posture also provided no tailwind, as the central bank continued noting two-sided risks in its regional economic assessments report, suggesting the BOJ is keeping its options open while avoiding speculation of a rate hike this month (swap market pricing: 44% probability) – even despite Japanese firms raising wages by more than 5% for a third consecutive year. Based on experts' opinions, Economy Minister Ryosei Akazawa noted that BOJ monetary policy could be used to curb inflation by supporting a stronger yen – a view shared by and recommended by the IMF. In contrast, ex-BOJ official Kazuo Momma noted that the BOJ's approach to conducting policies at times of high uncertainty is to hold policy rates unchanged. Meanwhile, the AUD (+2.5% w/w) continues to see elevated volatility amid the influence of global geopolitical developments and fluctuating global risk sentiment. Domestically, employment and inflation data for March (due on 16 and 29 April, respectively) will be closely watched alongside remarks from Deputy Governor Andrew Hauser, with markets still hawkishly tilted for the RBA.

Malaysia: MYR strengthened 1.6% w/w last week, reversing most of the prior week's losses, though USD/MYR looks set to retest the 4.00 handle imminently, given rebounding USD strength. BNM international reserves also declined to USD126.6 billion as at the end of March (vs USD128.1 billion on 13 March), amid the recent reversal of MYR strength. On the

Indicative PDS Yields (%)

PDS Indicative Yields	10-Apr-26	3-Apr-26	w/w (bps)
3-Year AAA	3.56	3.56	(0)
3-Year AA	3.69	3.69	(0)
3-Year A	4.45	4.46	(0)
5-Year AAA	3.63	3.64	(0)
5-Year AA	3.77	3.78	(0)
5-Year A	4.61	4.62	(0)
10-Year AAA	3.80	3.80	(0)
10-Year AA	3.94	3.94	(0)
10-Year A	5.01	5.01	(0)

FX Weekly – vs USD

FX Against USD	10-Apr-26	3-Apr-26	w/w (%)
DXY Index	98.65	100.03	(1.4)
EUR/USD	1.172	1.152	1.8
AUD/USD	0.706	0.690	2.5
GBP/USD	1.346	1.320	2.0
USD/JPY	159.3	159.7	(0.3)
NZD/USD	0.584	0.569	2.6
USD/MYR	3.965	4.030	(1.6)
USD/IDR	17,098	17,000	0.6
USD/THB	32.15	32.60	(1.4)
USD/SGD	1.274	1.287	(1.0)
USD/CNY	6.829	6.882	(0.8)
USD/KRW	1,484	1,511	(1.8)
USD/INR	92.73	93.11	(0.4)
USD/PHP	59.97	60.20	(0.4)

FX Weekly – Cross Rates vs. MYR

Cross FX Against MYR	10-Apr-26	3-Apr-26	w/w (%)
EUR/MYR	4.64	4.65	(0.2)
GBP/MYR	5.33	5.33	(0.1)
AUD/MYR	2.80	2.78	0.7
JPY/MYR	2.49	2.53	(1.4)
SGD/MYR	3.11	3.14	(0.8)
10 CNY/MYR	5.81	5.86	(0.9)
1 million IDR/MYR	231.80	237.50	(2.4)
THB/MYR	12.34	12.37	(0.2)
100 INR/MYR	4.28	4.34	(1.4)
100 PHP/MYR	6.61	6.69	(1.2)

Sources: Bank Negara Malaysia (BNM), Bloomberg, Trading Economics, AmBank Economics energy front, the government is studying suitable mechanisms (such as via MyKad and MyKasih) for the distribution of diesel subsidies, including to more affected groups such as farmers, while also looking to diversify the country's fuel sources, including through biodiesel. The World Bank has also raised Malaysia's 2026 growth forecast to 4.4% (prior: 4.1%), noting that while downside risks from external factors remain, Malaysia entered the period with resilient macroeconomic fundamentals.

Technical Pair Summary

DXY	Resistance Level			
	R1	100.16	R2	101.26
	Support Level			
	S1	98.30	S2	97.55
	Outlook: Bullish			

EUR/USD	Resistance Level			
	R1	1.179	R2	1.189
	Support Level			
	S1	1.152	S2	1.135
	Outlook: Slightly bearish			

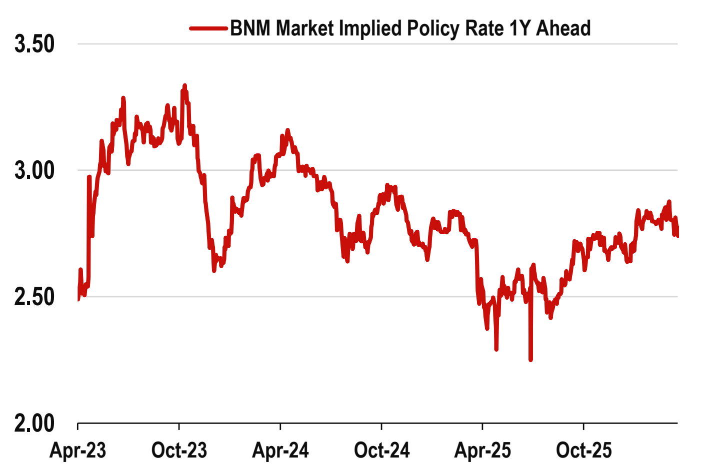
USD/JPY	Resistance Level			
	R1	160.8	R2	161.8
	Support Level			
	S1	158.2	S2	156.7
	Outlook: Slightly Bearish			

USD/MYR	Resistance Level			
	R1	4.050	R2	4.128
	Support Level			
	S1	3.893	S2	3.814
	Outlook: Slightly bearish			

GBP/USD	Resistance Level			
	R1	1.351	R2	1.363
	Support Level			
	S1	1.324	S2	1.307
	Outlook: Slightly bearish			

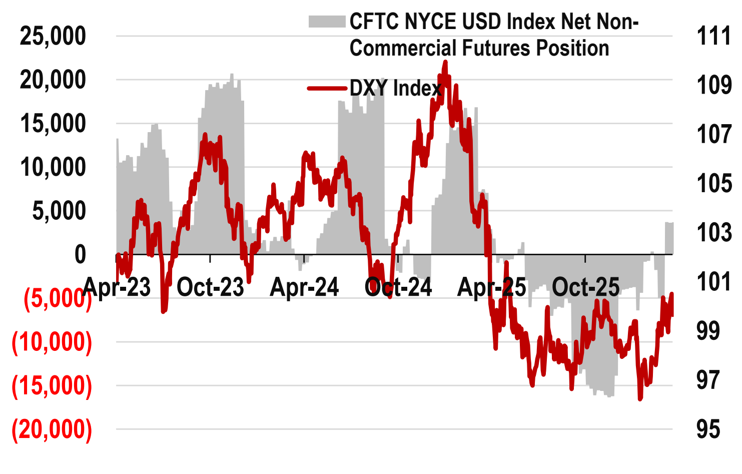
AUD/USD	Resistance Level			
	R1	0.714	R2	0.725
	Support Level			
	S1	0.689	S2	0.674
	Outlook: Bearish			

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



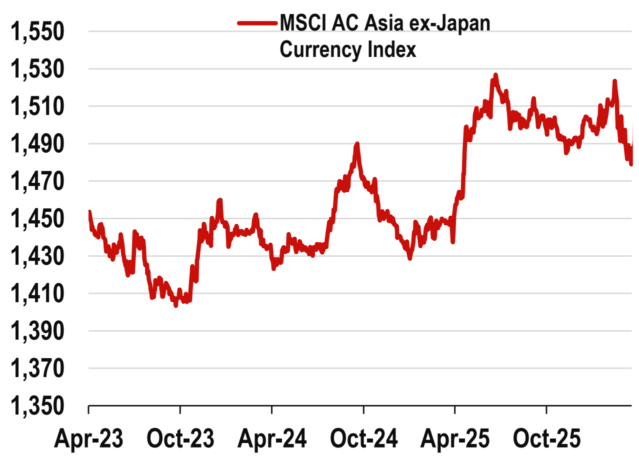
Sources: BPAM, AmBank Economics

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



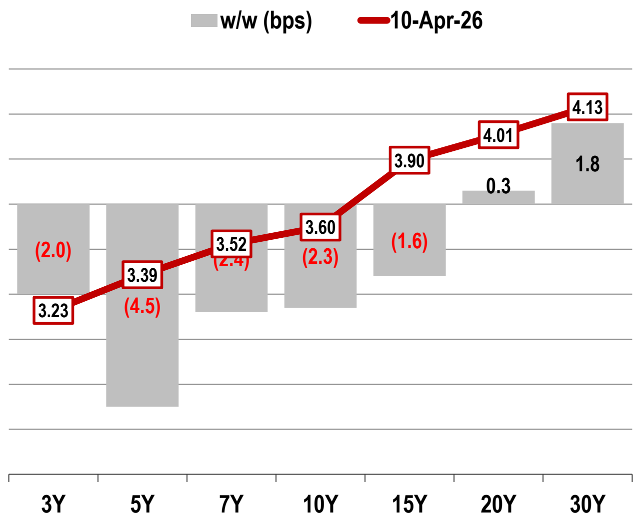
Sources: Bloomberg, AmBank Economics

Exhibit 3: MSCI AC Asia Ex-JP Currency Index



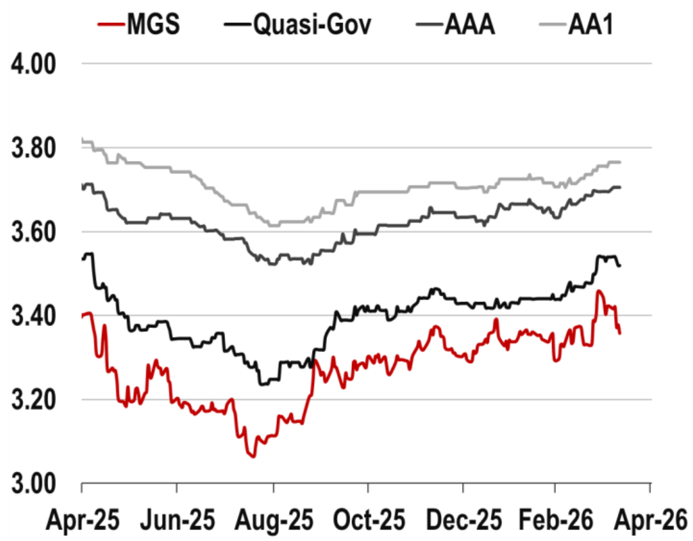
Sources: Bloomberg, AmBank Economics

Exhibit 4: MGS w/w yield curve changes



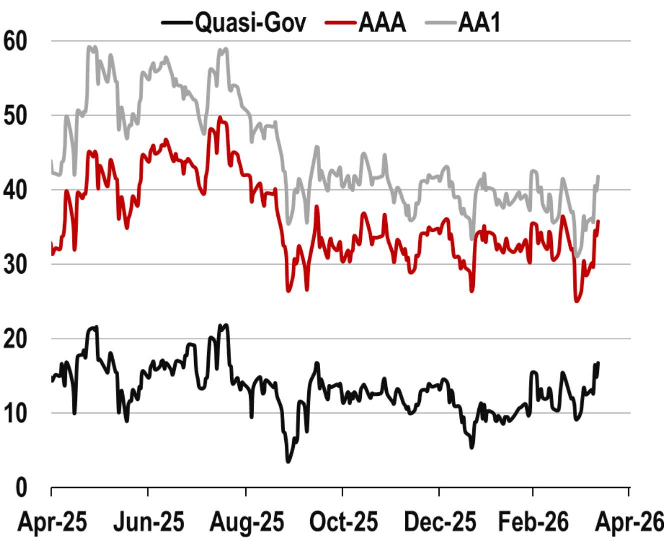
Sources: BNM, BPAM, Bloomberg, AmBank Economics
Using the MGIY ticker on Bloomberg

Exhibit 5: MGS and PDS yields (5Y tenor) (%)



Sources: Bloomberg, AmBank Economics

Exhibit 6: PDS spreads vs. MGS (5Y tenor) (bps)



Sources: Bloomberg, AmBank Economics

Macroeconomic Data/Events Calendar (13 April 2026 – 17 April 2026)

Date	Time (+8 GMT)	Country	Indicator	Period	Unit	Survey Median	Prior
2026-04-13	22:00	US	Existing Home Sales	Mar	m	4.1	4.1
2026-04-14	-	CH	Exports YoY	Mar	%	8.7	39.6
2026-04-14	20:30	US	PPI Final Demand MoM	Mar	%	1.1	0.7
2026-04-14	08:00	SG	GDP YoY	1Q A	%	6.1	6.9
2026-04-14	08:30	AU	Westpac Consumer Conf SA MoM	Apr	%	-	1.2
2026-04-14	12:30	JP	Industrial Production MoM	Feb F	%	-	(2.1)
2026-04-15	19:00	US	MBA Mortgage Applications	Apr 10	%	-	(0.8)
2026-04-15	20:30	US	Empire Manufacturing	Apr		(0.5)	(0.2)
2026-04-15	07:50	JP	Core Machine Orders MoM	Feb	%	(1.0)	(5.5)
2026-04-16	10:00	CH	GDP YoY	1Q	%	4.8	4.5
2026-04-16	10:00	CH	Retail Sales YoY	Mar	%	2.4	-
2026-04-16	10:00	CH	Industrial Production YoY	Mar	%	5.4	-
2026-04-16	20:30	US	Initial Jobless Claims	Apr 11	k	214.0	219.0
2026-04-16	**21:15**	**US**	**Industrial Production MoM**	**Mar**	**%**	**0.1**	**0.2**
2026-04-16	**09:30**	**AU**	**Employment Change**	**Mar**	**k**	**17.8**	**48.9**
2026-04-16	09:30	AU	Unemployment Rate	Mar	%	4.3	4.3
2026-04-16	14:00	UK	Industrial Production MoM	Feb	%	0.3	(0.1)
2026-04-16	14:00	UK	Manufacturing Production MoM	Feb	%	0.3	0.1
2026-04-16	**17:00**	**EU**	**CPI YoY**	**Mar F**	**%**	**2.5**	**2.5**
2026-04-16	17:00	EU	CPI MoM	Mar F	%	1.2	1.2
2026-04-17	**08:30**	**SG**	**Non-oil Domestic Exports YoY**	**Mar**	**%**	**9.9**	**4.0**
2026-04-17	06:45	NZ	Food Prices MoM	Mar	%	-	(0.1)
2026-04-17	**12:00**	**MY**	**GDP YoY**	**1Q A**	**%**	**5.70**	**6.3**

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