AmBank Group

AmBank Economics

Market Wrap-up for the Week ended 24 April 2026

Weekly Fixed Income & FX Research Commentary

Central bank meetings in focus amid impasse in US-Iran talks and Hormuz flows.

Monday, 27 April 2026

Snapshot Summary…

Global Rates: Ahead of FOMC, support for bonds was on hopes for more peace talks but sentiment was guarded as oil prices remained high.

MYR Bonds: IRS rates edged up, while government bonds were mixed-to-firmer. Credits were playing catch up with the govvies movement.

Global FX: DXY rose though remained on a slightly weaker footing as war developments are watched and central bank policy meetings are on tap.

USD/MYR: Some weaknesses for MYR though nothing major, with Asian currencies also declining against the USD.

Fixed Income

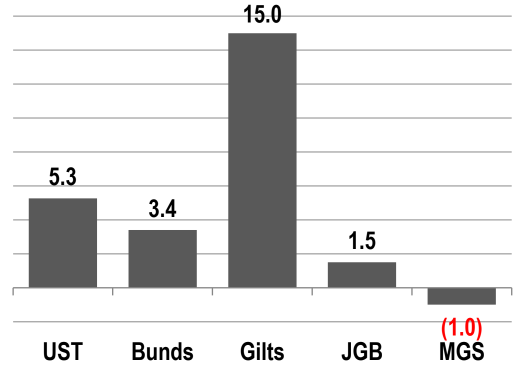
Global Bonds: UST w/w bearish flattening comes ahead of the end-month FOMC meeting where policymakers are expected to hold the FFR at the current level. In the past week, support for bonds was on hopes for more peace talks but sentiment was guarded as oil prices remained high. Flows were notably light at mid-week as market participants watched the war development especially amid news both sides are seizing ships during the US blockade. Data was also of little support for bonds. US retail sales rose by 1.7% m/m in March following an upwardly revised 0.7% increase previously. Retail sales ex-autos were also upbeat at 1.9% m/m vs. 0.7% previous and 1.4% consensus. The US Justice Department ended its probe into Fed chief Powell, paving an easier path for Kevin Warsh's appointment as next Fed chair. Bond markets took the probe-end positively, with Warsh perceived to be dovish on rates though expected to lighten the Fed's purchasing of UST.

Malaysia Government Bonds: Ringgit IRS rates edged up, while government bonds were mixed-to-firmer. Also, the higher IRS w/w merely pared the m/m declines, suggesting swaps and bond markets are taking in stride the expected BNM holding rates at 2.75% at the 7-May MPC meeting.

Malaysia Government Bonds View: The new 20Y MGS (MGS 04/46) auction (MYR3.5 billion public tender and MYR1.5 billion private placement) received MYR10.1 billion bids and translating into a bid-to-cover (BTC) ratio of 2.88 times (x). The average auction yield was encouraging at 3.987%, despite the longer duration vs. previous 20Y MGS benchmark MGS 05/44 and where the 20Y yield before the auction was testing 4.00%. We think fundamental demand for Malaysia's credit remained healthy amid firm expected Malaysia GDP growth and inflation may remain moderate despite the war-inflicted pressure on Malaysia's fiscal spending. New 20Y MGS is firm right now near 3.97% — if this level holds, then 30Y MGS (MGS 07/55 which reopened this month) should see 4.07%-4.12% range, i.e., targeting 30Y/20Y spread of 10-15 bps.

Malaysia Corporate Bonds: PDS mostly supported except for hints of mid-week losses as credits played catch up with MGS movement. As MGS yields

Weekly Major 10Y Sovereign Yield Changes (bps)



Weekly Major Bond Yields (%)

Major Bond Yields	24-Apr-26	17-Apr-26	w/w (bps)
2-year UST	3.78	3.71	7
10-year UST	4.30	4.25	5
2-year Bund	2.55	2.41	14
10-year Bund	2.99	2.96	3
2-year Gilt	4.35	4.12	23
10-year Gilt	4.91	4.76	15
2-year JGB	1.36	1.37	(1)
10-year JGB	2.44	2.42	2
2-year AGB	4.69	4.67	3
10-year AGB	4.98	4.99	(2)

Weekly MGS Yields (%)

MGS Yields	24-Apr-26	17-Apr-26	w/w (bps)
3-year	3.19	3.19	(1)
5-year	3.34	3.36	(2)
7-year	3.47	3.48	(1)
10-year	3.56	3.57	(1)
15-year	3.84	3.86	(1)
20-year	3.98	4.00	(2)
30-year	4.11	4.13	(1)

Weekly GII Yields (%)

GII Yields	24-Apr-26	17-Apr-26	w/w (bps)
3-year	3.19	3.21	(2)
5-year	3.32	3.32	(0)
7-year	3.49	3.50	(1)
10-year	3.57	3.58	(1)
15-year	3.88	3.88	(1)
20-year	3.99	4.00	(1)

MYR Swap & KLIBOR Rates (%)

IRS & KLIBOR	24-Apr-26	17-Apr-26	w/w (bps)
IRS 3-Year	3.39	3.38	1
IRS 5-Year	3.45	3.42	2
IRS 7-Year	3.53	3.52	1
IRS 10-Year	3.66	3.66	1
3-Month KLIBOR	3.35	3.35	0
6-Month KLIBOR	3.39	3.39	0

rose midweek, GG and AAA yields followed suit, but most AA papers were done on firmer levels.

Forex

DXY Index: DXY rose 0.4% w/w though generally remained on a slightly weaker footing since the US-Iran war outbreak. Latest developments over the past week see an indefinite ceasefire agreement made but the Strait of Hormuz remaining effectively shut for all vessels amid the double US/Iran blockades. However, general market sentiment is discounting current issues and still eyeing further progress on talks ahead, given that Iran has continued to show a willingness for diplomacy with their latest outreaches, leading to elevated equity valuations, lower bond yields and relatively low oil prices, and thereby the weaker dollar. The weaker dollar sentiment was also aided by news that the US Department of Justice (DOJ) has ended its probe into current Fed chairman Powell, paving an easier path for Kevin Warsh's appointment as the successor, with Senator Thom Tillis also dropping his blockade of Warsh's nomination. The week ahead sees the Fed's third FOMC meeting for the year. With swap markets currently projecting no Fed rate adjustments for this meeting (as well as the next few), language from the Fed is expected to be parsed for any tilt in concern towards inflation or the job market. A focus is also expected on Powell, who may indicate his intention to leave the Governor board in May, now that the DOJ probe has ended.

Europe: GBP (+0.1%) outperformed the EUR (-0.4%) w/w, driven by the surge in UK government bond yields, as markets ramped up bets on BOE rate hikes this year amid rising inflation expectations among UK businesses and unexpectedly solid UK retail sales for March. Markets are fully pricing in two 25bps rate hikes by the BOE this year with the possibility of a third, with this week's BOE MPC meeting expected to showcase the BOE's hawkish shift (though no rate hikes are expected). In contrast, the ECB is taking a wait-and-see stance to evaluate the impact of recent macroeconomic data and geopolitical developments (particularly the Middle East conflict) against its earlier forecasts. Nevertheless, markets are also pricing in 2-3 25bps rate hikes for the ECB this year, given their much lower policy rates at 2.00% currently (vs. the UK's 3.75%). However, similar to the BOE, the ECB is also not expected to adjust policy rates this week.

APAC: USD/JPY continued to hover within the 158-160 range, as continued bearish sentiment on the yen remains constrained by authorities' intervention warnings. Rising energy prices linked to the Iran conflict have weighed on the yen, reflecting Japan's heavy reliance on imported oil, which brought Japan's core inflation higher for the first time in five months on higher energy costs. Despite the increase, core inflation (at 1.8% y/y for March) remains below the BOJ's 2% inflation target, suggesting reduced justification for more imminent policy shifts. The BOJ is widely expected to keep interest rates unchanged next week as policymakers assess rising uncertainties tied to the Middle East. Meanwhile, AUD (-0.3% w/w) remain near four-year highs despite last week's decline, as limited supplies and surging energy prices continue to fuel elevated domestic inflation risks, reinforcing market expectations of another RBA rate hike ahead given current strong economic conditions. Ahead of the next RBA meeting on 5 May, investors await the upcoming March CPI report due on 29 April, with

Indicative PDS Yields (%)

PDS Indicative Yields	24-Apr-26	17-Apr-26	w/w (bps)
3-Year AAA	3.54	3.55	(0)
3-Year AA	3.68	3.69	(0)
3-Year A	4.48	4.48	(0)
5-Year AAA	3.63	3.63	(0)
5-Year AA	3.77	3.77	(0)
5-Year A	4.66	4.66	(0)
10-Year AAA	3.79	3.79	(0)
10-Year AA	3.94	3.94	(0)
10-Year A	5.06	5.06	0

FX Weekly – vs. USD

FX Against USD	24-Apr-26	17-Apr-26	w/w (%)
DXY Index	98.53	98.10	0.4
EUR/USD	1.172	1.177	(0.4)
AUD/USD	0.715	0.717	(0.3)
GBP/USD	1.353	1.352	0.1
USD/JPY	159.4	158.6	0.5
NZD/USD	0.588	0.588	(0.0)
USD/MYR	3.965	3.951	0.4
USD/IDR	17,205	17,190	0.1
USD/THB	32.43	32.08	1.1
USD/SGD	1.275	1.269	0.5
USD/CNY	6.832	6.818	0.2
USD/KRW	1,476	1,460	1.1
USD/INR	94.26	92.93	1.4
USD/PHP	60.73	60.08	1.1

FX Weekly – Cross Rates vs. MYR

Cross FX Against MYR	24-Apr-26	17-Apr-26	w/w (%)
EUR/MYR	4.63	4.66	(0.6)
GBP/MYR	5.35	5.35	(0.0)
AUD/MYR	2.83	2.83	(0.2)
JPY/MYR	2.49	2.49	(0.2)
SGD/MYR	3.10	3.11	(0.1)
10 CNY/MYR	5.80	5.80	0.1
1 million IDR/MYR	230.10	230.00	0.0
THB/MYR	12.23	12.43	(1.6)
100 INR/MYR	4.21	4.25	(0.9)
100 PHP/MYR	6.53	6.58	(0.8)

Sources: Bank Negara Malaysia (BNM), Bloomberg, Trading Economics, AmBank Economics headline inflation expected to rise 4.7% y/y - well above the Reserve Bank's 2–3% target.

Malaysia: Some weaknesses for the MYR (-0.4% w/w) though nothing major, with Asian currencies also seen declining 0.1-1.4% against the USD during the week. Supporting the MYR's relative resilience is BNM foreign reserves data, which rose to USD128.8 billion as of 15 April (31 March: USD126.6 billion), suggesting that foreign investments into Malaysia remains strong despite external geopolitical turbulence. On the domestic agenda, sources indicate that PM Anwar is looking to call an early general election by October 2026, provided that the government isn't forced to trim politically sensitive fuel subsidies by then. This comes amid growing concerns by officials about the sustainability of current energy subsidy policies in regard to fiscal impact and supply availability, as Deputy PM Fadillah Yusof noted that the conflict may last for another two years. The government plans to raise biodiesel blend to B15 gradually (current: B10) and reduce road tax rates for diesel vehicles to reduce price pressure on owners. Meanwhile, S&P Global Ratings said while Malaysia's sovereign rating remained at A-, Stable for now, it has potential for a rating upgrade, based on potential firm economic growth and an improving fiscal situation. Risks are noted on Malaysia's external metrics such as foreign assets over liabilities, especially as foreigners highly take up the MGS market.

Technical Pair Summary

DXY	Resistance Level			
	R1	99.73	R2	100.86
	Support Level			
	S1	97.75	S2	96.92
	Outlook: Slightly Bullish			

EUR/USD	Resistance Level			
	R1	1.184	R2	1.196
	Support Level			
	S1	1.156	S2	1.140
	Outlook: Slightly Bearish			

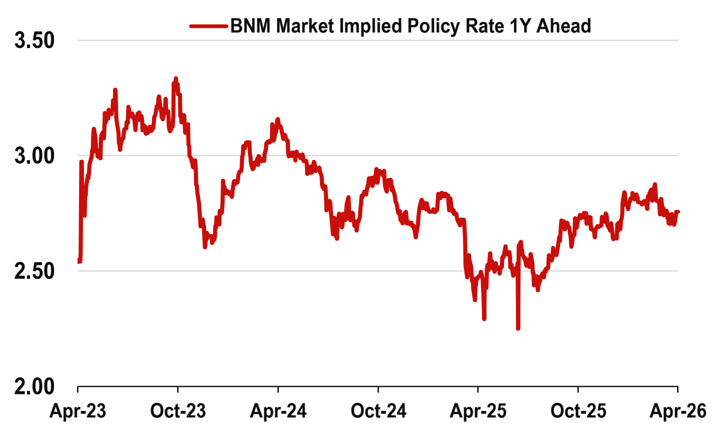
USD/JPY	Resistance Level			
	R1	159.9	R2	160.4
	Support Level			
	S1	158.8	S2	158.1
	Outlook: Neutral			

USD/MYR	Resistance Level			
	R1	4.038	R2	4.110
	Support Level			
	S1	3.904	S2	3.844
	Outlook: Neutral			

GBP/USD	Resistance Level			
	R1	1.366	R2	1.379
	Support Level			
	S1	1.329	S2	1.306
	Outlook: Slightly Bullish			

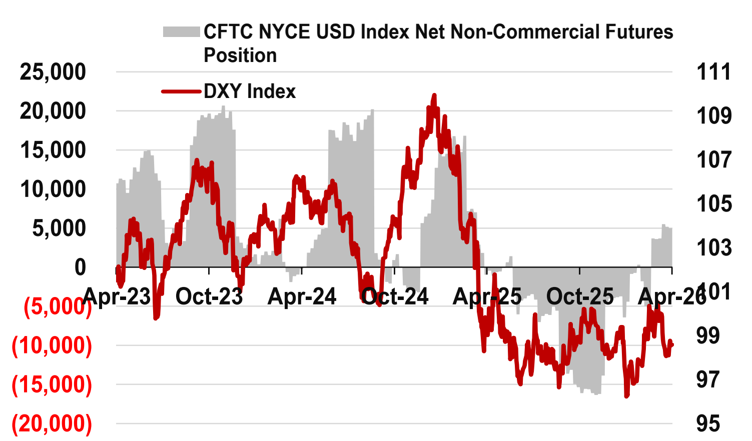
AUD/USD	Resistance Level			
	R1	0.726	R2	0.736
	Support Level			
	S1	0.697	S2	0.679
	Outlook: Slightly Bullish			

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



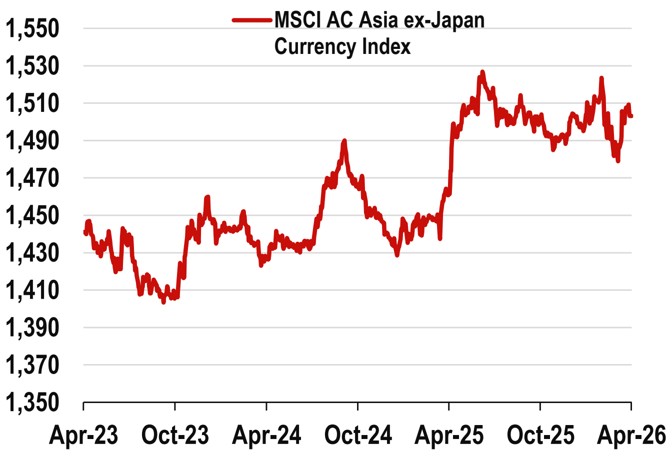
Sources: BPAM, AmBank Economics

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



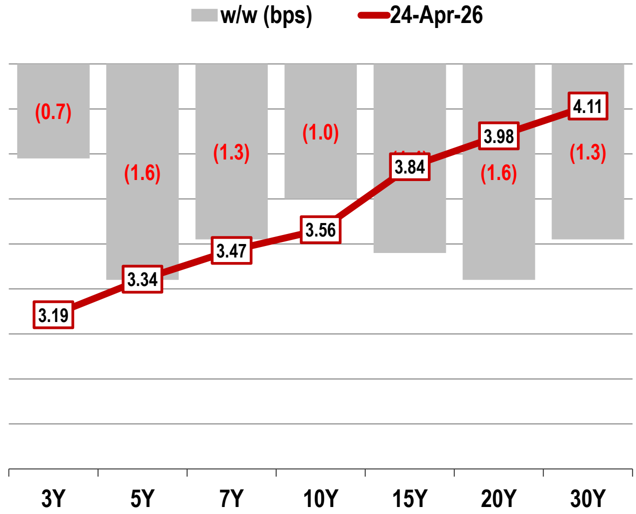
Sources: Bloomberg, AmBank Economics

Exhibit 3: MSCI AC Asia Ex-JP Currency Index



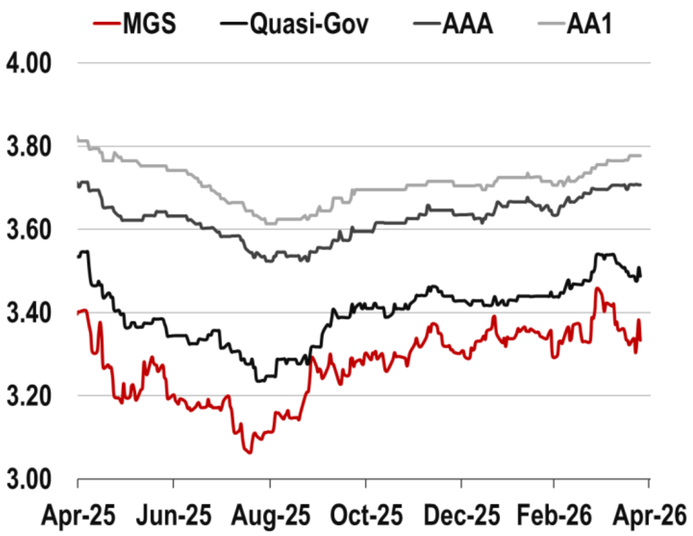
Sources: Bloomberg, AmBank Economics

Exhibit 4: MGS w/w yield curve changes



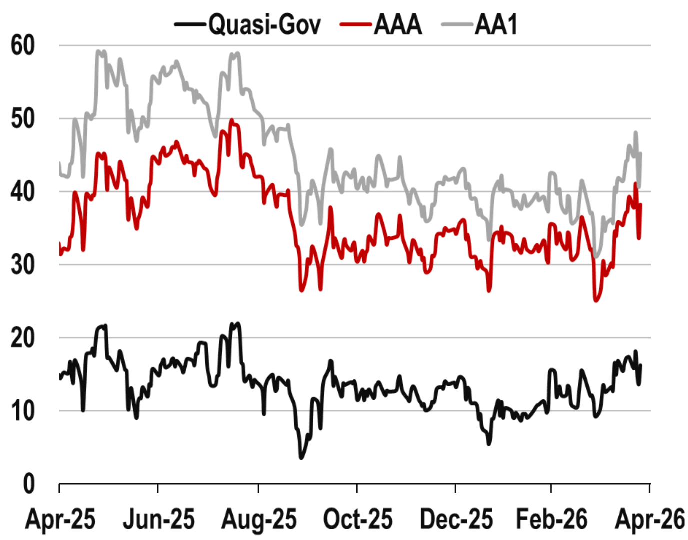
Sources: BNM, BPAM, Bloomberg, AmBank Economics
Using the MGIY ticker on Bloomberg

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



Sources: BPAM, AmBank Economics

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



Sources: BPAM, AmBank Economics

Macroeconomic Data/Events Calendar (27 April 2026 – 01 May 2026)

Date	Time (+8 GMT)	Country	Indicator	Period	Unit	Survey Median	Prior
2026-04-20	06:45	NZ	Trade Balance NZD	Mar	m	-	(257.0)
2026-04-20	12:30	JP	Tertiary Industry Index MoM	Feb	%	(0.5)	1.7
2026-04-21	06:45	NZ	CPI QoQ	1Q	%	0.8	0.6
2026-04-21	14:00	UK	ILO Unemployment Rate 3Mths	Feb	%	5.2	5.2
2026-04-21	14:00	UK	Claimant Count Rate	Mar	%	-	4.4
2026-04-21	**14:00**	**UK**	**Jobless Claims Change**	**Mar**	**k**	**-**	**24.7**
2026-04-21	20:30	US	Retail Sales Advance MoM	Mar	%	1.4	0.6
2026-04-22	14:00	UK	CPI MoM	Mar	%	0.6	0.4
2026-04-22	14:00	UK	CPI YoY	Mar	%	3.3	3.0
2026-04-22	14:00	UK	CPI Core YoY	Mar	%	3.2	3.2
2026-04-22	**19:00**	**US**	**MBA Mortgage Applications**	**Apr 17**	**%**	**-**	**1.8**
2026-04-23	08:30	JP	S&P Global Japan PMI Mfg	Apr P		-	51.6
2026-04-23	16:30	UK	S&P Global UK Services PMI	Apr P		50.0	50.5
2026-04-23	16:30	UK	S&P Global UK Manufacturing PMI	Apr P		50.3	51.0
2026-04-23	20:30	US	Initial Jobless Claims	Apr 18	k	210.0	207.0
2026-04-23	21:45	US	S&P Global US Manufacturing PMI	Apr P		52.5	52.3
2026-04-23	13:00	SG	CPI YoY	Mar	%	1.8	1.2
2026-04-23	16:00	EU	S&P Global Eurozone Manufacturing PMI	Apr P		50.9	51.6
2026-04-24	07:30	JP	Natl CPI YoY	Mar	%	1.4	1.3
2026-04-24	14:00	UK	Retail Sales Inc Auto Fuel MoM	Mar	%	0.0	(0.4)
2026-04-24	22:00	US	U. of Mich. Sentiment	Apr F		48.4	47.6
2026-04-27	13:00	SG	Industrial Production YoY	Mar	%	-	(0.1)

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