Global Markets Research

Fixed Income : Auction Calendar

Re-opening of 30-year MGS 7/55 draws moderate BTC of 2.017x

Post the tender announcement, the WI opened at 4.19/15%. M30m of the WI was traded at 4.21%, and it was quoted at 4.22/21% before the auction cut-off. The auction itself saw decent demand, with bids totaling RM6.05bn tendered, resulting in a moderate BTC ratio of 2.017x. The auction cleared at an average yield of 4.213%, with a tail of 1.2bps (previous re-opening of the bond in April saw it clearing at 4.197%, with a moderate BTC of 2.029x and a tail of 1.2bps). The total offering of RM5.0bn for this re-opening auction (which was inclusive of a private placement of RM2.0bn) was in line with our expectations, and brings the total issue size outstanding to RM20.0bn. Summary of the tender results are as follows:

Bid to Cover: 2.017x
High: 4.225%
Average: 4.213%
Low: 4.199%
Cut-off: 30.00%

This 30Y MGS reopening saw decent demand, with a moderate BTC of 2.017x. Valuation looks rich compared to GII, but attractive from a term premium perspective

The moderate BTC was reflective of the decent demand for the bond, with interest seen mainly from insurers and institutional investors. The historical spread between the Islamic and conventional 30Y benchmarks over the past 12 months stands at -1.5bps, so at the current 3.4bps spread, the MGS looks rich from a relative perspective. From a term premium perspective, the 30Y sector of the MGS curve appears attractive, with the current MGS 20s30s spread at 14.8bps which compares to an average of 11.9bps over the past year. Up next is the re-opening auction of the benchmark 7Y GII 3/33, with a projected issuance size of RM5.0bn.

MGS/GII issuance pipeline in 2026

No	Stock	Tenure (yrs)	Tender Month	Quarter	Tender Date	Projected Issuance Size (RM mil)	Actual Auction Issuance (RM mil)	Actual Private Placement	Total Issuance YTD	BTC (times)	Low	Average	High	Cut-off
1	5-yr Reopening of MGII 08/30	5	Jan	Q1	7/1/2026	5,000	5,000		5,000	2.296	3.260	3.268	3.272	7.1%
2	15-yr New Issue of MGS (Mat on 01/41)	15	Jan	Q1	14/1/2026	5,000	3,500	1,500	10,000	1.944	3.750	3.766	3.775	100.0%
3	30-yr New Issue of MGII (Mat on 01/56)	30	Jan	Q1	29/1/2026	5,000	3,000	2,000	15,000	2.071	4.020	4.044	4.055	15.6%
4	10-yr Reopening of MGS 07/35	10	Feb	Q1	5/2/2026	5,000	5,000		20,000	1.603	3.559	3.572	3.581	83.3%
5	20-yr Reopening of MGII 5/45	20	Feb	Q1	13/2/2026	5,000	3,000	2,000	25,000	2.896	3.959	3.990	3.994	4.2%
6	5-yr Reopening of MGS 06/31	5	Feb	Q1	26/6/2026	5,000	5,000		30,000	2.921	3.350	3.359	3.361	4.6%
7	15-yr Reopening of MGII 7/40	15	Mar	Q1	9/3/2026	5,000	3,500	1,500	35,000	2.295	3.875	3.895	3.905	38.8%
8	3-yr New Issue of MGS (Mat on 03/29)	3	Mar	Q1	13/3/2026	5,000	5,000		40,000	2.218	3.230	3.237	3.242	0.7%
9	7-yr New Issue of MGII (Mat on 3/33)	7	Mar	Q1	30/3/2026	5,000	5,000		45,000	1.688	3.590	3.624	3.643	60.0%
10	30-yr Reopening of MGS 07/55	30	Apr	Q2	7/4/2026	5,000	3,000	2,000	50,000	2.029	4.180	4.197	4.209	98.6%
11	3.5-yr New Issue of MGII (Mat on 10/29)	3	Apr	Q2	14/4/2026	5,000	5,000		55,000	2.921	3.220	3.227	3.230	56.3%
12	20-yr New Issue of MGS (Mat on 04/46)	20	Apr	Q2	22/4/2026	5,000	3,500	1,500	60,000	2.880	3.972	3.987	3.992	92.2%
13	10-yr Reopening of MGII 4/35	10	May	Q2	14/5/2026	5,000	5,000		65,000	2.868	3.593	3.600	3.607	20.0%
14	7-yr Reopening of MGS 4/33	7	May	Q2	21/5/2026	5,000	5,000		70,000	2.592	3.570	3.580	3.583	67.8%
15	30-yr Reopening of MGII 1/56	30	May	Q2	28/5/2026	5,000	3,000	2,000	75,000	2.285	4.095	4.103	4.110	52.2%
16	3-yr Reopening of MGS 3/29	3	Jun	Q2	4/6/2026	5,000	5,000		80,000	1.928	3.228	3.243	3.249	52.9%
17	15-yr Reopening of MGII 7/40	15	Jun	Q2	12/6/2026	5,000	3,500	1,500	85,000	3.410	3.891	3.898	3.902	75.0%
18	5-yr Reopening of MGS 6/31	5	Jun	Q2	19/6/2026	5,000	5,000		90,000	2.282	3.432	3.439	3.445	32.5%
19	20-yr Reopening of MGII 5/45	20	Jun	Q2	25/6/2026	5,000	3,000	2,000	95,000	3.136	3.980	3.995	4.000	90.3%
20	10-yr Reopening of MGS 07/35	10	Jul	Q3	2/7/2026	5,000	5,000		100,000	1.867	3.613	3.630	3.638	66.7%
21	3.5-yr Reopening of MGII 10/29	3	Jul	Q3	14/7/2026	5,000	5,000		105,000	2.260	3.280	3.287	3.289	95.3%
22	15-yr Reopening of MGS 01/41	15	Jul	Q3	21/7/2026	5,000	3,500	1,500	110,000	2.056	3.890	3.903	3.910	50.0%
23	5-yr Reopening of MGII 10/31	5	Aug	Q3	4/8/2026	5,000	5,000		115,000	2.402	3.518	3.529	3.534	80.0%
24	30-yr Reopening of MGS 7/55	30	Aug	Q3	11/8/2026	5,000	3,000	2,000	120,000	2.017	4.225	4.213	4.199	30.0%
25	7-yr Reopening of MGII 3/33	7	Aug	Q3		5,000			120,000					
26	20-yr Reopening of MGS 4/46	20	Aug	Q3		5,000			120,000					
27	10-yr Reopening of MGII 7/36	10	Sep	Q3		5,000			120,000					
28	7-yr Reopening of MGS 04/33	7	Sep	Q3		5,000			120,000					
29	30-yr Reopening of MGII 1/56	30	Sep	Q3		5,000			120,000					
30	3.5-yr Reopening of MGII 10/29	3	Oct	Q4		5,000			120,000					
31	15-yr Reopening of MGS 1/41	15	Oct	Q4		5,000			120,000					
32	20-yr Reopening of MGII 5/45	20	Oct	Q4		5,000			120,000					
33	10-yr New Issue of MGS (Mat on 10/36)	10	Oct	Q4		5,000			120,000					
34	15-yr Reopening of MGII 7/40	15	Nov	Q4		5,000			120,000					
35	3-yr Reopening of MGS 3/29	3	Nov	Q4		5,000			120,000					
36	10-yr Reopening of MGII 7/36	10	Nov	Q4		5,000			120,000					
37	30-yr Reopening of MGS 07/55	11	Dec	Q1		5,000			120,000					
Gross MGS/GII supply in 2026						185,000	100,500	19,500	120,000	PROJECTED TOTAL ISSUANCE = RM185bn				

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