

Global Markets Research

Fixed Income : Auction Calendar

New Issuance of 3.5-year GII 10/29 draws strong BTC of 2.921x

Post the tender announcement, WI opened at 3.25% choice and was taken. Around RM100m of the WI was traded between 3.250-225%, and it was quoted at 3.228/222% before the auction cut-off. This auction itself saw good interest, with bids totaling RM14.61bn tendered, resulting in a BTC ratio of 2.921x. The auction cleared at an average yield of 3.227%, with a short tail of 0.3bps (the previous re-opening of the existing benchmark 3Y GII 7/28 cleared at 3.162% with a short tail of 0.4bps and a strong BTC of 2.876x). The total offering of RM5.0b for this new issuance sale was in line with our expectations. Summary of the tender results are as follows:

Bid to Cover: 2.921x
 High: 3.230%
 Average: 3.227%
 Low: 3.220%
 Cut-off: 56.28%

This 3.5Y GII new issuance saw good demand, with a strong BTC of 2.921x, with the bond taking over from the GII 7/28 as the new benchmark 3Y GII

The strong BTC was reflective of the good demand for the bond, with interest seen mainly from banks. The historical mean spread between the benchmark 3Y GII and benchmark 3Y MGS over the last year has been around 3.8bps, so at the current 0.5bps spread, the GII seems rich on a relative basis. From a term premium perspective, the 3Y sector of the GII curve appears a touch expensive too, with the current GII 3s5s spread at 16.2bps versus an average of 13.1bps over the last 12 months. Up next to conclude government bond funding for the month is the new issuance auction of a fresh benchmark 20Y MGS, with a projected issuance size of RM5.0bn, of which RM3.0bn should be put up for auction with the remaining RM2.0bn to be privately placed.

| 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 | | 5,000 | | | 55,000 | | | | | |
| 13 | 10-yr Reopening of MGII 4/35 | 10 | May | Q2 | | 5,000 | | | 55,000 | | | | | |
| 14 | 7-yr Reopening of MGS 4/33 | 7 | May | Q2 | | 5,000 | | | 55,000 | | | | | |
| 15 | 30-yr Reopening of MGII 1/56 | 30 | May | Q2 | | 5,000 | | | 55,000 | | | | | |
| 16 | 3-yr Reopening of MGS 3/29 | 3 | Jun | Q2 | | 5,000 | | | 55,000 | | | | | |
| 17 | 15-yr Reopening of MGII 7/40 | 15 | Jun | Q2 | | 5,000 | | | 55,000 | | | | | |
| 18 | 5-yr Reopening of MGS 6/31 | 5 | Jun | Q2 | | 5,000 | | | 55,000 | | | | | |
| 19 | 20-yr Reopening of MGII 5/45 | 20 | Jun | Q2 | | 5,000 | | | 55,000 | | | | | |
| 20 | 10-yr Reopening of MGS 07/35 | 10 | Jul | Q3 | | 5,000 | | | 55,000 | | | | | |
| 21 | 3.5-yr Reopening of MGII 10/29 | 3 | Jul | Q3 | | 5,000 | | | 55,000 | | | | | |
| 22 | 15-yr Reopening of MGS 01/41 | 15 | Jul | Q3 | | 5,000 | | | 55,000 | | | | | |
| 23 | 5-yr Reopening of MGII 10/31 | 5 | Aug | Q3 | | 5,000 | | | 55,000 | | | | | |
| 24 | 30-yr Reopening of MGS 7/55 | 30 | Aug | Q3 | | 5,000 | | | 55,000 | | | | | |
| 25 | 7-yr Reopening of MGII 3/33 | 7 | Aug | Q3 | | 5,000 | | | 55,000 | | | | | |
| 26 | 20-yr Reopening of MGS 4/46 | 20 | Aug | Q3 | | 5,000 | | | 55,000 | | | | | |
| 27 | 10-yr Reopening of MGII 7/36 | 10 | Sep | Q3 | | 5,000 | | | 55,000 | | | | | |
| 28 | 7-yr Reopening of MGS 04/33 | 7 | Sep | Q3 | | 5,000 | | | 55,000 | | | | | |
| 29 | 30-yr Reopening of MGII 1/56 | 30 | Sep | Q3 | | 5,000 | | | 55,000 | | | | | |
| 30 | 3.5-yr Reopening of MGII 10/29 | 3 | Oct | Q4 | | 5,000 | | | 55,000 | | | | | |
| 31 | 15-yr Reopening of MGS 1/41 | 15 | Oct | Q4 | | 5,000 | | | 55,000 | | | | | |
| 32 | 20-yr Reopening of MGII 5/45 | 20 | Oct | Q4 | | 5,000 | | | 55,000 | | | | | |
| 33 | 10-yr New Issue of MGS (Mat on 10/36) | 10 | Oct | Q4 | | 5,000 | | | 55,000 | | | | | |
| 34 | 15-yr Reopening of MGII 7/40 | 15 | Nov | Q4 | | 5,000 | | | 55,000 | | | | | |
| 35 | 3-yr Reopening of MGS 3/29 | 3 | Nov | Q4 | | 5,000 | | | 55,000 | | | | | |
| 36 | 10-yr Reopening of MGII 7/36 | 10 | Nov | Q4 | | 5,000 | | | 55,000 | | | | | |
| 37 | 30-yr Reopening of MGS 07/55 | 11 | Dec | Q1 | | 5,000 | | | 55,000 | | | | | |
| Gross MGS/GII supply in 2026 | | | | | | 185,000 | 46,000 | 9,000 | 55,000 | PROJECTED TOTAL ISSUANCE = RM185bn | | | | |

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