

Global Markets Research

Fixed Income : Auction Calendar

**Reopening of 10-year GII 4/35 draws strong BTC of 2.868x**

Post the tender announcement, WI opened at 3.62/60%. The WI saw around RM500m being traded between 3.615% and 3.600%, and was quoted at 3.61/60% before the auction cut-off. The auction saw good interest, with bids totaling RM14.34bn tendered, resulting in a BTC ratio of 2.868x. The auction cleared at an average yield of 3.600% with a tail of 0.7bps (the previous re-opening in November cleared at 3.554%, with a tail of 0.5bps and a BTC of 2.565x). The total offering of RM5.0bn for this re-opening matched our expectations, and brings the total issuance size to RM20.0bn. Summary of the tender results:

Bid to Cover: 2.868x  
 High: 3.607%  
 Average: 3.600%  
 Low: 3.593%  
 Cut-off: 20.00%

***This 10Y GII re-opening saw good demand, with a strong BTC of 2.868x. Valuation looks fair from a relative value angle, but rich on a term premium perspective***

The good demand for the bond was reflected by the strong BTC, with notable interest seen from insurers and banks. The historical mean spread between the generic Islamic and conventional 10Y benchmarks over the last year has been around 1.7bps, so at the current 2.2bps differential, valuation looks fair from a relative perspective. From a term premium perspective, the 10Y sector of the GII curve appears to be rich, with the current GII 7s10s spread at 8.5bps which compares to an average of 13.8bps over the last 12 months. Up next is the re-opening of the MGS 4/33, where an issuance size of RM5.0bn is expected to be put up for sale, with the bond set to take over as the benchmark 7Y MGS from the MGS 7/32.

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		5,000			65,000					
15	30-yr Reopening of MGII 1/56	30	May	Q2		5,000			65,000					
16	3-yr Reopening of MGS 3/29	3	Jun	Q2		5,000			65,000					
17	15-yr Reopening of MGII 7/40	15	Jun	Q2		5,000			65,000					
18	5-yr Reopening of MGS 6/31	5	Jun	Q2		5,000			65,000					
19	20-yr Reopening of MGII 5/45	20	Jun	Q2		5,000			65,000					
20	10-yr Reopening of MGS 07/35	10	Jul	Q3		5,000			65,000					
21	3.5-yr Reopening of MGII 10/29	3	Jul	Q3		5,000			65,000					
22	15-yr Reopening of MGS 01/41	15	Jul	Q3		5,000			65,000					
23	5-yr Reopening of MGII 10/31	5	Aug	Q3		5,000			65,000					
24	30-yr Reopening of MGS 7/55	30	Aug	Q3		5,000			65,000					
25	7-yr Reopening of MGII 3/33	7	Aug	Q3		5,000			65,000					
26	20-yr Reopening of MGS 4/46	20	Aug	Q3		5,000			65,000					
27	10-yr Reopening of MGII 7/36	10	Sep	Q3		5,000			65,000					
28	7-yr Reopening of MGS 04/33	7	Sep	Q3		5,000			65,000					
29	30-yr Reopening of MGII 1/56	30	Sep	Q3		5,000			65,000					
30	3.5-yr Reopening of MGII 10/29	3	Oct	Q4		5,000			65,000					
31	15-yr Reopening of MGS 1/41	15	Oct	Q4		5,000			65,000					
32	20-yr Reopening of MGII 5/45	20	Oct	Q4		5,000			65,000					
33	10-yr New Issue of MGS (Mat on 10/36)	10	Oct	Q4		5,000			65,000					
34	15-yr Reopening of MGII 7/40	15	Nov	Q4		5,000			65,000					
35	3-yr Reopening of MGS 3/29	3	Nov	Q4		5,000			65,000					
36	10-yr Reopening of MGII 7/36	10	Nov	Q4		5,000			65,000					
37	30-yr Reopening of MGS 07/55	11	Dec	Q1		5,000			65,000					
Gross MGS/GII supply in 2026						185,000	54,500	10,500	65,000	PROJECTED TOTAL ISSUANCE = RM185bn				

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