

Global Markets Research

Fixed Income : Auction Calendar

Re-opening of 20-year GII 5/45 draws strong BTC of 3.136x

Post the tender announcement, WI opened at 4.09/3.99%. A total of RM10m of the WI was traded at 3.99%, taken there before the auction cut-off. The auction itself saw solid interest, with bids totaling RM9.41bn tendered, resulting in a strong BTC ratio of 3.136x. The auction cleared at an average yield of 3.995%, with a tail of 0.5bps (the previous re-opening in February saw it clearing at 3.990%, a short tail of 0.4bps and a BTC of 2.896x). The total offering of RM5.0bn for this re-opening (inclusive of the RM2.0bn privately placed) was line with our expectations but the private placement portion was slightly larger than anticipated, and brings the issuance size of the bond outstanding to RM20.0bn. Summary of the tender results are as follows:

Bid to Cover: 3.136x

High: 4.000%

Average: 3.995%

Low: 3.980%

Cut-off: 90.25%

This 20Y GII reopening saw solid demand, with a strong BTC of 3.136x. Valuation looks attractive from a relative value angle, but rich on a term premium perspective

The strong BTC was reflective of the solid demand for the bond, with interest seen from a wide variety of participants including pension funds, fund managers and the insurance community. The historical mean spread between the generic Islamic and conventional 20Y benchmarks over the last year has been around 0.4bps, so at the current 2.9bps spread, the GII is attractive from a relative perspective. From a term premium angle, the 20Y sector of the GII curve also looks to be on the rich side, with the current GII 15s20s spread at 8.5bps which compares to an average of 11.8bps over the last 12 months. Up next is July is the reopening of the benchmark 10Y MGS 7/35, and we expect an 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		5,000			95,000					
21	3.5-yr Reopening of MGII 10/29	3	Jul	Q3		5,000			95,000					
22	15-yr Reopening of MGS 01/41	15	Jul	Q3		5,000			95,000					
23	5-yr Reopening of MGII 10/31	5	Aug	Q3		5,000			95,000					
24	30-yr Reopening of MGS 7/55	30	Aug	Q3		5,000			95,000					
25	7-yr Reopening of MGII 3/33	7	Aug	Q3		5,000			95,000					
26	20-yr Reopening of MGS 4/46	20	Aug	Q3		5,000			95,000					
27	10-yr Reopening of MGII 7/36	10	Sep	Q3		5,000			95,000					
28	7-yr Reopening of MGS 04/33	7	Sep	Q3		5,000			95,000					
29	30-yr Reopening of MGII 1/56	30	Sep	Q3		5,000			95,000					
30	3.5-yr Reopening of MGII 10/29	3	Oct	Q4		5,000			95,000					
31	15-yr Reopening of MGS 1/41	15	Oct	Q4		5,000			95,000					
32	20-yr Reopening of MGII 5/45	20	Oct	Q4		5,000			95,000					
33	10-yr New Issue of MGS (Mat on 10/36)	10	Oct	Q4		5,000			95,000					
34	15-yr Reopening of MGII 7/40	15	Nov	Q4		5,000			95,000					
35	3-yr Reopening of MGS 3/29	3	Nov	Q4		5,000			95,000					
36	10-yr Reopening of MGII 7/36	10	Nov	Q4		5,000			95,000					
37	30-yr Reopening of MGS 07/55	11	Dec	Q1		5,000			95,000					
Gross MGS/GII supply in 2026						185,000	79,000	16,000	95,000	PROJECTED TOTAL ISSUANCE = RM185bn				

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