

Global Markets Research

Fixed Income : Auction Calendar

New Issuance of 7-year GII 3/33 draws weak BTC of 1.688x

Post the tender announcement, WI opened at 3.58/55%. Around RM50-100m of the WI was traded between 3.625% - 3.610%, and it was quoted at 3.63/62% before the auction cut-off. The auction itself saw lukewarm interest, with bids totaling RM8.44bn tendered, resulting in a low BTC of 1.688x. The auction cleared at an average yield of 3.624%, with a long tail of 1.9bps (previous reopening of the GII 10/31 in July last year cleared at 3.367% with a strong BTC of 2.922x and a short tail of 0.3bps). The total offering of RM5.0bn for this new issuance was in line with our expectations, with the bond taking over as the new benchmark 7Y GII. Summary of the tender results are as follows:

Bid to Cover: 1.688x
 High: 3.643%
 Average: 3.624%
 Low: 3.590%
 Cut-off: 60.00%

This 7Y GII new issuance saw lukewarm demand, with a low BTC of 1.688x; bond takes over from GII 10/31 as the new benchmark 7Y GII

The weak BTC was reflective of only moderate demand for the paper, with interest seen mainly from banks and development financial institutions. From a relative premium perspective, the historical mean spread between the generic Islamic and conventional 7Y benchmarks over the last year has been around -4.4bps, so the current spread of -2.8bps makes the existing GII look slightly cheap from a relative angle. From a term premium perspective, the current GII 5s7s spread stands at 11.1bps, looking fairly valued compared to the 10.8bps average seen over the past 12 months. Up next in April is the re-opening of the benchmark 30Y MGS 7/55, with a projected issuance size of RM5.0bn, of which RM2.0bn is expected 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		5,000			45,000					
11	3.5-yr New Issue of MGII (Mat on 10/29)	3	Apr	Q2		5,000			45,000					
12	20-yr New Issue of MGS (Mat on 04/46)	20	Apr	Q2		5,000			45,000					
13	10-yr Reopening of MGII 4/35	10	May	Q2		5,000			45,000					
14	7-yr Reopening of MGS 4/33	7	May	Q2		5,000			45,000					
15	30-yr Reopening of MGII 1/56	30	May	Q2		5,000			45,000					
16	3-yr Reopening of MGS 3/29	3	Jun	Q2		5,000			45,000					
17	15-yr Reopening of MGII 7/40	15	Jun	Q2		5,000			45,000					
18	5-yr Reopening of MGS 6/31	5	Jun	Q2		5,000			45,000					
19	20-yr Reopening of MGII 5/45	20	Jun	Q2		5,000			45,000					
20	10-yr Reopening of MGS 07/35	10	Jul	Q3		5,000			45,000					
21	3.5-yr Reopening of MGII 10/29	3	Jul	Q3		5,000			45,000					
22	15-yr Reopening of MGS 01/41	15	Jul	Q3		5,000			45,000					
23	5-yr Reopening of MGII 10/31	5	Aug	Q3		5,000			45,000					
24	30-yr Reopening of MGS 7/55	30	Aug	Q3		5,000			45,000					
25	7-yr Reopening of MGII 3/33	7	Aug	Q3		5,000			45,000					
26	20-yr Reopening of MGS 4/46	20	Aug	Q3		5,000			45,000					
27	10-yr Reopening of MGII 7/36	10	Sep	Q3		5,000			45,000					
28	7-yr Reopening of MGS 04/33	7	Sep	Q3		5,000			45,000					
29	30-yr Reopening of MGII 1/56	30	Sep	Q3		5,000			45,000					
30	3.5-yr Reopening of MGII 10/29	3	Oct	Q4		5,000			45,000					
31	15-yr Reopening of MGS 1/41	15	Oct	Q4		5,000			45,000					
32	20-yr Reopening of MGII 5/45	20	Oct	Q4		5,000			45,000					
33	10-yr New Issue of MGS (Mat on 10/36)	10	Oct	Q4		5,000			45,000					
34	15-yr Reopening of MGII 7/40	15	Nov	Q4		5,000			45,000					
35	3-yr Reopening of MGS 3/29	3	Nov	Q4		5,000			45,000					
36	10-yr Reopening of MGII 7/36	10	Nov	Q4		5,000			45,000					
37	30-yr Reopening of MGS 07/55	11	Dec	Q1		5,000			45,000					
Gross MGS/GII supply in 2026						185,000	38,000	7,000	45,000	PROJECTED TOTAL ISSUANCE = RM185bn				

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