

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries rallied in trading on Wednesday, amidst the shutdown of the US federal government and the ADP employment survey for September showing that jobs unexpectedly declined for the month. Overall benchmark UST yields closed the day lower by between 2 to 7bps. **The benchmark 2-year UST note yield was 7bps lower for the day at 3.54% while the 10-year UST bond yield declined by 5bps to 4.10%**, resulting in a bull steepening of the UST curve. The coming day sees the release of the Challenger job cuts figures, but the factory orders numbers for September and weekly jobless claims figures also scheduled for release could be delayed due to the shutdown.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	3.54	-7
5-yr UST	3.67	-7
10-yr UST	4.10	-5
30-yr UST	4.71	-2

MGS			GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)	
3-yr	3.11	<div><div></div></div> 1	3.15	<div><div></div></div> 0	
5-yr	3.23	<div><div></div></div> 0	3.25	<div><div></div></div> 0	
7-yr	3.42	<div><div></div></div> 0	3.36	<div><div></div></div> -1	
10-yr	3.45	<div><div></div></div> 0	3.49	<div><div></div></div> 1	
15-yr	3.67	<div><div></div></div> 1	3.70	<div><div></div></div> 0	
20-yr	3.82	<div><div></div></div> 2	3.82	<div><div></div></div> 1	
30-yr	3.95	<div><div></div></div> 3	4.01	<div><div></div></div> 0	

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.24	1
3-yr	3.18	0
5-yr	3.26	1
7-yr	3.34	2
10-yr	3.44	1

Source : Bloomberg

Upcoming Government Bond Tender

Nil

MGS/GII

- Local govies were softer in trading on Wednesday, with continued activity seen in shorter-dated GII maturities in an active session overall. Secondary market volume for the day surged by 62% to RM10.13bn from the RM6.24bn that changed hands on Tuesday. Overall benchmark yields were mixed by between -1 to +3bps (prior: -3 to +1bp). **The benchmark 5Y MGS 5/30 yield was little changed for the day at 3.23% while the yield on the benchmark 10Y MGS 7/35 was also unchanged for the session at 3.45%**. Trading interest for the day was led by the off-the-run GII 10/25, while decent interest was also seen in the benchmark 3Y MGS/GII as well as in the off-the-run GII 3/26 and GII 9/27. The share of GII trading for the day climbed to 70% of overall govies trading versus the 54% seen the previous session. There are no domestic economic data releases for the day ahead.

Corp Bonds/Sukuk

- Corporate bonds/sukuk were mixed in trading on Wednesday in a lighter session to begin 4Q, with secondary market volume plunging by 70% to RM425m versus the RM1,408m that traded on Tuesday. Trading for the day was led by the AA-rated segment of the market. In the GG universe, the interest was led by PASB 2/26, which settled at 2.92%, 6bps lower versus where the bond last traded. In the AAA space, trading was led by PLUS 1/28 (VI230001) and DANUM 5/27, closing at 3.44% (+2bps versus last print) and 3.31% (+1bp) respectively. Over in the AA-rated territory, activity was led by MBB 1/34 and SCC 4/26, which settled the day at 3.68% (-2bps) and 3.43% (-1bp) respectively. In unrated space, YINSON 7.50% Perps saw interest and closed at 5.66% (unchanged).

Daily Trades: Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	07/26	2.813	203	2.800	09/30/2025	1
MGS	09/26	2.886	1	2.830	09/30/2025	6
MGS	11/26	2.846	69	2.849	09/30/2025	0
MGS	03/27	2.997	23	3.012	09/30/2025	-2
MGS	05/27	3.033	172	3.015	09/30/2025	2
MGS	11/27	3.062	40	3.064	09/30/2025	0
MGS	04/28	3.107	1145	3.102	09/30/2025	1
MGS	06/28	3.140	8	3.134	09/30/2025	1
MGS	04/29	3.195	4	3.195	09/30/2025	0
MGS	08/29	3.214	103	3.206	09/30/2025	1
MGS	04/30	3.220	56	3.232	09/30/2025	-1
MGS	05/30	3.227	87	3.223	09/30/2025	0
MGS	04/31	3.336	121	3.330	09/30/2025	1
MGS	06/31	3.329	31	3.350	09/30/2025	-2
MGS	07/32	3.415	99	3.418	09/30/2025	0
MGS	11/33	3.493	187	3.512	09/30/2025	-2
MGS	07/34	3.483	14	3.471	09/30/2025	1
MGS	05/35	3.507	9	3.496	09/30/2025	1
MGS	07/35	3.452	30	3.451	09/30/2025	0
MGS	04/37	3.637	56	3.617	09/30/2025	2
MGS	06/38	3.666	47	3.643	09/30/2025	2
MGS	04/39	3.667	244	3.658	09/30/2025	1
MGS	05/40	3.729	66	3.708	09/30/2025	2
MGS	10/42	3.805	4	3.835	09/30/2025	-3
MGS	05/44	3.821	8	3.804	09/30/2025	2
MGS	03/46	3.901	28	3.922	09/30/2025	-2
MGS	07/48	3.952	59	3.900	09/30/2025	5
MGS	06/50	3.953	71	3.906	09/30/2025	5
MGS	03/53	3.968	23	3.976	09/30/2025	-1
MGS	07/55	3.952	2	3.925	09/30/2025	3
GII	10/25	2.958	3200	2.285	09/30/2025	67
GII	03/26	2.921	620	2.849	09/30/2025	7
GII	09/26	2.895	192	2.899	09/30/2025	0
GII	07/27	3.080	1	3.041	09/30/2025	4
GII	09/27	3.057	471	3.078	09/30/2025	-2
GII	07/28	3.151	1335	3.151	09/30/2025	0
GII	10/28	3.165	114	3.170	09/30/2025	0
GII	07/29	3.198	40	3.200	09/30/2025	0
GII	08/30	3.246	31	3.244	09/30/2025	0
GII	09/30	3.267	228	3.246	09/30/2025	2
GII	10/30	3.250	6	3.272	09/30/2025	-2
GII	10/31	3.360	113	3.369	09/30/2025	-1
GII	10/32	3.420	57	3.433	09/30/2025	-1
GII	08/33	3.494	123	3.486	09/30/2025	1
GII	11/34	3.514	172	3.517	09/30/2025	0
GII	04/35	3.492	104	3.482	09/30/2025	1
GII	07/36	3.569	25	3.559	09/30/2025	1
GII	08/37	3.598	20	3.580	09/30/2025	2
GII	09/39	3.725	24	3.691	09/30/2025	3
GII	07/40	3.700	45	3.700	09/30/2025	0
GII	08/43	3.817	77	3.798	09/30/2025	2
GII	05/45	3.819	58	3.811	09/30/2025	1
GII	11/49	3.964	16	3.973	09/30/2025	-1
GII	05/52	3.995	44	4.000	09/30/2025	0
GII	03/54	4.008	3	3.919	09/30/2025	9
		10128				

Daily Trades: Corp Bonds/ Sukuk

Securities		Rating	Closing YTM	Vol (RM mil)	Previous YTM	Previous Trade Date (dd/mm/yyyy)	Chg (bps)	Spread Against MGS*
Pengurusan Air SPV Berhad	02/26	GG	2.920	15	2.980	6/8/2025	-6	6
DanaInfra Nasional Berhad	02/26	GG	2.918	5	3.185	5/6/2025	-27	6
Danum Capital Berhad	02/26	AAA	3.247	15	3.371	20/8/2025	-12	38
Cagamas Berhad	06/26	AAA	3.354	5	3.342	29/9/2025	1	49
Danum Capital Berhad	05/27	AAA	3.309	30	3.301	30/9/2025	1	30
Danga Capital Berhad	09/27	AAA	3.338	5	3.598	22/7/2025	-26	33
Projek Lebuhraya Usahasama Berhad	01/28	AAA	3.437	40	3.418	9/9/2025	2	42
Projek Lebuhraya Usahasama Berhad	01/28	AAA	3.437	10	3.455	20/8/2025	-2	42
Danga Capital Berhad	01/28	AAA	3.347	15	3.343	30/9/2025	0	33
Pengurusan Air SPV Berhad	02/31	AAA	3.588	20	3.578	23/9/2025	1	37
Pengurusan Air SPV Berhad	02/34	AAA	3.692	20	3.617	14/8/2025	8	26
Sabah Credit Corporation	08/26	AA1	3.430	40	3.441	11/9/2025	-1	57
Genting RMTN Berhad	03/27	AA1	3.896	10	3.885	24/9/2025	1	103
Press Metal Aluminium Holdings Berhad	12/28	AA1	3.509	1	3.506	25/9/2025	0	39
Malayan Banking Berhad	01/34	AA1	3.676	80	3.699	23/9/2025	-2	24
Press Metal Aluminium Holdings Berhad	03/35	AA1	3.779	10	3.688	12/9/2025	9	34
Bumitama Agri Ltd	07/26	AA2	3.599	10	3.595	30/9/2025	0	74
PONSB Capital Berhad	06/27	AA2	3.517	4	4.118	29/9/2025	-60	50
Imtiaz Sukuk II Berhad	10/27	AA2	3.587	5	3.595	19/8/2025	-1	57
CIMB Group Holdings Berhad	09/32	AA2	4.127	2	3.600	26/8/2025	53	71
Pelabuhan Tanjung Pelepas Sdn Berhad	08/27	AA	3.507	10	3.520	12/9/2025	-1	49
SP Setia Berhad	06/30	AA	3.665	10	3.652	10/9/2025	1	44
Tanjung Bin Energy Sdn Berhad	03/27	AA3	3.766	20	3.915	11/8/2025	-15	90
Gamuda Land (T12) Sdn Berhad	08/27	AA3	3.537	1	3.563	14/8/2025	-3	52
Tanjung Bin Energy Sdn Berhad	03/28	AA3	3.806	10	3.996	8/8/2025	-19	79
Tanjung Bin Energy Sdn Berhad	09/29	AA3	3.877	10	3.952	14/8/2025	-8	70
Malaysian Reinsurance Berhad	10/32	AA3	4.654	1	4.173	30/9/2025	48	124
Ambank Islamic Berhad	09/35	AA3	3.530	2	3.530	30/9/2025	0	7
Southern Power Generation Sdn Berhad	10/26	AA-	3.511	5	3.463	26/8/2025	5	65
Tanjung Bin O&M Berhad	07/27	AA-	3.578	10	3.832	16/4/2025	-25	57
LBS Bina Group Berhad	01/32	AA-	3.950	1	3.934	25/9/2025	2	63
SUNREIT Perpetual Bond Berhad	04/19	A1	4.230	1	4.254	29/9/2025	-2	43
WCT Holdings Berhad	12/25	A+	4.768	1	4.774	26/8/2025	-1	191
Yinson Holdings Berhad	11/22	NR(LT)	5.662	2	5.666	29/9/2025	0	186
				425				

* The spread against nearest indicative tenured MGS (Source: BPAM)

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Standard Chartered Bank Malaysia Berhad and its Islamic banking arm, Standard Chartered Saadiq Berhad	Financial institution ratings	AAA/Stable/P1	Affirmed

Source: RAM, MARC

Hong Leong Bank Berhad

Fixed Income & Economic Research, Global Markets

Level 8, Hong Leong Tower

6, Jalan Damanlela

Bukit Damansara

50490 Kuala Lumpur

Tel: 603-2081 1221

Fax: 603-2081 8936

Email: HLMarkets@hlbb.hongleong.com.my**DISCLAIMER**

This report is for information purposes only and does not take into account the investment objectives, financial situation or particular needs of any particular recipient. The information contained herein does not constitute the provision of investment advice and is not intended as an offer or solicitation with respect to the purchase or sale of any of the financial instruments mentioned in this report and will not form the basis or a part of any contract or commitment whatsoever.

The information contained in this publication is derived from data obtained from sources believed by Hong Leong Bank Berhad ("HLBB") to be reliable and in good faith, but no warranties or guarantees, representations are made by HLBB with regard to the accuracy, completeness or suitability of the data. Any opinions expressed reflect the current judgment of the authors of the report and do not necessarily represent the opinion of HLBB or any of the companies within the Hong Leong Bank Group ("HLB Group"). The opinions reflected herein may change without notice and the opinions do not necessarily correspond to the opinions of HLBB. HLBB does not have an obligation to amend, modify or update this report or to otherwise notify a reader or recipient thereof in the event that any matter stated herein, or any opinion, projection, forecast or estimate set forth herein, changes or subsequently becomes inaccurate.

HLB Group, their directors, employees and representatives do not have any responsibility or liability to any person or recipient (whether by reason of negligence, negligent misstatement or otherwise) arising from any statement, opinion or information, expressed or implied, arising out of, contained in or derived from or omission from the reports or matter.

Potential and actual conflict of interest may arise from the activities of HLB Group. HLB Group constitute a diversified financial services group. These entities engage in a wide range of commercial and investment banking, brokerage, funds management, hedging transactions and other activities for their own account or the account of others. In the ordinary course of their business, HLB Group may effect transactions for their own account or for the account of their customers and hold long or short positions in the financial instruments. HLB Group, in connection with its business activities, may possess or acquire material information about the financial instruments. Such activities and information may involve or have an effect on the financial instruments. HLB Group have no obligation to disclose such information about the financial instruments or their activities.

The past performance of financial instruments is not indicative of future results. Whilst every effort is made to ensure that statements of facts made in this report are accurate, all estimates, projections, forecasts, expressions of opinion and other subjective judgments contained in this report are based on assumptions considered to be reasonable as of the date of the document in which they are contained and must not be construed as a representation that the matters referred to therein will occur. Any projections or forecasts mentioned in this report may not be achieved due to multiple risk factors including without limitation market volatility, sector volatility, corporate actions, the unavailability of complete and accurate information. No assurance can be given that any opinion described herein would yield favorable investment results. Recipients who are not market professional or institutional investor customer of HLBB should seek the advice of their independent financial advisor prior to taking any investment decision based on the recommendations in this report.

HLBB may provide hyperlinks to websites of entities mentioned in this report, however the inclusion of a link does not imply that HLBB endorses, recommends or approves any material on the linked page or accessible from it. Such linked websites are accessed entirely at your own risk. HLBB does not accept responsibility whatsoever for any such material, nor for consequences of its use.

This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. This report is for the use of the addressees only and may not be redistributed, reproduced or passed on to any other person or published, in part or in whole, for any purpose, without the prior, written consent of HLBB. The manner of distributing this report may be restricted by law or regulation in certain countries. Persons into whose possession this report may come are required to inform themselves about and to observe such restrictions. By accepting this report, a recipient hereof agrees to be bound by the foregoing limitations.