

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries were softer in trading on Monday after the ISM Services index for April unexpectedly rose, resulting in the paring back of Fed cut bets currently built into markets. Benchmark yields were higher for the day, with the longer dated maturities leading the move, leading to a bear-steepening of the UST curve. A good 3yr UST auction boosted the short end to outperform for the day. **The benchmark 2Y UST yield closed 1bps higher for the day at 3.83% while the benchmark 10Y UST yield advanced by 4bps to 4.35%.** The day ahead sees the release of the trade balance for March, before the FOMC meets to decide on policy the following day.

MGS/GII

- Local government bonds were mixed in trading on Monday, with the shorter dated maturities seeing strong bids driven by a strengthening domestic currency. Secondary market volume for the day climbed by 33% to RM8.68bn from the RM6.51bn that traded on Friday. Overall benchmark yields were mixed by between -3 to +2bps (prior: 3 to +2bps), except for the 20Y GII which was skewed by a late off-market trade, and the 10Y GII and 30Y MGS/GII which were correcting from previous off-market trades. **The benchmark 5Y MGS 8/29 yield was 2bps higher for the day at 3.37% while the yield on the benchmark 10Y MGS 7/34 declined by 1bp to 3.67%.** Trading activity for the day was again led by the off-the-run MGS 9/25, while decent interest was also seen in the off-the-run MGS 7/26, MGS 11/26 and MGS 5/27, as well as in the benchmark 3Y MGS/GII. The share of GII trading for the day receded to 34% of overall govies trading versus the 42% seen the previous session. There are no economic data releases scheduled for the day ahead.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	3.83	1
5-yr UST	3.94	2
10-yr UST	4.35	4
30-yr UST	4.84	4

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.25	-1	3.30	-3
5-yr	3.37	2	3.38	-1
7-yr	3.56	0	3.55	0
10-yr	3.67	-1	3.67	5
15-yr	3.81	0	3.80	0
20-yr	3.92	2	3.97	7
30-yr	4.10	15	4.08	9

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.45	0
3-yr	3.23	-3
5-yr	3.29	-2
7-yr	3.39	0
10-yr	3.51	-1

Source: Bloomberg

Upcoming Government Bond Tender

Nil

Corp Bonds/Sukuk

- The corporate bond/sukuk market was better bid in trading on Monday, with secondary market volume rising by 7% to RM928m versus the RM865m that changed hands on Friday. Trading for the day was led by the GG segment of the market, where activity was led by LPPSA 2/32 and PRASA 8/32, with both bonds closing at 3.64% and both little changed from their last prints. In the AAA-space, trading was led by CAGA 4/26 and CAGA 10/28, which settled the day at 3.47% (-21bps versus last print) and 3.59% (-1bp). In the AA-rated arena, activity was again led by UDA 5/32, which closed at 4.56%, similar to its previously traded level the day before.

Daily Trades: Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	09/25	2.917	2231	2.925	05/02/2025	-1
MGS	07/26	3.016	1196	3.129	05/02/2025	-11
MGS	11/26	3.043	523	3.122	05/02/2025	-8
MGS	05/27	3.149	476	3.184	05/02/2025	-4
MGS	11/27	3.200	2	3.200	05/02/2025	0
MGS	04/28	3.250	406	3.258	05/02/2025	-1
MGS	06/28	3.306	30	3.279	05/02/2025	3
MGS	04/29	3.289	2	3.341	05/02/2025	-5
MGS	08/29	3.370	35	3.347	05/02/2025	2
MGS	04/30	3.401	210	3.412	05/02/2025	-1
MGS	04/31	3.519	52	3.505	05/02/2025	1
MGS	06/31	3.534	14	3.520	05/02/2025	1
MGS	07/32	3.558	152	3.562	05/02/2025	0
MGS	07/34	3.666	121	3.672	05/02/2025	-1
MGS	05/35	3.673	1	3.673	05/02/2025	0
MGS	04/37	3.765	101	3.747	05/02/2025	2
MGS	06/38	3.803	36	3.800	05/02/2025	0
MGS	04/39	3.812	23	3.808	05/02/2025	0
MGS	10/42	3.902	23	3.900	05/02/2025	0
MGS	05/44	3.917	45	3.899	05/02/2025	2
MGS	06/50	3.946	18	4.001	05/02/2025	-6
MGS	03/53	4.104	57	3.958	05/02/2025	15
GII	10/25	3.019	330	3.073	04/30/2025	-5
GII	03/26	3.060	161	3.117	05/02/2025	-6
GII	09/27	3.218	351	3.247	05/02/2025	-3
GII	07/28	3.296	635	3.325	05/02/2025	-3
GII	10/28	3.326	111	3.320	05/02/2025	1
GII	07/29	3.378	40	3.384	05/02/2025	-1
GII	08/30	3.433	60	3.448	05/02/2025	-2
GII	09/30	3.471	340	3.467	05/02/2025	0
GII	10/30	3.480	1	3.465	05/02/2025	2
GII	10/31	3.549	144	3.546	05/02/2025	0
GII	10/32	3.612	30	3.593	05/02/2025	2
GII	08/33	3.640	100	3.643	04/30/2025	0
GII	11/34	3.669	50	3.651	05/02/2025	2
GII	04/35	3.651	80	3.644	05/02/2025	1
GII	10/35	3.702	20	3.522	04/28/2025	18
GII	07/36	3.733	245	3.711	05/02/2025	2
GII	08/37	3.770	10	3.616	05/02/2025	15
GII	03/38	3.781	66	3.785	05/02/2025	0
GII	09/39	3.803	41	3.794	04/30/2025	1
GII	07/40	3.799	21	3.799	05/02/2025	0
GII	09/41	3.897	1	3.897	05/02/2025	0
GII	08/43	3.965	60	3.894	05/02/2025	7
GII	03/54	4.084	31	3.990	05/02/2025	9
			8679			

Daily Trades: Corp Bonds/ Sukuk

Securities		Rating	Closing YTM	Vol (RM mil)	Previous YTM	Previous Trade Date (dd/mm/yyyy)	Chg (bp)	Spread Against MGS*
Lembaga Pembiayaan Perumahan Sektor Awam	02/32	GG	3.641	100	3.639	2/5/2025	0	8
Prasarana Malaysia Berhad	08/32	GG	3.642	100	3.645	30/4/2025	0	8
Pengurusan Air SPV Berhad	06/39	GG	3.848	40	3.929	26/3/2025	-8	4
Lembaga Pembiayaan Perumahan Sektor Awam	02/40	GG	3.859	40	3.859	30/4/2025	0	5
Prasarana Malaysia Berhad	02/40	GG	3.859	20	4.010	7/2/2025	-15	5
DanaInfra Nasional Berhad	03/40	GG	3.859	50	3.859	30/4/2025	0	5
Lembaga Pembiayaan Perumahan Sektor Awam	04/55	GG	4.115	5	4.109	24/4/2025	1	20
Cagamas Berhad	04/26	AAA	3.470	60	3.676	3/1/2025	-21	38
TNB Western Energy Berhad	07/26	AAA	3.799	10	3.850	26/3/2025	-5	71
Danum Capital Berhad	05/27	AAA	3.600	40	3.687	11/3/2025	-9	42
Toyota Capital Malaysia Sdn Berhad	01/28	AAA	3.749	10	3.854	7/2/2025	-11	50
Cagamas Berhad	06/28	AAA	3.569	25	3.573	30/4/2025	0	32
Cagamas Berhad	10/28	AAA	3.590	50	3.599	4/4/2025	-1	34
Cagamas Berhad	12/28	AAA	3.590	15	3.797	4/2/2025	-21	27
CIMB Islamic Bank Berhad	03/29	AAA	3.706	10	3.819	12/3/2025	-11	39
Cagamas Berhad	10/29	AAA	3.629	10	3.659	9/4/2025	-3	31
Malaysia Airport Holdings Berhad	11/29	AAA	3.687	10	3.802	28/3/2025	-12	32
Sarawak Energy Berhad	07/30	AAA	3.713	5	3.737	17/4/2025	-2	34
CIMB Islamic Bank Berhad	03/31	AAA	3.758	10	3.948	18/12/2024	-19	28
DiGi Telecommunications Sdn Berhad	06/31	AAA	3.660	10	3.679	24/4/2025	-2	18
TNB Western Energy Berhad	07/31	AAA	3.918	15	4.498	25/8/2023	-58	44
Infracap Resources Sdn Berhad	04/35	AAA	3.888	20	3.924	16/4/2025	-4	22
Amanat Lebuhraya Rakyat Berhad	10/35	AAA	3.918	10	3.940	21/4/2025	-2	25
AEON Co. (M) Berhad	08/29	AA2	3.823	25	3.857	17/4/2025	-3	51
CIMB Group Holdings Berhad	03/33	AA2	3.835	30	4.298	21/4/2025	-46	23
Pelabuhan Tanjung Pelepas Sdn Berhad	06/27	AA	3.750	10	3.801	28/2/2025	-5	57
Tanjung Bin Energy Sdn Berhad	03/27	AA3	4.497	20	4.514	29/4/2025	-2	132
Qualitas Sukuk Berhad	03/28	AA3	4.399	5	4.426	29/4/2025	-3	115
Pujian Bayu Sdn Berhad	07/29	AA3	4.209	4	4.298	10/7/2024	-9	89
AEON Credit Service (M) Berhad	08/30	AA3	3.849	30	3.855	2/5/2025	-1	48
AmBank Islamic Berhad	06/33	AA3	3.857	10	3.998	17/3/2025	-14	26
MY E.G. Services Berhad	03/27	AA-	5.211	1	4.647	28/4/2025	56	203
MMC Port Holdings Sdn Berhad	04/27	AA-	3.788	12	3.793	26/3/2025	-1	61
Southern Power Generation Sdn Berhad	04/27	AA-	3.796	10	3.889	10/1/2025	-9	62
Eco World Capital Berhad	08/28	AA-	3.826	10	3.853	24/4/2025	-3	58
UDA Holdings Berhad	05/30	AA-	4.410	15	4.410	2/5/2025	0	104
MMC Port Holdings Sdn Berhad	04/32	AA-	3.905	20	3.938	30/4/2025	-3	34
UDA Holdings Berhad	05/32	AA-	4.560	60	4.560	2/5/2025	0	100
Qualitas Sukuk Berhad	03/25	A2	5.074	2	5.074	2/5/2025	0	115
Yinson Holdings Berhad	11/22	A-	5.537	1	5.365	24/4/2025	17	162
				928				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Projek Lintasan Sungai Besi-Ulu Klang Sdn Bhd (PLSUKE)	Sukuk Wakalah Programme of up to RM2bn; Bank-guaranteed Facilities of up to RM500m	A+/Stable AAA(bg)/Stable	Affirmed Affirmed

Source: RAM, MARC

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