

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries were weaker in trading on Monday, amidst continued gains in the equity markets as the AMD-Open AI tie-up news boosted sentiment, and taking cue from rise in longer dated yields in the Japanese and French government bond markets after the political developments there. Overall benchmark UST yields closed the day higher by between 1 to 4bps. **The benchmark 2-year UST note yield was 1bp higher for the day at 3.59% while the 10-year UST bond yield rose by 3bps to 4.15%**, leading to a bear steepening in the UST curve. The day ahead sees the release of the NY Fed's inflation expectation measure for September.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	3.59	1
5-yr UST	3.73	2
10-yr UST	4.15	3
30-yr UST	4.75	4

MGS			GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)	
3-yr	3.11	2	3.15	3	
5-yr	3.23	4	3.25	3	
7-yr	3.41	2	3.37	3	
10-yr	3.46	2	3.52	4	
15-yr	3.70	4	3.70	0	
20-yr	3.86	0	3.90	7	
30-yr	3.93	-6	3.95	1	

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.23	1
3-yr	3.18	1
5-yr	3.27	4
7-yr	3.33	3
10-yr	3.44	3

Source : Bloomberg

Upcoming Government Bond Tender

Nil

MGS/GII

- Local govies were weaker in trading on Monday, amidst a poorly received re-opening auction of the benchmark 30Y MGS 7/55, which drew a paltry BTC of 1.380x and tailed by 6.6bps. Secondary market volume for the day climbed by 39% to RM5.82bn from the RM4.20bn that traded on Friday. Overall benchmark yields were higher by between 0 to 7bps (prior: -3 to +5bps), except for the benchmark 30Y MGS which was skewed by a late odd lot off-market trade. **The benchmark 5Y MGS 5/30 yield rose 4bps for the day to 3.23% while the yield on the benchmark 10Y MGS 7/35 advanced by 2bps to 3.46%**. Trading interest for the day was led by the off-the-run GII 3/26, while decent interest was also seen in the newly re-opened benchmark 30Y MGS, as well as in the off-the-run MGS 7/26 and MGS 5/27. The share of GII trading for the day receded to 45% of overall govies trading versus the 58% seen the day before.

Corp Bonds/Sukuk

- Corporate bonds/sukuk were better offered in trading on Monday, with secondary market volume inching up by 7% to RM715m versus the RM668m that changed hands on Friday. Trading for the day was led by the AA-rated segment of the market. In the GG universe, the interest was led by LPPSA 3/31, which settled the day at 3.42%, 5bps higher versus its last print. In the AAA space, trading was led by MAHB 11/31, closing at 3.62%, 8bps above where the bond last traded. Over in the AA-rated territory, interest was led by GAIFL 9/30, which settled at 4.19% in a secondary market debut for the paper. Decent interest was also seen in YTLP 3/36 and YTLP 3/37, which closed the day at 3.74% (+3bps versus last print) and 3.76% (+4bps) respectively.

Daily Trades: Government Bond

Securities		Closing YTM	Vol (RM mil)	Previous YTM	Previous Trade Date (dd/mm/yyyy)	Chg (bp)
MGS	04/26	2.759	15	2.780	10/01/2025	-2
MGS	07/26	2.872	599	2.846	10/03/2025	3
MGS	09/26	2.750	11	2.758	10/02/2025	-1
MGS	03/27	3.017	20	3.001	10/03/2025	2
MGS	05/27	3.042	634	3.019	10/03/2025	2
MGS	11/27	3.048	4	3.035	10/03/2025	1
MGS	04/28	3.105	225	3.085	10/03/2025	2
MGS	06/28	3.153	53	3.130	10/03/2025	2
MGS	08/29	3.217	215	3.204	10/03/2025	1
MGS	04/30	3.221	2	3.209	10/02/2025	1
MGS	05/30	3.234	1	3.199	10/03/2025	4
MGS	04/31	3.366	247	3.329	10/03/2025	4
MGS	07/32	3.411	3	3.393	10/03/2025	2
MGS	04/33	3.478	20	3.452	10/03/2025	3
MGS	11/33	3.501	30	3.477	10/03/2025	2
MGS	07/34	3.533	49	3.493	10/03/2025	4
MGS	05/35	3.515	26	3.470	10/03/2025	4
MGS	07/35	3.463	100	3.443	10/03/2025	2
MGS	04/39	3.699	112	3.662	10/03/2025	4
MGS	05/40	3.757	13	3.721	10/03/2025	4
MGS	10/42	3.827	50	3.794	10/03/2025	3
MGS	07/48	3.961	20	3.911	10/03/2025	5
MGS	06/50	4.017	25	3.982	10/03/2025	4
MGS	03/53	4.032	28	4.002	10/03/2025	3
MGS	07/55	3.926	725	3.988	10/03/2025	-6
GII	10/25	2.940	50	2.972	10/03/2025	-3
GII	03/26	2.918	1069	2.880	10/03/2025	4
GII	09/26	2.910	82	2.893	10/03/2025	2
GII	09/27	3.078	50	3.055	10/02/2025	2
GII	07/28	3.152	280	3.127	10/03/2025	3
GII	08/28	3.182	50	3.093	09/03/2025	9
GII	07/29	3.189	151	3.172	10/02/2025	2
GII	08/30	3.245	30	3.216	10/03/2025	3
GII	09/30	3.248	50	3.237	10/03/2025	1
GII	10/30	3.269	73	3.252	10/02/2025	2
GII	10/31	3.372	15	3.341	10/03/2025	3
GII	10/32	3.438	116	3.417	10/02/2025	2
GII	08/33	3.514	180	3.487	10/03/2025	3
GII	11/34	3.538	80	3.501	10/03/2025	4
GII	04/35	3.519	150	3.479	10/03/2025	4
GII	07/40	3.699	10	3.699	10/03/2025	0
GII	05/45	3.902	140	3.831	10/03/2025	7
GII	05/47	3.927	20	3.908	10/02/2025	2
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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*
Prasarana Malaysia Berhad	07/29	GG	3.302	45	3.754	5/11/2024	-45	13
Lembaga Pembiayaan Perumahan Sektor Awam	03/31	GG	3.418	80	3.365	7/8/2025	5	20
PR1MA Corporation Malaysia	07/35	GG	3.605	10	3.559	17/9/2025	5	13
DanaInfra Nasional Berhad	06/43	GG	3.899	20	4.067	25/2/2025	-17	7
Lembaga Pembiayaan Perumahan Sektor Awam	09/46	GG	3.920	5	3.826	25/8/2025	9	9
Small Medium Enterprise Development Bank Malay	07/26	AAA	3.486	3	3.482	19/9/2025	0	62
Putrajaya Bina Sdn Berhad	09/26	AAA	3.463	10	3.888	13/9/2023	-43	60
Pengurusan Air SPV Berhad	06/27	AAA	3.378	1	3.383	30/9/2025	0	36
Pelaburan Hartanah Berhad	04/28	AAA	3.651	10	3.565	29/8/2025	9	56
Malaysia Airport Holdings Berhad	11/31	AAA	3.619	30	3.539	26/9/2025	8	30
Projek Lebuhraya Usahasama Berhad	01/32	AAA	3.602	20	3.599	2/10/2025	0	28
Sarawak Energy Berhad	07/33	AAA	3.651	12	3.622	29/7/2025	3	21
Sarawak Energy Berhad	04/36	AAA	3.738	10	3.648	21/7/2025	9	27
Projek Lebuhraya Usahasama Berhad	01/37	AAA	3.749	20	3.669	19/8/2025	8	28
TNB Power Generation Sdn Berhad	06/37	AAA	3.659	20	3.656	17/7/2025	0	19
TNB Power Generation Sdn Berhad	03/38	AAA	3.678	20	3.628	23/9/2025	5	21
Pengurusan Air Selangor Sdn Berhad	10/45	AAA	4.040	5	n/a	n/a	404	21
Pengurusan Air Selangor Sdn Berhad	10/50	AAA	4.060	10	n/a	n/a	406	23
Kuala Lumpur Kepong Berhad	04/26	AA1	3.346	10	3.415	29/7/2025	-7	48
YTL Power International Berhad	05/27	AA1	3.497	5	4.727	3/10/2025	-123	48
Genting Capital Berhad	06/27	AA1	3.899	10	3.907	3/10/2025	-1	88
Press Metal Aluminium Holdings Berhad	03/35	AA1	3.788	10	3.788	3/10/2025	0	33
YTL Power International Berhad	03/36	AA1	3.738	30	3.704	9/9/2025	3	27
YTL Power International Berhad	03/37	AA1	3.758	30	3.715	9/9/2025	4	29
AmBank (M) Berhad	11/26	AA2	3.544	20	3.596	12/8/2025	-5	68
Golden Assets International Finance Limited	09/30	AA2	4.188	160	n/a	n/a	419	97
RHB Bank Berhad	01/33	AA2	3.643	1	3.640	29/9/2025	0	22
CIMB Group Holdings Berhad	10/33	AA2	3.668	2	3.648	19/8/2025	2	23
Axis REIT Sukuk Two Berhad	08/35	AA2	3.829	1	3.756	12/9/2025	7	36
Dialog Group Berhad	08/35	AA2	3.839	2	3.809	25/8/2025	3	37
SP Setia Berhad	06/28	AA	3.626	10	3.596	9/9/2025	3	53
Tanjung Bin Energy Sdn Berhad	03/27	AA3	3.752	10	3.766	1/10/2025	-1	89
Tanjung Bin Energy Sdn Berhad	09/28	AA3	3.822	10	4.049	5/8/2025	-23	73
AEON Credit Service (M) Berhad	12/28	AA3	3.645	20	3.578	23/9/2025	7	55
Tanjung Bin Energy Sdn Berhad	03/31	AA3	3.924	8	3.918	25/8/2025	1	70
Alliance Bank Malaysia Berhad	08/31	AA3	3.870	3	3.792	13/8/2025	8	55
Tanjung Bin Energy Sdn Berhad	03/32	AA3	3.995	4	4.490	20/6/2025	-50	67
Syarikat Takaful Malaysia Keluarga Berhad	09/35	AA3	3.799	15	n/a	n/a	380	33
MMC Port Holdings Sdn Berhad	04/27	AA-	3.627	5	3.827	8/5/2025	-20	61
Southern Power Generation Sdn Berhad	04/27	AA-	3.537	10	3.587	18/7/2025	-5	52
TG Treasury Berhad	02/30	AA-	4.078	1	4.073	8/9/2025	0	91
Dialog Group Berhad	11/20	A1	4.000	5	4.500	3/10/2025	-50	17
DRB-Hicom Berhad	12/14	A	4.555	1	5.416	25/9/2025	-86	72
Yinson Holdings Berhad	11/22	A3	5.729	1	5.451	1/10/2025	28	190
Bank Muamalat Malaysia Berhad	09/22	BBB+	4.750	1	5.151	3/10/2025	-40	92
				715				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
ORIX Leasing Malaysia Berhad	RM500m Medium-Term Notes Programme (2016/2031)	AA2/Stable	Affirmed
ORIX Credit Malaysia Sdn Bhd	RM1.5bn MTN Programme (2021/2051)	AA2/Stable	Affirmed
Cagamas Berhad	Conventional and Islamic Medium-Term Notes Programmes of up to RM80bn	AAA/Stable	Affirmed
	Conventional and Islamic Medium-Term Notes Programmes of up to RM60bn	AAA/Stable	Affirmed

Source: RAM, MARC

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