

## Global Markets Research

### Fixed Income

#### Fixed Income Daily Market Snapshot

##### US Treasuries

- US Treasuries rallied in trading on Wednesday amidst a rally in equity markets as risk sentiment improved. A solid sale of USD39bn in 10-year USTs also added to the bid tone for the day. The minutes of the Jun 18 FOMC revealed that Fed members are divided over differing expectations for how tariffs might affect inflation. **The benchmark 2-year UST yield was 5bps lower for the day at 3.84% while the 10-year UST yield fell by 7bps to 4.33%.** Today sees the release of the usual weekly jobless claims data, with the Fed's Musalem and Daly also scheduled to make comments.

##### MGS/GII

- Local govies were firmer in trading on Wednesday, amidst BNM reducing its policy rate by 25bps to help shore up growth amidst the continued uncertainty over the tariff situation. Secondary market volume for the day surged by 62% to RM9.64bn from the RM5.95bn that changed hands on Tuesday. Overall benchmark yields were mixed by between -4 to +1bp (prior: 0 to 3bps lower). **The benchmark 5Y MGS 5/30 yield closed the day 4bps lower at 3.12% while the yield on the benchmark 10Y MGS 7/35 was little changed at 3.44%.** Trading interest 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 GII 10/25, as well as in the benchmark 3Y GII, 5Y MGS and 7Y GII. The share of GII trading for the day dipped to 44% of overall govies trading, versus the 51% seen the day before. There are no economic data releases scheduled for the day ahead, but we will likely get the announcement of the new benchmark 30Y MGS, where we expect RM3bn to be put up for auction, with a further RM2bn to be privately placed.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	3.84	-5
5-yr UST	3.91	-6
10-yr UST	4.33	-7
30-yr UST	4.87	-6

MGS			GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)	
3-yr	3.12	-1	3.12	-2	
5-yr	3.12	-4	3.22	-1	
7-yr	3.36	0	3.37	1	
10-yr	3.44	0	3.47	-1	
15-yr	3.67	-1	3.68	0	
20-yr	3.77	0	3.75	0	
30-yr	4.00	0	4.00	0	

\* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.19	-5
3-yr	3.12	-1
5-yr	3.20	1
7-yr	3.29	1
10-yr	3.41	1

Source: Bloomberg

#### Upcoming Government Bond Tender

Nil

##### Corp Bonds/Sukuk

- Corporate bonds/sukuk were better bid in trading on Wednesday, with secondary market volume tumbling by 57% to RM568m versus the RM1,282m that traded on Tuesday. Trading for the day was led by the GG segment of the market, where LPPSA 8/29 dominated the interest, settling the day at 3.29%, 1bp lower compared to where it last traded. In the AAA space, activity was led by SMJ 10/33 and CAGA 6/34, closing at 3.73% (-28bps from last print) and 3.67% (-1bp) respectively. In the AA-rated territory, trading was led by KLK 9/34, which settled at 3.77%, little changed from where it last printed. Over in the A-rated universe, activity was led by SINGER 7/26, which closed at 6.95% in a secondary market debut.

## Daily Trades: Government Bond

		Closing	Vol	Previous	Previous	Chg
Securities		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	09/25	2.909	1804	2.919	07/08/2025	-1
MGS	04/26	2.878	1	2.949	07/08/2025	-7
MGS	07/26	2.953	91	2.948	07/08/2025	0
MGS	11/26	2.950	69	2.976	07/08/2025	-3
MGS	03/27	3.023	2	3.041	06/30/2025	-2
MGS	05/27	3.012	395	3.030	07/08/2025	-2
MGS	11/27	3.060	47	3.055	07/08/2025	0
MGS	04/28	3.116	357	3.127	07/08/2025	-1
MGS	06/28	3.135	35	3.148	07/08/2025	-1
MGS	04/29	3.192	8	3.195	07/08/2025	0
MGS	08/29	3.206	131	3.215	07/08/2025	-1
MGS	04/30	3.217	15	3.215	07/08/2025	0
MGS	05/30	3.123	508	3.167	07/08/2025	-4
MGS	04/31	3.348	186	3.335	07/08/2025	1
MGS	06/31	3.364	58	3.362	07/08/2025	0
MGS	07/32	3.355	167	3.356	07/08/2025	0
MGS	04/33	3.456	71	3.470	07/08/2025	-1
MGS	11/33	3.477	182	3.480	07/08/2025	0
MGS	07/34	3.488	341	3.496	07/08/2025	-1
MGS	05/35	3.499	49	3.481	07/08/2025	2
MGS	07/35	3.440	145	3.441	07/08/2025	0
MGS	04/37	3.643	101	3.644	07/08/2025	0
MGS	06/38	3.663	19	3.673	07/08/2025	-1
MGS	04/39	3.668	79	3.681	07/08/2025	-1
MGS	05/40	3.713	48	3.715	07/08/2025	0
MGS	10/42	3.782	229	3.782	07/08/2025	0
MGS	09/43	3.794	26	3.811	07/08/2025	-2
MGS	05/44	3.766	91	3.769	07/08/2025	0
MGS	03/46	3.908	3	3.912	07/08/2025	0
MGS	07/48	3.939	3	3.937	07/08/2025	0
MGS	06/50	3.976	134	3.965	07/08/2025	1
MGS	03/53	3.998	7	3.998	07/08/2025	0
GII	08/25	2.897	145	2.951	07/07/2025	-5
GII	10/25	2.925	532	2.995	07/07/2025	-7
GII	03/26	2.903	91	2.954	07/07/2025	-5
GII	09/26	2.934	371	2.994	07/08/2025	-6
GII	09/27	3.078	233	3.078	07/08/2025	0
GII	07/28	3.120	471	3.144	07/08/2025	-2
GII	10/28	3.165	75	3.178	07/07/2025	-1
GII	07/29	3.216	241	3.232	07/08/2025	-2
GII	08/30	3.220	140	3.226	07/08/2025	-1
GII	09/30	3.262	11	3.273	07/08/2025	-1
GII	10/30	3.281	2	3.293	07/08/2025	-1
GII	10/31	3.722	451	3.360	07/08/2025	36
GII	10/32	3.438	396	3.412	07/08/2025	3
GII	06/33	3.471	20	3.472	07/03/2025	0
GII	08/33	3.480	35	3.480	07/08/2025	0
GII	11/34	3.496	78	3.496	07/08/2025	0
GII	04/35	3.472	360	3.484	07/08/2025	-1
GII	07/36	3.582	331	3.584	07/08/2025	0
GII	08/37	3.636	60	3.633	07/07/2025	0
GII	03/38	3.663	10	3.676	07/02/2025	-1
GII	09/39	3.685	75	3.691	07/08/2025	-1
GII	09/41	3.736	1	3.752	07/08/2025	-2
GII	08/43	3.769	20	3.784	07/08/2025	-1
GII	05/45	3.746	10	3.743	07/08/2025	0
GII	05/47	3.918	70	3.914	07/08/2025	0
GII	11/49	3.952	4	3.953	07/08/2025	0
GII	03/54	3.997	7	3.993	07/08/2025	0
			9644			

## 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*
Perbadanan Tabung Pendidikan Tinggi Nasional	03/27	GG	3.237	20	3.540	16/7/2024	-30	18
Lembaga Pembiayaan Perumahan Sektor Awam	08/29	GG	3.288	200	3.297	29/5/2025	-1	12
Prasarana Malaysia Berhad	10/33	GG	3.573	30	3.822	19/2/2025	-25	14
Prasarana Malaysia Berhad	12/33	GG	3.575	30	3.775	19/3/2025	-20	14
Lembaga Pembiayaan Perumahan Sektor Awam	11/43	GG	3.829	20	3.829	28/5/2025	0	5
Tenaga Nasional Berhad	11/28	AAA	3.485	10	3.923	6/5/2025	-44	37
SMJ Energy Sdn Berhad (fka SMJ Sdn Berhad)	10/33	AAA	3.728	20	4.012	19/12/2024	-28	29
Cagamas Berhad	06/34	AAA	3.667	20	3.681	12/6/2025	-1	22
YTL Power International Berhad	05/27	AA1	3.606	10	4.443	2/7/2025	-84	55
Malayan Cement Berhad (fka Lafarge Malaysia Berhad)	07/29	AA1	3.827	20	3.828	7/7/2025	0	66
Sabah Credit Corporation	09/29	AA1	3.670	10	3.748	12/6/2025	-8	51
Kuala Lumpur Kepong Berhad	03/32	AA1	3.728	20	3.755	23/6/2025	-3	37
Malayan Banking Berhad	10/32	AA1	3.661	10	3.684	22/4/2025	-2	30
Kuala Lumpur Kepong Berhad	09/34	AA1	3.768	30	3.768	4/7/2025	0	32
Johor Plantations Group Berhad	09/39	AA1	3.849	15	3.866	12/6/2025	-2	17
Sime Darby Property Berhad	04/35	AA+	3.709	10	4.000	25/4/2025	-29	27
Imtiaz Sukuk II Berhad	04/26	AA2	3.595	10	3.758	23/12/2024	-16	60
Bumitama Agri Ltd	07/26	AA2	3.672	10	3.697	14/5/2025	-2	68
Pelabuhan Tanjung Pelepas Sdn Berhad	06/30	AA	3.748	10	3.749	2/7/2025	0	58
IJM Corporation Berhad	04/29	AA3	3.628	1	3.656	28/5/2025	-3	46
Gamuda Berhad	11/29	AA3	3.645	10	3.668	1/7/2025	-2	48
AmBank Islamic Berhad	12/30	AA3	3.645	6	3.737	26/3/2025	-9	48
Edra Energy Sdn Berhad	07/33	AA3	3.808	5	3.838	26/6/2025	-3	37
Edra Energy Sdn Berhad	07/37	AA3	3.978	10	4.301	6/1/2025	-32	54
Malayan Banking Berhad	02/17	AA3	3.827	8	4.297	8/7/2025	-47	5
UEM Sunrise Berhad	06/27	AA-	3.684	3	4.642	8/7/2025	-96	63
TG Treasury Berhad	02/30	AA-	4.051	5	3.999	30/6/2025	5	88
STM Lottery Sdn Berhad (fka Sports Toto Malaysia Sdn Berhad)	06/32	AA-	4.430	5	4.529	30/6/2025	-10	107
Alliance Bank Malaysia Berhad	10/35	A2	4.149	2	4.443	2/7/2025	-29	71
Singer Malaysia Sdn Berhad	07/26	A	6.947	5	n/a	n/a	695	395
Bank Muamalat Malaysia Berhad	06/31	A3	3.867	2	3.782	26/5/2025	9	55
Yinson Holdings Berhad	11/22	A-	5.601	1	5.584	26/6/2025	2	183
Alliance Bank Malaysia Berhad	11/17	BBB1	4.059	1	4.403	4/6/2025	-34	28
Mah Sing Group Berhad	07/30	NR(LT)	4.027	1	n/a	n/a	403	86
				568				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Deutsche Bank (Malaysia) Berhad	Financial Institution Ratings	AAA/Stable/P1	Affirmed
Tropicana Corporation Berhad	RM1.5 billion Islamic Medium-Term Notes Programme	A/Positive	Rating Outlook
	RM2.0 billion Perpetual Sukuk Programme	A-/Positive	Revised
Sabah Credit Corporation	Sukuk programmes	AA1/Stable	Affirmed

Source: RAM, MARC

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