

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries were softer in trading on Friday, amidst a boost in risk appetite which saw equities close higher again as the market continued to digest the USD125bn of new UST supply this past week where all three refunding auctions were poorly received. **The benchmark 2-year UST yield was 3bps higher for the day at 3.76% while the 10-year UST yield also advanced by 3bps to 4.28%.** The coming day sees no economic data releases or Fed-speak, in a week where price reports (consumer price index and producer prices) and retail sales for the month of July will take center stage.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	3.76	3
5-yr UST	3.83	4
10-yr UST	4.28	3
30-yr UST	4.85	2

MGS			GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)	
3-yr	3.02	-1	3.05	-3	
5-yr	3.09	-2	3.14	-2	
7-yr	3.28	0	3.25	-2	
10-yr	3.36	-2	3.39	-1	
15-yr	3.59	-1	3.61	-1	
20-yr	3.74	-1	3.73	-1	
30-yr	3.90	4	3.93	0	

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.08	2
3-yr	2.99	1
5-yr	3.08	5
7-yr	3.14	2
10-yr	3.25	1

Source: Bloomberg

MGS/GII

- Local govies were firmer in trading to end the week on Friday, amidst continued concern over the semiconductor sectoral tariffs and its impact on the country's external sector. Secondary market volume for the day receded by 20% to RM7.80bn from the RM9.70bn that changed hands on Thursday. Overall benchmark yields were lower by between 0 to 3bps (prior: 0 to 4bps lower), except for the 30Y MGS, which was correcting from previous off-market trades. **The benchmark 5Y MGS 5/30 yield closed 2bps lower for the day at 3.09% while the yield on the benchmark 10Y MGS 7/35 also declined by 2bps to 3.36%.** Trading interest for the day was led by the off-the-run GII 3/26, while decent interest was also seen in the benchmark 7Y GII and 20Y MGS, as well as in the off-the-run MGS 11/33 and MGS 7/34. The share of GII trading for the day climbed to 54% of overall govies trading versus the 45% seen the day before. There will be no economic data releases for the day ahead, with the next key release being the final 2Q GDP figures on Friday.

Upcoming Government Bond Tender

Nil

Corp Bonds/Sukuk

- Corporate bonds/sukuk were better bid in trading on an active session on Friday, with secondary market volume rising by 54% to RM1,406m versus the RM914m that traded on Thursday. Trading for the day was led by the GG segment of the market, where the interest was led by LPPSA 2/40 and PRASA 2/41, closing at 3.72% (unchanged versus last print) and 3.73% (-6bps) respectively. In the AAA space, trading was again led by CAGA 8/28 (VG250306), which settled the day at 3.40%, little changed from its previous trade the day before. In the AA-rated territory, activity was led by UDA 5/31, which closed at 4.32% (-15bps), while in the A-rated universe, IJM 5.65% Perps led trading and settled the day at 3.94% (-9bps).

Daily Trades: Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	09/25	2.878	122	2.959	08/07/2025	-8
MGS	04/26	2.872	11	2.900	08/04/2025	-3
MGS	07/26	2.852	179	2.863	08/07/2025	-1
MGS	11/26	2.895	110	2.906	08/07/2025	-1
MGS	04/28	3.015	12	3.027	08/07/2025	-1
MGS	08/29	3.115	69	3.137	08/07/2025	-2
MGS	04/30	3.135	50	3.154	08/07/2025	-2
MGS	05/30	3.090	252	3.108	08/07/2025	-2
MGS	04/31	3.238	66	3.272	08/07/2025	-3
MGS	06/31	3.244	50	3.290	08/07/2025	-5
MGS	07/32	3.281	230	3.279	08/07/2025	0
MGS	04/33	3.426	13	3.374	08/07/2025	5
MGS	11/33	3.378	407	3.390	08/07/2025	-1
MGS	07/34	3.384	403	3.408	08/07/2025	-2
MGS	05/35	3.402	5	3.414	08/07/2025	-1
MGS	07/35	3.362	164	3.379	08/07/2025	-2
MGS	04/37	3.543	111	3.548	08/07/2025	0
MGS	06/38	3.576	111	3.598	08/07/2025	-2
MGS	04/39	3.593	193	3.603	08/07/2025	-1
MGS	05/40	3.632	142	3.730	08/07/2025	-10
MGS	10/42	3.699	45	3.702	08/07/2025	0
MGS	09/43	3.739	2	3.760	08/06/2025	-2
MGS	05/44	3.739	447	3.747	08/07/2025	-1
MGS	03/46	3.856	50	3.861	08/06/2025	-1
MGS	07/48	3.892	30	3.847	08/07/2025	4
MGS	06/50	3.969	65	3.938	08/07/2025	3
MGS	03/53	3.913	83	3.929	08/07/2025	-2
MGS	07/55	3.897	146	3.860	08/07/2025	4
GII	08/25	2.804	30	2.893	08/07/2025	-9
GII	03/26	2.844	691	2.844	08/07/2025	0
GII	09/26	2.849	12	2.879	08/07/2025	-3
GII	09/27	3.004	214	3.012	08/07/2025	-1
GII	07/28	3.045	190	3.077	08/07/2025	-3
GII	10/28	3.075	160	3.096	08/07/2025	-2
GII	12/28	3.098	20	3.139	07/25/2025	-4
GII	07/29	3.107	230	3.130	08/07/2025	-2
GII	08/30	3.139	229	3.160	08/07/2025	-2
GII	09/30	3.160	120	3.175	08/07/2025	-1
GII	10/30	3.190	30	3.200	08/07/2025	-1
GII	10/31	3.253	631	3.276	08/07/2025	-2
GII	10/32	3.307	100	3.330	08/07/2025	-2
GII	08/33	3.392	260	3.388	08/07/2025	0
GII	11/34	3.388	360	3.399	08/07/2025	-1
GII	04/35	3.393	260	3.399	08/07/2025	-1
GII	07/36	3.458	20	3.458	08/07/2025	0
GII	08/37	3.520	10	3.430	08/06/2025	9
GII	09/39	3.601	12	3.610	08/07/2025	-1
GII	07/40	3.606	70	3.619	08/07/2025	-1
GII	08/43	3.705	20	3.709	08/07/2025	0
GII	05/45	3.732	160	3.739	08/07/2025	-1
GII	05/47	3.828	50	3.853	08/07/2025	-3
GII	11/49	3.903	50	3.916	08/07/2025	-1
GII	05/52	3.919	84	3.927	08/07/2025	-1
GII	03/54	3.931	220	3.932	08/07/2025	0
			7798			

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*
PR1MA Corporation Malaysia	09/26	GG	3.075	20	3.494	8/10/2024	-42	18
Lembaga Pembiayaan Perumahan Sektor Awam	09/28	GG	3.225	10	3.308	18/6/2025	-8	19
Prasarana Malaysia Berhad	02/31	GG	3.329	60	3.331	7/8/2025	0	10
DanaInfra Nasional Berhad	06/31	GG	3.340	60	3.430	1/7/2025	-9	11
Lembaga Pembiayaan Perumahan Sektor Awam	02/35	GG	3.540	20	3.949	24/1/2024	-41	18
Prasarana Malaysia Berhad	08/36	GG	3.579	50	3.602	1/8/2025	-2	21
Lembaga Pembiayaan Perumahan Sektor Awam	02/40	GG	3.717	240	3.722	30/7/2025	0	11
Malaysia Rail Link Sdn Berhad	06/40	GG	3.710	30	n/a	n/a	371	11
Malaysia Rail Link Sdn Berhad	09/40	GG	3.713	20	3.739	30/7/2025	-3	11
Prasarana Malaysia Berhad	02/41	GG	3.729	245	3.785	15/7/2025	-6	13
Lembaga Pembiayaan Perumahan Sektor Awam	04/41	GG	3.739	45	3.761	21/7/2025	-2	14
Lembaga Pembiayaan Perumahan Sektor Awam	04/50	GG	3.915	5	3.922	7/8/2025	-1	17
Cagamas Berhad	08/28	AAA	3.400	100	3.400	7/8/2025	0	37
Cagamas Berhad	08/28	AAA	3.380	20	3.380	7/8/2025	0	35
Projek Lebuhraya Usahasama Berhad	01/29	AAA	3.524	5	3.672	23/4/2025	-15	49
Pengerang LNG (Two) Sdn Berhad	10/30	AAA	3.582	5	3.707	7/4/2025	-13	47
Pengerang LNG (Two) Sdn Berhad	10/31	AAA	3.589	50	3.918	11/7/2024	-33	36
Amanat Lebuhraya Rakyat Berhad	10/32	AAA	3.598	40	3.659	16/6/2025	-6	32
Amanat Lebuhraya Rakyat Berhad	10/34	AAA	3.628	40	3.636	17/7/2025	-1	27
Projek Lebuhraya Usahasama Berhad	01/35	AAA	3.649	10	3.649	17/7/2025	0	29
YTL Power International Berhad	03/30	AA1	3.628	10	3.712	10/7/2025	-8	51
Johor Plantations Group Berhad	09/39	AA1	3.748	10	3.769	31/7/2025	-2	15
Sime Darby Property Berhad	08/28	AA+	3.543	10	3.543	24/7/2025	0	51
edotco Malaysia Sdn Berhad	09/32	AA+	3.625	5	3.627	7/8/2025	0	35
CIMB Group Holdings Berhad	09/32	AA2	3.892	1	3.618	4/8/2025	27	61
Sunway Healthcare Treasury Sdn Berhad	03/32	AA	3.616	10	3.639	4/8/2025	-2	34
Affin Islamic Bank Berhad	12/27	AA3	3.630	20	3.649	22/7/2025	-2	65
Tanjung Bin Energy Sdn Berhad	03/28	AA3	3.996	10	4.040	28/7/2025	-4	97
Gamuda Land (T12) Sdn Berhad	08/30	AA3	3.718	7	3.889	28/4/2025	-17	60
AEON Credit Service (M) Berhad	08/30	AA3	3.627	20	3.819	27/5/2025	-19	51
Tanjung Bin Energy Sdn Berhad	09/30	AA3	4.088	10	4.061	5/8/2025	3	97
AEON Credit Service (M) Berhad	05/32	AA3	3.697	10	3.712	5/8/2025	-2	42
AmBank Islamic Berhad	06/33	AA3	3.682	1	4.554	12/6/2025	-87	34
Jimah East Power Sdn Berhad	06/26	AA-	3.594	10	3.620	23/7/2025	-3	70
TG Treasury Berhad	02/30	AA-	3.996	10	4.048	24/7/2025	-5	88
UDA Holdings Berhad	05/31	AA-	4.318	40	4.472	6/5/2025	-15	109
Penang Port Sdn Berhad	12/31	AA-	3.768	10	3.850	20/6/2025	-8	54
LBS Bina Group Berhad	01/32	AA-	3.941	10	4.030	29/7/2025	-9	71
UDA Holdings Berhad	05/32	AA-	4.348	20	4.556	7/8/2025	-21	107
UEM Sunrise Berhad	07/37	AA-	3.819	10	3.878	31/7/2025	-6	45
Bank Islam Malaysia Berhad	05/35	A1	3.790	10	3.797	24/7/2025	-1	43
Dialog Group Berhad	11/20	A1	4.031	10	4.055	29/7/2025	-2	29
IJM Land Berhad	03/19	A2	3.940	60	4.030	14/7/2025	-9	20
Qualitas Sukuk Berhad	03/25	A2	6.151	1	6.229	7/8/2025	-8	241
Tropicana Corporation Berhad	04/28	A	5.706	1	5.800	14/7/2025	-9	268
Alliance Bank Malaysia Berhad	11/17	A3	4.250	2	4.103	5/8/2025	15	51
Alliance Bank Malaysia Berhad	11/17	A3	4.151	1	3.988	25/7/2025	16	41
Bank Islam Malaysia Berhad	10/23	A3	3.876	10	3.897	14/7/2025	-2	13
Yinson Holdings Berhad	11/22	A-	5.319	2	5.600	6/8/2025	-28	158
				1406				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
State of Kedah	Sub-sovereign credit rating	AA-/Stable	Assigned
Indera Persada Sdn Bhd	RM280m Fixed Rate Serial Bonds (2013/2028) and RM68m Medium Term Notes (2023/2031)	AA1/Stable	Affirmed
HSBC Bank Malaysia Berhad and HSBC Amanah Malaysia Berhad	Financial institution rating	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.