

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries declined in trading on Monday after the talks between US and China produced a significant de-escalation of tensions between the two nations for 90 days. The better than expected outcome of talks resulted in fears of a recession being soothed and Fed cuts being priced out, with only 56bps of cuts priced in for the year (prior: 66bps). Benchmark yields were higher for the day with the UST curve bear-flattening. **The benchmark 2Y UST yield closed 12bps higher for the day at 4.01% while the benchmark 10Y UST yield advanced by 9bps to 4.46%.** Tonight sees the release of the US CPI figures for April.

MGS/GII

- Local government bonds were firmer in trading on Friday ahead of the long weekend, amidst the announcement of a new benchmark 5Y MGS, with RM5bn set to be auctioned on Wednesday. Secondary market volume for the day inched lower by 1% to RM10.09bn from the RM10.17bn that traded on Thursday. Overall benchmark yields were lower by between 1 to 12bps (prior: -5 to +2bps). **The benchmark 5Y MGS 8/29 yield was 4bps lower for the day at 3.26% while the yield on the benchmark 10Y MGS 7/34 declined by 12bps to 3.53%.** Trading activity for the day was again led by the off-the-run MGS 9/25, while decent interest was also seen in the benchmark 3Y MGS, 7Y GII and 10Y MGS/GII, as well as in the off-the-run GII 11/34. The share of GII trading for the day climbed to 56% of overall govies trading versus the 48% seen the previous session. There are no economic data releases scheduled for the day ahead.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.01	12
5-yr UST	4.11	11
10-yr UST	4.46	9
30-yr UST	4.92	7

MGS			GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)	
3-yr	3.16	-1	3.18	-2	
5-yr	3.26	-4	3.27	-1	
7-yr	3.44	-6	3.44	-2	
10-yr	3.53	-12	3.57	-4	
15-yr	3.73	-2	3.72	-3	
20-yr	3.83	-5	3.83	-5	
30-yr	4.05	-1	4.04	-3	

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.30	3
3-yr	3.14	6
5-yr	3.21	6
7-yr	3.29	4
10-yr	3.43	6

Source: Bloomberg

Upcoming Government Bond Tender

New issuance of RM5bn of a new benchmark 5Y MGS maturing in May 2030, on Wednesday, 14 May

Corp Bonds/Sukuk

- The corporate bond/sukuk market was better bid in trading on Friday, with secondary market volume plunging by 59% to RM404m versus the RM992m that changed hands on Thursday. Trading for the day was led by the AA-rated segment of the market. In the GG universe, activity was led by LPPSA 4/55, which closed at 4.08%, little changed from where it last traded. In the AAA-space, trading was led by PASB 4/32, which settled the day at 3.68%, 18bps lower compared to its previous trade. In the AA-rated arena, trading was led by GENM 7/28, which closed at 4.13%, some 33bps lower versus where the bond last changed hands. In the A-rated segment, BIMB 3/35 saw some interest and settled the day at 3.97%, 6bps lower compared to its last print.

Daily Trades: Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	09/25	2.828	1091	2.984	05/08/2025	-16
MGS	04/26	3.092	4	3.080	05/02/2025	1
MGS	07/26	2.964	210	3.031	05/08/2025	-7
MGS	03/27	3.089	1	3.131	05/08/2025	-4
MGS	05/27	3.065	347	3.050	05/08/2025	2
MGS	11/27	3.121	1	3.201	05/08/2025	-8
MGS	04/28	3.159	541	3.177	05/08/2025	-2
MGS	06/28	3.207	1	3.259	05/08/2025	-5
MGS	08/29	3.263	297	3.306	05/08/2025	-4
MGS	04/30	3.321	13	3.322	05/08/2025	0
MGS	05/30	3.320	10	n/a	n/a	332
MGS	04/31	3.402	156	3.402	05/08/2025	0
MGS	06/31	3.401	38	3.465	05/08/2025	-6
MGS	07/32	3.439	454	3.494	05/08/2025	-6
MGS	04/33	3.530	32	3.624	05/08/2025	-9
MGS	11/33	3.557	59	3.595	05/08/2025	-4
MGS	07/34	3.531	518	3.646	05/08/2025	-12
MGS	05/35	3.574	7	3.601	05/08/2025	-3
MGS	04/37	3.702	62	3.731	05/08/2025	-3
MGS	06/38	3.725	100	3.784	05/08/2025	-6
MGS	04/39	3.734	119	3.757	05/08/2025	-2
MGS	05/40	3.746	2	3.783	05/08/2025	-4
MGS	10/42	3.850	21	3.893	05/08/2025	-4
MGS	09/43	3.859	1	3.939	04/30/2025	-8
MGS	05/44	3.826	212	3.881	05/08/2025	-5
MGS	03/46	3.919	41	4.008	05/08/2025	-9
MGS	07/48	3.950	31	4.022	05/08/2025	-7
MGS	06/50	3.908	60	4.025	05/08/2025	-12
MGS	03/53	4.052	44	4.062	05/08/2025	-1
GII	08/25	2.922	20	2.935	05/08/2025	-1
GII	10/25	2.946	490	2.906	05/08/2025	4
GII	09/26	3.039	111	3.086	05/07/2025	-5
GII	09/27	3.127	112	3.171	05/08/2025	-4
GII	07/28	3.179	240	3.202	05/08/2025	-2
GII	10/28	3.171	63	3.186	05/08/2025	-2
GII	07/29	3.273	132	3.279	05/08/2025	-1
GII	08/30	3.348	220	3.395	05/08/2025	-5
GII	09/30	3.394	20	3.384	05/08/2025	1
GII	10/30	3.367	1	3.408	05/07/2025	-4
GII	10/31	3.435	665	3.453	05/08/2025	-2
GII	10/32	3.521	341	3.599	05/08/2025	-8
GII	06/33	3.531	50	3.597	05/08/2025	-7
GII	08/33	3.500	470	3.605	05/08/2025	-11
GII	11/34	3.571	720	3.614	05/08/2025	-4
GII	04/35	3.565	740	3.607	05/08/2025	-4
GII	07/36	3.620	370	3.666	05/08/2025	-5
GII	03/38	3.702	40	3.762	05/08/2025	-6
GII	09/39	3.723	92	3.758	05/08/2025	-4
GII	07/40	3.722	233	3.756	05/08/2025	-3
GII	09/41	3.833	130	3.829	05/08/2025	0
GII	08/43	3.831	41	3.879	05/08/2025	-5
GII	05/47	4.001	10	4.014	05/08/2025	-1
GII	11/49	4.006	143	4.079	05/08/2025	-7
GII	03/54	4.044	166	4.075	05/08/2025	-3
			10091			

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*
DanaInfra Nasional Berhad	11/28	GG	3.392	20	3.577	20/3/2025	-19	15
DanaInfra Nasional Berhad	02/29	GG	3.390	15	3.598	21/2/2025	-21	15
Prasarana Malaysia Berhad	03/34	GG	3.651	10	3.789	11/4/2025	-14	13
Lembaga Pembiayaan Perumahan Sektor Awam	04/34	GG	3.661	10	3.754	16/4/2025	-9	14
DanaInfra Nasional Berhad	07/34	GG	3.661	10	3.685	8/5/2025	-2	14
DanaInfra Nasional Berhad	07/35	GG	3.618	10	3.789	16/4/2025	-17	7
DanaInfra Nasional Berhad	11/35	GG	3.631	5	3.719	7/5/2025	-9	8
Lembaga Pembiayaan Perumahan Sektor Awam	02/40	GG	3.829	20	3.859	5/5/2025	-3	9
Lembaga Pembiayaan Perumahan Sektor Awam	04/55	GG	4.079	30	4.079	8/5/2025	0	23
Pengurusan Air SPV Berhad	09/27	AAA	3.550	10	3.707	17/4/2025	-16	46
Malaysia Airport Holdings Berhad	11/31	AAA	3.708	10	3.698	8/5/2025	1	28
Pengurusan Air SPV Berhad	04/32	AAA	3.678	70	3.860	29/4/2025	-18	25
Projek Lebuhraya Usahasama Berhad	01/37	AAA	3.815	20	3.860	25/4/2025	-4	27
GENM Capital Berhad	07/28	AA1	4.130	30	4.462	10/4/2025	-33	97
Sabah Development Bank Berhad	10/29	AA1	4.499	20	4.597	6/5/2025	-10	126
Johor Plantations Group Berhad	09/34	AA1	3.788	10	3.952	27/3/2025	-16	27
YTL Power International Berhad	10/39	AA1	3.869	20	3.929	2/5/2025	-6	13
Sime Darby Property Berhad	04/40	AA+	3.869	15	3.969	6/5/2025	-10	13
PONSB Capital Berhad	05/29	AA2	3.764	5	3.767	30/4/2025	0	53
AmBank (M) Berhad	06/31	AA2	3.798	10	4.009	27/2/2025	-21	43
RHB Bank Berhad	09/32	AA2	4.174	2	3.856	29/4/2025	32	74
Benih Restu Berhad	07/34	AA2	3.789	10	3.830	7/5/2025	-4	27
Benih Restu Berhad	04/37	AA2	3.889	10	4.030	24/4/2025	-14	34
IJM Corporation Berhad	04/29	AA3	3.705	10	3.818	12/3/2025	-11	47
MMC Corporation Berhad	03/28	AA-	3.803	10	3.864	6/5/2025	-6	64
LBS Bina Group Berhad	01/29	AA-	4.406	1	4.262	7/5/2025	14	117
Bank Islam Malaysia Berhad	03/35	A1	3.968	10	4.028	23/4/2025	-6	42
Qualitas Sukuk Berhad	03/25	A2	5.137	2	5.026	6/5/2025	11	129
				404				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Pavilion REIT Capital Berhad	Unsecured Medium-Term Notes (MTN) under RM8bn MTN Programme	AA3/Stable	Assigned Initial Rating

Source: RAM, MARC

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