

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries were softer in trading on Tuesday, amidst continued inflationary fears even as core CPI for June came in slightly cooler than expected month-on-month, but the breakdown in its components suggested that there could be a larger rise in the Fed's preferred core PCE measure when it is reported at the end of the month. Fed rate cuts priced for the year were pared slightly, with 44bps priced versus the 48bps seen the day before. **The benchmark 2-year UST yield was 4bps higher for the day at 3.94% while the 10-year UST yield advanced by 5bps to 4.48%.** This evening will see the release of PPI and industrial production figures for June, as well as the latest Beige Book by the Fed.

MGS/GII

- Local govies were better offered in trading on Tuesday, amidst a lack of fresh leads domestically. Secondary market volume for the day inched lower by 1% to RM5.41bn from the RM5.46bn that changed hands on Monday. Overall benchmark yields were higher by between 0 to 4bps (prior: -2 to +2bps), except for the 15Y GII which was skewed by an off-market trade. **The benchmark 5Y MGS 5/30 yield closed the day little changed at 3.16% while the yield on the benchmark 10Y MGS 7/35 advanced by 1bp to 3.45%.** 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 MGS 11/33 and GII 5/52, as well as in the benchmark 3Y GII. The share of GII trading for the day climbed to 44% of overall govies trading, versus the 22% seen the day before. There are no economic data releases for the coming day.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	3.94	4
5-yr UST	4.04	5
10-yr UST	4.48	5
30-yr UST	5.02	4

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.11	4	3.13	0
5-yr	3.16	0	3.23	2
7-yr	3.36	1	3.37	1
10-yr	3.45	1	3.48	1
15-yr	3.67	1	3.92	26
20-yr	3.75	0	3.73	0
30-yr	3.92	0	3.96	0

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.19	0
3-yr	3.13	0
5-yr	3.20	-2
7-yr	3.30	-1
10-yr	3.43	0

Source: Bloomberg

Upcoming Government Bond Tender

Nil

Corp Bonds/Sukuk

- Corporate bonds/sukuk were better bid in trading on Tuesday in a lighter session, with secondary market volume receding by 21% to RM552m versus the RM700m that traded on Monday. Trading was led by the GG and AA-rated segments of the market. In the GG universe, interest was led by DANA 4/37, which settled the day at 3.66%, 4bps lower compared to where it last traded. In the AAA space, trading was led by AIRSEL 8/39, closing at 3.75%, 1bp lower compared to its last print. In the AA-rated territory, trading was led AMBANK 3/32, which settled the day at 3.69%, 5bps lower versus where the bond last changed hands. Over in the A-rated segment, interest was led by BIMB 11/31, which closed the day at 3.61%, some 13bps lower versus where the bond last traded.

Daily Trades: Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	09/25	2.839	1127	2.857	07/14/2025	-2
MGS	11/26	2.939	27	2.905	07/14/2025	3
MGS	03/27	2.990	10	3.036	07/11/2025	-5
MGS	05/27	2.986	90	2.954	07/14/2025	3
MGS	04/28	3.109	183	3.070	07/14/2025	4
MGS	06/28	3.118	5	3.099	07/14/2025	2
MGS	08/29	3.206	84	3.179	07/14/2025	3
MGS	04/30	3.215	132	3.194	07/14/2025	2
MGS	04/31	3.344	38	3.344	07/14/2025	0
MGS	06/31	3.367	90	3.364	07/14/2025	0
MGS	07/32	3.364	55	3.349	07/14/2025	1
MGS	11/33	3.497	501	3.489	07/14/2025	1
MGS	07/34	3.477	18	3.483	07/14/2025	-1
MGS	05/35	3.499	10	3.489	07/14/2025	1
MGS	07/35	3.446	10	3.440	07/11/2025	1
MGS	04/37	3.623	184	3.624	07/14/2025	0
MGS	06/38	3.777	50	3.627	07/14/2025	15
MGS	04/39	3.667	98	3.657	07/14/2025	1
MGS	05/40	3.695	32	3.684	07/14/2025	1
MGS	10/42	3.765	30	3.765	07/14/2025	0
MGS	09/43	3.663	1	3.673	07/14/2025	-1
MGS	07/48	3.888	112	3.906	07/14/2025	-2
MGS	06/50	3.949	1	3.937	07/14/2025	1
MGS	03/53	3.882	122	3.958	07/14/2025	-8
GII	08/25	2.853	180	2.816	07/10/2025	4
GII	10/25	2.876	150	2.888	07/14/2025	-1
GII	09/27	3.076	101	3.062	07/14/2025	1
GII	07/28	3.133	350	3.133	07/14/2025	0
GII	08/30	3.233	20	3.219	07/14/2025	1
GII	09/30	3.255	60	3.246	07/11/2025	1
GII	10/31	3.369	120	3.362	07/14/2025	1
GII	10/32	3.559	60	3.429	07/14/2025	13
GII	08/33	3.485	20	3.469	07/11/2025	2
GII	11/34	3.495	50	3.489	07/14/2025	1
GII	04/35	3.484	190	3.478	07/14/2025	1
GII	10/35	3.541	2	3.556	07/03/2025	-2
GII	07/36	3.566	140	3.561	07/14/2025	0
GII	08/37	3.620	121	3.666	07/14/2025	-5
GII	09/39	3.665	4	3.660	07/14/2025	0
GII	07/40	3.916	50	3.656	07/14/2025	26
GII	09/41	3.732	1	3.738	07/14/2025	-1
GII	08/43	3.754	80	3.743	07/14/2025	1
GII	05/47	3.896	20	3.894	07/14/2025	0
GII	11/49	3.931	115	3.934	07/14/2025	0
GII	05/52	3.960	405	3.968	07/14/2025	-1
GII	03/54	3.956	160	3.957	07/14/2025	0
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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*
DanaInfra Nasional Berhad	10/35	GG	3.588	10	3.611	2/7/2025	-2	15
DanaInfra Nasional Berhad	04/37	GG	3.655	45	3.692	11/6/2025	-4	22
DanaInfra Nasional Berhad	03/40	GG	3.776	30	3.779	2/7/2025	0	11
Prasarana Malaysia Berhad	02/41	GG	3.785	15	3.790	3/7/2025	0	12
Lembaga Pembiayaan Perumahan Sektor Awam	04/44	GG	3.809	20	3.899	14/5/2025	-9	5
Lembaga Pembiayaan Perumahan Sektor Awam	04/50	GG	3.920	30	3.969	26/6/2025	-5	16
DanaInfra Nasional Berhad	09/50	GG	3.929	20	3.949	11/7/2025	-2	17
DanaInfra Nasional Berhad	03/55	GG	3.979	20	4.089	24/6/2025	-11	22
Lembaga Pembiayaan Perumahan Sektor Awam	04/55	GG	3.984	20	4.009	11/7/2025	-3	22
Danga Capital Berhad	09/27	AAA	3.649	1	3.532	7/7/2025	12	66
Pengurusan Air SPV Berhad	04/39	AAA	3.759	20	3.759	14/7/2025	0	9
Pengurusan Air Selangor Sdn Berhad	08/39	AAA	3.749	50	3.763	14/7/2025	-1	8
Pengurusan Air Selangor Sdn Berhad	08/44	AAA	3.884	20	3.919	1/7/2025	-4	12
Genting Capital Berhad	06/27	AA1	4.054	10	4.857	14/7/2025	-80	106
Malayan Cement Berhad (fka Lafarge Malaysia Berhad)	10/28	AA1	3.780	30	3.794	7/7/2025	-1	69
Malayan Cement Berhad (fka Lafarge Malaysia Berhad)	07/29	AA1	3.812	10	3.827	9/7/2025	-2	65
United Overseas Bank (Malaysia) Berhad	02/34	AA1	3.737	10	3.856	12/3/2025	-12	30
Johor Plantations Group Berhad	09/34	AA1	3.718	10	3.739	10/7/2025	-2	28
Johor Plantations Group Berhad	09/39	AA1	3.828	10	3.849	10/7/2025	-2	16
Fortune Premiere Sdn Berhad	10/25	AA	3.478	17	3.647	21/5/2025	-17	57
Sunway Healthcare Treasury Sdn Berhad	04/27	AA	3.599	10	3.718	14/4/2025	-12	61
Sunway Healthcare Treasury Sdn Berhad	03/32	AA	3.724	10	3.778	26/5/2025	-5	37
OSK Rated Bond Sdn Berhad	03/35	AA	3.758	10	3.758	4/7/2025	0	32
Affin Islamic Bank Berhad	12/27	AA3	3.675	30	3.699	18/6/2025	-2	68
AmBank (M) Berhad	03/32	AA3	3.689	40	3.736	12/6/2025	-5	34
MMC Corporation Berhad	11/27	AA-	3.700	10	3.769	20/6/2025	-7	71
Zetrix AI Berhad	07/28	AA-	5.550	7	n/a	n/a	555	246
LBS Bina Group Berhad	01/32	AA-	4.488	1	4.199	2/7/2025	29	114
Bank Islam Malaysia Berhad	11/31	A1	3.607	20	3.737	19/5/2025	-13	31
Singer Malaysia Sdn Berhad	07/26	A1	4.443	1	4.605	14/7/2025	-16	154
Dialog Group Berhad	11/20	A1	4.794	1	4.056	19/6/2025	74	103
MCIS Insurance Berhad	12/31	A2	4.944	1	4.392	28/5/2025	55	165
Qualitas Sukuk Berhad	03/25	A2	5.899	4	5.588	4/7/2025	31	214
Affin Bank Berhad	06/18	A3	4.468	1	4.102	19/6/2025	37	71
Affin Islamic Bank Berhad	10/18	A3	4.196	10	4.411	14/7/2025	-22	44
Yinson Holdings Berhad	11/22	A-	5.585	2	5.587	14/7/2025	0	182
				552				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
State of Johor	Sub-sovereign credit rating	AAA/Stable	Rating Assigned
Agroto Business (M) Sdn Bhd	RM200m five-year tranche and RM100m seven-year tranche under ASEAN Sustainability SRI Sukuk Programme of up to RM300m (2021/2036)	AA1(bg)/Stable	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**

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