

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries were softer in trading on Monday, amidst growing speculation that elevated energy prices from the rising geopolitical situation in the Middle East will result in Fed policy members signaling a delay in further interest rate cuts when they meet later this week to decide on policy. **The benchmark 2-year UST yield rose by 2bps to 3.97% while the 10-year UST yield also advanced by 5bps for the day to 4.46%**, leading to a bear steepening of the UST curve. Today has quite a bit on the deck, with retail sales and industrial production for May both due for release, as well as the NAHB Housing Market index for June.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	3.97	2
5-yr UST	4.03	3
10-yr UST	4.46	5
30-yr UST	4.96	6

MGS			GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)	
3-yr	3.21	<div><div></div></div> 3	3.18		0
5-yr	3.28	<div><div></div></div> 4	3.34	<div><div></div></div>	3
7-yr	3.51	<div><div></div></div> 4	3.44	<div><div></div></div>	2
10-yr	3.59	<div><div></div></div> 4	3.56	<div><div></div></div>	4
15-yr	3.73	<div><div></div></div> 2	3.71	<div><div></div></div>	3
20-yr	3.79	<div><div></div></div> 1	3.78	<div><div></div></div>	2
30-yr	4.01	<div><div></div></div> 1	3.94	<div><div></div></div>	-6

Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.32	3
3-yr	3.22	3
5-yr	3.30	2
7-yr	3.39	2
10-yr	3.52	2

Source: Bloomberg

Upcoming Government Bond Tender

Nil

MGS/GII

- Local govies were weaker in trading on Monday, taking cue from the overnight rise in UST yields last Friday. Activity was generally light again, with secondary market volume for the day inching higher by 4% to RM4.87bn from the RM4.67bn that changed hands on Friday. Overall benchmark yields were higher by between 1 to 4bps (prior: -1 to +3bps), except for the 30Y GII which was skewed by a late odd lot trade. **The benchmark 5Y MGS 5/30 yield closed the day higher by 4bps at 3.28% while the yield on the benchmark 10Y MGS 7/34 also advanced by 4bps to 3.59%**. Trading interest for the day was led by the benchmark 5Y MGS, while decent interest was also seen in the benchmark 3Y GII and 10Y MGS, as well as in the off-the-run MGS 9/25 and GII 9/30. The share of GII trading for the day remained steady at 51% of overall govies trading, similar to the day previous session.

Corp Bonds/Sukuk

- Corporate bonds/sukuk were better bid in trading on Monday in a heavier trading session, with secondary market volume climbing by 24% to RM1,144m versus the RM923m that traded on Friday. Trading was again led by the AAA-rated segment of the market. In the GG universe, PASB 6/33 led the interest, closing at 3.60%, 1bp higher compared to its last trade. In the AAA-rated space, BAKUN 8/25 led trading, settling at 3.37%, 12bps lower versus its last print. Over in the AA-rated territory, interest was led by PKNS 7/29 and PKNS 5/30, which closed the day at 3.81% and 3.82% respectively, with both bond making their secondary market debuts. Meanwhile on the A-rated side of things, BIMB 5/35 saw strong interest and settled the day at 3.89%, little changed versus where the bond last traded.

Daily Trades: Government Bond

Securities		Closing YTM	Vol (RM mil)	Previous YTM	Previous Trade Date (dd/mm/yyyy)	Chg (bp)
MGS	09/25	2.967	428	2.902	06/13/2025	6
MGS	04/26	3.101	20	2.892	06/13/2025	21
MGS	07/26	3.066	126	2.992	06/13/2025	7
MGS	11/26	3.075	10	3.019	06/13/2025	6
MGS	05/27	3.139	69	3.129	06/13/2025	1
MGS	04/28	3.206	80	3.180	06/13/2025	3
MGS	06/28	3.221	150	3.186	06/13/2025	4
MGS	04/29	3.269	17	3.269	06/13/2025	0
MGS	08/29	3.301	2	3.281	06/13/2025	2
MGS	05/30	3.280	612	3.240	06/13/2025	4
MGS	04/31	3.424	2	3.373	06/13/2025	5
MGS	06/31	3.410	20	3.437	06/13/2025	-3
MGS	07/32	3.506	108	3.469	06/13/2025	4
MGS	07/34	3.589	400	3.548	06/13/2025	4
MGS	05/35	3.586	63	3.556	06/13/2025	3
MGS	06/38	3.700	1	3.691	06/13/2025	1
MGS	04/39	3.728	10	3.705	06/13/2025	2
MGS	05/40	3.761	90	3.740	06/13/2025	2
MGS	10/42	3.833	56	3.805	06/13/2025	3
MGS	03/46	3.930	40	3.927	06/13/2025	0
MGS	07/48	3.965	41	3.966	06/13/2025	0
MGS	06/50	3.926	12	4.065	06/13/2025	-14
MGS	03/53	4.007	8	4.001	06/13/2025	1
GII	08/25	3.081	20	2.876	06/13/2025	21
GII	10/25	2.982	160	2.996	06/13/2025	-1
GII	03/26	3.009	12	2.992	06/13/2025	2
GII	09/27	3.137	40	3.119	06/13/2025	2
GII	07/28	3.178	363	3.178	06/13/2025	0
GII	10/28	3.212	50	3.192	06/13/2025	2
GII	07/29	3.304	22	3.271	06/13/2025	3
GII	08/30	3.341	181	3.308	06/13/2025	3
GII	09/30	3.368	370	3.346	06/13/2025	2
GII	10/31	3.436	246	3.411	06/13/2025	2
GII	10/32	3.535	260	3.497	06/13/2025	4
GII	06/33	3.510	10	3.532	06/11/2025	-2
GII	08/33	3.575	70	3.548	06/12/2025	3
GII	04/35	3.563	82	3.527	06/13/2025	4
GII	08/37	3.700	60	3.660	06/05/2025	4
GII	03/38	3.702	5	3.670	06/13/2025	3
GII	09/39	3.717	18	3.715	06/13/2025	0
GII	07/40	3.712	190	3.686	06/13/2025	3
GII	09/41	3.767	40	3.771	06/13/2025	0
GII	05/45	3.775	14	3.757	06/13/2025	2
GII	05/47	3.941	40	3.948	06/11/2025	-1
GII	11/49	4.005	11	3.990	06/12/2025	1
GII	05/52	4.060	3	3.950	06/13/2025	11
GII	03/54	3.941	231	4.005	06/13/2025	-6
			4865			

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*
Lembaga Pembiayaan Perumahan Sektor Awam	04/33	GG	3.577	45	3.579	13/6/2025	0	6
Pengurusan Air SPV Berhad	06/33	GG	3.595	90	3.582	13/6/2025	1	8
Lembaga Pembiayaan Perumahan Sektor Awam	07/33	GG	3.587	25	3.699	22/4/2025	-11	7
DanaInfra Nasional Berhad	10/33	GG	3.575	10	3.668	7/5/2025	-9	6
DanaInfra Nasional Berhad	11/33	GG	3.578	10	3.749	15/4/2025	-17	6
Malaysia Rail Link Sdn Berhad	02/40	GG	3.759	40	3.779	22/5/2025	-2	4
Malaysia Rail Link Sdn Berhad	03/40	GG	3.765	10	3.996	7/3/2025	-23	5
Cagamas Berhad	08/25	AAA	3.318	10	3.594	3/1/2025	-28	31
Bakun Hydro Power Generation Sdn Berhad (fka S	08/25	AAA	3.370	90	3.494	25/2/2025	-12	36
Sarawak Energy Berhad	08/25	AAA	3.382	40	3.397	13/6/2025	-1	37
TTM Sukuk Berhad	11/25	AAA	3.391	10	3.432	27/5/2025	-4	38
Cagamas Berhad	11/25	AAA	3.352	55	3.637	10/3/2025	-29	34
Bank Pembangunan Malaysia Berhad	11/26	AAA	3.560	60	3.557	28/5/2025	0	55
Toyota Capital Malaysia Sdn Berhad	03/29	AAA	3.771	10	3.777	29/5/2025	-1	53
CelcomDigi Telecommunications Sdn Berhad (fka C	06/29	AAA	3.584	15	3.564	3/6/2025	2	34
Pengurusan Air SPV Berhad	09/30	AAA	3.592	20	3.752	14/4/2025	-16	33
Rantau Abang Capital Berhad	01/32	AAA	3.683	10	3.898	11/9/2024	-22	20
Amanat Lebuhraya Rakyat Berhad	10/32	AAA	3.659	10	3.658	11/6/2025	0	18
Amanat Lebuhraya Rakyat Berhad	10/34	AAA	3.696	50	3.900	21/4/2025	-20	15
Amanat Lebuhraya Rakyat Berhad	10/35	AAA	3.736	60	3.737	13/6/2025	0	17
Tenaga Nasional Berhad	08/38	AAA	3.771	5	3.799	14/5/2025	-3	6
Pengurusan Air Selangor Sdn Berhad	10/38	AAA	3.808	20	3.900	18/4/2025	-9	9
Pengurusan Air SPV Berhad	04/39	AAA	3.809	40	3.809	12/6/2025	0	10
Pengurusan Air Selangor Sdn Berhad	08/49	AAA	4.015	20	4.049	8/5/2025	-3	22
Perbadanan Kemajuan Negeri Selangor	07/29	AA1	3.811	60	n/a	n/a	381	57
Perbadanan Kemajuan Negeri Selangor	05/30	AA1	3.817	40	n/a	n/a	382	56
Sime Darby Property Berhad	08/30	AA+	3.628	10	3.998	11/7/2024	-37	37
Sime Darby Property Berhad	04/40	AA+	3.779	10	3.784	11/6/2025	0	6
AEON Co. (M) Berhad	08/29	AA2	3.751	5	3.758	30/5/2025	-1	51
Imtiaz Sukuk II Berhad	05/32	AA2	3.798	30	3.788	13/6/2025	1	32
CIMB Group Holdings Berhad	03/33	AA2	4.082	1	3.835	5/5/2025	25	56
Pelabuhan Tanjung Pelepas Sdn Berhad	06/27	AA	3.707	10	3.694	19/5/2025	1	60
SP Setia Berhad	06/28	AA	3.753	20	3.826	23/4/2025	-7	57
OSK Rated Bond Sdn Berhad	03/35	AA	3.778	10	3.790	3/6/2025	-1	21
Cenergi SEA Berhad	12/26	AA3	4.178	2	4.804	26/5/2025	-63	107
Cenergi SEA Berhad	12/28	AA3	4.499	2	4.878	24/7/2024	-38	126
Affin Bank Berhad	05/29	AA3	3.722	20	3.717	28/5/2025	0	48
Gamuda Berhad	06/30	AA3	3.687	10	3.709	20/5/2025	-2	43
AEON Credit Service (M) Berhad	03/31	AA3	3.787	30	3.869	20/5/2025	-8	40
Jimah East Power Sdn Berhad	06/29	AA-	3.865	10	4.007	20/9/2024	-14	63
OCK Group Berhad	11/30	AA-	4.561	10	4.738	20/3/2025	-18	130
Sunway Treasury Sukuk Sdn Berhad	08/31	AA-	3.797	30	3.802	11/6/2025	0	41
UMW Holdings Berhad	04/18	AA-	3.765	1	3.912	10/6/2025	-15	-3
Bank Islam Malaysia Berhad	05/35	A1	3.885	70	3.886	9/6/2025	0	32
WCT Holdings Berhad	04/26	A+	4.231	4	4.567	2/5/2025	-34	122
WCT Holdings Berhad	11/18	A-	5.663	5	6.125	26/5/2025	-46	187
				1144				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Nil			

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.