

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries saw extended decline led by the longer ends with the yield curve bear steepening further. Fed Chair Kevin Warsh commented that inflation risks have reduced in recent weeks but he reiterated the Fed's commitment in bringing inflation back to the 2.0% target. This overshadowed softer than expected US ADP employment and manufacturing indices (ISM and PMI) overnight. **The benchmark 2-year UST yield edged less than 1bp for the day to 4.17% while the 10-year UST bond yield rose 1bp to 4.48%.** The day ahead sees the focus lie on the release of the monthly employment report for June, with factory orders and the final durable goods orders for May also scheduled for release, with the markets shut on Friday to commemorate the Fourth of July holiday.

MGS/GII

- Local govies were little changed in trading on Wednesday in a lighter session, amidst a rebound in the S&P Global Malaysia manufacturing PMI for June after the decline seen in May. Secondary market volume declined by 33% to RM7.13bn versus the RM10.70bn that switched hands on Tuesday. Overall benchmark yields were higher by between 0 to 1bp (prior: -3 to +4bps), except the 30Y GII which skewed by an off-market trade. **The benchmark 5Y MGS 6/31 yield was little changed for the day at 3.40% while the yield on the benchmark 10Y MGS 7/35 advanced by 1bp to 3.61%.** Trading for the day was led by the off-the-run GII 9/26, while good interest was also seen in the off-the-run MGS 7/26, MGS 11/26, MGS 5/27, GII 7/28 and GII 10/28. The share of GII trading rose to 40% of overall govies trading versus the 29% seen the day before. The coming day brings the re-opening auction of RM5bn of the benchmark 10Y MGS 7/35.

Corp Bonds/Sukuk

- Corporate bonds/sukuk were mixed in trading on Wednesday in a lighter session, with secondary market volume for the day plunging by 47% to RM722m versus the RM1,370m that traded on Tuesday. Trading for the day was again led by the AA-rated segment of the market. In the GG universe, activity was seen in DANA 11/39 and DANA 10/42, which closed the day at 3.96% (-6bps versus last print) and 4.03% (-4bps) respectively. In the AAA-rated space, trading was led by BAKUN 8/30 and ALRB 10/35, which settled at 3.66% (+5bps) and 3.89% (+1bp) respectively. In the AA-rated territory, the activity was led by KLG 3/32 and AEONC 9/32, which closed the day at 3.89% (unchanged) and 3.92% (unchanged) respectively, while in the A-rated arena, CIMBG 4.03% Perps led trading and settled for the day at 4.02% (-24bps).

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.17	0
5-yr UST	4.24	1
10-yr UST	4.48	1
30-yr UST	4.97	2

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.26	0	3.24	0
5-yr	3.40	0	3.35	0
7-yr	3.53	0	3.54	1
10-yr	3.61	1	3.62	1
15-yr	3.82	0	3.89	1
20-yr	3.95	1	3.98	1
30-yr	4.10	0	4.06	-5

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.46	1
3-yr	3.49	2
5-yr	3.54	3
7-yr	3.60	4
10-yr	3.74	4

Source : Bloomberg

	Govt NR Holdings	Corp NR Holdings
Daily Change	-448	-6
MTD Change	5,327	-87

Figures in RM 'mil (as of 25 Jun 2026)

Upcoming Government Bond Tender

Re-opening auction of RM5bn of the benchmark 10Y MGS 7/35 on Thurs, 02 Jul

Daily Trades: Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	07/26	2.960	523	2.933	06/30/2026	3
MGS	11/26	2.894	779	2.885	06/30/2026	1
MGS	05/27	3.088	698	3.086	06/30/2026	0
MGS	11/27	3.145	58	3.126	06/30/2026	2
MGS	04/28	3.216	20	3.317	06/30/2026	-10
MGS	06/28	3.217	22	3.212	06/30/2026	0
MGS	03/29	3.259	141	3.248	06/30/2026	1
MGS	04/29	3.244	34	3.250	06/30/2026	-1
MGS	08/29	3.276	10	3.262	06/30/2026	1
MGS	04/30	3.365	185	3.346	06/30/2026	2
MGS	05/30	3.346	194	3.341	06/30/2026	0
MGS	04/31	3.405	128	3.398	06/30/2026	1
MGS	06/31	3.398	67	3.370	06/30/2026	3
MGS	07/32	3.516	60	3.518	06/30/2026	0
MGS	04/33	3.534	27	3.529	06/30/2026	0
MGS	11/33	3.576	87	3.579	06/30/2026	0
MGS	07/34	3.580	115	3.596	06/30/2026	-2
MGS	05/35	3.645	2	3.636	06/30/2026	1
MGS	07/35	3.607	18	3.600	06/30/2026	1
MGS	04/37	3.738	269	3.749	06/30/2026	-1
MGS	06/38	3.835	6	3.835	06/30/2026	0
MGS	04/39	3.870	216	3.864	06/30/2026	1
MGS	05/40	3.902	47	3.907	06/30/2026	0
MGS	01/41	3.819	32	3.831	06/30/2026	-1
MGS	10/42	3.929	54	3.920	06/30/2026	1
MGS	09/43	3.933	25	3.960	06/30/2026	-3
MGS	05/44	3.952	27	3.955	06/30/2026	0
MGS	03/46	3.935	8	4.001	06/30/2026	-7
MGS	04/46	3.950	85	3.939	06/30/2026	1
MGS	07/48	4.030	5	4.016	06/30/2026	1
MGS	06/50	4.053	11	4.055	06/30/2026	0
MGS	03/53	4.077	94	4.077	06/30/2026	0
MGS	07/55	4.095	225	4.092	06/30/2026	0
GII	09/26	2.950	805	2.954	06/30/2026	0
GII	09/27	3.130	38	3.150	06/30/2026	-2
GII	07/28	3.227	379	3.220	06/30/2026	1
GII	10/28	3.234	370	3.240	06/30/2026	-1
GII	07/29	3.295	18	3.271	06/30/2026	2
GII	10/29	3.242	21	3.242	06/30/2026	0
GII	08/30	3.354	9	3.354	06/30/2026	0
GII	10/31	3.427	154	3.421	06/30/2026	1
GII	10/32	3.523	30	3.525	06/30/2026	0
GII	03/33	3.541	70	3.533	06/30/2026	1
GII	06/33	3.592	80	3.570	06/30/2026	2
GII	08/33	3.588	170	3.587	06/30/2026	0
GII	11/34	3.591	195	3.601	06/30/2026	-1
GII	04/35	3.618	122	3.612	06/30/2026	1
GII	07/36	3.642	10	3.627	06/30/2026	2
GII	08/37	3.746	40	3.766	06/30/2026	-2
GII	03/38	3.832	18	3.826	06/30/2026	1
GII	09/39	3.872	1	3.858	06/30/2026	1
GII	07/40	3.894	96	3.890	06/30/2026	0
GII	08/43	3.955	51	3.951	06/30/2026	0
GII	05/45	3.976	97	3.964	06/30/2026	1
GII	05/47	4.040	1	4.033	06/30/2026	1
GII	11/49	4.069	5	4.134	06/30/2026	-7
GII	03/54	4.133	11	4.087	06/30/2026	5
GII	01/56	4.058	66	4.106	06/30/2026	-5

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