

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries declined in trading on Friday, reversing an initial rally of about 10bps that came about after a softer than expected September employment report, which resulted in the dialing back of Fed rate hike expectations. The rally faded as the New York session progressed and eventually led to yields closing higher for the day, with benchmark yields advancing by between 1 to 4bps (prior: 2 to 10bps lower). **The benchmark 2-year UST yield rose by 3bps for the day to 4.83% while the 10-year UST bond yield also advanced by 3bps to 5.27%.** The coming day brings the release of the ISM Services index for September, as well as the final S&P Global composite and services PMIs for the month.

MGS/GII

- Local govies were mixed in trading on Friday, in a lighter session to end the week with the GII markets being particularly quiet. Secondary market volume for the day declined by 20% to RM3.28bn versus the RM4.09bn that traded on Thursday. Overall benchmark yields were mixed by between -5 to +7bps (prior: -1 to +4bps). **The benchmark 5Y MGS 6/31 yield fell by 1bp for the day to 3.77% while the yield on the benchmark 10Y MGS 7/35 declined by 3bps to 4.00%.** Trading for the day was again led by the off-the-run MGS 11/26, while good interest was also seen in the off-the-run MGS 5/27 and MGS 4/28, as well as in the benchmark 3Y GII and 5Y MGS. The share of GII trading receded to 30% of overall govies trading versus the 39% seen the previous session. The day ahead should see the announcement of the re-opening of benchmark 3Y GII 10/29, where we expect RM5bn to be put up for sale.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.83	3
5-yr UST	5.05	4
10-yr UST	5.27	3
30-yr UST	5.62	1

MGS			GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)	
3-yr	3.43		-5	3.50	1
5-yr	3.77		-1	3.80	0
7-yr	3.99		-4	3.97	0
10-yr	4.00		-3	4.05	0
15-yr	4.22		2	4.21	1
20-yr	4.34		0	4.33	0
30-yr	4.42		7	4.52	1

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.73	-1
3-yr	3.80	-4
5-yr	3.86	-3
7-yr	3.93	-5
10-yr	4.05	-5

Source : Bloomberg

	Govt NR Holdings	Corp NR Holdings
Daily Change	188	265
MTD Change	1,851	707

Figures in RM 'mil (as of 21 Sep 2026)

Upcoming Government Bond Tender

Nil

Corp Bonds/Sukuk

- Corporate bonds/sukuk were better offered in trading in a lighter session on Friday, with secondary market volume for the day plunging by 57% to RM187m versus the RM433m that switched hands on Thursday. There were no GG trades for the day, and trading was led by the AA-rated segment of the market. In the AAA-space, trading was led by YTLP 5/27 and INFRACAP 4/28, which closed the day at 3.96% (unchanged versus last print) and 4.01% (+52bps) respectively. Over in AA-rated territory, GAIFL 9/30 led the activity and settled at 4.72% (+54bps) while interest was also seen in HIMAYAH 8/31 and CIMBG 12/37, which closed at 4.67% (secondary debut) and 4.55% (+6bps) respectively. In the A-rated universe, ALLIANCEB 4.85% Perps led trading and settled for the day at 4.77% (-12bps).

Daily Trades: Government Bond

		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	11/26	2.747	609	2.844	10/01/2026	-10
MGS	05/27	3.050	486	3.030	10/01/2026	2
MGS	11/27	3.158	2	3.156	10/01/2026	0
MGS	04/28	3.391	262	3.384	10/01/2026	1
MGS	06/28	3.423	4	3.406	10/01/2026	2
MGS	03/29	3.430	4	3.482	10/01/2026	-5
MGS	08/29	3.524	10	3.513	10/01/2026	1
MGS	04/30	3.679	60	3.674	10/01/2026	0
MGS	05/30	3.663	45	3.691	10/01/2026	-3
MGS	04/31	3.784	40	3.777	10/01/2026	1
MGS	06/31	3.766	259	3.773	10/01/2026	-1
MGS	07/32	3.933	10	3.962	10/01/2026	-3
MGS	04/33	3.988	85	4.028	10/01/2026	-4
MGS	11/33	4.020	104	4.068	10/01/2026	-5
MGS	07/34	4.064	13	4.086	10/01/2026	-2
MGS	05/35	4.080	15	4.061	10/01/2026	2
MGS	07/35	4.002	10	4.030	10/01/2026	-3
MGS	04/39	4.220	108	4.304	10/01/2026	-8
MGS	05/40	4.254	37	4.244	10/01/2026	1
MGS	01/41	4.217	90	4.197	10/01/2026	2
MGS	10/42	4.239	2	4.292	10/01/2026	-5
MGS	09/43	4.135	1	4.330	10/01/2026	-20
MGS	05/44	4.368	4	4.302	10/01/2026	7
MGS	04/46	4.343	2	4.342	10/01/2026	0
MGS	06/50	4.408	45	4.421	10/01/2026	-1
MGS	03/53	4.470	1	4.503	10/01/2026	-3
MGS	07/55	4.417	2	4.345	10/01/2026	7
GII	07/27	2.965	52	2.965	10/01/2026	0
GII	09/27	3.069	10	3.069	10/01/2026	0
GII	07/28	3.420	50	3.426	10/01/2026	-1
GII	07/29	3.522	60	3.534	10/01/2026	-1
GII	10/29	3.501	400	3.490	09/30/2026	1
GII	09/30	3.697	50	3.690	09/30/2026	1
GII	10/30	3.681	100	3.667	10/01/2026	1
GII	10/31	3.804	50	3.804	10/01/2026	0
GII	10/32	3.940	16	3.959	10/01/2026	-2
GII	08/33	4.000	1	4.016	10/01/2026	-2
GII	11/34	4.060	24	4.039	09/30/2026	2
GII	07/36	4.040	11	4.046	10/01/2026	-1
GII	03/38	4.186	1	4.187	09/30/2026	0
GII	07/40	4.210	40	4.202	10/01/2026	1
GII	11/49	4.411	100	4.429	09/29/2026	-2
GII	05/52	4.471	2	4.324	10/01/2026	15
GII	03/54	4.305	2	4.456	09/30/2026	-15
GII	01/56	4.520	1	4.507	10/01/2026	1
			3278			

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*
YTL Power International Berhad	05/27	AAA	3.960	20	3.964	29/9/2026	0	85
Infracap Resources Sdn Berhad	04/28	AAA	4.010	40	3.488	16/4/2026	52	66
Toyota Capital Malaysia Sdn Berhad	03/29	AAA	4.126	10	3.706	2/7/2026	42	77
Infracap Resources Sdn Berhad	07/34	AAA	4.522	10	n/a	n/a	452	50
Malayan Cement Berhad (fka Lafarge Malaysia Berhad)	07/27	AA1	3.943	5	3.950	29/9/2026	-1	84
Time DotCom Berhad	08/33	AA1	4.479	5	3.946	14/8/2026	53	47
Ideal Water Resources Sdn Berhad	07/34	AA1	4.499	3	4.009	9/7/2026	49	47
Golden Assets International Finance Limited	09/30	AA2	4.716	25	4.180	19/8/2026	54	107
Himayah Sukuk Berhad	08/31	AA2	4.666	10	n/a	n/a	467	88
CIMB Group Holdings Berhad	12/37	AA2	4.548	10	4.489	21/9/2026	6	51
Pac Lease Berhad	04/29	AA	4.271	10	4.279	1/10/2026	-1	79
OSK Rated Bond Sdn Berhad	09/33	AA	4.520	6	4.432	23/9/2026	9	51
Gamuda Land (T12) Sdn Berhad	08/27	AA3	4.074	10	4.047	17/9/2026	3	97
Tanjung Bin Energy Sdn Berhad	09/30	AA3	4.586	10	3.998	21/4/2026	59	94
Zetrix AI Berhad (fka MY E.G. Services Berhad)	08/28	AA-	5.383	1	5.383	1/10/2026	0	203
Hong Leong Bank Berhad	11/17	A1	4.254	1	4.256	18/9/2026	0	-9
Alliance Bank Malaysia Berhad	11/17	A3	4.767	11	4.889	30/9/2026	-12	43
Affin Bank Berhad	06/18	A3	4.774	1	4.972	14/9/2026	-20	43
				187				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Bank of China (Malaysia) Berhad	Tranche 7 to be issued under RM900m Sukuk Murabahah Programme: RM125m Class A; and RM25m Class B Sukuk	AAA/Stable AA2/Stable	Assigned preliminary ratings
CGS International Securities Malaysia Sdn Bhd	Non-bank financial institution rating	AA/Stable	Affirmed

Source: RAM, MARC

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