

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries were weaker in trading on Tuesday, amidst swings in energy prices after conflicting reports about developments in Iran and how long the conflict is likely to be drawn out for, and the adverse implications on the US budget of a lengthy war. Overall benchmark UST yields closed the day higher by between 5 to 8bps, with the curve bear-steepening for the day. **The benchmark 2-year UST note yield was 5bps higher for the day at 3.59% while the 10-year UST bond yield advanced by 6bps to 4.16%.** The coming day brings the CPI figures for February, as well as the federal budget balance and average hourly and weekly earnings for the month.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	3.59	5
5-yr UST	3.74	6
10-yr UST	4.16	6
30-yr UST	4.79	8

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.10	-5	3.15	-2
5-yr	3.35	-3	3.29	-3
7-yr	3.47	-1	3.36	-3
10-yr	3.53	-6	3.57	0
15-yr	3.81	2	3.87	-2
20-yr	3.93	1	3.96	2
30-yr	4.01	9	4.05	-1

* Market indicative levels

MGS/GII

- Local govies were firmer in trading on Tuesday amidst industrial production for January coming in north of expectations, as global bond markets rallied on the reprieve in energy prices. Secondary market volume declined by 34% to RM6.62bn versus the RM10.03bn that traded on Monday. Overall benchmark yields were mixed by between -6 to +2bps (prior: 0 to 6bps higher), except for the 30Y MGS which was correcting from previous off-market trades. **The benchmark 5Y MGS 6/31 yield was 3bps lower for the day at 3.35% while the yield on the benchmark 10Y MGS 7/35 declined by 6bps to 3.53%.** Trading interest for the day was led by the benchmark 7Y GII, while decent interest was seen in the off-the-run GII 9/26 and MGS 11/26, as well as in the benchmark 3Y GII and 15Y GII. The share of GII trading receded to 55% of overall trading versus the 57% seen the day before.

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.29	-1
3-yr	3.38	-4
5-yr	3.45	-6
7-yr	3.55	-4
10-yr	3.71	-2

Source : Bloomberg

	Govt NR Holdings	Corp NR Holdings
Daily Change	-306	-240
MTD Change	-252	-235

Figures in RM 'mil (as of 04 Mar 2026)

Upcoming Government Bond Tender

Nil

Corp Bonds/Sukuk

- Corporate bonds/sukuk were mixed in trading on Tuesday, with secondary market volume for the day climbing by 48% to RM623m versus the RM421m that switched hands on Monday. Activity was again led by the AAA-rated segment of the market. In the GG universe, the interest was led by PRASA 8/28 and DANA 11/28 (VK210395), with both bonds closing at 3.31% (+3bps and +7bps respectively versus their last trades). In the AAA space, trading was led by SPETCHEM 7/37, which settled at 3.94% (-1bps), while good interest was also seen in DANGA 1/33 and PASB 2/37, which closed at 3.70% (-2bps) and 3.91% (+6bps) respectively. Over in the AA-rated arena, activity was led by CIMBG 12/37 and CIMBG 8/38, which closed at 3.82% (-3bps) and 3.85% (+1bp) respectively.

Daily Trades: Government Bond

Securities		Closing YTM	Vol (RM mil)	Previous YTM	Previous Trade Date (dd/mm/yyyy)	Chg (bp)
MGS	07/26	2.880	385	2.953	03/09/2026	-7
MGS	11/26	2.891	559	2.923	03/09/2026	-3
MGS	03/27	2.979	25	3.004	03/06/2026	-2
MGS	05/27	3.016	275	3.046	03/09/2026	-3
MGS	11/27	3.031	148	2.990	03/06/2026	4
MGS	04/28	3.104	154	3.158	03/09/2026	-5
MGS	06/28	3.125	25	3.180	03/09/2026	-6
MGS	08/29	3.222	70	3.249	03/09/2026	-3
MGS	05/30	3.320	1	3.348	03/09/2026	-3
MGS	04/31	3.364	63	3.386	03/09/2026	-2
MGS	06/31	3.350	203	3.381	03/09/2026	-3
MGS	07/32	3.468	229	3.475	03/09/2026	-1
MGS	11/33	3.522	221	3.573	03/09/2026	-5
MGS	07/34	3.548	178	3.582	03/09/2026	-3
MGS	07/35	3.533	295	3.590	03/09/2026	-6
MGS	04/37	3.688	30	3.719	03/09/2026	-3
MGS	06/38	3.763	2	3.787	03/09/2026	-2
MGS	04/39	3.812	4	3.824	03/09/2026	-1
MGS	01/41	3.810	39	3.788	03/05/2026	2
MGS	10/42	3.882	1	4.000	03/09/2026	-12
MGS	05/44	3.932	40	3.924	03/09/2026	1
MGS	06/50	3.967	9	4.000	03/09/2026	-3
MGS	07/55	4.007	2	3.917	03/09/2026	9
GII	03/26	3.004	102	3.038	03/09/2026	-3
GII	09/26	2.946	546	3.002	03/09/2026	-6
GII	09/27	3.055	2	3.063	03/09/2026	-1
GII	07/28	3.154	485	3.174	03/09/2026	-2
GII	10/28	3.172	60	3.167	03/06/2026	1
GII	07/29	3.219	100	3.232	03/09/2026	-1
GII	08/30	3.292	120	3.321	03/09/2026	-3
GII	09/30	3.308	130	3.334	03/09/2026	-3
GII	10/30	3.299	60	3.346	03/09/2026	-5
GII	10/31	3.358	583	3.389	03/09/2026	-3
GII	10/32	3.456	240	3.481	03/09/2026	-2
GII	08/33	3.518	10	3.545	03/09/2026	-3
GII	11/34	3.528	154	3.580	03/09/2026	-5
GII	10/35	3.591	20	3.536	03/02/2026	6
GII	07/36	3.592	230	3.634	03/09/2026	-4
GII	07/40	3.868	426	3.890	03/09/2026	-2
GII	09/41	3.890	60	3.829	03/02/2026	6
GII	08/43	3.908	192	3.960	03/09/2026	-5
GII	05/45	3.962	10	3.947	03/09/2026	2
GII	11/49	3.893	1	4.000	03/06/2026	-11
GII	03/54	4.064	44	4.093	03/09/2026	-3
GII	01/56	4.053	85	4.061	03/09/2026	-1
			6619			

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*
Prasarana Malaysia Berhad	08/28	GG	3.309	100	3.281	20/1/2026	3	29
DanaInfra Nasional Berhad	11/28	GG	3.313	80	3.245	13/2/2026	7	17
DanaInfra Nasional Berhad	11/28	GG	3.320	20	3.162	8/9/2025	16	18
Perbadanan Tabung Pendidikan Tinggi Nasional	02/34	GG	3.648	30	3.597	27/2/2026	5	14
DanaInfra Nasional Berhad	11/35	GG	3.688	20	3.646	4/3/2026	4	13
Pengerang LNG (Two) Sdn Berhad	10/27	AAA	3.496	15	3.516	10/12/2025	-2	48
Pengerang LNG (Two) Sdn Berhad	10/28	AAA	3.564	10	3.552	16/1/2026	1	42
CelcomDigi Telecommunications Sdn Berhad (fka C	06/29	AAA	3.534	5	3.528	29/10/2025	1	39
Projek Lebuhraya Usahasama Berhad	01/30	AAA	3.634	10	3.539	17/10/2025	9	37
Projek Lebuhraya Usahasama Berhad	01/31	AAA	3.664	10	3.607	2/3/2026	6	31
Pengurusan Air SPV Berhad	04/32	AAA	3.729	20	3.720	6/3/2026	1	31
Danga Capital Berhad	01/33	AAA	3.698	60	3.717	4/12/2025	-2	23
Pengurusan Air SPV Berhad	02/37	AAA	3.905	60	3.849	5/3/2026	6	35
Sarawak Petchem Sdn Berhad	07/37	AAA	3.939	90	3.950	4/3/2026	-1	38
TNB Power Generation Sdn Berhad	03/46	AAA	4.202	10	n/a	n/a	420	26
TNB Power Generation Sdn Berhad	03/51	AAA	4.253	10	n/a	n/a	425	32
Perbadanan Kemajuan Negeri Selangor	03/33	AA1	3.900	1	n/a	n/a	390	43
CIMB Group Holdings Berhad	09/32	AA2	4.141	1	3.635	15/12/2025	51	67
CIMB Group Holdings Berhad	12/37	AA2	3.819	20	3.848	23/2/2026	-3	26
CIMB Group Holdings Berhad	08/38	AA2	3.849	20	3.840	3/3/2026	1	29
Point Zone (M) Sdn Berhad	03/33	AA	3.768	10	3.748	17/11/2025	2	30
SP Setia Berhad	01/36	AA	3.909	10	3.878	3/3/2026	3	35
AME Capital Sdn Berhad	04/28	AA3	3.670	4	3.719	21/1/2026	-5	65
BGSM Management Sdn Berhad	06/34	AA3	3.876	1	3.909	15/4/2025	-3	37
LBS Bina Group Berhad	01/32	AA-	3.971	3	3.979	10/2/2026	-1	56
Qualitas Sukuk Berhad	03/25	A2	5.954	1	5.801	9/3/2026	15	202
Bank Muamalat Malaysia Berhad	09/22	BBB+	5.150	2	5.233	6/3/2026	-8	121
				623				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Telekosang Hydro One Sdn Bhd	RM470m ASEAN Green SRI Sukuk (2019/2037)	A1/Negative	Placed on
	RM120m ASEAN Green Junior Bond (2019/2039)	BBB1/Negative	Negative Rating Watch

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.