

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries were mixed in trading on Friday, with the shorter dated maturities underperforming for the day, after comments by Fed’s Waller that the next interest rate move is just as likely to be an increase as a cut. The consumer sentiment index from the University of Michigan fell to a record low in May in its final reading on concerns over inflation. **The benchmark 2-year UST note yield was 4bps higher for the day at 4.12% while the 10-year UST bond yield declined by 1bp to 4.56%.** US stocks and bond markets will be shut for the coming day to commemorate Memorial Day. The bond futures markets will be open with reduced trading hours and activity is expected to be light.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.12	4
5-yr UST	4.26	1
10-yr UST	4.56	-1
30-yr UST	5.06	-3

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.23	0	3.22	0
5-yr	3.41	0	3.35	0
7-yr	3.57	0	3.56	1
10-yr	3.61	0	3.64	2
15-yr	3.82	-2	3.89	0
20-yr	3.97	0	3.98	0
30-yr	4.08	3	4.11	0

\* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.40	0
3-yr	3.48	-1
5-yr	3.55	-1
7-yr	3.63	-2
10-yr	3.75	-2

Source: Bloomberg

MGS/GII

- Local govies were mixed in trading on Friday, amidst a lighter trading session on an absence of fresh leads domestically or out of the Middle East. Secondary market volume eased by 55% to RM3.99bn versus the RM8.95bn that traded on Thursday. Overall benchmark yields were mixed by between -2 to +3bps (prior: -2 to +1bp). **The benchmark 5Y MGS 6/31 yield was little changed for the day at 3.41% while the yield on the benchmark 10Y MGS 7/35 was also unchanged at 3.61%.** Trading for the day was led by the off-the-run GII 9/26, while decent interest was also seen in the off-the-run MGS 7/26, MGS 11/26 and GII 8/33, as well as in the benchmark 10Y GII. The share of GII trading rose to 46% of overall trading versus the 41% seen the previous session. The day ahead could see the announcement of the re-opening of the benchmark 30Y GII, where we expect RM3bn to be put up for sale, with a further RM2bn privately placed.

	Govt NR Holdings	Corp NR Holdings
Daily Change	-293	751
MTD Change	-2,079	1,230

Figures in RM 'mil (as of 15 May 2026)

Upcoming Government Bond Tender

Nil

Corp Bonds/Sukuk

- Corporate bonds/sukuk were better offered in trading on Friday, with secondary market volume for the day declining by 27% to RM1,186m versus the RM1,622m that switched hands on Thursday. Activity was again led by the GG segment of the market, where PRASA 8/36 led trading, settling at 3.80% (unchanged versus last print). In the AAA space, trading was led by AIRSEL 10/28 and AIRSEL 12/30, which closed at 3.57% (+1bp) and 3.67% (+2bps) respectively. Over in the AA-rated arena, activity was led by MRCB 4/31 and SPSETIA 1/36, which settled for the day at 3.98% (unchanged) and 3.97% (+3bps) respectively, while in the A-rated territory, MUAMALAT 5/36 again led trading and closed the day at 3.93% (-17bps).

## Daily Trades: Government Bond

Securities		Closing YTM	Vol (RM mil)	Previous YTM	Previous Trade Date (dd/mm/yyyy)	Chg (bp)
MGS	07/26	2.905	332	2.983	05/21/2026	-8
MGS	11/26	2.921	469	2.951	05/21/2026	-3
MGS	05/27	3.075	226	3.074	05/21/2026	0
MGS	11/27	3.110	2	3.080	05/21/2026	3
MGS	04/28	3.168	36	3.169	05/21/2026	0
MGS	06/28	3.185	44	3.195	05/21/2026	-1
MGS	03/29	3.230	60	3.228	05/21/2026	0
MGS	04/30	3.372	67	3.366	05/20/2026	1
MGS	05/30	3.363	55	3.363	05/21/2026	0
MGS	04/31	3.433	6	3.430	05/21/2026	0
MGS	06/31	3.408	30	3.407	05/21/2026	0
MGS	07/32	3.529	84	3.536	05/21/2026	-1
MGS	04/33	3.571	138	3.575	05/21/2026	0
MGS	07/34	3.642	104	3.641	05/21/2026	0
MGS	05/35	3.670	268	3.657	05/21/2026	1
MGS	07/35	3.606	78	3.606	05/21/2026	0
MGS	04/37	3.778	64	3.808	05/21/2026	-3
MGS	06/38	3.857	3	3.872	05/20/2026	-1
MGS	04/39	3.870	18	3.895	05/21/2026	-2
MGS	05/40	3.875	6	3.903	05/21/2026	-3
MGS	01/41	3.824	6	3.847	05/20/2026	-2
MGS	10/42	3.934	21	3.955	05/21/2026	-2
MGS	05/44	3.977	11	3.976	05/21/2026	0
MGS	04/46	3.969	8	3.968	05/21/2026	0
MGS	06/50	4.056	3	4.059	05/21/2026	0
MGS	03/53	4.076	15	4.101	05/21/2026	-3
MGS	07/55	4.082	16	4.054	05/21/2026	3
GII	09/26	2.911	561	2.917	05/21/2026	-1
GII	08/28	3.206	5	3.203	05/14/2026	0
GII	10/28	3.189	20	3.201	05/21/2026	-1
GII	07/29	3.270	20	3.260	05/21/2026	1
GII	10/29	3.223	20	3.220	05/21/2026	0
GII	10/32	3.545	167	3.541	05/21/2026	0
GII	03/33	3.560	3	3.549	05/21/2026	1
GII	08/33	3.611	465	3.605	05/21/2026	1
GII	11/34	3.620	42	3.571	05/13/2026	5
GII	04/35	3.635	301	3.618	05/21/2026	2
GII	07/36	3.663	80	3.637	05/21/2026	3
GII	03/38	3.840	3	3.867	05/20/2026	-3
GII	09/39	3.885	62	3.906	05/20/2026	-2
GII	07/40	3.888	18	3.886	05/21/2026	0
GII	08/43	3.952	14	3.986	05/20/2026	-3
GII	05/52	4.090	40	4.110	05/20/2026	-2
			3991			

## 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*
GovCo Holdings Berhad	02/27	GG	3.217	90	3.143	24/11/2025	7	14
Jambatan Kedua Sdn Berhad	05/30	GG	3.488	20	3.452	8/5/2026	4	15
Prasarana Malaysia Berhad	02/31	GG	3.506	40	3.471	6/5/2026	3	9
Lembaga Pembiayaan Perumahan Sektor Awam	04/32	GG	3.550	40	3.520	18/3/2026	3	5
Perbadanan Tabung Pendidikan Tinggi Nasional	12/34	GG	3.785	15	3.680	13/3/2026	11	18
Prasarana Malaysia Berhad	02/36	GG	3.797	20	3.683	11/2/2026	11	18
Prasarana Malaysia Berhad	08/36	GG	3.799	260	3.804	19/5/2026	0	19
Prasarana Malaysia Berhad	06/39	GG	3.969	10	3.824	16/1/2026	15	12
Prasarana Malaysia Berhad	08/39	GG	3.969	10	3.936	14/5/2026	3	12
Small Medium Enterprise Development Bank Malay	07/26	AAA	3.359	10	3.362	16/4/2026	0	29
Bank Pembangunan Malaysia Berhad	11/26	AAA	3.345	40	3.340	13/5/2026	1	27
YTL Power International Berhad	08/28	AAA	3.951	1	3.576	30/1/2026	38	79
Pengurusan Air Selangor Sdn Berhad	10/28	AAA	3.566	40	3.552	12/5/2026	1	40
Tenaga Nasional Berhad	06/29	AAA	3.548	5	3.582	21/5/2026	-3	31
ALSREIT Capital Sdn Berhad	11/30	AAA	3.977	2	3.944	25/3/2026	3	56
Pengurusan Air Selangor Sdn Berhad	12/30	AAA	3.670	50	3.653	11/2/2026	2	25
Petroleum Sarawak Exploration & Production Sdn E	03/31	AAA	3.692	20	3.648	22/1/2026	4	27
Pengurusan Air SPV Berhad	06/31	AAA	3.712	30	3.697	14/5/2026	2	29
Tenaga Nasional Berhad	06/32	AAA	3.759	20	3.680	18/3/2026	8	26
Kimanis Power Sdn Berhad	07/32	AAA	3.809	10	3.779	14/5/2026	3	31
Projek Lebuh raya Usahasama Berhad	01/34	AAA	3.773	10	3.778	30/4/2026	0	18
Projek Lebuh raya Usahasama Berhad	01/35	AAA	3.810	10	3.803	13/5/2026	1	20
SMJ Energy Sdn Berhad (fka SMJ Sdn Berhad)	10/38	AAA	4.137	6	4.071	10/4/2026	7	52
Tenaga Nasional Berhad	06/42	AAA	4.110	20	3.949	16/12/2025	16	26
Tenaga Nasional Berhad	06/47	AAA	4.210	30	4.049	24/12/2025	16	24
Malayan Cement Berhad (fka Lafarge Malaysia Be	05/32	AA1	3.979	2	3.966	15/5/2026	1	48
Kuala Lumpur Kepong Berhad	09/34	AA1	3.858	60	3.873	19/5/2026	-2	26
Kuala Lumpur Kepong Berhad	03/37	AA1	4.009	30	4.000	28/4/2026	1	40
Sime Darby Property Berhad	04/40	AA+	4.029	2	4.020	18/5/2026	1	18
PONSB Capital Berhad	05/31	AA2	3.843	40	3.807	23/4/2026	4	42
SP Setia Berhad	01/36	AA	3.968	100	3.938	19/5/2026	3	35
Tanjung Bin Energy Sdn Berhad	03/28	AA3	4.618	1	3.806	1/10/2025	81	145
IJM Treasury Management Sdn Berhad	05/41	AA3	4.159	10	4.167	19/5/2026	-1	31
Zetrix AI Berhad (fka MY E.G. Services Berhad)	11/28	AA-	5.334	3	5.335	15/5/2026	0	210
Malaysian Resources Corporation Berhad	04/31	AA-	3.977	70	3.977	21/5/2026	0	56
Southern Power Generation Sdn Berhad	10/35	AA-	4.007	40	3.990	16/4/2026	2	40
WCT Holdings Berhad	05/29	A+	4.704	3	4.706	20/5/2026	0	147
Bank Muamalat Malaysia Berhad	05/36	A	3.930	16	4.100	21/5/2026	-17	32
DRB-Hicom Berhad	12/14	A	5.060	1	4.896	21/5/2026	16	109
Alliance Bank Malaysia Berhad	11/17	A3	4.244	1	4.153	24/4/2026	9	27
				1186				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Himayah Sukuk Berhad	RM500m Tranche 1 Structured Covered Sukuk to be issued under RM5bn Structured Covered Sukuk Wakalah Programme	AA2/Stable	Assigned preliminary rating
Hong Leong Financial Group Berhad	Corporate credit ratings	AA1/Stable/P1	Affirmed
Hong Leong Bank Berhad, Hong Leong Islamic Bank Berhad and Hong Leong Investment Bank Berhad	Financial institution ratings	AAA/Stable/P1	Affirmed
Sabah Energy Corporation Sdn Bhd	Proposed Islamic Medium-Term Notes Programme of up to RM3bn	AAA/Stable	Assigned preliminary rating
CIMB Group Holdings Berhad	Corporate credit ratings	AA+/Stable/MARC-1	Affirmed
CIMB Bank Berhad and CIMB Islamic Bank Berhad	Financial institution ratings	AAA/Stable/MARC-1	Affirmed
Segi Astana Sdn Bhd	RM415m ASEAN Green Medium-Term Notes	AA-/Stable	Affirmed

Source: RAM, MARC

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