Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.21	3
5-yr UST	4.31	2
10-yr UST	4.56	1
30-yr UST	5.06	-1

	MGS		GII*	
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.25	0	3.27	1
5-yr	3.39	-2	3.36	-1
7-yr	3.53	-1	3.52	-1
10-yr	3.62	-1	3.63	0
15-yr	3.83	0	3.89	-1
20-yr	3.93	-2	3.97	-1
30-yr	4.05	13	4.09	10

** Market indicative levels*

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.46	0
3-yr	3.49	-2
5-yr	3.53	-1
7-yr	3.60	0
10-yr	3.72	0

Source : Bloomberg

	Govt NR Holdings	Corp NR Holdings
Daily Change	-108	0
MTD Change	-1,770	1,649

Figures in RM 'mil (as of 06 Jul 2026)

Upcoming Government Bond Tender

Re-opening auction of RM5bn of the benchmark 3Y GII 10/29 on Tuesday, 14 Jul

US Treasuries

- US Treasuries were mixed in trading on Friday, with the shorter dated maturities declining for the day whilst longer-dated bond inched higher, amidst the markets pricing in a higher chance of Fed rate hikes this year. The events in the Middle East took a turn for the worse after President Trump said that the US considers the ceasefire with Iran to be over. Benchmark UST yields were mixed by between -1 to +3bps. **The benchmark 2-year UST yield rose by 3bps for the day to 4.21% while the 10-year UST bond yield advanced by 1bp to 4.56%.** The coming day brings the release of the federal budget balance for June, with the Fed's Bowman and Waller also due to be delivering comments.

MGS/GII

- Local govvies were firmer in trading on Friday, after a dual tranche USD sukuk was announced, allaying fears of increased supply in the domestic MGS/GII markets. The re-opening of the benchmark 3Y GII 10/29 was also announced, with RM5bn set to be auctioned on Tuesday. Secondary market volume climbed by 9% to RM3.59bn versus the RM3.28bn that traded on Thursday. Overall benchmark yields were mixed by between -2 to +1bp (prior: -1 to +1bp), except for the 30Y MGS/GII which were correcting from previous off-market trades. **The benchmark 5Y MGS 6/31 yield was lower by 2bps for the day to 3.39% while the yield on the benchmark 10Y MGS 7/35 declined by 1bp at 3.62%.** Trading for the day was again led by the off-the-run GII 9/26, while decent interest was also seen in the off-the-run MGS 11/26, GII 9/27, GII 7/28 and MGS 4/39, as well as in the benchmark 3Y GII. The share of GII trading rose to 50% of overall govvies trading versus the 46% seen the previous session.

Corp Bonds/Sukuk

- Corporate bonds/sukuk were mixed in trading in a lighter session to end the week on Friday, with secondary market volume for the day easing by 32% to RM531m versus the RM781m that switched hands on Thursday. Trading for the day was led by the GG segment of the market, where the activity was led by MRL 8/32 and KHAZANAH 9/32, which closed the day at 3.65% (unchanged versus last print) and 3.70% (unchanged) respectively. In the AAA-rated space, trading was led by PASB 6/32 and PLUS 1/37, which settled for the day at 3.80% (-2bps) and 3.95% (+4bps) respectively. In the AA-rated territory, the activity was led by PIPP 11/38, which closed the day at 4.06% (-1bp), while decent interest was also seen in MRCB 4/33 and MBB 8/37, which settled for the day at 4.05% (-1bp) and 3.94% (unchanged) respectively.

Daily Trades: Government Bond

Securities		Closing YTM	Vol (RM mil)	Previous YTM	Previous Trade Date (dd/mm/yyyy)	Chg (bp)
MGS	11/26	2.941	198	2.927	07/09/2026	1
MGS	05/27	3.081	158	3.073	07/09/2026	1
MGS	11/27	3.120	1	3.150	07/09/2026	-3
MGS	04/28	3.183	4	3.204	07/09/2026	-2
MGS	03/29	3.253	150	3.258	07/09/2026	0
MGS	04/29	3.256	34	3.248	07/08/2026	1
MGS	08/29	3.289	121	3.284	07/09/2026	1
MGS	04/30	3.348	63	3.371	07/08/2026	-2
MGS	05/30	3.335	13	3.321	07/07/2026	1
MGS	04/31	3.420	160	3.421	07/09/2026	0
MGS	06/31	3.393	20	3.409	07/09/2026	-2
MGS	07/32	3.481	160	3.498	07/09/2026	-2
MGS	04/33	3.533	27	3.541	07/09/2026	-1
MGS	11/33	3.576	1	3.582	07/09/2026	-1
MGS	07/34	3.596	60	3.603	07/09/2026	-1
MGS	07/35	3.617	181	3.641	07/09/2026	-2
MGS	04/37	3.734	30	3.729	07/07/2026	0
MGS	06/38	3.829	4	3.848	07/09/2026	-2
MGS	04/39	3.856	190	3.873	07/09/2026	-2
MGS	10/42	3.930	15	3.933	07/08/2026	0
MGS	05/44	3.936	102	3.967	07/09/2026	-3
MGS	04/46	3.926	87	3.947	07/09/2026	-2
MGS	03/53	4.079	3	4.074	07/08/2026	0
MGS	07/55	4.050	2	3.917	07/09/2026	13
GII	09/26	2.959	377	2.963	07/09/2026	0
GII	07/27	3.130	67	3.129	07/08/2026	0
GII	09/27	3.129	320	3.130	07/08/2026	0
GII	07/28	3.207	209	3.222	07/09/2026	-2
GII	07/29	3.262	20	3.286	07/08/2026	-2
GII	10/29	3.265	223	3.259	07/09/2026	1
GII	08/30	3.360	10	3.365	07/09/2026	-1
GII	10/30	3.370	10	3.388	07/09/2026	-2
GII	10/31	3.419	50	3.430	07/09/2026	-1
GII	03/33	3.524	60	3.538	07/09/2026	-1
GII	08/33	3.580	40	3.582	07/07/2026	0
GII	09/39	3.866	101	3.881	07/09/2026	-1
GII	07/40	3.889	131	3.895	07/09/2026	-1
GII	08/43	3.946	150	3.954	07/09/2026	-1
GII	05/45	3.966	40	3.976	07/09/2026	-1
			3591			

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*
DanaInfra Nasional Berhad	02/31	GG	3.597	5	3.587	9/7/2026	1	20
Malaysia Rail Link Sdn Berhad	08/32	GG	3.646	100	3.649	26/6/2026	0	16
Khazanah Nasional Berhad	09/32	GG	3.697	100	3.702	3/7/2026	0	21
DanaInfra Nasional Berhad	11/42	GG	4.040	10	4.055	4/6/2026	-1	20
DanaInfra Nasional Berhad	08/43	GG	4.069	10	3.959	2/3/2026	11	23
Bakun Hydro Power Generation Sdn Berhad (fka Sa	08/26	AAA	3.387	5	3.341	28/4/2026	5	30
Bank Pembangunan Malaysia Berhad	11/26	AAA	3.482	20	3.357	26/6/2026	13	40
Johor Corporation	06/27	AAA	5.228	1	3.501	7/7/2026	173	214
Pengurusan Air SPV Berhad	06/32	AAA	3.797	30	3.818	30/6/2026	-2	31
Projek Lebuhraya Usahasama Berhad	01/36	AAA	3.956	3	3.912	30/6/2026	4	32
Projek Lebuhraya Usahasama Berhad	01/37	AAA	3.947	20	3.910	10/6/2026	4	31
Pengurusan Air SPV Berhad	04/39	AAA	4.049	10	4.048	9/7/2026	0	21
Tenaga Nasional Berhad	05/41	AAA	4.063	1	4.058	29/6/2026	0	22
Tenaga Nasional Berhad	05/51	AAA	4.260	10	4.269	9/7/2026	-1	30
Sabah Credit Corporation	12/26	AA1	3.446	20	3.441	13/5/2026	1	36
GENM Capital Berhad	05/32	AA1	4.666	1	4.618	10/12/2025	5	118
Malayan Banking Berhad	10/32	AA1	3.623	3	3.619	8/7/2026	0	13
Malayan Banking Berhad	08/37	AA1	3.938	20	3.936	16/6/2026	0	30
Pulau Indah Power Plant Sdn Berhad	11/28	AA+	3.671	3	3.696	24/4/2026	-3	48
Pulau Indah Power Plant Sdn Berhad	11/38	AA+	4.060	40	4.068	26/6/2026	-1	42
AmBank (M) Berhad	06/29	AA2	3.803	20	3.780	24/6/2026	2	55
Pelabuhan Tanjung Pelepas Sdn Berhad	08/27	AA	3.599	10	3.599	9/7/2026	0	51
Bank Islam Malaysia Berhad	07/32	AA3	3.876	10	3.893	30/6/2026	-2	39
Zetrix AI Berhad (fka MY E.G. Services Berhad)	03/27	AA-	5.143	20	5.445	26/5/2026	-30	206
Zetrix AI Berhad (fka MY E.G. Services Berhad)	01/28	AA-	5.302	4	5.323	9/7/2026	-2	211
DRB-Hicom Berhad	08/31	AA-	4.481	1	3.878	25/6/2026	60	108
LBS Bina Group Berhad	01/32	AA-	4.650	3	4.088	11/6/2026	56	116
Malaysian Resources Corporation Berhad	04/32	AA-	4.015	20	4.047	15/5/2026	-3	52
UEM Sunrise Berhad	06/32	AA-	3.904	10	n/a	n/a	390	41
Malaysian Resources Corporation Berhad	04/33	AA-	4.053	20	4.068	26/6/2026	-1	51
Qualitas Sukuk Berhad	03/25	A2	5.284	1	5.300	9/7/2026	-2	133
Tan Chong Motor Holdings Berhad	03/27	A	7.553	1	5.757	23/1/2026	180	447
Tropicana Corporation Berhad	09/19	A-	12.802	1	14.849	29/5/2026	-205	884
				531				

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

Rating Action

Issuer	PDS Description	Rating/Outlook	Action
Paradigm Capital Berhad	2025-Issue 1 Medium-Term Notes issued under RM5bn MTN Programme (2025/2037): Class A Class B	 AAA/Stable AA2/Stable	Affirmed
Sabah Energy Corporation Sdn Bhd	Proposed Islamic Medium-Term Notes (Sukuk Wakalah) Programme of up to RM3bn	AAA/Stable	Assigned final rating
Cypark Ref Sdn Bhd	RM550m SRI Sukuk Murabahah Programme	AA3/Stable	Affirmed
Ideal Water Resources Sdn Bhd	RM255m Tranche 2 Sukuk (2025/2034) issued under Sukuk Murabahah Programme of up to RM1bn (2023/-)	AA1/Stable	Affirmed
TRIplc Ventures Sdn Bhd	MTN Programme of up to RM240m in nominal value (2011/2026)	AAA(bg)/Stable	Affirmed

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