

## Global Markets Research

### Fixed Income

#### Fixed Income Daily Market Snapshot

##### US Treasuries

- US Treasuries began 2026 on a defensive note, with the fall on Friday led by the longer end of the maturity spectrum, amidst concerns that more Fed cuts this year may stoke inflation. Overall benchmark UST yields closed the day higher by between 0 to 3bps across the curve, with the UST curve bear steepening. **The benchmark 2-year UST note yield was little changed for the day at 3.47% while the 10-year UST bond yield advanced by 2bps to 4.19%.** The day ahead sees the release of the ISM Manufacturing index for December, which will provide a glimpse at how the factory sector closed out the year as we build up towards the monthly December jobs report on Friday.













##### MGS/GII

- Local govies were firmer in trading on Friday amidst a buying tone to start the year, with the S&P Global Malaysia manufacturing PMI holding steady in December versus the previous month. Secondary market volume for the day inched higher by 3% to RM3.04bn compared to the RM2.96bn that traded on Wednesday. Overall benchmark yields were lower by between 0 to 2bps (prior: -3 to +2bps), except for the 30Y MGS was correcting from previous off-market trades. **The benchmark 5Y MGS 5/30 yield was 2bps lower for the day at 3.23% while the yield on the benchmark 10Y MGS 7/35 was little changed at 3.50%.** Trading interest for the day was led by the benchmark 3Y GII, while decent interest was also seen in the off-the-run GII 3/26, MGS 11/26 and MGS 8/29. The share of GII trading receded to 35% of overall trading versus the 39% seen the previous session.

##### Corp Bonds/Sukuk

- Corporate bonds/sukuk were better bid in trading on Friday as activity picked up to start the year, with secondary market volume for the day surging nearly five-fold to RM465m versus the RM78m that changed hands on Wednesday. Trading was led by the AAA-rated segment of the market. In the GG universe, the solitary bond traded for the day was LPPSA 4/55, which closed the day at 4.12% (+2bps versus last print). In the AAA-space, trading was led by BPMB 11/26 and AIRSEL 10/36, settling at 3.42% (+3bps) and 3.78% (-3bps) respectively. Over in the AA-rated territory, activity was led by BIMB 7/32, which closed at 3.77% (-2bps) while interest was also seen in SDBB 2/26 and UEMS 2/31, which settled the day at 4.31% (-5bps) and 3.75% (-15bps) respectively.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	3.47	0
5-yr UST	3.74	2
10-yr UST	4.19	2
30-yr UST	4.87	3

MGS			GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)	
3-yr	2.99		-1	3.09	 0
5-yr	3.23		-2	3.24	 0
7-yr	3.37		0	3.32	 0
10-yr	3.50		0	3.51	 -1
15-yr	3.75		0	3.74	 0
20-yr	3.83		-1	3.84	 -1
30-yr	3.95		3	4.00	 0

\* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.21	0
3-yr	3.29	1
5-yr	3.38	2
7-yr	3.44	3
10-yr	3.58	4

Source: Bloomberg

	Govt NR Holdings	Corp NR Holdings
Daily Change	343	-370
MTD Change	2,884	925

Figures in RM 'mil (as of 29 Dec 2025)

#### Upcoming Government Bond Tender

Nil

## Daily Trades: Government Bond

Securities		Closing YTM	Vol (RM mil)	Previous YTM	Previous Trade Date (dd/mm/yyyy)	Chg (bp)
MGS	07/26	2.841	114	2.846	12/31/2025	0
MGS	11/26	2.875	368	2.895	12/31/2025	-2
MGS	03/27	2.910	25	2.900	12/31/2025	1
MGS	05/27	2.898	120	2.877	12/31/2025	2
MGS	11/27	2.911	13	2.890	12/31/2025	2
MGS	04/28	2.993	319	2.998	12/31/2025	-1
MGS	06/28	3.030	6	3.031	12/31/2025	0
MGS	04/29	3.138	9	3.153	12/31/2025	-2
MGS	08/29	3.161	362	3.190	12/31/2025	-3
MGS	04/30	3.261	67	3.250	12/31/2025	1
MGS	05/30	3.231	127	3.256	12/31/2025	-2
MGS	04/31	3.331	23	3.338	12/31/2025	-1
MGS	06/31	3.300	120	3.298	12/31/2025	0
MGS	07/32	3.369	124	3.367	12/31/2025	0
MGS	04/33	3.436	1	3.451	12/31/2025	-2
MGS	07/34	3.505	1	3.519	12/31/2025	-1
MGS	05/35	3.517	2	3.530	12/31/2025	-1
MGS	06/38	3.728	3	3.737	12/31/2025	-1
MGS	04/39	3.747	83	3.746	12/31/2025	0
MGS	05/40	3.795	2	3.785	12/31/2025	1
MGS	10/42	3.837	3	3.846	12/31/2025	-1
MGS	05/44	3.832	57	3.840	12/31/2025	-1
MGS	06/50	3.966	4	3.969	12/31/2025	0
MGS	03/53	3.979	3	4.066	12/31/2025	-9
MGS	07/55	3.949	12	3.986	12/31/2025	-4
GII	03/26	2.836	258	2.783	12/30/2025	5
GII	09/26	2.851	50	2.844	12/30/2025	1
GII	07/27	2.986	40	2.990	12/30/2025	0
GII	09/27	2.991	9	3.003	12/30/2025	-1
GII	07/28	3.093	21	3.094	12/30/2025	0
GII	10/28	3.127	22	3.129	12/30/2025	0
GII	12/28	3.139	1	3.138	12/29/2025	0
GII	07/29	3.166	100	3.148	12/30/2025	2
GII	08/30	3.249	119	3.254	12/30/2025	0
GII	10/31	3.321	350	3.345	12/30/2025	-2
GII	10/32	3.424	2	3.424	12/30/2025	0
GII	11/34	3.506	3	3.519	12/30/2025	-1
GII	04/35	3.516	44	3.536	12/30/2025	-2
GII	07/36	3.570	15	3.579	12/30/2025	-1
GII	03/38	3.695	1	3.690	12/30/2025	0
GII	09/39	3.747	3	3.752	12/29/2025	0
GII	08/43	3.839	10	3.842	12/30/2025	0
GII	05/45	3.841	22	3.854	12/30/2025	-1
			3037			

## 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*
Lembaga Pembiayaan Perumahan Sektor Awam	04/55	GG	4.116	10	4.100	22/12/2025	2	26
Bank Pembangunan Malaysia Berhad	11/26	AAA	3.417	60	3.383	19/12/2025	3	57
Infracap Resources Sdn Berhad	04/29	AAA	3.484	10	3.574	23/7/2025	-9	49
Tenaga Nasional Berhad	06/29	AAA	3.534	5	3.532	18/12/2025	0	54
TNB Power Generation Sdn Berhad	03/30	AAA	3.554	10	3.523	6/11/2025	3	40
SMJ Energy Sdn Berhad (fka SMJ Sdn Berhad)	10/30	AAA	3.736	10	3.623	8/9/2025	11	49
Projek Lebuhraya Usahasama Berhad	01/31	AAA	3.657	10	3.647	28/11/2025	1	41
Pengurusan Air SPV Berhad	02/31	AAA	3.566	10	3.587	11/11/2025	-2	32
Public Bank Berhad	07/32	AAA	3.728	25	3.700	19/11/2025	3	36
Sarawak Energy Berhad	07/33	AAA	3.740	30	3.737	1/12/2025	0	30
Pengurusan Air Selangor Sdn Berhad	10/33	AAA	3.682	5	3.555	25/9/2025	13	24
CIMB Islamic Bank Berhad	07/35	AAA	3.788	20	3.788	22/12/2025	0	29
Pengurusan Air Selangor Sdn Berhad	10/36	AAA	3.779	40	3.809	3/12/2025	-3	28
Sabah Development Bank Berhad	02/26	AA1	4.309	30	4.362	18/11/2025	-5	146
UEM Olive Capital Berhad	10/31	AA1	3.648	20	3.668	20/11/2025	-2	33
YTL Power International Berhad	08/35	AA1	3.779	20	3.759	15/12/2025	2	28
Malayan Banking Berhad	05/37	AA1	3.799	20	3.808	24/12/2025	-1	30
PONSB Capital Berhad	12/26	AA2	3.545	20	3.654	1/12/2025	-11	69
PONSB Capital Berhad	05/29	AA2	3.692	10	3.696	31/10/2025	0	70
AEON Credit Service (M) Berhad	08/29	AA3	3.727	10	3.588	8/9/2025	14	57
Bank Islam Malaysia Berhad	07/32	AA3	3.768	40	3.792	18/12/2025	-2	40
DRB-Hicom Berhad	12/26	AA-	3.479	20	3.517	17/12/2025	-4	63
UEM Sunrise Berhad	02/31	AA-	3.749	30	3.897	30/4/2025	-15	50
				465				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Bumitama Agri Ltd	RM2bn Islamic MTN Sukuk Musharakah (2014/2029)	AA2/Stable	Affirmed

Source: RAM, MARC

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