

Global Markets Research















Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries were firmer in trading on Tuesday, amidst a global bond rally led by JGBs after Japan was said to be considering lowering bond issuance after a poorly received auction last week. Benchmark yields closed the day lower, with the UST curve flattening. **The benchmark 2Y UST yield fell by 1bp to 3.99% while the benchmark 10Y UST yield declined 7bps to 4.45%.** The coming day sees the release of the May 07 FOMC minutes, which may provide more clarity on the path of monetary policy for the year.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	3.98	-1
5-yr UST	4.03	-5
10-yr UST	4.45	-7
30-yr UST	4.95	-9

MGS			GII*			
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)		
3-yr	3.15		-1	3.17		0
5-yr	3.18		-1	3.25		-2
7-yr	3.39		-2	3.42		-2
10-yr	3.55		-1	3.56		-1
15-yr	3.70		-1	3.71		0
20-yr	3.80		0	3.84		0
30-yr	4.06		-1	4.10		6

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.25	0
3-yr	3.14	-2
5-yr	3.22	-2
7-yr	3.33	-1
10-yr	3.46	-2

Source: Bloomberg

Upcoming Government Bond Tender

New Issuance of RM5bn of a new 20yr GII benchmark maturing in April 2045 on Thurs, 29 May (inclusive of a private placement of RM2bn)

MGS/GII

- Local government bonds were stronger in trading on Tuesday, amidst the announcement of RM5bn of a new 20yr GII benchmark to be auctioned on Thursday. Secondary market volume for the day rose by 15% to RM8.28bn from the RM7.23bn that changed hands on Monday. Overall benchmark yields were lower by between 0 to 2bps (prior: -5 to +1bp), except for the 30Y GII which skewed by some odd-lot trades. **The benchmark 5Y MGS 5/30 yield was 1bp lower for the day at 3.18% while the yield on the benchmark 10Y MGS 7/34 also declined by 1bp to 3.55%.** Trading activity for the day was led by the benchmark 7Y GII, while decent interest was also seen in the benchmark 3Y MGS/GII, as well as in the off-the-run MGS 9/25 and MGS 7/26. The share of GII trading for the day climbed to 49% of overall govvnies trading versus the 40% seen the previous session. There are no economic data releases scheduled for the day ahead.

Corp Bonds/Sukuk

- The corporate bond/sukuk market was better bid in trading on Tuesday, with secondary market volume surging by 43% to RM1,467m versus the RM1,023m that traded on Monday. Trading for the day was again led by the government-guaranteed segment of the market, where activity was led by DANA 10/32, which closed at 3.56%, little changed from where it last printed. Strong interest was also seen in DANA 11/29, which settled at 3.35%, 4bps above where it last traded. In the AAA-space, trading was led by CAGA 5/26, which closed at 3.39%, 9bps below where the bond last changed hands. In the AA-rated arena, interest was led by YTL 4/28, which settled the day at 3.66%, 3bps lower than where it last printed. Over in A-rated territory, interest was led by BIMB 5/35, which closed at 3.95% in a secondary market debut for the bond.

Daily Trades: Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	09/25	2.607	753	2.719	05/26/2025	-11
MGS	04/26	2.710	1	2.818	05/26/2025	-11
MGS	07/26	2.907	519	2.972	05/26/2025	-6
MGS	11/26	2.951	25	2.924	05/26/2025	3
MGS	05/27	3.036	219	3.065	05/26/2025	-3
MGS	11/27	3.117	2	3.076	05/26/2025	4
MGS	04/28	3.154	406	3.161	05/26/2025	-1
MGS	06/28	3.179	34	3.199	05/26/2025	-2
MGS	04/29	3.231	5	3.253	05/26/2025	-2
MGS	08/29	3.240	127	3.259	05/26/2025	-2
MGS	04/30	3.256	376	3.259	05/26/2025	0
MGS	05/30	3.184	126	3.193	05/26/2025	-1
MGS	04/31	3.359	349	3.401	05/26/2025	-4
MGS	06/31	3.398	74	3.416	05/26/2025	-2
MGS	04/32	3.428	6	3.485	05/22/2025	-6
MGS	07/32	3.391	241	3.414	05/26/2025	-2
MGS	04/33	3.521	131	3.550	05/26/2025	-3
MGS	11/33	3.537	115	3.537	05/26/2025	0
MGS	07/34	3.549	127	3.556	05/26/2025	-1
MGS	05/35	3.560	76	3.595	05/23/2025	-4
MGS	04/37	3.689	5	3.692	05/26/2025	0
MGS	06/38	3.704	124	3.720	05/26/2025	-2
MGS	04/39	3.697	5	3.701	05/23/2025	0
MGS	05/40	3.756	75	3.775	05/26/2025	-2
MGS	10/42	3.846	20	3.853	05/26/2025	-1
MGS	05/44	3.799	234	3.799	05/26/2025	0
MGS	03/46	3.975	60	3.978	05/26/2025	0
MGS	06/50	4.015	2	3.978	05/26/2025	4
MGS	03/53	4.059	10	4.070	05/26/2025	-1
GII	10/25	2.977	280	2.985	05/26/2025	-1
GII	03/26	2.942	6	2.971	05/26/2025	-3
GII	09/26	3.031	160	3.048	05/26/2025	-2
GII	09/27	3.095	75	3.117	05/26/2025	-2
GII	07/28	3.168	429	3.173	05/26/2025	0
GII	07/29	3.250	190	3.272	05/23/2025	-2
GII	08/30	3.298	100	3.321	05/23/2025	-2
GII	09/30	3.337	291	3.358	05/26/2025	-2
GII	10/30	3.362	9	3.342	05/23/2025	2
GII	10/31	3.417	800	3.437	05/26/2025	-2
GII	10/32	3.483	210	3.491	05/26/2025	-1
GII	06/33	3.509	10	3.523	05/26/2025	-1
GII	08/33	3.523	315	3.536	05/26/2025	-1
GII	11/34	3.556	90	3.563	05/26/2025	-1
GII	04/35	3.549	120	3.561	05/26/2025	-1
GII	10/35	3.575	100	3.616	05/20/2025	-4
GII	07/36	3.601	121	3.604	05/26/2025	0
GII	09/39	3.711	380	3.713	05/26/2025	0
GII	09/41	3.781	2	3.781	05/23/2025	0
GII	08/43	3.837	213	3.834	05/26/2025	0
GII	05/47	3.996	110	3.941	05/16/2025	6
GII	11/49	4.000	7	3.914	05/22/2025	9
GII	05/52	4.057	8	4.019	05/23/2025	4
GII	03/54	4.096	11	4.038	05/26/2025	6
			8282			

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*
Perbadanan Tabung Pendidikan Tinggi Nasional	07/26	GG	3.193	100	3.247	14/5/2025	-5	22
Pengurusan Air SPV Berhad	06/28	GG	3.295	100	n/a	n/a	330	14
DanaInfra Nasional Berhad	10/28	GG	3.297	20	3.334	19/5/2025	-4	14
DanaInfra Nasional Berhad	04/29	GG	3.351	20	3.597	10/3/2025	-25	15
Prasarana Malaysia Berhad	09/29	GG	3.358	70	3.471	7/5/2025	-11	16
DanaInfra Nasional Berhad	11/29	GG	3.349	110	3.310	3/3/2021	4	15
DanaInfra Nasional Berhad	10/32	GG	3.558	170	3.560	26/5/2025	0	16
Turus Pesawat Sdn Berhad	11/32	GG	3.602	50	3.621	14/5/2025	-2	20
Prasarana Malaysia Berhad	06/34	GG	3.613	20	3.644	19/5/2025	-3	9
DanaInfra Nasional Berhad	10/35	GG	3.629	20	3.639	23/5/2025	-1	7
Lembaga Pembiayaan Perumahan Sektor Awam	07/38	GG	3.725	20	3.749	21/5/2025	-2	2
Lembaga Pembiayaan Perumahan Sektor Awam	04/41	GG	3.795	50	3.869	7/5/2025	-7	9
Malaysia Rail Link Sdn Berhad	07/45	GG	3.900	10	3.939	15/5/2025	-4	9
DanaInfra Nasional Berhad	09/49	GG	3.982	5	4.139	21/2/2025	-16	17
TTM Sukuk Berhad	11/25	AAA	3.432	10	4.029	19/8/2022	-60	46
Cagamas Berhad	05/26	AAA	3.392	40	3.480	22/5/2025	-9	42
Pengurusan Air SPV Berhad	10/26	AAA	3.550	30	3.748	16/10/2024	-20	58
Pelaburan Hartanah Berhad	09/27	AAA	3.637	30	3.773	6/2/2025	-14	56
Pengurusan Air SPV Berhad	04/28	AAA	3.540	30	3.816	23/10/2024	-28	39
Mercedes-Benz Services Malaysia Sdn Berhad	10/28	AAA	3.678	20	3.738	23/4/2025	-6	53
Pengurusan Air Selangor Sdn Berhad	10/28	AAA	3.587	4	3.590	23/5/2025	0	43
Petroleum Sarawak Exploration & Production Sdn E	05/29	AAA	3.566	10	3.578	23/5/2025	-1	37
TNB Power Generation Sdn Berhad	03/30	AAA	3.597	5	3.868	29/10/2024	-27	40
Projek Lebuhraya Usahasama Berhad	01/31	AAA	3.628	5	3.789	26/3/2025	-16	28
Amanat Lebuhraya Rakyat Berhad	10/33	AAA	3.760	10	3.759	26/5/2025	0	26
Pengurusan Air SPV Berhad	02/34	AAA	3.668	30	3.798	22/4/2025	-13	14
CIMB Islamic Bank Berhad	03/34	AAA	3.728	20	3.758	21/5/2025	-3	20
Infracap Resources Sdn Berhad	04/36	AAA	3.788	10	3.938	18/4/2025	-15	23
Pengurusan Air SPV Berhad	04/39	AAA	3.824	30	3.849	20/5/2025	-3	12
TNB Power Generation Sdn Berhad	03/43	AAA	3.859	20	3.860	26/5/2025	0	5
YTL Corporation Berhad	04/28	AA1	3.659	100	3.687	22/5/2025	-3	51
Malayan Cement Berhad (fka Lafarge Malaysia Ber	07/29	AA1	3.846	10	3.883	3/4/2025	-4	65
Johor Plantations Group Berhad	09/34	AA1	3.785	10	3.788	9/5/2025	0	26
Kuala Lumpur Kepong Berhad	09/34	AA1	3.818	15	3.838	8/5/2025	-2	29
Genting RMTN Berhad	11/34	AA1	4.523	10	5.038	22/5/2025	-52	100
YTL Power International Berhad	03/40	AA1	3.845	20	3.868	23/5/2025	-2	14
edotco Malaysia Sdn Berhad	09/32	AA+	3.738	30	3.744	26/5/2025	-1	34
Benih Restu Berhad	04/37	AA2	3.851	10	3.868	16/5/2025	-2	29
SP Setia Berhad	04/29	AA	3.766	30	4.150	21/5/2025	-38	57
OSK Rated Bond Sdn Berhad	03/35	AA	3.788	10	3.808	21/5/2025	-2	23
AME Capital Sdn Berhad	04/28	AA3	3.897	10	3.916	22/5/2025	-2	74
AEON Credit Service (M) Berhad	04/29	AA3	3.697	10	3.776	28/4/2025	-8	50
AEON Credit Service (M) Berhad	08/30	AA3	3.819	10	3.850	7/5/2025	-3	62
IJM Treasury Management Sdn Berhad	03/35	AA3	3.812	10	3.809	26/5/2025	0	26
Solar Management (Seremban) Sdn Berhad	10/36	AA3	4.839	4	5.563	10/10/2023	-72	128
Konsortium KAJV Sdn Bhd	05/26	AA-	4.755	4	4.781	14/5/2025	-3	178
Malaysian Resources Corporation Berhad	10/26	AA-	3.799	40	4.126	2/1/2025	-33	83
Konsortium KAJV Sdn Bhd	05/30	AA-	4.968	8	5.228	28/11/2024	-26	177
Southern Power Generation Sdn Berhad	04/33	AA-	3.988	5	4.219	10/5/2024	-23	49
Malakoff Power Berhad	02/35	AA-	4.298	12	4.458	24/2/2025	-16	74
Bank Islam Malaysia Berhad	05/35	A1	3.950	40	n/a	n/a	395	39
JB Cocoa Sdn Berhad	11/27	A+	5.142	1	4.995	20/5/2025	15	207
				1467				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Sunsuria Berhad	RM500m Sukuk Wakalah Programme	A+/Stable	Affirmed
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
Pelabuhan Tanjung Pelepas Sdn Bhd	Islamic Medium-Term Notes (Sukuk Murabahah) Programme which will be upsized to RM3.5bn from RM2.15bn	AA/Stable	Affirmed

Source: RAM, MARC

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