August 14, 2026

Global Markets Research
Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries advanced in trading on Thursday, after cooler than expected producer prices in July and falling oil prices cast further doubt as to whether the Fed will deliver the rate hikes that are currently priced into the futures strip. The long end underperformed as the US sold 30yr bonds with the highest yield since 2001. Benchmark UST yields were lower for the day by between 4 to 7bps. **The benchmark 2-year UST yield fell by 6bps for the day to 4.14% while the 10-year UST bond yield also declined by 6bps to 4.64%.** The day ahead sees the release of the retail sales report for July as well as the preliminary University of Michigan consumer sentiment index for August.

MGS/GII

- Local govvies were softer in trading on Thursday in a livelier session, with profit taking seen ahead of upcoming key economic data. Secondary market volume for the day rose by 25% to RM4.68bn versus the RM3.76bn that traded on Wednesday. Overall benchmark yields were mixed by between -1 to +4bps (prior: -1 to +3bps), except for the 30Y MGS/GII which were skewed by off-market trades. **The benchmark 5Y MGS 6/31 yield was little changed for the day at 3.55% while the yield on the benchmark 10Y MGS 7/35 advanced by 1bp to 3.74%.** Trading for the day was again led by the off-the-run GII 9/26, while keen interest was also seen in the benchmark 3Y MGS/GII, as well as in the off-the-run MGS 11/26, MGS 5/27 and MGS 4/28. The share of GII trading advanced to 55% of overall govvies trading versus the 44% seen the previous session. The coming day brings the final 2Q GDP figures, with the announcement of the re-opening of the benchmark 7Y GII 3/33 also likely, where we expect RM5bn to be put up for sale.

Corp Bonds/Sukuk

- Corporate bonds/sukuk were better offered in trading on Thursday, with secondary market volume for the day climbing by 53% to RM586m versus the RM384m that swapped hands on Wednesday. Trading for the day was led by the AAA-rated segment of the market. In the GG universe, the activity was led by PRASA 9/29 and PRASA 3/31, which closed the day at 3.50% (+1bp versus last print) and 3.64% (+4bps) respectively. In the AAA-rated space, trading was led by PASB 2/31 and TNBPG 3/33, which settled at 3.75% (+1bp) and 3.78% (-1bp) respectively. In the AA-rated territory, trading was led by AFFINISL 12/26 and AEON 6/31, which closed at 3.60% (+6bps) and 3.90% (+2bps) respectively, while over in the A-rated arena, WCT 5/29 led trading and settled for the day at 5.22% (-3bps).

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.14	-6
5-yr UST	4.32	-7
10-yr UST	4.64	-6
30-yr UST	5.21	-4

	MGS		GII*	
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.34	0	3.35	-1
5-yr	3.55	0	3.49	2
7-yr	3.69	2	3.68	0
10-yr	3.74	1	3.74	2
15-yr	3.97	0	3.98	0
20-yr	4.08	4	4.02	0
30-yr	4.07	-14	4.04	-14

** Market indicative levels*

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.56	0
3-yr	3.59	-1
5-yr	3.64	0
7-yr	3.71	0
10-yr	3.81	0

Source : Bloomberg

	Govt NR Holdings	Corp NR Holdings
Daily Change	469	280
MTD Change	1,893	1,059

Figures in RM 'mil (as of 07 Aug 2026)

Upcoming Government Bond Tender

Nil

Daily Trades: Government Bond

		Closing YTM	Vol (RM mil)	Previous YTM	Previous Trade Date (dd/mm/yyyy)	Chg (bp)
MGS	11/26	2.975	394	2.987	08/12/2026	-1
MGS	05/27	3.077	339	3.080	08/12/2026	0
MGS	04/28	3.260	289	3.239	08/12/2026	2
MGS	03/29	3.336	255	3.336	08/12/2026	0
MGS	08/29	3.384	97	3.380	08/12/2026	0
MGS	05/30	3.484	6	3.464	08/12/2026	2
MGS	04/31	3.535	36	3.545	08/12/2026	-1
MGS	07/32	3.648	235	3.657	08/12/2026	-1
MGS	04/33	3.688	60	3.673	08/12/2026	2
MGS	11/33	3.727	27	3.726	08/12/2026	0
MGS	07/34	3.755	2	3.754	08/12/2026	0
MGS	07/35	3.743	168	3.736	08/12/2026	1
MGS	05/40	3.993	11	3.994	08/12/2026	0
MGS	10/42	4.032	2	4.018	08/12/2026	1
MGS	05/44	4.052	4	4.045	08/12/2026	1
MGS	04/46	4.083	143	4.039	08/12/2026	4
MGS	06/50	4.148	15	4.151	08/12/2026	0
MGS	03/53	4.187	1	4.189	08/12/2026	0
MGS	07/55	4.065	11	4.206	08/12/2026	-14
GII	09/26	2.980	974	2.970	08/12/2026	1
GII	09/27	3.112	3	3.115	08/12/2026	0
GII	07/28	3.272	51	3.278	08/12/2026	-1
GII	07/29	3.354	20	3.355	08/10/2026	0
GII	10/29	3.350	440	3.357	08/12/2026	-1
GII	10/30	3.490	90	3.503	08/12/2026	-1
GII	10/31	3.535	170	3.544	08/12/2026	-1
GII	10/32	3.662	81	3.652	08/07/2026	1
GII	03/33	3.675	200	3.675	08/11/2026	0
GII	06/33	3.705	1	3.690	08/10/2026	2
GII	08/33	3.711	10	3.687	08/05/2026	2
GII	11/34	3.749	33	3.741	08/10/2026	1
GII	04/35	3.740	192	3.717	08/07/2026	2
GII	07/36	3.762	110	3.762	08/12/2026	0
GII	08/43	4.073	91	4.024	08/06/2026	5
GII	05/52	4.168	62	4.149	08/10/2026	2
GII	03/54	4.185	60	4.190	08/12/2026	-1
GII	01/56	4.044	5	4.183	08/12/2026	-14
			4684			

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	09/29	GG	3.497	80	3.482	6/7/2026	1	16
Lembaga Pembiayaan Perumahan Sektor Awam	08/30	GG	3.586	60	3.567	12/8/2026	2	14
Prasarana Malaysia Berhad	02/31	GG	3.637	20	3.592	6/7/2026	4	11
Prasarana Malaysia Berhad	03/31	GG	3.638	60	3.600	9/7/2026	4	11
Sarawak Energy Berhad	01/27	AAA	3.402	30	3.430	12/8/2026	-3	30
Gulf Investment Corporation G.S.C	06/27	AAA	3.845	10	3.850	27/7/2026	0	75
Pengurusan Air SPV Berhad	04/28	AAA	3.528	20	3.491	15/6/2026	4	29
Pengurusan Air SPV Berhad	04/28	AAA	3.527	10	3.525	20/4/2026	0	29
Pengurusan Air SPV Berhad	06/28	AAA	3.536	10	3.500	16/6/2026	4	29
YTL Power International Berhad	03/30	AAA	3.746	10	3.625	12/3/2026	12	30
Pengurusan Air SPV Berhad	02/31	AAA	3.747	30	3.738	16/6/2026	1	30
Pengurusan Air SPV Berhad	04/31	AAA	3.757	10	3.737	16/6/2026	2	23
YTL Power International Berhad	05/31	AAA	3.826	10	3.859	8/7/2026	-3	29
TNB Power Generation Sdn Berhad	06/32	AAA	3.769	10	3.729	1/7/2026	4	15
YTL Power International Berhad	03/33	AAA	3.897	10	3.914	6/8/2026	-2	22
TNB Power Generation Sdn Berhad	03/33	AAA	3.783	65	3.789	12/8/2026	-1	10
Sarawak Petchem Sdn Berhad	07/33	AAA	3.952	10	3.914	29/7/2026	4	27
Danga Capital Berhad	09/33	AAA	3.947	20	3.808	29/6/2026	14	27
Sarawak Energy Berhad	06/35	AAA	3.962	10	3.851	24/4/2026	11	24
Tenaga Nasional Berhad	08/35	AAA	3.971	5	4.058	16/7/2026	-9	25
YTL Power International Berhad	07/36	AAA	4.002	5	4.011	11/8/2026	-1	26
YTL Power International Berhad	08/39	AAA	4.068	5	4.082	11/8/2026	-1	10
Tenaga Nasional Berhad	08/40	AAA	4.163	1	4.162	5/8/2026	0	20
GENM Capital Berhad	07/28	AA1	4.185	3	4.716	12/8/2026	-53	94
GENM Capital Berhad	05/32	AA1	4.660	1	4.662	6/8/2026	0	104
United Overseas Bank (Malaysia) Berhad	10/32	AA1	4.469	1	4.160	13/7/2026	31	85
United Overseas Bank (Malaysia) Berhad	02/34	AA1	3.715	6	3.694	23/6/2026	2	4
Malayan Banking Berhad	08/38	AA1	4.127	10	4.143	12/8/2026	-2	39
AEON Co. (M) Berhad	06/31	AA2	3.898	20	3.882	12/8/2026	2	37
Affin Islamic Bank Berhad	12/26	AA3	3.596	40	3.539	5/8/2026	6	50
Affin Islamic Bank Berhad	12/27	AA3	4.210	1	4.056	12/8/2026	15	111
LBS Bina Group Berhad	01/29	AA-	4.498	1	4.501	11/8/2026	0	126
SIBS Sdn Berhad	03/30	AA-	5.470	2	5.480	4/8/2026	-1	202
Hong Leong Bank Berhad	11/17	A1	3.857	1	4.000	3/8/2026	-14	-20
WCT Holdings Berhad	05/29	A+	5.215	2	5.248	23/6/2026	-3	188
DRB-Hicom Berhad	12/14	A	4.951	1	4.661	15/7/2026	29	90
				586				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
TRIplc Medical Sdn Bhd	RM639m Senior Sukuk Murabahah (2017/2035)	AA1/Stable	Affirmed
SHC Capital Sdn Bhd	RM80m issuance under the company's RM200m Islamic Medium-Term Notes (Sukuk Wakalah) Programme	AA/Stable	Upgraded

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