

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries sold off in trading on Friday, with the longer-dated maturities leading the move lower, amidst concerns about inflation re-emerging as a result of President Trump's renewed tariff threats on various countries after the 90-day reprieve came to an end. **The benchmark 2-year UST yield was 1bp higher for the day at 3.89% while the 10-year UST yield advanced by 6bps to 4.41%**, resulting in a bear steepening of the UST yield curve. There are no economic data releases for the day ahead, and the focus of the markets will lie on the announcements of more US tariffs on the Eurozone and Mexico over the weekend.

MGS/GII

- Local govies were slightly firmer on Friday, amidst industrial production for May coming in lower than anticipated, suggesting that 2Q could be a challenging quarter for growth. Secondary market volume for the day declined by 13% to RM5.88bn from the RM6.74bn that changed hands on Thursday. Overall benchmark yields were mixed by between -2 to +1bp (prior: -4 to +2bps). **The benchmark 5Y MGS 5/30 yield closed the day 1bp higher at 3.16% while the yield on the benchmark 10Y MGS 7/35 also advanced by 1bp to 3.44%**. Trading interest for the day was again led by the off-the-run MGS 9/25, while decent interest was also seen in the off-the-run MGS 7/26, GII 7/36 and MGS 3/46. The share of GII trading for the day tumbled to 40% of overall govies trading, versus the 55% seen the day before. The day ahead sees the new issuance of RM3bn of a new benchmark 30Y MGS maturing in July 2055, with an additional RM2bn to be privately placed.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	3.89	1
5-yr UST	3.97	4
10-yr UST	4.41	6
30-yr UST	4.95	8

MGS			GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)	
3-yr	3.06	-1	3.11	0	
5-yr	3.16	1	3.21	0	
7-yr	3.35	1	3.35	0	
10-yr	3.44	1	3.47	-1	
15-yr	3.66	-1	3.66	1	
20-yr	3.74	0	3.73	-1	
30-yr	3.97	-2	3.96	-2	

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.19	1
3-yr	3.12	1
5-yr	3.22	2
7-yr	3.30	1
10-yr	3.42	1

Source: Bloomberg

Upcoming Government Bond Tender

New Issuance of RM3bn of a new benchmark 30Y MGS maturing in July 2055, on Monday 14 Jul (with an additional RM2bn to be privately placed)

Corp Bonds/Sukuk

- Corporate bonds/sukuk were better bid in trading on Friday, with secondary market volume receding by 13% to RM530m versus the RM607m that traded on Thursday. Trading was led by the AAA-rated segment of the market. In the GG universe, interest was led by LPPSA 7/39 and PRASA 8/39, which settled the day at 3.85% (-11bps from last print) and 4.02% (-27bps) respectively. In the AAA space, trading was led by AIRSEL 10/31 and PASB 4/32, closing at 3.58% (-18bps) and 3.63% (-4bps) respectively. In the AA-rated territory, trading was led by GENM 5/29 and DRBH 12/29, which settled the day at 4.14% (-22bps) and 3.82% (-1bp) respectively. Over in the A-rated segment, interest was seen in YINSON 7.50% Perps, which closed at 5.59%, 42bps lower from where it last traded.

Daily Trades: Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	09/25	2.838	907	2.873	07/10/2025	-4
MGS	04/26	2.915	5	2.917	07/10/2025	0
MGS	07/26	2.873	306	2.875	07/10/2025	0
MGS	05/27	2.965	57	2.955	07/10/2025	1
MGS	11/27	3.027	5	2.999	07/10/2025	3
MGS	04/28	3.062	126	3.074	07/10/2025	-1
MGS	06/28	3.090	5	3.132	07/10/2025	-4
MGS	04/29	3.192	5	3.192	07/09/2025	0
MGS	08/29	3.167	116	3.188	07/10/2025	-2
MGS	04/30	3.209	2	3.205	07/10/2025	0
MGS	05/30	3.161	136	3.148	07/10/2025	1
MGS	04/31	3.324	50	3.326	07/10/2025	0
MGS	06/31	3.364	102	3.348	07/10/2025	2
MGS	04/32	3.416	20	3.434	07/03/2025	-2
MGS	07/32	3.350	250	3.343	07/10/2025	1
MGS	11/33	3.496	277	3.478	07/10/2025	2
MGS	07/34	3.482	5	3.488	07/10/2025	-1
MGS	05/35	3.483	1	3.499	07/09/2025	-2
MGS	07/35	3.440	110	3.427	07/10/2025	1
MGS	04/37	3.618	81	3.632	07/10/2025	-1
MGS	06/38	3.632	47	3.671	07/10/2025	-4
MGS	04/39	3.658	16	3.672	07/10/2025	-1
MGS	05/40	3.673	13	3.708	07/10/2025	-4
MGS	10/42	3.760	145	3.768	07/10/2025	-1
MGS	03/46	3.909	564	3.902	07/10/2025	1
MGS	07/48	3.933	11	3.939	07/09/2025	-1
MGS	06/50	3.964	55	3.968	07/10/2025	0
MGS	03/53	3.969	82	3.990	07/10/2025	-2
MGS	07/55	3.940	10	n/a	n/a	394
GII	10/25	2.880	110	2.872	07/10/2025	1
GII	09/27	3.044	6	3.049	07/10/2025	0
GII	07/28	3.114	280	3.113	07/10/2025	0
GII	07/29	3.211	36	3.195	07/10/2025	2
GII	08/30	3.208	30	3.208	07/10/2025	0
GII	09/30	3.246	80	3.236	07/10/2025	1
GII	10/31	3.352	275	3.347	07/10/2025	0
GII	10/32	3.423	160	3.420	07/10/2025	0
GII	08/33	3.469	37	3.469	07/10/2025	0
GII	11/34	3.483	150	3.495	07/10/2025	-1
GII	04/35	3.472	140	3.479	07/10/2025	-1
GII	07/36	3.558	410	3.579	07/10/2025	-2
GII	08/37	3.619	42	3.636	07/09/2025	-2
GII	03/38	3.649	1	3.663	07/09/2025	-1
GII	09/39	3.667	14	3.682	07/10/2025	-2
GII	07/40	3.660	80	3.647	07/10/2025	1
GII	09/41	3.746	81	3.736	07/09/2025	1
GII	08/43	3.739	196	3.754	07/10/2025	-2
GII	05/45	3.732	109	3.746	07/09/2025	-1
GII	05/47	3.889	20	3.959	07/10/2025	-7
GII	05/52	3.976	10	3.988	07/08/2025	-1
GII	03/54	3.960	110	3.977	07/10/2025	-2
			5884			

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	03/34	GG	3.568	10	3.600	11/6/2025	-3	13
Lembaga Pembiayaan Perumahan Sektor Awam	07/39	GG	3.743	30	3.849	6/5/2025	-11	7
Prasarana Malaysia Berhad	08/39	GG	3.745	30	4.019	8/1/2025	-27	8
DanaInfra Nasional Berhad	09/50	GG	3.949	10	3.939	17/6/2025	1	19
Lembaga Pembiayaan Perumahan Sektor Awam	04/55	GG	4.009	5	4.039	2/7/2025	-3	25
DanaInfra Nasional Berhad	06/55	GG	4.009	5	4.050	8/7/2025	-4	25
Amanat Lebuhraya Rakyat Berhad	10/29	AAA	3.558	10	3.599	23/6/2025	-4	40
Toyota Capital Malaysia Sdn Berhad	02/30	AAA	3.689	15	3.767	2/7/2025	-8	53
Pengurusan Air Selangor Sdn Berhad	10/31	AAA	3.580	40	3.756	18/4/2025	-18	29
Pengurusan Air SPV Berhad	04/32	AAA	3.633	25	3.678	9/5/2025	-4	29
Sarawak Petchem Sdn Berhad	07/32	AAA	3.808	10	3.802	24/6/2025	1	47
Pengurusan Air Selangor Sdn Berhad	09/32	AAA	3.595	10	3.637	22/5/2025	-4	25
Sarawak Energy Berhad	12/32	AAA	3.600	10	3.628	4/7/2025	-3	26
Pengurusan Air SPV Berhad	02/33	AAA	3.682	5	3.783	22/4/2025	-10	27
Sarawak Petchem Sdn Berhad	07/33	AAA	3.818	20	3.833	10/7/2025	-2	40
Pengurusan Air Selangor Sdn Berhad	10/33	AAA	3.638	10	3.687	20/5/2025	-5	22
Pengurusan Air SPV Berhad	02/34	AAA	3.679	10	3.679	3/7/2025	0	24
Cagamas Berhad	06/34	AAA	3.657	10	3.667	9/7/2025	-1	22
Sarawak Petchem Sdn Berhad	07/34	AAA	3.839	10	3.948	25/7/2024	-11	40
Sarawak Petchem Sdn Berhad	07/36	AAA	3.888	15	3.909	25/6/2025	-2	46
Sarawak Petchem Sdn Berhad	07/37	AAA	3.919	15	3.929	23/6/2025	-1	49
Pengurusan Air Selangor Sdn Berhad	04/38	AAA	3.751	5	3.895	18/4/2025	-14	8
Pengurusan Air Selangor Sdn Berhad	10/38	AAA	3.738	10	3.808	16/6/2025	-7	7
SMJ Energy Sdn Berhad (fka SMJ Sdn Berhad)	10/38	AAA	3.829	10	3.829	10/7/2025	0	16
TNB Power Generation Sdn Berhad	03/43	AAA	3.779	10	3.799	26/6/2025	-2	2
YTL Power International Berhad	05/27	AA1	4.400	10	3.597	10/7/2025	80	141
GENM Capital Berhad	05/28	AA1	4.096	10	4.108	9/6/2025	-1	101
GENM Capital Berhad	07/28	AA1	4.112	10	4.320	9/6/2025	-21	103
GENM Capital Berhad	05/29	AA1	4.138	30	4.355	8/7/2025	-22	98
Singer Malaysia Sdn Berhad	07/26	AA1	3.596	10	3.949	6/1/2025	-35	69
Perbadanan Kemajuan Negeri Selangor	08/34	AA1	3.898	5	3.898	10/7/2025	0	46
Bumitama Agri Ltd	07/26	AA2	3.662	10	3.672	9/7/2025	-1	76
Imtiaz Sukuk II Berhad	05/32	AA2	3.788	3	3.779	26/6/2025	1	45
RHB Bank Berhad	06/37	AA2	3.819	5			382	39
Tanjung Bin Energy Sdn Berhad	03/30	AA3	4.285	20	5.918	5/7/2022	-163	113
Tanjung Bin Energy Sdn Berhad	09/30	AA3	4.288	20	4.390	2/7/2025	-10	113
UEM Sunrise Berhad	09/25	AA-	3.488	20	3.667	4/3/2025	-18	58
Eco World Capital Berhad	10/27	AA-	4.502	1	3.697	7/7/2025	81	151
DRB-Hicom Berhad	12/29	AA-	3.817	30	3.827	10/7/2025	-1	66
DRB-Hicom Berhad	04/30	AA-	3.841	1	4.897	19/3/2025	-106	68
MEX I Capital Berhad (formerly known as Bright Fo	01/37	A1	5.146	2	5.218	23/6/2025	-7	172
Alliance Bank Malaysia Berhad	10/35	A2	4.028	1	4.149	9/7/2025	-12	60
Yinson Holdings Berhad	11/22	A-	5.585	3	6.000	10/7/2025	-42	182
				530				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Northport (Malaysia) Bhd	RM1.5bn Sukuk Musharakah Programme	AA/Stable	Withdrawn
Manulife Holdings Berhad	Corporate Credit Ratings	AA2/Stable/P1	Affirmed

Source: RAM, MARC

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