

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries were softer in trading on Thursday, after the monthly employment report for June showed more jobs added to the economy than anticipated, and an unexpected decline in the unemployment rate. Shorter dated maturities led the way as Fed rate cut wagers were pared, resulting in a bear flattening of the UST curve. **The benchmark 2-year UST yield closed 10bps higher for the day at 3.88% while the 10-year UST yield advanced by 7bps to 4.32%.** US stock and bond markets will be closed for the Fourth of July holiday, with President Trump likely to sign the new fiscal bill into law after it was passed overnight by the House of Representatives.















MGS/GII

- Local govies were firmer in trading on Thursday in a lighter session, amidst a well-received reopening of RM5bn of the benchmark 7Y GII. Secondary market volume for the day receded by 26% to RM4.50bn from the RM6.08bn that traded on Wednesday. Overall benchmark yields were mixed by between -2 to +1bp (prior: -1 to +1bp). **The benchmark 5Y MGS 5/30 yield closed the day little changed at 3.17% while the yield on the benchmark 10Y MGS 7/35 was also unchanged at 3.46%.** Trading interest for the day was again led by the off-the-run MGS 9/25, while decent interest was also seen in the newly reopening benchmark 7Y GII, as well as in the off-the-run GII 8/33 and GII 9/39. The share of GII trading for the day rose to 58% of overall govies trading, versus the 51% seen the day before. There are no domestic economic data releases for the coming day.

Corp Bonds/Sukuk

- Corporate bonds/sukuk were better bid in trading on Thursday in another busy session, with secondary market volume inching lower by 6% to RM1,601m versus the RM1,701m that traded on Wednesday. Trading was again led by the GG segment of the market, where PRASA 2/31 and PRASA 3/31 led the interest, with both bonds settling the day at 3.39%, unchanged and 2bps lower versus where they last traded respectively. In the AAA space, activity was led by BSN 11/27 and PASB 2/34, closing at 3.56% (-3bps from last print) and 3.68% (+2bps) respectively. Over in the AA-rated territory, trading was led by GENRMTN 3/27, which settled at 4.07%, 24bps less than where it last traded. Meanwhile, in the A-rated universe, interest was led by ALLIANCEI 9/34, which closed the day at 4.15% in a secondary market debut.

| UST | | |
|-----------|-------------|-----------|
| Tenure | Closing (%) | Chg (bps) |
| 2-yr UST | 3.88 | 10 |
| 5-yr UST | 3.94 | 7 |
| 10-yr UST | 4.35 | 7 |
| 30-yr UST | 4.86 | 6 |

| MGS | | | GII* | | | |
|--------|-------------|---|-------------|-----------|---|----|
| Tenure | Closing (%) | Chg (bps) | Closing (%) | Chg (bps) | | |
| 3-yr | 3.12 |  | 0 | 3.15 |  | 0 |
| 5-yr | 3.17 |  | 0 | 3.25 |  | 0 |
| 7-yr | 3.37 |  | -2 | 3.37 |  | 0 |
| 10-yr | 3.46 |  | 0 | 3.49 |  | -1 |
| 15-yr | 3.67 |  | 0 | 3.68 |  | -1 |
| 20-yr | 3.78 |  | 0 | 3.75 |  | 0 |
| 30-yr | 4.00 |  | 1 | 4.00 |  | 0 |

* Market indicative levels

| MYR IRS Levels | | |
|----------------|-------------|-----------|
| IRS | Closing (%) | Chg (bps) |
| 1-yr | 3.24 | 0 |
| 3-yr | 3.12 | -1 |
| 5-yr | 3.18 | -1 |
| 7-yr | 3.28 | 0 |
| 10-yr | 3.41 | 0 |

Source: Bloomberg

Upcoming Government Bond Tender

Nil

Daily Trades: Government Bond

| Securities | | Closing | Vol | Previous | Previous | Chg |
|------------|-------|---------|----------|----------|----------------------------|------|
| | | YTM | (RM mil) | YTM | Trade Date (dd/mm/yyyy) | (bp) |
| MGS | 09/25 | 2.905 | 569 | 2.920 | 07/02/2025 | -2 |
| MGS | 04/26 | 2.945 | 3 | 2.925 | 07/02/2025 | 2 |
| MGS | 07/26 | 2.955 | 2 | 2.975 | 07/02/2025 | -2 |
| MGS | 11/26 | 2.994 | 47 | 3.006 | 07/02/2025 | -1 |
| MGS | 05/27 | 3.031 | 31 | 3.039 | 07/02/2025 | -1 |
| MGS | 11/27 | 3.057 | 4 | 3.096 | 07/02/2025 | -4 |
| MGS | 04/28 | 3.119 | 4 | 3.119 | 07/02/2025 | 0 |
| MGS | 06/28 | 3.141 | 52 | 3.156 | 07/02/2025 | -2 |
| MGS | 08/29 | 3.223 | 26 | 3.224 | 07/02/2025 | 0 |
| MGS | 04/30 | 3.222 | 153 | 3.251 | 07/01/2025 | -3 |
| MGS | 05/30 | 3.174 | 128 | 3.179 | 07/02/2025 | 0 |
| MGS | 04/31 | 3.340 | 47 | 3.364 | 07/02/2025 | -2 |
| MGS | 04/32 | 3.434 | 20 | 3.443 | 07/02/2025 | -1 |
| MGS | 07/32 | 3.373 | 55 | 3.398 | 07/02/2025 | -2 |
| MGS | 04/33 | 3.475 | 4 | 3.477 | 07/02/2025 | 0 |
| MGS | 11/33 | 3.480 | 150 | 3.489 | 07/02/2025 | -1 |
| MGS | 07/34 | 3.762 | 183 | 3.507 | 07/02/2025 | 26 |
| MGS | 05/35 | 3.466 | 15 | 3.507 | 07/02/2025 | -4 |
| MGS | 04/37 | 3.652 | 5 | 3.654 | 07/02/2025 | 0 |
| MGS | 06/38 | 3.669 | 2 | 3.665 | 07/02/2025 | 0 |
| MGS | 04/39 | 3.672 | 106 | 3.677 | 07/02/2025 | 0 |
| MGS | 05/40 | 3.708 | 41 | 3.722 | 07/02/2025 | -1 |
| MGS | 10/42 | 3.790 | 3 | 3.796 | 07/02/2025 | -1 |
| MGS | 05/44 | 3.775 | 71 | 3.777 | 07/02/2025 | 0 |
| MGS | 03/46 | 3.906 | 52 | 3.915 | 07/02/2025 | -1 |
| MGS | 07/48 | 3.940 | 51 | 3.940 | 07/02/2025 | 0 |
| MGS | 06/50 | 3.977 | 56 | 3.984 | 07/02/2025 | -1 |
| MGS | 03/53 | 4.001 | 3 | 3.996 | 07/02/2025 | 1 |
| GII | 03/26 | 2.957 | 1 | 2.965 | 07/02/2025 | -1 |
| GII | 09/26 | 3.024 | 8 | 2.993 | 07/02/2025 | 3 |
| GII | 07/27 | 3.067 | 2 | 3.090 | 07/01/2025 | -2 |
| GII | 09/27 | 3.075 | 139 | 3.124 | 07/02/2025 | -5 |
| GII | 07/28 | 3.150 | 80 | 3.148 | 07/02/2025 | 0 |
| GII | 10/28 | 3.172 | 90 | 3.181 | 07/02/2025 | -1 |
| GII | 07/29 | 3.232 | 6 | 3.229 | 07/02/2025 | 0 |
| GII | 08/30 | 3.250 | 41 | 3.252 | 07/02/2025 | 0 |
| GII | 09/30 | 3.270 | 153 | 3.286 | 07/02/2025 | -2 |
| GII | 10/30 | 3.287 | 1 | 3.319 | 07/01/2025 | -3 |
| GII | 10/31 | 3.365 | 545 | 3.370 | 07/02/2025 | 0 |
| GII | 10/32 | 3.442 | 194 | 3.450 | 07/02/2025 | -1 |
| GII | 06/33 | 3.472 | 40 | 3.483 | 07/02/2025 | -1 |
| GII | 08/33 | 3.477 | 310 | 3.489 | 07/02/2025 | -1 |
| GII | 11/34 | 3.506 | 80 | 3.511 | 07/02/2025 | -1 |
| GII | 04/35 | 3.490 | 110 | 3.497 | 07/02/2025 | -1 |
| GII | 10/35 | 3.556 | 10 | 3.539 | 07/02/2025 | 2 |
| GII | 07/36 | 3.590 | 90 | 3.602 | 07/02/2025 | -1 |
| GII | 08/37 | 3.640 | 21 | 3.647 | 07/02/2025 | -1 |
| GII | 09/39 | 3.689 | 303 | 3.699 | 07/02/2025 | -1 |
| GII | 07/40 | 3.680 | 140 | 3.690 | 07/02/2025 | -1 |
| GII | 09/41 | 3.752 | 56 | 3.758 | 07/02/2025 | -1 |
| GII | 05/45 | 3.746 | 90 | 3.746 | 07/02/2025 | 0 |
| GII | 11/49 | 3.963 | 60 | 3.971 | 07/02/2025 | -1 |
| GII | 05/52 | 4.001 | 9 | 3.995 | 07/02/2025 | 1 |
| GII | 03/54 | 3.995 | 40 | 3.995 | 07/02/2025 | 0 |
| | | | 4498 | | | |

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 | 03/28 | GG | 3.250 | 20 | 3.656 | 3/12/2024 | -41 | 13 |
| Pengurusan Air SPV Berhad | 02/29 | GG | 3.309 | 80 | 3.484 | 7/5/2025 | -18 | 12 |
| DanaInfra Nasional Berhad | 11/29 | GG | 3.301 | 5 | 3.298 | 29/5/2025 | 0 | 12 |
| DanaInfra Nasional Berhad | 01/30 | GG | 3.315 | 5 | 3.328 | 20/6/2025 | -1 | 14 |
| Pengurusan Air SPV Berhad | 11/30 | GG | 3.376 | 80 | 3.418 | 20/6/2025 | -4 | 20 |
| DanaInfra Nasional Berhad | 02/31 | GG | 3.400 | 20 | 3.899 | 18/12/2024 | -50 | 7 |
| Prasarana Malaysia Berhad | 02/31 | GG | 3.389 | 90 | 3.390 | 2/7/2025 | 0 | 6 |
| Prasarana Malaysia Berhad | 03/31 | GG | 3.394 | 90 | 3.414 | 10/6/2025 | -2 | 7 |
| Lembaga Pembiayaan Perumahan Sektor Awam | 03/31 | GG | 3.407 | 20 | 3.798 | 22/1/2025 | -39 | 8 |
| DanaInfra Nasional Berhad | 10/32 | GG | 3.550 | 30 | 3.549 | 26/6/2025 | 0 | 17 |
| DanaInfra Nasional Berhad | 02/33 | GG | 3.563 | 30 | 3.603 | 25/6/2025 | -4 | 11 |
| DanaInfra Nasional Berhad | 07/33 | GG | 3.576 | 20 | 3.573 | 11/6/2025 | 0 | 13 |
| DanaInfra Nasional Berhad | 11/34 | GG | 3.595 | 20 | 3.644 | 18/6/2025 | -5 | 13 |
| Perbadanan Tabung Pendidikan Tinggi Nasional | 03/36 | GG | 3.648 | 30 | 3.678 | 25/6/2025 | -3 | 19 |
| Projek Lebuhraya Usahasama Berhad | 01/38 | GG | 3.719 | 30 | 3.840 | 2/5/2025 | -12 | 4 |
| Lembaga Pembiayaan Perumahan Sektor Awam | 04/39 | GG | 3.742 | 80 | 3.769 | 25/6/2025 | -3 | 6 |
| Prasarana Malaysia Berhad | 06/39 | GG | 3.743 | 80 | 3.809 | 22/5/2025 | -7 | 6 |
| Prasarana Malaysia Berhad | 02/41 | GG | 3.790 | 5 | 4.078 | 28/6/2024 | -29 | 11 |
| Prasarana Malaysia Berhad | 03/42 | GG | 3.799 | 20 | 3.799 | 2/7/2025 | 0 | 12 |
| DanaInfra Nasional Berhad | 05/46 | GG | 3.874 | 40 | 4.119 | 5/9/2024 | -25 | 10 |
| Cagamas Berhad | 12/25 | AAA | 3.348 | 5 | 3.636 | 11/3/2025 | -29 | 34 |
| Cagamas Berhad | 03/26 | AAA | 3.380 | 20 | 3.387 | 6/6/2025 | -1 | 37 |
| Cagamas Berhad | 06/26 | AAA | 3.400 | 10 | 3.484 | 25/4/2025 | -8 | 39 |
| Bank Simpanan Nasional Berhad | 11/27 | AAA | 3.556 | 90 | 3.584 | 28/5/2025 | -3 | 48 |
| Petroleum Sarawak Exploration & Production Sdn Bhd | 02/28 | AAA | 3.558 | 20 | 3.857 | 22/11/2024 | -30 | 44 |
| Bank Simpanan Nasional Berhad | 02/29 | AAA | 3.607 | 20 | 3.747 | 28/4/2025 | -14 | 42 |
| Sarawak Petchem Sdn Berhad | 07/29 | AAA | 3.768 | 10 | 3.721 | 4/6/2025 | 5 | 58 |
| Pengurusan Air SPV Berhad | 10/29 | AAA | 3.591 | 20 | 3.713 | 28/4/2025 | -12 | 41 |
| Bakun Hydro Power Generation Sdn Berhad (fka Sarawak Hydro) | 08/30 | AAA | 3.587 | 10 | 3.695 | 7/4/2025 | -11 | 41 |
| Projek Lebuhraya Usahasama Berhad | 01/31 | AAA | 3.608 | 5 | 3.628 | 27/5/2025 | -2 | 28 |
| Malaysia Airport Holdings Berhad | 11/31 | AAA | 3.638 | 10 | 3.629 | 4/6/2025 | 1 | 31 |
| Pengurusan Air SPV Berhad | 02/34 | AAA | 3.679 | 80 | 3.659 | 28/5/2025 | 2 | 21 |
| Infracap Resources Sdn Berhad | 04/36 | AAA | 3.712 | 5 | 3.718 | 26/6/2025 | -1 | 26 |
| Projek Lebuhraya Usahasama Berhad | 01/37 | AAA | 3.726 | 20 | 3.820 | 16/5/2025 | -9 | 27 |
| Pengurusan Air SPV Berhad | 04/39 | AAA | 3.789 | 20 | 3.789 | 30/6/2025 | 0 | 11 |
| Tenaga Nasional Berhad | 11/41 | AAA | 3.812 | 10 | 3.840 | 26/6/2025 | -3 | 13 |
| Kuala Lumpur Kepong Berhad | 04/26 | AA1 | 3.498 | 10 | 3.496 | 17/6/2025 | 0 | 49 |
| Genting RMTN Berhad | 03/27 | AA1 | 4.065 | 80 | 4.305 | 9/6/2025 | -24 | 99 |
| GENM Capital Berhad | 03/27 | AA1 | 3.985 | 1 | 4.177 | 8/5/2025 | -19 | 91 |
| Genting RMTN Berhad | 11/29 | AA1 | 4.166 | 20 | 4.169 | 23/6/2025 | 0 | 98 |
| RHB Bank Berhad | 10/31 | AA1 | 3.779 | 30 | 3.908 | 6/5/2025 | -13 | 45 |
| United Overseas Bank (Malaysia) Berhad | 10/32 | AA1 | 3.364 | 1 | 4.214 | 26/6/2025 | -85 | -1 |
| Kuala Lumpur Kepong Berhad | 09/34 | AA1 | 3.771 | 10 | 3.788 | 24/6/2025 | -2 | 31 |
| Benih Restu Berhad | 07/34 | AA2 | 3.758 | 40 | 3.759 | 20/6/2025 | 0 | 29 |
| SP Setia Berhad | 04/27 | AA | 3.725 | 11 | 3.714 | 23/6/2025 | 1 | 65 |
| Pelabuhan Tanjung Pelepas Sdn Berhad | 06/27 | AA | 3.697 | 10 | 3.704 | 24/6/2025 | -1 | 62 |
| Perbadanan Kemajuan Pertanian Negeri Pahang (MPP) | 10/25 | AA3 | 4.224 | 1 | 4.398 | 6/6/2025 | -17 | 122 |
| Tanjung Bin Energy Sdn Berhad | 03/31 | AA3 | 4.413 | 2 | 4.561 | 22/5/2025 | -15 | 109 |
| Jimah East Power Sdn Berhad | 12/26 | AA- | 3.735 | 10 | 4.526 | 1/11/2023 | -79 | 73 |
| MY E.G. Services Berhad | 03/27 | AA- | 5.414 | 2 | 4.531 | 1/7/2025 | 88 | 234 |
| UEM Sunrise Berhad | 06/27 | AA- | 4.904 | 1 | 3.754 | 10/6/2025 | 115 | 183 |
| Affin Bank Berhad | 07/32 | A1 | 4.002 | 1 | 4.451 | 2/7/2025 | -45 | 63 |
| Bank Islam Malaysia Berhad | 05/35 | A1 | 3.855 | 20 | 3.875 | 23/6/2025 | -2 | 40 |
| Alliance Islamic Bank Berhad | 09/34 | A2 | 4.151 | 200 | n/a | n/a | 415 | 69 |
| Qualitas Sukuk Berhad | 03/25 | A2 | 5.728 | 3 | 5.748 | 2/7/2025 | -2 | 195 |
| | | | | 1601 | | | | |

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

| Rating Action | | | |
|---|---|----------------|----------|
| Issuer | PDS Description | Rating/Outlook | Action |
| Perbadanan Bekalan Air Pulau Pinang Sdn Bhd | Proposed RM5bn Islamic Medium Term Notes Programme | AAA/Stable | Assigned |
| S P Setia Berhad | RM3.5 billion Islamic Medium-Term Notes (IMTN)/ Perpetual Sukuk Programme with a sublimit of RM1.5 billion on the Perpetual Sukuk | AA/A+/Stable | Affirmed |
| | RM3.0bn IMTN Programme | AA/Stable | Affirmed |
| IGB REIT Capital Sdn Bhd | RM1.2bn Second Tranche Medium-Term Notes (MTN), the second issuance under the RM5.0bn MTN Programme secured against Mid Valley Megamall | AAA/Stable | Affirmed |

Source: RAM, MARC

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