

## Global Markets Research

### Fixed Income

#### Fixed Income Daily Market Snapshot

##### US Treasuries

- US Treasuries and stock markets were shut for the day on Friday to commemorate the Fourth of July. In other major bond markets, EU government bonds and JGB's were slightly firmer for the day with 10yr Bunds and JGBs both 1bp lower, while UK Gilts were a touch softer, with the 10yr Gilt higher by 1bp. **To recap, the benchmark 2-year UST yield closed at 3.88% on Thursday while the 10-year UST yield stood at 4.35%.** There are no economic data releases or Fed-speak for the day ahead, with the attention lying squarely on the reciprocal tariff announcements by the US administration.

##### MGS/GII

- Local govies were softer in trading on Friday in another light session with the US markets shut for the day. Secondary market volume for the day inched lower by 3% to RM4.39bn from the RM4.50bn that traded on Thursday. Overall benchmark yields were mixed by between -1 to +1bp (prior: -2 to +1bp). **The benchmark 5Y MGS 5/30 yield closed the day 1bp higher at 3.18% while the yield on the benchmark 10Y MGS 7/35 was little changed at 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 benchmark 7Y GII, as well as in the off-the-run GII 10/25, GII 9/26 and MGS 11/26. The share of GII trading for the day receded to 53% of overall govies trading, versus the 58% seen the previous session. There are no domestic economic data releases for the coming day, with BNM set to decide on policy on Wednesday.

| UST       |             |           |
|-----------|-------------|-----------|
| Tenure    | Closing (%) | Chg (bps) |
| 2-yr UST  | 3.88        | 0         |
| 5-yr UST  | 3.94        | 0         |
| 10-yr UST | 4.35        | 0         |
| 30-yr UST | 4.86        | 0         |

| MGS    |             |           | GII*        |           |  |
|--------|-------------|-----------|-------------|-----------|--|
| Tenure | Closing (%) | Chg (bps) | Closing (%) | Chg (bps) |  |
| 3-yr   | 3.13        | 1         | 3.15        | 0         |  |
| 5-yr   | 3.18        | 1         | 3.26        | 1         |  |
| 7-yr   | 3.37        | 0         | 3.37        | 0         |  |
| 10-yr  | 3.44        | 0         | 3.50        | 0         |  |
| 15-yr  | 3.68        | 0         | 3.68        | 0         |  |
| 20-yr  | 3.77        | 0         | 3.75        | 1         |  |
| 30-yr  | 4.00        | -1        | 4.00        | 0         |  |

\* Market indicative levels

| MYR IRS Levels |             |           |
|----------------|-------------|-----------|
| IRS            | Closing (%) | Chg (bps) |
| 1-yr           | 3.24        | 1         |
| 3-yr           | 3.13        | 1         |
| 5-yr           | 3.19        | 1         |
| 7-yr           | 3.29        | 1         |
| 10-yr          | 3.41        | -1        |

Source : Bloomberg

Note: UST levels as of NY market close on Thurs, 03 July

#### Upcoming Government Bond Tender

Nil

##### Corp Bonds/Sukuk

- Corporate bonds/sukuk were better bid in trading on Friday in a lighter trading session, with secondary market volume plunging to 50% to RM798m versus the RM1,601m that changed hands on Thursday. Trading was led by the AAA-rated segment of the market. In the GG universe, LPPSA 9/39 and PRASA 10/39 led the interest, with both bonds settling the day at 3.75%, 16bps and 6bps lower versus where they last traded respectively. In the AAA space, activity was led by TRIPLC 10/25, closing at 3.18%, a massive 142bps lower compared to its last trade. Decent activity was also seen in TRIPLC 10/26 and PASB 4/39, which settled at 3.31% (-138bps from last print) and 3.79% (unchanged) respectively. In the AA-rated territory, trading was led by MBB 1/34 and GENRMTN 11/34, which closed at 3.76% (+2bps) and 4.56% (-8bps) respectively.

## Daily Trades: Government Bond

| Securities |       | Closing<br>YTM | Vol<br>(RM mil) | Previous<br>YTM | Previous<br>Trade Date<br>(dd/mm/yyyy) | Chg<br>(bp) |
|------------|-------|----------------|-----------------|-----------------|--|-------------|
| MGS        | 09/25 | 2.916          | 837             | 2.905           | 07/03/2025                             | 1           |
| MGS        | 07/26 | 2.959          | 104             | 2.955           | 07/03/2025                             | 0           |
| MGS        | 11/26 | 2.997          | 237             | 2.994           | 07/03/2025                             | 0           |
| MGS        | 05/27 | 3.046          | 11              | 3.031           | 07/03/2025                             | 1           |
| MGS        | 11/27 | 3.074          | 1               | 3.057           | 07/03/2025                             | 2           |
| MGS        | 04/28 | 3.134          | 9               | 3.119           | 07/03/2025                             | 1           |
| MGS        | 06/28 | 3.158          | 6               | 3.141           | 07/03/2025                             | 2           |
| MGS        | 04/29 | 3.198          | 30              | 3.217           | 07/03/2025                             | -2          |
| MGS        | 08/29 | 3.216          | 67              | 3.223           | 07/03/2025                             | -1          |
| MGS        | 04/30 | 3.232          | 154             | 3.222           | 07/03/2025                             | 1           |
| MGS        | 05/30 | 3.183          | 106             | 3.174           | 07/03/2025                             | 1           |
| MGS        | 04/31 | 3.350          | 44              | 3.340           | 07/03/2025                             | 1           |
| MGS        | 07/32 | 3.372          | 20              | 3.373           | 07/03/2025                             | 0           |
| MGS        | 11/33 | 3.482          | 70              | 3.480           | 07/03/2025                             | 0           |
| MGS        | 07/34 | 3.489          | 21              | 3.762           | 07/03/2025                             | -27         |
| MGS        | 05/35 | 3.513          | 4               | 3.466           | 07/03/2025                             | 5           |
| MGS        | 04/37 | 3.659          | 53              | 3.652           | 07/03/2025                             | 1           |
| MGS        | 06/38 | 3.683          | 10              | 3.669           | 07/03/2025                             | 1           |
| MGS        | 04/39 | 3.676          | 50              | 3.672           | 07/03/2025                             | 0           |
| MGS        | 10/42 | 3.772          | 22              | 3.790           | 07/03/2025                             | -2          |
| MGS        | 09/43 | 3.819          | 10              | 3.805           | 07/02/2025                             | 1           |
| MGS        | 05/44 | 3.773          | 20              | 3.775           | 07/03/2025                             | 0           |
| MGS        | 03/46 | 3.906          | 60              | 3.906           | 07/03/2025                             | 0           |
| MGS        | 07/48 | 3.938          | 50              | 3.940           | 07/03/2025                             | 0           |
| MGS        | 06/50 | 3.976          | 64              | 3.977           | 07/03/2025                             | 0           |
| MGS        | 03/53 | 3.995          | 14              | 4.001           | 07/03/2025                             | -1          |
| GII        | 10/25 | 2.975          | 470             | 2.927           | 07/02/2025                             | 5           |
| GII        | 09/26 | 3.007          | 250             | 3.024           | 07/03/2025                             | -2          |
| GII        | 07/28 | 3.153          | 90              | 3.150           | 07/03/2025                             | 0           |
| GII        | 10/28 | 3.182          | 100             | 3.172           | 07/03/2025                             | 1           |
| GII        | 12/28 | 3.197          | 10              | 3.202           | 07/02/2025                             | 0           |
| GII        | 07/29 | 3.218          | 4               | 3.232           | 07/03/2025                             | -1          |
| GII        | 08/30 | 3.256          | 40              | 3.250           | 07/03/2025                             | 1           |
| GII        | 10/31 | 3.371          | 510             | 3.365           | 07/03/2025                             | 1           |
| GII        | 10/32 | 3.451          | 40              | 3.442           | 07/03/2025                             | 1           |
| GII        | 04/35 | 3.495          | 160             | 3.490           | 07/03/2025                             | 0           |
| GII        | 07/36 | 3.596          | 215             | 3.590           | 07/03/2025                             | 1           |
| GII        | 08/37 | 3.638          | 80              | 3.640           | 07/03/2025                             | 0           |
| GII        | 09/39 | 3.692          | 100             | 3.689           | 07/03/2025                             | 0           |
| GII        | 07/40 | 3.680          | 104             | 3.680           | 07/03/2025                             | 0           |
| GII        | 09/41 | 3.758          | 81              | 3.752           | 07/03/2025                             | 1           |
| GII        | 08/43 | 3.837          | 1               | 3.791           | 07/02/2025                             | 5           |
| GII        | 05/45 | 3.752          | 20              | 3.746           | 07/03/2025                             | 1           |
| GII        | 11/49 | 3.962          | 41              | 3.963           | 07/03/2025                             | 0           |
|            |       |                | 4387            |                 |  |             |

## Daily Trades: Corp Bonds/ Sukuk

| Securities                                      |       | Rating | Closing<br>YTM | Vol<br>(RM mil) | Previous<br>YTM | Previous<br>Trade Date<br>(dd/mm/yyyy) | Chg<br>(bps) | Spread<br>Against MGS* |
|---|-------|--------|----------------|-----------------|-----------------|--|--------------|------------------------|
| Lembaga Pembiayaan Perumahan Sektor Awam        | 09/39 | GG     | 3.747          | 80              | 3.911           | 16/4/2025                              | -16          | 6                      |
| Prasarana Malaysia Berhad                       | 10/39 | GG     | 3.748          | 80              | 3.809           | 22/5/2025                              | -6           | 7                      |
| Prasarana Malaysia Berhad                       | 02/40 | GG     | 3.757          | 10              | 3.772           | 30/6/2025                              | -1           | 7                      |
| Prasarana Malaysia Berhad                       | 03/40 | GG     | 3.759          | 10              | 3.865           | 23/4/2025                              | -11          | 8                      |
| DanaInfra Nasional Berhad                       | 05/46 | GG     | 3.870          | 30              | 3.874           | 3/7/2025                               | 0            | 9                      |
| TRIplc Ventures Sdn Berhad                      | 10/25 | AAA    | 3.183          | 50              | 4.602           | 9/7/2012                               | -142         | 18                     |
| Projek Lebuhraya Usahasama Berhad               | 01/26 | AAA    | 3.402          | 35              | 3.429           | 24/6/2025                              | -3           | 40                     |
| Projek Lebuhraya Usahasama Berhad               | 01/26 | AAA    | 3.411          | 10              | 4.101           | 29/3/2023                              | -69          | 41                     |
| TRIplc Ventures Sdn Berhad                      | 10/26 | AAA    | 3.313          | 40              | 4.695           | 19/12/2011                             | -138         | 31                     |
| Mercedes-Benz Services Malaysia Sdn Berhad      | 03/27 | AAA    | 3.632          | 15              | 3.828           | 21/6/2024                              | -20          | 56                     |
| Small Medium Enterprise Development Bank Malay  | 05/28 | AAA    | 3.758          | 20              | 3.978           | 17/1/2025                              | -22          | 64                     |
| Cagamas Berhad                                  | 06/28 | AAA    | 3.457          | 10              | n/a             | n/a                                    | 346          | 33                     |
| CelcomDigi Telecommunications Sdn Berhad (fka C | 05/30 | AAA    | 3.609          | 20              | 3.612           | 19/6/2025                              | 0            | 43                     |
| Bank Pembangunan Malaysia Berhad                | 06/31 | AAA    | 3.698          | 10              | 3.707           | 26/6/2025                              | -1           | 37                     |
| Sarawak Energy Berhad                           | 12/32 | AAA    | 3.628          | 20              | 3.617           | 5/6/2025                               | 1            | 25                     |
| Tenaga Nasional Berhad                          | 08/33 | AAA    | 3.649          | 10              | 3.858           | 20/3/2025                              | -21          | 20                     |
| Sarawak Energy Berhad                           | 11/33 | AAA    | 3.649          | 10              | 3.795           | 17/4/2025                              | -15          | 20                     |
| CIMB Islamic Bank Berhad                        | 03/34 | AAA    | 3.709          | 20              | 3.728           | 1/7/2025                               | -2           | 25                     |
| Danum Capital Berhad                            | 08/34 | AAA    | 3.672          | 25              | 3.678           | 10/6/2025                              | -1           | 21                     |
| SMJ Energy Sdn Berhad (fka SMJ Sdn Berhad)      | 06/35 | AAA    | 3.789          | 20              | n/a             | n/a                                    | 379          | 34                     |
| CIMB Islamic Bank Berhad                        | 07/35 | AAA    | 3.719          | 10              | 3.749           | 1/7/2025                               | -3           | 27                     |
| Pengurusan Air SPV Berhad                       | 04/39 | AAA    | 3.789          | 40              | 3.789           | 3/7/2025                               | 0            | 11                     |
| Kuala Lumpur Kepong Berhad                      | 04/26 | AA1    | 3.494          | 10              | 3.498           | 3/7/2025                               | 0            | 49                     |
| United Overseas Bank (Malaysia) Berhad          | 10/32 | AA1    | 3.363          | 2               | 3.364           | 3/7/2025                               | 0            | -1                     |
| Malayan Banking Berhad                          | 01/34 | AA1    | 3.760          | 40              | 3.742           | 23/6/2025                              | 2            | 30                     |
| Kuala Lumpur Kepong Berhad                      | 09/34 | AA1    | 3.768          | 10              | 3.771           | 3/7/2025                               | 0            | 31                     |
| Genting RMTN Berhad                             | 11/34 | AA1    | 4.563          | 40              | 4.645           | 24/6/2025                              | -8           | 110                    |
| Perbadanan Kemajuan Negeri Selangor             | 02/35 | AA1    | 3.930          | 20              | 3.949           | 24/6/2025                              | -2           | 48                     |
| Sabah Credit Corporation                        | 04/35 | AA1    | 3.829          | 20              | 3.859           | 23/6/2025                              | -3           | 38                     |
| Sime Darby Property Berhad                      | 04/40 | AA+    | 3.798          | 10              | 3.798           | 24/6/2025                              | 0            | 12                     |
| OSK Rated Bond Sdn Berhad                       | 04/31 | AA     | 3.703          | 5               | 3.712           | 25/6/2025                              | -1           | 38                     |
| OSK Rated Bond Sdn Berhad                       | 03/35 | AA     | 3.758          | 30              | 3.759           | 1/7/2025                               | 0            | 31                     |
| Qualitas Sukuk Berhad                           | 03/28 | AA3    | 4.260          | 10              | 4.346           | 6/5/2025                               | -9           | 114                    |
| Gamuda Berhad                                   | 06/30 | AA3    | 3.659          | 10              | 3.682           | 1/7/2025                               | -2           | 48                     |
| Malayan Banking Berhad                          | 02/17 | AA3    | 8.297          | 1               | 5.613           | 1/7/2025                               | 268          | 452                    |
| Quantum Solar Park (Semenanjung) Sdn Berhad     | 10/27 | AA-    | 3.826          | 10              | 4.017           | 12/8/2024                              | -19          | 75                     |
| Qualitas Sukuk Berhad                           | 03/25 | A2     | 5.588          | 3               | 5.728           | 3/7/2025                               | -14          | 181                    |
| Affin Islamic Bank Berhad                       | 10/18 | A3     | 4.432          | 1               | 4.247           | 23/6/2025                              | 19           | 65                     |
| Tropicana Corporation Berhad                    | 09/19 | A-     | 6.545          | 1               | 6.547           | 5/6/2025                               | 0            | 277                    |
|   |       |        |                | 798             |                 |  |              |                        |

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

| Rating Action                  |   |                         |                        |
|--------------------------------|---|-------------------------|------------------------|
| Issuer                         | PDS Description   | Rating/Outlook          | Action                 |
| AEON Credit Service (M) Berhad | RM5bn Sukuk Wakalah Programme: Senior Sukuk Subordinated Sukuk  | AA3/Stable<br>A1/Stable | Affirmed               |
| TRIplc Ventures Sdn Bhd        | MTN Programme of up to RM240m in nominal value (2011/2026)  | AAA(bg)/Stable          | Affirmed               |
| Pujian Bayu Sdn Bhd's          | RM200m MTN Programme  | AA3/Stable              | Affirmed               |
| Ideal Water Resources Sdn Bhd  | RM255m Tranche 2 Sukuk (2025/2034) under its existing Sukuk Murabahah Programme of up to RM1bn (2023/-) | AA2/Stable              | Assigned Final Ratings |

Source: RAM, MARC

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