

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot















US Treasuries

- US Treasuries were slightly higher in trading on Monday despite impending UST supply this week, amidst the market continuing to digest the poor jobs report on Friday, with futures pricing for a September cut rising further to 98% versus the 87% seen the day before. **The benchmark 2-year UST yield was 1bp lower for the day at 3.69% while the 10-year UST yield declined by 2bps to 4.19%.** The coming day sees the release of the ISM services index for July and the trade balance for June, while UST refunding kicks off with USD58bn of new 3yr UST notes set to be auctioned.

MGS/GII

- Local govies were firmer in trading on Monday, taking cue from the sharp rally in US Treasuries overnight. Secondary market volume for the day receded by 9% to RM5.86bn from the RM6.46bn that changed hands on Friday. Overall benchmark yields were lower by between 0 to 3bps (prior: 0 to 3bps higher), except for the 30Y MGS which was skewed by a late off-market trade. **The benchmark 5Y MGS 5/30 yield closed 2bps lower for the day at 3.17% while the yield on the benchmark 10Y MGS 7/35 declined by 1bp to 3.39%.** 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 3/26 and GII 8/33. The share of GII trading for the day rose to 59% of overall govies trading versus the 37% seen the day before. The day ahead could see the announcement of the reopening of the benchmark 20Y MGS 5/44, where we expect RM2.5bn to be auctioned with another RM2bn to be privately placed.

| UST | | |
|-----------|-------------|-----------|
| Tenure | Closing (%) | Chg (bps) |
| 2-yr UST | 3.69 | -1 |
| 5-yr UST | 3.74 | -2 |
| 10-yr UST | 4.19 | -2 |
| 30-yr UST | 4.79 | -3 |

| MGS | | | GII* | | | |
|--------|-------------|---|-------------|-----------|---|----|
| Tenure | Closing (%) | Chg (bps) | Closing (%) | Chg (bps) | | |
| 3-yr | 3.05 |  | -3 | 3.08 |  | -3 |
| 5-yr | 3.17 |  | -2 | 3.20 |  | -1 |
| 7-yr | 3.34 |  | -2 | 3.33 |  | -2 |
| 10-yr | 3.39 |  | -1 | 3.42 |  | -1 |
| 15-yr | 3.64 |  | 0 | 3.64 |  | 0 |
| 20-yr | 3.76 |  | -1 | 3.74 |  | 0 |
| 30-yr | 3.82 |  | -10 | 3.93 |  | -2 |

* Market indicative levels

| MYR IRS Levels | | |
|----------------|-------------|-----------|
| IRS | Closing (%) | Chg (bps) |
| 1-yr | 3.13 | -2 |
| 3-yr | 3.06 | -3 |
| 5-yr | 3.13 | -5 |
| 7-yr | 3.19 | -4 |
| 10-yr | 3.32 | -3 |

Source: Bloomberg

Upcoming Government Bond Tender

Nil

Corp Bonds/Sukuk

- The corporate bonds/sukuk market was better bid in a light trading session on Monday, with secondary market volume plunging by 60% to RM374m versus the RM924m that traded on Friday. Trading for the day was led by the AA-rated segment of the market. In the GG universe, interest was seen in PRASA 8/36 and DANA 9/49, which closed at 3.60% and 3.90% respectively, both little changed from their last prints. In the AAA space, trading was led by PLUS 1/28 and INFRACAP 4/28, which both settled at 3.48%, 6bps and 3bps lower versus where they last traded respectively. Over in the AA-rated territory, interest was led by AFFINISL 12/26 and CIMBG 11/30, which closed the day at 3.62% (-2bps versus last print) and 3.51% (-8bps) respectively.

Daily Trades: Government Bond

| Securities | | Closing | Vol | Previous | Previous | Chg |
|------------|-------|---------|----------|----------|----------------------------|------|
| | | YTM | (RM mil) | YTM | Trade Date (dd/mm/yyyy) | (bp) |
| MGS | 09/25 | 2.895 | 850 | 2.920 | 08/01/2025 | -2 |
| MGS | 04/26 | 2.900 | 8 | 2.891 | 08/01/2025 | 1 |
| MGS | 07/26 | 2.841 | 43 | 2.868 | 08/01/2025 | -3 |
| MGS | 11/26 | 2.908 | 157 | 2.876 | 08/01/2025 | 3 |
| MGS | 05/27 | 2.999 | 132 | 3.017 | 08/01/2025 | -2 |
| MGS | 11/27 | 3.045 | 2 | 3.055 | 08/01/2025 | -1 |
| MGS | 04/28 | 3.052 | 38 | 3.083 | 08/01/2025 | -3 |
| MGS | 06/28 | 3.098 | 3 | 3.108 | 08/01/2025 | -1 |
| MGS | 04/29 | 3.173 | 11 | 3.162 | 08/01/2025 | 1 |
| MGS | 08/29 | 3.181 | 257 | 3.189 | 08/01/2025 | -1 |
| MGS | 04/30 | 3.163 | 1 | 3.199 | 08/01/2025 | -4 |
| MGS | 05/30 | 3.165 | 6 | 3.183 | 08/01/2025 | -2 |
| MGS | 04/31 | 3.305 | 133 | 3.320 | 08/01/2025 | -1 |
| MGS | 07/32 | 3.341 | 100 | 3.361 | 08/01/2025 | -2 |
| MGS | 04/33 | 3.382 | 8 | 3.412 | 08/01/2025 | -3 |
| MGS | 11/33 | 3.417 | 55 | 3.424 | 08/01/2025 | -1 |
| MGS | 07/34 | 3.434 | 117 | 3.435 | 08/01/2025 | 0 |
| MGS | 05/35 | 3.443 | 1 | 3.446 | 08/01/2025 | 0 |
| MGS | 07/35 | 3.390 | 25 | 3.402 | 08/01/2025 | -1 |
| MGS | 04/37 | 3.581 | 60 | 3.581 | 08/01/2025 | 0 |
| MGS | 06/38 | 3.617 | 3 | 3.609 | 08/01/2025 | 1 |
| MGS | 05/40 | 3.660 | 52 | 3.669 | 08/01/2025 | -1 |
| MGS | 10/42 | 3.724 | 2 | 3.736 | 08/01/2025 | -1 |
| MGS | 09/43 | 3.764 | 70 | 3.763 | 08/01/2025 | 0 |
| MGS | 05/44 | 3.764 | 148 | 3.777 | 08/01/2025 | -1 |
| MGS | 03/46 | 3.874 | 30 | 3.871 | 08/01/2025 | 0 |
| MGS | 07/48 | 3.868 | 7 | 3.884 | 08/01/2025 | -2 |
| MGS | 06/50 | 3.938 | 25 | 3.882 | 08/01/2025 | 6 |
| MGS | 03/53 | 3.926 | 73 | 3.933 | 08/01/2025 | -1 |
| MGS | 07/55 | 3.816 | 16 | 3.917 | 08/01/2025 | -10 |
| GII | 08/25 | 2.825 | 207 | 2.770 | 08/01/2025 | 6 |
| GII | 10/25 | 2.773 | 180 | 2.806 | 08/01/2025 | -3 |
| GII | 03/26 | 2.840 | 840 | 2.850 | 08/01/2025 | -1 |
| GII | 09/27 | 3.040 | 23 | 3.041 | 08/01/2025 | 0 |
| GII | 07/28 | 3.079 | 202 | 3.112 | 08/01/2025 | -3 |
| GII | 10/28 | 3.104 | 110 | 3.107 | 07/31/2025 | 0 |
| GII | 08/30 | 3.204 | 160 | 3.215 | 08/01/2025 | -1 |
| GII | 09/30 | 3.195 | 37 | 3.226 | 08/01/2025 | -3 |
| GII | 10/31 | 3.334 | 350 | 3.352 | 08/01/2025 | -2 |
| GII | 10/32 | 3.382 | 31 | 3.386 | 08/01/2025 | 0 |
| GII | 06/33 | 3.383 | 22 | 3.395 | 08/01/2025 | -1 |
| GII | 08/33 | 3.410 | 350 | 3.417 | 08/01/2025 | -1 |
| GII | 11/34 | 3.428 | 30 | 3.427 | 08/01/2025 | 0 |
| GII | 04/35 | 3.419 | 130 | 3.427 | 08/01/2025 | -1 |
| GII | 07/36 | 3.491 | 80 | 3.507 | 08/01/2025 | -2 |
| GII | 08/37 | 3.563 | 23 | 3.573 | 08/01/2025 | -1 |
| GII | 09/39 | 3.619 | 10 | 3.615 | 07/31/2025 | 0 |
| GII | 07/40 | 3.638 | 20 | 3.634 | 08/01/2025 | 0 |
| GII | 08/43 | 3.716 | 101 | 3.727 | 08/01/2025 | -1 |
| GII | 05/45 | 3.742 | 244 | 3.742 | 08/01/2025 | 0 |
| GII | 11/49 | 3.906 | 170 | 3.930 | 08/01/2025 | -2 |
| GII | 05/52 | 3.938 | 70 | 3.943 | 08/01/2025 | 0 |
| GII | 03/54 | 3.929 | 40 | 3.946 | 08/01/2025 | -2 |
| | | | 5862 | | | |

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 | 08/36 | GG | 3.599 | 10 | 3.602 | 1/8/2025 | 0 | 20 |
| DanaInfra Nasional Berhad | 09/49 | GG | 3.899 | 10 | 3.904 | 21/7/2025 | 0 | 14 |
| Projek Lebuhraya Usahasama Berhad | 01/28 | AAA | 3.476 | 20 | 3.536 | 12/6/2025 | -6 | 49 |
| Infracap Resources Sdn Berhad | 04/28 | AAA | 3.482 | 20 | 3.516 | 22/7/2025 | -3 | 43 |
| Sarawak Petchem Sdn Berhad | 07/30 | AAA | 3.669 | 15 | 3.709 | 23/7/2025 | -4 | 51 |
| CIMB Islamic Bank Berhad | 07/35 | AAA | 3.659 | 10 | 3.719 | 4/7/2025 | -6 | 26 |
| Genting Capital Berhad | 06/27 | AA1 | 3.974 | 1 | 4.034 | 23/7/2025 | -6 | 98 |
| RHB Bank Berhad | 11/28 | AA1 | 3.564 | 20 | 3.712 | 20/6/2025 | -15 | 51 |
| United Overseas Bank (Malaysia) Berhad | 02/34 | AA1 | 3.697 | 10 | 3.737 | 15/7/2025 | -4 | 29 |
| Sime Darby Property Berhad | 12/30 | AA+ | 3.598 | 30 | 3.598 | 1/8/2025 | 0 | 43 |
| Bumitama Agri Ltd | 07/26 | AA2 | 3.599 | 10 | 3.639 | 17/7/2025 | -4 | 69 |
| CIMB Group Holdings Berhad | 09/32 | AA2 | 3.618 | 20 | 3.652 | 28/7/2025 | -3 | 27 |
| UEM Edgenta Berhad | 04/26 | AA | 3.515 | 30 | 3.528 | 31/7/2025 | -1 | 61 |
| Evyap Sabun Malaysia Sdn Berhad | 12/29 | AA | 3.866 | 20 | 3.947 | 23/7/2025 | -8 | 72 |
| CIMB Group Holdings Berhad | 11/30 | AA | 3.506 | 40 | 3.581 | 10/6/2025 | -8 | 34 |
| Point Zone (M) Sdn Berhad | 03/32 | AA | 3.648 | 5 | 3.661 | 1/8/2025 | -1 | 30 |
| Sunway Healthcare Treasury Sdn Berhad | 03/32 | AA | 3.639 | 10 | 3.659 | 31/7/2025 | -2 | 29 |
| Affin Islamic Bank Berhad | 12/26 | AA3 | 3.620 | 40 | 3.639 | 29/7/2025 | -2 | 72 |
| Edra Energy Sdn Berhad | 01/32 | AA3 | 3.727 | 20 | 3.798 | 20/6/2025 | -7 | 45 |
| Zetrix AI Berhad (fka MY E.G. Services Berhad) | 03/27 | AA- | 4.958 | 1 | 4.473 | 30/7/2025 | 49 | 197 |
| Eco World Capital Berhad | 03/32 | AA- | 3.788 | 20 | 4.160 | 17/3/2025 | -37 | 44 |
| MMC Port Holdings Sdn Berhad | 04/32 | AA- | 3.778 | 1 | 3.905 | 5/5/2025 | -13 | 43 |
| Konsortium Lebuhraya Utara-Timur (KL) Sdn Berhad | 12/32 | AA- | 4.248 | 10 | 4.409 | 4/12/2019 | -16 | 90 |
| Qualitas Sukuk Berhad | 03/25 | A2 | 6.142 | 1 | 6.241 | 1/8/2025 | -10 | 238 |
| Tropicana Corporation Berhad | 11/28 | A | 5.596 | 1 | 6.000 | 1/8/2025 | -40 | 254 |
| MBSB Bank Berhad (fka Asian Finance Bank Berhad) | 12/31 | A- | 4.075 | 1 | 5.233 | 10/7/2025 | -116 | 80 |
| | | | | 374 | | | | |

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

| Rating Action | | | |
|--------------------------|--|------------------|----------|
| Issuer | PDS Description | Rating/Outlook | Action |
| Northport (Malaysia) Bhd | RM1bn Islamic Commercial Papers Programme/ Islamic Medium-Term Notes Programme | AA/Stable/MARC-1 | Affirmed |

Source: RAM, MARC

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