

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries declined in trading on Friday, as the markets pared back expectation of rate cuts by the Fed this year after comments from President Trump that he would like to keep Kevin Hassett, who was perceived as the strong favorite to replace Jerome Powell in May, in his current role instead. Overall benchmark UST yields closed the day higher by between 2 to 5bps. **The benchmark 2-year UST note yield rose by 2bps for the day to 3.59% while the 10-year UST bond yield increased by 5bps to 4.22%.** US stock and bond markets will be closed for the coming day in observance of Martin Luther King Day.

UST				
Tenure	Closing (%)	Chg (bps)		
2-yr UST	3.59	2		
5-yr UST	3.82	5		
10-yr UST	4.22	5		
30-yr UST	4.84	4		

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.01	0	3.12	2
5-yr	3.29	2	3.28	0
7-yr	3.47	3	3.36	2
10-yr	3.55	1	3.56	4
15-yr	3.79	2	3.78	4
20-yr	3.89	1	3.89	2
30-yr	4.00	8	4.01	0

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.28	3
3-yr	3.38	3
5-yr	3.47	3
7-yr	3.55	3
10-yr	3.69	4

Source: Bloomberg

	Govt NR Holdings	Corp NR Holdings
Daily Change	-1,465	-8
MTD Change	-3,632	-360

Figures in RM 'mil (as of 12 Jan 2026)

Upcoming Government Bond Tender

Nil

MGS/GII

- Local govvies were softer in trading on Friday, after the advanced prints for 4Q and 2025 annual GDP came in stronger than expected, with the quarterly reading printing at the highest since 2Q 2024. Secondary market volume rose by 41% to RM7.67bn versus the RM5.46bn that traded on Thursday. Overall benchmark yields were higher by between 0 to 4bps (prior: 0 to 1bp higher), save for the 30Y MGS which was correcting from previous off-market trades. **The benchmark 5Y MGS 5/30 yield was 2bps higher for the day at 3.29% while the yield on the benchmark 10Y MGS 7/35 advanced by 1bp to 3.55%.** Trading interest for the day was led by the benchmark 10Y MGS, while decent interest was also seen in the off-the-run MGS 7/26 and MGS 11/26, as well as in the benchmark 3Y MGS, 7Y GII and 10Y GII. The share of GII trading receded to 41% of overall trading versus the 52% seen the day before.

Corp Bonds/Sukuk

- Corporate bonds/sukuk were mixed in trading on Friday in a lighter session, with secondary market volume for the day declining by 49% to RM729m versus the RM1,424m that swapped hands on Thursday. Trading was led by the AAA-rated segment of the market. In the GG universe, the interest was led by LPPSA 3/36, which closed the day at 3.66% (-11bps versus last print). In the AAA-space, trading was led by PLUS 1/31 (VK240005) and PLUS 1/31 (VM220508), with both bonds settling for the day at 3.60% (+2bps and -6bps respectively). Over in the AA-rated territory, the activity was led by HLBB 6/35, which closed at 3.76% (+1bp) while decent interest was seen in KLUT 12/26 and UEMS 7/35, which settled the day at 3.90% (-24bps) and 3.87% (+4bps) respectively.

Daily Trades: Government Bond

Securities	Closing	Vol	Previous	Previous	Chg
	YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS 04/26	2.729	36	2.849	01/02/2026	-12
MGS 07/26	2.814	701	2.798	01/15/2026	2
MGS 11/26	2.877	584	2.853	01/15/2026	2
MGS 03/27	2.854	1	2.899	01/09/2026	-4
MGS 05/27	2.911	32	2.878	01/15/2026	3
MGS 11/27	2.892	21	2.878	01/15/2026	1
MGS 04/28	3.008	526	3.010	01/15/2026	0
MGS 06/28	3.040	9	3.057	01/15/2026	-2
MGS 04/29	3.175	85	3.151	01/15/2026	2
MGS 08/29	3.192	10	3.175	01/15/2026	2
MGS 04/30	3.298	316	3.282	01/15/2026	2
MGS 05/30	3.293	172	3.273	01/15/2026	2
MGS 04/31	3.373	330	3.362	01/15/2026	1
MGS 06/31	3.349	160	3.337	01/15/2026	1
MGS 04/32	3.444	25	3.437	12/19/2025	1
MGS 07/32	3.466	86	3.440	01/15/2026	3
MGS 04/33	3.481	40	3.474	01/15/2026	1
MGS 11/33	3.518	120	3.554	01/15/2026	-4
MGS 07/34	3.559	94	3.538	01/15/2026	2
MGS 05/35	3.558	1	3.551	01/15/2026	1
MGS 07/35	3.545	840	3.539	01/15/2026	1
MGS 04/39	3.792	10	3.773	01/14/2026	2
MGS 01/41	3.770	20	3.766	01/15/2026	0
MGS 10/42	3.862	21	3.855	01/14/2026	1
MGS 09/43	3.863	2	3.849	01/15/2026	1
MGS 05/44	3.886	163	3.877	01/14/2026	1
MGS 03/46	3.946	20	3.949	01/15/2026	0
MGS 06/50	3.991	2	3.935	01/15/2026	6
MGS 03/53	4.005	62	3.999	01/15/2026	1
MGS 07/55	3.995	17	3.917	01/15/2026	8
GII 03/26	2.754	296	2.779	01/15/2026	-2
GII 09/26	2.855	255	2.851	01/15/2026	0
GII 07/28	3.118	412	3.098	01/15/2026	2
GII 08/28	3.172	1	3.139	01/07/2026	3
GII 07/29	3.164	220	3.165	01/15/2026	0
GII 08/30	3.277	166	3.274	01/15/2026	0
GII 10/31	3.358	600	3.341	01/15/2026	2
GII 10/32	3.441	30	3.432	01/15/2026	1
GII 06/33	3.489	40	3.481	01/15/2026	1
GII 08/33	3.503	80	3.331	01/14/2026	17
GII 04/35	3.557	559	3.522	01/15/2026	4
GII 07/36	3.585	20	3.571	01/13/2026	1
GII 09/39	3.777	30	3.768	01/15/2026	1
GII 07/40	3.780	20	3.745	01/15/2026	3
GII 05/45	3.886	106	3.865	01/15/2026	2
GII 11/49	3.990	10	3.986	01/13/2026	0
GII 05/52	4.000	20	4.002	01/15/2026	0
GII 03/54	4.006	300	4.001	01/15/2026	0
7671					

Daily Trades: Corp Bonds/ Sukuk

Securities	Rating	Closing	Vol	Previous	Previous Trade Date (dd/mm/yyyy)	Chg (bps)	Spread	
							Against MGS*	
PR1MA Corporation Malaysia	10/29	GG	3.324	35	3.163	19/8/2025	16	16
Lembaga Pembangunan Perumahan Sektor Awam	03/36	GG	3.662	60	3.769	23/4/2025	-11	12
Prasarana Malaysia Berhad	06/39	GG	3.824	40	3.830	15/12/2025	-1	5
Prasarana Malaysia Berhad	02/40	GG	3.849	40	3.777	26/9/2025	7	8
DanaInfra Nasional Berhad	12/53	GG	4.087	20	n/a	n/a	409	21
Lembaga Pembangunan Perumahan Sektor Awam	04/55	GG	4.109	30	4.116	2/1/2026	-1	23
Pengerang LNG (Two) Sdn Berhad	10/28	AAA	3.552	10	3.479	26/8/2025	7	54
Tenaga Nasional Berhad	11/28	AAA	3.506	10	3.441	8/9/2025	6	49
TNB Northern Energy Berhad	11/28	AAA	3.567	10	3.565	18/11/2025	0	55
Projek Lebuhraya Usahasama Berhad	01/31	AAA	3.600	50	3.580	13/1/2026	2	32
Projek Lebuhraya Usahasama Berhad	01/31	AAA	3.601	50	3.657	2/1/2026	-6	32
Infracap Resources Sdn Berhad	04/31	AAA	3.602	5	3.603	15/1/2026	0	32
Projek Lebuhraya Usahasama Berhad	01/32	AAA	3.650	15	3.652	15/1/2026	0	30
Projek Lebuhraya Usahasama Berhad	01/32	AAA	3.651	15	3.602	8/10/2025	5	30
TNB Power Generation Sdn Berhad	06/32	AAA	3.681	5	3.663	7/1/2026	2	33
CelcomDigi Telecommunications Sdn Berhad (fka Digi)	12/32	AAA	3.699	35	n/a	n/a	370	25
Petroleum Sarawak Exploration & Production Sdn Bhd	02/33	AAA	3.699	10	3.699	13/1/2026	0	25
Petroleum Sarawak Exploration & Production Sdn Bhd	08/35	AAA	3.758	40	3.768	16/12/2025	-1	22
Malayan Cement Berhad (fka Lafarge Malaysia Berhad)	07/27	AA1	3.690	10	3.686	8/1/2026	0	83
Press Metal Aluminium Holdings Berhad	12/28	AA1	3.626	1	3.537	7/11/2025	9	61
Johor Plantations Group Berhad	09/34	AA1	3.798	20	3.788	7/1/2026	1	28
Hong Leong Bank Berhad	06/35	AA1	3.763	40	3.755	15/1/2026	1	25
Pulau Indah Power Plant Sdn Berhad	11/28	AA+	3.709	5	3.748	28/11/2025	-4	70
AmBank Islamic Berhad	05/31	AA2	3.701	20	3.747	19/12/2025	-5	42
Benih Restu Berhad	07/34	AA2	3.843	15	3.837	23/12/2025	1	33
Pelabuhan Tanjung Pelepas Sdn Berhad	06/27	AA	3.515	10	3.496	7/1/2026	2	66
OSK Rated Bond Sdn Berhad	03/32	AA	3.758	10	3.746	14/1/2026	1	40
Bank Islam Malaysia Berhad	07/29	AA3	3.772	1	3.778	15/1/2026	-1	76
Exsim Capital Resources Berhad	01/30	AA3	4.747	10	4.741	8/12/2025	1	158
IJM Treasury Management Sdn Berhad	03/40	AA3	3.980	10	3.968	24/11/2025	1	21
UEM Sunrise Berhad	05/26	AA-	3.705	20	3.573	14/1/2026	13	85
Konsortium Lebuhraya Utara-Timur (KL) Sdn Berhad	12/26	AA-	3.903	30	4.141	5/6/2025	-24	105
Malaysian Resources Corporation Berhad	02/27	AA-	3.736	10	3.626	23/9/2025	11	88
Malakoff Power Berhad	12/28	AA-	3.740	5	3.716	12/1/2026	2	73
Guan Chong Berhad	04/30	AA-	4.840	1	4.842	8/1/2026	0	168
UEM Sunrise Berhad	07/35	AA-	3.869	30	3.827	29/10/2025	4	33
Berajaya IPS Equity Sdn Berhad	10/26	NR(LT)	5.897	1	6.953	30/12/2025	-106	304
Mah Sing Group Berhad	10/26	NR(LT)	5.165	1	4.721	23/6/2025	44	231
Naza TTDI Capital Berhad	05/28	NR(LT)	7.482	1	7.980	28/10/2025	-50	456

729

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Nil			

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

DISCLAIMER

This report is for information purposes only and does not take into account the investment objectives, financial situation or particular needs of any particular recipient. The information contained herein does not constitute the provision of investment advice and is not intended as an offer or solicitation with respect to the purchase or sale of any of the financial instruments mentioned in this report and will not form the basis or a part of any contract or commitment whatsoever.

The information contained in this publication is derived from data obtained from sources believed by Hong Leong Bank Berhad ("HLBB") to be reliable and in good faith, but no warranties or guarantees, representations are made by HLBB with regard to the accuracy, completeness or suitability of the data. Any opinions expressed reflect the current judgment of the authors of the report and do not necessarily represent the opinion of HLBB or any of the companies within the Hong Leong Bank Group ("HLB Group"). The opinions reflected herein may change without notice and the opinions do not necessarily correspond to the opinions of HLBB. HLBB does not have an obligation to amend, modify or update this report or to otherwise notify a reader or recipient thereof in the event that any matter stated herein, or any opinion, projection, forecast or estimate set forth herein, changes or subsequently becomes inaccurate.

HLB Group, their directors, employees and representatives do not have any responsibility or liability to any person or recipient (whether by reason of negligence, negligent misstatement or otherwise) arising from any statement, opinion or information, expressed or implied, arising out of, contained in or derived from or omission from the reports or matter.

Potential and actual conflict of interest may arise from the activities of HLB Group. HLB Group constitute a diversified financial services group. These entities engage in a wide range of commercial and investment banking, brokerage, funds management, hedging transactions and other activities for their own account or the account of others. In the ordinary course of their business, HLB Group may effect transactions for their own account or for the account of their customers and hold long or short positions in the financial instruments. HLB Group, in connection with its business activities, may possess or acquire material information about the financial instruments. Such activities and information may involve or have an effect on the financial instruments. HLB Group have no obligation to disclose such information about the financial instruments or their activities.

The past performance of financial instruments is not indicative of future results. Whilst every effort is made to ensure that statements of facts made in this report are accurate, all estimates, projections, forecasts, expressions of opinion and other subjective judgments contained in this report are based on assumptions considered to be reasonable as of the date of the document in which they are contained and must not be construed as a representation that the matters referred to therein will occur. Any projections or forecasts mentioned in this report may not be achieved due to multiple risk factors including without limitation market volatility, sector volatility, corporate actions, the unavailability of complete and accurate information. No assurance can be given that any opinion described herein would yield favorable investment results. Recipients who are not market professional or institutional investor customer of HLBB should seek the advice of their independent financial advisor prior to taking any investment decision based on the recommendations in this report.

HLBB may provide hyperlinks to websites of entities mentioned in this report, however the inclusion of a link does not imply that HLBB endorses, recommends or approves any material on the linked page or accessible from it. Such linked websites are accessed entirely at your own risk. HLBB does not accept responsibility whatsoever for any such material, nor for consequences of its use.

This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. This report is for the use of the addressees only and may not be redistributed, reproduced or passed on to any other person or published, in part or in whole, for any purpose, without the prior, written consent of HLBB. The manner of distributing this report may be restricted by law or regulation in certain countries. Persons into whose possession this report may come are required to inform themselves about and to observe such restrictions. By accepting this report, a recipient hereof agrees to be bound by the foregoing limitations.