

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries were a tad softer in trading on Tuesday on continued fiscal fears and anxieties about the tariff situation continued to weigh. A tepid sale of USD58bn in 3-year USTs also added to the offerish tone for the day. **The benchmark 2-year UST yield was little changed for the day at 3.89% while the 10-year UST yield rose by 2bps to 4.40%.** On the deck for tonight is the scheduled release of the minutes of the 18 June FOMC, and the Treasury refunding continues with the reopening of USD39bn in existing 10-year USTs.

MGS/GII

- Local govies were firmer in trading on Tuesday, amidst the announcement overnight that Malaysia would be subject to 25% import tariffs by the US effective on 01 Aug if no deal is struck by then. Secondary market volume for the day rose by 45% to RM5.95bn from the RM4.11bn that traded on Monday. Overall benchmark yields were lower by between 0 to 3bps (prior: -1 to +1bp), except for the 30Y GII which was correcting from an off-market trade the prior day. **The benchmark 5Y MGS 5/30 yield closed the day 1bp lower at 3.17% while the yield on the benchmark 10Y MGS 7/35 was little changed at 3.44%.** Trading interest for the day was led by the off-the-run MGS 9/25, while decent interest was also seen in the benchmark 3Y GII and 7Y GII, as well as in the off-the-run GII 8/33 and GII 7/36. The share of GII trading for the day inched lower to 51% of overall govies trading, versus the 52% seen the previous session. The BNM MPC decision is scheduled for later today, and we think that they will deliver a precautionary 25bps reduction in the overnight rate.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	3.89	0
5-yr UST	3.97	1
10-yr UST	4.40	2
30-yr UST	4.93	1

MGS			GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)	
3-yr	3.13	0	3.14	-1	
5-yr	3.17	-1	3.23	-3	
7-yr	3.36	-2	3.36	-1	
10-yr	3.44	0	3.48	-1	
15-yr	3.68	0	3.69	0	
20-yr	3.77	0	3.74	-1	
30-yr	4.00	0	3.99	-6	

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.24	0
3-yr	3.13	1
5-yr	3.20	1
7-yr	3.28	0
10-yr	3.40	0

Source: Bloomberg

Upcoming Government Bond Tender

Nil

Corp Bonds/Sukuk

- Corporate bonds/sukuk were better bid in trading on Tuesday, with secondary market volume climbing by 49% to RM1,282m versus the RM858m that changed hands on Monday. Trading for the day was again led by the AA-rated segment of the market. In the GG universe, PRASA 3/42 and DANA 4/42 led the interest, both settling at 3.81% (+1bp from last print and -27bps respectively). In the AAA space, activity was led by CAGA 10/28 and CAGA 10/30, closing at 3.43% (-3bps) and 3.51% (-5bps) respectively. In the AA-rated territory, trading was led by MALAKOFF 12/29 which settled at 3.86% (-2bps), and decent activity was also noted in YTLP 3/37 and YTLP 8/38, which closed at 3.80% and 3.81% respectively, both little changed from where they 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	2.919	1395	2.993	07/07/2025	-7
MGS	04/26	2.949	3	2.945	07/03/2025	0
MGS	07/26	2.948	102	2.960	07/07/2025	-1
MGS	09/26	2.903	40	3.127	06/18/2025	-22
MGS	11/26	2.976	2	3.005	07/07/2025	-3
MGS	05/27	3.030	13	3.046	07/07/2025	-2
MGS	11/27	3.055	5	3.074	07/04/2025	-2
MGS	04/28	3.127	9	3.128	07/07/2025	0
MGS	06/28	3.148	11	3.147	07/07/2025	0
MGS	04/29	3.195	2	3.156	07/07/2025	4
MGS	08/29	3.215	9	3.242	07/07/2025	-3
MGS	04/30	3.215	7	3.199	07/07/2025	2
MGS	05/30	3.167	20	3.174	07/07/2025	-1
MGS	04/31	3.335	104	3.352	07/07/2025	-2
MGS	06/31	3.362	1	3.366	07/07/2025	0
MGS	07/32	3.356	155	3.376	07/07/2025	-2
MGS	04/33	3.470	21	3.477	07/07/2025	-1
MGS	11/33	3.480	246	3.487	07/07/2025	-1
MGS	07/34	3.496	9	3.504	07/07/2025	-1
MGS	05/35	3.481	1	3.500	07/07/2025	-2
MGS	07/35	3.441	42	3.440	07/07/2025	0
MGS	04/37	3.644	128	3.649	07/07/2025	0
MGS	06/38	3.673	62	3.680	07/07/2025	-1
MGS	04/39	3.681	81	3.680	07/07/2025	0
MGS	10/42	3.782	114	3.790	07/07/2025	-1
MGS	09/43	3.811	30	3.804	07/07/2025	1
MGS	05/44	3.769	46	3.772	07/07/2025	0
MGS	03/46	3.912	111	3.912	07/07/2025	0
MGS	07/48	3.937	150	3.941	07/07/2025	0
MGS	06/50	3.965	6	3.907	07/07/2025	6
MGS	03/53	3.998	12	3.995	07/07/2025	0
GII	09/26	2.994	151	2.988	07/07/2025	1
GII	07/27	3.036	5	2.939	07/07/2025	10
GII	09/27	3.078	90	3.093	07/07/2025	-2
GII	07/28	3.144	425	3.157	07/07/2025	-1
GII	07/29	3.232	27	3.231	07/07/2025	0
GII	08/30	3.226	150	3.253	07/07/2025	-3
GII	09/30	3.273	50	3.284	07/07/2025	-1
GII	10/30	3.293	60	3.320	07/07/2025	-3
GII	10/31	3.360	484	3.372	07/07/2025	-1
GII	10/32	3.412	150	3.438	07/07/2025	-3
GII	08/33	3.480	280	3.494	07/07/2025	-1
GII	11/34	3.496	200	3.508	07/07/2025	-1
GII	04/35	3.484	70	3.494	07/07/2025	-1
GII	07/36	3.584	340	3.594	07/07/2025	-1
GII	09/39	3.691	190	3.700	07/07/2025	-1
GII	09/41	3.752	120	3.758	07/07/2025	-1
GII	08/43	3.784	11	3.776	07/07/2025	1
GII	05/45	3.743	6	3.752	07/04/2025	-1
GII	05/47	3.914	40	3.902	07/07/2025	1
GII	11/49	3.953	71	4.016	07/07/2025	-6
GII	05/52	3.988	10	3.998	07/07/2025	-1
GII	03/54	3.993	91	4.055	07/07/2025	-6
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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*
Perbadanan Tabung Pendidikan Tinggi Nasional	08/26	GG	3.207	30	3.414	24/10/2024	-21	21
Lembaga Pembiayaan Perumahan Sektor Awam	04/32	GG	3.510	100	n/a	n/a	351	14
Lembaga Pembiayaan Perumahan Sektor Awam	08/32	GG	3.542	40	3.550	25/6/2025	-1	17
Prasarana Malaysia Berhad	08/32	GG	3.509	50	3.559	19/6/2025	-5	14
DanaInfra Nasional Berhad	10/32	GG	3.552	5	3.550	3/7/2025	0	18
DanaInfra Nasional Berhad	11/32	GG	3.541	5	3.528	2/7/2025	1	17
Prasarana Malaysia Berhad	03/42	GG	3.807	100	3.799	3/7/2025	1	13
DanaInfra Nasional Berhad	04/42	GG	3.806	100	4.075	8/3/2024	-27	13
DanaInfra Nasional Berhad	06/55	GG	4.050	20	n/a	n/a	405	27
Cagamas Berhad	10/28	AAA	3.425	40	3.459	17/6/2025	-3	31
Hektar MTN Satu Sdn Berhad	02/29	AAA	3.817	10	3.828	11/6/2025	-1	65
Cagamas Berhad	03/30	AAA	3.510	20	3.531	4/6/2025	-2	33
Cagamas Berhad	10/30	AAA	3.505	40	3.557	24/6/2025	-5	33
SMJ Energy Sdn Berhad (fka SMJ Sdn Berhad)	10/38	AAA	3.854	10	3.999	10/2/2025	-15	17
Sabah Development Bank Berhad	04/26	AA1	4.480	5	4.501	13/6/2025	-2	148
Sabah Development Bank Berhad	03/27	AA1	4.546	20	4.549	28/5/2025	0	148
YTL Power International Berhad	08/31	AA1	3.732	20	3.968	29/11/2024	-24	41
YTL Power International Berhad	10/31	AA1	3.739	20	3.680	22/5/2025	6	42
United Overseas Bank (Malaysia) Berhad	10/32	AA1	3.261	1	3.363	4/7/2025	-10	-11
Malayan Banking Berhad	01/34	AA1	3.750	30	3.760	4/7/2025	-1	29
YTL Corporation Berhad	09/35	AA1	3.804	15	4.177	2/12/2024	-37	36
YTL Corporation Berhad	11/36	AA1	3.822	15	4.199	28/11/2024	-38	37
YTL Power International Berhad	03/37	AA1	3.798	60	3.799	26/6/2025	0	35
YTL Power International Berhad	08/38	AA1	3.807	60	3.808	23/6/2025	0	13
Sime Darby Property Berhad	12/25	AA+	3.514	40	3.746	30/9/2024	-23	52
UMW Holdings Berhad	11/26	AA+	3.626	20	3.623	5/6/2025	0	63
Sime Darby Property Berhad	04/32	AA+	3.667	10	3.727	20/5/2025	-6	30
AEON Co. (M) Berhad	08/29	AA2	3.705	10	3.733	2/7/2025	-3	53
RHB Islamic Bank Berhad	05/34	AA2	3.807	10	3.999	10/3/2025	-19	35
Pelabuhan Tanjung Pelepas Sdn Berhad	08/27	AA	3.697	20	3.696	7/7/2025	0	63
Evyap Sabun Malaysia Sdn Berhad	12/29	AA	3.983	10	4.057	7/7/2025	-7	81
Edra Energy Sdn Berhad	07/28	AA3	3.682	10	3.969	6/6/2024	-29	56
Edra Energy Sdn Berhad	01/29	AA3	3.690	10	3.852	29/4/2025	-16	57
Qualitas Sukuk Berhad	03/30	AA3	4.398	8	4.498	6/5/2025	-10	122
AEON Credit Service (M) Berhad	11/30	AA3	3.708	20	3.829	5/6/2025	-12	53
AEON Credit Service (M) Berhad	03/31	AA3	3.717	25	3.778	17/6/2025	-6	39
Bank Islam Malaysia Berhad	07/31	AA3	3.722	50	3.738	2/7/2025	-2	40
Malaysian Reinsurance Berhad	10/32	AA3	4.641	1	3.905	19/6/2025	74	127
Malayan Banking Berhad	02/17	AA3	4.297	1	4.296	7/7/2025	0	52
UEM Sunrise Berhad	09/26	AA-	3.677	20	3.704	13/6/2025	-3	68
UEM Sunrise Berhad	06/27	AA-	4.642	1	4.904	3/7/2025	-26	158
AZRB Capital Sdn Berhad	12/28	AA-	4.644	10	5.812	20/5/2022	-117	153
Malakoff Power Berhad	12/29	AA-	3.859	90	3.878	7/7/2025	-2	69
AZRB Capital Sdn Berhad	12/29	AA-	4.668	10	5.039	2/4/2024	-37	150
Malakoff Power Berhad	12/30	AA-	3.889	40	4.227	21/4/2025	-34	71
Sunway Treasury Sukuk Sdn Berhad	04/32	AA-	3.739	5	3.748	26/6/2025	-1	37
UEM Sunrise Berhad	08/33	AA-	3.792	40	3.799	7/7/2025	-1	35
Hong Leong Bank Berhad	11/17	A1	3.997	1	4.323	7/7/2025	-33	22
Affin Islamic Bank Berhad	10/18	A3	4.414	2	4.432	4/7/2025	-2	64
MBSB Bank Berhad (fka Asian Finance Bank Berhad)	12/31	A-	4.512	4	4.235	3/6/2025	28	119
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* The spread against nearest indicative tenured MGS (Source: BPAM)

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Trusmadi Capital Sdn Bhd	Issue 1 Medium-Term Notes:		Affirmed
	RM235m Class A	AAA/Stable	
	RM40m Class B	AA/Stable	
	RM25m Class C	A/Stable	
VS Capital Management Sdn Bhd	Islamic Medium-Term Notes Programme of up to RM1bn	AA/Stable	Affirmed
TM Technology Services Sdn Bhd	RM3bn Islamic Medium-Term Notes Programme (2013/2033)	AAA/Stable	Affirmed
	RM4bn Islamic Medium-Term Notes Programme (2018/2048)	AAA/Stable	Affirmed

Source: RAM, MARC

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