

## Global Markets Research

### Fixed Income





#### Fixed Income Daily Market Snapshot













##### US Treasuries

- US Treasuries were softer in trading on Wednesday, amidst fresh fiscal concerns in the UK, which sparked a rout in the UK Gilt market which spilled over to the UST market. **The benchmark 2-year UST yield closed 1bp higher for the day at 3.79% while the 10-year UST yield advanced by 4bps to 4.28%.**, resulting in a bear steepening of the UST curve. The coming day brings us the monthly employment report for June, which is expected to moderate slightly, as well as the ISM services index for the month, and the trade balance and factory orders for May.






##### MGS/GII

- Local govies were mixed in trading on Wednesday in a lighter session, with secondary market volume for the day declining by 24% to RM6.08bn from the RM7.96bn that traded on Tuesday. Overall benchmark yields were mixed by between -1 to +1bp (prior: 0 to 2bps lower). **The benchmark 5Y MGS 5/30 yield closed the day 1bps higher at 3.18% while the yield on the benchmark 10Y MGS 7/34 was little changed at 3.51%.** Trading interest for the day was again led by the off-the-run MGS 9/25, while decent interest was also seen in the off-the-run GII 10/28, MGS 4/31 and GII 8/33, as well as in the benchmark 7Y MGS and 15Y MGS. The share of GII trading for the day climbed to 51% of overall govies trading, versus the 32% seen the previous session. The day ahead sees government bond funding for the month commencing with the reopening of RM5bn of the benchmark 7Y GII 10/31.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	3.79	 1
5-yr UST	3.86	 3
10-yr UST	4.28	 4
30-yr UST	4.80	 4

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.12	 -1	3.15	 -1
5-yr	3.18	 1	3.25	 -1
7-yr	3.40	 1	3.37	 0
10-yr	3.51	 0	3.50	 0
15-yr	3.68	 0	3.69	 -1
20-yr	3.78	 1	3.75	 0
30-yr	4.00	 0	4.00	 0

\* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.24	 0
3-yr	3.12	 0
5-yr	3.19	 0
7-yr	3.28	 -1
10-yr	3.41	 0

Source: Bloomberg

#### Upcoming Government Bond Tender

Reopening of RM5bn of the benchmark 7Y GII 10/31, with the auction on Thurs, 03 Jul

#### Corp Bonds/Sukuk

- Corporate bonds/sukuk were better bid in trading on Wednesday in a busy session, with secondary market volume surging by 232% to a record thus far this year of RM1,701m versus the RM513m that changed hands on Tuesday. Trading was dominated by the GG segment of the market, where DANA 5/41 and DANA 10/41 led the interest, with both bonds settling the day at 3.79%, unchanged and 29bps lower versus where they last traded respectively. In the AAA space, activity was led by BPMB 11/35 and AIRSEL 8/39, with both bonds closing at 3.81%, 1bp and 5bps lower than their last prints respectively. Over in the AA-rated territory, trading was led by PKNS 8/34, which settled at 3.91% (-3bps), while in the A-rated universe, interest was led by BIMB 3/35, which closed at 3.85% (-3bps). Over in unrated area, trading was seen in a series of 7 of Ekovest FRNs around the 6.37% area.

## Daily Trades: Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	09/25	2.920	542	2.871	07/01/2025	5
MGS	04/26	2.925	7	3.009	07/01/2025	-8
MGS	11/26	3.006	19	3.001	07/01/2025	0
MGS	05/27	3.039	41	3.045	07/01/2025	-1
MGS	11/27	3.096	64	3.092	07/01/2025	0
MGS	04/28	3.119	178	3.131	07/01/2025	-1
MGS	06/28	3.156	40	3.145	07/01/2025	1
MGS	04/29	3.213	4	3.216	07/01/2025	0
MGS	08/29	3.224	90	3.239	07/01/2025	-1
MGS	05/30	3.179	21	3.172	07/01/2025	1
MGS	04/31	3.364	262	3.355	07/01/2025	1
MGS	06/31	3.360	55	3.368	07/01/2025	-1
MGS	04/32	3.443	40	3.443	07/01/2025	0
MGS	07/32	3.398	258	3.394	07/01/2025	0
MGS	04/33	3.477	110	3.489	07/01/2025	-1
MGS	11/33	3.489	140	3.494	07/01/2025	-1
MGS	07/34	3.507	225	3.508	07/01/2025	0
MGS	05/35	3.507	7	3.508	07/01/2025	0
MGS	07/35	3.440	20	3.471	06/30/2025	-3
MGS	04/37	3.654	21	3.657	07/01/2025	0
MGS	06/38	3.665	70	3.680	07/01/2025	-2
MGS	04/39	3.677	277	3.672	07/01/2025	0
MGS	05/40	3.722	61	3.717	07/01/2025	0
MGS	10/42	3.796	60	3.798	07/01/2025	0
MGS	09/43	3.805	10	3.816	07/01/2025	-1
MGS	05/44	3.777	104	3.770	07/01/2025	1
MGS	03/46	3.915	50	3.923	06/30/2025	-1
MGS	07/48	3.940	75	3.948	07/01/2025	-1
MGS	06/50	3.984	24	3.975	07/01/2025	1
MGS	03/53	3.996	86	3.998	07/01/2025	0
GII	10/25	2.927	200	2.988	07/01/2025	-6
GII	03/26	2.965	4	2.942	07/01/2025	2
GII	09/26	2.993	1	3.021	07/01/2025	-3
GII	09/27	3.124	1	3.077	07/01/2025	5
GII	07/28	3.148	60	3.159	07/01/2025	-1
GII	10/28	3.181	450	3.206	06/30/2025	-2
GII	12/28	3.202	90	3.213	06/25/2025	-1
GII	08/30	3.252	138	3.257	07/01/2025	-1
GII	09/30	3.286	31	3.292	07/01/2025	-1
GII	10/31	3.370	218	3.366	07/01/2025	0
GII	10/32	3.450	161	3.457	07/01/2025	-1
GII	06/33	3.483	80	3.492	06/30/2025	-1
GII	08/33	3.489	360	3.494	07/01/2025	-1
GII	11/34	3.511	80	3.509	07/01/2025	0
GII	04/35	3.497	116	3.497	07/01/2025	0
GII	10/35	3.539	20	3.576	06/25/2025	-4
GII	07/36	3.602	131	3.604	07/01/2025	0
GII	08/37	3.647	168	3.672	06/30/2025	-3
GII	03/38	3.676	2	3.649	07/01/2025	3
GII	09/39	3.699	91	3.701	07/01/2025	0
GII	07/40	3.690	100	3.703	07/01/2025	-1
GII	09/41	3.758	50	3.754	07/01/2025	0
GII	08/43	3.791	114	3.799	07/01/2025	-1
GII	05/45	3.746	1	3.743	07/01/2025	0
GII	11/49	3.971	200	3.983	07/01/2025	-1
GII	05/52	3.995	90	4.001	07/01/2025	-1
GII	03/54	3.995	162	4.000	07/01/2025	0
		6080				

## 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*
Lembaga Pembiayaan Perumahan Sektor Awam	07/28	GG	3.287	50	3.677	25/6/2024	-39	16
Prasarana Malaysia Berhad	09/28	GG	3.278	50	3.500	23/4/2025	-22	15
Prasarana Malaysia Berhad	09/29	GG	3.353	25	3.344	28/5/2025	1	16
Prasarana Malaysia Berhad	12/30	GG	3.380	100	3.562	23/4/2025	-18	19
Prasarana Malaysia Berhad	02/31	GG	3.390	100	3.741	19/2/2025	-35	6
DanaInfra Nasional Berhad	11/32	GG	3.528	30	3.551	19/6/2025	-2	14
DanaInfra Nasional Berhad	11/32	GG	3.528	15	3.544	30/6/2025	-2	14
DanaInfra Nasional Berhad	10/35	GG	3.611	40	3.666	24/6/2025	-5	15
DanaInfra Nasional Berhad	11/35	GG	3.608	20	3.648	11/6/2025	-4	14
Pengurusan Air SPV Berhad	06/39	GG	3.728	90	3.744	17/6/2025	-2	4
Malaysia Rail Link Sdn Berhad	02/40	GG	3.776	40	3.780	30/6/2025	0	9
DanaInfra Nasional Berhad	03/40	GG	3.779	80	3.779	26/6/2025	0	9
DanaInfra Nasional Berhad	04/40	GG	3.780	60	3.780	30/6/2025	0	9
DanaInfra Nasional Berhad	11/40	GG	3.768	40	3.875	23/4/2025	-11	8
DanaInfra Nasional Berhad	05/41	GG	3.789	300	3.792	30/6/2025	0	10
DanaInfra Nasional Berhad	10/41	GG	3.789	200	4.082	12/12/2024	-29	10
Prasarana Malaysia Berhad	03/42	GG	3.799	30	4.050	3/2/2025	-25	11
DanaInfra Nasional Berhad	09/49	GG	3.970	10	3.948	18/6/2025	2	19
DanaInfra Nasional Berhad	11/49	GG	3.969	10	4.190	18/12/2024	-22	19
Prasarana Malaysia Berhad	02/50	GG	3.999	10	4.001	20/6/2025	0	22
DanaInfra Nasional Berhad	03/50	GG	3.965	10	4.095	26/3/2025	-13	19
Lembaga Pembiayaan Perumahan Sektor Awam	04/55	GG	4.039	20	4.054	25/6/2025	-2	26
Pengurusan Air SPV Berhad	06/27	AAA	3.531	5	3.507	10/6/2025	2	46
Toyota Capital Malaysia Sdn Berhad	02/30	AAA	3.767	10	3.730	25/6/2025	4	58
Toyota Capital Malaysia Sdn Berhad	08/30	AAA	3.778	10	3.887	3/3/2025	-11	59
Bank Pembangunan Malaysia Berhad	11/35	AAA	3.809	30	3.818	11/6/2025	-1	35
Pengurusan Air Selangor Sdn Berhad	08/39	AAA	3.810	30	3.859	10/6/2025	-5	12
Sabah Credit Corporation	01/27	AA1	3.650	5	3.646	24/6/2025	0	57
Perbadanan Kemajuan Negeri Selangor	08/34	AA1	3.909	30	3.938	25/6/2025	-3	43
PONSB Capital Berhad	12/28	AA2	3.698	10	3.732	22/5/2025	-3	57
AEON Co. (M) Berhad	08/29	AA2	3.733	5	3.751	16/6/2025	-2	54
Cellco Capital Berhad	03/28	AA	4.168	10	4.579	10/3/2022	-41	104
Pelabuhan Tanjung Pelepas Sdn Berhad	06/30	AA	3.749	20	3.828	10/4/2025	-8	56
AEON Credit Service (M) Berhad	03/30	AA3	3.738	10	3.758	4/6/2025	-2	55
Tanjung Bin Energy Sdn Berhad	09/30	AA3	4.390	20	4.418	11/6/2025	-3	120
Bank Islam Malaysia Berhad	07/31	AA3	3.738	20	3.737	9/6/2025	0	41
AEON Credit Service (M) Berhad	05/32	AA3	3.798	20	3.823	11/6/2025	-2	41
Power Root Berhad (fka Natural BIO Resources Berhad)	11/31	AA-	4.228	8	4.248	23/6/2025	-2	90
LBS Bina Group Berhad	01/32	AA-	4.199	12	4.197	24/6/2025	0	81
Bank Islam Malaysia Berhad	03/35	A1	3.848	10	3.875	17/6/2025	-3	38
Hong Leong Bank Berhad	11/17	A1	4.464	2	4.465	25/6/2025	0	69
Qualitas Sukuk Berhad	03/25	A2	5.748	1	5.751	1/7/2025	0	197
Bank Muamalat Malaysia Berhad	09/22	BBB+	4.732	1	4.733	26/6/2025	0	95
Ekovest Berhad	01/26	NR(LT)	6.369	13	n/a	n/a	637	336
Ekovest Berhad	07/26	NR(LT)	6.370	15	n/a	n/a	637	336
Ekovest Berhad	12/26	NR(LT)	6.370	15	n/a	n/a	637	336
Ekovest Berhad	07/27	NR(LT)	6.370	15	n/a	n/a	637	329
Ekovest Berhad	01/28	NR(LT)	6.370	15	n/a	n/a	637	325
Ekovest Berhad	07/28	NR(LT)	6.370	15	n/a	n/a	637	325
Ekovest Berhad	01/29	NR(LT)	6.370	15	n/a	n/a	637	318
				1701				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Gas Malaysia Distribution Sdn Bhd	Islamic Medium-Term Notes / Islamic Commercial Papers Programmes with a combined limit of up to RM1bn	AAA/Stable/MARC-1	Affirmed

Source: RAM, MARC

**Hong Leong Bank Berhad**

Fixed Income &amp; 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](mailto: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.