

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries ended mixed on Wednesday after a day of volatile trade as the FOMC stood pat as expected, in a 10-2 vote. The yield curve steepened for the first time in five days with the **benchmark 2Y UST yields reversing early session gains, closing the day 4bps lower at 4.70%** as Fed Chair Kevin Warsh signaled a patient and data-dependent approach. There was little change in market pricing for a December rate hike, standing at 21bps at point of writing. Meanwhile, **the benchmark 10-year UST bond yield advanced by 2bps to 5.02%**. The coming day brings the release of the advanced 3Q GDP figures as well as the core PCE index and personal income and spending numbers for the month of September.

MGS/GII

- Local govies declined in trading on Wednesday in a slighter lighter trading session ahead of the upcoming key FOMC decision. Secondary market volume for the day receded by 9% to RM4.09bn versus the RM4.50bn that traded on Tuesday. Overall benchmark yields were mixed by between -1 to +10bps (prior: -1 to +5bps). **The benchmark 5Y MGS 6/31 yield rose by 3bps for the day to 3.71% while the yield on the benchmark 10Y MGS 7/35 also advanced by 3bps to 3.97%**. Trading for the day was again led by the off-the-run MGS 11/26, while decent interest was also seen in the off-the-run MGS 5/27, as well as the benchmark 3Y GII and 15Y MGS. The share of GII trading plunged to 20% of overall govies trading versus the 35% seen the previous session. The day ahead sees the new issuance auction of RM5bn of a fresh benchmark 10Y MGS maturing in Oct 2036, with a further RM0.5bn to be privately placed.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.70	-4
5-yr UST	4.84	-1
10-yr UST	5.02	2
30-yr UST	5.34	3

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.40	-1	3.44	-1
5-yr	3.71	3	3.71	2
7-yr	3.93	2	3.91	10
10-yr	3.97	3	3.90	0
15-yr	4.19	5	4.14	0
20-yr	4.30	2	4.31	3
30-yr	4.38	0	4.38	1

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.68	2
3-yr	3.72	2
5-yr	3.77	1
7-yr	3.85	1
10-yr	3.97	1

Source : Bloomberg

	Govt NR Holdings	Corp NR Holdings
Daily Change	-240	90
MTD Change	-1,665	3,829

Figures in RM 'mil (as of 22 Oct 2026)

Upcoming Government Bond Tender

New issuance auction of RM5bn of a fresh benchmark 10Y MGS maturing in Oct 2036, on Thursday 29 Oct (with a further RM0.5bn to be privately placed)

Corp Bonds/Sukuk

- Corporate bonds/sukuk were better offered in trading on Wednesday, with secondary market volume for the day climbing by 30% to RM591m versus the RM455m that switched hands on Tuesday. Trading for the day was led by the AAA-rated segment of the market. In the GG universe, MRL 7/36 and PRASA 1/37 led the interest and closed the day at 4.30% (+46bps versus last print) and 4.32% (+8bps) respectively. In the AAA-space, the interest was led by SEB 8/35 and PLUS 1/36, which settled at 4.46% (+16bps) and 4.48% (+2bps) respectively. Over in AA-rated territory, the activity was led by RENIKOLA 5/29 and RHBISL 4/32, which closed at 6.07% (+162bps) and 4.08% (+54bp) respectively, while in the A-rated arena, the trading was led by MBSBBANK 12/31, which settled for the day at 4.45% (-6bps).

Daily Trades: Government Bond

		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	11/26	3.023	1254	2.981	10/27/2026	4
MGS	05/27	3.024	858	3.059	10/27/2026	-4
MGS	11/27	3.124	2	3.120	10/27/2026	0
MGS	04/28	3.294	129	3.300	10/27/2026	-1
MGS	06/28	3.330	1	3.325	10/26/2026	0
MGS	08/29	3.459	28	3.467	10/27/2026	-1
MGS	04/30	3.572	1	3.569	10/27/2026	0
MGS	05/30	3.609	1	3.554	10/27/2026	6
MGS	04/31	3.703	21	3.675	10/26/2026	3
MGS	06/31	3.706	157	3.679	10/27/2026	3
MGS	07/32	3.797	125	3.797	10/27/2026	0
MGS	04/33	3.925	153	3.914	10/27/2026	1
MGS	07/34	3.942	1	3.980	10/27/2026	-4
MGS	07/35	3.970	44	3.942	10/27/2026	3
MGS	10/36	3.960	40	3.950	10/27/2026	1
MGS	04/37	4.074	97	4.063	10/27/2026	1
MGS	06/38	4.142	4	4.139	10/26/2026	0
MGS	04/39	4.168	10	4.163	10/27/2026	0
MGS	05/40	4.246	100	4.180	10/27/2026	7
MGS	01/41	4.189	215	4.136	10/27/2026	5
MGS	10/42	4.236	10	4.194	10/27/2026	4
MGS	05/44	4.233	3	4.263	10/26/2026	-3
MGS	04/46	4.301	1	4.282	10/27/2026	2
MGS	06/50	4.268	2	4.325	10/26/2026	-6
MGS	03/53	4.370	3	4.373	10/27/2026	0
GII	07/27	3.039	70	3.016	10/16/2026	2
GII	09/27	3.093	155	3.093	10/27/2026	0
GII	07/28	3.325	40	3.322	10/27/2026	0
GII	07/29	3.450	43	3.462	10/27/2026	-1
GII	10/29	3.442	210	3.438	10/27/2026	0
GII	10/31	3.712	40	3.690	10/27/2026	2
GII	03/33	3.908	40	3.809	10/23/2026	10
GII	08/33	3.943	10	3.884	10/26/2026	6
GII	07/36	3.988	110	3.972	10/27/2026	2
GII	03/38	4.144	11	4.058	10/21/2026	9
GII	08/43	4.281	20	4.242	10/26/2026	4
GII	05/45	4.314	8	4.286	10/27/2026	3
GII	05/52	4.406	4	4.355	10/27/2026	5
GII	03/54	4.381	3	4.283	10/27/2026	10
GII	01/56	4.379	60	4.369	10/27/2026	1
			4086			

Daily Trades: Corp Bonds/ Sukuk

Securities		Rating	Closing	Vol	Previous	Previous	Chg	Spread
			YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bps)	Against MGS*
Perbadanan Tabung Pendidikan Tinggi Nasional	03/29	GG	3.730	10	3.733	19/10/2026	0	42
Malaysia Rail Link Sdn Berhad	07/36	GG	4.300	50	3.839	16/6/2026	46	35
Prasarana Malaysia Berhad	01/37	GG	4.319	50	4.239	20/10/2026	8	37
Perbadanan Tabung Pendidikan Tinggi Nasional	03/37	GG	4.348	15	4.218	23/9/2026	13	39
YTL Corporation Berhad	11/26	AAA	3.816	20	3.401	18/6/2026	42	71
Bank Simpanan Nasional Berhad	02/27	AAA	3.801	20	3.746	13/10/2026	6	69
Malaysia Airport Holdings Berhad	11/27	AAA	3.981	20	3.991	27/10/2026	-1	87
TNB Western Energy Berhad	01/28	AAA	4.142	10	3.609	21/5/2026	53	103
Pengurusan Air SPV Berhad	02/30	AAA	4.136	20	3.686	30/6/2026	45	72
Petroleum Sarawak Exploration & Production Sdn E	08/30	AAA	4.289	10	3.648	15/5/2026	64	72
Bank Pembangunan Malaysia Berhad	10/30	AAA	4.147	2	3.653	21/5/2026	49	58
Petroleum Sarawak Exploration & Production Sdn E	08/32	AAA	4.378	10	3.804	22/7/2026	57	57
YTL Power International Berhad	03/33	AAA	4.269	10	4.177	30/9/2026	9	47
Sarawak Energy Berhad	07/33	AAA	4.367	20	4.249	23/9/2026	12	45
YTL Power International Berhad	07/33	AAA	4.468	10	4.319	7/10/2026	15	55
Tenaga Nasional Berhad	10/33	AAA	4.350	1	4.184	27/10/2026	17	43
TNB Western Energy Berhad	01/34	AAA	4.511	1	4.480	16/10/2026	3	59
Sarawak Energy Berhad	06/35	AAA	4.458	10	3.958	14/8/2026	50	51
Sarawak Energy Berhad	08/35	AAA	4.461	50	4.298	28/9/2026	16	52
Projek Lebuhraya Usahasama Berhad	01/36	AAA	4.482	60	4.460	22/9/2026	2	54
YTL Power International Berhad	07/36	AAA	4.337	20	3.979	19/8/2026	36	38
Sarawak Energy Berhad	09/36	AAA	4.467	10	4.479	27/10/2026	-1	51
Tenaga Nasional Berhad	10/41	AAA	4.643	5	n/a	n/a	464	46
Press Metal Aluminium Holdings Berhad	12/27	AA1	3.985	1	3.496	20/4/2026	49	87
Malayan Cement Berhad (fka Lafarge Malaysia Be	05/32	AA1	4.469	1	4.008	31/7/2026	46	67
Hong Leong Bank Berhad	06/33	AA1	4.350	2	4.018	17/9/2026	33	43
RHB Bank Berhad	10/34	AA1	4.459	3	3.930	6/8/2026	53	52
Golden Assets International Finance Limited	04/27	AA2	4.301	1	4.299	16/10/2026	0	119
PONSB Capital Berhad	06/27	AA2	4.112	10	4.096	22/10/2026	2	100
Tanjung Bin Power Sdn Berhad	08/27	AA2	4.166	1	3.719	11/8/2026	45	106
RHB Islamic Bank Berhad	04/32	AA2	4.077	30	3.542	28/5/2026	54	38
RHB Bank Berhad	09/32	AA2	9.493	10	4.087	12/10/2026	541	569
MEX I Capital Berhad (formerly known as Bright Fo	01/38	AA2	4.639	1	4.619	23/10/2026	2	69
Point Zone (M) Sdn Berhad	03/30	AA	4.408	1	3.675	13/5/2026	73	99
reNIKOLA Solar Sdn Berhad	05/29	AA3	6.065	25	4.450	10/5/2021	162	265
IJM Treasury Management Sdn Berhad	03/32	AA3	4.636	10	3.772	3/4/2026	86	94
IJM Treasury Management Sdn Berhad	05/33	AA3	4.680	20	3.879	20/8/2026	80	76
SUNREIT Perpetual Bond Berhad	04/19	AA3	5.600	1	4.498	28/8/2026	110	131
MMC Corporation Berhad	03/28	AA-	4.292	1	4.288	12/10/2026	0	118
UEM Sunrise Berhad	09/28	AA-	4.398	20	3.642	9/6/2026	76	109
TG Treasury Berhad	02/30	AA-	4.634	10	4.699	6/10/2026	-6	122
STM Lottery Sdn Berhad (fka Sports Toto Malaysia S	06/32	AA-	4.798	2	4.269	30/6/2026	53	99
Alliance Islamic Bank Berhad	09/34	A1	4.356	2	3.707	8/6/2026	65	42
MBSB Bank Berhad (fka Asian Finance Bank Berha	12/31	A	4.453	7	4.510	21/10/2026	-6	76
Tropicana Corporation Berhad	09/19	A-	9.329	1	13.016	30/9/2026	-369	504
591								

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
State of Terengganu	Sub-sovereign credit rating	AA-/Stable	Affirmed

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.