

## Global Markets Research

### Fixed Income

## Fixed Income Daily Market Snapshot

### US Treasuries

US Treasuries sold off in trading on Friday, even as core PCE for May moderating as expected to 2.6% y/y from the 2.8% y/y seen in April, amidst month end rebalancing activity which saw duration being reduced by market participants, with longer dated maturities bearing the brunt of the sell-off. Benchmark yields closed higher across the curve by between 4 and 13bps for the day, with the UST curve bear steepening. **The benchmark 2yr UST yield was 4bps higher for the session at 4.75%, while the benchmark 10yr UST yield rose by 11bps for the day to 4.40%.** Tonight sees the scheduled release of the ISM Manufacturing index for June, which should shed more light on how the US economy closed out 2Q.

### MGS/GII

- Local govies were slightly better bid in trading on Friday in another active session, with secondary market volume for the day inching higher by 2% to RM4.24bn versus the RM4.16bn that changed hands the day before. Benchmark yields closed mixed between -1 to +1 bp for the day. **The benchmark 5Y MGS 8/29 yield was 1bp lower for the session at 3.64% while the benchmark 10Y MGS 11/33 was little changed for the day at 3.86%.** Trading interest for the day was led by the benchmark 10Y MGS, while interest was also seen in the benchmark 3Y MGS/GII and 20Y MGS, as well as in the off-the-run MGS 11/27, MGS 6/28, GII 7/29 and MGS 4/37. The market share of GII trading for the day plunged to 26% versus the 54% share seen on Thursday. The S&P Global Malaysia Manufacturing PMI for June is scheduled for release later this morning, as is the reopening auction of RM5bn of the benchmark 5Y MGS 8/29.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.75	4
5-yr UST	4.38	8
10-yr UST	4.40	11
30-yr UST	4.56	13

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.53	0	3.45	-1
5-yr	3.64	-1	3.62	0
7-yr	3.79	-1	3.75	-1
10-yr	3.86	0	3.87	0
15-yr	4.00	0	4.02	1
20-yr	4.12	-1	4.12	0
30-yr	4.22	0	4.24	0

\* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.57	0
3-yr	3.55	-3
5-yr	3.63	0
7-yr	3.73	-1
10-yr	3.84	-2

Source : Bloomberg

### Upcoming Government Bond Tender

Reopening auction of RM5bn of the benchmark 5Y MGS 8/29 on Monday, 01 July

### Corp Bonds/Sukuk

- Corporate Bonds/Sukuk markets were mixed in trading in an active session on Friday, with secondary market volume for the day surging by 66% to RM1000m, compared to the RM604m that traded on Thursday. Trading interest for the day was led by the AA-rated segment of the market. In the GG universe, interest was led by PRASA 8/42, which settled at 4.12%, 7bps lower versus its last print. In the AAA space, TNB 6/47 dominated trading for the day with RM100m changing hands, closing at 4.28%, little changed from where the bond last traded. In AA territory, trading interest was led by SP Setia 4/29 and Genting 3/32, with the bonds closing at 3.95% and 4.78% respectively, both little changed versus where they last printed. In the A-rated space, trading was led by Dialog 4.15% Perps, which settled at 4.43%, a massive 48bps lower compared to its previous traded level.

## Daily Trades: Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	09/24	3.206	100	3.055	06/27/2024	15
MGS	03/25	3.271	47	3.271	06/27/2024	0
MGS	09/25	3.281	101	3.264	06/27/2024	2
MGS	04/26	3.411	14	3.409	06/27/2024	0
MGS	07/26	3.438	106	3.437	06/27/2024	0
MGS	11/26	3.407	31	3.418	06/27/2024	-1
MGS	03/27	3.517	106	3.534	06/25/2024	-2
MGS	05/27	3.527	273	3.527	06/27/2024	0
MGS	11/27	3.549	181	3.533	06/27/2024	2
MGS	04/28	3.610	32	3.627	06/27/2024	-2
MGS	06/28	3.612	234	3.621	06/27/2024	-1
MGS	04/29	3.655	17	3.652	06/27/2024	0
MGS	08/29	3.643	128	3.650	06/27/2024	-1
MGS	04/30	3.745	72	3.755	06/27/2024	-1
MGS	04/31	3.790	84	3.797	06/27/2024	-1
MGS	06/31	3.797	99	3.797	06/27/2024	0
MGS	07/32	3.844	123	3.874	06/27/2024	-3
MGS	04/33	3.871	2	3.881	06/27/2024	-1
MGS	11/33	3.861	384	3.866	06/27/2024	0
MGS	07/34	3.869	101	3.889	06/27/2024	-2
MGS	05/35	3.952	15	3.956	06/27/2024	0
MGS	04/37	4.005	206	4.015	06/27/2024	-1
MGS	06/38	3.988	81	4.019	06/27/2024	-3
MGS	04/39	3.999	5	4.000	06/27/2024	0
MGS	05/40	4.068	96	4.093	06/27/2024	-3
MGS	10/42	4.121	41	4.120	06/27/2024	0
MGS	05/44	4.120	346	4.128	06/26/2024	-1
MGS	07/48	4.215	10	4.227	06/26/2024	-1
MGS	06/50	4.231	29	4.222	06/27/2024	1
MGS	03/53	4.220	59	4.225	06/27/2024	0
GII	08/24	3.184	40	3.198	06/26/2024	-1
GII	10/24	3.121	58	3.223	06/27/2024	-10
GII	08/25	3.289	78	3.285	06/27/2024	0
GII	10/25	3.283	3	3.292	06/27/2024	-1
GII	03/26	3.426	13	3.381	06/25/2024	5
GII	09/26	3.445	261	3.451	06/27/2024	-1
GII	06/27	3.539	1	3.547	06/04/2024	-1
GII	07/27	3.525	10	3.536	06/27/2024	-1
GII	09/27	3.549	7	3.536	06/27/2024	1
GII	07/28	3.617	51	3.622	06/27/2024	0
GII	08/28	3.640	20	3.619	04/02/2024	2
GII	10/28	3.638	4	3.638	06/27/2024	0
GII	07/29	3.650	270	3.649	06/27/2024	0
GII	09/30	3.746	93	3.754	06/27/2024	-1
GII	10/30	3.747	17	3.752	06/27/2024	0
GII	10/31	3.795	12	3.791	06/27/2024	0
GII	10/32	3.849	12	3.855	06/27/2024	-1
GII	11/34	3.866	1	3.860	06/27/2024	1
GII	10/35	3.931	1	3.916	06/26/2024	2
GII	07/36	3.966	2	3.968	06/27/2024	0
GII	03/38	3.987	27	3.985	06/26/2024	0
GII	09/39	4.015	1	4.002	06/26/2024	1
GII	09/41	4.079	11	4.069	06/25/2024	1
GII	08/43	4.120	72	4.125	06/27/2024	0
GII	11/49	4.230	36	4.124	06/27/2024	11
GII	05/52	4.168	2	4.250	06/27/2024	-8
GII	03/54	4.239	19	4.244	06/27/2024	0
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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 (bp)	Spread Against MGS*
Prasarana Malaysia Berhad	08/26	GG	3.562	2	3.602	12/6/2024	-4	12
Prasarana Malaysia Berhad	09/27	GG	3.629	10	3.640	20/6/2024	-1	10
Pelabuhan Tanjung Pelepas Sdn Berhad	11/30	GG	3.820	10	4.078	29/3/2023	-26	9
DanaInfra Nasional Berhad	04/37	GG	3.995	25	4.006	5/6/2024	-1	-2
DanaInfra Nasional Berhad	08/37	GG	4.009	10	4.001	21/3/2024	1	0
Prasarana Malaysia Berhad	02/41	GG	4.078	10	4.107	20/2/2024	-3	7
DanaInfra Nasional Berhad	05/42	GG	4.119	20	4.184	7/5/2024	-7	-1
Prasarana Malaysia Berhad	08/42	GG	4.119	30	4.190	25/4/2024	-7	-1
Lembaga Pembiayaan Perumahan Sektor Awam	03/46	GG	4.189	20	4.226	9/5/2024	-4	6
Lembaga Pembiayaan Perumahan Sektor Awam	09/46	GG	4.195	10	4.205	11/6/2024	-1	7
DanaInfra Nasional Berhad	08/47	GG	4.189	10	4.299	8/8/2023	-11	6
DanaInfra Nasional Berhad	11/47	GG	4.189	20	4.214	27/5/2024	-3	6
DanaInfra Nasional Berhad	11/48	GG	4.199	20	4.199	26/6/2024	0	7
DanaInfra Nasional Berhad	04/52	GG	4.229	20	4.229	26/6/2024	0	10
Cagamas Berhad	09/24	AAA	3.488	10	3.565	24/5/2024	-8	18
Amanat Lebuhraya Rakyat Berhad	10/24	AAA	3.509	15	3.468	19/6/2024	4	20
Toyota Capital Malaysia Sdn Berhad	10/24	AAA	3.716	20	3.743	14/5/2024	-3	40
Pengurusan Air SPV Berhad	06/25	AAA	3.700	10	3.802	20/7/2023	-10	39
Amanat Lebuhraya Rakyat Berhad	10/26	AAA	3.735	10	3.739	14/6/2024	0	30
Pengurusan Air SPV Berhad	10/26	AAA	3.839	5	3.847	21/6/2024	-1	40
UniTapah Sdn Berhad	06/27	AAA	3.881	2	3.825	15/3/2024	6	35
Johor Corporation	06/27	AAA	4.150	1	4.058	10/6/2024	9	62
Pengurusan Air SPV Berhad	02/28	AAA	3.885	25	3.920	14/6/2024	-4	29
Pengurusan Air SPV Berhad	04/28	AAA	3.897	25	3.904	19/6/2024	-1	30
Amanat Lebuhraya Rakyat Berhad	10/28	AAA	3.831	10	3.831	26/6/2024	0	23
Rantau Abang Capital Berhad	03/29	AAA	3.820	10	4.027	22/11/2023	-21	17
Bakun Hydro Power Generation Sdn Berhad (fka S	08/29	AAA	3.865	10	3.907	22/4/2024	-4	22
Pengurusan Air SPV Berhad	09/30	AAA	3.954	5	4.389	21/2/2023	-44	22
Johor Corporation	07/33	AAA	4.008	30	3.999	11/6/2024	1	17
Pengurusan Air Selangor Sdn Berhad	10/33	AAA	3.998	20	3.969	19/3/2024	3	16
Projek Lebuhraya Usahasama Berhad	01/34	AAA	4.000	5	3.940	4/6/2024	6	14
Pengurusan Air SPV Berhad	02/34	AAA	3.999	8	3.999	20/6/2024	0	14
Sarawak Energy Berhad	04/36	AAA	4.050	10	4.099	25/3/2024	-5	19
Pengurusan Air Selangor Sdn Berhad	07/37	AAA	4.058	10	4.079	21/6/2024	-2	5
Pengurusan Air Selangor Sdn Berhad	10/38	AAA	4.080	10	4.079	27/6/2024	0	7
SMJ Energy Sdn Berhad (fka SMJ Sdn Berhad)	10/38	AAA	4.149	10	4.180	27/6/2024	-3	14
Tenaga Nasional Berhad	06/42	AAA	4.190	10	4.199	10/6/2024	-1	6
Tenaga Nasional Berhad	06/47	AAA	4.280	100	4.279	25/6/2024	0	15
GENM Capital Berhad	05/28	AA1	4.637	1	4.497	26/6/2024	14	104
Genting RMTN Berhad	03/32	AA1	4.780	45	4.784	26/6/2024	0	96
Malayan Banking Berhad	01/34	AA1	3.991	20	3.931	18/6/2024	6	13
YTL Corporation Berhad	09/35	AA1	4.200	30	4.197	25/6/2024	0	34
YTL Power International Berhad	03/36	AA1	4.152	20	4.147	27/6/2024	0	29
Press Metal Aluminium Holdings Berhad	10/24	AA2	3.701	1	3.759	15/5/2024	-6	39
AmBank (M) Berhad	06/29	AA2	3.980	10	n/a	n/a	398	33
PONSB Capital Berhad	05/31	AA2	3.979	5	3.988	24/6/2024	-1	18
AmBank (M) Berhad	06/31	AA2	4.060	15	4.068	24/6/2024	-1	26
Northport (Malaysia) Berhad	12/24	AA	3.705	40	3.798	29/5/2024	-9	39
SP Setia Berhad	06/28	AA	3.919	40	3.918	27/6/2024	0	32
SP Setia Berhad	04/29	AA	3.947	60	3.949	12/6/2024	0	30
SP Setia Berhad	06/30	AA	3.984	20	3.987	26/6/2024	0	25
Affin Islamic Bank Berhad	12/27	AA3	3.971	10	3.836	30/5/2024	14	44
AmBank (M) Berhad	03/31	AA3	3.954	2	3.958	13/3/2024	0	16
Perbadanan Kemajuan Negeri Selangor	03/34	AA3	4.299	40	4.298	25/6/2024	0	44
Malaysian Resources Corporation Berhad	02/27	AA-	4.328	18	4.381	14/5/2024	-5	80
Eco World Capital Berhad	08/28	AA-	3.978	10	3.958	19/6/2024	2	38
Malaysian Resources Corporation Berhad	10/28	AA-	4.428	12	4.445	7/6/2024	-2	83
Dialog Group Berhad	11/20	A1	4.434	10	4.916	18/6/2024	-48	31
JB Cocoa Sdn Berhad	03/27	A+	5.080	1	5.128	16/5/2024	-5	155
DRB-Hicom Berhad	12/14	A-	5.803	2	5.734	31/5/2024	7	168
LBS Bina Group Berhad	03/20	NR(LT)	5.904	2	5.997	20/6/2024	-9	178

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Hong Leong Financial Group Berhad	Corporate Credit Ratings	AA1/Stable/P1	Affirmed
Hong Leong Bank Berhad (HLBB), Hong Leong Islamic Bank Berhad (HLISB) and Hong Leong Investment Bank Berhad (HLIB)	Financial Institution Ratings	AAA/Stable/P1	Affirmed
Islamic Development Bank	Financial Institution Ratings	AAA/MARC-1	Withdrawn
Tadamun Services Berhad	Sukuk Wakalah Programme of RM400m	AAA	Withdrawn
Merchantrade Asia Sdn Bhd	Multi-Currency Commercial Papers (CP) Programme of up to RM200m	MARC-1	Preliminary Rating Assigned
Leader Energy Sdn Bhd	ASEAN Green Sustainable and Responsible Investment Sukuk Wakalah of RM230m	AA-/Stable	Affirmed
F&N Capital Sdn Bhd	Islamic Medium-Term Notes (IMTN) and Islamic Commercial Papers (ICP) programmes with a combined limit of up to RM3.0bn	AAA(cg)/Stable/MARC-1(cg)	Affirmed

Source: RAM, MARC

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