

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

US Treasuries were weaker in trading on Monday, continuing the move seen on Friday, with the longer end of the maturity spectrum again bearing the brunt of the sell-off. Benchmark yields closed higher across the curve by between 0 and 7bps for the day, with the UST curve bear steepening further. **The benchmark 2yr UST yield was little changed for the session at 4.76%, while the benchmark 10yr UST yield rose by 7bps for the day to 4.46%.** Tonight sees the scheduled release of the JOLTS Job Openings report for May, which is the first of a slew of labour market indicators this week leading up to the monthly US employment report this Friday.

MGS/GII

- Local govies were better offered in trading on Monday, taking cue from the sell-off seen in the US Treasury market on Friday, amidst moderate demand seen for a reopening auction of RM5bn of the benchmark 5Y MGS 8/29, which had a BTC of 2.187x and a tail of 0.7bps. Secondary market volume for the day inched lower by 8% to RM3.89bn versus the RM4.24bn that traded on Friday. Benchmark yields closed mixed between -1 to +4 bps for the day. **The benchmark 5Y MGS 8/29 yield was 3bp higher for the session at 3.67% while the benchmark 10Y MGS 11/33 was 2bps higher in yield at 3.88%.** Trading interest for the day was led by newly reopened benchmark 5Y MGS, while interest was also seen in the off-the-run MGS 9/24, MGS 9/25 and GII 10/32, as well as in the benchmark 3Y MGS, 7Y MGS, 10Y MGS and 20Y GII. The market share of GII trading for the day receded to 19% versus the 26% share seen the previous day.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.76	0
5-yr UST	4.43	5
10-yr UST	4.46	7
30-yr UST	4.62	7

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.55	2	3.46	1
5-yr	3.67	3	3.62	0
7-yr	3.81	2	3.76	1
10-yr	3.88	2	3.89	2
15-yr	4.01	1	4.01	-1
20-yr	4.12	0	4.14	2
30-yr	4.27	4	4.24	0

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.59	2
3-yr	3.59	4
5-yr	3.66	3
7-yr	3.78	5
10-yr	3.89	5

Source : Bloomberg

Upcoming Government Bond Tender

Nil

Corp Bonds/Sukuk

- Corporate Bonds/Sukuk markets were mixed in a quiet trading session to start the week on Monday, with secondary market volume for the day plunging by 77% to RM229m, compared to the RM1000m of trades that went through on Friday. Trading interest for the day was led by the AAA-rated segment of the market. In the GG universe, the sole bond traded for the day was PASB 6/25, which settled at 3.41%, 9bps lower versus its last print. In the AAA space, trading for the day was led by Celcom 8/24, which closed the day at 3.47%, 6bps lower compared to where it last traded. Interest was also seen in PLUS 1/26 and JCORP 7/33, which settled for the day at 3.72% (-4bps versus last print) and 4.02% (+1bp) respectively. In AA territory, trading interest was led by PIBB 10/29, which closed the day at 3.70%, 3bps lower compared versus its last 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	3.189	250	3.206	06/28/2024	-2
MGS	03/25	3.280	3	3.271	06/28/2024	1
MGS	09/25	3.294	219	3.281	06/28/2024	1
MGS	04/26	3.415	10	3.411	06/28/2024	0
MGS	07/26	3.423	40	3.438	06/28/2024	-2
MGS	11/26	3.432	70	3.407	06/28/2024	2
MGS	03/27	3.519	5	3.517	06/28/2024	0
MGS	05/27	3.545	189	3.527	06/28/2024	2
MGS	11/27	3.555	31	3.549	06/28/2024	1
MGS	04/28	3.609	15	3.610	06/28/2024	0
MGS	06/28	3.602	47	3.612	06/28/2024	-1
MGS	08/29	3.668	1436	3.643	06/28/2024	3
MGS	04/30	3.775	48	3.745	06/28/2024	3
MGS	04/31	3.814	124	3.790	06/28/2024	2
MGS	07/32	3.859	85	3.844	06/28/2024	2
MGS	11/33	3.880	198	3.861	06/28/2024	2
MGS	07/34	3.861	26	3.869	06/28/2024	-1
MGS	05/35	3.948	53	3.952	06/28/2024	0
MGS	06/38	4.023	20	3.988	06/28/2024	3
MGS	04/39	4.013	101	3.999	06/28/2024	1
MGS	05/40	4.084	14	4.068	06/28/2024	2
MGS	10/42	4.120	10	4.121	06/28/2024	0
MGS	09/43	4.159	1	4.146	06/28/2024	1
MGS	05/44	4.117	102	4.120	06/28/2024	0
MGS	03/46	4.186	7	4.195	06/28/2024	-1
MGS	07/48	4.230	1	4.215	06/28/2024	2
MGS	06/50	4.195	26	4.231	06/28/2024	-4
MGS	03/53	4.265	10	4.220	06/28/2024	4
GII	08/25	3.287	1	3.289	06/28/2024	0
GII	03/26	3.413	13	3.426	06/28/2024	-1
GII	09/26	3.456	90	3.445	06/28/2024	1
GII	09/27	3.529	18	3.549	06/28/2024	-2
GII	09/30	3.759	40	3.746	06/28/2024	1
GII	10/30	3.743	22	3.747	06/28/2024	0
GII	10/32	3.860	190	3.849	06/28/2024	1
GII	06/33	3.874	6	3.901	06/28/2024	-3
GII	08/33	3.890	21	3.869	06/27/2024	2
GII	07/36	3.974	76	3.966	06/28/2024	1
GII	08/37	4.017	10	4.004	06/18/2024	1
GII	03/38	3.990	7	3.987	06/28/2024	0
GII	09/39	4.007	3	4.015	06/28/2024	-1
GII	09/41	4.103	20	4.079	06/28/2024	2
GII	08/43	4.136	204	4.120	06/28/2024	2
GII	05/52	4.260	10	4.168	06/28/2024	9
GII	03/54	4.241	21	4.239	06/28/2024	0
			3893			

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*
Pengurusan Air SPV Berhad	06/25	GG	3.407	10	3.493	30/4/2024	-9	9
Celcom Networks Sdn Berhad	08/24	AAA	3.465	40	3.528	18/4/2024	-6	15
Projek Lebuhraya Usahasama Berhad	01/26	AAA	3.718	30	3.758	6/6/2024	-4	28
Pengurusan Air SPV Berhad	06/28	AAA	3.913	5	3.903	19/6/2024	1	31
Amanat Lebuhraya Rakyat Berhad	10/29	AAA	3.888	10	3.887	14/6/2024	0	23
Sarawak Energy Berhad	07/30	AAA	3.898	10	3.897	26/6/2024	0	15
Infracap Resources Sdn Berhad	04/31	AAA	3.918	10	3.915	24/6/2024	0	11
Pengurusan Air Selangor Sdn Berhad	07/32	AAA	3.998	10	3.948	29/2/2024	5	17
TNB Northern Energy Berhad	11/32	AAA	4.012	10	4.119	7/2/2024	-11	18
Johor Corporation	07/33	AAA	4.018	20	4.008	28/6/2024	1	17
Westports Malaysia Sdn Berhad	05/39	AAA	4.079	10	4.089	20/6/2024	-1	6
GENM Capital Berhad	05/28	AA1	4.666	1	4.637	28/6/2024	3	106
GENM Capital Berhad	05/29	AA1	4.689	1	4.580	24/6/2024	11	103
Public Islamic Bank Berhad	10/29	AA1	3.695	30	3.728	26/6/2024	-3	3
GENM Capital Berhad	05/32	AA1	4.915	1	4.839	25/6/2024	8	108
AmBank (M) Berhad	06/29	AA2	4.000	10	3.980	28/6/2024	2	34
Malayan Cement Berhad (fka Lafarge Malaysia Bt	01/26	AA3	3.896	10	3.975	23/2/2024	-8	46
UEM Sunrise Berhad	05/26	AA-	3.874	10	4.024	30/4/2024	-15	43
Malaysian Resources Corporation Berhad	10/26	AA-	4.365	1	4.367	21/6/2024	0	92
UMW Holdings Berhad	04/18	AA-	4.337	1	4.655	19/6/2024	-32	21
Tan Chong Motor Holdings Berhad	03/27	A+	5.274	1	5.250	16/5/2024	2	174
MBSB Bank Berhad (fka Asian Finance Bank Berhad	12/31	A3	5.010	1	4.226	27/6/2024	78	120
				229				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Tanjung Bin Power Sdn Bhd	RM4.5bn Sukuk Ijarah Programme	AA2/Stable	Affirmed
Aman Sukuk Berhad	Islamic Medium-Term Notes (IMTN) Programme of up to RM10bn	AAA	Affirmed
Segi Astana Sdn Bhd	RM415m ASEAN Green Medium-Term Notes (MTN)	A+/Positive	Outlook upgraded
Sunway Berhad	RM2bn Commercial Papers/ Medium-Term Notes Programme	AA-/Stable/MARC-1	Affirmed
	RM5bn Perpetual Sukuk Programme	A/Stable	Affirmed
Sunway Treasury Sukuk Sdn Bhd	RM10bn Islamic Medium-Term Notes Programme	AA-/Stable	Affirmed
	RM10bn Islamic Commercial Papers/ Islamic Medium-Term Notes Programme	AA-(cg)/Stable/MARC-1(cg)	Affirmed

Source: RAM, MARC

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