

## Global Markets Research

### Fixed Income

## Fixed Income Daily Market Snapshot

### US Treasuries

US Treasuries were slightly firmer in trading on Tuesday, after comments from Fed Chair Powell that there are signs that the disinflationary trend has resumed after the 1Q pause. Benchmark yields closed lower across the curve by between 1 and 3bps for the day. **The benchmark 2yr UST yield was 1bp lower for the session at 4.74%, while the benchmark 10yr UST yield fell by 3bps for the day to 4.43%.** Quite a bit on the deck today, with the ISM Services index scheduled for release, as well as the Challenger Job cuts and ADP employment reports for June, which will give a preview of what can be expected at this Friday's monthly US employment report.

### MGS/GII

- Local govies were mixed in trading on Tuesday in a lighter session, with some buying seen particularly in the front end MGS. Secondary market volume for the day receded by 15% to RM3.30bn versus the RM3.89bn that changed hands the day before. Benchmark yields closed mixed between -4 to +2 bps for the day. **The benchmark 5Y MGS 8/29 yield was little changed for the session at 3.67% while the benchmark 10Y MGS 11/33 was 1bp lower in yield at 3.87%.** Trading interest for the day was led by benchmark 3Y MGS, while interest was also seen in the benchmark 3Y GII, 5Y GII, 7Y GII and 10Y MGS/GII as well as in the off-the-run GII 10/25 and MGS 11/27. The market share of GII trading for the day surged to 43% versus the 19% share seen on Monday. There are no economic data releases domestically for the days ahead this week.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.74	-1
5-yr UST	4.40	-3
10-yr UST	4.43	-3
30-yr UST	4.61	-2

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.53	-1	3.46	0
5-yr	3.67	0	3.63	2
7-yr	3.83	1	3.76	0
10-yr	3.87	-1	3.89	0
15-yr	4.01	0	4.02	1
20-yr	4.12	1	4.13	0
30-yr	4.23	-4	4.25	0

\* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.58	0
3-yr	3.58	-1
5-yr	3.65	-1
7-yr	3.76	-2
10-yr	3.88	-1

Source : Bloomberg

### Upcoming Government Bond Tender

Nil

### Corp Bonds/Sukuk

- Corporate Bonds/Sukuk markets were slightly better bid in a heavier trading session on Tuesday, with secondary market volume for the day climbing by 35% to RM308m, compared to the RM229m that traded on Monday. Trading interest for the day was led by the AAA and AA-rated segments of the market. In the GG universe, the sole bond traded for the day was BPMB 9/24, which settled at 3.34%, 8bps lower versus its last print. In the AAA space, trading for the day was led by TNB 8/40, which closed the day at 4.13%, 9bps lower compared to where it last traded. Interest was also seen in TNB 8/33 and AIRSEL 10/38, which settled for the day at 3.96% (-4bps versus last print) and 4.10% (+2bps) respectively. In AA territory, trading interest was led by SAJ 1/27 and RHB 4/31, which closed the day at 4.13% (-31bps) and 3.80% (-4bps) respectively. In the A-rated segment of the market, AIBB 5.10% Perps led trading for the day, settling at 4.45%, little changed from where the bond last traded.

## Daily Trades: Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	09/24	3.216	101	3.189	07/01/2024	3
MGS	03/25	3.273	26	3.280	07/01/2024	-1
MGS	09/25	3.627	96	3.294	07/01/2024	33
MGS	04/26	3.398	57	3.415	07/01/2024	-2
MGS	07/26	3.433	56	3.423	07/01/2024	1
MGS	09/26	3.445	20	3.483	06/12/2024	-4
MGS	11/26	3.436	20	3.432	07/01/2024	0
MGS	05/27	3.534	460	3.545	07/01/2024	-1
MGS	11/27	3.552	171	3.555	07/01/2024	0
MGS	04/28	3.603	11	3.609	07/01/2024	-1
MGS	06/28	3.637	68	3.602	07/01/2024	4
MGS	04/29	3.670	61	3.675	07/01/2024	0
MGS	08/29	3.673	78	3.668	07/01/2024	0
MGS	04/30	3.778	10	3.775	07/01/2024	0
MGS	04/31	3.826	77	3.814	07/01/2024	1
MGS	06/31	3.838	12	3.811	07/01/2024	3
MGS	07/32	3.867	99	3.859	07/01/2024	1
MGS	11/33	3.872	122	3.880	07/01/2024	-1
MGS	07/34	3.890	73	3.861	07/01/2024	3
MGS	05/35	3.963	16	3.948	07/01/2024	2
MGS	04/37	4.012	12	4.005	06/28/2024	1
MGS	06/38	4.006	3	4.023	07/01/2024	-2
MGS	05/40	4.084	23	4.084	07/01/2024	0
MGS	10/42	4.143	74	4.120	07/01/2024	2
MGS	09/43	4.162	1	4.159	07/01/2024	0
MGS	05/44	4.124	3	4.117	07/01/2024	1
MGS	07/48	4.227	11	4.230	07/01/2024	0
MGS	06/50	4.224	51	4.195	07/01/2024	3
MGS	03/53	4.227	51	4.265	07/01/2024	-4
GII	10/24	3.195	103	3.121	06/28/2024	7
GII	08/25	3.333	20	3.287	07/01/2024	5
GII	10/25	3.312	190	3.283	06/28/2024	3
GII	03/26	3.419	7	3.413	07/01/2024	1
GII	09/26	3.455	327	3.456	07/01/2024	0
GII	09/27	3.543	6	3.529	07/01/2024	1
GII	07/28	3.633	221	3.617	06/28/2024	2
GII	09/30	3.760	100	3.759	07/01/2024	0
GII	10/30	3.771	14	3.743	07/01/2024	3
GII	10/31	3.794	110	3.795	06/28/2024	0
GII	10/32	3.850	60	3.860	07/01/2024	-1
GII	08/33	3.890	150	3.890	07/01/2024	0
GII	09/39	4.018	32	4.007	07/01/2024	1
GII	09/41	4.087	1	4.103	07/01/2024	-2
GII	08/43	4.135	61	4.136	07/01/2024	0
GII	05/52	4.265	30	4.260	07/01/2024	0
			3297			

## 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*
Bank Pembangunan Malaysia Berhad	09/24	GG	3.335	50	3.413	21/5/2024	-8	2
Small Medium Enterprise Development Bank Mal:	07/26	AAA	3.802	6	3.798	20/6/2024	0	36
Projek Lebuhraya Usahasama Berhad	01/27	AAA	4.041	8	3.735	27/3/2024	31	50
Johor Corporation	06/27	AAA	4.160	2	4.150	28/6/2024	1	62
Bank Pertanian Malaysia Berhad	11/28	AAA	3.881	15	3.849	7/6/2024	3	27
Sarawak Petchem Sdn Berhad	07/29	AAA	3.848	10	3.848	25/6/2024	0	18
Infracap Resources Sdn Berhad	04/31	AAA	3.953	10	3.918	1/7/2024	3	14
Tenaga Nasional Berhad	08/33	AAA	3.959	20	3.998	26/6/2024	-4	11
Pengurusan Air Selangor Sdn Berhad	10/38	AAA	4.104	20	4.080	28/6/2024	2	8
Tenaga Nasional Berhad	08/40	AAA	4.125	21	4.220	12/6/2024	-9	10
Tenaga Nasional Berhad	11/41	AAA	4.183	5	4.140	25/4/2024	4	16
Tenaga Nasional Berhad	06/47	AAA	4.281	5	4.280	28/6/2024	0	15
YTL Power International Berhad	05/27	AA1	4.025	4	3.760	20/6/2024	27	49
Sabah Development Bank Berhad	05/27	AA1	3.808	2	3.814	14/6/2024	-1	27
YTL Power International Berhad	03/29	AA1	3.886	5	3.923	15/4/2024	-4	21
GENM Capital Berhad	05/32	AA1	4.763	1	4.915	1/7/2024	-15	93
YTL Power International Berhad	08/32	AA1	4.001	20	3.969	9/2/2024	3	17
Hong Leong Bank Berhad	06/34	AA1	3.989	2	3.989	28/6/2024	0	11
RHB Bank Berhad	04/31	AA2	3.797	30	3.838	28/5/2024	-4	-2
Fortune Premiere Sdn Berhad	09/25	AA	3.936	10	3.993	2/5/2024	-6	62
Affin Bank Berhad	05/29	AA3	3.871	1	4.057	21/6/2024	-19	20
SAJ Capital Sdn Berhad	01/26	AA-	4.086	5	3.830	14/2/2020	26	65
SAJ Capital Sdn Berhad	01/27	AA-	4.126	40	4.434	26/11/2019	-31	59
SAJ Capital Sdn Berhad	01/28	AA-	4.206	10	4.212	20/3/2024	-1	59
JB Cocoa Sdn Berhad	03/27	A+	5.076	1	5.080	28/6/2024	0	154
Tropicana Corporation Berhad	04/28	A	7.612	1	7.834	26/6/2024	-22	400
Affin Islamic Bank Berhad	10/18	A3	4.449	6	4.451	27/6/2024	0	32
DRB-Hicom Berhad	12/14	A-	5.337	1	5.803	28/6/2024	-47	120
				308				

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

## Rating Action

Issuer	PDS Description	Rating/Outlook	Action
AEON CO. (M) BHD	RM1bn Islamic Medium Term Notes Programme (2016/2031)	AA2/Stable	Affirmed & changed outlook from positive
	RM2bn Islamic Commercial Papers/Islamic Medium Term Notes Programme (Sukuk Wakalah Programmes)	AA2/Stable/P1	Assigned

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@hbb.hongleong.com.my](mailto:HLMarkets@hbb.hongleong.com.my)**DISCLAIMER**

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