

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- The US Treasuries cash market was closed on Monday for observance of the Labour Day holiday. US bond futures were open for trading on reduced hours and prices were a touch softer there, taking cue from declines in the European and UK government bond markets, with the 10yr Bund and Gilt each closing 4bps higher for the day at 2.34% and 4.06% respectively. The day ahead begins the onslaught of key US economic data this week, with the ISM Manufacturing index for August and construction spending for July both scheduled for release today, ahead of the all-important monthly US jobs report for August this Friday.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	3.92	0
5-yr UST	3.70	0
10-yr UST	3.90	0
30-yr UST	4.20	0

Tenure	MGS		GII*	
	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.35	0	3.32	0
5-yr	3.53	2	3.47	-1
7-yr	3.71	1	3.71	1
10-yr	3.77	1	3.80	2
15-yr	3.92	0	3.94	0
20-yr	4.05	0	4.08	0
30-yr	4.15	-4	4.09	-10

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.45	0
3-yr	3.38	1
5-yr	3.46	3
7-yr	3.53	3
10-yr	3.64	2

Source : Bloomberg

MGS/GII

- Local govies were better offered in trading on Monday, with secondary market volume inching higher by 2% to RM4.48bn compared to the RM4.39bn that traded on Friday. Benchmark yields closed mixed between -1 and +2 bps for the day, except for the benchmark 30Y MGS and GII which marks were skewed by odd-lot trades. **The benchmark 5Y MGS 8/29 saw its yield rise 2bps for the day to 3.53% while the yield on the benchmark 10Y MGS 7/34 was also 1bp higher for the session at 3.77%.** Trading interest for the day was led by the off-the-run GII 10/24, while interest was also seen in the off-the-run MGS 3/25, MGS 9/25, MGS 7/26, MGS 6/31 and MGS 11/33, GII 10/32 and MGS 11/33, as well as in the benchmark 3Y GII and 30Y MGS. Trading in GIIs as a proportion of total govies trading climbed to 44% versus the 33% share seen the session before. There are no economic data releases scheduled for the day ahead, with BNM set to decide on monetary policy this coming Thursday.

Upcoming Government Bond Tender

Nil

Corp Bonds/Sukuk

- The Corporate Bonds/Sukuk market was mixed in trading in a light session to start the week on Monday, with secondary market volume plunging by 55% to RM280m versus the RM621m that changed hands on Friday. Trading activity for the day was led by the AA-rated segment. In the GG universe, DANA 3/34 was the only bond traded for the day, closing at 3.84%, lower by 1bp from where it last traded. Over in AAA space, trading interest was led by TNB 8/38, which settled the day at 4.05%, higher by 6bps compared to its last print. Meanwhile in the AA-rated segment, trading was led by YTLP 8/38, which closed at 4.16%, 1bp lower compared to where the bond last traded. Interest was also seen in GAMUDA 11/29, which settled the day at 3.90%, 7bps lower versus its last trade. In the A-rated space, interest was noted in DRB 8/25, which changed hands at 4.12%, 30bps lower than 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	03/25	3.148	353	3.104	08/30/2024	4
MGS	09/25	3.159	246	3.100	08/30/2024	6
MGS	04/26	3.243	8	3.241	08/30/2024	0
MGS	07/26	3.268	235	3.246	08/30/2024	2
MGS	09/26	3.272	20	3.412	07/09/2024	-14
MGS	11/26	3.258	17	3.245	08/30/2024	1
MGS	03/27	3.331	1	3.303	08/30/2024	3
MGS	05/27	3.351	96	3.346	08/30/2024	0
MGS	11/27	3.405	10	3.381	08/30/2024	2
MGS	04/28	3.445	10	3.433	08/30/2024	1
MGS	06/28	3.476	2	3.462	08/30/2024	1
MGS	04/29	3.509	6	3.499	08/30/2024	1
MGS	08/29	3.525	174	3.507	08/30/2024	2
MGS	04/30	3.610	87	3.601	08/30/2024	1
MGS	04/31	3.710	21	3.701	08/30/2024	1
MGS	06/31	3.716	382	3.716	08/30/2024	0
MGS	07/32	3.747	2	3.759	08/30/2024	-1
MGS	04/33	3.802	3	3.796	08/30/2024	1
MGS	11/33	3.789	380	3.790	08/30/2024	0
MGS	07/34	3.772	87	3.763	08/30/2024	1
MGS	05/35	3.825	8	3.813	08/30/2024	1
MGS	04/37	3.920	2	3.919	08/30/2024	0
MGS	06/38	3.949	3	3.948	08/30/2024	0
MGS	04/39	3.921	24	3.918	08/30/2024	0
MGS	05/40	3.970	3	3.969	08/30/2024	0
MGS	10/42	3.988	13	4.021	08/30/2024	-3
MGS	09/43	4.066	6	4.070	08/30/2024	0
MGS	05/44	4.054	2	4.054	08/30/2024	0
MGS	07/48	4.153	5	4.142	08/30/2024	1
MGS	06/50	4.015	23	4.160	08/30/2024	-15
MGS	03/53	4.150	285	4.189	08/30/2024	-4
GII	10/24	3.118	905	3.044	08/30/2024	7
GII	08/25	3.099	38	3.156	08/30/2024	-6
GII	10/25	3.258	10	3.231	08/30/2024	3
GII	03/26	3.277	10	3.271	08/30/2024	1
GII	09/26	3.324	210	3.320	08/30/2024	0
GII	07/27	3.415	4	3.397	08/30/2024	2
GII	09/27	3.406	51	3.387	08/30/2024	2
GII	07/28	3.471	20	3.485	08/30/2024	-1
GII	10/28	3.489	11	3.488	08/30/2024	0
GII	07/29	3.529	109	3.519	08/30/2024	1
GII	10/31	3.707	119	3.699	08/30/2024	1
GII	10/32	3.795	155	3.231	08/30/2024	56
GII	06/33	3.811	90	3.812	08/29/2024	0
GII	08/33	3.816	60	3.820	08/30/2024	0
GII	11/34	3.797	52	3.780	08/30/2024	2
GII	07/36	3.892	30	3.897	08/30/2024	0
GII	08/37	3.889	40	3.916	08/30/2024	-3
GII	03/38	3.784	2	3.930	08/30/2024	-15
GII	09/41	3.900	1	4.029	08/30/2024	-13
GII	08/43	4.077	22	4.081	08/30/2024	0
GII	11/49	4.282	11	4.167	08/30/2024	12
GII	05/52	4.202	20	4.203	08/30/2024	0
GII	03/54	4.087	1	4.191	08/30/2024	-10
			4484			

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*
DanaInfra Nasional Berhad	03/34	GG	3.839	20	3.848	28/8/2024	-1	8
Pengurusan Air SPV Berhad	02/26	AAA	3.651	10	3.695	31/7/2024	-4	50
Pengurusan Air SPV Berhad	06/26	AAA	3.686	20	3.681	29/8/2024	0	44
Danum Capital Berhad	05/27	AAA	3.675	5	3.714	25/7/2024	-4	34
Pengurusan Air SPV Berhad	06/28	AAA	3.801	20	3.746	13/8/2024	6	37
Cagamas Berhad	05/33	AAA	3.839	10	3.840	23/8/2024	0	9
Tenaga Nasional Berhad	08/38	AAA	4.045	30	3.989	13/8/2024	6	14
Pengurusan Air Selangor Sdn Berhad	10/38	AAA	4.009	20	4.104	2/7/2024	-9	10
Kuala Lumpur Kepong Berhad	09/34	AA1	3.929	10	3.969	23/7/2024	-4	17
YTL Power International Berhad	08/38	AA1	4.159	60	4.169	29/8/2024	-1	25
Sunway Healthcare Treasury Sdn Berhad	04/29	AA	3.807	10	3.827	31/7/2024	-2	31
Gamuda Berhad	11/29	AA3	3.897	30	3.969	12/6/2024	-7	40
SHC Capital Sdn Berhad	12/26	AA-	4.981	5	5.001	14/1/2022	-2	173
UEM Sunrise Berhad	02/34	AA-	4.028	20	4.031	29/8/2024	0	27
SHC Capital Sdn Berhad	12/35	AA-	5.350	5	n/a	n/a	535	159
DRB-Hicom Berhad	08/25	A+	4.116	5	4.415	9/11/2023	-30	96
				280				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Hanwha Q CELLS Malaysia Sdn Bhd	RM150m Guaranteed Medium-Term Notes (2021/2024)	AAA(fg)/Stable	Withdrawn

Source: RAM, MARC

Hong Leong Bank Berhad

Fixed Income & Economic Research, Global Markets

Level 8, Hong Leong Tower

6, Jalan Damansara

Bukit Damansara

50490 Kuala Lumpur

Tel: 603-2081 1221

Fax: 603-2081 8936

Email: HLMarkets@hlbb.hongleong.com.my**DISCLAIMER**

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