

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries fell in trading on Wednesday, as the flight to safety trade seen the day before unwounded after no further sharp escalation in the Middle East overnight, and after the ADP survey suggested that the US economy added more jobs than expected in September. Benchmark yields closed higher by between 4 and 6 bps for the day, with the UST curve bear steepening marginally. **The benchmark 2yr UST yield was 4bps higher for the session at 3.64%, while the benchmark 10yr UST yield advanced by 5bps for the day to 3.78%.** Tonight sees the release of yet more data on the labour market, with the Challenger job cuts report for September and the weekly jobless claims numbers both scheduled for release. The ISM Services index for September is also due, and will provide more clues as to how the US economy closed out 3Q.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	3.64	4
5-yr UST	3.55	4
10-yr UST	3.78	5
30-yr UST	4.13	6

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.33	0	3.32	1
5-yr	3.50	0	3.47	0
7-yr	3.69	0	3.70	0
10-yr	3.72	0	3.75	0
15-yr	3.89	0	3.91	0
20-yr	4.04	0	4.05	-3
30-yr	4.19	1	4.19	-1

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.52	-1
3-yr	3.43	1
5-yr	3.46	0
7-yr	3.55	-1
10-yr	3.66	0

Source : Bloomberg

MGS/GII

- Local govies were mixed in trading on Wednesday, in spite of the rally in US Treasuries overnight, as some profit taking was seen domestically. Secondary market volume for the day stood at RM5.32bn, relatively stable versus the RM5.31bn that changed hands on Tuesday. Benchmark yields closed mixed between -3 and +1 bps for the day. **The benchmark 5Y MGS 8/29 saw its yield little changed for the day at 3.50% while the yield on the benchmark 10Y MGS 7/34 was also unchanged for the session at 3.72%.** Trading interest was led by the off-the-run MGS 9/25, while interest was also seen in benchmark 3Y GII, 7Y MGS and 10Y MGS, as well as in the off-the-run MGS 3/25, GII 10/32, MGS 6/38 and MGS 3/46. Trading in GIIs as a proportion of total govies trading receded to 34% versus the 42% share seen the previous session. There are no domestic economic releases scheduled for the day ahead.

Upcoming Government Bond Tender

Nil

Corp Bonds/Sukuk

- The corporate bond/sukuk market was better bid in trading on Wednesday in an active session, with secondary market volume for the day surging by 155% to RM1,055m versus the RM414m that traded on Tuesday. Trading for the day was led by the GG segment of the market, where activity was led by DANA 1/30, which closed at 3.61%, little changed compared where it last traded. Interest was also seen in DANA 10/28 and DANA 11/28, which both settled the day at 3.52%, each 1bp lower than its last print. Over in the AAA space, interest was led by CAGA 10/28, which closed at 3.80%, little changed from where the bond last printed. Meanwhile in the AA-rated universe, activity was led by EDRA 7/35 and CIMBG 9/34, which settled for the day at 4.12% (+1bp versus last print) and 3.89% (secondary market debut) respectively.

Daily Trades: Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	03/25	3.173	723	3.088	10/01/2024	9
MGS	07/25	3.208	120	3.221	09/18/2024	-1
MGS	09/25	3.210	814	3.219	10/01/2024	-1
MGS	04/26	3.259	4	3.277	10/01/2024	-2
MGS	07/26	3.297	14	3.264	10/01/2024	3
MGS	11/26	3.255	41	3.284	10/01/2024	-3
MGS	05/27	3.329	152	3.332	10/01/2024	0
MGS	11/27	3.384	1	3.387	10/01/2024	0
MGS	04/28	3.458	9	3.437	10/01/2024	2
MGS	06/28	3.444	110	3.448	10/01/2024	0
MGS	04/29	3.495	26	3.495	10/01/2024	0
MGS	08/29	3.499	148	3.499	10/01/2024	0
MGS	04/30	3.603	40	3.584	10/01/2024	2
MGS	04/31	3.690	219	3.690	10/01/2024	0
MGS	04/32	3.735	5	3.686	09/09/2024	5
MGS	07/32	3.731	52	3.728	10/01/2024	0
MGS	11/33	3.766	101	3.766	10/01/2024	0
MGS	07/34	3.720	463	3.720	10/01/2024	0
MGS	05/35	3.787	17	3.799	10/01/2024	-1
MGS	04/37	3.879	3	3.883	10/01/2024	0
MGS	06/38	3.916	171	3.918	10/01/2024	0
MGS	05/40	3.962	52	3.964	10/01/2024	0
MGS	10/42	4.020	4	4.025	10/01/2024	-1
MGS	09/43	4.046	9	4.025	10/01/2024	2
MGS	03/46	4.111	160	4.091	10/01/2024	2
MGS	07/48	4.136	11	4.124	10/01/2024	1
MGS	06/50	4.147	19	4.160	10/01/2024	-1
MGS	03/53	4.185	15	4.179	10/01/2024	1
GII	10/24	3.168	100	3.173	10/01/2024	0
GII	10/25	3.213	160	3.234	10/01/2024	-2
GII	09/26	3.321	272	3.309	10/01/2024	1
GII	07/27	3.408	1	3.384	09/30/2024	2
GII	09/27	3.379	15	3.397	10/01/2024	-2
GII	07/29	3.504	160	3.509	10/01/2024	0
GII	10/30	3.636	28	3.636	10/01/2024	0
GII	10/31	3.695	80	3.693	10/01/2024	0
GII	10/32	3.756	400	3.764	10/01/2024	-1
GII	08/33	3.782	160	3.791	10/01/2024	-1
GII	11/34	3.749	120	3.745	10/01/2024	0
GII	09/39	3.909	140	3.909	10/01/2024	0
GII	09/41	4.000	8	3.999	09/30/2024	0
GII	08/43	4.050	91	4.077	10/01/2024	-3
GII	11/49	4.247	23	4.129	10/01/2024	12
GII	05/52	4.187	50	4.189	10/01/2024	0
GII	03/54	4.191	10	4.200	10/01/2024	-1
			5318			

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	05/28	GG	3.473	60	3.778	11/7/2023	-31	4
DanaInfra Nasional Berhad	10/28	GG	3.516	60	3.527	20/8/2024	-1	9
DanaInfra Nasional Berhad	11/28	GG	3.521	60	3.530	5/9/2024	-1	9
DanaInfra Nasional Berhad	01/30	GG	3.611	180	3.612	11/9/2024	0	11
DanaInfra Nasional Berhad	11/32	GG	3.788	20	3.813	23/8/2024	-3	8
DanaInfra Nasional Berhad	04/37	GG	3.901	50	3.929	21/8/2024	-3	1
DanaInfra Nasional Berhad	04/37	GG	3.901	20	3.888	18/9/2024	1	1
Prasarana Malaysia Berhad	01/38	GG	3.944	40	3.959	21/8/2024	-2	5
DanaInfra Nasional Berhad	07/39	GG	3.959	20	3.960	20/9/2024	0	7
DanaInfra Nasional Berhad	02/44	GG	4.089	40	4.099	31/7/2024	-1	5
DanaInfra Nasional Berhad	07/44	GG	4.111	35	4.099	27/9/2024	1	7
DanaInfra Nasional Berhad	07/44	GG	4.104	20	4.120	4/9/2024	-2	7
Lembaga Pembiayaan Perumahan Sektor Awam	03/45	GG	4.120	10	4.125	30/8/2024	0	8
DanaInfra Nasional Berhad	02/49	GG	4.155	20	4.179	19/9/2024	-2	12
Danum Capital Berhad	05/25	AAA	3.505	10	3.521	5/9/2024	-2	32
Bank Pembangunan Malaysia Berhad	10/25	AAA	3.609	15	3.709	23/2/2024	-10	42
Amanat Lebuhraya Rakyat Berhad	10/25	AAA	3.536	20	3.777	4/1/2024	-24	35
Pengurusan Air Selangor Sdn Berhad	12/25	AAA	3.590	10	3.709	14/3/2024	-12	41
Infracap Resources Sdn Berhad	04/26	AAA	3.628	10	3.678	30/7/2024	-5	36
Cagamas Berhad	06/26	AAA	3.572	10	3.659	21/5/2024	-9	30
Amanat Lebuhraya Rakyat Berhad	10/26	AAA	3.641	10	3.684	19/7/2024	-4	37
Projek Lebuhraya Usahasama Berhad	01/28	AAA	3.707	10	3.711	1/10/2024	0	37
Cagamas Berhad	10/28	AAA	3.795	30	3.792	2/2/2024	0	36
Danum Capital Berhad	06/29	AAA	3.758	5	3.748	30/9/2024	1	25
Pengerang LNG (Two) Sdn Berhad	10/29	AAA	3.795	10	3.834	27/6/2024	-4	29
Toyota Capital Malaysia Sdn Berhad	02/30	AAA	3.885	10	3.897	23/9/2024	-1	38
Projek Lebuhraya Usahasama Berhad	01/33	AAA	3.880	10	3.910	12/9/2024	-3	17
Tenaga Nasional Berhad	11/36	AAA	3.948	20	4.000	13/9/2024	-5	23
Tenaga Nasional Berhad	08/38	AAA	3.969	20	4.039	13/9/2024	-7	8
Sabah Credit Corporation	04/25	AA1	3.655	20	3.673	6/9/2024	-2	47
GENM Capital Berhad	05/30	AA1	4.681	1	4.548	11/9/2024	13	108
Malayan Banking Berhad	01/34	AA1	3.920	20	3.936	12/9/2024	-2	20
Sime Darby Property Berhad	12/27	AA+	3.761	15	3.790	18/9/2024	-3	43
CIMB Group Holdings Berhad	09/34	AA2	3.890	25	n/a	n/a	389	18
CIMB Group Holdings Berhad	09/36	AA2	4.072	10	n/a	n/a	407	36
Edra Energy Sdn Berhad	07/35	AA3	4.119	30	4.107	27/9/2024	1	41
Malayan Banking Berhad	02/17	AA3	4.103	3	4.041	20/9/2024	6	6
UEM Sunrise Berhad	12/24	AA-	3.626	20	3.688	11/9/2024	-6	44
UEM Sunrise Berhad	04/26	AA-	4.507	1	4.664	14/8/2024	-16	124
Penang Port Sdn Berhad	12/26	AA-	3.748	10	3.758	1/10/2024	-1	48
Konsortium Lebuhraya Utara-Timur (KL) Sdn Berh	12/28	AA-	4.248	10	4.259	14/8/2024	-1	82
Konsortium Lebuhraya Utara-Timur (KL) Sdn Berh	11/29	AA-	4.289	20	4.311	6/9/2024	-2	78
Konsortium Lebuhraya Utara-Timur (KL) Sdn Berh	12/30	AA-	4.329	10	4.649	13/6/2023	-32	73
Konsortium Lebuhraya Utara-Timur (KL) Sdn Berh	12/31	AA-	4.379	10	4.639	2/5/2024	-26	69
Southern Power Generation Sdn Berhad	04/34	AA-	4.097	10	4.669	8/11/2023	-57	38
Yinson Holdings Berhad	12/26	A1	5.030	1	4.645	27/9/2024	39	176
CIMB Group Holdings Berhad	05/16	A1	4.371	1	4.371	24/9/2024	0	33
Alliance Bank Malaysia Berhad	10/35	A2	4.091	1	4.091	25/9/2024	0	38
Affin Bank Berhad	06/18	A3	4.459	1	5.027	28/8/2024	-57	42
Tropicana Corporation Berhad	09/19	A-	11.216	1	8.155	27/9/2024	306	718
Bank Muamalat Malaysia Berhad	09/22	BBB	5.229	3	5.229	5/9/2024	0	119
				1055				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
reNIKOLA Solar Sdn Bhd	RM390m ASEAN Green SRI Sukuk Programme	AA3/Stable	Affirmed
IJM Corporation Berhad	RM3bn Sukuk Murabahah Programme	AA3/Stable	Affirmed
IJM Treasury Management Sdn Bhd	RM5bn Islamic Medium-Term Notes Programme and Islamic Commercial Papers Programme	AA3(s)/Stable/P1(s)	Affirmed

Source: RAM, MARC

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