

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries were firmer in trading on Wednesday, amidst the ISM Services index for November seeing a larger than expected pullback. Fed Chair Powell was on the wires but did not make any comments that were substantially new of push back against what was priced into the markets in terms of near term cuts, while the Beige Book showed an uptick in US economic activity in November. **The benchmark 2Y UST note yield closed the day 5bps lower at 4.13% while the benchmark 10Y UST bond yield declined by 4bps to 4.18%.** Tonight sees the release of the Challenger job cuts number for November as well as the usual weekly data on jobless claims. The Fed's Barker is also scheduled to deliver an address on the economic outlook in the day ahead.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.13	-5
5-yr UST	4.07	-4
10-yr UST	4.18	-4
30-yr UST	4.35	-6

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.46	0	3.36	0
5-yr	3.56	0	3.58	-1
7-yr	3.72	-1	3.75	0
10-yr	3.82	1	3.79	-2
15-yr	3.94	0	3.95	-2
20-yr	4.05	0	4.08	0
30-yr	4.18	1	4.18	0

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.55	1
3-yr	3.44	1
5-yr	3.47	1
7-yr	3.56	2
10-yr	3.66	2

Source : Bloomberg

Upcoming Government Bond Tender

Reopening of RM2bn of the benchmark 10Y MGS 7/34, to be auctioned on Fri 06 Dec 24

MGS/GII

- Local govovies were better bid in trading on Wednesday in a more active trading session, amidst the announcement of a much smaller than expected issuance size for the final government bond auction of the year. Secondary market volume rose by 22% to RM5.51bn from the RM4.50bn that changed hands on Tuesday. Overall benchmark yields ended the day mixed by between -2 to +1bp across the curve (prior: -4 to +1bp). **The benchmark 5Y MGS 8/29 yield was little changed for the day at 3.56% while the yield on the benchmark 10Y MGS 7/34 advanced by 1bp to 3.82%.** Trading activity for the day was led by the off-the-run MGS 6/28, while decent interest was also seen in the benchmark 7Y MGS/GII, 10Y MGS/GII, 15Y GII and 20Y GII, as well as in the off-the-run MGS 3/25. The share of GII trading for the day climbed to 55% of overall govovies trading from the 42% seen the day before.

Corp Bonds/Sukuk

- The corporate bond/sukuk market was mixed in trading on Wednesday as activity came off from the day before. Secondary market volume for the day fell by 17% to RM1,108m versus the RM1,335m that traded on Tuesday. Trading for the day was led by the AAA-rated segment of the market. In the GG universe, activity was again led by DANA 10/51 and DANA 11/51, with both bonds settling the day at 4.22%, both 2bps lower versus where they last traded the day before. In the AAA space, trading was dominated by the newly issued CAGA 12/27, which closed at 3.80% in its secondary market debut. Interest was also seen in GMD 10/29, which settled the day at 3.84% in a secondary market debut. In the AA-rated universe, interest was led by YTL 3/37 and YTL 10/39, which closed at 4.13% (-1bp versus last print) and 4.19% (+1bp) respectively.

Daily Trades: Government Bond

Securities	Closing		Vol	Previous	Previous	Chg
	YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)	
MGS	03/25	3.146	243	3.186	12/03/2024	-4
MGS	04/26	3.326	10	3.344	12/03/2024	-2
MGS	07/26	3.357	156	3.352	12/03/2024	1
MGS	11/26	3.369	36	3.365	12/03/2024	0
MGS	03/27	3.410	1	3.426	12/02/2024	-2
MGS	05/27	3.459	51	3.455	12/03/2024	0
MGS	11/27	3.471	56	3.484	12/03/2024	-1
MGS	04/28	3.486	72	3.493	12/03/2024	-1
MGS	06/28	3.529	396	3.541	12/03/2024	-1
MGS	09/28	3.537	1	3.573	11/22/2024	-4
MGS	04/29	3.558	2	3.569	12/03/2024	-1
MGS	08/29	3.564	122	3.566	12/03/2024	0
MGS	04/30	3.627	2	3.627	12/03/2024	0
MGS	04/31	3.723	311	3.732	12/03/2024	-1
MGS	06/31	3.743	4	3.759	12/03/2024	-2
MGS	07/32	3.741	23	3.757	12/03/2024	-2
MGS	04/33	3.820	2	3.804	12/03/2024	2
MGS	11/33	3.820	156	3.817	12/03/2024	0
MGS	07/34	3.815	307	3.805	12/03/2024	1
MGS	05/35	3.828	2	3.832	12/03/2024	0
MGS	04/37	3.929	50	3.936	12/03/2024	-1
MGS	06/38	3.959	222	3.965	12/03/2024	-1
MGS	04/39	3.941	3	3.941	12/03/2024	0
MGS	05/40	3.966	120	3.979	12/03/2024	-1
MGS	10/42	4.043	29	4.052	12/03/2024	-1
MGS	09/43	4.061	1	4.063	12/03/2024	0
MGS	03/46	4.143	2	4.098	12/02/2024	4
MGS	06/50	4.048	103	4.150	12/03/2024	-10
MGS	03/53	4.183	5	4.175	12/03/2024	1
GII	08/25	3.216	2	3.194	12/02/2024	2
GII	10/25	3.235	1	3.263	11/29/2024	-3
GII	03/26	3.316	93	3.306	12/02/2024	1
GII	09/26	3.358	90	3.359	12/03/2024	0
GII	06/27	3.419	20	3.536	10/28/2024	-12
GII	09/27	3.443	62	3.443	12/03/2024	0
GII	07/28	3.533	90	3.530	12/03/2024	0
GII	10/28	3.546	75	3.551	12/03/2024	-1
GII	07/29	3.577	226	3.589	12/03/2024	-1
GII	09/30	3.667	130	3.678	12/03/2024	-1
GII	10/30	3.656	90	3.671	12/03/2024	-1
GII	10/31	3.745	308	3.745	12/03/2024	0
GII	10/32	3.762	160	3.782	12/03/2024	-2
GII	06/33	3.799	150	3.813	12/03/2024	-1
GII	08/33	3.814	160	3.817	12/03/2024	0
GII	11/34	3.794	390	3.813	12/03/2024	-2
GII	10/35	3.832	10	3.844	11/28/2024	-1
GII	07/36	3.911	190	3.928	12/03/2024	-2
GII	03/38	3.933	5	3.941	12/02/2024	-1
GII	09/39	3.945	250	3.962	12/03/2024	-2
GII	09/41	4.029	151	4.041	12/03/2024	-1
GII	08/43	4.079	302	4.084	12/03/2024	0
GII	11/49	4.121	60	4.133	12/03/2024	-1
GII	05/52	4.192	10	4.185	12/03/2024	1
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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	3.505	20	3.397	9/10/2024	11	13
DanaInfra Nasional Berhad	10/38	GG	4.015	30	4.031	27/11/2024	-2	8
DanaInfra Nasional Berhad	11/47	GG	4.159	5	4.170	24/7/2024	-1	11
DanaInfra Nasional Berhad	10/51	GG	4.220	75	4.235	3/12/2024	-2	17
DanaInfra Nasional Berhad	11/51	GG	4.220	50	4.237	3/12/2024	-2	17
Bank Pembangunan Malaysia Berhad	11/26	AAA	3.820	5	3.755	16/10/2024	6	44
Cagamas Berhad	12/27	AAA	3.800	500	n/a	n/a	380	35
Gas Malaysia Distribution Sdn Berhad	10/29	AAA	3.843	40	n/a	n/a	384	27
Pengurusan Air SPV Berhad	01/30	AAA	3.897	25	3.899	3/12/2024	0	32
Toyota Capital Malaysia Sdn Berhad	02/30	AAA	3.991	16	3.968	5/11/2024	2	42
CIMB Islamic Bank Berhad	11/30	AAA	3.980	10	3.979	29/11/2024	0	31
UniTapah Sdn Berhad	12/30	AAA	4.118	2	4.208	12/12/2023	-9	45
Pengurusan Air SPV Berhad	06/31	AAA	3.959	10	3.860	9/9/2024	10	23
Tenaga Nasional Berhad	08/32	AAA	3.978	20	4.021	20/11/2024	-4	21
Amanat Lebuhraya Rakyat Berhad	10/32	AAA	4.089	13	4.090	3/12/2024	0	33
Sarawak Energy Berhad	04/36	AAA	4.049	10	4.039	28/11/2024	1	26
Northern Gateway Infrastructure Sdn Berhad	08/30	AA1	4.171	5	4.418	9/5/2023	-25	50
Northern Gateway Infrastructure Sdn Berhad	08/31	AA1	4.197	5	4.349	24/8/2023	-15	47
United Overseas Bank (Malaysia) Berhad	02/34	AA1	3.951	30	3.978	18/11/2024	-3	17
Genting RMTN Berhad	11/34	AA1	4.893	1	4.759	17/10/2024	13	110
YTL Power International Berhad	03/37	AA1	4.128	60	4.140	28/11/2024	-1	33
YTL Power International Berhad	10/39	AA1	4.189	60	4.181	29/11/2024	1	26
UMW Holdings Berhad	11/26	AA+	3.842	10	3.775	26/11/2024	7	46
edotco Malaysia Sdn Berhad	09/32	AA+	3.998	8	3.889	4/10/2024	11	23
Besraya (M) Sdn Berhad	07/28	AA2	4.001	9	3.967	26/6/2024	3	47
AEON Co. (M) Berhad	08/29	AA2	4.008	10	4.069	13/11/2024	-6	44
Affin Islamic Bank Berhad	12/25	AA3	3.740	11	3.759	15/10/2024	-2	47
Gamuda Land (T12) Sdn Berhad	10/28	AA3	3.997	2	3.897	22/10/2024	10	47
Malayan Cement Berhad (fka Lafarge Malaysia B	12/29	AA3	4.158	2	4.017	23/9/2024	14	59
AmBank Islamic Berhad	03/33	AA3	4.001	9	4.016	5/11/2024	-1	24
UEM Sunrise Berhad	04/25	AA-	3.653	10	4.297	5/11/2024	-64	38
Quantum Solar Park (Semenanjung) Sdn Berhad	04/26	AA-	3.946	10	3.958	15/7/2024	-1	68
UEM Sunrise Berhad	09/26	AA-	3.832	1	3.792	11/10/2024	4	45
MMC Corporation Berhad	03/28	AA-	3.997	10	3.986	28/11/2024	1	54
Eco World Capital Berhad	08/28	AA-	4.007	25	3.908	5/11/2024	10	48
SUNREIT Perpetual Bond Berhad	04/19	A1	4.400	1	4.400	2/12/2024	0	35
				<u>1108</u>				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
UDA Holdings Berhad	Islamic Commercial Papers (ICP) Programme of up to RM100m and Islamic Medium-Term Notes (IMTN) Programme of up to RM1bn with a combined aggregate limit of up to RM1bn	AA-/Stable/MARC-1	Affirmed
UEM Group Berhad	RM7bn Sukuk Wakalah Programme, issued through wholly owned funding vehicle, UEM Olive Capital Berhad	AA1/Stable	Affirmed
Solarpack Suria Sungai Petani Sdn Bhd	ASEAN Green SRI Sukuk Wakalah of up to RM305m (2023/2043)	AA2/Stable	Affirmed

Source: RAM, MARC

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