

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries were higher in trading on Tuesday, amidst a well-received sale of USD58bn in new 3yr USTs. Benchmark yields were lower between 4 and 5bps for the day, with the UST curve shifting lower. **The benchmark 2yr UST yield was 5bps lower for the session at 3.62%, while the benchmark 10yr UST yield declined by 4bps for the day to 3.66%.** Plenty ahead today, with the US presidential debate between Trump and Harris first up during the Asian session, before the all-important August CPI report later this evening. The Treasury refunding continues with USD39bn in 10yr UST to be auctioned tonight in a reopening for the existing benchmark bond.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	3.62	-5
5-yr UST	3.44	-5
10-yr UST	3.66	-4
30-yr UST	3.97	-4

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.34	0	3.32	0
5-yr	3.49	1	3.48	1
7-yr	3.70	0	3.70	0
10-yr	3.75	0	3.78	1
15-yr	3.87	-1	3.94	0
20-yr	4.04	0	4.09	0
30-yr	4.19	9	4.20	15

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.44	0
3-yr	3.35	1
5-yr	3.40	0
7-yr	3.50	1
10-yr	3.60	2

Source : Bloomberg

Upcoming Government Bond Tender

Nil

MGS/GII

- Local govovies were little changed in trading on Tuesday, amidst Malaysia industrial production for July improving further as expected from June, suggesting that the positive economic momentum carried on into 3Q. Secondary market inched lower by 4% to RM2.80bn compared to the RM2.91bn that traded on Monday. Benchmark yields closed mixed between -1 and +1 bps for the day, except for the 30Y MGS and GII which both corrected from off-market odd lot trades the previous day. **The benchmark 5Y MGS 8/29 saw its yield rise by 1bp for the day to 3.49% while the yield on the benchmark 10Y MGS 7/34 was little changed for the session at 3.75%.** Trading interest for the day was led by the off-the-run MGS 9/24, while interest was also seen in the benchmark 3Y MGS/GII and 20Y GII, as well as in the off-the-run MGS 3/25, GII 9/27, MGS 4/28 and GII 9/30. Trading in GIIs as a proportion of total govovies trading inched lower to 41% versus the 42% share seen the previous session. There are no domestic economic data releases for the day ahead.

Corp Bonds/Sukuk

- The Corporate Bonds/Sukuk market was better bid in trading on Tuesday, with the market registering the heaviest trading day yet this year. Secondary market volume more than tripled, surging by 211% to RM2,185m versus the RM703m that changed hands on Monday. Trading activity for the day was dominated by the GG segment, where interest was led by DANA 11/25 and DANA 11/27, which closed the day at 3.33% (-1bp versus last print) and 3.44% (-10bps) respectively. Over in AAA space, trading interest was led by TNB 8/40 and CAGA 11/24, which closed at 4.06% (-18bp) and 3.33% (-20bps) respectively. Meanwhile in the AA-rated universe, trading interest was led by EDRA 1/32 and EDRA 7/32, which settled the day at 3.99% (-11bps) and 4.01% (unchanged) respectively.

Daily Trades: Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	09/24	3.086	402	3.096	09/09/2024	-1
MGS	03/25	3.148	155	3.082	09/09/2024	7
MGS	09/25	3.135	7	3.149	09/05/2024	-1
MGS	04/26	3.227	2	3.194	09/05/2024	3
MGS	11/26	3.260	6	3.252	09/06/2024	1
MGS	05/27	3.343	150	3.346	09/09/2024	0
MGS	11/27	3.383	95	3.380	09/06/2024	0
MGS	04/28	3.444	197	3.445	09/09/2024	0
MGS	06/28	3.466	7	3.472	09/09/2024	-1
MGS	04/29	3.485	10	3.493	09/09/2024	-1
MGS	08/29	3.490	87	3.484	09/09/2024	1
MGS	04/30	3.611	81	3.588	09/09/2024	2
MGS	04/31	3.701	83	3.700	09/09/2024	0
MGS	06/31	3.706	4	3.682	09/09/2024	2
MGS	07/32	3.748	16	3.751	09/09/2024	0
MGS	04/33	3.786	3	3.782	09/06/2024	0
MGS	11/33	3.772	26	3.766	09/09/2024	1
MGS	07/34	3.745	102	3.742	09/09/2024	0
MGS	05/35	3.806	28	3.810	09/09/2024	0
MGS	04/37	3.910	25	3.910	09/09/2024	0
MGS	06/38	3.935	35	3.930	09/06/2024	0
MGS	04/39	3.873	24	3.887	09/09/2024	-1
MGS	05/40	3.965	63	3.970	09/09/2024	-1
MGS	10/42	4.026	42	4.022	09/09/2024	0
MGS	06/50	4.105	2	4.151	09/09/2024	-5
MGS	03/53	4.192	7	4.098	09/09/2024	9
GII	10/24	1.872	1	3.176	09/09/2024	-130
GII	08/25	3.101	8	3.199	09/05/2024	-10
GII	10/25	3.235	13	3.223	09/09/2024	1
GII	09/26	3.324	180	3.322	09/09/2024	0
GII	06/27	3.388	17	3.498	02/08/2024	-11
GII	09/27	3.401	153	3.408	09/09/2024	-1
GII	07/28	3.484	70	3.474	09/06/2024	1
GII	10/28	3.625	20	3.487	09/05/2024	14
GII	07/29	3.516	10	3.514	09/09/2024	0
GII	09/30	3.650	130	3.639	09/09/2024	1
GII	10/30	3.659	60	3.658	09/06/2024	0
GII	10/31	3.703	23	3.698	09/09/2024	0
GII	06/33	3.811	10	3.810	09/06/2024	0
GII	11/34	3.784	42	3.773	09/09/2024	1
GII	10/35	3.832	1	3.883	08/23/2024	-5
GII	07/36	3.879	110	3.877	09/06/2024	0
GII	03/38	3.910	60	3.907	09/09/2024	0
GII	08/43	4.086	210	4.089	09/09/2024	0
GII	03/54	4.203	20	4.058	09/09/2024	15
			2798			

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	02/25	GG	3.291	45	3.474	28/5/2024	-18	12
Prasarana Malaysia Berhad	09/25	GG	3.313	40	3.560	11/8/2023	-25	14
DanaInfra Nasional Berhad	11/25	GG	3.325	260	3.335	26/8/2024	-1	15
Prasarana Malaysia Berhad	08/26	GG	3.343	160	3.531	9/7/2024	-19	9
DanaInfra Nasional Berhad	05/27	GG	3.403	70	3.545	12/7/2024	-14	6
DanaInfra Nasional Berhad	11/27	GG	3.436	220	3.534	30/7/2024	-10	9
DanaInfra Nasional Berhad	02/29	GG	3.537	100	3.549	5/9/2024	-1	10
DanaInfra Nasional Berhad	04/29	GG	3.548	60	3.696	12/7/2024	-15	6
DanaInfra Nasional Berhad	01/30	GG	3.612	110	3.718	13/3/2024	-11	12
Prasarana Malaysia Berhad	03/30	GG	3.631	50	3.668	12/8/2024	-4	3
GovCo Holdings Berhad	06/31	GG	3.800	5	3.781	6/9/2024	2	11
Prasarana Malaysia Berhad	09/32	GG	3.776	40	3.808	8/8/2024	-3	6
Perbadanan Tabung Pendidikan Tinggi Nasional	01/33	GG	3.812	50	3.902	19/7/2024	-9	9
Prasarana Malaysia Berhad	03/33	GG	3.790	15	4.329	5/9/2022	-54	7
Perbadanan Tabung Pendidikan Tinggi Nasional	02/34	GG	3.836	105	4.048	25/4/2024	-21	10
Prasarana Malaysia Berhad	03/34	GG	3.809	30	3.828	27/8/2024	-2	6
DanaInfra Nasional Berhad	10/35	GG	3.861	50	4.055	29/4/2024	-19	12
Perbadanan Tabung Pendidikan Tinggi Nasional	03/36	GG	3.880	50	4.058	18/4/2024	-18	13
Pengurusan Air SPV Berhad	06/39	GG	3.970	15	4.009	29/7/2024	-4	7
Lembaga Pembiayaan Perumahan Sektor Awam	04/40	GG	3.990	50	4.049	25/7/2024	-6	9
Malaysia Rail Link Sdn Berhad	07/40	GG	4.000	10	4.302	14/7/2023	-30	10
DanaInfra Nasional Berhad	05/41	GG	4.000	75	4.008	4/9/2024	-1	10
Cagamas Berhad	10/24	AAA	3.328	25	3.510	2/5/2024	-18	16
Pengerang LNG (Two) Sdn Berhad	10/24	AAA	3.424	10	3.521	30/7/2024	-10	25
Cagamas Berhad	11/24	AAA	3.326	71	3.526	30/5/2024	-20	16
TNB Northern Energy Berhad	11/24	AAA	3.409	5	4.093	30/9/2022	-68	24
TNB Western Energy Berhad	07/25	AAA	3.828	10	3.850	29/7/2024	-2	66
Pengurusan Air SPV Berhad	02/28	AAA	3.782	10	3.801	9/9/2024	-2	44
Pengurusan Air SPV Berhad	04/28	AAA	3.776	10	3.800	9/9/2024	-2	34
TM Technology Services Sdn Berhad (fka Webe Di	10/28	AAA	3.741	40	3.748	14/8/2024	-1	31
Pengurusan Air SPV Berhad	01/30	AAA	3.853	5	3.831	9/9/2024	2	36
TNB Western Energy Berhad	01/32	AAA	4.079	10	4.939	25/5/2022	-86	39
Tenaga Nasional Berhad	08/33	AAA	3.926	25	3.929	9/9/2024	0	19
Amanat Lebuhraya Rakyat Berhad	10/35	AAA	4.084	30	4.140	28/8/2024	-6	34
Tenaga Nasional Berhad	08/37	AAA	4.059	20	4.029	4/9/2024	3	16
Tenaga Nasional Berhad	08/38	AAA	4.038	40	4.039	5/9/2024	0	14
Tenaga Nasional Berhad	08/40	AAA	4.064	80	4.246	3/9/2024	-18	17
United Overseas Bank (Malaysia) Berhad	08/30	AA1	4.179	1	3.650	29/8/2024	53	58
Malayan Banking Berhad	01/34	AA1	3.966	30	3.974	5/9/2024	-1	23
Sime Darby Property Berhad	12/25	AA+	3.688	30	3.725	20/2/2024	-4	52
CIMB Group Holdings Berhad	09/32	AA2	3.850	20	3.839	23/8/2024	1	13
CIMB Group Holdings Berhad	12/32	AA2	4.326	1	4.275	13/8/2024	5	61
Gamuda Berhad	06/30	AA3	3.936	10	3.977	11/7/2024	-4	34
Edra Energy Sdn Berhad	01/32	AA3	3.991	30	4.099	25/3/2024	-11	30
Edra Energy Sdn Berhad	07/32	AA3	4.007	30	4.009	30/8/2024	0	29
AmBank (M) Berhad	10/32	AA3	4.496	1	4.156	4/9/2024	34	78
UDA Holdings Berhad	04/26	AA-	4.966	1	4.485	6/5/2024	48	171
Leader Energy Sdn Berhad	07/27	AA-	4.405	10	4.426	29/8/2024	-2	106
Tan Chong Motor Holdings Berhad	03/27	A+	5.753	1	5.343	9/9/2024	41	241
DRB-Hicom Berhad	08/30	A+	4.499	10	4.578	5/9/2024	-8	90
Yinson Holdings Berhad	11/22	A-	5.679	1	6.469	21/8/2024	-79	163
SPR Energy (M) Sdn Berhad	07/26	B1	15.754	9	4.490	10/6/2019	1126	1250
Yinson Holdings Berhad	11/22	NR(LT)	6.968	1	6.439	4/9/2024	53	292
				2185				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
SAJ Capital Sdn Bhd	Sukuk Murabahah of up to RM650m	AA-/Stable	Affirmed
Penang Port Sdn Bhd	Islamic Medium-Term Notes Issuance Programme of up to RM1bn	AA-/Stable	Affirmed
Sabah	Sub-sovereign Credit Rating	AAA/Stable	Affirmed

Source: RAM, MARC

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