

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries were softer in trading on Tuesday, amidst a light data front and an auction of USD58bn of new 3yr USTs which tailed. Benchmark yields rose between 2 – 3bps for the day. The **benchmark 2Y UST yield rose 2bps to 4.15%, while the benchmark 10Y UST yield climbed 3bps for the day to 4.23%**. Tonight sees the much awaited CPI report for November, which will be the last piece of important data before the FOMC decides on policy next week. The US Treasury also continues its refunding tonight with a reopening of existing 10yr USTs, with USD39bn set to be auctioned.

MGS/GII

- Local govies were better offered in trading on Tuesday in a busier trading session, amidst October industrial production falling slightly short of expectations. Secondary market volume climbed by 41% to RM4.23bn from the RM3.00bn that traded on Monday. Overall benchmark yields ended the day higher by between 0 and 2bps (prior: -1 to +2bps), with the exception of the benchmark 30Y MGS which was skewed by a late odd lot off-market trade. **The benchmark 5Y MGS 8/29 yield rose 1bp to 3.58% while the yield on the benchmark 10Y MGS 7/34 was little changed for the day at 3.79%**. Trading activity for the day was led by the off-the-run GII 10/25, while decent interest was also seen in the benchmark 7Y MGS, as well as in the off-the-run MGS 3/25, MGS 9/25, GII 6/33 and MGS 6/38. The share of GII trading for the day rose to 50% of overall govies trading from the 38% seen the previous session. There are no economic releases scheduled for the day ahead domestically.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.15	2
5-yr UST	4.10	2
10-yr UST	4.23	3
30-yr UST	4.42	3

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.46	0	3.36	0
5-yr	3.58	1	3.60	0
7-yr	3.75	2	3.75	1
10-yr	3.79	0	3.80	1
15-yr	3.94	1	3.94	0
20-yr	4.04	1	4.08	0
30-yr	4.11	-6	4.19	1

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.59	0
3-yr	3.48	1
5-yr	3.50	2
7-yr	3.59	2
10-yr	3.69	2

Source : Bloomberg

Upcoming Government Bond Tender

Nil

Corp Bonds/Sukuk

- The corporate bond/sukuk market was better bid in trading on Tuesday in a more active session, with secondary market volume for the day increasing by 29% to RM572m versus the RM442m that changed hands on Monday. Trading for the day was led by the AA-rated segment of the market. In the GG universe, activity was led by LPPSA 6/38, settling the day at 4.00%, little changed from where it last traded. In the AAA space, trading was led by SEB 8/25, which closed at 3.54%, up by 1bp compared to its last print. In the AA-rated universe, interest was led by VSCM 9/27, which settled the day at 4.07%, little changed versus where the bond last traded. Decent interest was also seen in SDPB 8/26, which closed at 3.74%, higher by 1bp compared to its last print.

Daily Trades: Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	03/25	3.096	337	3.115	12/06/2024	-2
MGS	09/25	3.198	2	3.270	12/06/2024	-7
MGS	04/26	3.338	1	3.326	12/06/2024	1
MGS	07/26	3.349	81	3.360	12/06/2024	-1
MGS	05/27	3.455	183	3.455	12/06/2024	0
MGS	11/27	3.486	10	3.493	12/06/2024	-1
MGS	04/28	3.508	31	3.499	12/06/2024	1
MGS	06/28	3.535	5	3.538	12/06/2024	0
MGS	04/29	3.547	4	3.550	12/05/2024	0
MGS	08/29	3.573	39	3.557	12/06/2024	2
MGS	04/30	3.619	6	3.626	12/06/2024	-1
MGS	04/31	3.735	242	3.729	12/06/2024	1
MGS	06/31	3.749	10	3.718	12/06/2024	3
MGS	07/32	3.742	1	3.742	12/05/2024	0
MGS	04/33	3.810	11	3.790	12/05/2024	2
MGS	11/33	3.807	51	3.782	12/06/2024	2
MGS	07/34	3.789	240	3.787	12/06/2024	0
MGS	05/35	3.810	73	3.805	12/06/2024	0
MGS	04/37	3.921	43	3.934	12/06/2024	-1
MGS	06/38	3.958	153	3.958	12/06/2024	0
MGS	04/39	3.932	120	3.934	12/06/2024	0
MGS	10/42	4.045	5	4.050	12/05/2024	0
MGS	09/43	4.055	20	4.061	12/04/2024	-1
MGS	05/44	4.037	95	4.045	12/05/2024	-1
MGS	07/48	4.124	1	4.134	12/06/2024	-1
MGS	06/50	4.145	40	4.148	12/06/2024	0
MGS	03/53	4.175	52	4.175	12/06/2024	0
GII	10/25	3.253	150	3.225	12/06/2024	3
GII	03/26	3.308	40	3.320	12/06/2024	-1
GII	09/26	3.353	20	3.344	12/06/2024	1
GII	07/28	3.542	110	3.548	12/06/2024	-1
GII	10/31	3.736	170	3.733	12/06/2024	0
GII	10/32	3.761	70	3.768	12/06/2024	-1
GII	08/33	3.800	60	3.802	12/06/2024	0
GII	11/34	3.789	150	3.791	12/06/2024	0
GII	10/35	3.835	90	3.837	12/06/2024	0
GII	07/36	3.874	30	3.914	12/06/2024	-4
GII	03/38	3.932	40	3.910	12/05/2024	2
GII	09/39	3.944	20	3.944	12/06/2024	0
GII	09/41	4.025	60	4.030	12/06/2024	0
GII	08/43	4.082	2	4.079	12/06/2024	0
GII	03/54	4.176	135	4.179	12/06/2024	0
			3004			

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*
Perbadanan Tabung Pendidikan Tinggi Nasional	10/28	GG	3.751	10	3.720	29/11/2024	3	23
DanaInfra Nasional Berhad	07/34	GG	3.918	15	3.918	21/11/2024	0	14
DanaInfra Nasional Berhad	04/35	GG	3.937	15	3.969	28/10/2024	-3	16
DanaInfra Nasional Berhad	11/35	GG	3.948	15	3.958	6/6/2024	-1	17
Public Islamic Bank Berhad	12/27	AAA	4.126	1	3.771	23/8/2024	36	67
CIMB Islamic Bank Berhad	11/28	AAA	3.896	10	3.847	31/7/2024	5	38
CIMB Islamic Bank Berhad	03/31	AAA	3.971	10	3.938	15/8/2024	3	32
Bank Pembangunan Malaysia Berhad	11/31	AAA	3.988	20	4.089	29/4/2024	-10	26
Bank Simpanan Nasional Berhad	11/31	AAA	3.938	3	4.000	5/11/2024	-6	21
Malaysia Airport Holdings Berhad	11/31	AAA	3.928	20	3.920	21/11/2024	1	20
Pengurusan Air SPV Berhad	02/33	AAA	3.984	20	3.978	3/12/2024	1	23
TNB Power Generation Sdn Berhad	03/33	AAA	3.940	2	3.948	22/11/2024	-1	19
Projek Lebuhraya Usahasama Berhad	01/35	AAA	3.987	60	4.000	26/11/2024	-1	21
CIMB Islamic Bank Berhad	07/35	AAA	4.030	2	4.129	13/11/2024	-10	25
Projek Lebuhraya Usahasama Berhad	01/36	AAA	3.998	30	4.028	19/11/2024	-3	22
Projek Lebuhraya Usahasama Berhad	01/37	AAA	4.006	30	3.999	27/11/2024	1	23
Projek Lebuhraya Usahasama Berhad	01/37	AAA	4.011	2	4.048	19/11/2024	-4	23
Tenaga Nasional Berhad	08/38	AAA	4.059	20	4.059	6/12/2024	0	13
Tenaga Nasional Berhad	11/41	AAA	4.099	30	4.128	3/9/2024	-3	17
TNB Power Generation Sdn Berhad	06/42	AAA	4.110	2	4.184	19/11/2024	-7	18
RHB Bank Berhad	11/28	AA1	3.846	10	3.879	28/11/2024	-3	33
Sabah Credit Corporation	07/31	AA1	4.039	10	4.109	15/11/2024	-7	31
YTL Power International Berhad	03/37	AA1	4.130	2	4.128	4/12/2024	0	35
Benih Restu Berhad	06/25	AA2	3.597	20	3.650	6/11/2024	-5	33
Edra Solar Sdn Berhad	10/26	AA2	3.888	10	3.887	5/11/2024	0	51
AEON Co. (M) Berhad	07/28	AA2	3.966	10	3.967	5/12/2024	0	45
AmBank Islamic Berhad	05/31	AA2	4.037	10	4.039	6/12/2024	0	38
CIMB Group Holdings Berhad	09/36	AA2	4.170	5	4.051	15/10/2024	12	39
OSK Rated Bond Sdn Berhad	09/30	AA	4.064	10	4.119	19/11/2024	-5	41
CIMB Group Holdings Berhad	11/30	AA	3.760	1	3.788	11/11/2024	-3	10
OSK Rated Bond Sdn Berhad	04/31	AA	4.087	10	4.147	19/11/2024	-6	43
AEON Credit Service (M) Berhad	02/27	AA3	3.847	10	3.812	29/10/2024	4	47
Tadai Energy Sdn Berhad	07/27	AA3	4.240	5	3.990	13/8/2021	25	79
Malayan Banking Berhad	02/17	AA3	4.098	1	4.038	28/11/2024	6	4
Malaysian Resources Corporation Berhad	10/31	AA-	4.409	10	4.348	27/9/2024	6	68
MMC Port Holdings Sdn Berhad	04/32	AA-	4.160	1	4.168	27/11/2024	-1	43
Affin Bank Berhad	07/32	A1	3.981	1	4.430	2/12/2024	-45	23
				442				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Nil			

Source: RAM, MARC

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