

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries were lower in trading on Thursday, amidst a poor 30yr UST auction, and taking cue from the move lower in European government bonds after the ECB's widely expected rate cut. The sale of USD22bn in new 30yr UST tailed despite the sell-off heading into the auction. Benchmark yields were higher between 0 and 2bps for the day, with the UST curve steepening a touch. **The benchmark 2yr UST yield was little changed for the session at 3.64%, while the benchmark 10yr UST yield advanced by 2bps for the day to 3.67%.** Tonight sees the release of the preliminary US consumer sentiment for September from the University of Michigan, as well as the import price indices for August.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	3.64	0
5-yr UST	3.47	2
10-yr UST	3.67	2
30-yr UST	3.99	2

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.33	0	3.31	0
5-yr	3.49	0	3.47	1
7-yr	3.68	-1	3.69	0
10-yr	3.73	0	3.77	0
15-yr	3.87	1	3.92	0
20-yr	4.04	0	4.07	0
30-yr	4.18	-1	4.19	9

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.42	0
3-yr	3.32	0
5-yr	3.37	0
7-yr	3.47	0
10-yr	3.57	0

Source : Bloomberg

MGS/GII

- Local govies were little changed in trading on Thursday in a lighter session, with secondary market volume receding by 19% to RM5.78bn compared to the RM7.14bn that changed hands the day before. Benchmark yields closed mixed between -1 and +1 bps for the day, except for the 30Y GII which corrected from an off-market odd lot trade the previous session. **The benchmark 5Y MGS 8/29 saw its yield little changed for the day at 3.49% while the yield on the benchmark 10Y MGS 7/34 was also unchanged for the session at 3.73%.** Trading interest for the day was led by the off-the-run MGS 11/33, while interest was also seen in the off-the-run MGS 3/25, GII 8/25, GII 10/25 and GII 10/32, as well as in the benchmark 3Y GII, 7Y MGS and 20Y GII. Trading in GIIs as a proportion of total govies trading rose to 50% versus the 45% share seen on Wednesday. There are no domestic economic data releases due for the day ahead.

Upcoming Government Bond Tender

Nil

Corp Bonds/Sukuk

- The Corporate Bonds/Sukuk market was slightly better bid in trading on Thursday. Secondary market volume plunged by 57% to RM588m versus the RM1,358m that traded on Wednesday. Trading activity for the day was again led by the AAA-rated sector. In the GG segment, the only bond traded for the day was PASB 9/25, which closed the day at 3.36%, little changed compared to where the bond last traded. Over in AAA space, trading interest was led by BSN 2/26, which settled the day at 3.68%, 4bps lower versus its last print. Interest was also seen in TM 10/28 and DIGI 6/31, which closed at 3.74% (unchanged versus last print) and 3.85% (-1bp) respectively. Meanwhile in the AA-rated universe, trading interest was led by MBB 1/34, which settled at 3.94%, 2bps lower compared to its previously traded level. Interest was also seen in EDRA 7/36 and EDRA 1/37, which closed at 4.15% (-10bps) and 4.17% (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	2.377	34	2.800	09/11/2024	-42
MGS	03/25	3.158	563	3.154	09/11/2024	0
MGS	09/25	3.172	146	3.155	09/11/2024	2
MGS	04/26	3.235	1	3.247	09/11/2024	-1
MGS	07/26	3.250	21	3.226	09/11/2024	2
MGS	11/26	3.267	1	3.251	09/11/2024	2
MGS	05/27	3.333	177	3.334	09/11/2024	0
MGS	04/28	3.444	31	3.444	09/10/2024	0
MGS	06/28	3.442	75	3.446	09/11/2024	0
MGS	04/29	3.480	99	3.478	09/11/2024	0
MGS	08/29	3.494	54	3.490	09/11/2024	0
MGS	04/30	3.587	180	3.590	09/11/2024	0
MGS	04/31	3.681	296	3.687	09/11/2024	-1
MGS	07/32	3.730	9	3.737	09/11/2024	-1
MGS	04/33	3.768	107	3.768	09/11/2024	0
MGS	11/33	3.761	591	3.765	09/11/2024	0
MGS	07/34	3.729	142	3.731	09/11/2024	0
MGS	05/35	3.795	47	3.812	09/11/2024	-2
MGS	04/37	3.890	60	3.891	09/11/2024	0
MGS	06/38	3.922	124	3.924	09/11/2024	0
MGS	04/39	3.873	7	3.866	09/11/2024	1
MGS	05/40	3.962	23	3.967	09/11/2024	0
MGS	10/42	4.003	4	4.011	09/11/2024	-1
MGS	09/43	4.041	10	4.066	09/02/2024	-2
MGS	05/44	4.042	45	4.042	09/11/2024	0
MGS	07/48	4.135	2	4.043	09/11/2024	9
MGS	06/50	4.028	7	4.135	09/11/2024	-11
MGS	03/53	4.175	28	4.186	09/11/2024	-1
GII	08/25	3.187	200	3.101	09/10/2024	9
GII	10/25	3.217	290	3.224	09/11/2024	-1
GII	03/26	3.295	170	3.291	09/11/2024	0
GII	09/26	3.312	311	3.315	09/11/2024	0
GII	06/27	3.386	10	3.399	09/02/2024	-1
GII	09/27	3.397	20	3.401	09/11/2024	0
GII	07/28	3.465	150	3.459	09/11/2024	1
GII	10/28	3.488	111	3.490	09/11/2024	0
GII	07/29	3.507	91	3.509	09/11/2024	0
GII	09/30	3.634	60	3.643	09/11/2024	-1
GII	10/30	3.648	55	3.649	09/11/2024	0
GII	10/31	3.690	62	3.692	09/11/2024	0
GII	10/32	3.775	210	3.772	09/11/2024	0
GII	06/33	3.795	70	3.811	09/10/2024	-2
GII	08/33	3.795	130	3.818	09/11/2024	-2
GII	11/34	3.767	126	3.768	09/11/2024	0
GII	07/36	3.871	100	3.879	09/10/2024	-1
GII	08/37	3.890	150	3.891	09/06/2024	0
GII	03/38	3.902	98	3.901	09/11/2024	0
GII	09/39	3.922	131	3.921	09/11/2024	0
GII	09/41	4.009	70	4.021	09/09/2024	-1
GII	08/43	4.069	192	4.071	09/11/2024	0
GII	05/52	4.194	31	4.196	09/11/2024	0
GII	03/54	4.194	55	4.104	09/11/2024	9
			5776			

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*
Pengurusan Air SPV Berhad	09/25	GG	3.363	10	3.361	19/8/2024	0	19
Bank Simpanan Nasional Berhad	02/26	AAA	3.680	60	3.719	26/7/2024	-4	51
TM Technology Services Sdn Berhad (fka Webe D	10/28	AAA	3.743	40	3.741	10/9/2024	0	31
Danga Capital Berhad	01/30	AAA	3.790	5	3.797	11/9/2024	-1	30
Infracap Resources Sdn Berhad	04/31	AAA	3.898	10	3.876	28/8/2024	2	21
DiGi Telecommunications Sdn Berhad	06/31	AAA	3.850	35	3.859	28/8/2024	-1	17
Petroleum Sarawak Exploration & Production Sdr	11/32	AAA	3.919	10	3.910	28/8/2024	1	21
Projek Lebuhraya Usahasama Berhad	01/33	AAA	3.910	20	3.930	30/7/2024	-2	20
Petroleum Sarawak Exploration & Production Sdr	02/33	AAA	3.931	20	3.934	4/9/2024	0	22
Johor Corporation	07/33	AAA	3.969	30	3.963	11/9/2024	1	24
Projek Lebuhraya Usahasama Berhad	01/34	AAA	3.940	20	3.931	11/9/2024	1	21
Infracap Resources Sdn Berhad	04/34	AAA	3.969	10	3.938	16/8/2024	3	24
CIMB Islamic Bank Berhad	07/35	AAA	4.028	10	4.028	6/9/2024	0	30
Pengurusan Air Selangor Sdn Berhad	04/38	AAA	3.978	30	4.049	18/7/2024	-7	9
Tenaga Nasional Berhad	08/38	AAA	4.035	2	4.038	10/9/2024	0	15
Pengurusan Air Selangor Sdn Berhad	08/44	AAA	4.110	20	4.120	30/8/2024	-1	7
RHB Bank Berhad	05/26	AA1	3.700	5	3.695	30/7/2024	1	45
Genting Capital Berhad	06/27	AA1	4.338	20	4.174	12/8/2024	16	100
YTL Power International Berhad	03/29	AA1	3.857	10	4.403	2/11/2023	-55	37
YTL Power International Berhad	03/33	AA1	4.017	10	4.007	30/8/2024	1	28
Malayan Banking Berhad	01/34	AA1	3.936	89	3.954	11/9/2024	-2	20
CIMB Group Holdings Berhad	12/32	AA2	4.323	1	4.326	10/9/2024	0	61
Benih Restu Berhad	07/34	AA2	3.989	20	3.999	9/9/2024	-1	26
Pelabuhan Tanjung Pelepas Sdn Berhad	06/30	AA	3.869	10	3.868	4/9/2024	0	28
Pelabuhan Tanjung Pelepas Sdn Berhad	08/30	AA	3.884	10	4.049	1/4/2024	-17	29
Edra Energy Sdn Berhad	07/36	AA3	4.150	30	4.251	12/6/2024	-10	42
Edra Energy Sdn Berhad	01/37	AA3	4.169	30	4.168	6/9/2024	0	44
UEM Sunrise Berhad	02/34	AA-	4.000	20	4.028	2/9/2024	-3	27
Tan Chong Motor Holdings Berhad	03/27	A+	5.732	1	5.732	11/9/2024	0	239
Tropicana Corporation Berhad	09/19	A-	88.758	1	14.697	30/8/2024	7406	8471
				<u>588</u>				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Malaysia Debt Ventures Berhad	Corporate Credit Ratings	AA3/Stable/P1	Affirmed

Source: RAM, MARC

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