

## Global Markets Research

### Fixed Income

## Fixed Income Daily Market Snapshot

### US Treasuries

- US Treasuries opened the week lower in trading on Tuesday after the long weekend, as concerns of potentially inflationary aspects of Trump's fiscal policies weighed on the market ahead of key CPI numbers, with the UST curve bear steepening for the day. **The benchmark 2Y UST note yield rose by 9bps for the day to 4.34% while the benchmark 10Y UST bond yield surged by 12bps to settle at 4.43%.** Tonight sees the release of key CPI numbers for October, which are expected to edge up a little. There will also be quite a bit of Fed-speak, with the Fed's Kashkari, Williams, Musalem and Schmid all scheduled to make comments.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.34	9
5-yr UST	4.31	12
10-yr UST	4.43	12
30-yr UST	4.57	10

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.50	3	3.42	0
5-yr	3.62	3	3.59	0
7-yr	3.80	3	3.81	1
10-yr	3.87	2	3.88	0
15-yr	4.01	0	3.98	0
20-yr	4.10	1	4.10	1
30-yr	4.19	0	4.20	2

\* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.56	1
3-yr	3.51	1
5-yr	3.55	2
7-yr	3.65	2
10-yr	3.74	2

Source : Bloomberg

### MGS/GII

- Local govies were softer in trading for the first day in four in a more active trading session amidst an absence of economic data domestically. Secondary market volume climbed by 12% to RM4.21bn versus the RM3.75bn that changed hands on Monday. Overall benchmark yields closed higher between 0 to 3 bps (prior: -4 to +1bps). **The benchmark 5Y MGS 8/29 yield rose by 3bps for the day to 3.62% while the yield on the benchmark 10Y MGS 7/34 advanced by 2bps to 3.87%.** GII trades plunged to 14% of overall volume transacted for the day versus the 31% share seen on Monday. Trading for the day was led by the off-the-run MGS 3/25, while interest was also seen in the off-the-run MGS 9/25, MGS 6/31 and MGS 11/33, as well as in the benchmark 3Y MGS, 7Y MGS/GII and 15Y MGS. Another quiet day on the economic front domestically ahead of us, with the next key release being the final 3Q GDP numbers on Friday.

### Corp Bonds/Sukuk

- The corporate bond/sukuk market was slightly better offered on Tuesday as activity picked up. Secondary market volume surged by 125% to RM1,261m from the RM560m that traded on Monday. Activity for the day was led by the AA-rated segment. In the GG universe, trading was led by LPPSA 8/29 and PTPTN 3/36, which settled the day at 3.71% (+10bps from last print) and 4.02% (+12bps) respectively. In the AAA space, interest was led by PASB 2/31, which closed at 3.93%, 1bp higher versus where it last traded. In the AA-rated segment, activity was dominated by Genting 6/27, which saw a massive RM700m changing hands for the day, with the bond settling at 4.80%, higher by 43bps compared to where the bond last traded. In the A-rated arena, interest was led by TGE 3.95% Perps, which closed at 4.91%, lower by a whopping 143bps versus its last print.

### Upcoming Government Bond Tender

Nil

## Daily Trades: Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	03/25	3.203	1098	3.166	11/11/2024	4
MGS	09/25	3.314	485	3.303	11/11/2024	1
MGS	07/26	3.418	102	3.414	11/08/2024	0
MGS	11/26	3.490	74	3.430	11/11/2024	6
MGS	03/27	3.508	20	3.477	11/11/2024	3
MGS	05/27	3.497	379	3.465	11/11/2024	3
MGS	11/27	3.538	53	3.521	11/11/2024	2
MGS	08/29	3.621	130	3.594	11/11/2024	3
MGS	04/30	3.727	4	3.740	11/08/2024	-1
MGS	04/31	3.800	174	3.773	11/11/2024	3
MGS	06/31	3.844	151	3.818	11/11/2024	3
MGS	07/32	3.850	5	3.839	11/11/2024	1
MGS	11/33	3.903	230	3.891	11/11/2024	1
MGS	07/34	3.865	63	3.846	11/11/2024	2
MGS	05/35	3.950	20	3.955	11/11/2024	0
MGS	04/37	3.999	109	4.004	11/11/2024	0
MGS	04/39	4.012	330	4.008	11/11/2024	0
MGS	10/42	4.101	60	4.093	11/11/2024	1
MGS	05/44	4.098	22	4.090	11/11/2024	1
MGS	06/50	4.193	73	4.184	11/11/2024	1
MGS	03/53	4.185	50	4.180	11/11/2024	0
GII	08/25	3.259	1	3.266	11/04/2024	-1
GII	09/26	3.419	40	3.420	11/11/2024	0
GII	07/28	3.554	37	3.612	11/07/2024	-6
GII	09/30	3.719	11	3.713	11/11/2024	1
GII	10/30	3.750	10	3.817	11/08/2024	-7
GII	10/31	3.805	230	3.795	11/11/2024	1
GII	11/34	3.880	95	3.877	11/11/2024	0
GII	10/35	3.926	20	3.910	11/11/2024	2
GII	07/36	3.973	40	3.987	11/08/2024	-1
GII	09/39	3.983	20	3.987	11/11/2024	0
GII	08/43	4.098	21	4.091	11/11/2024	1
GII	05/52	4.193	7	4.193	11/11/2024	0
GII	03/54	4.200	50	4.183	11/11/2024	2
			4213			

## 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	3.627	20	3.473	2/10/2024	15	14
Lembaga Pembiayaan Perumahan Sektor Awam	10/28	GG	3.649	20	3.579	9/10/2024	7	8
Lembaga Pembiayaan Perumahan Sektor Awam	08/29	GG	3.712	60	3.608	9/8/2024	10	10
DanaInfra Nasional Berhad	10/29	GG	3.743	25	3.756	5/11/2024	-1	13
Lembaga Pembiayaan Perumahan Sektor Awam	02/30	GG	3.727	20	3.889	15/8/2023	-16	12
DanaInfra Nasional Berhad	02/31	GG	3.873	10	3.815	24/6/2024	6	15
Prasarana Malaysia Berhad	08/31	GG	3.881	20	4.059	7/11/2023	-18	9
DanaInfra Nasional Berhad	11/34	GG	3.929	15	3.844	26/8/2024	9	7
Perbadanan Tabung Pendidikan Tinggi Nasional	03/36	GG	4.017	60	3.898	22/8/2024	12	16
Lembaga Pembiayaan Perumahan Sektor Awam	09/36	GG	4.017	20	4.008	23/10/2024	1	16
DanaInfra Nasional Berhad	10/36	GG	4.016	10	3.909	14/8/2024	11	16
TM Technology Services Sdn Berhad (fka Webe Di	09/27	AAA	3.729	10	3.665	11/10/2024	6	24
F&N Capital Sdn Berhad	10/27	AAA	3.852	5	3.806	11/11/2024	5	36
Malaysia Airport Holdings Berhad	11/27	AAA	3.853	5	3.768	30/8/2024	9	37
Cagamas Berhad	01/28	AAA	3.826	10	3.751	7/10/2024	8	34
Cagamas Berhad	06/28	AAA	3.877	10	3.774	17/10/2024	10	31
Pengurusan Air SPV Berhad	09/30	AAA	3.938	10	3.850	3/10/2024	9	21
Pengurusan Air SPV Berhad	02/31	AAA	3.927	20	3.915	28/10/2024	1	20
Pengurusan Air SPV Berhad	02/32	AAA	3.945	10	3.843	6/8/2024	10	16
Pengurusan Air SPV Berhad	10/34	AAA	4.037	10	3.989	8/10/2024	5	18
Sabah Credit Corporation	04/25	AA1	3.683	15	3.655	2/10/2024	3	39
Sabah Credit Corporation	01/27	AA1	3.865	10	3.829	30/8/2024	4	46
YTL Power International Berhad	05/27	AA1	3.728	20	3.737	24/10/2024	-1	32
Genting Capital Berhad	06/27	AA1	4.800	700	4.375	5/11/2024	43	131
Sabah Credit Corporation	09/28	AA1	3.988	20	4.068	29/3/2024	-8	42
Malayan Banking Berhad	01/34	AA1	4.007	40	4.060	7/11/2024	-5	15
Johor Plantations Group Berhad	09/39	AA1	4.207	10	4.219	7/11/2024	-1	20
YTL Power International Berhad	10/39	AA1	4.275	10	4.267	11/11/2024	1	27
AEON Credit Service Berhad	11/29	AA3	4.080	10	n/a	n/a	408	47
AmBank (M) Berhad	10/32	AA3	4.222	1	3.537	2/10/2024	69	39
IJM Treasury Management Sdn Berhad	03/39	AA3	4.239	20	4.260	7/11/2024	-2	23
UEM Sunrise Berhad	03/26	AA-	3.816	3	3.846	23/7/2024	-3	53
Alliance Bank Malaysia Berhad	10/32	A2	4.372	1	4.424	4/11/2024	-5	54
Alliance Bank Malaysia Berhad	10/35	A2	4.504	1	4.489	4/11/2024	1	64
TG Excellence Berhad	02/20	A	4.909	30	6.341	7/11/2024	-143	80
Bank Muamalat Malaysia Berhad	09/22	BBB	5.356	1	4.917	8/11/2024	44	125
				<u>1261</u>				

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

## Rating Action

Issuer	PDS Description	Rating/Outlook	Action
Funding Conduits of Khazanah Nasional Berhad: Rantau Abang Capital Berhad	RM7bn Islamic Medium-Term Notes Sukuk Musyarakah Programme (2006/2041)	AAA/Stable	Affirmed
Danga Capital Berhad	RM10bn Islamic Securities Programme (2009/2044)	AAA/Stable	Affirmed
Ihsan Sukuk Berhad	RM1bn Islamic MTN Sukuk Ihsan Programme (2015/2040)	AAA/Stable	Affirmed
Danum Capital Berhad	RM20bn Islamic MTN Sukuk Danum Programme (2019/2069)	AAA/Stable	Affirmed
MUFG Malaysia	Financial Institutions Ratings USD500m Multi-Currency Sukuk Wakalah Bi Al-Istithmar Programme (2014/2024)	AA1/Stable/P1 AAA(bg)/Stable	Withdrawn Withdrawn
MUFG Ltd	Financial Institutions Ratings	AAA/Stable/P1	Withdrawn
STM Lottery Sdn Bhd	RM800m 15-year Medium-Term Notes (MTN) Programme	AA-/Stable	Affirmed

Source: RAM, MARC

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