

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries were slightly higher in trading on Monday, as the markets braced for key inflation reports later this week, amidst a rise seen in the NY Fed's measure of 1 year inflation expectations compared to the month before. Benchmark yields closed lower by between 0 and 1bp for the day. **The benchmark 2yr UST yield was little changed for the session at 4.86%, while the benchmark 10yr UST yield was 1bp lower for the day at 4.49%.** The focus shifts over to the price gauges for April, with PPI scheduled for release later tonight, followed by CPI tomorrow.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.86	0
5-yr UST	4.51	-1
10-yr UST	4.49	-1
30-yr UST	4.63	-1

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.61	2	3.54	0
5-yr	3.74	-1	3.70	-2
7-yr	3.85	1	3.81	0
10-yr	3.92	1	3.90	0
15-yr	4.03	0	3.90	0
20-yr	4.17	3	4.15	0
30-yr	4.27	2	4.27	0

\* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.65	0
3-yr	3.68	0
5-yr	3.76	0
7-yr	3.86	0
10-yr	3.98	0

Source : Bloomberg

MGS/GII

- Local govies were better offered in trading on Monday, as the market took the lead from the overnight moves in global bond markets on Friday night. Secondary market volume for the day plunged by 37% to RM1.82bn, versus the RM2.89bn that traded on Friday. Benchmark yields closed mixed between -2 and +3 bps for the day. **The benchmark 5Y MGS 8/29 saw its yield fall 1bp for the session to 3.74% while the benchmark 10Y MGS 11/33 was 1bp higher for the day at 3.92%.** Trading interest was led by the off-the-run MGS 6/24, while interest was also seen in the benchmark 3Y MGS and 5Y MGS, as well as in the off-the-run MGS 3/25, MGS 6/28 and MGS 4/30. The market share of GII trading for the day receded to 19% versus the 30% share seen on Friday. The new 20Y MGS benchmark auction of RM3bn, along with an additional RM2bn private placement is scheduled to take place later today.

Corp Bonds/Sukuk

- Corporate Bonds/Sukuk markets saw a quieter trading session on Monday, with secondary market volume for the day declining by 15% to RM693m, compared to the RM819m that was traded on Friday. Trading interest for the day was led by the AAA-rated segment of the market. In the GG universe, trading was again led by PLUS 12/38, which settled the day at 4.07%, up 1bp versus where it last traded the day before. Interest was also recorded in DANA 11/29, which closed at 3.80%, little changed from where it last traded on Friday. Meanwhile in the AAA space, trading interest was led by the newly issued Westport 5/39, which settled for the day at 4.24%. In AA territory, trading was led by TBE 9/26, which closed the day at 4.51%, a whopping 46bps lower versus its last print back in December. Over in the A-rated segment, HLBB 4.55 Perps led trading and settled for the day at 3.91%, 18bps higher compared to where it last traded.

Upcoming Government Bond Tender

New Issuance of RM3bn 20Y benchmark MGS today (with an additional RM2bn to be privately placed)

## Daily Trades: Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	06/24	3.253	500	3.146	05/09/2024	11
MGS	07/24	3.266	50	3.367	05/10/2024	-10
MGS	03/25	3.367	132	3.348	05/10/2024	2
MGS	09/25	3.462	21	3.405	05/10/2024	6
MGS	07/26	3.528	53	3.509	05/10/2024	2
MGS	05/27	3.614	244	3.596	05/10/2024	2
MGS	04/28	3.684	1	3.667	05/10/2024	2
MGS	06/28	3.706	158	3.693	05/10/2024	1
MGS	08/29	3.736	94	3.747	05/10/2024	-1
MGS	04/30	3.831	95	3.816	05/10/2024	2
MGS	04/31	3.850	11	3.840	05/10/2024	1
MGS	06/31	3.891	3	3.859	05/10/2024	3
MGS	07/32	3.899	1	3.899	05/10/2024	0
MGS	11/33	3.916	1	3.907	05/10/2024	1
MGS	07/34	3.906	4	3.910	05/10/2024	0
MGS	04/37	4.063	2	4.046	05/10/2024	2
MGS	06/38	4.036	40	4.039	05/10/2024	0
MGS	05/40	4.093	2	4.102	05/10/2024	-1
MGS	06/50	4.240	3	4.240	05/10/2024	0
MGS	03/53	4.272	60	4.257	05/10/2024	2
GII	05/24	3.237	20	3.242	05/10/2024	0
GII	08/24	3.263	60	3.269	05/07/2024	-1
GII	08/25	3.434	10	3.410	05/07/2024	2
GII	10/25	3.392	60	3.411	05/08/2024	-2
GII	03/26	3.500	10	3.477	05/08/2024	2
GII	09/26	3.538	30	3.534	05/10/2024	0
GII	07/28	3.701	1	3.717	05/09/2024	-2
GII	10/32	3.897	20	3.894	05/10/2024	0
GII	10/35	3.997	60	3.830	04/26/2024	17
GII	09/41	4.085	10	4.084	05/10/2024	0
GII	08/43	4.154	30	4.149	05/10/2024	0
GII	05/47	4.244	1	4.116	05/09/2024	13
GII	05/52	4.290	10	4.182	05/10/2024	11
GII	03/54	4.268	20	4.265	05/10/2024	0
			<u>1815</u>			

## 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	06/26	GG	3.567	5	3.671	31/7/2023	-10	8
Prasarana Malaysia Berhad	08/29	GG	3.802	15	3.657	22/3/2024	15	7
Lembaga Pembiayaan Perumahan Sektor Awam	08/29	GG	3.803	40	3.797	20/12/2023	1	7
DanaInfra Nasional Berhad	11/29	GG	3.798	55	3.798	10/5/2024	0	0
Projek Lebuhraya Usahasama Berhad	12/38	GG	4.065	80	4.059	10/5/2024	1	3
Lembaga Pembiayaan Perumahan Sektor Awam	04/39	GG	4.060	20	4.105	25/4/2024	-5	3
Lembaga Pembiayaan Perumahan Sektor Awam	09/51	GG	4.304	20	4.200	4/4/2024	10	14
DanaInfra Nasional Berhad	03/52	GG	4.310	50	4.207	4/4/2024	10	15
Sarawak Energy Berhad	07/30	AAA	3.963	40	3.882	29/3/2024	8	17
CIMB Islamic Bank Berhad	03/31	AAA	4.048	10	n/a	n/a	405	21
TNB Power Generation Sdn Berhad	06/32	AAA	4.029	10	4.049	29/4/2024	-2	15
Petroleum Sarawak Exploration & Production Sdr	11/32	AAA	4.069	30	4.011	13/3/2024	6	17
Petroleum Sarawak Exploration & Production Sdr	02/33	AAA	4.081	30	4.079	9/5/2024	0	18
TNB Northern Energy Berhad	05/33	AAA	4.078	5	4.068	10/5/2024	1	18
CIMB Islamic Bank Berhad	03/34	AAA	4.098	20	4.151	9/5/2024	-5	18
Projek Lebuhraya Usahasama Berhad	01/37	AAA	4.041	20	4.054	10/5/2024	-1	1
Westports Malaysia	05/39	AAA	4.240	150	n/a	n/a	424	21
Tenaga Nasional Berhad	06/42	AAA	4.160	30	4.714	15/11/2023	-55	0
TNB Power Generation Sdn Berhad	03/43	AAA	4.248	10	4.258	23/4/2024	-1	9
Samalaju Industrial Port Sdn Berhad	12/25	AA1	3.749	10	4.045	10/10/2023	-30	26
Edra Energy Sdn Berhad	01/25	AA3	3.804	10	3.788	29/2/2024	2	42
Tanjung Bin Energy Sdn Berhad	09/26	AA3	4.507	15	4.967	12/12/2023	-46	102
Affin Bank Berhad	05/29	AA3	3.988	2	n/a	n/a	399	25
MNRB Holdings Berhad	03/34	A1	4.250	10	4.101	2/5/2024	15	33
Hong Leong Bank Berhad	11/17	A1	3.908	5	3.733	7/5/2024	18	-25
Tropicana Corporation Berhad	04/26	A	9.998	1	10.321	5/4/2024	-32	651
Yinson Holdings Berhad	11/22	A3	6.939	1	6.092	2/5/2024	85	278
				693				

\* 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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