

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries traded lower on Monday, with the losses led by the longer dated maturities, as the markets reacted to events over the weekend, which is perceived to have increased the chances of Republican candidate Trump in the November elections. Benchmark yields finished higher across the curve by between 1 to 6bps, with the UST curve bear steepening. **The benchmark 2yr UST yield settled 1bp higher for the session at 4.46%, while the benchmark 10yr UST yield closed the day 5bps higher at 4.23%.** Tonight sees the release of US retail sales for June, which will provide further insight into how the economy closed out 2Q. Also on the deck tonight are the import price index for June and the latest NAHB Housing Market index numbers.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.46	1
5-yr UST	4.13	3
10-yr UST	4.23	5
30-yr UST	4.46	6

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.48	1	3.42	1
5-yr	3.62	0	3.59	0
7-yr	3.79	2	3.74	0
10-yr	3.83	0	3.85	0
15-yr	3.95	1	3.98	0
20-yr	4.02	-6	4.11	0
30-yr	4.19	0	4.24	2

\* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.56	-1
3-yr	3.54	-2
5-yr	3.59	-2
7-yr	3.69	-2
10-yr	3.80	-2

Source : Bloomberg

MGS/GII

- Local govovies were mixed in trading on Monday in a lighter session, with secondary market volume for the day falling by 29% to RM4.03bn, compared to the RM5.71bn that changed hands on Friday. Benchmark yields closed mixed by between -6 and +2 bps for the day. **The benchmark 5Y MGS 4/28 saw its yield little changed for the day at 3.62% while the yield on the benchmark 10Y MGS 11/33 was also flattish at 3.83%.** Trading interest was led by the off-the-run GII 9/30, while keen interest was also seen in the benchmark 3Y GII and 10Y MGS/GII, as well as in the off-the-run MGS 9/24, MGS 6/28, GII 10/32 and GII 8/33. Trading in GIIs as a proportion of total govvy trading rose to 56% versus the 49% share seen the previous session. Nothing ahead of us today in terms of economic data releases domestically, until external trade on Thursday and advanced 2Q GDP on Friday.

Corp Bonds/Sukuk

- The Corporate Bonds/Sukuk market better bid in trading on Monday in a quiet session to start the week, with secondary market volume plunging by 57% to RM369m versus the RM853m that changed hands the previous session. Trading interest was led by the AAA segment of the market. In the GG universe, activity was led by MRL 7/35 which closed the day at 3.97%, 1bp higher versus where the bond last traded. Over in the AAA space, trading interest was led by PLUS 1/25, which settled the day at 3.59%, 5bps lower versus its previously traded level. Meanwhile in the AA territory, interest was seen in YTLP 3/36 and IJM 4/29, which closed at 4.13% (-2bps from last print) and 3.89% (-15bps) respectively. In the A-rated space, AEON 3/30 topped the volume charts for the day, with the bond settling at 4.06%, a whopping 26bps lower compared to where it last traded.

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	09/24	3.137	166	3.120	07/12/2024	2
MGS	03/25	3.265	8	3.167	07/12/2024	10
MGS	04/26	3.347	61	3.370	07/11/2024	-2
MGS	07/26	3.368	77	3.368	07/12/2024	0
MGS	11/26	3.372	8	3.404	07/12/2024	-3
MGS	05/27	3.483	93	3.475	07/12/2024	1
MGS	11/27	3.491	132	3.493	07/12/2024	0
MGS	04/28	3.567	16	3.564	07/12/2024	0
MGS	06/28	3.580	290	3.582	07/12/2024	0
MGS	08/29	3.619	110	3.617	07/12/2024	0
MGS	04/30	3.719	20	3.722	07/12/2024	0
MGS	04/31	3.790	15	3.767	07/12/2024	2
MGS	06/31	3.786	30	3.787	07/12/2024	0
MGS	07/32	3.824	111	3.840	07/12/2024	-2
MGS	04/33	3.840	40	3.843	07/12/2024	0
MGS	11/33	3.825	284	3.826	07/12/2024	0
MGS	07/34	3.829	83	3.832	07/12/2024	0
MGS	05/35	3.901	85	3.930	07/12/2024	-3
MGS	04/37	3.960	100	3.952	07/12/2024	1
MGS	04/39	3.946	10	3.941	07/12/2024	1
MGS	05/40	4.039	8	4.032	07/12/2024	1
MGS	06/50	4.186	31	4.177	07/12/2024	1
GII	10/24	3.139	50	3.172	07/12/2024	-3
GII	09/26	3.420	375	3.411	07/12/2024	1
GII	09/27	3.487	12	3.497	07/12/2024	-1
GII	07/28	3.591	80	3.591	07/11/2024	0
GII	10/28	3.601	20	3.620	07/11/2024	-2
GII	12/28	3.620	90	3.642	07/05/2024	-2
GII	07/29	3.634	111	3.636	07/12/2024	0
GII	09/30	3.736	410	3.735	07/12/2024	0
GII	10/30	3.754	60	3.758	07/12/2024	0
GII	10/31	3.764	70	3.764	07/12/2024	0
GII	10/32	3.814	150	3.821	07/12/2024	-1
GII	08/33	3.848	240	3.848	07/12/2024	0
GII	11/34	3.821	280	3.815	07/12/2024	1
GII	10/35	3.891	20	3.931	06/28/2024	-4
GII	07/36	3.924	92	3.926	07/12/2024	0
GII	09/39	3.976	10	3.972	07/12/2024	0
GII	09/41	4.052	40	4.051	07/12/2024	0
GII	08/43	4.110	90	4.110	07/12/2024	0
GII	05/47	4.068	1	4.167	07/12/2024	-10
GII	11/49	4.239	5	4.239	07/12/2024	0
GII	05/52	4.240	41	4.237	07/12/2024	0
GII	03/54	4.238	9	4.220	07/12/2024	2
			4034			

## 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*
Small Medium Enterprise Development Bank Mal:	04/25	GG	3.442	1	3.609	31/7/2023	-17	16
Turus Pesawat Sdn Berhad	11/27	GG	3.631	10	3.671	10/7/2024	-4	15
Malaysia Rail Link Sdn Berhad	07/35	GG	3.970	25	3.960	9/7/2024	1	14
DanaInfra Nasional Berhad	05/40	GG	4.030	5	4.040	12/7/2024	-1	7
DanaInfra Nasional Berhad	03/44	GG	4.139	5	4.169	30/5/2024	-3	5
DanaInfra Nasional Berhad	07/44	GG	4.145	15	4.209	23/5/2024	-6	5
DanaInfra Nasional Berhad	04/48	GG	4.209	10	4.213	10/7/2024	0	12
Projek Lebuhraya Usahasama Berhad	01/25	AAA	3.590	60	3.641	25/6/2024	-5	31
Cagamas Berhad	08/25	AAA	3.474	5	3.642	5/7/2024	-17	20
Bank Pembangunan Malaysia Berhad	10/27	AAA	3.797	10	3.797	28/5/2024	0	32
Pengurusan Air SPV Berhad	08/28	AAA	3.919	10	4.016	21/8/2023	-10	35
Toyota Capital Malaysia Sdn Berhad	01/29	AAA	3.897	10	3.933	21/6/2024	-4	27
Pengurusan Air SPV Berhad	01/30	AAA	3.938	20	3.947	24/6/2024	-1	23
DiGi Telecommunications Sdn Berhad	05/30	AAA	3.869	10	3.969	23/5/2024	-10	16
Pengurusan Air SPV Berhad	02/31	AAA	3.968	25	3.975	24/6/2024	-1	20
Bank Pembangunan Malaysia Berhad	06/31	AAA	3.969	10	3.957	19/6/2024	1	20
Danga Capital Berhad	09/33	AAA	3.958	20	3.959	11/7/2024	0	14
Pengurusan Air Selangor Sdn Berhad	09/37	AAA	4.099	10	4.099	20/6/2024	0	14
Johor Corporation	07/38	AAA	4.099	10	4.129	27/6/2024	-3	14
Sabah Credit Corporation	01/27	AA1	3.899	10	3.901	24/6/2024	0	42
United Overseas Bank (Malaysia) Berhad	10/32	AA1	3.885	10	3.574	13/6/2024	31	8
YTL Power International Berhad	03/36	AA1	4.129	10	4.145	12/7/2024	-2	30
Imtiaz Sukuk II Berhad	04/28	AA2	3.907	10	3.961	27/5/2024	-5	34
Imtiaz Sukuk II Berhad	05/29	AA2	3.988	6	4.153	3/7/2024	-17	37
Gamuda Land (T12) Sdn Berhad	10/28	AA3	3.966	1	3.967	11/7/2024	0	40
IJM Corporation Berhad	04/29	AA3	3.888	10	4.037	17/4/2024	-15	27
Evyap Sabun Malaysia Sdn Berhad	12/25	AA-	3.913	10	3.967	23/1/2024	-5	63
Quantum Solar Park (Semenanjung) Sdn Berhad	04/26	AA-	3.958	10	4.038	15/5/2024	-8	57
STM Lottery Sdn Berhad (fka Sports Toto Malaysi	06/29	AA-	4.848	2	n/a	n/a	485	123
Point Zone (M) Sdn Berhad	03/30	AA-	3.964	5	3.981	17/5/2024	-2	25
AEON Credit Service (M) Berhad	03/30	A1	4.055	10	4.342	29/12/2023	-29	34
MCIS Insurance Berhad	12/31	A2	4.788	1	4.788	12/7/2024	0	102
Alliance Bank Malaysia Berhad	10/35	A2	4.548	1	4.549	20/6/2024	0	72
Tropicana Corporation Berhad	04/28	A	9.068	1	7.612	5/7/2024	146	550
DRB-Hicom Berhad	12/14	A-	5.182	1	5.804	12/7/2024	-62	109
DRB-Hicom Berhad	12/14	A-	5.248	1	5.249	12/7/2024	0	116
Bank Muamalat Malaysia Berhad	09/22	BBB	5.471	1	4.988	26/6/2024	48	138
				369				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
TNB Northern Energy Berhad	RM1.15bn Sukuk	AAA/Stable	Affirmed

Source: RAM, MARC

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