

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries saw mixed performances for a third consecutive day on a risk-off Friday as investors continue to weigh impending macro and policy implications from Trump win and Republican's red sweep, as well as the Fed policy path. US retail sales overall reaffirmed still firm consumer spending following the sharp upward revision for the prior month, while the decline in industrial production was due to Boeing's strike and hurricane disruption. The UST curve reversed prior day's flattening trade and steepened again with yields at the front end falling on revived rate cut bets while the ultra-long end rose 3bps on the day. **The benchmark 2Y UST note yield fell 4bps for the day to 4.30% while the benchmark 10Y UST bond yield ended flat at 4.44%** after hitting an intraday high of 4.50%. For the week ahead, housing data, PMI and University of Michigan consumer sentiments coupled with numerous Fed speaks are key.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.30	-4
5-yr UST	4.31	-2
10-yr UST	4.44	0
30-yr UST	4.62	3

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.52	0	3.43	2
5-yr	3.67	-1	3.67	0
7-yr	3.83	0	3.82	0
10-yr	3.88	-1	3.88	0
15-yr	4.00	-2	4.01	2
20-yr	4.10	0	4.15	4
30-yr	4.20	0	4.20	-1

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.58	1
3-yr	3.52	0
5-yr	3.56	0
7-yr	3.66	-1
10-yr	3.76	-1

Source : Bloomberg

Upcoming Government Bond Tender

RM4.5b reopening of 5Y MGII 7/29 on 18 November (Monday)

MGS/GII

- Local govies traded on an overall firmer note on Friday, finally reversing the softer tone seen in recent days, despite lower trading in the secondary market at RM3.12bn (prior: RM3.82bn). Final 3Q GDP print offered no surprises at +5.3% y/y, and we remained cautiously optimistic of sustained growth going into 4Q. Overall benchmark yields closed largely lower by 0-2bps in the MGS space while GII settled the day more mixed between -1 to +4bps. **The benchmark 5Y MGS 8/29 yield edged 1bp lower to 3.67% while the yield on the benchmark 10Y MGS 7/34 also slipped 1bp to 3.88%**. GII trades regained some momentum again to form 20% (prior 18%) of overall volume transacted for the day, with the bulk of the trades dominated by off the run GII 9/41 and 7Y benchmark GII 10/31. Back on MGS, off the run MGS 3/25 and MGS 9/25 remained in the limelight with a combined RM727m traded, along with commendable interests seen in MGS 11/27 and benchmark 7Y and 30Y MGS. Today's focus will be on RM4.5bn reopening sale of 5Y MGII 7/29. Further out, exports and CPI data are in the pipeline.

Corp Bonds/Sukuk

- The corporate bond/sukuk market saw increased trading momentum for a 2nd straight day on Friday. Secondary market volume picked up to RM731m (prior RM618m) with about half of the trades rather evenly split between the GG and AAA- to AA-rated segment. In the GG segment, DANA '10/35 (+15bps) and '11/35 (+7bps) hogged the list, with RM140m and RM100m transacted with both yields settling at 4.01%. In the AAA-rated segment, PLUS '1/36 and '1/37 saw RM30m transacted each at 4.04% (+1bp) and 4.06% (+2bps) respectively, while Johor Corp '6/27 saw RM40m traded 17bps higher at 4.00%. Among the financial names and also for the AA-rated space, Affin Bank '5/29 topped the list with RM60m changed hands at 4.10% (+14bps).

Daily Trades: Government Bond

Securities	Closing YTM	Vol (RM mil)	Previous YTM	Previous Trade Date (mm/dd/yyyy)	Chg (bp)
MGS 03/25	3.16	346	3.17	11/14/2024	-1
MGS 09/25	3.30	382	3.32	11/14/2024	-1
MGS 04/26	3.38	42	3.39	11/14/2024	-1
MGS 07/26	3.40	31	3.40	11/14/2024	0
MGS 11/26	3.43	46	3.48	11/14/2024	-5
MGS 03/27	3.52	0	3.51	11/12/2024	1
MGS 05/27	3.52	1	3.52	11/14/2024	0
MGS 11/27	3.56	321	3.56	11/14/2024	0
MGS 04/28	3.60	0	3.60	11/13/2024	0
MGS 06/28	3.60	13	3.60	11/13/2024	0
MGS 04/29	3.65	5	3.66	11/14/2024	-1
MGS 08/29	3.67	89	3.68	11/14/2024	-1
MGS 04/30	3.74	1	3.74	11/14/2024	-1
MGS 04/31	3.83	233	3.83	11/14/2024	0
MGS 06/31	3.81	0	3.84	11/14/2024	-3
MGS 07/32	3.87	179	3.89	11/14/2024	-2
MGS 11/33	3.92	162	3.91	11/14/2024	1
MGS 07/34	3.88	3	3.89	11/14/2024	-1
MGS 05/35	3.94	3	3.95	11/13/2024	-1
MGS 04/37	4.00	8	4.01	11/14/2024	-1
MGS 06/38	4.01	185	4.03	11/14/2024	-2
MGS 04/39	4.00	50	4.02	11/14/2024	-2
MGS 05/40	4.04	24	4.06	11/14/2024	-2
MGS 10/42	4.09	43	4.10	11/14/2024	-1
MGS 09/43	4.12	2	4.12	11/14/2024	0
MGS 05/44	4.10	80	4.11	11/14/2024	0
MGS 03/46	4.14	0	4.15	11/14/2024	-1
MGS 07/48	4.14	5	4.15	11/14/2024	-1
MGS 06/50	4.16	14	4.17	11/14/2024	-1
MGS 03/53	4.20	222	4.20	11/14/2024	0
GII 08/25	3.17	10	3.30	11/14/2024	-13
GII 10/25	3.28	0	3.31	11/14/2024	-3
GII 09/26	3.43	14	3.42	11/14/2024	2
GII 07/27	3.44	5	3.44	11/11/2024	0
GII 09/27	3.53	7	3.51	11/14/2024	2
GII 10/28	3.62	4	3.59	11/13/2024	3
GII 07/29	3.67	10	3.68	11/14/2024	0
GII 09/30	3.73	10	3.72	11/14/2024	1
GII 10/30	3.75	2	3.75	11/12/2024	0
GII 10/31	3.82	115	3.82	11/14/2024	0
GII 10/32	3.86	10	3.87	11/14/2024	-1
GII 08/33	3.89	20	3.90	11/14/2024	0
GII 11/34	3.88	40	3.89	11/14/2024	0
GII 07/36	3.97	20	3.97	11/14/2024	0
GII 03/38	4.00	94	4.01	11/13/2024	0
GII 09/39	4.01	49	3.99	11/14/2024	2
GII 09/41	4.00	118	4.05	11/14/2024	-5
GII 08/43	4.15	0	4.11	11/14/2024	4
GII 05/47	4.18	2	4.07	10/25/2024	12
GII 05/52	4.21	80	4.21	11/14/2024	1
GII 03/54	4.20	20	4.21	11/14/2024	-1
		<u>3121</u>			

Daily Trades: Corp Bonds/ Sukuk

Securities	Rating	Closing	Vol	Previous	Previous	Chg	Spread	
								YTM
Prasarana Malaysia Berhad	09/27	GG	3.63	10	3.51	10/08/2024	12	12
Perbadanan Tabung Pendidikan Tinggi Nasional	10/28	GG	3.72	10	3.75	11/07/2024	-3	13
DanaInfra Nasional Berhad	02/29	GG	3.67	50	3.68	11/13/2024	-2	7
DanaInfra Nasional Berhad	09/34	GG	3.99	10	3.85	08/28/2024	14	12
DanaInfra Nasional Berhad	10/35	GG	4.01	140	3.86	09/10/2024	15	14
DanaInfra Nasional Berhad	11/35	GG	4.01	100	3.95	02/22/2024	7	14
Perbadanan Tabung Pendidikan Tinggi Nasional	03/37	GG	4.07	40	4.00	03/20/2024	7	19
DanaInfra Nasional Berhad	10/43	GG	4.19	2	4.13	10/16/2024	6	8
Putrajaya Holdings Sdn Berhad	05/26	AAA	3.70	20	3.70	08/27/2024	-1	28
Johor Corporation	06/27	AAA	4.00	40	3.83	09/26/2024	17	48
Celcom Networks Sdn Berhad	08/27	AAA	3.80	10	3.80	11/14/2024	1	29
Danum Capital Berhad	06/29	AAA	3.92	5	3.86	10/28/2024	6	26
Danum Capital Berhad	05/30	AAA	3.96	5	3.96	11/14/2024	0	29
Amanat Lebuhraya Rakyat Berhad	10/31	AAA	4.05	20	3.97	10/24/2024	8	23
SMJ Energy Sdn Berhad (fka SMJ Sdn Berhad)	10/33	AAA	4.02	25	4.01	11/13/2024	0	15
Projek Lebuhraya Usahasama Berhad	01/36	AAA	4.04	30	4.03	10/30/2024	1	17
Pengurusan Air Selangor Sdn Berhad	10/36	AAA	4.06	2	4.01	10/18/2024	5	19
Projek Lebuhraya Usahasama Berhad	01/37	AAA	4.06	30	4.04	10/30/2024	2	19
TNB Power Generation Sdn Berhad	03/38	AAA	4.13	10	4.10	11/08/2024	3	12
SMJ Energy Sdn Berhad (fka SMJ Sdn Berhad)	10/38	AAA	4.13	25	4.13	11/13/2024	0	12
GENM Capital Berhad	03/27	AA1	4.98	0	4.73	11/13/2024	25	156
United Overseas Bank (Malaysia) Berhad	08/30	AA1	4.24	0	4.15	10/09/2024	9	51
Sabah Credit Corporation	07/31	AA1	4.11	20	4.13	11/13/2024	-2	29
YTL Corporation Berhad	09/35	AA1	4.23	10	4.23	11/13/2024	0	36
YTL Corporation Berhad	11/36	AA1	4.25	10	4.25	11/13/2024	0	38
RHB Bank Berhad	09/32	AA2	4.01	1	3.91	08/23/2024	9	16
reNIKOLA Solar II Sdn Berhad	09/35	AA2	4.19	10	4.06	09/24/2024	13	32
reNIKOLA Solar II Sdn Berhad	09/38	AA2	4.30	10	4.28	10/24/2024	2	29
OSK Rated Bond Sdn Berhad	04/31	AA	4.15	10	4.14	11/14/2024	1	41
Affin Bank Berhad	05/29	AA3	4.10	60	3.96	09/23/2024	14	50
AEON Credit Service (M) Berhad	11/30	AA3	4.18	5			418	44
7-Eleven Malaysia Holdings Berhad	06/26	AA-	4.19	10	4.16	11/05/2024	2	77
SUNREIT Perpetual Bond Berhad	04/19	A1	4.40	0	4.34	11/13/2024	6	29
Alliance Bank Malaysia Berhad	10/35	A2	4.44	0	4.50	11/13/2024	-6	57
Tropicana Corporation Berhad	04/26	A	4.95	1	5.41	09/30/2024	-45	166
Tropicana Corporation Berhad	11/28	A	5.82	0				223
				<u>731</u>				

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

Rating Action

Issuer	PDS Description	Rating/Outlook	Action
Dynasty Harmony Sdn Bhd	Preliminary rating to proposed issuance of an additional RM60 mil of Islamic Medium-Term Notes (IMTN) under its RM300 mil IMTN Programme (the Sukuk)	AA3/Stable	Assigned

Source: RAM, MARC

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