

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries were little changed in trading on Tuesday amidst slightly better than expected retail sales numbers for November, which were boosted by purchases of autos and online sales. Benchmark yields were little changed for the day. **Both the benchmark 2Y UST and 10Y UST yields were little changed for the day at 4.25% and 4.40% respectively.** Tonight sees the much anticipated FOMC decision. The Fed is expected to deliver a further 25bps reduction in the Funds rate after the 75bps reduction in the past two meetings, and the focus will be on the policy guidance for monetary policy going forward, whether explicitly in the statement, or through changes in the Fed's dot plot.

MGS/GII

- Local govovies were mixed in trading on Tuesday amidst an absence of economic data for the day domestically. Secondary market volume advanced by 28% to RM2.57bn from the RM2.01bn that traded on Monday. Overall benchmark yields ended the day mixed between -2 to +4bps (prior: -3 to +2bps). **The benchmark 5Y MGS 8/29 yield was little changed for the day at 3.64% while the yield on the benchmark 10Y MGS 7/34 was 1bp higher for the session at 3.83%.** Trading activity for the day was led by the off-the-run MGS 3/25, while decent interest was also seen in the benchmark 5Y GII, 7Y MGS and 10Y MGS, as well as in the off-the-run GII 10/25, GII 9/30 and MGS 6/50. The share of GII trading for the day receded to 39% of overall govovies trading from the 46% seen the previous session. Trade and export numbers for November are due later in the day, which will give further clues on how the economy is doing in 4Q thus far.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.25	0
5-yr UST	4.26	1
10-yr UST	4.40	0
30-yr UST	4.59	-1

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.47	-1	3.37	1
5-yr	3.64	0	3.64	4
7-yr	3.77	0	3.77	0
10-yr	3.83	1	3.82	-2
15-yr	3.95	0	3.96	0
20-yr	4.05	0	4.10	0
30-yr	4.18	1	4.18	0

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.60	0
3-yr	3.53	0
5-yr	3.57	1
7-yr	3.65	1
10-yr	3.74	0

Source : Bloomberg

Upcoming Government Bond Tender

Nil

Corp Bonds/Sukuk

- The corporate bond/sukuk market was mixed in trading in a busier session on Tuesday, with secondary market volume for the day surging by 140% to RM815m versus the RM339m that changed hands on Monday. Trading for the day was led by the GG universe, where activity was led by DANA 10/29 and LPPSA 3/28, which settled the day at 3.78% (+4bps from last print) and 3.72% (-1bp) respectively. In the AAA-rated space, interest was led by AIRSEL 10/28, which closed at 3.90%, 1bp higher compared to where the bond last traded. In the AA-rated segment of the market, interest was seen in DRBH 12/29 and PKNS 1/32, which settled the day at 4.09% (-4bps) and 4.19% (unchanged) respectively.

Daily Trades: Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	03/25	3.269	653	3.129	12/16/2024	14
MGS	09/25	3.244	20	3.247	12/16/2024	0
MGS	04/26	3.345	10	3.326	12/11/2024	2
MGS	07/26	3.364	12	3.380	12/16/2024	-2
MGS	11/26	3.365	5	3.392	12/16/2024	-3
MGS	05/27	3.467	91	3.480	12/16/2024	-1
MGS	11/27	3.490	46	3.508	12/16/2024	-2
MGS	04/28	3.540	27	3.550	12/16/2024	-1
MGS	06/28	3.563	23	3.576	12/16/2024	-1
MGS	04/29	3.614	1	3.599	12/13/2024	1
MGS	08/29	3.636	48	3.633	12/16/2024	0
MGS	04/30	3.663	1	3.647	12/13/2024	2
MGS	04/31	3.770	143	3.775	12/16/2024	0
MGS	06/31	3.779	11	3.778	12/16/2024	0
MGS	07/32	3.784	4	3.785	12/16/2024	0
MGS	04/33	3.822	34	3.817	12/16/2024	0
MGS	11/33	3.834	91	3.838	12/16/2024	0
MGS	07/34	3.827	102	3.815	12/16/2024	1
MGS	04/37	3.934	6	3.935	12/16/2024	0
MGS	06/38	3.968	11	3.971	12/16/2024	0
MGS	04/39	3.954	4	3.955	12/16/2024	0
MGS	05/40	3.984	22	3.980	12/16/2024	0
MGS	10/42	4.050	4	4.051	12/16/2024	0
MGS	05/44	4.053	6	4.052	12/16/2024	0
MGS	07/48	4.129	3	4.129	12/13/2024	0
MGS	06/50	4.153	202	4.153	12/16/2024	0
MGS	03/53	4.184	1	4.178	12/16/2024	1
GII	10/25	3.283	200	3.269	12/13/2024	1
GII	09/26	3.367	70	3.353	12/12/2024	1
GII	07/28	3.566	20	3.554	12/12/2024	1
GII	10/28	3.581	4	3.616	12/16/2024	-4
GII	07/29	3.635	224	3.619	12/16/2024	2
GII	09/30	3.711	117	3.704	12/16/2024	1
GII	10/30	3.719	96	3.705	12/16/2024	1
GII	10/31	3.770	11	3.770	12/16/2024	0
GII	10/32	3.797	30	3.782	12/12/2024	2
GII	11/34	3.822	30	3.837	12/16/2024	-2
GII	07/36	3.929	10	3.928	12/16/2024	0
GII	09/39	3.957	90	3.957	12/16/2024	0
GII	09/41	4.033	60	4.037	12/16/2024	0
GII	11/49	4.139	20	4.170	12/13/2024	-3
GII	05/52	4.201	10	4.197	12/16/2024	0
			2571			

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*
Lembaga Pembiayaan Perumahan Sektor Awam	03/28	GG	3.715	80	3.725	12/12/2024	-1	24
DanaInfra Nasional Berhad	10/29	GG	3.781	100	3.743	12/11/2024	4	15
DanaInfra Nasional Berhad	10/31	GG	3.898	20	3.849	21/11/2024	5	12
DanaInfra Nasional Berhad	07/34	GG	3.949	20	3.918	9/12/2024	3	13
DanaInfra Nasional Berhad	09/34	GG	3.952	20	3.889	6/12/2024	6	14
Prasarana Malaysia Berhad	12/35	GG	3.959	40	n/a	n/a	396	14
Prasarana Malaysia Berhad	12/35	GG	3.961	40	4.065	13/9/2023	-10	14
DanaInfra Nasional Berhad	10/41	GG	4.069	5	4.079	12/12/2024	-1	12
Prasarana Malaysia Berhad	01/44	GG	4.109	30	4.160	19/11/2024	-5	5
DanaInfra Nasional Berhad	05/46	GG	4.130	30	4.160	25/11/2024	-3	8
Cagamas Berhad	10/25	AAA	3.602	20	3.555	3/9/2024	5	33
Danga Capital Berhad	02/26	AAA	3.652	15	3.609	29/10/2024	4	38
Pengurusan Air Selangor Sdn Berhad	10/28	AAA	3.899	120	3.891	27/11/2024	1	35
Tenaga Nasional Berhad	06/29	AAA	4.119	6	3.878	30/10/2024	24	49
CIMB Islamic Bank Berhad	11/30	AAA	3.969	6	3.980	4/12/2024	-1	27
Pengurusan Air Selangor Sdn Berhad	10/31	AAA	4.027	40	3.986	16/12/2024	4	25
Projek Lebuhraya Usahasama Berhad	01/32	AAA	3.930	10	3.859	28/8/2024	7	16
Projek Lebuhraya Usahasama Berhad	01/33	AAA	3.950	10	3.960	5/12/2024	-1	16
Danum Capital Berhad	02/34	AAA	3.998	15	3.999	3/12/2024	0	18
CIMB Islamic Bank Berhad	03/34	AAA	3.999	7	3.998	5/12/2024	0	19
Pengurusan Air Selangor Sdn Berhad	10/36	AAA	4.039	10	4.057	26/11/2024	-2	22
Pengurusan Air Selangor Sdn Berhad	07/37	AAA	4.149	11	4.032	9/10/2024	12	20
Tenaga Nasional Berhad	08/40	AAA	4.330	1	4.089	6/12/2024	24	38
YTL Power International Berhad	08/28	AA1	3.834	10	3.837	22/10/2024	0	28
Johor Plantations Group Berhad	09/34	AA1	4.037	20	4.032	11/12/2024	0	22
YTL Power International Berhad	03/37	AA1	4.109	10	4.130	9/12/2024	-2	29
YTL Power International Berhad	08/38	AA1	4.138	10	4.149	29/11/2024	-1	19
PONSB Capital Berhad	06/27	AA2	3.827	10	3.830	2/12/2024	0	35
Imtiaz Sukuk II Berhad	04/28	AA2	3.863	10	3.825	22/10/2024	4	39
Imtiaz Sukuk II Berhad	05/29	AA2	3.902	20	3.908	10/12/2024	-1	35
CIMB Group Holdings Berhad	12/32	AA2	3.957	10	3.960	21/11/2024	0	16
CIMB Group Holdings Berhad	10/33	AA2	3.957	10	3.977	12/12/2024	-2	14
Tadau Energy Sdn Berhad	07/25	AA3	4.014	10	4.867	1/12/2022	-85	74
Perbadanan Kemajuan Negeri Selangor	01/32	AA3	4.189	20	4.189	11/12/2024	0	42
DRB-Hicom Berhad	12/29	AA-	4.088	20	4.126	19/11/2024	-4	46
Hong Leong Bank Berhad	11/17	A1	4.129	1	3.830	16/12/2024	30	7
SUNREIT Perpetual Bond Berhad	04/19	A1	4.392	1	4.399	13/12/2024	-1	34
				815				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Citibank Berhad	Financial Institution Ratings	AAA/Stable/P1	Affirmed
Cellco Capital Berhad	RM520m Issue 1 issued under its Islamic Commercial Papers/ Islamic Medium-Term Notes (Sukuk Ijarah) Programme with a combined limit of up to RM1bn	AA/Stable/MARC-1	Affirmed
MBSB Bank Berhad	Tranche 2 under the RM2.295 billion Structured Covered Sukuk Murabahah facility	AAA	Withdrawn

Source: RAM, MARC

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