

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries were mixed in trading on Thursday amidst positive economic data overnight with US 3Q GDP revised up slightly and a decline in the latest weekly initial jobless claims, and a looming government shutdown with the US congress failing to pass a temporary funding plan. Benchmark yields were mixed for the day with shorter dated maturities registering a decline in yields while longer dated bonds continued to sell off, leading to a steeper UST curve. **The benchmark 2Y UST yield was 4bps lower for the day at 4.32% while the benchmark 10Y UST yield advanced by 5bps to 4.56%.** Tonight sees the release of US personal income and spending numbers for November, as well as the PCE price indices for the month.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.32	-4
5-yr UST	4.42	2
10-yr UST	4.56	5
30-yr UST	4.74	6

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.49	2	3.40	3
5-yr	3.66	4	3.66	4
7-yr	3.79	2	3.77	0
10-yr	3.83	2	3.85	2
15-yr	3.96	1	3.98	2
20-yr	4.06	0	4.09	0
30-yr	4.18	0	4.19	1

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.60	0
3-yr	3.53	2
5-yr	3.57	2
7-yr	3.66	2
10-yr	3.75	2

Source : Bloomberg

MGS/GII

- Local govies were lower in trading on Thursday in a busy session, tracking US Treasuries in the absence of any new leads domestically. Secondary market volume surged by 141% to RM3.72bn from the RM1.54bn that traded on Wednesday. Overall benchmark yields ended the day higher by between 0 to 4bps (prior: 0 to 2bps lower). **The benchmark 5Y MGS 8/29 yield was 4bps higher for the day at 3.66% while the yield on the benchmark 10Y MGS 7/34 advanced by 2bps to 3.83%.** Trading activity for the day was led by the benchmark 10Y MGS, while decent interest was also seen in the benchmark 7Y MGS, as well as in the off-the-run MGS 3/25, GII 10/32, GII 8/33, MGS 11/33 and GII 7/36. The share of GII trading for the day declined to 39% of overall govies trading from the 54% seen the day before. The day ahead sees the release of November CPI, which is expected to edge higher on base effects.

Corp Bonds/Sukuk

- The corporate bond/sukuk market was mixed in trading on Thursday in a light session, with secondary market volume for the day plunging by 72% to RM210m versus the RM760m that changed hands on Wednesday. Trading for the day was led by the AAA-rated segment. In the GG universe, the sole bond traded was DANA 3/29, which settled the day at 3.77%, 4bps higher compared to where it last traded. In the AAA-rated space, interest was led by PLUS 1/36 and PLUS 1/37, which closed at 3.98% (unchanged versus last print) and 3.99% (-1bp) respectively. In the AA-rated segment of the market, interest was led by IJMTM 3/39, which settled the day at 4.23%, little changed from where the bond 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	03/25	3.240	310	3.191	12/18/2024	5
MGS	09/25	3.214	4	3.262	12/18/2024	-5
MGS	04/26	3.436	2	3.345	12/17/2024	9
MGS	07/26	3.385	13	3.358	12/18/2024	3
MGS	05/27	3.488	101	3.467	12/17/2024	2
MGS	11/27	3.513	1	3.479	12/18/2024	3
MGS	04/28	3.566	1	3.534	12/18/2024	3
MGS	06/28	3.610	49	3.591	12/18/2024	2
MGS	04/29	3.627	2	3.614	12/17/2024	1
MGS	08/29	3.660	5	3.615	12/18/2024	4
MGS	04/31	3.785	378	3.768	12/18/2024	2
MGS	06/31	3.776	87	3.778	12/18/2024	0
MGS	07/32	3.809	4	3.781	12/18/2024	3
MGS	11/33	3.857	577	3.837	12/18/2024	2
MGS	07/34	3.834	642	3.810	12/18/2024	2
MGS	05/35	3.838	10	3.838	12/17/2024	0
MGS	04/37	3.949	2	3.934	12/17/2024	1
MGS	06/38	3.985	20	3.971	12/18/2024	1
MGS	04/39	3.963	11	3.954	12/17/2024	1
MGS	05/40	3.989	4	3.971	12/18/2024	2
MGS	09/43	4.857	4	4.066	12/17/2024	79
MGS	05/44	4.056	4	4.053	12/17/2024	0
MGS	03/46	4.093	20	4.090	12/17/2024	0
MGS	07/48	4.132	1	4.138	12/18/2024	-1
MGS	06/50	4.087	2	4.123	12/18/2024	-4
MGS	03/53	4.114	15	4.179	12/18/2024	-7
GII	10/25	3.311	1	3.283	12/17/2024	3
GII	03/26	3.366	20	3.321	12/17/2024	4
GII	09/26	3.398	8	3.367	12/17/2024	3
GII	07/28	3.558	1	3.566	12/17/2024	-1
GII	07/29	3.655	30	3.618	12/18/2024	4
GII	09/30	3.768	18	3.705	12/18/2024	6
GII	10/30	3.748	23	3.719	12/18/2024	3
GII	10/32	3.812	590	3.797	12/17/2024	1
GII	08/33	3.844	240	3.842	12/16/2024	0
GII	11/34	3.850	50	3.825	12/18/2024	2
GII	07/36	3.926	300	3.924	12/18/2024	0
GII	09/39	3.978	100	3.959	12/18/2024	2
GII	09/41	4.036	20	4.033	12/17/2024	0
GII	08/43	4.094	6	4.091	12/18/2024	0
GII	05/47	4.022	1	4.025	12/18/2024	0
GII	05/52	4.184	40	4.201	12/18/2024	-2
GII	03/54	4.193	1	4.179	12/18/2024	1
			3718			

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	03/29	GG	3.769	30	3.731	11/12/2024	4	20
Tenaga Nasional Berhad	06/29	AAA	3.918	10	4.119	17/12/2024	-20	27
Bank Pembangunan Malaysia Berhad	10/30	AAA	3.948	2	3.961	30/5/2024	-1	23
Bank Simpanan Nasional Berhad	11/31	AAA	3.941	1	3.938	9/12/2024	0	15
SMJ Energy Sdn Berhad (fka SMJ Sdn Berhad)	10/33	AAA	4.012	5	4.017	15/11/2024	-1	19
Pengurusan Air SPV Berhad	02/34	AAA	4.068	10	3.999	5/12/2024	7	24
Projek Lebuhraya Usahasama Berhad	01/36	AAA	3.978	30	3.979	13/12/2024	0	15
Tenaga Nasional Berhad	11/36	AAA	4.039	2	4.072	19/11/2024	-3	21
Projek Lebuhraya Usahasama Berhad	01/37	AAA	3.993	30	4.006	9/12/2024	-1	16
Pengurusan Air Selangor Sdn Berhad	07/37	AAA	4.050	4	4.149	17/12/2024	-10	9
SMJ Energy Sdn Berhad (fka SMJ Sdn Berhad)	10/38	AAA	4.098	5	4.092	3/12/2024	1	13
Pengurusan Air Selangor Sdn Berhad	10/48	AAA	4.229	6	4.246	28/10/2024	-2	16
Johor Plantations Group Berhad	09/39	AA1	4.139	4	4.108	29/11/2024	3	17
PONSB Capital Berhad	06/27	AA2	4.149	1	3.827	17/12/2024	32	66
Tanjung Bin Power Sdn Berhad	08/27	AA2	4.047	4	4.005	17/10/2024	4	56
Imtiaz Sukuk II Berhad	05/29	AA2	3.903	10	3.902	17/12/2024	0	33
AmBank (M) Berhad	06/29	AA2	3.997	10	3.921	23/8/2024	8	35
UEM Edgenta Berhad	04/26	AA	3.759	2	3.829	2/12/2024	-7	48
Exsim Capital Resources Berhad	06/29	AA3	4.441	1	4.443	16/12/2024	0	87
Hong Leong Assurance Berhad	01/30	AA3	3.711	1	3.918	14/6/2024	-21	7
AmBank Islamic Berhad	03/32	AA3	3.910	2	3.914	29/11/2024	0	12
Malaysian Reinsurance Berhad	10/32	AA3	4.649	1	4.285	10/10/2024	36	84
IJM Treasury Management Sdn Berhad	03/39	AA3	4.229	15	4.230	2/12/2024	0	26
Konsortium Lebuhraya Utara-Timur (KL) Sdn Berh	12/26	AA-	4.191	2	4.200	21/6/2024	-1	81
Farm Fresh Berhad (fka The Holstein Milk Compa	06/28	AA-	4.047	10	4.096	29/11/2024	-5	48
DRB-Hicom Berhad	11/31	AA-	4.168	5	4.169	5/12/2024	0	38
UMW Holdings Berhad	04/18	AA-	4.227	1	4.252	12/12/2024	-2	16
Hong Leong Bank Berhad	11/17	A1	3.939	2	3.941	18/12/2024	0	-13
Tan Chong Motor Holdings Berhad	06/26	A	6.080	1	5.322	14/11/2024	76	280
Tropicana Corporation Berhad	11/28	A	6.233	1	6.233	18/12/2024	0	266
Affin Bank Berhad	06/18	A3	4.901	1	4.459	2/10/2024	44	83
WCT Holdings Berhad	03/19	A-	5.986	1	6.000	20/11/2024	-1	192
Tropicana Corporation Berhad	09/19	A-	11.481	1	5.947	21/11/2024	553	741
Bank Muamalat Malaysia Berhad	09/22	BBB	5.400	2	4.992	20/11/2024	41	133
				210				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Digi Telecommunications Sdn Bhd	RM5bn Islamic Medium-Term Notes Programme (2017/-)	AAA/Stable	Affirmed

Source: RAM, MARC

Hong Leong Bank Berhad

Fixed Income & Economic Research, Global Markets

Level 8, Hong Leong Tower

6, Jalan Damanlela

Bukit Damansara

50490 Kuala Lumpur

Tel: 603-2081 1221

Fax: 603-2081 8936

Email: HLMarkets@hbb.hongleong.com.my**DISCLAIMER**

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