

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries were little changed in trading on Friday, amidst the preliminary PMIs for June unexpectedly registering an improvement from the month before, across both the manufacturing and services sectors. Benchmark yields closed lower by between 0 and 1bp for the day. **The benchmark 2yr UST yield was 1bp lower for the session at 4.73%, while the benchmark 10yr UST yield was little changed for the day at 4.26%.** Today doesn't have much in store as far as Tier-1 economic data releases, but there are scheduled comments from the Fed's Waller, Goolsbee and Daly to look out for.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.73	-1
5-yr UST	4.27	0
10-yr UST	4.26	0
30-yr UST	4.40	0

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.53	0	3.45	-1
5-yr	3.64	0	3.61	0
7-yr	3.79	0	3.75	0
10-yr	3.86	-1	3.86	0
15-yr	4.00	0	4.00	0
20-yr	4.14	0	4.12	-1
30-yr	4.22	0	4.24	1

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.57	0
3-yr	3.54	-1
5-yr	3.60	-2
7-yr	3.70	-3
10-yr	3.82	-2

Source : Bloomberg

Upcoming Government Bond Tender

Nil

MGS/GII

- Local govies were better bid in trading on Friday, amidst a moderate reopening auction of the benchmark 30Y GII 3/54, which did not see as strong a BTC as the previous sale of the bond. Secondary market volume for the day increased by 15% to RM3.99bn, compared to the RM3.47bn that traded on Thursday. Benchmark yields closed mixed between -1 to +1 bps for the day. **The benchmark 5Y MGS 8/29 yield was little changed for the session at 3.64% while the benchmark 10Y MGS 11/33 was 1bp lower for the day at 3.86%.** Trading interest for the day was led by the newly reopened benchmark 30Y GII, while interest was also seen in the benchmark 3Y GII, 7Y GII and 10Y MGS, as well as in the off-the-run MGS 3/25, GII 10/25, GII 10/32 and MGS 7/34. The market share of GII trading for the day inched higher to 56% versus the 55% share seen the previous day. The next key event domestically is the scheduled release of CPI numbers for May on Tuesday.

Corp Bonds/Sukuk

- Corporate Bonds/Sukuk markets were better bid in trading on Friday, with secondary market volume for the day rising by 24% to RM857m, compared to the RM690m that changed hands on Thursday. Trading interest for the day was led by the AAA-rated segment of the market. In GG land, trading was led by LPPSA 7/28 and DANA 10/30, which settled for the day at 3.70% (+10bps from last print) and 3.79% (+1bp) respectively. In AAA space, CAGA 8/24 and CAGA 3/26 led the volume charts for the session, closing at 3.46% (-11bps) and 3.70% (-1bp) respectively. In AA territory, trading for the day was led by IJM 3/39, which settled the day at 4.22%, little changed for where it last traded. Interest was also seen in PBB 10/33 and MBB 4.13% Perps, which closed the day at 3.91% (-14bps) and 3.99% (-16bps) respectively. In the A-rated space, HLBB 4.25% Perps topped the volume charts, settling at 4.14%, 11bps higher compared to where the bond last traded.

Daily Trades: Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	07/24	3.210	1	3.256	06/19/2024	-5
MGS	09/24	3.237	26	3.237	06/20/2024	0
MGS	03/25	3.268	393	3.268	06/20/2024	0
MGS	09/25	3.266	17	3.285	06/20/2024	-2
MGS	04/26	3.421	50	3.423	06/20/2024	0
MGS	07/26	3.449	4	3.430	06/19/2024	2
MGS	11/26	3.419	102	3.432	06/20/2024	-1
MGS	05/27	3.532	68	3.534	06/20/2024	0
MGS	04/28	3.611	68	3.608	06/20/2024	0
MGS	06/28	3.624	7	3.599	06/20/2024	2
MGS	04/29	3.662	2	3.637	06/20/2024	2
MGS	08/29	3.635	60	3.637	06/20/2024	0
MGS	04/30	3.731	26	3.728	06/20/2024	0
MGS	04/31	3.786	75	3.786	06/20/2024	0
MGS	06/31	3.814	28	3.807	06/19/2024	1
MGS	07/32	3.851	76	3.844	06/20/2024	1
MGS	04/33	3.877	31	3.864	06/19/2024	1
MGS	11/33	3.856	296	3.862	06/20/2024	-1
MGS	07/34	3.858	268	3.858	06/20/2024	0
MGS	05/35	3.954	32	3.952	06/20/2024	0
MGS	04/37	4.000	16	4.001	06/20/2024	0
MGS	06/38	4.012	9	4.008	06/20/2024	0
MGS	04/39	4.004	10	4.000	06/20/2024	0
MGS	10/42	4.116	33	4.120	06/20/2024	0
MGS	05/44	4.135	2	4.132	06/20/2024	0
MGS	07/48	4.210	12	4.209	06/20/2024	0
MGS	06/50	4.211	14	4.221	06/20/2024	-1
MGS	03/53	4.215	15	4.216	06/20/2024	0
GII	10/24	3.249	134	3.240	06/20/2024	1
GII	10/25	3.309	220	3.323	06/18/2024	-1
GII	03/26	3.412	62	3.430	06/20/2024	-2
GII	09/26	3.453	300	3.458	06/20/2024	-1
GII	07/28	3.612	50	3.617	06/20/2024	0
GII	10/28	3.641	32	3.642	06/18/2024	0
GII	07/29	3.642	22	3.639	06/20/2024	0
GII	09/30	3.748	30	3.748	06/20/2024	0
GII	10/30	3.766	124	3.761	06/20/2024	0
GII	10/31	3.780	190	3.792	06/20/2024	-1
GII	10/32	3.847	210	3.838	06/20/2024	1
GII	06/33	3.860	60	3.860	06/20/2024	0
GII	08/33	3.862	60	3.864	06/20/2024	0
GII	07/36	3.951	33	3.962	06/20/2024	-1
GII	03/38	3.977	3	3.991	06/19/2024	-1
GII	09/39	4.003	46	4.008	06/20/2024	0
GII	09/41	4.071	110	4.095	06/18/2024	-2
GII	08/43	4.123	82	4.131	06/20/2024	-1
GII	05/52	4.263	20	4.268	06/20/2024	0
GII	03/54	4.240	456	4.230	06/20/2024	1
			3985			

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*
Prasarana Malaysia Berhad	03/28	GG	3.689	10	3.677	10/1/2024	1	9
Lembaga Pembiayaan Perumahan Sektor Awam	07/28	GG	3.701	50	3.597	21/2/2024	10	11
DanaInfra Nasional Berhad	10/30	GG	3.788	50	3.776	26/3/2024	1	5
Prasarana Malaysia Berhad	03/34	GG	3.949	5	3.951	24/5/2024	0	8
DanaInfra Nasional Berhad	09/39	GG	4.055	10	4.335	19/1/2023	-28	5
DanaInfra Nasional Berhad	04/40	GG	4.075	10	4.129	25/4/2024	-5	7
DanaInfra Nasional Berhad	05/40	GG	4.075	15	4.355	14/1/2022	-28	7
DanaInfra Nasional Berhad	09/40	GG	4.081	5	4.461	2/3/2022	-38	7
Malaysia Rail Link Sdn Berhad	07/41	GG	4.099	20	4.267	7/12/2023	-17	9
Prasarana Malaysia Berhad	08/41	GG	4.109	10	4.119	14/6/2024	-1	10
Cagamas Berhad	08/24	AAA	3.460	70	3.566	28/5/2024	-11	14
EKVE Sdn Berhad	01/26	AAA	3.925	20	3.913	4/3/2024	1	49
Toyota Capital Malaysia Sdn Berhad	02/26	AAA	3.762	6	4.247	2/9/2022	-49	32
Cagamas Berhad	03/26	AAA	3.695	50	3.705	26/1/2024	-1	26
Bakun Hydro Power Generation Sdn Berhad (fka S	08/26	AAA	3.719	10	3.729	14/6/2024	-1	28
Mercedes-Benz Services Malaysia Sdn Berhad	08/26	AAA	3.801	2	3.765	8/3/2024	4	36
Pengurusan Air SPV Berhad	10/26	AAA	3.847	10	3.768	4/6/2024	8	41
Mercedes-Benz Services Malaysia Sdn Berhad	03/27	AAA	3.828	10	3.896	21/12/2023	-7	30
F&N Capital Sdn Berhad	10/27	AAA	3.806	10	3.827	9/5/2024	-2	28
Pengurusan Air SPV Berhad	04/28	AAA	3.909	30	3.867	21/5/2024	4	31
Toyota Capital Malaysia Sdn Berhad	01/29	AAA	3.933	10	3.998	31/1/2024	-7	29
Pengurusan Air SPV Berhad	02/29	AAA	3.930	10	3.828	14/3/2024	10	29
Petroleum Sarawak Exploration & Production Sdr	05/29	AAA	3.848	30	3.853	20/6/2024	-1	21
Danum Capital Berhad	06/29	AAA	3.848	15	3.851	19/6/2024	0	21
Pengurusan Air Selangor Sdn Berhad	10/30	AAA	3.956	20	3.965	18/6/2024	-1	22
Sarawak Energy Berhad	04/31	AAA	3.924	5	3.983	15/5/2024	-6	14
Petroleum Sarawak Exploration & Production Sdr	05/31	AAA	3.925	10	3.956	13/6/2024	-3	14
TNB Power Generation Sdn Berhad	03/33	AAA	3.998	10	4.019	28/5/2024	-2	16
Pengurusan Air Selangor Sdn Berhad	07/37	AAA	4.079	10	4.058	12/3/2024	2	7
GENM Capital Berhad	08/25	AA1	4.270	11	4.276	19/6/2024	-1	95
GENM Capital Berhad	07/28	AA1	4.558	10	4.482	19/6/2024	8	96
GENM Capital Berhad	05/32	AA1	4.840	1	4.916	19/6/2024	-8	102
Malayan Banking Berhad	10/32	AA1	3.884	14	3.889	4/6/2024	0	6
Public Bank Berhad	10/33	AA1	3.907	30	4.051	5/4/2024	-14	6
YTL Corporation Berhad	09/35	AA1	4.199	10	4.209	11/6/2024	-1	33
YTL Corporation Berhad	11/36	AA1	4.218	10	4.239	11/6/2024	-2	35
edotco Malaysia Sdn Berhad	09/27	AA+	3.844	30	3.895	2/5/2024	-5	31
edotco Malaysia Sdn Berhad	09/29	AA+	3.921	10	3.935	12/6/2024	-1	28
PONSB Capital Berhad	05/31	AA2	3.988	20	3.991	20/6/2024	0	20
CIMB Group Holdings Berhad	12/31	AA2	3.859	4	3.860	23/5/2024	0	4
VS Capital Management Sdn Berhad	09/27	AA	4.013	10	4.007	11/6/2024	1	48
CIMB Group Holdings Berhad	11/30	AA	3.835	10	3.832	23/5/2024	0	10
OSK Rated Bond Sdn Berhad	04/31	AA	4.036	20	4.038	18/6/2024	0	25
Affin Bank Berhad	05/29	AA3	4.057	10	3.876	23/5/2024	18	42
RP Hydro (Kelantan) Sdn Berhad	07/29	AA3	4.830	10	n/a	n/a	483	119
Solar Management (Seremban) Sdn Berhad	10/30	AA3	4.729	7	4.350	20/10/2020	38	100
Tanjung Bin Energy Sdn Berhad	03/31	AA3	5.140	1	5.169	5/3/2024	-3	135
AmBank (M) Berhad	06/33	AA3	4.049	1	4.036	20/6/2024	1	21
Tadau Energy Sdn Berhad	07/33	AA3	4.679	5	4.758	18/4/2024	-8	84
IJM Treasury Management Sdn Berhad	03/39	AA3	4.224	40	4.220	20/6/2024	0	22
Malayan Banking Berhad	02/17	AA3	3.991	30	4.151	20/6/2024	-16	-14
Malaysian Resources Corporation Berhad	10/26	AA-	4.367	1	4.369	14/6/2024	0	93
Konsortium Lebuhraya Utara-Timur (KL) Sdn Berh	12/26	AA-	4.200	6	4.198	19/6/2024	0	76
Sunway Berhad	07/27	AA-	4.082	10	4.532	13/9/2023	-45	55
Hong Leong Bank Berhad	11/17	A1	4.136	20	4.023	25/4/2024	11	1
Tan Chong Motor Holdings Berhad	06/26	A+	4.771	1	5.223	20/6/2024	-45	133
Tropicana Corporation Berhad	06/25	A	6.601	1	6.590	19/6/2024	1	328
Tropicana Corporation Berhad	04/26	A	5.204	1	7.819	11/6/2024	-262	176
TG Excellence Berhad	02/20	A	5.180	1	4.951	12/6/2024	23	105
Yinson Holdings Berhad	11/22	A3	6.446	2	6.498	18/6/2024	-5	232

857

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Jimah Energy Ventures Sdn Bhd	RM4.85bn Senior Islamic Medium-Term Notes (IMTN) Facility (2005/2025)	AA3/Stable	Affirmed

Source: RAM, MARC

Hong Leong Bank Berhad

Fixed Income & Economic Research, Global Markets

Level 8, Hong Leong Tower

6, Jalan Damansara

Bukit Damansara

50490 Kuala Lumpur

Tel: 603-2081 1221

Fax: 603-2081 8936

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

This report is for information purposes only and does not take into account the investment objectives, financial situation or particular needs of any particular recipient. The information contained herein does not constitute the provision of investment advice and is not intended as an offer or solicitation with respect to the purchase or sale of any of the financial instruments mentioned in this report and will not form the basis or a part of any contract or commitment whatsoever.

The information contained in this publication is derived from data obtained from sources believed by Hong Leong Bank Berhad ("HLBB") to be reliable and in good faith, but no warranties or guarantees, representations are made by HLBB with regard to the accuracy, completeness or suitability of the data. Any opinions expressed reflect the current judgment of the authors of the report and do not necessarily represent the opinion of HLBB or any of the companies within the Hong Leong Bank Group ("HLB Group"). The opinions reflected herein may change without notice and the opinions do not necessarily correspond to the opinions of HLBB. HLBB does not have an obligation to amend, modify or update this report or to otherwise notify a reader or recipient thereof in the event that any matter stated herein, or any opinion, projection, forecast or estimate set forth herein, changes or subsequently becomes inaccurate.

HLB Group, their directors, employees and representatives do not have any responsibility or liability to any person or recipient (whether by reason of negligence, negligent misstatement or otherwise) arising from any statement, opinion or information, expressed or implied, arising out of, contained in or derived from or omission from the reports or matter.

Potential and actual conflict of interest may arise from the activities of HLB Group. HLB Group constitute a diversified financial services group. These entities engage in a wide range of commercial and investment banking, brokerage, funds management, hedging transactions and other activities for their own account or the account of others. In the ordinary course of their business, HLB Group may effect transactions for their own account or for the account of their customers and hold long or short positions in the financial instruments. HLB Group, in connection with its business activities, may possess or acquire material information about the financial instruments. Such activities and information may involve or have an effect on the financial instruments. HLB Group have no obligation to disclose such information about the financial instruments or their activities.

The past performance of financial instruments is not indicative of future results. Whilst every effort is made to ensure that statements of facts made in this report are accurate, all estimates, projections, forecasts, expressions of opinion and other subjective judgments contained in this report are based on assumptions considered to be reasonable as of the date of the document in which they are contained and must not be construed as a representation that the matters referred to therein will occur. Any projections or forecasts mentioned in this report may not be achieved due to multiple risk factors including without limitation market volatility, sector volatility, corporate actions, the unavailability of complete and accurate information. No assurance can be given that any opinion described herein would yield favorable investment results. Recipients who are not market professional or institutional investor customer of HLBB should seek the advice of their independent financial advisor prior to taking any investment decision based on the recommendations in this report.

HLBB may provide hyperlinks to websites of entities mentioned in this report, however the inclusion of a link does not imply that HLBB endorses, recommends or approves any material on the linked page or accessible from it. Such linked websites are accessed entirely at your own risk. HLBB does not accept responsibility whatsoever for any such material, nor for consequences of its use.

This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. This report is for the use of the addressees only and may not be redistributed, reproduced or passed on to any other person or published, in part or in whole, for any purpose, without the prior, written consent of HLBB. The manner of distributing this report may be restricted by law or regulation in certain countries. Persons into whose possession this report may come are required to inform themselves about and to observe such restrictions. By accepting this report, a recipient hereof agrees to be bound by the foregoing limitations.