

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries were mostly firmer in trading on Tuesday, except for the longer dated end of the maturity spectrum, after US consumer confidence registered its largest monthly decline since mid-2021, pointing to anxiety about the labour market ahead of November's US presidential election. Benchmark yields closed mixed by between -4 and +2bps, with the yield curve steepening for the day. **The benchmark 2yr UST yield was 4bps lower for the session at 3.55%, while the benchmark 10yr UST yield declined by 1bp for the day to 3.74%.** Tonight sees the release of US new home sales for August, and there are also some scheduled comments by Fed Governor Kugler to look out for.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	3.55	-4
5-yr UST	3.48	-2
10-yr UST	3.74	-1
30-yr UST	4.10	2

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.34	0	3.31	1
5-yr	3.50	2	3.44	0
7-yr	3.68	0	3.68	-1
10-yr	3.72	1	3.75	0
15-yr	3.88	0	3.91	0
20-yr	4.04	0	4.04	1
30-yr	4.18	0	4.19	8

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.46	4
3-yr	3.34	1
5-yr	3.40	3
7-yr	3.49	2
10-yr	3.58	1

Source : Bloomberg

Upcoming Government Bond Tender

Nil

MGS/GII

- Local govovies were better offered in trading on Tuesday, initially trading higher the morning, but giving up ground as the day went by with the bearish global bond backdrop amidst the announcement of measures by the People's Bank of China to shore up the Chinese economy. Secondary market volume surged by 53% to RM5.41bn compared to the RM3.53bn that changed hands on Monday. Benchmark yields closed mixed between -1 and +2 bps for the day, except for the 30Y benchmark GII, which corrected from skewed late odd-lot trades the day before. **The benchmark 5Y MGS 8/29 saw its yield rise by 2bps for the day to 3.50% while the yield on the benchmark 10Y MGS 7/34 was higher by 1bp for the session at 3.72%.** Trading interest for the day was led by the benchmark 7Y MGS, while interest was also seen in the benchmark 3Y MGS, 5Y MGS and 10Y MGS, as well as the off-the-run MGS 3/25, MGS 4/28, GII 10/28 and GII 8/33. Trading in GIIs as a proportion of total govovies trading rose to 36% versus the 26% share the day before. An empty data calendar ahead domestically, but we are likely to get the announcement of the benchmark 30Y GII 3/54 reopening.

Corp Bonds/Sukuk

- The corporate bond/sukuk market was better bid in trading on Tuesday, with secondary market volume for the day surging by 66% to RM714m versus the RM430m that traded on Monday. Trading for the day was led by the AAA-rated segments. In the GG universe, activity was seen in PRASA 3/42 and DANA 2/51, closing at 4.04% (-1bp versus last print) and 4.19% (unchanged) respectively. Over in the AAA space, interest was led by AIRSEL 12/30 and AIRSEL 9/32, which settled for the day at 3.83% (-1bp) and 3.87% (+1bp) respectively. Meanwhile in the AA-rated universe, activity was led by the newly issued JPG 9/34 and JPG 9/39, which closed at 4.04% and 4.19% respectively in secondary market debuts.

Daily Trades: Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	09/24	1.181	149	3.262	09/23/2024	-208
MGS	03/25	3.068	399	3.084	09/23/2024	-2
MGS	09/25	3.141	184	3.165	09/23/2024	-2
MGS	07/26	3.269	40	3.283	09/23/2024	-1
MGS	11/26	3.174	6	3.271	09/23/2024	-10
MGS	05/27	3.337	280	3.334	09/23/2024	0
MGS	11/27	3.388	10	3.387	09/23/2024	0
MGS	04/28	3.449	250	3.464	09/23/2024	-2
MGS	06/28	3.456	40	3.456	09/23/2024	0
MGS	09/28	4.975	1	3.469	09/20/2024	151
MGS	04/29	3.529	6	3.485	09/20/2024	4
MGS	08/29	3.503	315	3.487	09/23/2024	2
MGS	04/30	3.594	92	3.580	09/23/2024	1
MGS	04/31	3.681	816	3.680	09/23/2024	0
MGS	06/31	3.700	66	3.687	09/23/2024	1
MGS	07/32	3.745	124	3.730	09/23/2024	2
MGS	04/33	3.754	2	3.757	09/17/2024	0
MGS	11/33	3.752	54	3.754	09/23/2024	0
MGS	07/34	3.717	296	3.709	09/23/2024	1
MGS	05/35	3.789	63	3.788	09/23/2024	0
MGS	04/37	3.883	9	3.879	09/23/2024	0
MGS	06/38	3.914	21	3.903	09/23/2024	1
MGS	05/40	3.955	5	3.957	09/23/2024	0
MGS	10/42	4.021	42	4.001	09/23/2024	2
MGS	09/43	3.931	4	4.046	09/23/2024	-12
MGS	05/44	4.035	1	4.031	09/23/2024	0
MGS	03/46	4.081	1	4.100	09/23/2024	-2
MGS	06/50	4.158	127	4.141	09/23/2024	2
MGS	03/53	4.179	74	4.182	09/23/2024	0
GII	03/26	3.271	41	3.279	09/23/2024	-1
GII	09/26	3.311	183	3.302	09/23/2024	1
GII	07/27	3.379	50	3.384	09/19/2024	0
GII	09/27	3.387	91	3.399	09/23/2024	-1
GII	07/28	3.439	1	3.440	09/23/2024	0
GII	10/28	3.483	260	3.481	09/23/2024	0
GII	07/29	3.489	101	3.491	09/23/2024	0
GII	10/30	3.647	55	3.632	09/20/2024	1
GII	10/31	3.684	30	3.690	09/23/2024	-1
GII	10/32	3.768	110	3.761	09/23/2024	1
GII	06/33	3.780	20	3.776	09/23/2024	0
GII	08/33	3.790	220	3.786	09/23/2024	0
GII	11/34	3.745	70	3.749	09/23/2024	0
GII	10/35	3.827	50	3.832	09/10/2024	0
GII	07/36	3.854	120	3.868	09/23/2024	-1
GII	09/39	3.911	190	3.907	09/23/2024	0
GII	08/43	4.042	154	4.036	09/23/2024	1
GII	11/49	4.133	30	4.147	09/23/2024	-1
GII	03/54	4.186	160	4.104	09/23/2024	8
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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	03/42	GG	4.039	20	4.049	9/9/2024	-1	15
DanaInfra Nasional Berhad	02/51	GG	4.190	20	4.191	4/9/2024	0	15
DanaInfra Nasional Berhad	08/52	GG	4.226	10	4.238	30/8/2024	-1	19
Cagamas Berhad	09/24	AAA	3.463	25	3.371	3/9/2024	9	29
Cagamas Berhad	10/24	AAA	3.293	25	3.328	10/9/2024	-3	12
SEP Resources (M) Sdn Berhad	12/24	AAA	3.396	15	n/a	n/a	340	23
SEP Resources (M) Sdn Berhad	12/25	AAA	3.555	15	n/a	n/a	356	39
TM Technology Services Sdn Berhad (fka Webe Di	10/28	AAA	3.730	10	3.743	12/9/2024	-1	30
Danum Capital Berhad	05/30	AAA	3.795	5	3.880	16/7/2024	-9	21
Toyota Capital Malaysia Sdn Berhad	08/30	AAA	3.898	10	3.924	11/9/2024	-3	31
Pengurusan Air Selangor Sdn Berhad	12/30	AAA	3.831	90	3.838	23/9/2024	-1	24
Pengurusan Air Selangor Sdn Berhad	09/32	AAA	3.874	70	3.861	30/8/2024	1	17
UniTapah Sdn Berhad	06/33	AAA	4.069	30	4.542	10/6/2019	-47	35
Johor Corporation	07/33	AAA	3.989	20	3.969	12/9/2024	2	27
Tenaga Nasional Berhad	08/40	AAA	3.997	10	4.156	23/9/2024	-16	11
Genting Capital Berhad	06/27	AA1	4.326	5	4.335	19/9/2024	-1	99
Johor Plantations Group	09/31	AA1	3.997	5	n/a	n/a	400	32
Johor Plantations Group	09/34	AA1	4.040	105	n/a	n/a	404	33
Johor Plantations Group	09/39	AA1	4.190	55	n/a	n/a	419	30
reNIKOLA Solar II Sdn Berhad	09/26	AA2	3.725	5	4.183	17/11/2023	-46	46
reNIKOLA Solar II Sdn Berhad	09/27	AA2	3.765	5	4.253	22/11/2023	-49	43
reNIKOLA Solar II Sdn Berhad	09/28	AA2	3.832	5	n/a	n/a	383	41
reNIKOLA Solar II Sdn Berhad	09/29	AA2	3.862	5	n/a	n/a	386	37
reNIKOLA Solar II Sdn Berhad	09/33	AA2	3.991	5	n/a	n/a	399	27
Benih Restu Berhad	07/34	AA2	3.999	10	4.000	23/9/2024	0	29
reNIKOLA Solar II Sdn Berhad	09/34	AA2	4.019	5	4.142	11/6/2024	-12	31
reNIKOLA Solar II Sdn Berhad	09/35	AA2	4.059	5	4.172	11/6/2024	-11	35
reNIKOLA Solar II Sdn Berhad	09/36	AA2	4.100	5	4.202	11/6/2024	-10	39
Affin Islamic Bank Berhad	12/27	AA3	3.887	10	4.265	28/8/2024	-38	55
7-Eleven Malaysia Holdings Berhad	06/25	AA-	4.042	10	4.349	21/12/2023	-31	87
Jimah East Power Sdn Berhad	06/26	AA-	3.879	10	4.145	26/2/2024	-27	61
DRB-Hicom Berhad	12/26	AA-	3.874	30	4.350	1/8/2024	-48	61
UEM Sunrise Berhad	06/27	AA-	3.815	2	3.818	28/8/2024	0	48
MMC Corporation Berhad	03/28	AA-	3.865	20	3.978	11/6/2024	-11	53
CIMB Group Holdings Berhad	05/16	A1	4.371	2	4.628	14/5/2024	-26	33
WCT Holdings Berhad	01/25	A+	4.880	10	4.909	7/8/2024	-3	171
Tan Chong Motor Holdings Berhad	03/25	A+	6.272	2	6.158	6/9/2024	11	310
Tan Chong Motor Holdings Berhad	06/26	A+	4.804	1	5.530	29/7/2024	-73	154
Tan Chong Motor Holdings Berhad	03/27	A+	5.295	1	5.341	18/9/2024	-5	203
Tan Chong Motor Holdings Berhad	09/27	A+	4.953	2	5.050	19/9/2024	-10	162
Bank Muamalat Malaysia Berhad	07/32	A3	4.250	20	4.339	29/8/2024	-9	55
Alliance Bank Malaysia Berhad	11/17	BBB1	4.424	1	4.424	23/9/2024	0	39
				714				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
EDOTCO Malaysia Sdn Bhd	RM3bn Islamic Medium-Term Notes Programme	AA+/Stable	Affirmed

Source: RAM, MARC

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