

## Global Markets Research

### Fixed Income

#### Fixed Income Daily Market Snapshot

##### US Treasuries

- US Treasuries snapped a 3-day losing streak and rebounded, pushing yields lower led by the ultralong end. Upside surprises in US PMIs, new home sales, and lower than expected initial jobless claims added to signs of a resilient US economy and helped fan risk sentiments. Yields however settled the day off their intraday lows, with **the 2s ended flat at 4.08% while the benchmark 10Y UST yields falling just 2bps to 4.21%**, after hitting as low as 4.18% during the day. Buying interests were sporadic and subdued as investors flocked into equities instead amid positive corporate earnings. Next up are durable goods orders, University of Michigan consumer sentiments, and Kansas City services index.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.08	0
5-yr UST	4.03	-1
10-yr UST	4.21	-2
30-yr UST	4.47	-3

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.49	2	3.40	0
5-yr	3.63	2	3.65	0
7-yr	3.84	1	3.84	3
10-yr	3.88	1	3.91	0
15-yr	4.01	0	4.02	1
20-yr	4.14	-2	4.15	0
30-yr	4.23	-1	4.22	-2

\* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.57	-1
3-yr	3.51	-2
5-yr	3.55	-2
7-yr	3.64	-1
10-yr	3.75	-1

Source : Bloomberg

#### Upcoming Government Bond Tender

Nil

##### MGS/GII

- Local govies remained under pressure up to the 15Y part of the curve on Thursday, with secondary market volume dropping for the first day in three, by 39% to RM3.85bn, from the RM6.31bn traded on Wednesday. Malaysia CPI unexpectedly eased off to 1.8% y/y in September and details all confirmed very benign inflation. Benchmark yields closed mixed between -2 to +3bps (prior: -1 to +5bps higher). **The benchmark 5Y MGS 8/29 saw its yield rising a further 2bps for the day to 3.63% while the yield on the benchmark 10Y MGS 7/34 inched 1bp higher for the session at 3.88%**. Trading interest was led by off the run GII 10/25, MGS 7/34, MGS 3/25, and benchmark 7Y MGS 4/31. Trading in GIIs as a proportion of total govies trading was sustained at 36%. Nothing on the domestic data front and market will be awaiting the announcement of the reopening sale of 7Y GII 10/31, the last sale for the month, which we are penciling in a RM5.0bn size.

##### Corp Bonds/Sukuk

- Trading activities in the corporate bond/sukuk market picked up steam again and traded mixed on Thursday, with secondary market volume increasing to a one-week high at RM931m (prior: RM421m). The GG-segment continued to garner the most interests, with total transaction volume in the secondary market topping 54% of total trades on Thursday. LPPSA '33 stole the limelight with a whopping RM390m transacted, last dealt at 3.98% (+15bps). This was followed by PRASA '26 which saw RM80m changed hands at 3.46% (+12bps). Sizeable interests were seen on energy papers. AAA-rated SEB '30 and '33 saw RM30m and RM110m done at 3.93% and 3.99% respectively. AA-rated YTLP '27 was last traded at 3.74% with RM30m changed hands. reNIKOLA '37, '38 and '40 saw made it to the list, with a combined RM80m done, between 4.24-4.35%. In the financial space, Amlslamic '33 saw RM20m done, last at 4.00% (+20bps).

## Daily Trades: Government Bond

Securities	Closing YTM	Vol (RM mil)	Previous YTM	Previous Trade Date (mm/dd/yyyy)	Chg (bp)
MGS 03/25	3.22	472	3.20	10/23/2024	2
MGS 09/25	3.25	27	3.22	10/23/2024	3
MGS 04/26	3.33	70	3.35	10/15/2024	-2
MGS 07/26	3.34	102	3.34	10/22/2024	-1
MGS 11/26	3.40	14	3.43	10/23/2024	-3
MGS 05/27	3.49	207	3.48	10/23/2024	2
MGS 11/27	3.50	22	3.50	10/23/2024	0
MGS 04/28	3.58	1	3.56	10/23/2024	2
MGS 06/28	3.61	113	3.60	10/23/2024	0
MGS 04/29	3.64	1	3.64	10/23/2024	0
MGS 08/29	3.63	100	3.61	10/23/2024	2
MGS 04/30	3.71	62	3.72	10/23/2024	-1
MGS 04/31	3.84	443	3.84	10/23/2024	1
MGS 04/32	3.79	5	3.74	10/02/2024	6
MGS 07/32	3.86	3	3.82	10/22/2024	4
MGS 11/33	3.92	14	3.90	10/23/2024	2
MGS 07/34	3.88	554	3.87	10/23/2024	1
MGS 05/35	3.91	3	3.93	10/23/2024	-2
MGS 06/38	4.01	24	3.98	10/23/2024	3
MGS 04/39	4.01	10	4.01	10/23/2024	0
MGS 05/40	4.03	136	4.06	10/23/2024	-3
MGS 10/42	4.08	9	4.12	10/23/2024	-4
MGS 05/44	4.14	37	4.16	10/23/2024	-2
MGS 03/46	4.17	0	4.16	10/23/2024	1
MGS 07/48	4.19	1	4.19	10/22/2024	0
MGS 06/50	4.00	8	4.19	10/23/2024	-19
MGS 03/53	4.23	27	4.24	10/23/2024	-1
GII 08/25	3.25	30	3.27	10/23/2024	-2
GII 10/25	3.24	680	3.27	10/23/2024	-3
GII 09/27	3.44	61	3.44	10/23/2024	1
GII 10/28	3.52	0	3.59	10/23/2024	-6
GII 07/29	3.65	150	3.64	10/23/2024	0
GII 09/30	3.68	1	3.68	10/23/2024	1
GII 10/30	3.71	2	3.68	10/23/2024	3
GII 10/31	3.84	4	3.81	10/23/2024	3
GII 10/32	3.86	58	3.84	10/23/2024	2
GII 06/33	3.91	150	3.83	10/17/2024	8
GII 11/34	3.91	70	3.91	10/23/2024	0
GII 07/36	3.99	60	3.98	10/23/2024	1
GII 03/38	3.97	61	3.97	10/23/2024	0
GII 09/39	4.02	8	4.00	10/23/2024	1
GII 11/49	4.21	20	4.18	10/23/2024	3
GII 05/52	4.22	10	4.23	10/23/2024	-1
GII 03/54	4.22	20	4.238	10/23/2024	-2
		<u>3849</u>			

**Daily Trades: Corp Bonds/ Sukuk**

Securities	Rating	Closing	Vol (RM mil)	Previous	Previous Trade Date (mm/dd/yyyy)	Chg (bp)	Spread Against MGS*	
		YTM		YTM				
Jambatan Kedua Sdn Berhad	05/25	GG	3.25	10	3.42	06/26/2024	-17	0
Prasarana Malaysia Berhad	08/26	GG	3.46	80	3.34	10/01/2024	12	9
Perbadanan Tabung Pendidikan Tinggi Nasional	08/26	GG	3.41	10	3.57	01/04/2024	-15	4
Lembaga Pembiayaan Perumahan Sektor Awam	09/28	GG	3.62	10	3.64	07/25/2024	-2	6
Lembaga Pembiayaan Perumahan Sektor Awam	07/33	GG	3.98	390	3.83	08/13/2024	15	11
Mercedes-Benz Services Malaysia Sdn Berhad	03/26	AAA	3.68	5	3.68	10/16/2024	-1	42
CIMB Islamic Bank Berhad	03/29	AAA	3.92	10	3.98	05/06/2024	-6	36
Sarawak Energy Berhad	07/30	AAA	3.93	30	3.83	10/07/2024	11	21
Amanat Lebuhraya Rakyat Berhad	10/30	AAA	3.93	10	3.79	08/16/2024	14	21
Amanat Lebuhraya Rakyat Berhad	10/31	AAA	3.97	10	3.84	10/04/2024	13	13
Sarawak Energy Berhad	07/33	AAA	3.99	110	3.99	10/23/2024	0	12
Projek Lebuhraya Usahasama Berhad	01/35	AAA	4.00	20	3.97	10/08/2024	3	13
Projek Lebuhraya Usahasama Berhad	01/37	AAA	4.03	30	4.00	10/09/2024	3	16
Genting RMTN Berhad	03/27	AA1	4.37	6	4.33	10/16/2024	4	99
YTL Power International Berhad	05/27	AA1	3.74	30	4.83	09/23/2024	-109	26
GENM Capital Berhad	07/28	AA1	4.12	1	3.98	10/22/2024	14	57
Johor Plantations Group Berhad	09/31	AA1	4.03	5	3.96	10/03/2024	7	19
Malayan Banking Berhad	01/34	AA1	4.06	1	4.10	10/21/2024	-5	19
Johor Plantations Group Berhad	09/34	AA1	4.07	5	4.03	10/17/2024	4	20
reNIKOLA Solar II Sdn Berhad	09/37	AA2	4.24	30	4.24	06/11/2024	0	23
reNIKOLA Solar II Sdn Berhad	09/38	AA2	4.28	10	4.17	09/05/2024	11	27
reNIKOLA Solar II Sdn Berhad	09/40	AA2	4.35	40	4.53	01/08/2024	-18	34
Affin Islamic Bank Berhad	12/27	AA3	4.17	0	4.23	10/22/2024	-7	69
Malayan Cement Berhad (fka Lafarge Malaysia Berhad)	06/28	AA3	4.00	4	3.93	09/06/2024	7	44
Avaland Berhad (fka MCT Berhad)	08/29	AA3	4.49	20	4.45	08/09/2024	4	87
AmBank Islamic Berhad	06/33	AA3	4.00	20	3.80	10/09/2024	20	13
UEM Sunrise Berhad	09/25	AA-	3.77	20	3.78	10/17/2024	0	52
DRB-Hicom Berhad	12/29	AA-	5.00	2	4.48	10/21/2024	52	137
Penang Port Sdn Berhad	12/29	AA-	3.95	3	3.90	09/20/2024	5	32
Konsortium KAJV Sdn Bhd	05/30	AA-	5.22	3	5.33	03/26/2024	-11	150
Konsortium KAJV Sdn Bhd	05/31	AA-	5.26	3	5.46	04/30/2024	-20	142
Konsortium KAJV Sdn Bhd	05/31	AA-	5.26	3	5.46	04/30/2024	-20	142
SunReit Perpetual Bond Berhad	04/19	A1	4.30	0	4.55	10/23/2024	-24	15
IJM Land Berhad	03/19	A2	5.47	0	4.80	10/18/2024	68	132
				<u>931</u>				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Petroleum Sarawak Berhad	Corporate credit ratings	AAA/Stable/P1	Affirmed
Petroleum Sarawak Exploration & Production Sdn Bhd.	Multi-Currency Islamic Medium-Term Notes of up to RM15 billion (2021/2051)	AA/Stable	Affirmed
Cenergi SEA Berhad	Corporate credit ratings	AA3/Stable/P1	Affirmed
	Senior Sukuk	AA3/Stable	Affirmed
	Subordinated Perpetual Sukuk under its RM1.5 bil Senior Sukuk/Subordinated Perpetual Sukuk Programme (2021/-)	A2/Stable	Affirmed
Batu Kawan Berhad	RM1.0 bil Islamic Medium-Term Notes Programme (2022/2043)	AA1/Stable	Affirmed
Kuala Lumpur Kepong Berhad	Islamic Medium Term Note Programmes (IMTN)	AA1/Stable	Affirmed

Source: RAM, MARC

**Hong Leong Bank Berhad**

Fixed Income &amp; 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@hibb.hongleong.com.my](mailto:HLMarkets@hibb.hongleong.com.my)**DISCLAIMER**

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