

## Global Markets Research

### Fixed Income

## Fixed Income Daily Market Snapshot

### US Treasuries

- US Treasuries were weaker in trading on Wednesday, amidst a wave of bond supply which included the US Treasury selling USD70bn in new 5 year USTs and corporate supply by Oracle Corp. Benchmark yields closed higher by between 2 and 4bps for the day. **The benchmark 2yr UST yield was 3bps higher for the session at 3.57%, while the benchmark 10yr UST yield advanced by 4bps for the day to 3.77%.** Tonight sees the release of the third reading of US 2Q GDP as well as benchmark annual revisions to the GDP numbers by the BEA. UST refunding for the week concludes with the scheduled sale of USD44bn of new 7yr USTs.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	3.57	3
5-yr UST	3.51	4
10-yr UST	3.77	4
30-yr UST	4.12	2

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.34	1	3.30	-1
5-yr	3.51	1	3.45	1
7-yr	3.68	0	3.68	-1
10-yr	3.72	1	3.74	0
15-yr	3.88	1	3.90	-1
20-yr	4.04	0	4.04	0
30-yr	4.13	-4	4.19	0

\* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.51	4
3-yr	3.36	2
5-yr	3.42	2
7-yr	3.52	3
10-yr	3.61	3

Source : Bloomberg

### Upcoming Government Bond Tender

Reopening auction of RM3bn of the benchmark 30Y GII 3/54 on Friday, 27 Sep (with an additional RM2bn to be privately placed)

### MGS/GII

- Local govovies were mixed in trading on Wednesday, amidst a continued rally in the Ringgit and the announcement of the reopening of RM3bn of the benchmark 30Y GII 3/54, with the auction set to take place on Friday in the conclusion to government bond funding for the month. Secondary market volume rose by 16% to RM6.30bn compared to the RM5.41bn that traded on Tuesday. Benchmark yields closed mixed between -1 and +1 bps for the day, except for the 30Y benchmark MGS, which was skewed by a late odd-lot trade. **The benchmark 5Y MGS 8/29 saw its yield rise by 1bp for the day to 3.51% while the yield on the benchmark 10Y MGS 7/34 was also higher by 1bp for the session at 3.72%.** Trading interest was led by the soon to be maturing off-the-run MGS 9/24, while interest was also seen in the benchmark 3Y GII, 5Y MGS, 7Y MGS and 10Y MGS, as well as the off-the-run MGS 3/25, MGS 6/28 and MGS 4/30. Trading in GIIs as a proportion of total govovies trading receded to 26% versus the 36% share seen the previous session.

### Corp Bonds/Sukuk

- The corporate bond/sukuk market was better bid in trading on Wednesday in a lighter session, with secondary market volume for the day plunging by 50% to RM358m versus the R714m that changed hands on Tuesday. Trading for the day was led by the AA-rated segment. In the GG universe, activity was seen in PR1MA 7/27 and PRASA 2/40, closing at 3.49% (-7bps versus last print) and 4.00% (-4bps) respectively. Over in the AAA space, interest was seen in DANUM 2/34 and DANUM 2/35, which settled for the day at 3.92% (+3bps) and 3.98% (-2bps) respectively. Meanwhile in the AA-rated universe, activity was led by Benih Restu 7/34, which closed at 3.99%, 1bp lower compared to where the bond last traded. In the BBB-space, activity was seen in ABMB 4.65% Perps and ABMB 4.85% Perps, settling the day at 4.29% (-13bps) and 4.45% (-15bps) respectively.

## Daily Trades: Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	09/24	3.142	1525	1.181	09/24/2024	196
MGS	03/25	3.069	379	3.068	09/24/2024	0
MGS	09/25	3.139	163	3.141	09/24/2024	0
MGS	04/26	3.264	125	3.280	09/23/2024	-2
MGS	07/26	3.260	36	3.269	09/24/2024	-1
MGS	11/26	3.274	160	3.174	09/24/2024	10
MGS	03/27	3.338	9	3.324	09/05/2024	1
MGS	05/27	3.343	107	3.337	09/24/2024	1
MGS	11/27	3.373	26	3.388	09/24/2024	-1
MGS	06/28	3.465	344	3.456	09/24/2024	1
MGS	08/29	3.511	392	3.503	09/24/2024	1
MGS	04/30	3.596	356	3.594	09/24/2024	0
MGS	04/31	3.682	370	3.681	09/24/2024	0
MGS	06/31	3.692	60	3.700	09/24/2024	-1
MGS	07/32	3.743	16	3.745	09/24/2024	0
MGS	04/33	3.768	3	3.754	09/24/2024	1
MGS	11/33	3.755	11	3.752	09/24/2024	0
MGS	07/34	3.723	392	3.717	09/24/2024	1
MGS	05/35	3.792	8	3.789	09/24/2024	0
MGS	06/38	3.918	15	3.914	09/24/2024	0
MGS	04/39	3.884	2	3.877	09/23/2024	1
MGS	10/42	4.018	38	4.021	09/24/2024	0
MGS	05/44	4.035	3	4.035	09/24/2024	0
MGS	07/48	4.127	1	4.126	09/23/2024	0
MGS	06/50	4.148	23	4.158	09/24/2024	-1
MGS	03/53	4.134	101	4.179	09/24/2024	-4
GII	10/25	3.207	140	3.230	09/23/2024	-2
GII	09/26	3.300	770	3.311	09/24/2024	-1
GII	07/27	3.375	15	3.379	09/24/2024	0
GII	07/28	3.452	42	3.439	09/24/2024	1
GII	08/28	3.471	10	3.472	09/23/2024	0
GII	10/28	3.475	100	3.483	09/24/2024	-1
GII	07/29	3.493	70	3.489	09/24/2024	0
GII	09/30	3.632	20	3.624	09/23/2024	1
GII	10/30	3.634	70	3.647	09/24/2024	-1
GII	10/31	3.679	1	3.684	09/24/2024	-1
GII	10/32	3.758	92	3.768	09/24/2024	-1
GII	08/33	3.787	90	3.790	09/24/2024	0
GII	11/34	3.743	20	3.745	09/24/2024	0
GII	03/38	3.887	54	3.880	09/23/2024	1
GII	09/39	3.902	80	3.911	09/24/2024	-1
GII	09/41	4.005	1	4.004	09/23/2024	0
GII	08/43	4.043	37	4.042	09/24/2024	0
GII	05/47	4.200	1	4.007	09/24/2024	19
GII	11/49	4.136	4	4.133	09/24/2024	0
GII	03/54	4.185	20	4.186	09/24/2024	0
			6298			

## 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*
PR1MA Corporation Malaysia	07/27	GG	3.493	20	3.561	1/8/2024	-7	16
Lembaga Pembiayaan Perumahan Sektor Awam	10/38	GG	3.960	10	3.965	14/8/2024	0	7
Prasarana Malaysia Berhad	02/40	GG	3.999	20	4.035	12/7/2024	-4	11
Small Medium Enterprise Development Bank Mal.	08/25	AAA	3.831	20	3.596	6/9/2024	24	66
Sarawak Energy Berhad	07/28	AAA	3.690	10	3.768	24/7/2024	-8	27
Danum Capital Berhad	02/34	AAA	3.948	20	3.922	4/9/2024	3	23
Danum Capital Berhad	02/35	AAA	3.967	20	3.983	19/9/2024	-2	25
Projek Lebuh raya Usahasama Berhad	01/37	AAA	3.986	10	3.959	5/8/2024	3	27
Sabah Credit Corporation	04/25	AA1	3.664	10	n/a	n/a	366	49
SEP Resource M Sdn Berhad	09/33	AA1	4.130	5	n/a	n/a	413	41
SEP Resource M Sdn Berhad	09/34	AA1	4.130	15	n/a	n/a	413	41
SEP Resource M Sdn Berhad	09/36	AA1	4.190	20	n/a	n/a	419	47
Johor Plantations Group	09/39	AA1	4.188	5	4.190	24/9/2024	0	30
Kapar Energy Ventures Sdn Berhad	07/26	AA+	3.922	10	3.918	26/7/2024	0	66
Benih Restu Berhad	07/34	AA2	3.989	40	3.999	24/9/2024	-1	27
Northport (Malaysia) Berhad	12/24	AA	3.563	20	3.705	28/6/2024	-14	39
Edra Energy Sdn Berhad	07/25	AA3	5.466	1	3.769	19/7/2024	170	229
Tanjung Bin Energy Sdn Berhad	09/29	AA3	4.797	20	5.188	22/3/2024	-39	130
BGSM Management Sdn Berhad	06/31	AA3	3.919	10	n/a	n/a	392	24
Malaysian Reinsurance Berhad	10/32	AA3	4.621	1	4.747	23/9/2024	-13	92
Edra Energy Sdn Berhad	01/36	AA3	4.128	10	4.199	25/6/2024	-7	41
Edra Energy Sdn Berhad	07/37	AA3	4.188	10	4.189	11/9/2024	0	30
DRB-Hicom Berhad	12/29	AA-	4.027	20	4.068	20/9/2024	-4	53
DRB-Hicom Berhad	04/30	AA-	4.057	10	5.448	14/11/2023	-139	47
Alliance Bank Malaysia Berhad	10/35	A2	4.091	1	4.489	23/9/2024	-40	38
Alliance Bank Malaysia Berhad	11/17	BBB1	4.290	11	4.424	24/9/2024	-13	25
Alliance Bank Malaysia Berhad	11/17	BBB1	4.451	10	4.596	24/9/2024	-15	41
				358				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Nil			

Source: RAM, MARC

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