

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries fell in trading on Wednesday, after a fall in the Japanese Yen to a 38-year low caused some anxiety amongst bond investors, amidst Australia reporting a higher than expected CPI outcome after a similar story in Canada yesterday. A strong sale of USD70bn of new 5yr UST securities did not provide much support for the markets. Benchmark yields closed higher by between 4 and 8bps for the day. **The benchmark 2yr UST yield was 4bps higher for the session at 4.79%, while the benchmark 10yr UST yield rose by 8bps for the day at 4.33%.** Today sees the release of the third reading of US 1Q GDP, and a sale of USD44bn of 7yr USTs to conclude the government bond auctions this week before core PCE print tomorrow.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.79	4
5-yr UST	4.34	7
10-yr UST	4.33	8
30-yr UST	4.46	8

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.53	0	3.46	1
5-yr	3.64	0	3.61	0
7-yr	3.79	1	3.75	0
10-yr	3.86	1	3.86	0
15-yr	4.01	1	4.00	0
20-yr	4.13	0	4.13	1
30-yr	4.22	0	4.24	0

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.57	0
3-yr	3.57	2
5-yr	3.63	1
7-yr	3.74	2
10-yr	3.86	1

Source : Bloomberg

MGS/GII

- Local govies were slightly better offered in trading on Wednesday in an active session, amidst MY IRS levels heading higher for a third straight day. Secondary market volume for the day surged by 49% to RM4.09bn versus the RM2.74bn that changed hands the day before. Benchmark yields closed higher between 0 to 1 bp 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 higher by 1bp to 3.86%.** Trading interest for the day was led by the off-the-run MGS 9/24, while interest was also seen in the benchmark 3Y MGS/GII, 7Y MGS and 10Y MGS/GII, as well as in the off-the-run MGS 9/25 and GII 10/28. The market share of GII trading for the day declined to 46% versus the 60% share seen on Tuesday. There are no economic data releases domestically for the day ahead.

Corp Bonds/Sukuk

- Corporate Bonds/Sukuk markets were conversely better bid in trading on Wednesday in a lighter session, with secondary market volume for the day receding by 40% to RM590m, compared to the RM977m that traded on Tuesday. Trading interest for the day was again led by the AA-rated segment of the market. In the GG universe, interest was led by LPPSA 9/39 and PTPTN 3/29, settling for the day at 4.04% (-8bps versus last print) and 3.70% (-2bps) respectively. In AAA space, CAGA 7/24 led trading for the session and closed the day at 3.42%, lower by 9bps versus where it last traded. In AA territory, trading for the day was led by Genting 3/32, which settled the day at 4.78%, little changed from its last print. Interest was also seen in YTLP 3/26, which closed at 3.72%, in a secondary market debut for the bond which was issued in March of last year. In the A-rated space, interest was seen in IJM 5.73% Perps and WCT 6.00% Perps, which settled at 4.79% (unchanged) and 5.92% (-24bps) respectively.

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	07/24	3.289	3	3.210	06/21/2024	8
MGS	09/24	3.125	439	3.200	06/25/2024	-8
MGS	03/25	3.246	10	3.246	06/25/2024	0
MGS	09/25	3.298	231	3.296	06/25/2024	0
MGS	04/26	3.424	1	3.395	06/25/2024	3
MGS	11/26	3.401	30	3.419	06/25/2024	-2
MGS	05/27	3.534	245	3.530	06/25/2024	0
MGS	11/27	3.547	144	3.544	06/25/2024	0
MGS	04/28	3.597	111	3.600	06/25/2024	0
MGS	06/28	3.609	33	3.596	06/25/2024	1
MGS	04/29	3.644	1	3.662	06/21/2024	-2
MGS	08/29	3.643	110	3.642	06/25/2024	0
MGS	04/31	3.789	321	3.783	06/25/2024	1
MGS	07/32	3.859	32	3.851	06/25/2024	1
MGS	11/33	3.864	287	3.856	06/25/2024	1
MGS	07/34	3.864	82	3.861	06/25/2024	0
MGS	05/35	3.950	15	3.950	06/25/2024	0
MGS	04/37	4.004	60	4.006	06/25/2024	0
MGS	06/38	4.000	2	4.007	06/25/2024	-1
MGS	05/40	4.062	10	4.066	06/25/2024	0
MGS	10/42	4.100	22	4.116	06/25/2024	-2
MGS	05/44	4.128	8	4.124	06/25/2024	0
MGS	07/48	4.227	2	4.212	06/25/2024	2
MGS	06/50	4.215	22	4.108	06/25/2024	11
MGS	03/53	4.218	4	4.213	06/25/2024	0
GII	08/24	3.198	70	3.252	06/24/2024	-5
GII	10/24	3.195	82	3.228	06/25/2024	-3
GII	08/25	3.304	10	3.291	06/25/2024	1
GII	10/25	3.301	102	3.298	06/25/2024	0
GII	09/26	3.455	222	3.449	06/25/2024	1
GII	07/28	3.614	130	3.614	06/25/2024	0
GII	10/28	3.627	252	3.640	06/25/2024	-1
GII	12/28	3.639	30	3.628	06/25/2024	1
GII	07/29	3.643	60	3.647	06/25/2024	0
GII	09/30	3.751	150	3.756	06/25/2024	0
GII	10/31	3.788	30	3.780	06/24/2024	1
GII	06/33	3.855	40	3.859	06/25/2024	0
GII	08/33	3.861	320	3.860	06/25/2024	0
GII	11/34	3.859	4	3.860	06/25/2024	0
GII	10/35	3.916	92	3.775	06/24/2024	14
GII	07/36	3.965	47	3.952	06/25/2024	1
GII	03/38	3.985	5	3.978	06/24/2024	1
GII	09/39	4.002	110	3.998	06/25/2024	0
GII	08/43	4.128	82	4.120	06/25/2024	1
GII	03/54	4.238	23	4.235	06/25/2024	0
			4088			

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*
Jambatan Kedua Sdn Berhad	05/25	GG	3.419	20	3.505	30/4/2024	-9	10
Perbadanan Tabung Pendidikan Tinggi Nasional	03/29	GG	3.703	30	3.723	17/5/2024	-2	6
DanaInfra Nasional Berhad	10/37	GG	4.008	10	4.019	11/1/2024	-1	0
Lembaga Pembiayaan Perumahan Sektor Awam	09/39	GG	4.038	40	4.115	29/4/2024	-8	3
Prasarana Malaysia Berhad	09/47	GG	4.189	20	4.219	10/6/2024	-3	6
Prasarana Malaysia Berhad	01/48	GG	4.189	10	4.170	25/3/2024	2	6
DanaInfra Nasional Berhad	11/48	GG	4.199	10	4.178	25/6/2024	2	7
Prasarana Malaysia Berhad	02/50	GG	4.209	10	4.239	14/6/2024	-3	8
DanaInfra Nasional Berhad	04/52	GG	4.229	10	4.253	27/2/2024	-2	10
Cagamas Berhad	07/24	AAA	3.420	35	3.509	15/5/2024	-9	11
Amanat Lebuhraya Rakyat Berhad	10/28	AAA	3.831	20	3.827	25/6/2024	0	24
Toyota Capital Malaysia Sdn Berhad	02/30	AAA	4.018	10	4.060	31/5/2024	-4	29
Sarawak Energy Berhad	07/30	AAA	3.897	5	3.898	19/6/2024	0	17
Amanat Lebuhraya Rakyat Berhad	10/31	AAA	3.948	7	3.970	14/5/2024	-2	16
Amanat Lebuhraya Rakyat Berhad	10/32	AAA	3.978	20	3.999	10/5/2024	-2	16
Tenaga Nasional Berhad	08/33	AAA	3.998	10	3.949	19/6/2024	5	16
Amanat Lebuhraya Rakyat Berhad	10/33	AAA	4.009	10	4.019	17/5/2024	-1	17
YTL Power International Berhad	03/26	AA1	3.721	50			372	28
Sabah Credit Corporation	09/29	AA1	3.988	10	4.207	19/2/2024	-22	35
Public Islamic Bank Berhad	10/29	AA1	3.728	1	3.706	23/2/2024	2	9
Genting RMTN Berhad	03/32	AA1	4.784	60	4.781	25/6/2024	0	97
YTL Corporation Berhad	11/36	AA1	4.209	10	4.217	25/6/2024	-1	35
Kuala Lumpur Kepong Berhad	03/37	AA1	4.049	20	4.099	25/4/2024	-5	4
Sime Darby Property Berhad	08/28	AA+	3.928	10	3.927	10/6/2024	0	33
edotco Malaysia Sdn Berhad	09/29	AA+	3.918	1	3.921	21/6/2024	0	28
AmBank (M) Berhad	11/26	AA2	3.880	10	3.999	24/5/2024	-12	44
Besraya (M) Sdn Berhad	07/28	AA2	3.967	1	4.199	23/11/2023	-23	37
Solarpack Suria Sungai Petani Sdn Berhad	10/34	AA2	4.498	10			450	64
SP Setia Berhad	06/30	AA	3.987	20	3.988	29/5/2024	0	26
Malayan Cement Berhad (fka Lafarge Malaysia Bt	06/28	AA3	4.038	28	4.038	19/6/2024	0	44
Malayan Cement Berhad (fka Lafarge Malaysia Bt	10/28	AA3	4.058	10	4.055	7/6/2024	0	46
IJM Treasury Management Sdn Berhad	03/39	AA3	4.229	5	4.199	21/6/2024	3	22
MMC Corporation Berhad	11/29	AA-	4.036	20	4.129	3/5/2024	-9	40
Southern Power Generation Sdn Berhad	10/31	AA-	4.068	15	4.117	28/5/2024	-5	28
Southern Power Generation Sdn Berhad	10/33	AA-	4.157	10	4.320	2/5/2024	-16	32
IJM Land Berhad	03/19	A2	4.794	10	4.798	24/6/2024	0	67
Tropicana Corporation Berhad	04/28	A	7.834	1	8.110	12/6/2024	-28	424
Yinson Holdings Berhad	11/22	A3	6.251	2	5.838	25/6/2024	41	212
WCT Holdings Berhad	09/19	A-	5.923	10	6.163	21/5/2024	-24	180
Bank Muamalat Malaysia Berhad	09/22	BBB	4.988	1	4.843	20/6/2024	15	86
				590				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Koperasi Co-opbank Pertama Malaysia Berhad	Financial Institution Ratings	A3/Stable/P2	Assigned
AEON Co. (M) Bhd	RM1bn Islamic Medium-Term Notes Programme (2016/2031)	AA2/Positive	Affirmed and Revised Outlook
	RM2 billion (ICP/IMTN) Programme (Sukuk Wakalah Programme)	AA2/Stable/P1	Assigned

Source: RAM, MARC

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