

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries were slightly weaker in trading on Wednesday, in the absence of any economic data releases, amidst a poor auction of USD70bn in new 5yr USTs which also weighed on the market. Benchmark yields were higher by between 1 and 2 bps for the day. **The benchmark 2yr UST yield was 1bp higher for the session at 3.91%, while the benchmark 10yr UST yield also advanced by 1bp for the day to 3.84%.** The UST refunding for the week concludes this evening with the sale of USD44bn in new 7yr USTs, amidst the scheduled release of the second reading of US 2Q GDP and weekly jobless claims.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	3.91	1
5-yr UST	3.67	2
10-yr UST	3.84	1
30-yr UST	4.13	1

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.28	-5	3.31	0
5-yr	3.50	0	3.46	0
7-yr	3.70	2	3.68	0
10-yr	3.76	-2	3.79	1
15-yr	3.90	0	3.94	1
20-yr	4.05	0	3.95	-12
30-yr	4.18	3	4.06	-13

\* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.39	0
3-yr	3.35	1
5-yr	3.40	0
7-yr	3.48	0
10-yr	3.59	0

Source : Bloomberg

MGS/GII

- Local govies were mixed in trading on Wednesday amidst moderate demand seen in the reopening auction of RM5.5bn of the 10Y MGS 7/34, which drew a BTC of 1.996x. Secondary market volume climbed by 32% to RM4.21bn compared to the RM3.18bn that changed hands on Tuesday. Benchmark yields closed mixed between -5 and +3 bps for the day, except for the benchmark 20Y and 30Y GII which were skewed by late odd-lot trades. **The benchmark 5Y MGS 8/29 saw its yield little changed for the day at 3.50% while the yield on the new benchmark 10Y MGS 7/34 was 2bps lower for the session at 3.76%.** Trading interest for the day was led by new benchmark 10Y MGS, while interest was also seen in the off-the-run MGS 3/25, GII 10/25, MGS 4/30, GII 6/33, GII 8/33 and MGS 11/33, as well as in the benchmark 5Y GII. Trading in GIIs as a proportion of total govies trading receded to 41% versus the 63% share seen the previous day. There are no economic data releases for the day ahead domestically.

Corp Bonds/Sukuk

- The Corporate Bonds/Sukuk market was better bid in trading on Tuesday, with secondary market volume surging by 32% to RM930m versus the RM704m that traded the previous session. Trading activity for the day was again led by the AAA-rated segment. In the GG universe, PRASA 10/32 and DANA 7/39 led trading for the day, with the bonds settling for the day at 3.80% (-3bps versus last print) and 3.98% (-2bps) respectively. Over in the AAA space, trading interest was led by DIGI 6/31, which closed at 3.86%, 2bps higher versus its last trade. Good interest was also seen in ALR 10/35 and TNB 3/43, with the bonds settling the day at 4.14% (-9bps) and 4.08% (-1bp) respectively. Meanwhile in the AA-rated segment, trading was again led by UEMS 2/34, which closed at 4.03%, little changed from where it was last traded the day before.

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	09/24	3.060	20	3.203	08/27/2024	-14
MGS	03/25	3.109	238	3.169	08/27/2024	-6
MGS	09/25	3.110	124	3.112	08/27/2024	0
MGS	04/26	3.187	3	3.212	08/27/2024	-3
MGS	07/26	3.240	100	3.212	08/27/2024	3
MGS	11/26	3.253	87	3.208	08/27/2024	4
MGS	03/27	3.293	6	3.310	08/26/2024	-2
MGS	05/27	3.279	11	3.328	08/27/2024	-5
MGS	11/27	3.358	9	3.336	08/27/2024	2
MGS	04/28	3.418	105	3.427	08/27/2024	-1
MGS	06/28	3.454	49	3.440	08/27/2024	1
MGS	04/29	3.492	45	3.490	08/27/2024	0
MGS	08/29	3.495	49	3.491	08/27/2024	0
MGS	04/30	3.599	205	3.597	08/27/2024	0
MGS	04/31	3.701	58	3.677	08/27/2024	2
MGS	06/31	3.714	3	3.690	08/26/2024	2
MGS	07/32	3.747	26	3.739	08/27/2024	1
MGS	04/33	3.792	43	3.786	08/26/2024	1
MGS	11/33	3.778	236	3.775	08/27/2024	0
MGS	07/34	3.760	795	3.781	08/27/2024	-2
MGS	05/35	3.810	60	3.818	08/27/2024	-1
MGS	04/37	3.900	13	3.909	08/27/2024	-1
MGS	06/38	3.942	12	3.927	08/27/2024	2
MGS	04/39	3.900	18	3.905	08/27/2024	0
MGS	05/40	3.975	16	3.979	08/27/2024	0
MGS	10/42	4.027	3	4.021	08/27/2024	1
MGS	03/46	4.089	7	4.070	08/26/2024	2
MGS	07/48	4.141	16	4.128	08/27/2024	1
MGS	06/50	4.065	31	4.131	08/27/2024	-7
MGS	03/53	4.183	116	4.155	08/27/2024	3
GII	10/24	3.070	111	2.989	08/27/2024	8
GII	10/25	3.240	170	3.218	08/27/2024	2
GII	03/26	3.216	1	3.269	08/27/2024	-5
GII	09/26	3.313	40	3.314	08/27/2024	0
GII	06/27	3.394	30	3.392	08/16/2024	0
GII	07/27	3.364	3	3.348	08/27/2024	2
GII	09/27	3.377	1	3.380	08/27/2024	0
GII	07/28	3.464	21	3.467	08/27/2024	0
GII	10/28	3.472	24	3.468	08/26/2024	0
GII	07/29	3.498	159	3.480	08/27/2024	2
GII	09/30	3.653	30	3.639	08/27/2024	1
GII	10/30	3.643	9	3.648	08/27/2024	-1
GII	10/31	3.683	9	3.684	08/27/2024	0
GII	10/32	3.781	127	3.774	08/27/2024	1
GII	06/33	3.806	360	3.800	08/27/2024	1
GII	08/33	3.815	300	3.802	08/27/2024	1
GII	11/34	3.786	13	3.774	08/27/2024	1
GII	07/36	3.892	34	3.881	08/27/2024	1
GII	03/38	3.916	34	3.790	08/20/2024	13
GII	09/39	3.942	80	3.935	08/27/2024	1
GII	09/41	4.021	1	4.018	08/26/2024	0
GII	08/43	3.946	62	4.069	08/27/2024	-12
GII	11/49	4.155	3	4.161	08/27/2024	-1
GII	05/52	4.202	70	4.200	08/27/2024	0
GII	03/54	4.058	22	4.188	08/27/2024	-13
			4213			

## 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*
DanaInfra Nasional Berhad	07/27	GG	3.435	10	3.546	12/7/2024	-11	10
DanaInfra Nasional Berhad	03/32	GG	3.801	10	3.801	22/8/2024	0	8
Lembaga Pembiayaan Perumahan Sektor Awam	04/32	GG	3.799	10	3.971	14/8/2023	-17	8
Prasarana Malaysia Berhad	10/32	GG	3.799	40	3.829	9/8/2024	-3	8
Perbadanan Tabung Pendidikan Tinggi Nasional	03/34	GG	3.849	30	3.852	21/8/2024	0	8
DanaInfra Nasional Berhad	03/34	GG	3.848	20	3.838	26/8/2024	1	8
DanaInfra Nasional Berhad	07/34	GG	3.839	10	3.787	5/8/2024	5	7
DanaInfra Nasional Berhad	09/34	GG	3.848	20	3.852	6/8/2024	0	8
DanaInfra Nasional Berhad	07/39	GG	3.984	40	3.999	8/8/2024	-2	8
DanaInfra Nasional Berhad	07/44	GG	4.099	30	4.099	15/8/2024	0	5
Cagamas Berhad	04/25	AAA	3.482	4	3.553	22/7/2024	-7	33
Bank Simpanan Nasional Berhad	02/27	AAA	3.780	10	3.781	29/2/2024	0	53
Petroleum Sarawak Exploration & Production Sdr	05/27	AAA	3.728	20	3.754	24/7/2024	-3	39
Gulf Investment Corporation G.S.C	06/27	AAA	4.265	10	4.308	15/2/2024	-4	93
Projek Lebuhraya Usahasama Berhad	01/31	AAA	3.806	20	3.819	26/8/2024	-1	22
Projek Lebuhraya Usahasama Berhad	01/31	AAA	3.822	15	3.819	27/8/2024	0	23
Infracap Resources Sdn Berhad	04/31	AAA	3.876	20	3.858	15/8/2024	2	19
DiGi Telecommunications Sdn Berhad	06/31	AAA	3.859	80	3.838	31/7/2024	2	17
UniTapah Sdn Berhad	12/31	AAA	4.019	10	4.139	29/12/2023	-12	33
Projek Lebuhraya Usahasama Berhad	01/32	AAA	3.859	5	3.929	24/7/2024	-7	17
Petroleum Sarawak Exploration & Production Sdr	11/32	AAA	3.910	20	3.928	23/7/2024	-2	19
Amanat Lebuhraya Rakyat Berhad	10/35	AAA	4.140	70	4.230	24/7/2024	-9	37
Infracap Resources Sdn Berhad	04/36	AAA	4.012	30	4.067	7/6/2024	-6	25
Tenaga Nasional Berhad	08/37	AAA	4.027	20	4.041	27/8/2024	-1	13
Projek Lebuhraya Usahasama Berhad	01/38	AAA	4.019	40	4.000	1/8/2024	2	12
TNB Power Generation Sdn Berhad	03/43	AAA	4.075	70	4.081	27/8/2024	-1	3
Pengurusan Air Selangor Sdn Berhad	10/48	AAA	4.239	21	4.386	29/7/2024	-15	19
Pengurusan Air Selangor Sdn Berhad	08/49	AAA	4.201	10	4.260	15/8/2024	-6	15
Sabah Credit Corporation	01/27	AA1	3.825	40	3.899	15/7/2024	-7	58
Sabah Development Bank Berhad	10/29	AA1	4.329	30	4.467	23/4/2024	-14	84
YTL Power International Berhad	03/33	AA1	4.019	10	3.997	14/8/2024	2	28
YTL Corporation Berhad	09/33	AA1	4.113	30	4.242	30/4/2024	-13	37
AmBank Islamic Berhad	05/31	AA2	3.969	20	4.018	11/7/2024	-5	28
Benih Restu Berhad	07/34	AA2	4.001	5	3.990	27/8/2024	1	24
Gamuda Land (T12) Sdn Berhad	08/25	AA3	3.737	3	3.741	23/5/2024	0	58
Edra Energy Sdn Berhad	01/27	AA3	3.806	10	3.895	12/7/2024	-9	56
Southern Power Generation Sdn Berhad	10/26	AA-	3.788	10	3.793	9/8/2024	-1	54
UEM Sunrise Berhad	06/27	AA-	3.818	4	3.827	14/8/2024	-1	48
Eco World Capital Berhad	10/27	AA-	3.806	1	4.500	14/8/2024	-69	47
OCK Group Berhad	11/30	AA-	4.808	10	5.108	28/12/2023	-30	122
UEM Sunrise Berhad	02/34	AA-	4.028	55	4.028	27/8/2024	0	28
Alliance Bank Malaysia Berhad	08/34	A1	4.070	5	3.980	9/8/2024	9	30
Affin Bank Berhad	06/18	A3	5.027	1	5.045	20/8/2024	-2	98
DRB-Hicom Berhad	12/14	A-	5.300	1	6.036	23/8/2024	-74	125
Bank Muamalat Malaysia Berhad	09/22	BBB	4.902	1	4.905	16/8/2024	0	85
				930				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Alliance Bank Malaysia Berhad	Financial Institution Ratings	A1/Positive/P1	Revised Outlook on Long-Term Ratings to Positive
	RM500m Commercial Papers Programme (2022/2029)	P1	
	RM1.5bn Senior Medium-Term Notes Programme (2015/2045)	A1/Positive	
	RM2bn Subordinated Medium-Term Notes Programme (2015/2045)	A1/Positive	
	RM1bn Additional Tier-1 Capital Securities Programme (2017/-)	BBB1/Positive	
Alliance Islamic Bank Berhad	Financial Institution Ratings	A1/Positive/P1	Revised Outlook on Long-Term Ratings to Positive
	RM300m Islamic Commercial Papers Programme (2019/2026)	P1	
	RM2.5bn Perpetual Sukuk Programme (2019/-):		
	- RM1.2bn Senior Sukuk Murabahah	A1/Positive	
	- RM800m Subordinated Sukuk Murabahah	A2/Positive	
	- RM500m Additional Tier-1 Sukuk Wakalah	BBB1/Positive	

Source: RAM, MARC

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