

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries were lower in trading on Thursday after US 2Q GDP was revised slightly higher in its second reading, driven by an upward revision to consumer spending numbers. A poor auction of USD44bn in new 7yr USTs also weighed on the market. Benchmark yields were higher by between 2 and 3 bps for the day. **The benchmark 2yr UST yield was 3bps higher for the session at 3.89%, while the benchmark 10yr UST yield also advanced by 3bps for the day to 3.86%.** Tonight sees the release of core PCE numbers for July, alongside personal income and spending numbers for the month.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	3.89	3
5-yr UST	3.69	2
10-yr UST	3.86	3
30-yr UST	4.15	2

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.33	5	3.31	0
5-yr	3.50	0	3.47	1
7-yr	3.70	0	3.69	1
10-yr	3.75	-1	3.79	0
15-yr	3.90	0	3.94	-1
20-yr	4.04	-2	4.07	13
30-yr	4.18	0	4.06	0

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.41	2
3-yr	3.35	0
5-yr	3.41	1
7-yr	3.49	0
10-yr	3.60	1

Source : Bloomberg

MGS/GII

- Local govies were mixed in trading on Thursday in a busier trading session, with secondary market volume rising by 13% to RM4.76bn compared to the RM4.21bn that traded the day before. Benchmark yields closed mixed between -2 and +1 bps for the day, except for the benchmark 3Y MGS and 20Y GII which corrected from late odd-lot trades the previous session. **The benchmark 5Y MGS 8/29 saw its yield little changed for the day at 3.50% while the yield on the benchmark 10Y MGS 7/34 was 1bp lower for the session at 3.75%.** Trading interest for the day was led by the off-the-run GII 10/24, while interest was also seen in the off-the-run MGS 3/25, GII 8/25, MGS 4/30, GII 10/32 and GII 6/33, as well as in the benchmark 7Y MGS/GII. Trading in GIIs as a proportion of total govies trading climbed to 47% versus the 41% share seen on Wednesday. There are no economic data releases domestically for the day ahead.

Corp Bonds/Sukuk

- The Corporate Bonds/Sukuk market was slightly better bid in trading on Thursday, with secondary market volume receding by 16% to RM778m versus the RM930m that changed hands on Wednesday. Trading activity for the day was again led by the AAA-rated segment. In the GG universe, DANA 10/42 led trading for the day, with the bond settling at 4.08%, 9bps lower compared to where it last traded. Over in AAA space, trading interest was led by SEB 11/33 and TNB 6/37, which closed at 3.89% (+4bps versus last print) and 4.03% (-6bps) 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 previous session. Good interest was also seen in UOB 8/30 and KLK 3/37, which settled the day at 3.65% (-3bps) and 4.01% (+1bp) respectively. In the A-rated segment of the market, interest was led by TBE 3.95% Perps, which closed at 4.84%, unchanged versus its last print.

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	3.002	1	3.060	08/28/2024	-6
MGS	03/25	3.098	259	3.109	08/28/2024	-1
MGS	09/25	3.120	12	3.110	08/28/2024	1
MGS	04/26	3.239	22	3.187	08/28/2024	5
MGS	07/26	3.240	146	3.240	08/28/2024	0
MGS	11/26	3.208	28	3.253	08/28/2024	-4
MGS	03/27	3.313	21	3.293	08/28/2024	2
MGS	05/27	3.327	17	3.279	08/28/2024	5
MGS	11/27	3.350	99	3.358	08/28/2024	-1
MGS	04/28	3.415	37	3.418	08/28/2024	0
MGS	06/28	3.459	45	3.454	08/28/2024	0
MGS	09/28	3.422	1	3.425	08/20/2024	0
MGS	04/29	3.492	51	3.492	08/28/2024	0
MGS	08/29	3.497	51	3.495	08/28/2024	0
MGS	04/30	3.595	530	3.599	08/28/2024	0
MGS	04/31	3.697	483	3.701	08/28/2024	0
MGS	07/32	3.752	116	3.747	08/28/2024	0
MGS	04/33	3.791	10	3.792	08/28/2024	0
MGS	11/33	3.784	88	3.778	08/28/2024	1
MGS	07/34	3.754	115	3.760	08/28/2024	-1
MGS	05/35	3.811	30	3.810	08/28/2024	0
MGS	04/37	3.909	30	3.900	08/28/2024	1
MGS	06/38	3.940	10	3.942	08/28/2024	0
MGS	04/39	3.900	17	3.900	08/28/2024	0
MGS	05/40	3.976	31	3.975	08/28/2024	0
MGS	10/42	4.017	98	4.027	08/28/2024	-1
MGS	09/43	4.056	2	4.045	08/27/2024	1
MGS	05/44	4.039	61	4.054	08/28/2024	-2
MGS	07/48	4.140	4	4.141	08/28/2024	0
MGS	06/50	4.144	34	4.065	08/28/2024	8
MGS	03/53	4.182	54	4.183	08/28/2024	0
GII	10/24	3.087	590	3.070	08/28/2024	2
GII	08/25	3.126	175	3.118	08/27/2024	1
GII	03/26	3.219	25	3.216	08/28/2024	0
GII	09/27	3.386	20	3.377	08/28/2024	1
GII	07/28	3.470	20	3.464	08/28/2024	1
GII	07/29	3.505	40	3.498	08/28/2024	1
GII	09/30	3.658	50	3.653	08/28/2024	0
GII	10/30	3.656	102	3.643	08/28/2024	1
GII	10/31	3.694	172	3.683	08/28/2024	1
GII	10/32	3.788	446	3.781	08/28/2024	1
GII	06/33	3.812	190	3.806	08/28/2024	1
GII	08/33	3.813	150	3.815	08/28/2024	0
GII	07/36	3.887	15	3.892	08/28/2024	0
GII	09/39	3.936	62	3.942	08/28/2024	-1
GII	09/41	4.025	1	4.021	08/28/2024	0
GII	08/43	4.074	143	3.946	08/28/2024	13
GII	11/49	4.161	17	4.155	08/28/2024	1
GII	05/52	4.199	40	4.202	08/28/2024	0
			4762			

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	3.421	20	3.435	28/8/2024	-1	9
Lembaga Pembiayaan Perumahan Sektor Awam	09/36	GG	3.904	20	3.899	22/8/2024	0	14
DanaInfra Nasional Berhad	11/41	GG	4.049	20	4.084	21/3/2024	-3	15
DanaInfra Nasional Berhad	08/42	GG	4.075	40	4.079	13/8/2024	0	3
DanaInfra Nasional Berhad	10/42	GG	4.075	70	4.164	9/5/2024	-9	3
DanaInfra Nasional Berhad	11/42	GG	4.075	15	4.092	22/3/2024	-2	3
Westports Malaysia Sdn Berhad	04/26	AAA	3.654	10	4.085	9/1/2023	-43	41
Pengurusan Air SPV Berhad	06/26	AAA	3.681	5	3.693	20/8/2024	-1	43
Bank Simpanan Nasional Berhad	10/28	AAA	3.857	10	3.907	28/5/2024	-5	44
Pengurusan Air SPV Berhad	01/30	AAA	3.830	10	3.843	1/8/2024	-1	34
TNB Western Energy Berhad	07/30	AAA	4.039	10	4.376	6/5/2024	-34	45
Pengurusan Air SPV Berhad	06/31	AAA	3.850	5	n/a	n/a	385	16
Pelaburan Hartanah Berhad	09/31	AAA	3.910	40	n/a	n/a	391	22
Sarawak Energy Berhad	11/33	AAA	3.888	50	3.849	22/8/2024	4	14
Bank Pembangunan Malaysia Berhad	11/35	AAA	4.009	20	4.006	14/8/2024	0	24
Projek Lebuhraya Usahasama Berhad	01/37	AAA	3.999	17	3.962	6/8/2024	4	23
Tenaga Nasional Berhad	06/37	AAA	4.029	50	4.090	30/7/2024	-6	13
Sarawak Petchem Sdn Berhad	07/37	AAA	4.029	22	4.119	27/6/2024	-9	13
Tenaga Nasional Berhad	06/42	AAA	4.109	10	4.078	6/8/2024	3	6
Pengurusan Air Selangor Sdn Berhad	04/48	AAA	4.190	10	4.399	6/6/2024	-21	14
Pengurusan Air Selangor Sdn Berhad	08/49	AAA	4.189	30	4.201	28/8/2024	-1	14
Kuala Lumpur Kepong Berhad	04/26	AA1	3.639	20	3.686	19/3/2024	-5	39
United Overseas Bank (Malaysia) Berhad	08/30	AA1	3.650	40	3.676	21/8/2024	-3	6
Kuala Lumpur Kepong Berhad	03/37	AA1	4.009	41	4.004	29/7/2024	1	11
YTL Power International Berhad	08/38	AA1	4.169	5	4.189	26/8/2024	-2	27
Press Metal Aluminium Holdings Berhad	10/24	AA2	3.575	10	3.548	27/8/2024	3	42
Imtiaz Sukuk II Berhad	10/28	AA2	3.798	10	3.814	27/8/2024	-2	38
Malayan Cement Berhad (fka Lafarge Malaysia Berhad)	01/26	AA3	3.777	10	3.896	1/7/2024	-12	62
Gamuda Berhad	06/28	AA3	3.817	9	3.922	16/7/2024	-11	40
Malayan Banking Berhad	02/17	AA3	3.994	10	4.004	12/8/2024	-1	-6
Leader Energy Sdn Berhad	07/27	AA-	4.426	2	4.436	26/8/2024	-1	109
LBS Bina Group Berhad	01/29	AA-	4.678	8	4.395	20/8/2024	28	126
UEM Sunrise Berhad	02/31	AA-	3.949	20	3.968	29/7/2024	-2	36
Sunway Treasury Sukuk Sdn Berhad	08/31	AA-	3.968	10	4.000	14/8/2024	-3	28
UEM Sunrise Berhad	02/34	AA-	4.031	60	4.028	28/8/2024	0	29
Alliance Bank Malaysia Berhad	08/31	A1	4.031	7	4.032	12/8/2024	0	34
DRB-Hicom Berhad	08/31	A+	4.699	1	4.900	27/8/2024	-20	101
MCIS Insurance Berhad	12/31	A2	4.062	1	4.059	27/8/2024	0	37
IJM Land Berhad	03/19	A2	4.736	5	4.905	27/5/2024	-17	69
TG Excellence Berhad	02/20	A	4.836	19	4.839	19/8/2024	0	79
Bank Muamalat Malaysia Berhad	07/32	A3	4.339	4	4.660	14/3/2024	-32	62
DRB-Hicom Berhad	12/14	A-	5.047	2	4.930	7/8/2024	12	100
WCT Holdings Berhad	03/19	A-	5.375	1	5.310	6/8/2024	7	133
			778					

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
SkyWorld Capital Berhad	Islamic Medium-Term Notes/Islamic Commercial Papers (IMTN/ICP) Programmes	A/Stable/MARC-1	Affirmed
CIMB Group Holdings Berhad	Corporate Credit Ratings RM6bn Conventional/Islamic Medium-Term Notes Programme (2008/2038) RM10bn Additional Tier-1 Capital Securities Programme (2016/-) RM3bn Conventional CP Programme RM15bn Sukuk Wakalah Programme (2021/-) - Senior Sukuk Wakalah - Tier-2 Subordinated Sukuk Wakalah - Additional Tier-1 Sukuk Wakalah	AA1/Stable/P1 AA1/Stable A1/Stable P1 AA1/Stable AA2/Stable A1/Stable	Affirmed
CIMB Bank Berhad	Financial Institution Ratings Proposed RM10bn Commercial Papers Programme RM10bn Tier-2 Subordinated Debt Programme (2013/2073) RM10bn Additional Tier-1 Capital Securities Programme (2016/-) RM20bn Medium-Term Notes Programme (2017/-) RM15bn Sukuk Wakalah Programme (2021/-) - Senior Sukuk Wakalah - Tier-2 Subordinated Sukuk Wakalah - Additional Tier-1 Sukuk Wakalah	AAA/Stable/P1 P1 AA2/Stable A1/Stable AAA/Stable AAA/Stable AA2/Stable A1/Stable	Affirmed Outlook on Long-Term Ratings and Assigned Rating to Proposed CP Programme
CIMB Islamic Bank Berhad	Financial Institution Ratings Proposed RM10bn Islamic Commercial Papers Programme RM10bn Sukuk Wakalah Programme (2017/-)	AAA/Stable/P1 P1 AAA/Stable	Affirmed Assigned Affirmed
CIMB Investment Bank Berhad	Financial Institution Ratings	AAA/Stable/P1	Affirmed

Source: RAM, MARC

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