

## Global Markets Research

### Fixed Income

## Fixed Income Daily Market Snapshot

### US Treasuries

- US Treasuries were sharply higher in trading on Wednesday, after core CPI for December came in slightly cooler than expected, reinforcing the case for the Fed to continue reducing rates in a gradual manner. Benchmark yields were lower across the curve with the 10yr UST outperforming, leading to a bull flattening of the UST curve. **The benchmark 2Y UST yield was 10bps lower for the day at 4.27% while the benchmark 10Y UST yield fell 14bps to 4.65%.** The focus tonight shifts over to the December retail sales numbers which are due for release, as well as the NAHB Housing Market Index for January and the latest weekly jobless claims.

### MGS/GII

- Local govies were firmer in trading on Wednesday, amidst a more active session, with secondary market volume rising by 48% to RM5.62bn from the RM3.79bn that traded on Tuesday. Overall benchmark yields ended the day lower by between 0 to 2bps (prior: -2 to +4bps), save for the benchmark 30Y MGS which was skewed by some odd-lot trades. **The benchmark 5Y MGS 8/29 yield was 1bp lower for the day at 3.62% while the yield on the benchmark 10Y MGS 7/34 also declined by 1bp to 3.82%.** Trading activity for the day was led by the benchmark 3Y MGS while decent interest was also seen in the benchmark 3Y GII, 7Y MGS and 15Y GII, as well as in the off-the-run MGS 3/25, GII 10/25 and MGS 6/28. The share of GII trading for the day climbed to 46% of overall govies trading from the 42% seen the day before. There are no domestic economic releases for the day ahead.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.27	-10
5-yr UST	4.45	-15
10-yr UST	4.65	-14
30-yr UST	4.88	-10

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.47	-1	3.34	-1
5-yr	3.62	-1	3.63	-1
7-yr	3.80	0	3.78	0
10-yr	3.82	-1	3.84	-1
15-yr	3.96	-2	3.98	-1
20-yr	4.05	0	4.08	0
30-yr	4.10	-11	4.19	0

\* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.58	-1
3-yr	3.53	-2
5-yr	3.59	-2
7-yr	3.66	-1
10-yr	3.76	-2

Source: Bloomberg

### Upcoming Government Bond Tender

Nil

### Corp Bonds/Sukuk

- The corporate bond/sukuk market was mixed in trading on Wednesday in a lighter session, with secondary market volume for the day receding by 15% to RM556m versus the RM653m that changed hands on Tuesday. Trading for the day was led by the GG universe, where DANA 3/44 led the interest, closing at 4.09%, little changed from where it last traded. In the AAA-space, trading was led by AIRSEL 10/36, which settled the day at 4.03%, 1bp lower compared to its last print. In the AA-rated arena, trading was led by UMW 11/25 and RHB 11/28, which closed at 3.65% (-2bps from last print) and 3.87% (+3bps) respectively. Over in the A-rated segment of the market, interest was seen in ABMB 10/30, which settled the day at 3.85%, a whopping 153bps lower from where the bond last changed hands.

## Daily Trades: Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	03/25	3.094	313	3.138	01/14/2025	-4
MGS	09/25	3.206	253	3.214	01/14/2025	-1
MGS	04/26	3.300	53	3.275	01/13/2025	2
MGS	07/26	3.347	2	3.335	01/10/2025	1
MGS	11/26	3.395	72	3.383	01/09/2025	1
MGS	05/27	3.465	980	3.480	01/14/2025	-2
MGS	04/28	3.531	51	3.528	01/13/2025	0
MGS	06/28	3.541	335	3.557	01/14/2025	-2
MGS	04/29	3.616	1	3.591	01/10/2025	2
MGS	08/29	3.617	216	3.630	01/14/2025	-1
MGS	04/30	3.708	12	3.697	01/14/2025	1
MGS	04/31	3.794	1	3.793	01/14/2025	0
MGS	06/31	3.798	4	3.767	01/10/2025	3
MGS	07/32	3.797	351	3.801	01/14/2025	0
MGS	04/33	3.836	11	3.858	01/13/2025	-2
MGS	11/33	3.842	8	3.847	01/14/2025	0
MGS	07/34	3.824	58	3.829	01/14/2025	-1
MGS	05/35	3.842	1	3.882	01/14/2025	-4
MGS	04/37	3.943	32	3.947	01/14/2025	0
MGS	06/38	3.967	21	3.976	01/13/2025	-1
MGS	04/39	3.964	1	3.985	01/14/2025	-2
MGS	05/40	3.984	33	3.976	01/14/2025	1
MGS	10/42	4.051	201	4.037	01/10/2025	1
MGS	06/50	4.155	6	4.155	01/14/2025	0
MGS	03/53	4.102	1	4.217	01/14/2025	-11
GII	08/25	3.228	276	3.253	01/13/2025	-2
GII	10/25	3.242	315	3.253	01/09/2025	-1
GII	03/26	3.303	160	3.322	01/13/2025	-2
GII	09/26	3.336	363	3.349	01/14/2025	-1
GII	07/27	3.438	10	3.456	01/14/2025	-2
GII	09/27	3.475	26	3.472	01/14/2025	0
GII	07/28	3.547	210	3.531	01/10/2025	2
GII	10/28	3.596	2	3.575	01/14/2025	2
GII	07/29	3.630	150	3.642	01/14/2025	-1
GII	09/30	3.722	193	3.724	01/14/2025	0
GII	10/30	3.737	80	3.707	01/02/2025	3
GII	10/31	3.783	80	3.780	01/14/2025	0
GII	10/32	3.818	120	3.838	01/14/2025	-2
GII	06/33	3.833	10	3.826	01/09/2025	1
GII	11/34	3.839	50	3.846	01/14/2025	-1
GII	07/36	3.971	41	3.929	01/14/2025	4
GII	08/37	3.936	40	3.941	01/14/2025	0
GII	03/38	3.970	92	3.947	01/14/2025	2
GII	09/39	3.977	8	3.986	01/14/2025	-1
GII	07/40	3.959	290	3.947	01/14/2025	1
GII	09/41	4.015	21	4.009	01/14/2025	1
GII	08/43	4.077	4	4.081	01/14/2025	0
GII	05/52	4.195	60	4.194	01/14/2025	0
			<u>5615</u>			

## 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	11/29	GG	3.729	20	3.738	11/11/2024	-1	10
DanaInfra Nasional Berhad	02/33	GG	3.876	10	3.788	1/8/2024	9	6
DanaInfra Nasional Berhad	03/34	GG	3.889	20	3.911	10/1/2025	-2	6
Prasarana Malaysia Berhad	06/34	GG	3.898	20	3.907	10/1/2025	-1	7
DanaInfra Nasional Berhad	05/36	GG	3.919	10	3.931	14/1/2025	-1	9
Perbadanan Tabung Pendidikan Tinggi Nasio	03/39	GG	3.999	40	4.041	11/12/2024	-4	3
DanaInfra Nasional Berhad	03/44	GG	4.093	65	4.098	10/1/2025	0	3
Lembaga Pembiayaan Perumahan Sektor Aw	09/46	GG	4.129	10	4.195	28/6/2024	-7	7
DanaInfra Nasional Berhad	07/49	GG	4.159	20	4.199	18/7/2024	-4	10
DanaInfra Nasional Berhad	02/51	GG	4.183	40	4.189	13/1/2025	-1	12
Projek Lebuhraya Usahasama Berhad	01/30	AAA	3.922	5	3.887	17/7/2024	4	30
Projek Lebuhraya Usahasama Berhad	01/31	AAA	3.962	40	3.952	30/12/2024	1	24
Amanat Lebuhraya Rakyat Berhad	10/31	AAA	3.998	1	3.979	8/1/2025	2	20
Sarawak Energy Berhad	11/33	AAA	3.948	10	3.938	2/1/2025	1	12
Sarawak Energy Berhad	04/36	AAA	4.029	10	4.049	4/12/2024	-2	20
Pengurusan Air Selangor Sdn Berhad	10/36	AAA	4.033	50	4.039	13/1/2025	-1	20
Pengurusan Air Selangor Sdn Berhad	04/38	AAA	4.068	40	3.978	12/9/2024	9	10
RHB Bank Berhad	11/28	AA1	3.872	50	3.846	9/12/2024	3	31
United Overseas Bank (Malaysia) Berhad	10/32	AA1	3.948	1	4.521	10/1/2025	-57	13
UMW Holdings Berhad	11/25	AA+	3.646	50	3.662	13/1/2025	-2	37
Imtiaz Sukuk II Berhad	10/31	AA2	3.989	10	4.001	13/1/2025	-1	19
Dialog Group Berhad	01/32	AA2	4.169	1	4.118	12/6/2024	5	37
Gamuda Berhad	03/31	AA3	4.018	1	4.047	21/11/2024	-3	30
Gamuda Berhad	06/33	AA3	4.084	20	4.108	13/1/2025	-2	27
UMW Holdings Berhad	04/18	AA-	4.218	2	4.151	14/1/2025	7	16
JB Cocoa Sdn Berhad	11/27	A+	5.122	1	5.123	10/1/2025	0	165
Alliance Bank Malaysia Berhad	10/30	A2	3.846	5	5.375	10/12/2024	-153	13
Tan Chong Motor Holdings Berhad	06/26	A	6.091	3	5.609	9/1/2025	48	281
Affin Islamic Bank Berhad	10/18	A3	4.510	2	4.426	7/1/2025	8	45
				<u>556</u>				

\* 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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