

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries were firmer in trading on Thursday, amidst mixed retail sales numbers for December, and comments from Fed Governor Waller that the Fed could lower interest rates again in the first half of 2025 if inflation data continues to be favorable, adding that he would not rule out a cut in March. Benchmark yields were lower across the curve. **The benchmark 2Y UST yield was 3bps lower for the day at 4.23% while the benchmark 10Y UST yield fell by 4bps to 4.61%.** Tonight sees the release of US industrial production, housing starts and building permits data for December, as we enter the pre-FOMC blackout period this weekend.

MGS/GII

- Local govies were little changed in trading on Thursday in a lighter trading session, with secondary market volume falling by 39% to RM3.45bn from the RM5.62bn that changed hands on Wednesday. Overall benchmark yields ended the day mixed by between -1 to +2bps (prior: lower by 0 to 2bps) except for the 30Y MGS. **The benchmark 5Y MGS 8/29 yield was 1bp lower for the day at 3.61% while the yield on the benchmark 10Y MGS 7/34 was little changed at 3.82%.** Trading activity for the day was led by the benchmark 15Y MGS while decent interest was also seen in the benchmark 3Y MGS/GII, as well as in the off-the-run MGS 3/25, MGS 9/25, GII 10/25 and MGS 11/27. The share of GII trading for the day inched lower to 43% of overall govies trading from the 46% seen the day before. The advanced readings for 4Q and 2024 GDP will be released at noon, and we will also likely get the announcement of the GII 7/28 reopening, where we expect RM4bn to be auctioned.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.23	-3
5-yr UST	4.40	-5
10-yr UST	4.61	-4
30-yr UST	4.86	-2

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.45	-1	3.34	0
5-yr	3.61	-1	3.62	-1
7-yr	3.79	0	3.77	-1
10-yr	3.82	0	3.84	0
15-yr	3.98	2	3.97	-1
20-yr	4.06	1	4.08	0
30-yr	4.18	7	4.18	-1

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.58	0
3-yr	3.53	0
5-yr	3.60	2
7-yr	3.67	1
10-yr	3.77	1

Source: Bloomberg

Upcoming Government Bond Tender

Nil

Corp Bonds/Sukuk

- The corporate bond/sukuk market was better bid in trading on Wednesday, with secondary market volume for the day inching lower by 3% to RM539m versus the RM556m that traded on Wednesday. Trading for the day was led by the AA-rated segment of the market. In the GG universe, decent interest was seen in DANA 11/35 and DANA 10/54, closing at 3.90% (-11bps from last print) and 4.22% (-2bps) respectively. In the AAA-space, trading was led by SEB 7/33, which settled the day at 3.95%, little changed versus where it last printed. In the AA-rated arena, trading was led by PONSB 6/29, which closed at 3.65% (-1bps) while over in the A-rated segment of the market, interest was led by MNRB 3/34, which settled the day at 4.10% (unchanged).

Daily Trades: Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	03/25	3.070	233	3.094	01/15/2025	-2
MGS	09/25	3.198	249	3.206	01/15/2025	-1
MGS	05/27	3.453	198	3.465	01/15/2025	-1
MGS	11/27	3.464	212	3.480	01/15/2025	-2
MGS	04/28	3.518	70	3.531	01/15/2025	-1
MGS	06/28	3.543	21	3.541	01/15/2025	0
MGS	08/29	3.609	71	3.617	01/15/2025	-1
MGS	04/30	3.679	20	3.708	01/15/2025	-3
MGS	04/31	3.781	60	3.794	01/15/2025	-1
MGS	06/31	3.802	5	3.798	01/15/2025	0
MGS	07/32	3.794	181	3.797	01/15/2025	0
MGS	07/34	3.822	101	3.824	01/15/2025	0
MGS	05/35	3.847	18	3.842	01/15/2025	0
MGS	04/37	3.938	1	3.943	01/15/2025	0
MGS	06/38	3.966	50	3.967	01/15/2025	0
MGS	04/39	3.979	320	3.964	01/15/2025	2
MGS	05/40	3.994	67	3.984	01/15/2025	1
MGS	10/42	4.047	23	4.051	01/15/2025	0
MGS	05/44	4.056	20	4.050	01/14/2025	1
MGS	06/50	4.122	2	4.155	01/15/2025	-3
MGS	03/53	4.176	46	4.102	01/15/2025	7
GII	08/25	3.224	20	3.228	01/15/2025	0
GII	10/25	3.242	200	3.242	01/15/2025	0
GII	03/26	3.292	50	3.303	01/15/2025	-1
GII	09/26	3.335	280	3.336	01/15/2025	0
GII	07/27	3.438	10	3.438	01/15/2025	0
GII	07/28	3.535	26	3.547	01/15/2025	-1
GII	07/29	3.622	160	3.630	01/15/2025	-1
GII	09/30	3.725	50	3.722	01/15/2025	0
GII	10/31	3.774	100	3.783	01/15/2025	-1
GII	10/32	3.815	185	3.818	01/15/2025	0
GII	08/33	3.846	5	3.849	01/13/2025	0
GII	11/34	3.836	70	3.839	01/15/2025	0
GII	10/35	3.843	60	3.844	01/10/2025	0
GII	07/36	3.915	40	3.971	01/15/2025	-6
GII	08/37	3.933	20	3.936	01/15/2025	0
GII	03/38	3.939	82	3.970	01/15/2025	-3
GII	09/39	3.971	40	3.977	01/15/2025	-1
GII	07/40	3.952	10	3.959	01/15/2025	-1
GII	09/41	4.011	19	4.015	01/15/2025	0
GII	08/43	4.082	50	4.077	01/15/2025	0
GII	03/54	4.178	1	4.187	01/14/2025	-1
			3447			

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	11/28	GG	3.665	10	3.702	7/1/2025	-4	11
Perbadanan Tabung Pendidikan Tinggi Nasio	03/29	GG	3.743	5	3.671	25/10/2024	7	19
Lembaga Pembiayaan Perumahan Sektor Aw	08/29	GG	3.720	20	3.797	18/12/2024	-8	10
DanaInfra Nasional Berhad	11/29	GG	3.698	30	3.729	15/1/2025	-3	8
DanaInfra Nasional Berhad	03/34	GG	3.878	30	3.889	15/1/2025	-1	6
DanaInfra Nasional Berhad	07/34	GG	3.879	5	3.949	17/12/2024	-7	5
DanaInfra Nasional Berhad	11/35	GG	3.899	30	4.013	15/11/2024	-11	7
DanaInfra Nasional Berhad	02/36	GG	3.911	10	4.159	29/9/2023	-25	9
Malaysia Rail Link Sdn Berhad	03/40	GG	4.029	10	3.999	14/8/2024	3	6
DanaInfra Nasional Berhad	10/54	GG	4.215	30	4.239	13/1/2025	-2	16
Bank Simpanan Nasional Berhad	10/26	AAA	3.728	10	3.767	17/7/2024	-4	36
Infracap Resources Sdn Berhad	04/28	AAA	3.859	10	3.803	22/10/2024	6	40
Pengurusan Air SPV Berhad	02/29	AAA	3.877	10	3.846	10/12/2024	3	32
Petroleum Sarawak Exploration & Production	05/29	AAA	3.901	5	3.928	11/11/2024	-3	34
Projek Lebuhraya Usahasama Berhad	01/30	AAA	3.918	10	3.922	15/1/2025	0	30
Malaysia Airport Holdings Berhad	11/31	AAA	3.908	10	3.916	24/12/2024	-1	12
Sarawak Energy Berhad	12/32	AAA	3.939	15	3.909	22/10/2024	3	13
Sarawak Energy Berhad	07/33	AAA	3.946	30	3.949	10/12/2024	0	14
CIMB Islamic Bank Berhad	03/34	AAA	3.959	20	3.980	13/1/2025	-2	14
Tenaga Nasional Berhad	08/40	AAA	4.054	20	4.080	9/1/2025	-3	9
Genting RMTN Berhad	03/27	AA1	4.800	1	4.825	24/12/2024	-3	144
RHB Bank Berhad	11/28	AA1	3.875	30	3.872	15/1/2025	0	32
UEM Olive Capital Berhad	10/31	AA1	3.969	5	3.979	27/12/2024	-1	18
Kuala Lumpur Kepong Berhad	09/34	AA1	4.059	20	4.084	7/1/2025	-2	23
RHB Bank Berhad	10/34	AA1	4.067	10	n/a	n/a	407	24
YTL Power International Berhad	10/39	AA1	4.158	10	4.170	14/1/2025	-1	19
PONSB Capital Berhad	06/29	AA2	3.956	50	3.967	13/1/2025	-1	40
Sunway Healthcare Treasury Sdn Berhad	04/29	AA	3.888	10	3.861	23/10/2024	3	33
BGSM Management Sdn Berhad	03/26	AA3	3.759	10	3.797	19/11/2024	-4	48
IJM Treasury Management Sdn Berhad	03/39	AA3	4.150	20	4.159	9/1/2025	-1	19
UEM Sunrise Berhad	02/26	AA-	3.768	10	3.812	3/1/2025	-4	49
UEM Sunrise Berhad	05/26	AA-	3.789	20	3.803	14/1/2025	-1	51
MNRB Holdings Berhad	03/34	A1	4.095	20	4.100	8/1/2024	0	28
Hong Leong Bank Berhad	11/17	A1	3.753	1	4.540	8/1/2025	-79	-30
JB Cocoa Sdn Berhad	03/27	A+	4.666	1	4.692	30/12/2024	-3	130
Tan Chong Motor Holdings Berhad	03/27	A	6.000	2	6.036	20/12/2024	-4	264
Affin Bank Berhad	06/18	A3	4.647	1	4.900	8/1/2025	-25	59
				539				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Nil			

Source: RAM, MARC

Hong Leong Bank Berhad

Fixed Income & Economic Research, Global Markets

Level 8, Hong Leong Tower

6, Jalan Damanlela

Bukit Damansara

50490 Kuala Lumpur

Tel: 603-2081 1221

Fax: 603-2081 8936

Email: HLMarkets@hlbb.hongleong.com.my**DISCLAIMER**

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