

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries were firmer in trading on Tuesday, amidst falling equity and oil prices, and a weaker than expected Empire Manufacturing print for October, which cast doubts on whether or not the economic momentum carried on into 4Q. Benchmark yields closed lower by between 1 to 9 bps for the day, as the UST yield curve bull flattened. **The benchmark 2yr UST yield was 1bp lower for the session at 3.95%, while the benchmark 10yr UST yield was 7bps lower for the day at 4.03%.** Tonight sees the release of import and export price indices for September, ahead of the key US monthly retail sales report which is due on Thursday.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	3.95	-1
5-yr UST	3.86	-5
10-yr UST	4.03	-7
30-yr UST	4.32	-9

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.42	0	3.35	-1
5-yr	3.55	-1	3.56	0
7-yr	3.75	0	3.76	0
10-yr	3.80	0	3.84	1
15-yr	3.93	-1	3.94	0
20-yr	4.08	0	4.09	0
30-yr	4.09	0	4.22	14

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.54	0
3-yr	3.49	0
5-yr	3.53	0
7-yr	3.62	0
10-yr	3.72	0

Source : Bloomberg

Upcoming Government Bond Tender

Nil

MGS/GII

- Local govovies were little changed in trading on Tuesday in a light session, ahead of this Friday's key economic releases and the federal government budget announcement. Secondary market volume for the day declined by 19% to RM2.15bn compared to the RM2.66bn that changed hands on Monday. Benchmark yields closed mixed between -1 and +1 bp for the day, except for the 30Y GII which corrected from an off-market trade the day before. **The benchmark 5Y MGS 8/29 saw its yield 1bps lower for the day to 3.55% while the yield on the benchmark 10Y MGS 7/34 was little changed for the session at 3.80%.** Trading interest was led by the off-the-run MGS 3/25, while interest was also seen in the off-the-run MGS 9/25 and MGS 11/26, as well as in the benchmark 5Y MGS, 7Y MGS/GII and 10Y MGS/GII. Trading in GIIs as a proportion of total govovies trading fell to 30% versus the 52% share seen the previous session. There are no economic data releases for the day ahead.

Corp Bonds/Sukuk

- The corporate bond/sukuk market was better bid in trading on Tuesday as activity picked up, with secondary market volume surging more than five-fold to RM684m versus the RM120m that traded on Monday. Trading for the day was led by the GG segment of the market, where activity led by DANA 10/41 and DANA 11/41, which both closed the day at 4.06%, lower by 12bps and higher by 1bp versus their last prints respectively. Over in AAA space, interest was led by CIMBI 3/34, which settled the day at 4.03%, 3bps higher versus where the bond last traded. Meanwhile in the AA-rated territory, activity was led by recently issued IMTIAZ 10/29, which closed at 3.85% in a secondary market debut for the paper. In the A-rated territory, trading was led by BIMB 4.58% Perps, which settled the day last at 4.30%, lower by 5bps versus where the bond last traded.

Daily Trades: Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	03/25	3.182	261	3.170	10/14/2024	1
MGS	09/25	3.277	104	3.251	10/14/2024	3
MGS	04/26	3.353	62	3.290	10/11/2024	6
MGS	07/26	3.333	81	3.345	10/14/2024	-1
MGS	11/26	3.354	261	3.325	10/11/2024	3
MGS	05/27	3.420	54	3.425	10/11/2024	0
MGS	11/27	3.450	52	3.454	10/14/2024	0
MGS	04/28	3.501	20	3.482	10/14/2024	2
MGS	06/28	3.541	61	3.493	10/11/2024	5
MGS	04/29	3.530	13	3.537	10/11/2024	-1
MGS	08/29	3.549	91	3.555	10/14/2024	-1
MGS	04/30	3.648	31	3.638	10/11/2024	1
MGS	04/31	3.751	184	3.751	10/14/2024	0
MGS	06/31	3.768	40	3.772	10/11/2024	0
MGS	07/32	3.784	17	3.769	10/11/2024	1
MGS	04/33	3.830	1	3.826	10/14/2024	0
MGS	11/33	3.825	20	3.832	10/14/2024	-1
MGS	07/34	3.803	122	3.806	10/14/2024	0
MGS	05/35	3.855	2	3.851	10/11/2024	0
MGS	04/37	3.921	2	3.938	10/14/2024	-2
MGS	06/38	3.956	20	3.952	10/14/2024	0
MGS	04/39	3.927	1	3.936	10/14/2024	-1
MGS	05/40	4.004	1	4.000	10/14/2024	0
MGS	06/50	4.125	2	4.027	10/14/2024	10
GII	08/25	3.236	15	3.254	10/10/2024	-2
GII	10/25	3.271	10	3.270	10/14/2024	0
GII	09/26	3.352	80	3.357	10/14/2024	-1
GII	09/27	3.411	36	3.411	10/14/2024	0
GII	07/28	3.485	12	3.485	10/11/2024	0
GII	09/30	3.670	10	3.674	10/11/2024	0
GII	10/30	3.662	37	3.662	10/11/2024	0
GII	10/31	3.763	144	3.766	10/14/2024	0
GII	11/34	3.843	247	3.837	10/14/2024	1
GII	07/36	3.907	3	3.904	10/14/2024	0
GII	08/43	4.088	33	4.088	10/14/2024	0
GII	03/54	4.217	20	4.075	10/14/2024	14
			2147			

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	10/41	GG	4.060	200	4.175	26/4/2024	-12	12
DanaInfra Nasional Berhad	11/41	GG	4.059	200	4.049	29/8/2024	1	12
Toyota Capital Malaysia Sdn Berhad	07/25	AAA	3.642	10	3.773	2/4/2024	-13	42
Mercedes-Benz Services Malaysia Sdn Berhad	08/26	AAA	3.685	15	3.748	1/10/2024	-6	37
Bank Pembangunan Malaysia Berhad	11/26	AAA	3.728	10	3.701	23/8/2024	3	41
Pengurusan Air SPV Berhad	06/28	AAA	3.798	10	3.819	9/9/2024	-2	31
Projek Lebuhraya Usahasama Berhad	01/31	AAA	3.813	10	3.831	9/10/2024	-2	17
CIMB Islamic Bank Berhad	03/34	AAA	4.028	30	3.997	8/10/2024	3	24
GENM Capital Berhad	03/27	AA1	4.375	1	4.377	11/10/2024	0	106
YTL Power International Berhad	10/31	AA1	3.999	15	n/a	n/a	400	25
YTL Power International Berhad	10/39	AA1	4.239	15	n/a	n/a	424	30
Press Metal Aluminium Holdings Berhad	08/25	AA2	3.711	10	3.701	7/10/2024	1	49
Imtiaz II Sukuk Berhad	10/29	AA2	3.850	50	n/a	n/a	385	29
Imtiaz II Sukuk Berhad	10/31	AA2	4.000	5	n/a	n/a	400	25
CIMB Group Holdings Berhad	09/36	AA2	4.051	1	4.090	10/10/2024	-4	25
Fortune Premiere Sdn Berhad	09/25	AA	3.812	20	3.936	2/7/2024	-12	59
Pelabuhan Tanjung Pelepas Sdn Berhad	04/26	AA	3.692	10	3.733	14/8/2024	-4	38
BGSM Management Sdn Berhad	08/25	AA3	3.734	20	3.791	9/8/2024	-6	51
Affin Islamic Bank Berhad	12/25	AA3	3.759	20	3.875	4/7/2024	-12	54
DRB-Hicom Berhad	08/25	AA-	3.784	10	3.798	9/10/2024	-1	56
DRB-Hicom Berhad	08/31	AA-	4.200	1	4.115	1/10/2024	9	45
Tropicana Corporation Berhad	10/25	A	6.721	1	5.294	8/10/2024	143	350
TG Excellence Berhad	02/20	A	4.821	1	6.027	10/10/2024	-121	74
Bank Islam Malaysia Berhad	10/23	A3	4.295	20	4.345	8/10/2024	-5	22
				684				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Kimanis Power Sdn Bhd	RM1.16bn Sukuk Programme	AA	Withdrawn
Guan Chong Berhad	RM800m Sukuk Wakalah Programme	AA-/Negative	Affirmed
Poseidon ABS Berhad	RM350m Second Tranche Senior Class Medium-Term Notes	AA2/Stable	Assigned

Source: RAM, MARC

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