

## Global Markets Research

### Fixed Income

## Fixed Income Daily Market Snapshot

### US Treasuries

- US Treasuries traded higher on Thursday, amidst the Fed delivering the anticipated 25bps reduction in the Fed Funds Rate. Expectations for a further 25bps reduction in December remained steady with a 71% chance priced (prior day: 72%) after Fed Chair Powell mentioned that the US presidential election would have no effects in the Fed's policy in the near-term, noting that it was too early to judge the timing or substance of any potential fiscal policy changes. Benchmark yields closed lower between 5 to 8bps for the day with the curve bull flattening slightly. **The benchmark 2Y UST note yield fell 5bps to 4.21% while the benchmark 10Y UST bond yield declined by 8bps to 4.35%.** Tonight sees the release of the preliminary Consumer sentiment index for November from the University of Michigan.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.21	-5
5-yr UST	4.19	-8
10-yr UST	4.35	-8
30-yr UST	4.56	-6

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.54	-2	3.47	-1
5-yr	3.65	-4	3.65	-2
7-yr	3.86	-1	3.88	-3
10-yr	3.92	-1	3.91	-2
15-yr	4.03	1	4.02	0
20-yr	4.13	-2	4.21	4
30-yr	4.22	0	4.12	0

\* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.58	-2
3-yr	3.53	-2
5-yr	3.59	-2
7-yr	3.70	-2
10-yr	3.79	-2

Source : Bloomberg

### Upcoming Government Bond Tender

Reopening auction of RM3bn of the benchmark 15Y MGS 4/39 on Monday 11 Nov (with an additional RM2bn to be privately placed)

### MGS/GII

- Local govies were mostly firmer in trading on Thursday in a lighter session, amidst the announcement of more government bond supply with RM3bn of the benchmark 15Y MGS set to be auctioned on Monday in a reopening. Secondary market volume receded by 20% to RM2.50bn versus the RM3.11bn that traded on Wednesday. Overall benchmark yields closed mixed between -4 to +4bps (prior: -4 to +4bps). **The benchmark 5Y MGS 8/29 yield fell by 4bps for the day to 3.65% while the yield on the benchmark 10Y MGS 7/34 declined by 1bp to 3.92%.** GII trades accounted for 43% of overall volume transacted for the day, an increase from the 24% share seen the day before. Trading for the day was led by the off-the-run GII 10/25, while interest was also seen in the off-the-run MGS 3/25, MGS 9/25, MGS 6/31 and MGS 11/33, as well as in the benchmark 5Y MGS and 7Y MGS/GII. The day ahead sees the release of industrial production numbers for September, which will provide more clarity on how the economy was faring domestically to close out 3Q.

### Corp Bonds/Sukuk

- The corporate bond/sukuk market was better offered for the day amidst continued light activity overall. Secondary market volume rose by 42% to RM239m from the RM168m that changed hands on Wednesday. Activity for the day was led by the AAA and AA-rated segments of the market. In the GG universe, activity was led PTPTN 10/28 which closed the day at 3.75%, 8bps higher versus where the bond last traded. In AAA space, trading was led by DANUM 2/34, which settled at 4.06% at day end, higher by 1bp compared to its last print. In the AA-rated segment, activity was led by BGSM 8/25, which closed for the day at 3.72%, 1bp lower compared to where it 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	3.172	151	3.178	11/06/2024	-1
MGS	09/25	3.306	165	3.344	11/06/2024	-4
MGS	04/26	3.299	4	3.393	11/05/2024	-9
MGS	07/26	3.461	101	3.442	11/05/2024	2
MGS	11/26	3.489	3	3.478	11/06/2024	1
MGS	05/27	3.539	41	3.563	11/06/2024	-2
MGS	11/27	3.563	16	3.586	11/06/2024	-2
MGS	06/28	3.642	48	3.634	11/06/2024	1
MGS	04/29	3.648	90	3.672	11/06/2024	-2
MGS	08/29	3.646	224	3.684	11/06/2024	-4
MGS	04/31	3.864	146	3.871	11/06/2024	-1
MGS	06/31	3.887	120	3.898	11/06/2024	-1
MGS	04/33	3.977	11	3.977	11/06/2024	0
MGS	11/33	3.930	154	3.964	11/06/2024	-3
MGS	07/34	3.915	31	3.925	11/06/2024	-1
MGS	04/37	4.022	2	4.044	11/06/2024	-2
MGS	06/38	4.044	2	4.044	11/06/2024	0
MGS	04/39	4.026	22	4.017	11/06/2024	1
MGS	05/40	4.081	2	4.018	11/06/2024	6
MGS	10/42	4.132	23	4.079	11/06/2024	5
MGS	05/44	4.128	62	4.150	11/06/2024	-2
MGS	07/48	4.214	1	4.209	11/06/2024	1
MGS	06/50	4.213	5	4.154	11/06/2024	6
MGS	03/53	4.220	12	4.220	11/06/2024	0
GII	10/25	3.335	290	3.374	11/06/2024	-4
GII	09/26	3.466	91	3.474	11/06/2024	-1
GII	09/27	3.550	6	3.546	11/04/2024	0
GII	07/28	3.612	80	3.620	11/05/2024	-1
GII	10/28	3.611	30	3.628	11/01/2024	-2
GII	07/29	3.648	23	3.671	11/06/2024	-2
GII	09/30	3.747	110	3.749	11/01/2024	0
GII	10/30	3.737	2	3.768	11/04/2024	-3
GII	10/31	3.875	156	3.903	11/06/2024	-3
GII	10/32	3.924	29	3.897	11/05/2024	3
GII	08/33	3.898	50	3.899	11/05/2024	0
GII	11/34	3.913	58	3.931	11/06/2024	-2
GII	07/36	3.993	2	3.999	11/01/2024	-1
GII	03/38	4.038	40	4.020	11/05/2024	2
GII	08/43	4.150	82	4.168	11/06/2024	-2
GII	11/49	4.218	22	4.236	11/06/2024	-2
			2503			

## 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*
Perbadanan Tabung Pendidikan Tinggi Nasional	10/28	GG	3.751	10	3.667	1/4/2024	8	13
DanaInfra Nasional Berhad	04/37	GG	4.070	5	3.901	2/10/2024	17	15
DanaInfra Nasional Berhad	07/44	GG	4.200	5	4.125	17/10/2024	8	6
Cagamas Berhad	11/24	AAA	3.280	5	3.326	10/9/2024	-5	-5
Cagamas Berhad	01/25	AAA	3.324	5	3.514	22/7/2024	-19	0
Danga Capital Berhad	01/28	AAA	3.853	5	3.783	21/10/2024	7	31
UniTapah Sdn Berhad	06/29	AAA	4.097	10	3.929	3/9/2024	17	44
Amanat Lebuhraya Rakyat Berhad	10/29	AAA	4.000	7	3.842	21/10/2024	16	34
Danum Capital Berhad	05/30	AAA	3.982	10	3.923	4/11/2024	6	22
Sarawak Energy Berhad	07/30	AAA	4.001	5	3.932	24/10/2024	7	24
Amanat Lebuhraya Rakyat Berhad	10/30	AAA	4.016	10	4.021	6/11/2024	0	25
Danga Capital Berhad	01/33	AAA	4.028	5	4.059	5/11/2024	-3	12
Amanat Lebuhraya Rakyat Berhad	10/33	AAA	4.138	10	4.010	28/10/2024	13	21
Danum Capital Berhad	02/34	AAA	4.059	35	4.045	4/11/2024	1	13
CIMB Group Holdings Berhad	04/25	AA1	3.568	15	4.562	16/4/2024	-99	24
TRIpIc Medical Sdn Berhad	10/26	AA1	3.949	10	4.039	18/12/2023	-9	49
Public Bank Berhad	04/32	AA1	4.819	1	3.817	18/9/2024	100	94
Malayan Banking Berhad	01/34	AA1	4.060	10	3.651	5/11/2024	41	14
YTL Power International Berhad	08/35	AA1	4.168	10	4.064	26/9/2024	10	24
YTL Power International Berhad	08/38	AA1	4.268	10	4.159	2/9/2024	11	23
Johor Plantations Group Berhad	09/39	AA1	4.219	5	4.168	17/10/2024	5	19
BGSM Management Sdn Berhad	08/25	AA3	3.721	35	3.734	15/10/2024	-1	40
Gamuda Berhad	06/28	AA3	3.932	10	3.848	16/10/2024	8	31
IJM Treasury Management Sdn Berhad	03/39	AA3	4.260	5	4.239	30/10/2024	2	23
TG Excellence Berhad	02/20	A	6.341	1	7.027	23/10/2024	-69	220
				239				

\* 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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