

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries were mixed in trading on Tuesday, reversing earlier losses ahead of the US election results, after equity markets soared on optimism that the US economy would continue to be strong no matter who prevails, amidst an improvement in the ISM services index in October. The curve flattened with yields closing mixed between -3 to +2bps for the day, with a decent auction of USD42bn on 10Y USTs giving a bid to the long end. **The benchmark 2Y UST note yield rose 2bps to 4.19% while the benchmark 10Y UST bond yield declined by 1bp to 4.27%.** It will be quiet on the economic data front tonight, and the focus of the markets will be on the results of the US elections as they trickle in during the Asian session. Treasury refunding for the week also concludes tonight with the sale of USD25bn on 30Y USTs.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.19	2
5-yr UST	4.15	0
10-yr UST	4.27	-1
30-yr UST	4.44	-3

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.53	-2	3.44	-1
5-yr	3.66	-3	3.66	0
7-yr	3.84	-5	3.87	-2
10-yr	3.90	-3	3.91	-3
15-yr	4.01	0	4.06	0
20-yr	4.12	0	4.15	0
30-yr	4.22	1	4.14	-7

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.57	0
3-yr	3.51	-1
5-yr	3.56	0
7-yr	3.66	-1
10-yr	3.76	-1

Source : Bloomberg

Upcoming Government Bond Tender

Nil

MGS/GII

- Local govies were firmer in trading on Tuesday in a more active session, taking cue from the overnight rally in US Treasuries. Secondary market volume rose by 51% to RM2.83bn versus the RM1.87bn that traded on Monday. Overall benchmark yields closed mixed between -7 to +1bps (prior: -2 to +5bps). **The benchmark 5Y MGS 8/29 yield fell by 3bps for the day to 3.66% while the yield on the benchmark 10Y MGS 7/34 also declined by 3bps to 3.90%.** GII trades accounted for 25% (prior: 9%) of overall volume transacted on Tuesday. Trading for the day was led by the benchmark 5Y MGS, while interest was also seen in the benchmark 3Y MGS, 7Y MGS/GII and 10Y GII, as well as in the off-the-run MGS 3/25, MGS 9/25 and MGS 11/33. The day ahead sees the decision by the BNM MPC, where we expect rates to remain unchanged and for the central bank to continue to strike a neutral tone in the policy statement.

Corp Bonds/Sukuk

- Trading activity in the corporate bond/sukuk market gained steam on Tuesday amidst an offered tone for the day, with secondary market volume surging to RM789m from the RM104m that changed hands on Monday. Activity for the day was led by the AA-rated segment of the market. In the GG universe, interest was seen in PRASA 8/29 and DANA 11/29, with both bonds closing the day at 3.76%, lower by 4bps and higher by 6bps respectively versus where they last traded. In the AAA-rated space, activity was led by DANUM 8/34, which settled the day at 4.08%, 14bps higher compared to where the bond last traded. In the AA-rated segment of the market, trading was led by MMC 11/29, which closed at 4.04%, 8bps higher versus its last print. Activity was also seen in PTPSB 8/27, which settled the day at 3.79%, 10bps lower versus its previously traded level.

Daily Trades: Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	03/25	3.129	230	3.178	11/04/2024	-5
MGS	09/25	3.316	224	3.318	11/04/2024	0
MGS	04/26	3.393	35	3.393	11/04/2024	0
MGS	07/26	3.442	81	3.401	11/04/2024	4
MGS	05/27	3.526	152	3.549	11/04/2024	-2
MGS	11/27	3.561	101	3.565	11/04/2024	0
MGS	04/28	3.613	3	3.627	11/04/2024	-1
MGS	06/28	3.628	40	3.643	11/04/2024	-1
MGS	08/29	3.656	297	3.691	11/04/2024	-3
MGS	04/30	3.727	55	3.750	11/04/2024	-2
MGS	04/31	3.839	258	3.893	11/04/2024	-5
MGS	06/31	3.868	120	3.904	11/04/2024	-4
MGS	07/32	3.893	18	3.923	11/04/2024	-3
MGS	04/33	3.942	54	3.960	11/01/2024	-2
MGS	11/33	3.970	191	3.978	11/04/2024	-1
MGS	07/34	3.903	108	3.934	11/04/2024	-3
MGS	05/35	3.956	2	3.996	11/04/2024	-4
MGS	04/37	4.014	61	4.039	11/04/2024	-2
MGS	10/42	4.109	1	4.116	11/04/2024	-1
MGS	05/44	4.124	51	4.127	11/04/2024	0
MGS	03/46	4.183	2	4.194	11/04/2024	-1
MGS	06/50	4.199	25	4.093	11/04/2024	11
MGS	03/53	4.217	2	4.208	11/04/2024	1
GII	03/26	3.391	32	3.429	11/04/2024	-4
GII	09/26	3.439	25	3.448	11/04/2024	-1
GII	07/29	3.659	10	3.660	11/04/2024	0
GII	10/31	3.870	201	3.887	11/04/2024	-2
GII	10/32	3.897	100	3.948	11/04/2024	-5
GII	08/33	3.899	130	3.958	11/04/2024	-6
GII	11/34	3.913	162	3.943	11/04/2024	-3
GII	10/35	3.992	60	4.004	10/30/2024	-1
GII	03/38	4.020	1	3.992	11/01/2024	3
GII	03/54	4.144	1	4.214	11/04/2024	-7
			2832			

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*
Prasarana Malaysia Berhad	03/28	GG	3.679	30	3.527	16/10/2024	15	14
Bakun Hydro Power Generation Sdn Berhad (fka S	08/28	GG	3.723	10	3.731	12/6/2024	-1	11
Prasarana Malaysia Berhad	07/29	GG	3.754	5	3.605	2/8/2024	15	8
Prasarana Malaysia Berhad	08/29	GG	3.763	30	3.802	13/5/2024	-4	9
DanaInfra Nasional Berhad	08/29	GG	3.757	10	3.550	19/9/2024	21	8
DanaInfra Nasional Berhad	10/29	GG	3.756	20	3.798	10/5/2024	-4	8
DanaInfra Nasional Berhad	11/29	GG	3.762	30	3.697	25/6/2024	6	9
DanaInfra Nasional Berhad	11/29	GG	3.756	10	3.907	11/7/2023	-15	8
Prasarana Malaysia Berhad	08/36	GG	4.040	10	3.899	23/8/2024	14	11
Toyota Capital Malaysia Sdn Berhad	09/28	AAA	3.848	1	3.828	16/10/2024	2	24
Toyota Capital Malaysia Sdn Berhad	01/29	AAA	3.878	1	3.860	9/10/2024	2	27
Toyota Capital Malaysia Sdn Berhad	02/30	AAA	3.968	1	3.885	2/10/2024	8	29
Pengurusan Air SPV Berhad	04/31	AAA	3.948	6	3.880	8/10/2024	7	17
Infracap Resources Sdn Berhad	04/31	AAA	4.024	30	4.017	4/11/2024	1	25
Bank Simpanan Nasional Berhad	11/31	AAA	4.000	30	n/a	n/a	400	11
Danga Capital Berhad	01/33	AAA	4.059	10	3.902	4/9/2024	16	15
Pengurusan Air SPV Berhad	02/33	AAA	3.998	40	3.908	11/10/2024	9	9
Petroleum Sarawak Exploration & Production Sdr	02/33	AAA	4.069	20	3.948	21/10/2024	12	16
Pengurusan Air SPV Berhad	02/34	AAA	4.039	14	4.001	8/10/2024	4	12
Danum Capital Berhad	08/34	AAA	4.075	100	3.939	27/9/2024	14	15
TNB Power Generation Sdn Berhad	03/38	AAA	4.119	5	4.009	13/9/2024	11	10
Tenaga Nasional Berhad	06/42	AAA	4.108	10	4.059	18/9/2024	5	-4
Sabah Development Bank Berhad	02/26	AA1	4.255	2	4.182	20/6/2024	7	96
Sabah Development Bank Berhad	04/26	AA1	4.276	2	4.253	16/10/2024	2	98
Genting RMTN Berhad	03/27	AA1	4.357	2	4.367	24/10/2024	-1	93
Encorp Systembilt Sdn Berhad	05/27	AA1	3.793	10	4.691	24/1/2018	-90	25
Genting Capital Berhad	06/27	AA1	4.375	3	4.365	10/10/2024	1	83
RHB Bank Berhad	11/28	AA1	3.844	25	3.935	18/10/2024	-9	23
GENM Capital Berhad	05/29	AA1	4.588	1	4.536	10/10/2024	5	91
GENM Capital Berhad	06/29	AA1	4.588	1	4.587	4/11/2024	0	91
Sabah Development Bank Berhad	10/29	AA1	4.537	1	4.396	4/10/2024	14	86
Genting RMTN Berhad	11/29	AA1	4.628	1	4.549	17/10/2024	8	95
GENM Capital Berhad	05/30	AA1	4.678	1	4.678	4/11/2024	0	100
GENM Capital Berhad	05/32	AA1	4.838	1	4.763	2/7/2024	8	93
Malayan Banking Berhad	01/34	AA1	3.651	1	4.055	24/10/2024	-40	-27
Benih Restu Berhad	06/25	AA2	3.649	5	3.645	18/10/2024	0	35
Edra Solar Sdn Berhad	10/26	AA2	3.887	10	3.893	1/11/2024	-1	46
Press Metal Aluminium Holdings Berhad	09/28	AA2	3.936	10	3.866	5/9/2024	7	32
Press Metal Aluminium Holdings Berhad	09/30	AA2	4.053	10	3.966	16/10/2024	9	28
CIMB Group Holdings Berhad	09/32	AA2	3.899	20	3.870	17/10/2024	3	-1
AmBank (M) Berhad	06/34	AA2	4.218	20	4.098	21/8/2024	12	29
Benih Restu Berhad	07/34	AA2	4.139	20	4.118	23/10/2024	2	21
Pelabuhan Tanjung Pelepas Sdn Berhad	08/27	AA	3.791	30	3.895	11/6/2024	-10	25
OSK Rated Bond Sdn Berhad	09/30	AA	4.078	10	3.988	18/10/2024	9	30
OSK Rated Bond Sdn Berhad	04/31	AA	4.109	10	3.958	21/8/2024	15	33
Malayan Cement Berhad (fka Lafarge Malaysia Bt	07/27	AA3	3.918	1	3.912	22/10/2024	1	37
AEON Credit Service (M) Berhad	02/28	AA3	3.914	20	3.808	20/9/2024	11	37
Malayan Cement Berhad (fka Lafarge Malaysia Bt	06/28	AA3	4.007	22	3.996	24/10/2024	1	40
Malayan Cement Berhad (fka Lafarge Malaysia Bt	07/29	AA3	4.098	1	4.027	17/10/2024	7	42
Gamuda Berhad	06/30	AA3	3.969	1	3.936	10/9/2024	3	19
Gamuda Berhad	03/31	AA3	4.019	11	3.914	10/10/2024	11	24
Bank Islam Malaysia Berhad	07/31	AA3	4.059	5	4.057	1/11/2024	0	17
AmBank Islamic Berhad	03/33	AA3	4.016	9	3.969	12/7/2024	5	11
Gamuda Berhad	06/33	AA3	4.119	3	4.009	3/9/2024	11	20
UEM Sunrise Berhad	04/25	AA-	4.297	2	3.709	17/10/2024	59	100
UEM Sunrise Berhad	01/26	AA-	3.769	2	3.750	14/10/2024	2	47
UEM Edgenta Berhad	04/26	AA-	3.824	20	3.807	17/10/2024	2	53
7-Eleven Malaysia Holdings Berhad	06/26	AA-	4.162	2	4.147	10/10/2024	1	74
7-Eleven Malaysia Holdings Berhad	06/28	AA-	4.377	1	4.327	10/10/2024	5	77
Eco World Capital Berhad	08/28	AA-	3.908	10	3.898	10/10/2024	1	30
UEM Sunrise Berhad	09/28	AA-	3.927	1	3.877	10/10/2024	5	32
UEM Sunrise Berhad	02/29	AA-	3.943	10	3.856	26/9/2024	9	33
MMC Corporation Berhad	11/29	AA-	4.037	50	3.958	10/10/2024	8	36
Affin Islamic Bank Berhad	10/18	A3	4.384	1	4.593	20/9/2024	-21	24
Yinson Holdings Berhad	11/22	A-	6.754	1	6.758	29/10/2024	0	261

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
MMC Corporation Berhad	RM2.5bn Sukuk Murabahah Programme	AA-/Stable	Affirmed
SD Guthrie Berhad	Corporate Credit Rating Perpetual Subordinated Sukuk Programme of up to RM3bn	AAA/Stable AA/Stable	Affirmed Affirmed

Source: RAM, MARC

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