

## Global Markets Research

### Fixed Income

## Fixed Income Daily Market Snapshot

### US Treasuries

- US Treasuries were lower in trading on Tuesday, after the JOLTS report revealed a higher than expected number of job openings, signaling a labour market that remains healthy. Longer maturities led the move, resulting in the UST curve bear steepening for the day. **The benchmark 2Y UST note yield closed the day little changed at 4.18% while the benchmark 10Y UST bond yield advanced by 3bps to 4.23%.** Plenty on the calendar tonight, with the ADP Employment change and ISM Services index for November, and factory orders for October all due for release. The Fed is also scheduled to release their latest Beige Book, and on top of that there are comments from Fed Chair Powell to pay attention too for more clues on the path of policy going forward.

### MGS/GII

- Local govies were slightly better offered in trading on Tuesday in a marginally more active trading session, with secondary market volume climbing by 12% to RM4.50bn from the RM4.02bn that traded on Monday. Overall benchmark yields ended the day mixed by between -4 to +1bp across the curve (prior: -2 to +4bps). **The benchmark 5Y MGS 8/29 yield was little changed for the day at 3.57% while the yield on the benchmark 10Y MGS 7/34 advanced by 1bp to 3.81%.** Trading activity for the day was led by the off-the-run MGS 3/25, while decent interest was also seen in the off-the-run MGS 9/25, GII 10/32, GII 8/33 and MGS 6/38, as well as in the benchmark 5Y GII and 7Y MGS. The share of GII trading for the day receded to 42% of overall govies trading from the 55% seen the day before. There are no domestic economic releases due in the day ahead.

| UST       |             |           |
|-----------|-------------|-----------|
| Tenure    | Closing (%) | Chg (bps) |
| 2-yr UST  | 4.18        | 0         |
| 5-yr UST  | 4.11        | 3         |
| 10-yr UST | 4.23        | 3         |
| 30-yr UST | 4.40        | 4         |

| MGS    |             | GII*      |             |           |
|--------|-------------|-----------|-------------|-----------|
| Tenure | Closing (%) | Chg (bps) | Closing (%) | Chg (bps) |
| 3-yr   | 3.46        | 0         | 3.36        | 1         |
| 5-yr   | 3.57        | 0         | 3.59        | 0         |
| 7-yr   | 3.73        | 0         | 3.75        | 0         |
| 10-yr  | 3.81        | 1         | 3.81        | 1         |
| 15-yr  | 3.94        | 0         | 3.96        | 0         |
| 20-yr  | 4.05        | 0         | 4.08        | 0         |
| 30-yr  | 4.18        | -4        | 4.18        | 0         |

\* Market indicative levels

| MYR IRS Levels |             |           |
|----------------|-------------|-----------|
| IRS            | Closing (%) | Chg (bps) |
| 1-yr           | 3.54        | 1         |
| 3-yr           | 3.44        | 1         |
| 5-yr           | 3.45        | 1         |
| 7-yr           | 3.54        | 1         |
| 10-yr          | 3.64        | 0         |

Source : Bloomberg

### Upcoming Government Bond Tender

Nil

### Corp Bonds/Sukuk

- The corporate bond/sukuk market was better bid in trading on Tuesday as activity rose to the highest since mid-October. Secondary market volume surged by 49% to RM1,335m versus the RM898m that changed hands on Monday. Trading for the day was again led by the GG segment of the market, where activity was led by DANA 10/51, which settled the day at 4.24% in a secondary market debut. Strong interest was also seen in DANA 11/51, which closed at 4.24%, 3bps lower compared to where the bond last traded. In the AAA space, trading was led by ALR 10/32, which settled at 4.09%, 1bp above its last print. In the AA-rated universe, interest was led by UEM OLIVE 12/28, which closed at 3.97%, 7bps lower versus where the bond last traded. In the A-rated space, activity was led by HLBB 4.45% Perps, which settled the day at 4.04%, 17bps higher versus its last print.

## Daily Trades: Government Bond

| Securities |       | Closing | Vol      | Previous | Previous                   | Chg  |
|------------|-------|---------|----------|----------|----------------------------|------|
|            |       | YTM     | (RM mil) | YTM      | Trade Date<br>(dd/mm/yyyy) | (bp) |
| MGS        | 03/25 | 3.186   | 580      | 3.197    | 12/02/2024                 | -1   |
| MGS        | 09/25 | 3.259   | 397      | 3.244    | 12/02/2024                 | 1    |
| MGS        | 04/26 | 3.344   | 52       | 3.365    | 12/02/2024                 | -2   |
| MGS        | 07/26 | 3.352   | 101      | 3.361    | 12/02/2024                 | -1   |
| MGS        | 11/26 | 3.365   | 123      | 3.382    | 12/02/2024                 | -2   |
| MGS        | 05/27 | 3.455   | 59       | 3.459    | 12/02/2024                 | 0    |
| MGS        | 11/27 | 3.484   | 35       | 3.486    | 12/02/2024                 | 0    |
| MGS        | 04/28 | 3.493   | 63       | 3.493    | 12/02/2024                 | 0    |
| MGS        | 06/28 | 3.541   | 31       | 3.535    | 12/02/2024                 | 1    |
| MGS        | 04/29 | 3.569   | 6        | 3.566    | 12/02/2024                 | 0    |
| MGS        | 08/29 | 3.566   | 129      | 3.569    | 12/02/2024                 | 0    |
| MGS        | 04/31 | 3.732   | 379      | 3.735    | 12/02/2024                 | 0    |
| MGS        | 06/31 | 3.759   | 89       | 3.747    | 11/29/2024                 | 1    |
| MGS        | 07/32 | 3.757   | 41       | 3.755    | 12/02/2024                 | 0    |
| MGS        | 04/33 | 3.804   | 3        | 3.804    | 12/02/2024                 | 0    |
| MGS        | 07/34 | 3.805   | 27       | 3.799    | 12/02/2024                 | 1    |
| MGS        | 05/35 | 3.832   | 117      | 3.844    | 12/02/2024                 | -1   |
| MGS        | 04/37 | 3.936   | 2        | 3.936    | 12/02/2024                 | 0    |
| MGS        | 06/38 | 3.965   | 189      | 3.968    | 12/02/2024                 | 0    |
| MGS        | 04/39 | 3.941   | 13       | 3.945    | 12/02/2024                 | 0    |
| MGS        | 05/40 | 3.979   | 42       | 3.979    | 12/02/2024                 | 0    |
| MGS        | 10/42 | 4.052   | 2        | 4.051    | 12/02/2024                 | 0    |
| MGS        | 05/44 | 4.049   | 17       | 4.051    | 12/02/2024                 | 0    |
| MGS        | 06/50 | 4.150   | 87       | 4.170    | 12/02/2024                 | -2   |
| MGS        | 03/53 | 4.175   | 41       | 4.220    | 12/02/2024                 | -4   |
| GII        | 09/26 | 3.359   | 140      | 3.349    | 11/29/2024                 | 1    |
| GII        | 07/27 | 3.438   | 25       | 3.435    | 12/02/2024                 | 0    |
| GII        | 09/27 | 3.443   | 124      | 3.430    | 12/02/2024                 | 1    |
| GII        | 07/28 | 3.530   | 20       | 3.535    | 12/02/2024                 | -1   |
| GII        | 10/28 | 3.551   | 30       | 3.547    | 12/02/2024                 | 0    |
| GII        | 07/29 | 3.589   | 170      | 3.585    | 12/02/2024                 | 0    |
| GII        | 09/30 | 3.678   | 70       | 3.677    | 12/02/2024                 | 0    |
| GII        | 10/30 | 3.671   | 10       | 3.682    | 12/02/2024                 | -1   |
| GII        | 10/31 | 3.745   | 122      | 3.744    | 12/02/2024                 | 0    |
| GII        | 10/32 | 3.782   | 190      | 3.787    | 12/02/2024                 | 0    |
| GII        | 06/33 | 3.813   | 42       | 3.817    | 11/28/2024                 | 0    |
| GII        | 08/33 | 3.817   | 170      | 3.815    | 12/02/2024                 | 0    |
| GII        | 11/34 | 3.813   | 120      | 3.808    | 12/02/2024                 | 1    |
| GII        | 07/36 | 3.928   | 62       | 3.936    | 12/02/2024                 | -1   |
| GII        | 08/37 | 3.932   | 100      | 3.974    | 11/29/2024                 | -4   |
| GII        | 09/39 | 3.962   | 121      | 3.961    | 12/02/2024                 | 0    |
| GII        | 09/41 | 4.041   | 110      | 4.044    | 12/02/2024                 | 0    |
| GII        | 08/43 | 4.084   | 86       | 4.085    | 12/02/2024                 | 0    |
| GII        | 11/49 | 4.133   | 2        | 4.133    | 11/28/2024                 | 0    |
| GII        | 05/52 | 4.185   | 120      | 4.194    | 11/29/2024                 | -1   |
| GII        | 03/54 | 4.182   | 40       | 4.179    | 11/29/2024                 | 0    |
|            |       |         | 4497     |          |                            |      |

## Daily Trades: Corp Bonds/ Sukuk

| Securities                                     |       | Rating | Closing<br>YTM | Vol<br>(RM mil) | Previous<br>YTM | Previous<br>Trade Date<br>(dd/mm/yyyy) | Chg<br>(bp) | Spread<br>Against MGS* |
|--|-------|--------|----------------|-----------------|-----------------|--|-------------|------------------------|
| Prasarana Malaysia Berhad                      | 03/28 | GG     | 3.656          | 20              | 3.665           | 28/11/2024                             | -1          | 20                     |
| DanaInfra Nasional Berhad                      | 05/28 | GG     | 3.649          | 10              | 3.627           | 12/11/2024                             | 2           | 19                     |
| Lembaga Pembiayaan Perumahan Sektor Awam       | 09/28 | GG     | 3.691          | 10              | 3.677           | 20/11/2024                             | 1           | 16                     |
| Prasarana Malaysia Berhad                      | 12/33 | GG     | 3.902          | 100             | 3.858           | 18/7/2024                              | 4           | 11                     |
| Prasarana Malaysia Berhad                      | 06/34 | GG     | 3.919          | 125             | 3.849           | 23/8/2024                              | 7           | 12                     |
| Lembaga Pembiayaan Perumahan Sektor Awam       | 08/34 | GG     | 3.941          | 25              | 3.941           | 2/12/2024                              | 0           | 14                     |
| Perbadanan Tabung Pendidikan Tinggi Nasional   | 03/36 | GG     | 3.994          | 20              | 4.015           | 26/11/2024                             | -2          | 19                     |
| Projek Lebuhraya Usahasama Berhad              | 01/38 | GG     | 4.015          | 5               | 4.030           | 30/5/2024                              | -2          | 8                      |
| Projek Lebuhraya Usahasama Berhad              | 12/38 | GG     | 4.029          | 30              | 4.009           | 16/10/2024                             | 2           | 9                      |
| DanaInfra Nasional Berhad                      | 05/47 | GG     | 4.176          | 40              | 4.159           | 14/3/2024                              | 2           | 12                     |
| DanaInfra Nasional Berhad                      | 10/51 | GG     | 4.235          | 300             | n/a             | n/a                                    | 424         | 18                     |
| DanaInfra Nasional Berhad                      | 11/51 | GG     | 4.237          | 250             | 4.269           | 9/8/2024                               | -3          | 18                     |
| Cagamas Berhad                                 | 04/25 | AAA    | 3.524          | 10              | 3.482           | 28/8/2024                              | 4           | 26                     |
| Petroleum Sarawak Exploration & Production Sdr | 03/28 | AAA    | 3.879          | 10              | 3.799           | 28/10/2024                             | 8           | 42                     |
| Pengurusan Air SPV Berhad                      | 10/29 | AAA    | 3.886          | 10              | 3.888           | 2/12/2024                              | 0           | 31                     |
| Pengurusan Air SPV Berhad                      | 01/30 | AAA    | 3.899          | 10              | 3.927           | 14/11/2024                             | -3          | 32                     |
| Amanat Lebuhraya Rakyat Berhad                 | 10/30 | AAA    | 3.978          | 30              | 4.001           | 26/11/2024                             | -2          | 30                     |
| Amanat Lebuhraya Rakyat Berhad                 | 10/31 | AAA    | 4.031          | 30              | 4.038           | 27/11/2024                             | -1          | 28                     |
| Amanat Lebuhraya Rakyat Berhad                 | 10/32 | AAA    | 4.090          | 40              | 4.078           | 21/11/2024                             | 1           | 32                     |
| Pengurusan Air SPV Berhad                      | 02/33 | AAA    | 3.978          | 20              | 3.998           | 5/11/2024                              | -2          | 20                     |
| Danum Capital Berhad                           | 02/34 | AAA    | 3.999          | 30              | 3.999           | 21/11/2024                             | 0           | 20                     |
| CIMB Islamic Bank Berhad                       | 03/34 | AAA    | 4.028          | 20              | 4.039           | 21/11/2024                             | -1          | 23                     |
| Danum Capital Berhad                           | 08/34 | AAA    | 4.009          | 30              | 4.029           | 18/11/2024                             | -2          | 21                     |
| Tenaga Nasional Berhad                         | 08/35 | AAA    | 4.029          | 10              | 3.928           | 20/9/2024                              | 10          | 23                     |
| SMJ Energy Sdn Berhad (fka SMJ Sdn Berhad)     | 10/38 | AAA    | 4.092          | 5               | 4.109           | 22/11/2024                             | -2          | 16                     |
| UEM Olive Capital Berhad                       | 12/28 | AA1    | 3.967          | 30              | 4.036           | 21/11/2024                             | -7          | 44                     |
| Malayan Banking Berhad                         | 08/31 | AA1    | 3.821          | 10              | 3.845           | 29/10/2024                             | -2          | 7                      |
| YTL Power International Berhad                 | 08/39 | AA1    | 4.181          | 20              | 4.259           | 8/11/2024                              | -8          | 25                     |
| Sime Darby Property Berhad                     | 08/28 | AA+    | 3.914          | 5               | 3.799           | 22/10/2024                             | 12          | 38                     |
| Press Metal Aluminium Holdings Berhad          | 12/27 | AA2    | 3.937          | 20              | 3.868           | 7/10/2024                              | 7           | 48                     |
| Affin Islamic Bank Berhad                      | 12/27 | AA3    | 3.982          | 20              | 4.170           | 4/11/2024                              | -19         | 52                     |
| Exsim Capital Resources Berhad                 | 06/29 | AA3    | 4.880          | 3               | n/a             | n/a                                    | 488         | 130                    |
| UEM Sunrise Berhad                             | 04/25 | AA-    | 3.670          | 5               | 3.700           | 25/10/2024                             | -3          | 40                     |
| Penang Port Sdn Berhad                         | 12/26 | AA-    | 3.818          | 10              | 3.758           | 2/10/2024                              | 6           | 44                     |
| Johor Port Berhad                              | 10/29 | AA-    | 4.001          | 10              | 4.002           | 11/11/2024                             | 0           | 42                     |
| Hong Leong Bank Berhad                         | 11/17 | A1     | 4.042          | 10              | 3.876           | 2/12/2024                              | 17          | -2                     |
| Dialog Group Berhad                            | 11/20 | A1     | 4.678          | 1               | 4.677           | 2/12/2024                              | 0           | 62                     |
| Tropicana Corporation Berhad                   | 11/28 | A      | 6.234          | 2               | 6.762           | 2/12/2024                              | -53         | 270                    |
|  |       |        |                | <u>1335</u>     |                 |  |             |                        |

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

| Rating Action                          |                               |                |                                     |
|--|-------------------------------|----------------|-------------------------------------|
| Issuer                                 | PDS Description               | Rating/Outlook | Action                              |
| Kuwait Finance House (Malaysia) Berhad | Financial Institution Ratings | AA+/MARC-1     | MARCWatch<br>Developing<br>Extended |

Source: RAM, MARC

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