

Global Markets Research

Fixed Income

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.47	0
5-yr UST	4.14	-3
10-yr UST	4.24	-4
30-yr UST	4.48	-6

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.44	-1	3.38	-2
5-yr	3.58	-1	3.54	-3
7-yr	3.72	-2	3.69	-1
10-yr	3.77	-2	3.81	-2
15-yr	3.91	-3	3.95	-1
20-yr	4.05	1	4.08	-1
30-yr	4.17	-1	4.19	-1

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.46	0
3-yr	3.42	-2
5-yr	3.48	-2
7-yr	3.58	-2
10-yr	3.68	-2

Source : Bloomberg

Upcoming Government Bond Tender

Nil

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries were higher in trading on Thursday, with the longer dated maturities leading the move, amidst US advanced 2Q GDP topping expectations ahead of the FOMC policy meeting next week. A decent auction of USD44bn of 7yr USTs added to the bid tone for the day. Benchmark yields finished lower by between 0 and 6bps for the day, with the UST curve flattening after the recent steepening seen. **The benchmark 2yr UST yield was little changed for the session at 4.47%, while the benchmark 10yr UST yield closed the day 4bps lower at 4.24%.** The focus shifts over to the core PCE number for June, which is scheduled for release this evening alongside the monthly US personal income and spending numbers.

MGS/GII

- Local govovies were firmer in trading on Thursday, amidst large buying interest seen in bonds as MY IRS saw further receiving interest. Secondary market volume for the day more than doubled, surging by 109% to RM7.69bn compared to the RM3.67bn that changed hands the day before. Benchmark yields closed mixed between -3 and +1 bps for the day. **The benchmark 5Y MGS 8/29 saw its yield lower by 1bp to 3.58% while the yield on the benchmark 10Y MGS 11/33 was 2bps lower for the day to 3.77%.** Trading interest was led by the off-the-run GII 10/32, while interest was also seen in the benchmark 3Y MGS, 5Y MGS, 7Y MGS and 10Y MGS GII, as well as in the off-the-run MGS 9/25, GII 10/25 and GII 8/33. Trading in GIIs as a proportion of total govovies trading eased to 47% versus the 53% share seen on Wednesday. There are no economic data releases scheduled for the day ahead domestically.

Corp Bonds/Sukuk

- The Corporate Bonds/Sukuk market was better bid in trading on Thursday across the entire credit spectrum, with secondary market volume easing by 7% to RM922m versus the RM992m that traded on Wednesday. Trading interest was led by the AAA-rated segment of the market. In the GG universe, activity was led by DANA 9/49 and DANA 3/52 which closed the day at 4.18% (-3bps versus last print) and 4.21% (-5bps) respectively. Over in the AAA space, ALRB 10/35 topped the volume charts again, with the bond settling at 4.17%, 6bps lower versus where it last traded the day before. Interest was also seen in ALRB 10/34 and CAGA 5/33, which closed at 4.12% (-5bps) and 3.98% (secondary market debut) respectively. Meanwhile in the AA territory, interest was led by YTLP 3/37, which settled the day at 4.12%, lower by 5bps versus where the bond last traded. In the single A space, AIBB 5.10 Perps saw interest, last changing hands at 4.63% (+18bps).

Daily Trades: Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	09/24	3.141	125	3.181	07/24/2024	-4
MGS	03/25	3.193	102	3.197	07/24/2024	0
MGS	09/25	3.233	530	3.262	07/24/2024	-3
MGS	07/26	3.342	100	3.390	07/23/2024	-5
MGS	11/26	3.333	305	3.354	07/24/2024	-2
MGS	05/27	3.444	528	3.453	07/24/2024	-1
MGS	11/27	3.461	262	3.453	07/24/2024	1
MGS	06/28	3.571	7	3.574	07/23/2024	0
MGS	04/29	3.576	70	3.602	07/24/2024	-3
MGS	08/29	3.579	530	3.586	07/24/2024	-1
MGS	04/30	3.655	30	3.682	07/24/2024	-3
MGS	04/31	3.723	394	3.741	07/24/2024	-2
MGS	06/31	3.736	70	3.752	07/24/2024	-2
MGS	04/32	3.787	10	3.833	07/16/2024	-5
MGS	07/32	3.780	100	3.792	07/24/2024	-1
MGS	04/33	3.796	40	3.819	07/23/2024	-2
MGS	11/33	3.775	605	3.794	07/24/2024	-2
MGS	07/34	3.785	21	3.791	07/24/2024	-1
MGS	05/35	3.848	70	3.853	07/24/2024	-1
MGS	04/37	3.916	43	3.928	07/24/2024	-1
MGS	06/38	3.956	24	3.967	07/24/2024	-1
MGS	04/39	3.910	60	3.938	07/24/2024	-3
MGS	05/40	4.010	11	4.019	07/24/2024	-1
MGS	09/43	4.065	20	4.073	07/23/2024	-1
MGS	05/44	4.054	41	4.047	07/24/2024	1
MGS	06/50	4.090	3	4.090	07/24/2024	0
MGS	03/53	4.171	7	4.181	07/24/2024	-1
GII	08/24	3.130	60	3.199	07/18/2024	-7
GII	10/24	3.140	20	3.190	07/18/2024	-5
GII	10/25	3.271	400	3.280	07/24/2024	-1
GII	09/26	3.380	348	3.399	07/24/2024	-2
GII	09/27	3.472	20	3.474	07/23/2024	0
GII	07/28	3.537	100	3.569	07/24/2024	-3
GII	07/29	3.576	220	3.607	07/24/2024	-3
GII	09/30	3.693	210	3.700	07/24/2024	-1
GII	10/30	3.697	80	3.700	07/24/2024	0
GII	10/31	3.724	90	3.751	07/24/2024	-3
GII	10/32	3.789	670	3.813	07/23/2024	-2
GII	06/33	3.807	120	3.821	07/24/2024	-1
GII	08/33	3.808	400	3.827	07/24/2024	-2
GII	11/34	3.790	336	3.797	07/24/2024	-1
GII	08/37	3.915	30	3.925	07/22/2024	-1
GII	03/38	3.933	40	3.947	07/23/2024	-1
GII	09/39	3.945	90	3.958	07/24/2024	-1
GII	09/41	4.035	40	4.039	07/24/2024	0
GII	08/43	4.084	150	4.093	07/24/2024	-1
GII	11/49	4.166	131	4.192	07/24/2024	-3
GII	05/52	4.147	3	4.228	07/24/2024	-8
GII	03/54	4.191	20	4.203	07/24/2024	-1
			7687			

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*
Pengurusan Air SPV Berhad	06/26	GG	3.481	10	3.506	12/7/2024	-2	11
DanaInfra Nasional Berhad	02/28	GG	3.607	20	3.568	24/7/2024	4	7
Lembaga Pembiayaan Perumahan Sektor Awam	09/28	GG	3.637	10	3.597	8/2/2024	4	10
DanaInfra Nasional Berhad	10/28	GG	3.668	20	3.710	11/7/2024	-4	13
Prasarana Malaysia Berhad	03/30	GG	3.739	10	3.809	27/5/2024	-7	6
Lembaga Pembiayaan Perumahan Sektor Awam	04/33	GG	3.837	30	3.858	25/6/2024	-2	6
Malaysia Rail Link Sdn Berhad	03/34	GG	3.903	10	4.062	29/4/2024	-16	11
Lembaga Pembiayaan Perumahan Sektor Awam	04/39	GG	4.019	50	4.018	24/7/2024	0	8
Lembaga Pembiayaan Perumahan Sektor Awam	04/40	GG	4.049	10	4.037	12/7/2024	1	11
DanaInfra Nasional Berhad	05/41	GG	4.069	40	4.061	17/7/2024	1	13
DanaInfra Nasional Berhad	09/49	GG	4.180	60	4.210	14/6/2024	-3	11
DanaInfra Nasional Berhad	03/52	GG	4.209	60	4.256	4/7/2024	-5	14
Bank Pembangunan Malaysia Berhad	03/27	AAA	3.736	10	4.073	8/5/2023	-34	28
Danum Capital Berhad	05/27	AAA	3.714	5	3.748	22/4/2024	-3	26
DiGi Telecommunications Sdn Berhad	06/29	AAA	3.798	10	3.834	16/7/2024	-4	22
Cagamas Berhad	05/33	AAA	3.980	80	n/a	n/a	398	20
Sarawak Petchem Sdn Berhad	07/34	AAA	3.948	10	4.029	27/6/2024	-8	16
Amanat Lebuhraya Rakyat Berhad	10/34	AAA	4.120	80	4.169	24/7/2024	-5	33
Amanat Lebuhraya Rakyat Berhad	10/35	AAA	4.171	200	4.230	24/7/2024	-6	38
Tenaga Nasional Berhad	08/38	AAA	4.031	20	4.100	16/7/2024	-7	9
Tenaga Nasional Berhad	08/40	AAA	4.046	20	4.040	24/7/2024	1	11
YTL Power International Berhad	05/27	AA1	3.767	25	4.485	23/7/2024	-72	31
YTL Power International Berhad	08/28	AA1	3.837	2	3.866	11/7/2024	-3	30
Kuala Lumpur Kepong Berhad	09/29	AA1	3.863	5	4.300	23/7/2024	-44	29
YTL Corporation Berhad	07/30	AA1	4.008	10	3.550	6/1/2021	46	33
YTL Corporation Berhad	04/31	AA1	3.998	5	4.050	21/5/2024	-5	26
YTL Corporation Berhad	06/34	AA1	4.109	3	4.550	12/7/2024	-44	32
YTL Power International Berhad	03/37	AA1	4.119	40	4.169	16/7/2024	-5	18
YTL Power International Berhad	08/38	AA1	4.119	15	4.155	18/7/2024	-4	18
CIMB Group Holdings Berhad	09/29	AA	3.982	30	3.781	18/6/2024	20	41
Edra Energy Sdn Berhad	07/26	AA3	3.853	5	4.795	17/7/2024	-94	48
UEM Sunrise Berhad	10/25	AA-	3.809	5	3.905	4/6/2024	-10	55
UEM Sunrise Berhad	02/26	AA-	3.820	5	3.866	3/7/2024	-5	45
Alliance Bank Malaysia Berhad	10/35	A2	4.789	1	4.425	17/7/2024	36	100
Affin Islamic Bank Berhad	10/18	A3	4.627	4	4.449	2/7/2024	18	56
WCT Holdings Berhad	03/19	A-	5.363	2	5.406	18/7/2024	-4	130
Bank Muamalat Malaysia Berhad	09/22	BBB	5.402	1	5.453	24/7/2024	-5	133
				922				

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

Rating Action

Issuer	PDS Description	Rating/Outlook	Action
SEP Resources (M) Sdn Bhd	RM185m ASEAN Sustainability SRI Sukuk Wakalah (2024/2036)	AA1/Stable	Assigned Preliminary Rating

Source: RAM, MARC

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