

## Global Markets Research

### Fixed Income

## Fixed Income Daily Market Snapshot

### US Treasuries

- US Treasuries were higher in trading on Wednesday amidst more signs of a cooling labour market, with the JOLTS reading for July falling to the lowest level since Jan 2021. The Fed's latest Beige Book showed that economic activity was flat or declining across most regions over the past few weeks, and added to the bid tone in USTs. Benchmark yields were lower by between 7 and 11 bps for the day, with the UST curve bull steepening. **The benchmark 2yr UST yield was 11bps lower for the session at 3.87%, while the benchmark 10yr UST yield declined by 8bps for the day to 3.76%.** Today sees the release of Challenger job cuts and ADP for August in addition to weekly jobless claims, with the ISM Services index also scheduled for release.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	3.76	-11
5-yr UST	3.55	-9
10-yr UST	3.76	-8
30-yr UST	4.06	-7

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.36	-1	3.32	-1
5-yr	3.51	-1	3.47	0
7-yr	3.69	-2	3.71	-1
10-yr	3.77	0	3.80	-1
15-yr	3.91	-1	3.93	-1
20-yr	4.06	0	4.08	-1
30-yr	4.19	4	4.05	-15

\* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.39	-4
3-yr	3.34	-5
5-yr	3.39	-5
7-yr	3.49	-4
10-yr	3.59	-5

Source : Bloomberg

### Upcoming Government Bond Tender

Nil

### MGS/GII

- Local govovies were firmer in trading on Wednesday in a lighter session, with secondary market volume inching lower by 8% to RM3.94bn compared to the RM4.28bn that traded on Tuesday. Benchmark yields closed lower between 0 and 2bps for the day, except for the benchmark 30Y GII which was skewed by odd-lot trades and the benchmark 30Y MGS which corrected from previous skewed odd-lot trades. **The benchmark 5Y MGS 8/29 saw its yield fall by 1bp for the day to 3.51% while the yield on the benchmark 10Y MGS 7/34 was unchanged for the session at 3.77%.** Trading interest for the day was led by the benchmark 5Y MGS, while interest was also seen in the benchmark 7Y MGS and 10Y MGS, as well as in the off-the-run MGS 9/24, GII 10/24, GII 8/25, MGS 9/25 and MGS 4/28. Trading in GIIs as a proportion of total govovies trading rose to 43% versus the 30% share seen the previous session. BNM MPC meets to decide on policy today, where they are expected to stand pat on rates and maintain a neutral tone in their policy statement.

### Corp Bonds/Sukuk

- The Corporate Bonds/Sukuk market was slightly better bid in trading in a busier session on Wednesday, with secondary market volume surging by 95% to RM931m versus the RM478m that changed hands on Tuesday. Trading activity for the day was again led by the AAA-rated segment. In the GG universe, PRASA 8/39 and DANA 7/44 led trading and closed the day at 3.99% and 4.10% respectively, both little changed from their previous prints. Over in AAA space, trading interest was led by CAGA 6/26, which settled the day at 3.64%, a whopping 46bps lower compared to its last trade more than two years ago. Meanwhile in the AA-rated segment, trading was led by YTLP 3/37, which closed at 4.13%, little changed compared to where the bond last traded. In the A-rated space, interest was seen in ABMB 10/32, which settled the day at 4.25%, 12bps lower versus where it last printed.

## Daily Trades: Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	09/24	3.133	260	2.461	09/03/2024	67
MGS	03/25	3.164	51	3.144	09/03/2024	2
MGS	09/25	3.171	254	3.206	09/03/2024	-4
MGS	04/26	3.255	23	3.243	09/02/2024	1
MGS	07/26	3.257	32	3.261	09/03/2024	0
MGS	11/26	3.261	52	3.262	09/03/2024	0
MGS	05/27	3.359	142	3.357	09/03/2024	0
MGS	11/27	3.388	51	3.392	09/03/2024	0
MGS	04/28	3.450	161	3.453	09/03/2024	0
MGS	06/28	3.460	12	3.469	09/03/2024	-1
MGS	08/29	3.514	343	3.522	09/03/2024	-1
MGS	04/30	3.605	81	3.602	09/03/2024	0
MGS	04/31	3.689	274	3.709	09/03/2024	-2
MGS	06/31	3.694	60	3.714	09/03/2024	-2
MGS	07/32	3.752	11	3.763	09/03/2024	-1
MGS	11/33	3.780	136	3.783	09/03/2024	0
MGS	07/34	3.766	227	3.769	09/03/2024	0
MGS	06/38	3.943	7	3.943	09/03/2024	0
MGS	05/40	4.331	13	4.016	09/03/2024	32
MGS	10/42	4.007	8	3.993	09/03/2024	1
MGS	06/50	4.201	52	4.096	09/03/2024	11
MGS	03/53	4.191	7	4.150	09/03/2024	4
GII	10/24	3.111	316	3.088	09/03/2024	2
GII	08/25	3.217	163	3.247	09/03/2024	-3
GII	10/25	3.223	150	3.247	09/03/2024	-2
GII	03/26	3.295	1	3.277	09/02/2024	2
GII	09/26	3.322	153	3.333	09/03/2024	-1
GII	07/27	3.402	40	3.410	09/03/2024	-1
GII	09/27	3.411	30	3.408	09/03/2024	0
GII	07/29	3.524	80	3.530	09/03/2024	-1
GII	09/30	3.657	142	3.661	09/03/2024	0
GII	10/30	3.673	97	3.686	09/03/2024	-1
GII	10/31	3.707	75	3.715	09/03/2024	-1
GII	10/32	3.786	60	3.792	09/03/2024	-1
GII	06/33	3.817	20	3.815	09/03/2024	0
GII	08/33	3.812	17	3.816	09/03/2024	0
GII	11/34	3.798	68	3.804	09/03/2024	-1
GII	07/36	3.903	23	3.903	09/03/2024	0
GII	08/37	3.888	90	3.888	09/03/2024	0
GII	03/38	3.931	1	3.939	09/03/2024	-1
GII	09/39	3.934	110	3.943	08/30/2024	-1
GII	08/43	4.079	30	4.085	09/03/2024	-1
GII	05/52	4.212	10	4.207	09/03/2024	0
GII	03/54	4.047	10	4.197	09/03/2024	-15
			3941			

## 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	11/24	GG	3.241	10	3.320	2/8/2024	-8	7
Perbadanan Tabung Pendidikan Tinggi Nasional	03/32	GG	3.809	10	3.897	14/6/2024	-9	8
Perbadanan Tabung Pendidikan Tinggi Nasional	08/32	GG	3.819	10	3.886	16/7/2024	-7	9
Prasarana Malaysia Berhad	06/39	GG	3.995	10	4.020	12/7/2024	-2	8
Prasarana Malaysia Berhad	08/39	GG	3.993	20	3.989	12/8/2024	0	8
DanaInfra Nasional Berhad	05/41	GG	4.008	10	4.069	25/7/2024	-6	9
DanaInfra Nasional Berhad	07/44	GG	4.099	20	4.099	26/8/2024	0	4
DanaInfra Nasional Berhad	07/44	GG	4.120	5	4.099	28/8/2024	2	6
DanaInfra Nasional Berhad	02/51	GG	4.191	10	4.200	20/8/2024	-1	13
Cagamas Berhad	06/26	AAA	3.640	150	4.101	1/8/2022	-46	38
TNB Western Energy Berhad	07/26	AAA	3.899	10	4.076	10/5/2024	-18	64
Bakun Hydro Power Generation Sdn Berhad (fka S	08/26	AAA	3.638	20	3.655	22/8/2024	-2	38
Bank Pembangunan Malaysia Berhad	03/27	AAA	3.739	20	3.726	15/8/2024	1	48
Pengurusan Air SPV Berhad	06/27	AAA	3.795	10	3.798	22/8/2024	0	44
Toyota Capital Malaysia Sdn Berhad	07/28	AAA	3.829	10	3.848	3/9/2024	-2	39
Amanat Lebuhraya Rakyat Berhad	10/29	AAA	3.747	40	3.789	23/8/2024	-4	23
Petroleum Sarawak Exploration & Production Sdr	11/29	AAA	3.851	5	3.817	24/7/2024	3	33
UniTapah Sdn Berhad	12/31	AAA	4.018	10	4.019	28/8/2024	0	32
Danga Capital Berhad	01/33	AAA	3.902	60	3.869	2/8/2024	3	18
Petroleum Sarawak Exploration & Production Sdr	02/33	AAA	3.934	40	3.908	14/8/2024	3	21
Cagamas Berhad	10/33	AAA	3.889	10	4.030	15/4/2024	-14	14
Sarawak Energy Berhad	11/33	AAA	3.903	10	3.888	29/8/2024	2	15
Danum Capital Berhad	02/34	AAA	3.922	10	3.899	30/8/2024	2	17
Cagamas Berhad	06/34	AAA	3.951	60	3.850	20/8/2024	10	19
Tenaga Nasional Berhad	06/37	AAA	4.029	10	4.029	29/8/2024	0	11
Tenaga Nasional Berhad	08/37	AAA	4.029	5	4.027	28/8/2024	0	11
Tenaga Nasional Berhad	08/38	AAA	4.039	10	4.045	2/9/2024	-1	12
Sabah Development Bank Berhad	08/25	AA1	4.115	10	4.008	14/8/2024	11	94
Northern Gateway Infrastructure Sdn Berhad	08/25	AA1	3.767	10	3.882	2/2/2024	-12	59
Kuala Lumpur Kepong Berhad	04/26	AA1	3.678	20	3.639	29/8/2024	4	42
YTL Corporation Berhad	11/26	AA1	3.754	20	3.762	16/8/2024	-1	50
Sabah Development Bank Berhad	10/29	AA1	4.329	30	4.329	28/8/2024	0	81
YTL Power International Berhad	03/37	AA1	4.129	80	4.129	3/9/2024	0	21
Sime Darby Property Berhad	12/27	AA+	3.786	10	3.819	23/8/2024	-3	43
Sime Darby Property Berhad	08/28	AA+	3.837	10	3.867	22/8/2024	-3	40
Pelabuhan Tanjung Pelepas Sdn Berhad	06/30	AA	3.868	10	4.033	24/5/2024	-17	26
Tanjung Bin Energy Sdn Berhad	03/25	AA3	4.589	20	4.586	16/8/2024	0	142
Tanjung Bin Energy Sdn Berhad	09/25	AA3	4.649	10	4.668	14/8/2024	-2	148
Affin Bank Berhad	05/29	AA3	3.863	1	3.868	23/7/2024	0	34
STM Lottery Sdn Berhad (fka Sports Toto Malaysi	06/25	AA-	4.488	10	4.554	31/7/2024	-7	132
UEM Sunrise Berhad	09/25	AA-	3.775	20	3.747	13/8/2024	3	60
STM Lottery Sdn Berhad (fka Sports Toto Malaysi	01/27	AA-	4.652	20			465	139
Eco World Capital Berhad	10/27	AA-	3.827	10	3.806	28/8/2024	2	47
Southern Power Generation Sdn Berhad	10/27	AA-	3.833	10	3.944	26/3/2024	-11	48
Malaysian Resources Corporation Berhad	02/29	AA-	4.347	10	4.424	16/7/2024	-8	91
Malaysian Resources Corporation Berhad	08/30	AA-	4.397	4	4.888	11/1/2024	-49	79
UMW Holdings Berhad	04/18	AA-	4.086	10	4.159	30/8/2024	-7	3
Alliance Bank Malaysia Berhad	10/32	A2	4.245	10	4.369	3/9/2024	-12	52
Yinson Holdings Berhad	11/22	NR(LT)	6.439	1	7.041	18/1/2024	-60	238
				931				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Berapit Mobility Sdn Bhd	Sustainability Islamic Medium-Term Notes Programme of up to RM1.5bn	AA/Stable	Assigned Preliminary Rating

Source: RAM, MARC

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