

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries surged in trading on Tuesday after the labour market showed further signs of cooling with a larger than expected decline in the Bureau of Labor Statistics' Job Openings and Labour Turnover Survey (JOLTS) data, which showed job openings declining to the lowest level since March 2021. The curve bull-flattened as overall benchmark yields declined between 6-11bps across led by the longer dated maturities. **The benchmark UST 2Y yield fell by 6bps for the session to 4.58% while the benchmark UST 10Y declined by 9bps to 4.17%.** The 2s10s spread increased its inversion to -41bps. Attention shifts to the ADP Employment survey for November tonight, for further clues as to the health of the US labour market ahead of Friday's monthly employment report.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.58	-6
5-yr UST	4.14	-7
10-yr UST	4.17	-9
30-yr UST	4.30	-11

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.46	0	3.56	1
5-yr	3.65	4	3.64	-3
7-yr	3.78	-1	3.80	0
10-yr	3.78	-4	3.83	-4
15-yr	3.99	-1	3.99	-2
20-yr	4.15	2	4.20	2
30-yr	4.28	1	4.39	0

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.60	1
3-yr	3.53	1
5-yr	3.63	1
7-yr	3.75	0
10-yr	3.89	0

Source : Bloomberg

MGS/GII

- Local govies posted a mixed set of results on Tuesday with the belly seen better-bid overall. Overall benchmark MGS/GII yields were mixed, settling between -4 and +4 bps for the day, amid a 43% spike in secondary market volume to RM4.60b. **The benchmark 5Y MGS 4/28 yield jumped the most i.e.; by 4bps to 3.65% whilst the 10Y MGS 11/33 declined 4bps instead to 3.78%.** Interest was mainly seen in the off-the-run 24-25's, 28-29's, 32's and benchmark 10Y MGS/GII, 7Y GII. GII transactions dropped to form 35% of overall trades. Elsewhere Fitch affirmed Malaysia's long-term foreign currency IDR at BBB+ with a Stable outlook. Whilst the economic calendar remains light for the week ahead; expect attention to shift to the penultimate auction for the year consisting of 5Y MGS auction later this morning.

Upcoming Government Bond Tender

Re-opening of RM5.0b of 5Y MGS 4/28 on Wednesday, 6th of December 2023

Corp Bonds/Sukuk

- On Tuesday, the Corporate Bonds/Sukuk space continued to chart strong investor activity as secondary market volume notched RM968m; a tad lower than prior day. Trades were seen mainly across the GG to single-A part of the curve with yields mostly mixed-to-lower amid a jump in trade prints from 25 to 52. Govt-guaranteed DANA 7/34 and 7/49 eased 2-3bps to close at 4.00% and 4.34% each. AAA-rated JCORP 7/30 settled 30bps lower at 4.07% whilst TNB Power Gen 3/43 eased 4bps lower to 4.43%. The AA-space saw YTL Power 3/30 plunge 18bps to 4.20% whereas TG BIN Power 8/42 settled 5bps lower at 3.89%. TBEI 9/25, 3/29 and EDRA 28's saw strong bids as yields ended lower. Meanwhile, banks/financials saw CIMB Group Holdings 32NC27 move 30bps sharply lower to 4.10% whilst AEON Credit 30NC25 ended 6bps lower at 4.40%.

Daily Trades: Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	06/24	3.086	155	3.136	45264	-5
MGS	07/24	3.127	65	3.149	45261	-2
MGS	03/25	3.328	54	3.311	45264	2
MGS	09/25	3.396	179	3.378	45264	2
MGS	04/26	3.393	97	3.423	45264	-3
MGS	07/26	3.460	4	3.460	45264	0
MGS	11/26	3.491	2	3.455	45264	4
MGS	05/27	3.548	13	3.594	45264	-5
MGS	11/27	3.597	105	3.597	45264	0
MGS	04/28	3.650	15	3.606	45264	4
MGS	06/28	3.636	192	3.636	45264	0
MGS	04/29	3.720	83	3.730	45264	-1
MGS	08/29	3.748	234	3.771	45264	-2
MGS	04/30	3.778	225	3.792	45264	-1
MGS	04/31	2.750	88	3.876	45264	-113
MGS	06/31	3.849	170	3.878	45264	-3
MGS	07/32	3.857	51	3.857	45264	0
MGS	11/33	3.778	755	3.821	45264	-4
MGS	07/34	3.933	13	3.954	45264	-2
MGS	05/35	3.975	125	4.003	45264	-3
MGS	04/37	3.996	23	4.048	45264	-5
MGS	06/38	3.990	123	4.001	45264	-1
MGS	05/40	4.089	54	4.134	45264	-4
MGS	10/42	4.146	100	4.127	45264	2
MGS	09/43	4.222	11	4.237	45261	-1
MGS	03/46	4.253	4	4.267	45264	-1
MGS	06/50	4.283	7	4.307	45264	-2
MGS	03/53	4.282	40	4.270	45264	1
GII	05/24	3.178	20	3.207	45261	-3
GII	08/25	3.359	1	3.302	45260	6
GII	10/25	3.383	50	3.342	45264	4
GII	03/26	3.461	9	3.498	45261	-4
GII	09/26	3.556	224	3.546	45264	1
GII	07/27	3.577	1	3.621	45264	-4
GII	09/27	3.534	5	3.591	45264	-6
GII	07/28	3.640	289	3.669	45264	-3
GII	10/28	3.693	70	3.720	45264	-3
GII	07/29	3.789	80	3.809	45264	-2
GII	09/30	3.799	70	3.799	45264	0
GII	10/30	3.858	2	3.862	45264	0
GII	10/32	3.858	291	3.879	45264	-2
GII	08/33	3.831	250	3.867	45264	-4
GII	10/35	3.962	10	4.010	45252	-5
GII	03/38	3.985	50	4.005	45264	-2
GII	09/39	4.043	60	4.070	45261	-3
GII	08/43	4.201	2	4.178	45264	2
GII	05/52	4.388	125	4.386	45264	0
			<u>4597</u>			

Daily Trades: Corp Bonds/ Sukuk

Securities	Rating	Closing YTM	Vol (RM mil)	Previous	Previous	Chg (bp)	Spread Against MGS*	
				YTM	Trade Date (dd/mm/yyyy)			
Pengurusan Air SPV Berhad	06/24	GG	3.309	40	3.447	19/05/2023	-14	3
Perbadanan Tabung Pendidikan Tinggi Nasional	10/28	GG	3.791	5	4.002	20/10/2023	-21	18
Pengurusan Air SPV Berhad	02/29	GG	3.859	5	3.919	30/11/2023	-6	25
DanaInfra Nasional Berhad	07/34	GG	4.000	30	4.021	01/12/2023	-2	22
DanaInfra Nasional Berhad	07/44	GG	4.344	20	4.379	28/11/2023	-3	20
DanaInfra Nasional Berhad	02/49	GG	4.389	20	4.308	16/08/2023	8	24
Cagamas Berhad	12/24	AAA	3.670	200	-	-	-	39
Cagamas Berhad	01/25	AAA	3.675	5	3.810	30/03/2023	-14	40
Bank Simpanan Nasional Berhad	10/26	AAA	3.862	5	3.864	26/07/2023	0	40
Toyota Capital Malaysia Sdn Berhad	01/28	AAA	4.088	10	4.085	12/05/2023	1	54
Pengurusan Air SPV Berhad	02/28	AAA	4.007	10	3.989	10/08/2023	2	45
Toyota Capital Malaysia Sdn Berhad	09/28	AAA	4.179	11	4.288	01/08/2023	-11	57
Johor Corporation	07/30	AAA	4.068	30	4.369	26/10/2023	-30	27
Amanat Lebuhraya Rakyat Berhad	10/31	AAA	4.239	20	4.449	02/11/2023	-21	42
Pengurusan Air SPV Berhad	02/32	AAA	4.202	10	4.459	14/02/2023	-26	38
Tenaga Nasional Berhad	08/32	AAA	4.149	10	4.201	23/11/2023	-5	32
Pengurusan Air SPV Berhad	02/33	AAA	4.299	40	4.399	03/11/2023	-10	47
Tenaga Nasional Berhad	08/37	AAA	4.299	5	4.499	10/10/2023	-20	31
TNB Power Generation Sdn Berhad	03/43	AAA	4.430	30	4.470	30/11/2023	-4	28
Tenaga Nasional Berhad	06/47	AAA	4.690	10	4.738	23/11/2023	-5	54
Sabah Development Bank Berhad	04/26	AA1	4.680	5	4.677	04/12/2023	0	130
YTL Corporation Berhad	04/28	AA1	4.267	140	-	-	-	71
YTL Power International Berhad	03/30	AA1	4.198	40	4.378	06/11/2023	-18	47
YTL Corporation Berhad	09/33	AA1	4.450	30	-	-	-	67
Tanjung Bin Power Sdn Berhad	08/24	AA2	3.890	20	3.944	05/10/2023	-5	61
Imtiaz Sukuk II Berhad	05/29	AA2	4.167	5	4.188	30/11/2023	-2	55
Dialog Group Berhad	01/32	AA2	4.398	8	4.429	28/11/2023	-3	58
RHB Investment Bank Berhad	10/32	AA2	4.268	1	4.268	04/12/2023	0	44
CIMB Group Holdings Berhad	12/32	AA2	4.096	10	4.397	06/10/2023	-30	27
reNIKOLA Solar II Sdn Berhad	09/35	AA2	4.651	5	-	-	-	87
reNIKOLA Solar II Sdn Berhad	09/36	AA2	4.689	5	4.716	24/11/2023	-3	70
Solarpack Suria Sungai Petani Sdn Berhad	10/36	AA2	4.938	7	4.989	22/11/2023	-5	95
reNIKOLA Solar II Sdn Berhad	09/38	AA2	4.789	10	5.050	09/10/2023	-26	80
SP Setia Berhad	06/28	AA	4.207	5	4.349	11/10/2023	-14	59
Kimanis Power Sdn Berhad	08/28	AA	4.066	10	4.067	29/11/2023	0	45
SP Setia Berhad	06/30	AA	4.338	22	4.340	04/12/2023	0	54
Tanjung Bin Energy Sdn Berhad	09/25	AA3	5.009	20	5.599	03/01/2023	-59	163
Edra Energy Sdn Berhad	01/28	AA3	4.209	10	4.516	16/02/2023	-31	65
Edra Energy Sdn Berhad	07/28	AA3	4.248	10	4.509	16/03/2023	-26	63
Tanjung Bin Energy Sdn Berhad	03/29	AA3	5.339	20	5.890	07/03/2023	-55	173
PONSB Capital Berhad	06/29	AA3	4.309	20	4.317	23/11/2023	-1	58
Edra Energy Sdn Berhad	01/30	AA3	4.308	10	4.368	16/08/2023	-6	58
CIMB Thai Bank Public Company Limited	07/31	AA3	4.751	1	4.400	24/10/2023	35	93
AmBank (M) Berhad	03/32	AA3	4.300	1	4.648	17/02/2023	-35	48
Edra Energy Sdn Berhad	07/35	AA3	4.579	10	4.579	30/11/2023	0	80
UEM Edgenta Berhad	04/26	AA-	4.135	4	4.186	15/11/2023	-5	76
MY E. G. Services Berhad	08/26	AA-	5.236	1	5.284	04/12/2023	-5	177
Konsortium Lebuhraya Utara-Timur (KL) Sdn Berhad	12/27	AA-	4.506	10	4.519	18/07/2023	-1.3	94.6
AEON Credit Service (M) Berhad	03/30	A1	4.398	10	4.460	12/09/2023	-6	67
CIMB Group Holdings Berhad	12/21	A1	4.290	1	4.294	16/11/2023	0	14
Tropicana Corporation Berhad	04/26	A	7.280	1	7.509	29/11/2023	-23	390
Tropicana Corporation Berhad	09/19	A-	8.264	2	10.212	16/11/2023	-195	412
				<u>968</u>				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Cellco Capital Berhad	RM520 million Issue 1 issued under its Islamic Commercial Papers/Islamic Medium-Term Notes Programme	MARC-1IS /AA IS	Affirmed
TTM Sukuk Berhad	RM600.0 million Sukuk Murabahah	AAA IS/ Stable	Affirmed
Westports Malaysia Sdn Bhd	RM2.0 bil Sukuk Musharakah Programme (2011/2031)	AAA/Stable	Affirmed
Edra Power Holdings Sdn Bhd	Corporate credit ratings	AA1/Stable/P1	Affirmed
Edra Energy Sdn Bhd	Sukuk Wakalah of up to RM5.085 bil in nominal value (2018/2038)	AA3/Stable rating	Affirmed

Source: RAM, MARC

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