

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries were weaker in trading on Thursday, giving up earlier gains in a choppy session, amidst improving risk appetite throughout the day and a further rise in the US equity markets. Overall benchmark yields closed the day 0-3bps higher, led by the shorter dated maturities resulting in a flattening of the UST curve. **The benchmark 2Y UST note yield closed the day 3bps higher at 4.35% while the benchmark 10Y UST bond yield advanced by 1bp to 4.42%.** Tonight sees the release of the preliminary S&P Global US PMIs for November, which should help shed further light in how the economy is progressing in 4Q thus far, while the University of Michigan is due to release their final consumer sentiment index for the month.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.35	3
5-yr UST	4.30	2
10-yr UST	4.42	1
30-yr UST	4.60	0

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.48	1	3.38	-2
5-yr	3.62	2	3.62	2
7-yr	3.77	-1	3.78	0
10-yr	3.81	0	3.81	-1
15-yr	3.94	-1	3.94	-1
20-yr	4.06	-1	4.08	0
30-yr	4.18	0	4.19	0

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.57	2
3-yr	3.49	1
5-yr	3.53	0
7-yr	3.63	0
10-yr	3.72	0

Source : Bloomberg

Upcoming Government Bond Tender

Nil

MGS/GII

- Local govies were mixed in trading on Thursday in a lighter trading session, with secondary market volume declining by 43% to RM3.03bn from the RM5.34bn that traded on Wednesday. Overall benchmark yields ended the day mixed between -2 to +2bps across the curve (prior 0-4bps lower). **The benchmark 5Y MGS 8/29 yield was 2bps higher for the day at 3.62% while the yield on the benchmark 10Y MGS 7/34 was little changed at 3.81%.** Trading activity for the day was led by the off-the-run GII 8/33, while decent interest was also seen in the benchmark 3Y MGS, 5Y MGS/GII, 7Y GII, 10Y GII and 15Y GII, as well as in the off-the-run MGS 3/25. The share of GII trading for the day surged to 62% of overall govies trading from the 44% seen the previous day. Domestically, October CPI is due later today and the market consensus is for inflation to remain stable at 1.8% y/y.

Corp Bonds/Sukuk

- The corporate bond/sukuk markets were better bid in trading on Thursday. Secondary market volume receded by 11% to RM698m versus the RM780m that changed hands on Wednesday. Trading for the day was led by the AA-rated segment of the market. In the GG universe, activity was led by DANA 11/28 which settled the day at 3.66%, 14bps higher versus its last print. In the AAA space, trading was led by PSEP 2/28, which closed at 3.87%, 10bps above where it last traded. Decent interest was also seen in CIMBI 3/34 and ALRB 10/32, which settled at 4.04% (-5bps versus last print) and 4.08% (unchanged) respectively. In the AA-rated arena, trading was led by PBB 7/34, which saw RM56m changing hands for the day and closing at 3.96%, lower by 4bps in yield versus its last print. In the A-rated arena, activity was led by TCMH 9/27, which closed at 5.11%, 16bps more compared to where it was last traded.

Daily Trades: Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	03/25	3.120	182	3.125	11/20/2024	0
MGS	09/25	3.259	4	3.259	11/20/2024	0
MGS	07/26	3.385	39	3.381	11/20/2024	0
MGS	11/26	3.356	17	3.364	11/19/2024	-1
MGS	03/27	3.435	12	3.515	11/15/2024	-8
MGS	05/27	3.481	147	3.468	11/20/2024	1
MGS	11/27	3.485	22	3.500	11/20/2024	-2
MGS	04/28	3.559	1	3.565	11/20/2024	-1
MGS	06/28	3.557	102	3.552	11/20/2024	0
MGS	04/29	3.590	2	3.581	11/18/2024	1
MGS	08/29	3.617	163	3.594	11/20/2024	2
MGS	04/30	3.670	10	3.643	11/20/2024	3
MGS	04/31	3.768	122	3.773	11/20/2024	-1
MGS	07/32	3.824	2	3.808	11/20/2024	2
MGS	11/33	3.830	93	3.836	11/20/2024	-1
MGS	07/34	3.808	56	3.809	11/20/2024	0
MGS	05/35	3.900	30	3.909	11/20/2024	-1
MGS	04/37	3.966	56	3.972	11/20/2024	-1
MGS	04/39	3.939	15	3.949	11/20/2024	-1
MGS	05/40	4.019	11	4.001	11/20/2024	2
MGS	05/44	4.063	20	4.069	11/20/2024	-1
MGS	06/50	4.141	10	4.145	11/20/2024	0
MGS	03/53	4.181	41	4.181	11/20/2024	0
GII	10/25	3.261	55	3.279	11/20/2024	-2
GII	03/26	3.325	20	3.343	11/20/2024	-2
GII	09/26	3.378	94	3.395	11/20/2024	-2
GII	09/27	3.458	30	3.458	11/20/2024	0
GII	07/28	3.540	30	3.548	11/20/2024	-1
GII	10/28	3.550	10	3.546	11/20/2024	0
GII	07/29	3.620	196	3.595	11/20/2024	2
GII	09/30	3.703	110	3.698	11/20/2024	0
GII	10/30	3.693	1	3.683	11/20/2024	1
GII	10/31	3.778	140	3.779	11/20/2024	0
GII	10/32	3.814	115	3.842	11/20/2024	-3
GII	06/33	3.812	20	3.910	10/24/2024	-10
GII	08/33	3.810	320	3.828	11/20/2024	-2
GII	11/34	3.813	222	3.827	11/20/2024	-1
GII	07/36	3.943	105	3.929	11/20/2024	1
GII	03/38	3.943	30	3.962	11/20/2024	-2
GII	09/39	3.937	150	3.950	11/20/2024	-1
GII	09/41	4.030	50	4.029	11/19/2024	0
GII	08/43	4.079	114	4.083	11/20/2024	0
GII	11/49	4.153	40	4.066	11/13/2024	9
GII	03/54	4.190	25	4.193	11/20/2024	0
			3033			

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*
Jambatan Kedua Sdn Berhad	07/26	GG	3.480	2	3.371	30/8/2024	11	9
DanaInfra Nasional Berhad	10/28	GG	3.675	15	3.528	20/8/2024	15	13
DanaInfra Nasional Berhad	11/28	GG	3.659	60	3.521	2/10/2024	14	11
DanaInfra Nasional Berhad	08/29	GG	3.696	10	3.719	11/11/2024	-2	10
DanaInfra Nasional Berhad	10/31	GG	3.849	10	3.839	1/4/2024	1	8
DanaInfra Nasional Berhad	07/34	GG	3.918	5	3.822	11/9/2024	10	10
Danum Capital Berhad	06/25	AAA	3.511	20	3.514	23/10/2024	0	23
Mercedes-Benz Services Malaysia Sdn Berhad	03/26	AAA	3.700	15	3.678	24/10/2024	2	42
Celcom Networks Sdn Berhad	08/27	AAA	3.776	5	3.803	15/11/2024	-3	31
Petroleum Sarawak Exploration & Production Sdr	11/27	AAA	3.836	10	3.779	11/7/2024	6	37
Petroleum Sarawak Exploration & Production Sdr	02/28	AAA	3.861	50	3.853	8/11/2024	1	40
Projek Lebuhraya Usahasama Berhad	01/30	AAA	3.866	20	3.770	3/10/2024	10	27
Malaysia Airports Holdings Berhad	11/31	AAA	3.920	5	4.000	20/11/2024	-8	15
Sarawak Petchem Sdn Berhad	07/32	AAA	4.018	20	4.028	18/11/2024	-1	22
Amanat Lebuhraya Rakyat Berhad	10/32	AAA	4.078	30	4.078	20/11/2024	0	28
Danum Capital Berhad	02/34	AAA	3.999	10	4.029	18/11/2024	-3	19
CIMB Islamic Bank Berhad	03/34	AAA	4.039	32	4.087	13/11/2024	-5	23
Danum Capital Berhad	02/35	AAA	4.009	20	4.191	30/9/2024	-18	20
Tenaga Nasional Berhad	08/40	AAA	4.127	1	4.271	20/11/2024	-14	19
Pengurusan Air Selangor Sdn Berhad	10/43	AAA	4.184	10	4.169	14/11/2024	2	12
RHB Bank Berhad	11/28	AA1	3.868	20	3.878	18/11/2024	-1	32
UEM Olive Capital Berhad	12/28	AA1	4.036	10	4.128	18/6/2024	-9	49
Public Bank Berhad	10/33	AA1	3.938	20	3.922	31/7/2024	2	12
Public Bank Berhad	07/34	AA1	3.959	56	3.997	9/10/2024	-4	15
Press Metal Aluminium Holdings Berhad	12/28	AA2	3.981	3	3.986	18/11/2024	-1	43
RHB Islamic Bank Berhad	04/32	AA2	4.006	10	3.884	14/8/2024	12	24
CIMB Group Holdings Berhad	09/32	AA2	3.939	20	3.899	5/11/2024	4	14
RHB Bank Berhad	09/32	AA2	4.005	1	4.006	15/11/2024	0	21
CIMB Group Holdings Berhad	12/32	AA2	3.960	20	4.080	25/10/2024	-12	17
CIMB Group Holdings Berhad	10/33	AA2	3.988	20	4.106	30/7/2024	-12	17
reNIKOLA Solar I Sdn Berhad	09/39	AA2	4.308	15	4.211	5/9/2024	10	37
reNIKOLA Solar II Sdn Berhad	09/41	AA2	4.371	15	4.289	5/9/2024	8	43
Fortune Premiere Sdn Berhad	09/25	AA	3.792	20	3.812	15/10/2024	-2	51
SP Setia Berhad	06/26	AA	3.797	10	3.830	20/11/2024	-3	41
OSK Rated Bond Sdn Berhad	09/33	AA	4.169	20	4.179	20/11/2024	-1	36
Gamuda Berhad	11/26	AA3	3.822	10	3.827	20/11/2024	0	44
AEON Credit Service (M) Berhad	11/29	AA3	4.058	5	4.080	12/11/2024	-2	46
Gamuda Berhad	03/31	AA3	4.047	10	4.019	5/11/2024	3	36
CIMB Thai Bank Public Company Limited	07/31	AA3	4.375	1	4.478	13/11/2024	-10	61
Gamuda Berhad	06/33	AA3	4.126	20	4.119	5/11/2024	1	31
Edra Energy Sdn Berhad	07/33	AA3	4.179	10	4.050	27/9/2024	13	37
Malaysian Resources Corporation Berhad	10/28	AA-	4.306	20	4.307	6/11/2024	0	76
Power Root Berhad (fka Natural BIO Resources B	11/31	AA-	4.551	5	4.665	13/11/2024	-11	78
Tan Chong Motor Holdings Berhad	09/27	A	5.113	6	4.953	24/9/2024	16	165
DRB-Hicom Berhad	12/14	A	5.320	1	5.679	19/11/2024	-36	126
WCT Holdings Berhad	03/19	A-	6.000	1	6.000	20/11/2024	0	194
Tropicana Corporation Berhad	09/19	A-	5.947	1	8.802	13/11/2024	-286	188
Eco World Capital Sdn Berhad	03/26	NR(LT)	4.773	1	5.162	4/11/2024	-39	150
				<u>698</u>				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Edra Solar Sdn Bhd	RM245m ASEAN Sustainability SRI Sukuk	AA2/Stable	Affirmed
Malakoff Power Berhad	RM1.77bn Sukuk Murabahah RM1.2bn Islamic Commercial Papers/ Islamic Medium-Term Notes (ICP/IMTN) Programmes	AA-/Stable AA-/Stable/MARC-1	Affirmed Affirmed
Tanjung Bin O&M Berhad	RM165m Sukuk Wakalah	AA-/Stable	Affirmed
TNB Power Generation Sdn Bhd	Sukuk Wakalah Programme of up to RM10bn	AAA/Stable	Affirmed
Orkim Sdn Bhd	Proposed Islamic Medium-Term Notes (IMTN) Programme of up to RM1bn	AA-/Stable	Assigned Preliminary Rating

Source: RAM, MARC

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