

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries were marginally weaker in trading on Tuesday after the sharp decline the day before, amidst mixed corporate earnings and an absence of any Tier-1 economic data releases. Benchmark yields rose by between 0 to 2 bps for the day. **The benchmark 2yr UST yield was little changed for the session at 4.03%, while the benchmark 10yr UST yield was 1bp higher at 4.21%.** Tonight sees the release of existing home sales numbers for September, and the Fed is also due to release their latest Beige Book, which will give a better glimpse into how growth is holding up across the country,

| UST | | |
|-----------|-------------|-----------|
| Tenure | Closing (%) | Chg (bps) |
| 2-yr UST | 4.03 | 0 |
| 5-yr UST | 4.01 | 2 |
| 10-yr UST | 4.21 | 1 |
| 30-yr UST | 4.50 | 0 |

| MGS | | GII* | | |
|--------|-------------|-----------|-------------|-----------|
| Tenure | Closing (%) | Chg (bps) | Closing (%) | Chg (bps) |
| 3-yr | 3.46 | 4 | 3.39 | 4 |
| 5-yr | 3.58 | 2 | 3.60 | 4 |
| 7-yr | 3.82 | 6 | 3.82 | 6 |
| 10-yr | 3.84 | 5 | 3.89 | 3 |
| 15-yr | 3.98 | 3 | 3.99 | 4 |
| 20-yr | 4.15 | 1 | 4.14 | 4 |
| 30-yr | 4.22 | 18 | 4.22 | 16 |

* Market indicative levels

| MYR IRS Levels | | |
|----------------|-------------|-----------|
| IRS | Closing (%) | Chg (bps) |
| 1-yr | 3.56 | 2 |
| 3-yr | 3.53 | 3 |
| 5-yr | 3.55 | 1 |
| 7-yr | 3.65 | 2 |
| 10-yr | 3.75 | 2 |

Source : Bloomberg

Upcoming Government Bond Tender

Nil

MGS/GII

- Local govies fell broadly in trading on Tuesday in an active session, taking cue from the overnight sell off in the US Treasury market. Secondary market volume for the day surged by 48% to RM4.54bn compared to the RM3.06bn that traded on Monday. Benchmark yields closed higher between 1 and 6 bps for the day, except for the 30Y MGS/GII which were correcting from previous off-market odd-lot trades. **The benchmark 5Y MGS 8/29 saw its yield rise by 2bps for the day to 3.58% while the yield on the benchmark 10Y MGS 7/34 was 5bps higher for the session at 3.84%.** Trading interest was led by benchmark 10Y GII, while interest was also seen in the benchmark 3Y MGS, 5Y MGS, 7Y MGS/GII and 10Y MGS, as well as in the off-the-run GII 8/25 and GII 10/32. Trading in GIIs as a proportion of total govies trading rose to 54% versus the 25% share seen the day before. Domestically, there are no scheduled economic releases for the day ahead, with the next key release being the CPI for September on Thursday.

Corp Bonds/Sukuk

- The corporate bond/sukuk market was better offered in trading on Tuesday in a busier session, with secondary market volume surging by 135% to RM687m versus the RM292m that changed hands on Monday. Trading for the day was led by the AA-rated segment of the market. In the GG universe, PRASA 9/29 dominated affairs and closed at 3.67%, 2bps higher versus its last print. Over in AAA space, interest was led by KLCC 12/24, which settled for the day at 3.39%, little changed versus where the bond last traded. Meanwhile in the AA-rated territory, activity was led by TBE 3/29, which closed at 4.82%, 29bps lower compared to its last trade. Interest was also seen in YTLP 8/28 and YTLP8/29, which settled at 3.84% (unchanged vs last print) and 3.89% (+2bps) respectively. In the A-rated territory, interest was seen in TGE 3.95% Perps, which closed the day at 4.84%, higher by 2bps versus its last trade.

Daily Trades: Government Bond

| Securities | | Closing | Vol | Previous | Previous | Chg |
|------------|-------|---------|----------|----------|----------------------------|------|
| | | YTM | (RM mil) | YTM | Trade Date (dd/mm/yyyy) | (bp) |
| MGS | 03/25 | 3.161 | 138 | 3.172 | 10/21/2024 | -1 |
| MGS | 09/25 | 3.272 | 89 | 3.249 | 10/21/2024 | 2 |
| MGS | 07/26 | 3.344 | 1 | 3.319 | 10/21/2024 | 2 |
| MGS | 11/26 | 3.363 | 51 | 3.342 | 10/21/2024 | 2 |
| MGS | 05/27 | 3.461 | 318 | 3.420 | 10/18/2024 | 4 |
| MGS | 11/27 | 3.482 | 57 | 3.433 | 10/17/2024 | 5 |
| MGS | 04/28 | 3.556 | 48 | 3.491 | 10/21/2024 | 6 |
| MGS | 06/28 | 3.593 | 102 | 3.512 | 10/21/2024 | 8 |
| MGS | 04/29 | 3.562 | 1 | 3.520 | 10/18/2024 | 4 |
| MGS | 08/29 | 3.581 | 261 | 3.564 | 10/21/2024 | 2 |
| MGS | 04/30 | 3.649 | 1 | 3.638 | 10/21/2024 | 1 |
| MGS | 04/31 | 3.818 | 461 | 3.754 | 10/21/2024 | 6 |
| MGS | 07/32 | 3.815 | 63 | 3.782 | 10/21/2024 | 3 |
| MGS | 04/33 | 3.830 | 4 | 3.830 | 10/21/2024 | 0 |
| MGS | 11/33 | 3.875 | 121 | 3.803 | 10/21/2024 | 7 |
| MGS | 07/34 | 3.840 | 185 | 3.785 | 10/21/2024 | 5 |
| MGS | 04/37 | 3.982 | 11 | 3.963 | 10/18/2024 | 2 |
| MGS | 06/38 | 4.006 | 22 | 3.978 | 10/21/2024 | 3 |
| MGS | 04/39 | 3.981 | 12 | 3.954 | 10/21/2024 | 3 |
| MGS | 10/42 | 4.076 | 2 | 3.999 | 10/21/2024 | 8 |
| MGS | 09/43 | 4.086 | 1 | 4.021 | 10/17/2024 | 7 |
| MGS | 05/44 | 4.154 | 83 | 4.140 | 10/21/2024 | 1 |
| MGS | 06/50 | 4.143 | 28 | 4.046 | 10/21/2024 | 10 |
| MGS | 03/53 | 4.217 | 31 | 4.041 | 10/21/2024 | 18 |
| GII | 08/25 | 3.260 | 200 | 3.236 | 10/16/2024 | 2 |
| GII | 10/25 | 3.265 | 50 | 3.256 | 10/21/2024 | 1 |
| GII | 03/26 | 3.297 | 3 | 3.308 | 10/21/2024 | -1 |
| GII | 09/26 | 3.390 | 90 | 3.351 | 10/21/2024 | 4 |
| GII | 06/27 | 3.391 | 1 | 3.360 | 10/04/2024 | 3 |
| GII | 09/27 | 3.429 | 21 | 3.407 | 10/21/2024 | 2 |
| GII | 07/28 | 3.537 | 1 | 3.476 | 10/18/2024 | 6 |
| GII | 07/29 | 3.598 | 40 | 3.543 | 10/18/2024 | 5 |
| GII | 09/30 | 3.702 | 50 | 3.670 | 10/21/2024 | 3 |
| GII | 10/30 | 3.713 | 30 | 3.656 | 10/16/2024 | 6 |
| GII | 10/31 | 3.822 | 489 | 3.758 | 10/21/2024 | 6 |
| GII | 10/32 | 3.822 | 316 | 3.791 | 10/18/2024 | 3 |
| GII | 08/33 | 3.874 | 20 | 3.822 | 10/17/2024 | 5 |
| GII | 11/34 | 3.889 | 798 | 3.854 | 10/21/2024 | 3 |
| GII | 07/36 | 3.940 | 1 | 3.942 | 10/21/2024 | 0 |
| GII | 09/39 | 3.989 | 101 | 3.944 | 10/21/2024 | 4 |
| GII | 08/43 | 4.143 | 23 | 4.101 | 10/21/2024 | 4 |
| GII | 05/52 | 4.220 | 70 | 4.113 | 10/21/2024 | 11 |
| GII | 03/54 | 4.220 | 152 | 4.057 | 10/21/2024 | 16 |
| | | | 4542 | | | |

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* |
|--|-------|--------|----------------|-----------------|-----------------|--|-------------|------------------------|
| Prasarana Malaysia Berhad | 09/29 | GG | 3.669 | 200 | 3.646 | 17/10/2024 | 2 | 8 |
| DanaInfra Nasional Berhad | 02/44 | GG | 4.213 | 10 | 4.089 | 2/10/2024 | 12 | 5 |
| Suria KLCC Sdn Berhad | 12/24 | AAA | 3.387 | 80 | 3.382 | 9/9/2024 | 0 | 14 |
| Putrajaya Bina Sdn Berhad | 03/28 | AAA | 3.804 | 10 | 3.983 | 5/9/2023 | -18 | 34 |
| Infracap Resources Sdn Berhad | 04/28 | AAA | 3.803 | 20 | 3.774 | 16/10/2024 | 3 | 34 |
| Pengurusan Air SPV Berhad | 04/28 | AAA | 3.793 | 10 | 3.776 | 19/9/2024 | 2 | 27 |
| Toyota Capital Malaysia Sdn Berhad | 08/28 | AAA | 3.818 | 20 | 3.836 | 10/10/2024 | -2 | 29 |
| Infracap Resources Sdn Berhad | 04/31 | AAA | 3.899 | 10 | 3.856 | 4/10/2024 | 4 | 21 |
| Sarawak Energy Berhad | 12/32 | AAA | 3.909 | 10 | 3.904 | 9/10/2024 | 0 | 10 |
| Sarawak Energy Berhad | 07/33 | AAA | 3.949 | 10 | 3.948 | 10/10/2024 | 0 | 12 |
| Johor Corporation | 07/33 | AAA | 3.996 | 5 | 3.968 | 27/9/2024 | 3 | 17 |
| Johor Corporation | 07/38 | AAA | 4.128 | 5 | 4.089 | 23/7/2024 | 4 | 15 |
| Kuala Lumpur Kepong Berhad | 08/25 | AA1 | 3.538 | 15 | 3.591 | 23/5/2024 | -5 | 29 |
| GENM Capital Berhad | 07/28 | AA1 | 3.982 | 1 | 4.496 | 8/10/2024 | -51 | 46 |
| YTL Power International Berhad | 08/28 | AA1 | 3.837 | 30 | 3.837 | 25/7/2024 | 0 | 31 |
| YTL Power International Berhad | 03/29 | AA1 | 3.867 | 10 | 3.886 | 2/7/2024 | -2 | 34 |
| YTL Power International Berhad | 08/29 | AA1 | 3.887 | 30 | 3.868 | 3/10/2024 | 2 | 29 |
| YTL Power International Berhad | 03/30 | AA1 | 3.913 | 10 | 3.899 | 3/10/2024 | 1 | 32 |
| Sime Darby Property Berhad | 08/28 | AA+ | 3.799 | 10 | 3.837 | 3/9/2024 | -4 | 27 |
| Imtiaz Sukuk II Berhad | 10/27 | AA2 | 3.798 | 10 | 3.767 | 20/8/2024 | 3 | 34 |
| Imtiaz Sukuk II Berhad | 04/28 | AA2 | 3.825 | 10 | 3.828 | 16/10/2024 | 0 | 37 |
| Imtiaz Sukuk II Berhad | 10/28 | AA2 | 3.846 | 10 | 3.844 | 11/10/2024 | 0 | 32 |
| Fortune Premiere Sdn Berhad | 09/26 | AA | 3.921 | 10 | 3.926 | 20/9/2024 | -1 | 57 |
| AEON Credit Service (M) Berhad | 02/27 | AA3 | 3.807 | 10 | 3.782 | 30/8/2024 | 2 | 45 |
| Malayan Cement Berhad (fka Lafarge Malaysia Bt | 07/27 | AA3 | 3.912 | 10 | 3.865 | 26/9/2024 | 5 | 45 |
| Affin Islamic Bank Berhad | 12/27 | AA3 | 4.234 | 1 | 4.166 | 7/10/2024 | 7 | 77 |
| AEON Credit Service (M) Berhad | 09/28 | AA3 | 3.905 | 10 | 3.835 | 13/8/2024 | 7 | 38 |
| Gamuda Land (T12) Sdn Berhad | 10/28 | AA3 | 3.897 | 20 | 3.888 | 1/10/2024 | 1 | 37 |
| Tanjung Bin Energy Sdn Berhad | 03/29 | AA3 | 4.817 | 50 | 5.111 | 5/2/2024 | -29 | 129 |
| Tanjung Bin Energy Sdn Berhad | 09/29 | AA3 | 4.838 | 10 | 4.797 | 25/9/2024 | 4 | 125 |
| Eco World Capital Berhad | 10/27 | AA- | 3.863 | 20 | 4.820 | 3/10/2024 | -96 | 40 |
| TG Excellence Berhad | 02/20 | A | 4.843 | 20 | 4.824 | 16/10/2024 | 2 | 69 |
| | | | | <u>687</u> | | | | |

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

| Rating Action | | | |
|---------------|-----------------|----------------|--------|
| Issuer | PDS Description | Rating/Outlook | Action |
| Nil | | | |

Source: RAM, MARC

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