

## Global Markets Research

### Fixed Income

#### Fixed Income Daily Market Snapshot

##### US Treasuries

- US Treasuries were firmer in trading on Tuesday, amidst July PPI coming in south of expectations, both at the headline and core level, and a continued recovery in the equity markets. Benchmark yields finished lower between 4 and 9bps for the day, with the UST yield curve bull steepening. **The benchmark 2yr UST yield was 9bps lower for the session at 3.93%, while the benchmark 10yr UST yield fell by 6bps for the day to 3.84%.** The focus for the day ahead will lie on the scheduled release of US CPI numbers for July. Labour earnings numbers for the month are also due amidst an empty Fed speak calendar.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	3.93	-9
5-yr UST	3.67	-7
10-yr UST	3.84	-6
30-yr UST	4.16	-4

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.33	0	3.32	1
5-yr	3.49	1	3.44	-2
7-yr	3.71	2	3.64	0
10-yr	3.76	-1	3.80	0
15-yr	3.90	1	3.92	0
20-yr	4.04	0	4.06	1
30-yr	4.16	11	4.13	0

\* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.38	3
3-yr	3.32	2
5-yr	3.40	3
7-yr	3.49	1
10-yr	3.57	1

Source : Bloomberg

#### Upcoming Government Bond Tender

Reopening of RM3bn of benchmark 30Y MGS 3/53 on Wednesday, 14 Aug (with an additional RM2bn to be privately placed)

MGS switch auction on Monday, 19 Aug with an indicative size of RM 1.22bn – MGS 3/25, MGS 9/25 and MGS 7/26 eligible to be repurchased, and replaced with MGS 6/50

##### MGS/GII

- Local govovies were mixed in a livelier trading session on Tuesday, ahead of domestic government bond supply and key US data later in the week. Secondary market volume for the day surged by 50% to RM4.17bn compared to the RM2.77bn that traded the day before. Benchmark yields closed mixed between -2 and +1 bps for the day, except for the benchmark 30Y MGS which corrected from odd lot trades the prior day. **The benchmark 5Y MGS 8/29 saw its yield edge higher by 1bp to 3.49% while the yield on the benchmark 10Y MGS 11/33 was 1bp lower for the day at 3.76%.** Trading interest for the day was led by the benchmark 3Y MGS, while interest was also seen in the benchmark 3Y GII and 10Y MGS, as well as in the off-the-run GII 10/24, MGS 4/28, MGS 6/28, MGS 4/30 and MGS 7/34. Trading in GIIs as a proportion of total govovies trading receded to 33% versus the 55% share seen on Monday. Bond supply awaits us in the day ahead, with RM3bn of the benchmark 30Y MGS 3/53 set to be auctioned later today.

##### Corp Bonds/Sukuk

- The Corporate Bonds/Sukuk market was better bid in a busy trading session on Tuesday, with secondary market volume jumping by 61% to RM1,421m versus the RM881m that changed hands on Monday. Trading activity for the day was again led by the GG segment, where DANA 4/40 and PRASA 8/42 led trading, closing at 3.99% (unchanged from last print) and 4.08% (+1bp) respectively. Over in the AAA space, interest was led by CELCOM 8/27 and CIMBI 3/34, which settled the day at 3.69% (-9bps) and 4.00% (unchanged) respectively. Meanwhile in the AA-rated segment, trading interest was dominated by UEM 9/30, which closed for the day at 4.00%, little changed from where the bond last traded. In the unrated space, PNBMV 12/24 saw some interest and closed at 4.09%, some 24bps lower versus it last print.

## 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	158	3.075	08/12/2024	6
MGS	03/25	3.118	100	3.095	08/12/2024	2
MGS	09/25	3.102	58	3.112	08/12/2024	-1
MGS	07/26	3.190	122	3.201	08/12/2024	-1
MGS	11/26	3.230	4	3.246	08/12/2024	-2
MGS	03/27	3.301	40	3.306	08/08/2024	0
MGS	05/27	3.327	393	3.327	08/12/2024	0
MGS	11/27	3.371	90	3.368	08/12/2024	0
MGS	04/28	3.410	331	3.402	08/12/2024	1
MGS	06/28	3.452	165	3.438	08/12/2024	1
MGS	04/29	3.500	1	3.515	08/09/2024	-2
MGS	08/29	3.494	104	3.488	08/12/2024	1
MGS	04/30	3.587	240	3.587	08/12/2024	0
MGS	04/31	3.707	143	3.689	08/12/2024	2
MGS	06/31	3.700	50	3.706	08/06/2024	-1
MGS	07/32	3.751	105	3.745	08/12/2024	1
MGS	04/33	3.796	20	3.786	08/12/2024	1
MGS	11/33	3.762	287	3.775	08/12/2024	-1
MGS	07/34	3.736	166	3.730	08/12/2024	1
MGS	05/35	3.812	49	3.815	08/09/2024	0
MGS	04/37	3.882	2	3.888	08/12/2024	-1
MGS	06/38	3.904	3	3.947	08/12/2024	-4
MGS	04/39	3.900	10	3.892	08/12/2024	1
MGS	05/40	3.978	40	3.980	08/09/2024	0
MGS	10/42	4.000	4	4.019	08/12/2024	-2
MGS	05/44	4.043	50	4.043	08/09/2024	0
MGS	06/50	4.100	42	4.040	08/12/2024	6
MGS	03/53	4.163	26	4.055	08/12/2024	11
GII	08/24	3.073	50	3.073	08/12/2024	0
GII	10/24	3.093	166	3.084	08/12/2024	1
GII	08/25	3.166	136	3.148	08/12/2024	2
GII	10/25	3.166	6	3.197	08/12/2024	-3
GII	03/26	3.279	20	3.279	08/12/2024	0
GII	09/26	3.315	295	3.308	08/12/2024	1
GII	07/27	3.334	20	3.305	08/06/2024	3
GII	09/27	3.391	4	3.391	08/12/2024	0
GII	07/28	3.443	45	3.463	08/09/2024	-2
GII	10/28	3.462	11	3.504	08/12/2024	-4
GII	07/29	3.517	160	3.520	08/12/2024	0
GII	10/30	3.649	8	3.647	08/09/2024	0
GII	10/31	3.694	10	3.704	08/12/2024	-1
GII	10/32	3.776	50	3.790	08/12/2024	-1
GII	08/33	3.799	120	3.798	08/09/2024	0
GII	11/34	3.768	10	3.777	08/12/2024	-1
GII	10/35	3.829	10	3.972	08/12/2024	-14
GII	07/36	3.872	20	3.866	08/08/2024	1
GII	03/38	3.922	6	3.931	08/12/2024	-1
GII	09/39	3.918	23	3.919	08/09/2024	0
GII	09/41	4.013	45	4.012	08/12/2024	0
GII	08/43	4.055	60	4.048	08/08/2024	1
GII	11/49	4.139	6	4.189	08/08/2024	-5
GII	05/52	4.199	80	4.197	08/12/2024	0
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## 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	12/27	GG	3.396	5	3.666	11/6/2024	-27	7
Prasarana Malaysia Berhad	03/28	GG	3.514	55	3.689	21/6/2024	-18	9
DanaInfra Nasional Berhad	07/29	GG	3.590	10	3.730	16/1/2024	-14	9
Prasarana Malaysia Berhad	09/29	GG	3.617	20	3.587	5/8/2024	3	12
Prasarana Malaysia Berhad	02/31	GG	3.749	40	3.775	9/8/2024	-3	6
Lembaga Pembiayaan Perumahan Sektor Awam	07/33	GG	3.825	5	3.899	7/6/2024	-7	8
DanaInfra Nasional Berhad	05/36	GG	3.903	20	3.909	9/8/2024	-1	14
Malaysia Rail Link Sdn Berhad	07/36	GG	3.931	80	3.981	24/7/2024	-5	17
DanaInfra Nasional Berhad	04/37	GG	3.930	60	3.929	9/8/2024	0	3
DanaInfra Nasional Berhad	04/37	GG	3.931	10	3.929	9/8/2024	0	3
DanaInfra Nasional Berhad	04/40	GG	3.994	120	3.999	6/8/2024	0	10
DanaInfra Nasional Berhad	08/42	GG	4.079	40	4.079	2/8/2024	0	3
Prasarana Malaysia Berhad	08/42	GG	4.079	100	4.065	31/7/2024	1	3
DanaInfra Nasional Berhad	05/51	GG	4.197	40	4.184	5/8/2024	1	15
DanaInfra Nasional Berhad	03/52	GG	4.207	20	4.189	2/8/2024	2	16
Toyota Capital Malaysia Sdn Berhad	01/25	AAA	3.705	20	3.747	5/6/2024	-4	54
Bank Pembangunan Malaysia Berhad	06/26	AAA	3.679	7	3.718	26/7/2024	-4	43
Sarawak Energy Berhad	01/27	AAA	3.650	20	3.665	20/3/2024	-2	41
Johor Corporation	06/27	AAA	3.899	20	3.898	2/8/2024	0	57
Celcom Networks Sdn Berhad	08/27	AAA	3.685	60	3.778	6/6/2024	-9	36
Pengurusan Air SPV Berhad	06/28	AAA	3.746	10	3.844	23/7/2024	-10	33
Amanat Lebuhraya Rakyat Berhad	10/30	AAA	3.785	10	3.920	26/6/2024	-14	18
Petroleum Sarawak Exploration & Production Sdr	03/31	AAA	3.859	10	3.858	7/8/2024	0	17
Tenaga Nasional Berhad	08/32	AAA	3.848	10	4.140	9/8/2024	-29	13
Sarawak Energy Berhad	11/33	AAA	3.847	10	3.818	6/8/2024	3	10
CIMB Islamic Bank Berhad	03/34	AAA	3.999	40	3.997	12/8/2024	0	23
Tenaga Nasional Berhad	08/38	AAA	3.989	20	4.031	25/7/2024	-4	9
SMJ Energy Sdn Berhad (fka SMJ Sdn Berhad)	10/38	AAA	4.039	20	4.089	29/7/2024	-5	14
Sabah Credit Corporation	04/25	AA1	3.672	20	4.013	19/12/2023	-34	50
First Abu Dhabi Bank PJSC	12/27	AA1	3.865	10	4.697	28/9/2022	-83	54
YTL Power International Berhad	03/33	AA1	4.009	30	4.172	13/6/2024	-16	26
UMW Holdings Berhad	11/26	AA+	3.688	10	3.766	31/7/2024	-8	44
AEON Co. (M) Berhad	07/26	AA2	3.798	40	3.818	15/3/2024	-2	55
PONSB Capital Berhad	06/27	AA2	3.761	4	3.974	8/3/2024	-21	43
CIMB Group Holdings Berhad	12/31	AA2	3.825	20	3.825	12/8/2024	0	13
CIMB Group Holdings Berhad	12/32	AA2	4.275	1	4.330	31/7/2024	-5	55
Edra Energy Sdn Berhad	07/26	AA3	3.789	40	3.853	25/7/2024	-6	54
Affin Islamic Bank Berhad	12/26	AA3	3.801	10	3.806	9/8/2024	0	56
AEON Credit Service (M) Berhad	09/28	AA3	3.835	20	3.899	19/7/2024	-6	42
CIMB Thai Bank Public Company Limited	07/31	AA3	4.102	40	4.200	1/3/2024	-10	41
UEM Sunrise Berhad	09/25	AA-	3.747	15	3.993	18/4/2024	-25	58
7-Eleven Malaysia Holdings Berhad	06/26	AA-	4.176	50	4.196	12/8/2024	-2	93
Jimah East Power Sdn Berhad	12/29	AA-	4.049	10	4.064	5/8/2024	-1	55
UEM Sunrise Berhad	09/30	AA-	3.997	150	3.998	25/6/2024	0	39
MMC Port Holdings Sdn Berhad	04/32	AA-	3.998	50	4.068	23/7/2024	-7	28
PNB Merdeka Ventures Sdn Berhad	12/24	NR(LT)	4.086	20	4.326	5/7/2023	-24	92
				1421				

\* 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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