

## Global Markets Research

### Fixed Income

## Fixed Income Daily Market Snapshot

### US Treasuries

- US Treasuries were weaker in trading on Wednesday, amidst a weak 20yr UST auction which saw tepid demand, and comments from the Fed's Michele Bowman that favored a cautious approach to further interest rate cuts as progress in reducing inflation had slowed. Overall benchmark yields closed the day 1-3bps higher, led by the shorter end of the maturity spectrum. **The benchmark 2Y UST note yield closed the day 3bps higher at 4.32% while the benchmark 10Y UST bond yield advanced by 1bp to 4.41%.** Tonight sees the release of US existing home sales and the Leading Index for October, as well as weekly jobless claims data and a regional Fed business outlook out of Philadelphia, but markets are likely to be driven by continued developments in the escalation of geopolitical tensions in Ukraine.

### MGS/GII

- Local govies traded higher for a fourth consecutive session on Wednesday, as the market continued to digest the implications of the reduced funding needs of the government this year, which will likely translate into a better fiscal outcome for 2024. Secondary market volume surged by 74% to RM5.34bn from the RM3.07bn that changed hands on Tuesday. Overall benchmark yields ended the day 0-4bps lower across the curve (prior 1-3bps lower). **The benchmark 5Y MGS 8/29 yield was 4bps lower to 3.59% while the yield on the benchmark 10Y MGS 7/34 also declined by 4bps to 3.81%.** Trading activity for the day was led by the off-the-run MGS 3/25, while decent interest was also seen in the off-the-run MGS 9/25, GII 10/25, GII 9/27 and MGS 11/33, as well as in the benchmark 5Y MGS, 10Y GII and 30Y GII. The share of GII trading for the day remained stable at 44% of overall govies trading, similar to the day before. There are no economic data releases for the day ahead, with the October CPI due on Friday.

### Corp Bonds/Sukuk

- The corporate bond/sukuk markets were better offered in trading on Wednesday, with secondary market receded by 24% to RM780m versus the RM1.02bn traded on Tuesday. Trading for the day was led by the GG universe, where activity was led by PRASA 8/28 and PRASA 10/28, which both settled the day at 3.70%, 14bps and 10bps higher versus their last trades respectively. In the AAA space, trading was led by the recently issued MAHB 11/31, which closed at 4.00% in its secondary market debut. The AA segment saw trading for the day led by OSK 9/33, which settled at 4.18%, lower by 2bps in yield versus its last print the day before. In the A-rated arena, activity was led by BIMB 4.58% Perps, which closed at 4.25%, 2bps less than where it was last traded.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.32	3
5-yr UST	4.28	2
10-yr UST	4.41	1
30-yr UST	4.60	2

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.47	-1	3.40	-1
5-yr	3.59	-4	3.60	-3
7-yr	3.77	-2	3.78	-2
10-yr	3.81	-4	3.83	-4
15-yr	3.95	0	3.95	-2
20-yr	4.07	0	4.08	-1
30-yr	4.18	0	4.19	0

\* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.55	-3
3-yr	3.49	0
5-yr	3.53	1
7-yr	3.63	2
10-yr	3.72	2

Source : Bloomberg

### Upcoming Government Bond Tender

Nil

## Daily Trades: Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	03/25	3.125	1186	3.115	11/19/2024	1
MGS	09/25	3.259	554	3.261	11/19/2024	0
MGS	04/26	3.340	1	3.374	11/19/2024	-3
MGS	07/26	3.381	10	3.395	11/19/2024	-1
MGS	05/27	3.468	46	3.481	11/19/2024	-1
MGS	11/27	3.500	127	3.527	11/19/2024	-3
MGS	04/28	3.565	1	3.581	11/18/2024	-2
MGS	06/28	3.552	60	3.582	11/19/2024	-3
MGS	08/29	3.594	301	3.631	11/19/2024	-4
MGS	04/30	3.643	33	3.694	11/19/2024	-5
MGS	04/31	3.773	138	3.794	11/19/2024	-2
MGS	07/32	3.808	23	3.843	11/19/2024	-4
MGS	04/33	3.834	24	3.879	11/19/2024	-4
MGS	11/33	3.836	172	3.870	11/19/2024	-3
MGS	07/34	3.809	119	3.850	11/19/2024	-4
MGS	05/35	3.909	7	3.915	11/19/2024	-1
MGS	04/37	3.972	34	3.976	11/19/2024	0
MGS	06/38	3.989	9	3.990	11/19/2024	0
MGS	04/39	3.949	5	3.953	11/19/2024	0
MGS	05/40	4.001	1	4.019	11/19/2024	-2
MGS	10/42	4.042	34	4.070	11/19/2024	-3
MGS	05/44	4.069	13	4.069	11/19/2024	0
MGS	07/48	4.138	20	4.121	11/19/2024	2
MGS	06/50	4.145	74	4.148	11/19/2024	0
MGS	03/53	4.181	20	4.182	11/19/2024	0
GII	08/25	3.285	121	3.288	11/19/2024	0
GII	10/25	3.279	180	3.292	11/19/2024	-1
GII	03/26	3.343	20	3.356	11/18/2024	-1
GII	09/26	3.395	60	3.407	11/19/2024	-1
GII	09/27	3.458	275	3.504	11/18/2024	-5
GII	07/28	3.548	10	3.562	11/18/2024	-1
GII	10/28	3.546	68	3.565	11/19/2024	-2
GII	07/29	3.595	140	3.630	11/19/2024	-3
GII	09/30	3.698	20	3.717	11/19/2024	-2
GII	10/30	3.683	30	3.722	11/19/2024	-4
GII	10/31	3.779	142	3.804	11/19/2024	-2
GII	10/32	3.842	20	3.771	11/19/2024	7
GII	08/33	3.828	90	3.857	11/19/2024	-3
GII	11/34	3.827	270	3.864	11/19/2024	-4
GII	10/35	3.881	2	3.926	11/12/2024	-5
GII	07/36	3.929	150	3.954	11/19/2024	-3
GII	03/38	3.962	40	3.965	11/19/2024	0
GII	09/39	3.950	125	3.968	11/19/2024	-2
GII	08/43	4.083	80	4.091	11/19/2024	-1
GII	05/52	4.195	22	4.197	11/19/2024	0
GII	03/54	4.193	460	4.190	11/19/2024	0
			5338			

## 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*
Small Medium Enterprise Development Bank Mal:	04/25	GG	3.344	20	3.306	27/8/2024	4	6
Pengurusan Air SPV Berhad	06/26	GG	3.457	10	3.488	30/10/2024	-3	6
Prasarana Malaysia Berhad	12/27	GG	3.645	30	3.541	9/10/2024	10	17
Prasarana Malaysia Berhad	08/28	GG	3.704	140	3.567	16/10/2024	14	15
Lembaga Pembiayaan Perumahan Sektor Awam	09/28	GG	3.677	40	3.617	24/10/2024	6	12
Prasarana Malaysia Berhad	10/28	GG	3.704	60	3.604	18/10/2024	10	15
DanaInfra Nasional Berhad	09/34	GG	3.980	8	3.988	15/11/2024	-1	16
Perbadanan Tabung Pendidikan Tinggi Nasional	03/36	GG	4.019	20	4.028	14/11/2024	-1	20
Prasarana Malaysia Berhad	01/37	GG	4.000	5	4.029	19/11/2024	-3	18
Perbadanan Tabung Pendidikan Tinggi Nasional	03/39	GG	4.064	30	3.999	20/8/2024	6	12
Danum Capital Berhad	05/25	AAA	3.502	10	3.481	14/11/2024	2	22
Westports Malaysia Sdn Berhad	10/27	AAA	3.848	10	3.746	22/7/2024	10	37
Pengurusan Air Selangor Sdn Berhad	12/27	AAA	3.854	10	3.711	23/9/2024	14	38
TM Technology Services Sdn Berhad (fka Webe Di	10/28	AAA	3.855	20	3.726	1/10/2024	13	30
Amanat Lebuhraya Rakyat Berhad	10/29	AAA	3.959	20	4.000	7/11/2024	-4	36
Petroleum Sarawak Exploration & Production Sdr	11/29	AAA	3.953	10	3.818	4/10/2024	14	35
Malaysia Airports Holdings Berhad	11/31	AAA	4.000	30	n/a	n/a	400	23
Tenaga Nasional Berhad	08/32	AAA	4.021	10	3.939	28/10/2024	8	22
Amanat Lebuhraya Rakyat Berhad	10/32	AAA	4.078	20	4.078	18/11/2024	0	27
Projek Lebuhraya Usahasama Berhad	01/35	AAA	4.009	10	4.008	19/11/2024	0	19
Projek Lebuhraya Usahasama Berhad	01/37	AAA	4.050	10	4.059	15/11/2024	-1	23
Tenaga Nasional Berhad	08/40	AAA	4.271	1	3.948	25/10/2024	32	33
Sabah Credit Corporation	01/27	AA1	3.869	5	3.865	19/11/2024	0	48
Encorp Systembilt Sdn Berhad	05/27	AA1	3.845	10	3.793	5/11/2024	5	45
Malayan Banking Berhad	01/31	AA1	3.793	20	3.809	10/10/2024	-2	10
Sime Darby Property Berhad	12/27	AA+	3.846	30	3.761	2/10/2024	9	37
Sime Darby Property Berhad	12/30	AA+	3.979	10	3.968	28/10/2024	1	28
Press Metal Aluminium Holdings Berhad	08/25	AA2	3.713	20	3.723	11/11/2024	-1	43
RHB Islamic Bank Berhad	04/32	AA2	3.575	10	3.884	14/8/2024	-31	-20
SP Setia Berhad	06/26	AA	3.830	5	3.824	19/6/2024	1	44
Fortune Premiere Sdn Berhad	09/26	AA	3.959	10	3.921	22/10/2024	4	57
OSK Rated Bond Sdn Berhad	09/33	AA	4.179	40	4.199	19/11/2024	-2	35
Gamuda Berhad	11/26	AA3	3.827	20	3.800	6/8/2024	3	43
Gamuda Land (T12) Sdn Berhad	08/27	AA3	3.932	10	3.935	3/7/2024	0	46
MMC Port Holdings Sdn Berhad	04/27	AA-	3.914	5	3.856	25/10/2024	6	52
Southern Power Generation Sdn Berhad	10/31	AA-	4.139	10	3.998	16/8/2024	14	37
SUNREIT Perpetual Bond Berhad	04/19	A1	4.708	10	4.397	15/11/2024	31	64
Alliance Bank Malaysia Berhad	10/30	A2	3.885	10	4.360	14/11/2024	-48	19
Bank Islam Malaysia Berhad	10/23	A3	4.246	30	4.265	14/11/2024	-2	18
WCT Holdings Berhad	03/19	A-	6.000	1	5.689	1/10/2024	31	193
Bank Muamalat Malaysia Berhad	09/22	BBB	4.992	1	4.839	19/11/2024	15	93
				<u>780</u>				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Genting Plantations Berhad	Corporate Credit Rating	AA2/Stable/P1	Affirmed
Benih Restu Berhad	RM1.5bn Sukuk Murabahah Programme (2015/2030) and RM2bn Sukuk Wakalah Programme (Perpetual)	AA2/Stable	Affirmed
TIME dotCom Berhad	RM1bn Islamic Medium-Term Notes Programme (2017/2037)	AA2/Positive	Outlook Upgraded

Source: RAM, MARC

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