

Global Markets Research Fixed Income : Auction Calendar

Re-opening of 5-year GII 3/26 prints BTC of 2.067x

Post-announcement, WI opened wide at 2.30/15% with levels eventually tightening to 2.25/17% with several trades estimated at ~RM200m done between 2.25-22% levels before finally settling at 2.25%. This auction was stronger-than-expected; notching a BTC ratio above the 2.0x handle with bids amounting to RM9.3b and saw almost similar interest when compared to its earlier auction with bids totaling RM9.98b on a BTC ratio of 1.996x in October 2020. The offering was again in line with our total forecast issuance of RM4.5b. The summary of tender results are as follows:-

Bid to Cover: 2.067x High : 2.26% Average : 2.252% Low : 2.23% Cut off : 63.16 %

This 5y GII auction saw strong support mainly by inter-bank traders and portfolio managers as the bond provides a decent and consistent spread of ~50bps against the OPR...

MCC/CILisournes singling in 2021

The short tail of a mere ~0.8bps reflects strong appetite as this tenure remains a relevant benchmark for inter-bank traders and portfolio managers. The average yield at 2.252% was slightly higher compared to its similar auction which was awarded at 2.204% in October last year under the current low yield environment. Nevertheless this benchmark when duration-adjusted, **displays relative value** compared to the conventional equivalent i.e. 5Y benchmark MGS 9/25 yield which was last done at 2.09% levels today (We note that the yearly historical mean spread between the Islamic and conventional 5Y benchmarks is ~13bps). Up next on the calendar is the reopening of 20Y MGS 5/40 for which we are also penciling in a total projected issuance size of RM4.5b.

| 2 15-yr new Issuance of cit (Mat on 7/36) 15 Jan 0.0 1.000 6,500 2.917 3.835 3.447 3.475 95.75 10-yr Reopening of Git (Mat on 6/3/26) 5 Feb 01 3/2/2021 4.800 15.000 2.067 2.230 2.252 2.266 63.27 2-yr Reopening of Git (Mat on 6/3/20) 20 Feb 01 3/2/2021 4.800 4.500 15.000 2.067 2.230 2.252 2.266 63.27 7 3-yr Reopening of Git (Mat on 6/30) 30 Mar 01 2.000< | | /GII issuance pipeline in 2021 | | | | | | | | | | | | | |
|--|----|---|--------|-----|---------|-----------|-----------------|---------------------|--------|------------|--------|-----------|-----------|-----------|---------|
| 2 15-yr new Issuance of cit (Mat on 7/36) 15 Jan 0.0 1.000 6,500 2.917 3.835 3.447 3.475 95.75 10-yr Reopening of Git (Mat on 03/26) 5 Feb 01 3/2/2021 4.600 4.500 15.000 2.067 2.230 2.252 2.266 63.27 2-yr Reopening of Git (Mat on 03/27) 7 Feb 01 3.500 2.00 | No | Stock | | | Quarter | | Auction Size | Auction Issuance | | Amt Issued | | Low | Average | High | Cut-off |
| 3 Dry-r Reopening of MGS (Mat no My/31) 10 Jan 01 21/1/2021 4.000 4.000 10.500 1.992 2.848 2.714 2.730 91.75 5 20-yr Reopening of MGS (Mat no My/30) 20 Feb 01 3/2/2021 4.500 15,000 2.067 2.230 2.236 63.25 7 Yr Reopening of MGS (Mat no My/30) 30 Mar 01 3.500 2.000 | 1 | 7-yr reopening of MGS (Mat on 06/28) | 7 | Jan | Q1 | 6/1/2021 | 3,500 | 3,500 | | 3,500 | 2.026 | 2.406 | 2.449 | 2.463 | 50.0% |
| 4 5. yr Reopening of GI (Mat on 03/2b) 5 Feb 01 3/2/2021 4.500 4.500 15.000 2.067 2.230 2.232 2.266 63.29 5 20-yr Reopening of GI (Mat on 09/2D) 7 Feb 01 2.000 2.500 | 2 | 15.5-yr new Issuance of GII (Mat on 7/36) | 15 | Jan | Q1 | 14/1/2021 | 3,000 | 3,000 | 1,500 | 6,500 | 2.917 | 3.385 | 3.447 | 3.475 | 95.5% |
| 5 Dury Reopening of Mis (Mat on 05/40) 20 Feb 01 2.000 2.500 7 30-yr Reopening of Mis (Mat on 06/50) 30 Mar 01 2.000 2.000 | 3 | 10-yr Reopening of MGS (Mat on 04/31) | 10 | Jan | Q1 | 21/1/2021 | 4,000 | 4,000 | | 10,500 | 1.992 | 2.684 | 2.714 | 2.730 | 91.7% |
| 6 7.yr Reopening of GII (Mat on 06/20) 7 80-yr Reopening of MGS (Mat on 06/50) 30 Mar 01 2.000 2.000 0 0 0 9 Syr Reopening of MGS (Mat on 09/25) 5 Mar 01 4.000 0 0 0 10 Pr Reopening of MGS (Mat on 09/25) 5 Mar 01 4.000 0 0 0 11 Zyr Reopening of MGS (Mat on 06/28) 7 Apr 02 4.000 0 0 0 0 13 Syr Reopening of MGS (Mat on 06/28) 7 Apr 02 4.000 | 4 | 5-yr Reopening of GII (Mat on 03/26) | 5 | Feb | Q1 | 3/2/2021 | 4,500 | 4,500 | | 15,000 | 2.067 | 2.230 | 2.252 | 2.260 | 63.2% |
| 7 30-yr Reopening of MGS (Mat on 06/50) 30 Mar 01 2.000 2.000 0 0 0 8 10-yr Reopening of GII (Mat on 10/30) 10 Mar 01 4.000 | 5 | 20-yr Reopening of MGS (Mat on 05/40) | 20 | Feb | Q1 | | 2,000 | | 2,500 | | | | | | |
| 8 Ioyr Reopening of GII (Mat on 10/30) 10 Mar 01 4,000 0 0 0 9 5-yr Reopening of MGS (Mat on 09/25) 5 Mar 01 4,000 | 6 | 7-yr Reopening of GII (Mat on 09/27) | 7 | Feb | Q1 | | 3,500 | | | | | | | | |
| 9 5-yr Reopening of MGS (Mat on 09/25) 5 Mar 01 4.500 0 <td>7</td> <td>30-yr Reopening of MGS (Mat on 06/50)</td> <td>30</td> <td>Mar</td> <td>Q1</td> <td></td> <td>2,000</td> <td></td> <td>2,000</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>1</td> | 7 | 30-yr Reopening of MGS (Mat on 06/50) | 30 | Mar | Q1 | | 2,000 | | 2,000 | | | | | | 1 |
| 10 20.5-yr New Issue of GII (Mat on 06/28) 7 Apr Q2 4.000 2.500 11 7-yr Reopening of MGS (Mat on 06/28) 7 Apr Q2 4.000 | 8 | 10-yr Reopening of GII (Mat on 10/30) | 10 | Mar | Q1 | | 4,000 | | | | | | | | |
| 11 7-yr Reopening of MGS (Mat on 06/28) 7 Apr Q2 4,000 12 15-yr Reopening of MGS (Mat on 07/36) 15 Apr Q2 3,000 1,000 13 3-yr Reopening of MGS (Mat on 06/24) 3 Apr Q2 4,000 14 30-yr Reopening of MGS (Mat on 04/31) 30 May Q2 2,000 2,000 15 5-yr Reopening of MGS (Mat on 04/31) 10 Jun Q2 4,000 <td< td=""><td>9</td><td>5-yr Reopening of MGS (Mat on 09/25)</td><td>5</td><td>Mar</td><td>Q1</td><td></td><td>4,500</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>1</td></td<> | 9 | 5-yr Reopening of MGS (Mat on 09/25) | 5 | Mar | Q1 | | 4,500 | | | | | | | | 1 |
| 12 15-yr Reopening of Oll (Mat on 7/36) 15 Apr Apr Apr 3 Apr Apr 4,000 3,000 1,000 Image: Constraint of | 10 | 20.5-yr New Issue of GII (Mat on 09/41) | 20 | Mar | Q1 | | 2,000 | | 2,500 | | | | | | |
| 13 3-yr Reopening of MGS (Mat on 06/24) 3 Apr 0.2 4.000 < | 11 | 7-yr Reopening of MGS (Mat on 06/28) | | Apr | Q2 | | 4,000 | | | | | | | | |
| 14 30-yr Reopening of Gil (Mat on 11/49) 30 May Q2 2,000 2,000 1.500 1 15 5-yr Reopening of Gil (Mat on 03/26) 5 May Q2 3,000 1,500 1 1 16 5-yr Reopening of Gil (Mat on 03/26) 5 May Q2 3,500 1,000 1 1 18 3-yr Reopening of Gil (Mat on 01/24) 3 Jun Q2 4,500 1 1 1 1 1 1 Q2 4,500 1 1 1 1 1 1 1 1 Q2 4,500 1 | 12 | 15-yr Reopening of GII (Mat on 7/36) | 15 | Apr | Q2 | | 3,000 | | 1,000 | | | | | | 1 |
| 15 J5-yr Reopening of MGS (Mat on 05/35) 15 May Q2 3,000 1,500 16 5-yr Reopening of GII (Mat on 03/26) 5 May Q2 4,000 <td>13</td> <td>3-yr Reopening of MGS (Mat on 06/24)</td> <td>3</td> <td>Apr</td> <td>Q2</td> <td></td> <td>4,000</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>1</td> | 13 | 3-yr Reopening of MGS (Mat on 06/24) | 3 | Apr | Q2 | | 4,000 | | | | | | | | 1 |
| 16 S-yr Reopening of Gil (Mat on 03/26) 5 May Q2 4,000 <t< td=""><td>14</td><td>30-yr Reopening of GII (Mat on 11/49)</td><td>30</td><td>May</td><td>Q2</td><td></td><td>2,000</td><td></td><td>2,000</td><td></td><td></td><td></td><td></td><td></td><td>1</td></t<> | 14 | 30-yr Reopening of GII (Mat on 11/49) | 30 | May | Q2 | | 2,000 | | 2,000 | | | | | | 1 |
| 17 10-yr Reopening of MGS (Mat on 04/31) 10 Jun Q2 3,500 1,000 Image: Constraint of Constr | 15 | 15-yr Reopening of MGS (Mat on 05/35) | 15 | May | Q2 | | 3,000 | | 1,500 | | | | | | |
| 18 3-yr Reopening of GII (Mat on 10/24) 3 Jun Q2 4,500 | 16 | 5-yr Reopening of GII (Mat on 03/26) | | May | Q2 | | 4,000 | | | | | | | | |
| 19 20-yr Reopening MGS (Mat on 05/40) 20 Jun Q2 2,000 2,000 10 11 11 20 15-yr Reopening of GII (Mat on 07/36) 15 Jul Q3 3,000 1,500 10 10 10 21 5-yr Reopening of GII (Mat on 10/30) 10 Jul Q3 4,000 10 10 10 23 0-yr Reopening of GII (Mat on 10/30) 10 Jul Q3 2,500 1,500 10 10 23 0-yr Reopening of GII (Mat on 06/50) 30 Aug Q3 4,500 10 10 10 24 7-yr Reopening of GII (Mat on 09/41) 20 Sep Q3 4,500 10 10 10 25 3-yr Reopening of MGS (Mat on 06/24) 3 Aug Q3 4,500 10 10 10 26 0-yr Reopening of GII (Mat on 09/41) 20 Sep Q3 3,000 1,500 10 10 27 10-yr Reopening of MGS (Mat on 04/31) 10 Sep Q3 4,000 10 10 10 10 <t< td=""><td>17</td><td>10-yr Reopening of MGS (Mat on 04/31)</td><td>10</td><td>Jun</td><td>Q2</td><td></td><td>3,500</td><td></td><td>1,000</td><td></td><td></td><td></td><td></td><td></td><td>1</td></t<> | 17 | 10-yr Reopening of MGS (Mat on 04/31) | 10 | Jun | Q2 | | 3,500 | | 1,000 | | | | | | 1 |
| 20 15-yr Reopening of Gil (Mat on 07/36) 15 Jul Q3 3,000 1,500 Image: Constraint of Constr | 18 | 3-yr Reopening of GII (Mat on 10/24) | 3 | Jun | Q2 | | 4,500 | | | | | | | | |
| 21 5-yr Reopening of MGS (Mat on 11/26) 5 Jul Q3 4,000 | 19 | 20-yr Reopening MGS (Mat on 05/40) | | Jun | | | 2,000 | | 2,000 | | | | | | 1 |
| 22 10-yr Reopening of Gil (Mat on 10/30) 10 Jul Q3 2,500 1,500 Image: Constraint of Constraint on Constrant on Constrant on Constraint on Constraint on Constrai | 20 | 15-yr Reopening of GII (Mat on 07/36) | 15 | Jul | Q3 | | 3,000 | | 1,500 | | | | | | 1 |
| 23 30-yr Reopening of MGS (Mat on 06/50) 30 Aug Q3 2,000 2,500 Image: Constraint of Constrating Constraint of Constraint of Constraint of Constrai | 21 | 5-yr Reopening of MGS (Mat on 11/26) | 5 | Jul | Q3 | | 4,000 | | | | | | | | |
| 24 7-yr Reopening of GII (Mat on 08/28) 7 Aug Q3 4,500 <t< td=""><td>22</td><td>10-yr Reopening of GII (Mat on 10/30)</td><td>10</td><td>Jul</td><td>Q3</td><td></td><td>2,500</td><td></td><td>1,500</td><td></td><td></td><td></td><td></td><td></td><td>1</td></t<> | 22 | 10-yr Reopening of GII (Mat on 10/30) | 10 | Jul | Q3 | | 2,500 | | 1,500 | | | | | | 1 |
| 25 3-yr Reopening of MGS (Mat on 06/24) 3 Aug Q3 4,000 Image: Constraint of Constraints of Constrant of Constraints of Constraints of Constr | 23 | 30-yr Reopening of MGS (Mat on 06/50) | 30 | Aug | Q3 | | 2,000 | | 2,500 | | | | | | |
| 26 20-yr Reopening of GII (Mat on 09/41) 20 Sep 0.3 3,000 1,500 27 10-yr Reopening of MGS (Mat on 04/31) 10 Sep 0.3 3,500 1,000 28 5-yr Reopening of GII (Mat on 03/26) 5 Sep 0.3 4,000 | 24 | 7-yr Reopening of GII (Mat on 08/28) | 7 | Aug | Q3 | | 4,500 | | | | | | | | |
| 27 10-yr Reopening of MGS (Mat on 04/31) 10 Sep 0.3 3,500 1,000 28 5-yr Reopening of GII (Mat on 03/26) 5 Sep 0.3 4,000 < | 25 | 3-yr Reopening of MGS (Mat on 06/24) | 3 | Aug | Q3 | | 4,000 | | | | | | | | |
| 28 5-yr Reopening of GII (Mat on 03/26) 5 Sep Q3 4,000 Image: Constraint of Constraints of | 26 | | | Sep | | | | | | | | | | | |
| 29 7-yr Reopening of MGS (Mat on 06/28) 7 Oct Q4 4,000 <t< td=""><td>27</td><td>10-yr Reopening of MGS (Mat on 04/31)</td><td></td><td>Sep</td><td>Q3</td><td></td><td>3,500</td><td></td><td>1,000</td><td></td><td></td><td></td><td></td><td></td><td></td></t<> | 27 | 10-yr Reopening of MGS (Mat on 04/31) | | Sep | Q3 | | 3,500 | | 1,000 | | | | | | |
| 30 30-yr Reopening of GII (Mat on 11/49) 30 Oct Q4 2,000 2,000 Image: Constraint of Constraints | 28 | | | Sep | | | 4,000 | | | | | | | | |
| 31 5-yr Reopening of MGS (Mat on 11/26) 5 Oct Q4 4,000 | 29 | | | Oct | | | | | | | | | | | |
| 32 10-yr Reopening of GII (Mat on 10/30) 10 Oct Q4 2,000 2,000 | 30 | | | Oct | Q4 | | 2,000 | | 2,000 | | | | | | |
| 33 15-yr Reopening of MGS (Mat on 05/35) 15 Nov Q4 3,000 1,500 34 3-yr Reopening of MGS (Mat on 10/24) 3 Nov Q4 4,000 <td>31</td> <td></td> <td>5</td> <td>Oct</td> <td></td> <td></td> <td>4,000</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> | 31 | | 5 | Oct | | | 4,000 | | | | | | | | |
| 34 3-yr Reopening of GII (Mat on 10/24) 3 Nov Q4 4,000 <t< td=""><td>32</td><td>10-yr Reopening of GII (Mat on 10/30)</td><td></td><td>Oct</td><td>Q4</td><td></td><td>2,000</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></t<> | 32 | 10-yr Reopening of GII (Mat on 10/30) | | Oct | Q4 | | 2,000 | | | | | | | | |
| 35 20-yr Reopening of MGS (Mat on 05/40) 20 Nov Q4 2,000 2,000 36 7-yr Reopening of GII (Mat on 08/28) 7 Dec Q4 3,500 <td>33</td> <td>, , ,</td> <td></td> <td>Nov</td> <td></td> <td></td> <td></td> <td></td> <td>1,500</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> | 33 | , , , | | Nov | | | | | 1,500 | | | | | | |
| 36 7-yr Reopening of GII (Mat on 08/28) 7 Dec Q4 3,500 | 34 | 3-yr Reopening of GII (Mat on 10/24) | | Nov | Q4 | | 4,000 | | | | | | | | |
| 37 3-yr Reopening of MGS (Mat on 06/24) 3 Dec Q4 3,000 | 35 | | 20 | Nov | Q4 | | 2,000 | | 2,000 | | | | | | |
| | 36 | | | Dec | Q4 | | 3,500 | | | | | | | | |
| Gross MGS/GII supply in 2021 121.000 31.500 PROJECTED TOTAL ISSUANCE SIZE = 152.500 | 37 | 3-yr Reopening of MGS (Mat on 06/24) | 3 | Dec | Q4 | | 3,000 | | | | | | | | |
| | | Gross MGS/GII supply in | n 2021 | | | | 121,000 | | 31,500 | | PROJEC | CTED TOTA | LISSUANCE | SIZE = 15 | 2,500 |



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