

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	4.10	2
5-yr UST	3.68	1
10-yr UST	3.57	0
30-yr UST	3.76	-1

MGS			GII*	
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.35	1	3.31	3
5-yr	3.53	6	3.60	4
7-yr	3.81	4	3.87	4
10-yr	3.90	1	3.95	1
15-yr	4.15	2	4.13	0
20-yr	4.17	0	4.16	0
30-yr	4.43	3	4.41	0

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.60	8
3-yr	3.53	7
5-yr	3.60	4
7-yr	3.75	4
10-yr	3.90	6

Source : Bloomberg

Upcoming Government Bond Tender

New Issuance of RM2.5b +RM2.5b (Private Placement) of 30Y MGS 3/53 on Thursday, 30th of March 2023

- US Treasuries underwent muted action on Wednesday with yields narrowly mixed within 2bps from prior day's close as some calm is seen returning to both fixed income and equities space. The curve tilted slightly flatter as overall benchmark yields ended mixed between -1 to +2bps across; with the longer-ends better-bid. **The benchmark UST 2Y yield edged 2bps higher at 4.10% whilst the much-watched UST 10Y closed within 1bps lower at 3.57%.** Treasury's auction consisting of \$35b coupon offering for 7Y notes, tailed market expectations by ~1.1bps and saw demand wane slightly with BTC ratio registered at 2.39x (previous six auction average 2.49x) and awarded at 3.626% (previous auction: 4.062%). Although rates volatility has eased following the reduction in US banking stress, existing movements still underline some uncertainty going forward. Meanwhile, expect attention to shift to the jobless claims data release as at 25th March later tonight.

MGS/GII

- Local govies were slightly pressured on Wednesday, due to a perceived hawkish tilt emanating from hints for further policy normalization; following the release of BNM's annual Economic & Monetary Review coupled with Financial & Stability Review. IRS levels were impacted and spiked for the 3rd consecutive day. The curve shifted higher as overall benchmark MGS/GII yields ended between 0-6bps higher across; amid a 6% uptick in secondary market volume @ RM3.89b. **The benchmark 5Y MGS 11/27 yield jumped 6bps higher to 3.53% whilst the 10Y MGS 7/32 edged 1bps higher at 3.90%.** Interest was mainly seen in off-the-run 23's, 25's and benchmarks 3Y MGS, 15Y MGS; whilst bulk of volume seen in benchmark 5Y MGS. GII transactions fell further to form 18% of overall trades. Expect attention to shift to the auction exercise consisting of new issuance of 30Y MGS today.

Corp Bonds/Sukuk

- On Wednesday, Corporate Bonds/Sukuk saw further ramp-up in activity as secondary market volume jumped by 32% to RM909m, with interest seen across the GG-AA part of the curve. Overall yields ended mostly mixed-to-lower, across a higher number of trades totaling ~53. The long-end govt-guaranteed DANA 2/49 and 3/52 tranches declined 6bps compared to previous-done levels at 4.44% and 4.55% respectively. AAA-rated DANUM 25's eased 3bps to between 3.87-90% area whereas DANGA 1/24 and 2/26 met with different fortunes. The former edged 1bps up at 3.67% whilst the later edged 2bps lower instead at 3.90%. In the AA-space, Fortune Premier 9/25 inched 1bps higher to 4.33% whilst PKNS 3/24 bonds jumped 7bps higher to 4.50%. Meanwhile, the banking/finance space saw PUBLIC Islamic 29NC24 edge 2bps lower at 4.00%.

Daily Trades : Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	04/23	2.441	63	2.705	28/03/2023	-26
MGS	08/23	2.709	253	2.381	28/03/2023	33
MGS	06/24	3.051	143	2.907	28/03/2023	14
MGS	07/24	2.963	3	3.005	28/03/2023	-4
MGS	03/25	3.179	580	3.207	28/03/2023	-3
MGS	09/25	3.265	43	3.238	28/03/2023	3
MGS	07/26	3.346	322	3.333	28/03/2023	1
MGS	11/26	3.393	85	3.377	28/03/2023	2
MGS	03/27	3.510	39	3.566	16/03/2023	-6
MGS	05/27	3.436	1	3.449	28/03/2023	-1
MGS	11/27	3.532	757	3.486	28/03/2023	5
MGS	06/28	3.626	15	3.607	28/03/2023	2
MGS	04/29	3.820	135	3.797	28/03/2023	2
MGS	08/29	3.849	149	3.778	28/03/2023	7
MGS	04/30	3.809	36	3.769	28/03/2023	4
MGS	04/31	3.935	1	3.879	28/03/2023	6
MGS	06/31	3.931	18	3.886	28/03/2023	4
MGS	07/32	3.898	195	3.892	28/03/2023	1
MGS	04/33	3.984	3	3.972	28/03/2023	1
MGS	07/34	4.098	21	4.036	28/03/2023	6
MGS	05/35	4.143	34	4.143	28/03/2023	0
MGS	04/37	4.160	9	4.155	28/03/2023	0
MGS	06/38	4.146	210	4.125	28/03/2023	2
MGS	05/40	4.219	62	4.191	28/03/2023	3
MGS	10/42	4.167	14	4.165	28/03/2023	0
MGS	03/46	4.341	1	4.345	28/03/2023	0
MGS	06/50	4.433	5	4.405	28/03/2023	3
GII	05/23	2.317	14	2.427	27/03/2023	-11
GII	08/25	3.329	101	3.334	28/03/2023	0
GII	10/25	3.305	178	3.279	28/03/2023	3
GII	09/26	3.428	70	3.444	28/03/2023	-2
GII	07/27	3.615	1	3.570	28/03/2023	5
GII	09/27	3.531	45	3.568	28/03/2023	-4
GII	07/28	3.600	106	3.557	28/03/2023	4
GII	10/28	3.650	11	3.660	28/03/2023	-1
GII	10/30	3.850	20	3.842	28/03/2023	1
GII	10/32	3.949	130	3.939	28/03/2023	1
GII	07/36	4.142	3	4.192	28/03/2023	-5
GII	03/38	4.130	12	4.126	28/03/2023	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*
DanaInfra Nasional Berhad	10/23	GG	3.267	10	3.409	19/10/2022	-14	16
Pengurusan Air SPV Berhad	09/25	GG	3.656	10	3.290	22/12/2021	37	42
Pengurusan Air SPV Berhad	02/26	GG	3.686	10	3.700	23/03/2023	-1	369
Malaysia Rail Link Sdn Berhad	09/30	GG	4.020	10	4.572	06/07/2022	-55	21
Pelabuhan Tanjung Pelepas Sdn Berhad	11/30	GG	4.078	20	4.079	27/03/2023	0	24
Prasarana Malaysia Berhad	03/31	GG	4.038	40	-	-	-	20
Lembaga Pembiayaan Perumahan Sektor Awam	04/32	GG	4.106	5	4.021	31/01/2023	9	24
Prasarana Malaysia Berhad	08/42	GG	4.380	30	4.369	10/03/2023	1	20
Prasarana Malaysia Berhad	07/45	GG	4.450	20	4.479	17/02/2023	-3	27
DanaInfra Nasional Berhad	02/49	GG	4.439	20	4.499	16/03/2023	-6	26
Lembaga Pembiayaan Perumahan Sektor Awam	04/49	GG	4.469	10	4.769	13/09/2022	-30	29
DanaInfra Nasional Berhad	03/52	GG	4.549	10	4.609	28/02/2023	-6	37
Danga Capital Berhad	01/24	AAA	3.667	50	3.657	14/02/2023	1	56
Sarawak Energy Berhad	07/24	AAA	3.761	40	3.740	16/02/2023	2	66
TM Technology Services Sdn Berhad (fka Webe Digita	10/24	AAA	3.880	5	3.777	21/09/2022	10	65
Cagamas Berhad	01/25	AAA	3.830	70	3.809	14/03/2023	2	60
Danum Capital Berhad	05/25	AAA	3.901	40	3.929	09/03/2023	-3	67
Danum Capital Berhad	06/25	AAA	3.868	120	3.901	28/03/2023	-3	64
Sarawak Energy Berhad	08/25	AAA	3.859	70	3.933	11/08/2022	-7	63
Projek Lebuhraya Usahasama Berhad	01/26	AAA	4.101	8	4.114	21/03/2023	-1	75
Danga Capital Berhad	02/26	AAA	3.900	10	3.915	22/03/2023	-2	55
Mercedes-Benz Services Malaysia Sdn Berhad	03/26	AAA	3.933	10	3.977	23/03/2023	-4	59
Bank Simpanan Nasional Berhad	10/26	AAA	3.957	10	4.017	16/02/2023	-6	52
Projek Lebuhraya Usahasama Berhad	01/27	AAA	4.132	5	4.136	21/03/2023	0	413
Sarawak Energy Berhad	01/27	AAA	3.947	30	3.958	28/03/2023	-1	51
Pengurusan Air Selangor Sdn Berhad	12/27	AAA	4.168	10	4.181	28/03/2023	-1	65
Sarawak Petchem Sdn Berhad	07/28	AAA	4.077	3	4.300	11/01/2023	-22	55
Pengurusan Air Selangor Sdn Berhad	07/29	AAA	4.199	10	4.298	19/01/2023	-10	54
Pengurusan Air Selangor Sdn Berhad	07/32	AAA	4.329	10	4.599	14/12/2022	-27	46
Amanat Lebuhraya Rakyat Berhad	10/32	AAA	4.509	4	4.509	23/03/2023	0	61
Projek Lebuhraya Usahasama Berhad	01/33	AAA	4.549	20	4.552	23/03/2023	0	65
Pengurusan Air SPV Berhad	02/33	AAA	4.419	1	4.418	28/03/2023	0	52
Petroleum Sarawak Exploration & Production Sdn Ber	02/33	AAA	4.569	2	4.574	22/03/2023	0	67
Danga Capital Berhad	09/33	AAA	4.309	5	4.315	23/03/2023	-1	41
YTL Power International Berhad	05/27	AA1	4.506	20	4.531	24/03/2023	-2	107
Public Islamic Bank Berhad	10/29	AA1	3.999	60	4.015	01/03/2023	-2	19
Imtiaz Sukuk II Berhad	11/27	AA2	4.198	15	4.199	23/03/2023	0	420
Fortune Premiere Sdn Berhad	09/25	AA	4.330	30	4.324	24/03/2023	1	110
Perbadanan Kemajuan Negeri Selangor	03/24	AA3	4.498	10	4.429	24/03/2023	7	140
AEON Credit Service (M) Berhad	02/27	AA3	4.360	1	4.358	28/03/2023	0	92
AEON Credit Service (M) Berhad	02/28	AA3	4.426	10	4.550	22/02/2023	-12	90
Tanjung Bin Energy Sdn Berhad	09/28	AA3	5.460	1	5.529	20/03/2023	-7	546
UEM Sunrise Berhad	02/24	AA-	4.780	10	4.822	24/03/2023	-4	168
UEM Sunrise Berhad	03/24	AA-	4.855	7	4.825	22/02/2023	3	175
UEM Sunrise Berhad	03/26	AA-	4.651	1	4.819	23/03/2023	-17	130
MMC Port Holdings Sdn Berhad	04/27	AA-	4.488	10	5.049	01/11/2022	-56	105
Affin Bank Berhad	07/32	A1	4.485	1	5.053	27/03/2023	-57	62
Tropicana Corporation Berhad	06/23	A+	6.827	1	6.524	27/03/2023	30	372
YNH Property Berhad	02/25	A+	5.570	2	5.498	15/03/2023	7	234
YNH Property Berhad	02/27	A+	5.898	1	5.709	22/03/2023	19	590
Tropicana Corporation Berhad	09/19	A	7.910	1	7.808	28/03/2023	10	373
Tropicana Corporation Berhad	09/19	A	7.014	1	7.666	24/03/2023	-65	283
Tropicana Corporation Berhad	09/19	A	7.497	1	6.254	14/03/2023	124	332
				909				

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

SkyWorld Capital Berhad's Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Eternal Icon Sdn Bhd	Senior Class Medium-Term Notes(MTN's) under the RM400.0 mil MTN Programme	AAA/Stable	Affirmed

Source: RAM, MARC

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