

## Global Markets Research

### Fixed Income

#### Fixed Income Daily Market Snapshot

##### US Treasuries

- UST saw yields reversing higher after equities rebounded, paring appeal of safe haven flows. 10-year seen clawing back 5 bps higher to settle at 2.11% level. On the data front, ISM and PMI services and composite reading saw continue expansion suggesting that prospects of Fed tapering is still firmly on track with announcement of plans as early as September FOMC.

##### MGS/GII

- Local govies ended supported with benchmark yields generally lower from previous session close. 10-year benchmark MGS and GII seen easing lower in yields term to settle at 3.86% and 4.02% level respectively, with spreads of circa 16 bps difference. Total MGS/GII transacted yesterday was over RM4.9b transacted. Interest was skewed towards the 7-year space. All eyes on BNM MPC meeting today, with OPR expected to remain unchanged at 3.00%.

##### PDS/Sukuk

- In the MYR corporate bonds and sukuk space, RM702m seen changing hands with trades skewed towards the AAA/AA segment. AAA TNB '8/32 and '8/37 saw combined amount of RM20m, with levels traded at 4.78% and 4.05%. Also traded EKVE '1/33 and '1/35, with 4.99% and 5.12%. Cahaya Mata Sarawak '5/22 traded at 4.56% with levels dealt at 4.56%.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	1.30	1
5-yr UST	1.69	5
10-yr UST	2.11	5
30-yr UST	2.72	4

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.35		3.48	0
5-yr	3.56		3.73	2
7-yr	3.84	-2	3.95	-2
10-yr	3.86	-1	4.02	-2
15-yr	4.29	-1	4.51	0
20-yr	4.49	-3	4.85	-2
30-yr	4.72	1		

\*Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.49	0
3-yr	3.61	-1
5-yr	3.70	-1
7-yr	3.82	-1
10-yr	3.95	-1

Source: Bloomberg

#### Upcoming Government Bond Tenders

Nil

## Daily Trades : Government Bonds

Securities		Closing YTM	Vol (RM mil)	Previous YTM	Previous Trade Date (dd/mm/yyyy)	Chg (bp)
MGS	09/17	3.007	616	3.033	05/09/2017	-3
MGS	10/17	2.952	216	3.005	05/09/2017	-5
MGS	02/18	2.966	216	3.036	05/09/2017	-7
MGS	03/18	2.989	91	2.996	05/09/2017	-1
MGS	09/18	3.036	278	3.094	05/09/2017	-6
MGS	03/19	3.124	30	3.183	05/09/2017	-6
MGS	07/19	3.270	12	3.289	05/09/2017	-2
MGS	10/19	3.301	24	3.346	05/09/2017	-4
MGS	11/19	3.322	156	3.354	05/09/2017	-3
MGS	03/20	3.401	3	3.409	05/09/2017	-1
MGS	07/20	3.405	30	3.449	05/09/2017	-4
MGS	10/20	3.418	4	3.436	05/09/2017	-2
MGS	02/21	3.347	243	3.357	05/09/2017	-1
MGS	07/21	3.501	36	3.538	05/09/2017	-4
MGS	09/21	3.545	21	3.568	05/09/2017	-2
MGS	11/21	3.593	48	3.606	05/09/2017	-1
MGS	03/22	3.555	61	3.579	05/09/2017	-2
MGS	08/22	3.686	54	3.703	05/09/2017	-2
MGS	09/22	3.683	25	3.715	05/09/2017	-3
MGS	03/23	3.788	81	3.808	05/09/2017	-2
MGS	08/23	3.813	28	3.821	05/09/2017	-1
MGS	07/24	3.870	11	3.879	05/09/2017	-1
MGS	09/24	3.827	265	3.842	05/09/2017	-2
MGS	09/25	3.882	194	3.918	05/09/2017	-4
MGS	11/26	3.835	1	3.873	05/09/2017	-4
MGS	11/27	3.859	305	3.866	05/09/2017	-1
MGS	06/28	4.115	43	4.162	30/08/2017	-5
MGS	04/30	4.275	10	4.332	05/09/2017	-6
MGS	06/31	4.287	88	4.329	05/09/2017	-4
MGS	04/32	4.369	0	4.488	14/08/2017	-12
MGS	04/33	4.293	174	4.332	05/09/2017	-4
MGS	05/35	4.417	14	4.417	05/09/2017	0
MGS	04/37	4.487	20	4.529	05/09/2017	-4
MGS	03/46	4.723	31	4.710	05/09/2017	1
GII	08/18	3.137	133	3.191	05/09/2017	-5
GII	11/18	3.270	7	3.229	05/09/2017	4
GII	04/20	3.481	85	3.488	05/09/2017	-1
GII	08/20	3.602	0	3.600	29/08/2017	0
GII	08/21	3.743	64	3.839	05/09/2017	-10
GII	04/22	3.733	70	3.702	29/08/2017	3
GII	07/22	3.856	8	3.842	05/09/2017	1
GII	07/23	3.947	51	3.958	30/08/2017	-1
GII	08/24	3.950	695	3.970	05/09/2017	-2
GII	09/26	4.137	11	4.163	05/09/2017	-3
GII	07/27	4.023	290	4.042	05/09/2017	-2
GII	09/30	4.479	0	4.490	05/09/2017	-1
GII	10/35	4.666	22	4.678	05/09/2017	-1
GII	05/47	4.854	90	4.863	05/09/2017	-1
			<u>4955</u>			

## Daily Trades: PDS / Sukuk

Securities		Rating	Closing YTM	Vol (RM mil)	Previous YTM	Previous Trade Date (dd/mm/yyyy)	Chg (bp)	Spread Against IRS**
Khazanah Nasional Berhad	07/18	GG	3.521	40	3.650	04/08/2017	(13)	3
Pengurusan Air SPV Berhad	06/21	GG	4.033	5	4.047	18/08/2017	(1)	39
Prasarana Malaysia Berhad	02/23	GG	4.088	15	4.111	28/08/2017	(2)	38
Danainfra Nasional Berhad	07/24	GG	4.270	40	4.281	29/08/2017	(1)	46
Bank Pembangunan Malaysia Berhad	09/24	GG	4.278	20	4.310	31/07/2015	(3)	47
Prasarana Malaysia Berhad	09/27	GG	4.490	10	4.483	10/07/2017	1	55
Tenaga Nasional Berhad	03/32	AAA	4.781	10	4.779	24/08/2017	0	129
Tenaga Nasional Berhad	03/37	AAA	5.050	10	5.070	05/09/2017	(2)	156
Aman Sukuk Berhad	02/18	AAA	3.878	10	4.010	26/07/2017	(13)	39
Public Bank Berhad	04/18	AAA	3.810	25	3.800	17/08/2017	1	32
Cagamas Berhad	11/18	AAA	3.650	10	3.796	16/08/2017	(15)	16
Aman Sukuk Berhad	04/19	AAA	4.080	10	4.096	31/07/2017	(2)	53
GB Services Berhad	11/19	AAA	4.648	5	4.508	28/07/2017	14	110
Impian Ekspresi Sdn Berhad	11/19	AAA	4.334	10	4.395	22/06/2017	(6)	78
Projek Lebuhraya Usahasama Berhad	01/20	AAA	4.086	10	4.093	22/08/2017	(1)	54
HSBC Amanah Malaysia Berhad	03/20	AAA	4.197	40	4.234	16/08/2017	(4)	59
Aman Sukuk Berhad	05/21	AAA	4.334	10	4.339	01/08/2017	(1)	69
Danga Capital Bhd	06/27	AAA	4.490	70	-	-	-	55
Rantau Abang Capital Berhad	01/32	AAA	4.850	40	4.878	24/08/2017	(3)	73
EKVE Sdn Berhad	01/33	AAA	4.989	10	5.009	16/08/2017	(2)	87
EKVE Sdn Berhad	01/35	AAA	5.115	10	5.118	25/08/2017	(0)	100
DiGi Telecommunications Sdn Berhad	04/27	AAA	4.498	30	4.533	22/08/2017	(4)	55
Malaysia Building Society Berhad	12/17	AA1	4.035	10	4.168	10/08/2017	(13)	54
Public Bank Berhad	10/18	AA1	4.347	20	4.324	07/06/2017	2	85
Malayan Banking Berhad	01/19	AA1	4.671	20	4.718	15/08/2017	(5)	118
CIMB Islamic Bank Berhad	09/19	AA1	5.231	0	4.325	17/08/2017	91	168
Sabah Development Bank Berhad	04/20	AA1	5.000	0	4.850	30/08/2017	15	139
Sarawak Energy Berhad	01/22	AA1	4.334	60	4.378	23/08/2017	(4)	69
YTL Power International Berhad	03/27	AA1	4.894	10	4.901	05/09/2017	(1)	95
Celcom Networks Sdn Berhad [fka Celcom Trans	08/27	AA1	5.099	5	4.999	29/08/2017	10	115
UMW Holdings Berhad	10/21	AA2	4.654	10	4.657	05/09/2017	(0)	101
Widad Capital Sdn Berhad	09/18	AA2	4.698	5	4.707	25/08/2017	(1)	101
MMC Corporation Berhad	04/27	AA	5.394	10	5.396	24/08/2017	(0)	145
Jimah East Power Sdn Berhad	12/29	AA	4.894	10	4.909	23/08/2017	(1)	95
BEWG (M) Sdn Berhad	07/20	AA	5.003	10	5.100	18/07/2017	(10)	101
RHB Bank Berhad	11/17	AA3	4.010	10	4.167	15/08/2017	(16)	52
RHB Investment Bank Berhad	12/17	AA3	4.393	10	4.394	28/08/2017	(0)	90
Perbadanan Kemajuan Negeri Selangor	08/18	AA3	4.306	20	4.325	28/08/2017	(2)	81
Cahaya Mata Sarawak Berhad	05/22	AA3	4.558	10	4.583	24/08/2017	(3)	85
CIMB Group Holdings Berhad	05/21	A1	5.345	40	4.824	29/08/2017	52	170
Tan Chong Motor Holdings Berhad	11/21	A1	5.978	0	5.977	05/09/2017	0	233
Mah Sing	-	NR	6.479	2	-	-	-	-
				<u>702</u>				

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

## Market/Corporate News: What's Brewing

U.S. services sector activity accelerated in August amid strong gains in new orders and employment, suggesting that a slowdown in job growth last month was probably temporary. The economic outlook received a further boost from other data on Wednesday showing only a modest rise in the trade deficit in July. The reports were the latest signs that the economy had gathered momentum early in the third quarter. The Institute for Supply Management (ISM) said its non-manufacturing activity index increased 1.4 points to 55.3 in August, rebounding from an 11-month low in the prior month. A reading above 50 indicates expansion in the sector, which accounts for more than two-thirds of U.S. economic activity. (Source : The Star)

## Rating Actions

Issuer	PDS Description	Rating/Outlook	Action
Nil			

Source: MARC and RAM ratings

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