

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

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US Treasuries

- UST advanced sending bond yields significantly lower yesterday, eased circa 3 bps lower for benchmarks. Equities retreated lower on the back of risk aversion amid lingering concerns emerging after Trump administration was forced to affirm Gary Cohn's position as economic adviser. On the data tap, jobless claims came in at 232K versus market consensus 240K, whilst leading index was lower at 0.3% compared to previous level of 0.6%.

MGS/GII

- Local govies extended gains, with benchmark yields lower across the curve. Trading volume was boosted higher with amount transacted exceeding RM4b worth. Trading interest was skewed towards the 10-year MGS and 3-year GII with good amount of RM313m and RM520m traded respectively. Meanwhile short-end 3-year benchmark MGS 2/21 ended 3 bps tighter to close at 3.41% level. All eyes on Malaysia's 2Q GDP release. Upside surprise in growth traction to infuse positive catalyst for the local currency and appeal of MYR bonds.

PDS/Sukuk

- MYR corporate bonds/sukuk saw RM458m transacted with traded skewed towards the AAA/AA space. GG segment, saw RM20m and RM10m traded for PASB '2/23 and Prasa '2/23 transacted. In the AA space, we saw YTL Power '5/27 traded at 4.93%, whilst Jimah East Power '6/21 and '6/22 saw a combined amount of RM40m dealt, at 4.42% and 4.49% level respectively.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	1.30	-3
5-yr UST	1.75	-3
10-yr UST	2.19	-3
30-yr UST	2.78	-3

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.41	-3	3.53	-1
5-yr	3.58	-4	3.74	-2
7-yr	3.90	-1	4.01	0
10-yr	3.99	0	4.09	-2
15-yr	4.36	-2	4.52	0
20-yr	4.55	-1	4.73	0
30-yr	4.74	-3	4.91	0

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	3.49	0
3-yr	3.63	0
5-yr	3.75	0
7-yr	3.85	-1
10-yr	3.98	0

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	02/18	3.050	100	3.078	15/08/2017	-3
MGS	03/18	3.127	37	3.079	16/08/2017	5
MGS	09/18	3.178	213	3.186	16/08/2017	-1
MGS	03/19	3.234	88	3.240	16/08/2017	-1
MGS	07/19	3.329	49	3.384	15/08/2017	-5
MGS	10/19	3.367	1	3.361	16/08/2017	1
MGS	11/19	3.385	50	3.388	16/08/2017	0
MGS	10/20	3.445	161	3.459	16/08/2017	-1
MGS	02/21	3.410	470	3.435	16/08/2017	-2
MGS	07/21	3.536	18	3.558	15/08/2017	-2
MGS	09/21	3.585	7	3.586	16/08/2017	0
MGS	11/21	3.619	80	3.627	15/08/2017	-1
MGS	03/22	3.577	64	3.618	16/08/2017	-4
MGS	08/22	3.740	5	3.739	15/08/2017	0
MGS	09/22	3.766	55	3.762	16/08/2017	0
MGS	03/23	3.862	159	3.831	15/08/2017	3
MGS	08/23	3.870	32	3.875	16/08/2017	0
MGS	07/24	3.972	1	3.955	16/08/2017	2
MGS	09/24	3.899	190	3.909	16/08/2017	-1
MGS	09/25	4.028	275	4.028	16/08/2017	0
MGS	11/26	4.036	47	4.027	15/08/2017	1
MGS	03/27	4.145	10	4.215	14/08/2017	-7
MGS	11/27	3.994	313	3.997	16/08/2017	0
MGS	04/30	4.373	43	4.373	16/08/2017	0
MGS	06/31	4.407	137	4.406	16/08/2017	0
MGS	04/33	4.363	40	4.377	16/08/2017	-1
MGS	05/35	4.459	1	4.501	16/08/2017	-4
MGS	04/37	4.556	20	4.568	10/08/2017	-1
MGS	03/46	4.736	18	4.768	16/08/2017	-3
GII	10/18	3.292	30	3.298	16/08/2017	-1
GII	08/19	3.498	300	3.516	15/08/2017	-2
GII	09/19	3.523	180	3.539	16/08/2017	-2
GII	04/20	3.528	520	3.541	16/08/2017	-1
GII	04/22	3.741	110	3.756	14/08/2017	-1
GII	07/22	3.879	250	3.885	18/07/2017	-1
GII	05/24	4.042	190	4.051	16/08/2017	-1
GII	08/24	4.007	65	4.012	16/08/2017	0
GII	10/25	4.187	108	4.167	09/08/2017	2
GII	07/27	4.087	160	4.109	16/08/2017	-2
GII	12/28	4.285	50	4.271	19/07/2017	1
			4647			

Daily Trades: PDS / Sukuk

Securities		Rating	Closing YTM	Vol (RM mil)	Previous YTM	Previous Trade Date (dd/mm/yyyy)	Chg (bp)
Pengurusan Air SPV Berhad	02/23	GG	4.115	20	4.104	14/08/2017	1
Prasarana Malaysia Berhad	02/23	GG	4.122	10	4.168	03/05/2017	-5
DanaInfra Nasional Berhad	05/46	GG	5.200	2	5.114	13/03/2017	9
Boustead Holdings Berhad	11/17	AAA (BG)	4.016	10	4.001	14/08/2017	1
Boustead Holdings Berhad	11/17	AAA (BG)	3.965	5	4.015	11/08/2017	-5
Projek Lebuhraya Usahasama Berhad	01/18	AAA	3.792	10	3.840	20/06/2017	-5
Ara Bintang Berhad	09/19	AAA	4.141	10	4.190	29/06/2017	-5
Putrajaya Holdings Sdn Berhad	12/21	AAA	4.257	20	4.267	15/08/2017	-1
GENM Capital Berhad	03/22	AAA	4.899	1	4.648	27/07/2017	25
Genting Capital Berhad	06/22	AAA	4.578	15	4.700	11/08/2017	-12
Putrajaya Holdings Sdn Berhad	07/24	AAA	4.442	10	4.438	08/08/2017	0
GENM Capital Berhad	08/25	AAA	4.771	5	4.782	11/08/2017	-1
Tenaga Nasional Berhad	08/37	AAA	5.088	20	5.095	11/08/2017	-1
Public Bank Berhad	11/18	AA1	4.340	20	4.356	21/07/2017	-2
Malayan Banking Berhad	05/19	AA1	4.638	10	4.121	09/08/2017	52
YTL Corporation Berhad	04/23	AA1	4.581	10	4.529	24/05/2017	5
Sasaran Etika Sdn Berhad	04/27	AA1	5.040	6	5.019	03/07/2017	2
YTL Power International Berhad	05/27	AA1	4.929	10	4.940	16/08/2017	-1
CIMB Bank Berhad	09/18	AA+	4.276	40	4.341	14/07/2017	-7
CIMB Islamic Bank Berhad	09/19	AA+	4.325	9	5.299	03/08/2017	-97
Imtiaz Sukuk II Berhad	03/19	AA2	4.301	10	4.289	01/08/2017	1
OCBC Bank (Malaysia) Berhad	04/19	AA2	4.600	10	4.607	16/08/2017	-1
Imtiaz Sukuk II Berhad	11/19	AA2	4.379	5	4.391	01/08/2017	-1
Imtiaz Sukuk II Berhad	05/22	AA2	4.541	10	4.572	20/07/2017	-3
Malaysia Airport Holdings Berhad	12/24	AA2	4.911	5	4.909	07/08/2017	0
CIMB Group Holdings Berhad	12/20	AA	4.586	10	4.699	17/07/2017	-11
Anih Berhad	11/29	AA	4.999	9	4.971	14/07/2017	3
Perbadanan Kemajuan Negeri Selangor	10/17	AA3	4.013	10	4.017	09/08/2017	0
RHB Bank Berhad	11/17	AA3	4.191	10	4.111	30/06/2017	8
BGSM Management Sdn Berhad	12/19	AA3	4.427	20	4.434	16/08/2017	-1
Public Bank Berhad	04/18	AAA	3.800	5	3.856	02/08/2017	-6
IJM Corporation Berhad	04/21	AA3	4.430	10	4.428	03/08/2017	0
Gamuda Berhad	04/21	AA3	4.398	10	4.380	11/08/2017	2
UEM Sunrise Berhad	12/18	AA-	4.452	10	4.496	05/07/2017	-4
WCT Holdings Berhad	04/20	AA-	4.840	10	4.838	16/08/2017	0
Jimah East Power Sdn Berhad	06/21	AA-	4.413	10	4.879	29/12/2015	-47
Jimah East Power Sdn Berhad	06/22	AA-	4.487	30	4.508	07/07/2017	-2
KESTURI	12/27	AA-	4.818	10	4.819	04/08/2017	0
Lebuhraya DUKE Fasa 3 Sdn Berhad	08/37	AA-	5.348	10	5.350	15/08/2017	0
Affin Bank Berhad	02/22	A1	5.022	10	5.026	15/08/2017	0
AMMB Holdings Berhad	03/22	A1	4.900	1	4.752	02/08/2017	15
				458			

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

Market/Corporate News: What's Brewing

Federal Reserve Chair Janet Yellen will join European Central Bank President Mario Draghi in Jackson Hole, Wyoming next week, setting the stage for a potentially revealing debate over the common challenges facing the world's two most powerful central banks. Yellen will speak on the topic of financial stability at 8 a.m. local time (10 a.m. in New York) on Aug. 25 at the Kansas City Fed's annual symposium, the Fed said on Thursday. The ECB had already confirmed Draghi's attendance at the gathering of top economists and policy makers. Their get-together comes as the U.S. central bank prepares to start unwinding its \$4.5 trillion balance sheet and the ECB weighs when to slow down its own large-scale asset purchases. (Source : Bloomberg)

Rating Actions			
Issuer	PDS Description	Rating/Outlook	Action
Nil			

Source: MARC and RAM ratings

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