

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	0.16	1
5-yr UST	0.94	4
10-yr UST	1.74	4
30-yr UST	2.41	4

MGS		GII		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	2.13	3	2.14	3
5-yr	2.66	-1	2.73	-1
7-yr	3.08	-2	2.96	-8
10-yr	3.24	-8	3.35	-3
15-yr	3.88	0	4.03	0
20-yr	4.23	-2	4.36	-6
30-yr	4.38	-5	4.65	3

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	2.01	0
3-yr	2.46	1
5-yr	2.79	3
7-yr	2.93	3
10-yr	3.22	-3

Source : Bloomberg

Upcoming Government Bond Tender

Nil

- US Treasuries extended declines across the curve which steepened and shifted higher as the quarter-end rebalancing flows led to insufficient support on Wednesday with overall benchmark yields closing 1-4bps higher. The UST 2Y yield edged 1bps higher at 0.16% whilst the much-watched UST 10Y yield rose 4bps at 1.74% to its highest levels since January 2020. Traders and investors seemed nervous on President Biden's \$2.25 trillion infrastructure-centric plans; following the recent approval of \$1.9 trillion bill. Reports from ADP which noted increase in private sector employment was also slightly negative for bonds. The divergence between US and European markets was borne out in the spread between benchmark UST's and bunds, which widened more than 50 bps; matching moves seen in 4Q2016. Expect focus to shift to March's monthly jobs report release this Friday.

MGS/GII

- On Wednesday, local govies generally closed stronger following BNM's encouraging 2021 GDP forecast of 6.0-7.5% and pledge to maintain monetary policy support; softening views of potential rate hikes going forward. Overall benchmark govies closed mostly lower between 0-8bps save for the ultra short and long ends amid a sustained secondary market volume of RM4.92b. The 5Y MGS 9/25 yield edged 1bps lower at 2.66% whilst the 10Y MGS 4/31 yield fell 8bps at 3.24%. Interest was mainly seen in the shorter off-the-run 22's, 29's, benchmark 3Y, 5Y 30Y MGS and also the newly-issued 20Y GII. GII bond trades fell to form ~25% of overall trades. Expect the post "FTSE Russell event relief rally" to sustain in certain sectors of the curve.

Corp Bonds/Sukuk

- The Corporate Bond/Sukuk space saw investor appetite boosted; partly tracking govies as interest spread across the GG to single-A part of the curve on Wednesday. Secondary market volume doubled @ RM596m as overall yields continued to end mostly mixed-to-higher on ~21 various bonds. The long-end gov-guaranteed DANA 5/42 spiked 87bps compared to previous-done levels at 4.74% on substantial volume of RM100m. AAA-rated PLUS 29 jumped 81bps at 3.12%. The AA-space saw highest frequency of trades. PROHAWK 1/29 and 12/25 moved opposite direction yield-wise, to close between 3.53-63%. Port-operator PTP 27's ended 65-66bps higher between 3.85-90% levels whereas energy-related bonds MALAKOFF 12/29 and Southern Power 4/33 saw yields settle between 73-90bps at 4.22% and 4.48% each.

Daily Trades : Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	07/21	1.696	8	1.771	30/03/2021	-8
MGS	09/21	1.720	8	1.747	30/03/2021	-3
MGS	11/21	1.713	30	1.806	30/03/2021	-9
MGS	03/22	1.921	516	1.855	30/03/2021	7
MGS	08/22	2.031	55	1.948	30/03/2021	8
MGS	09/22	1.972	170	2.006	30/03/2021	-3
MGS	03/23	2.128	265	2.108	30/03/2021	2
MGS	04/23	2.134	29	2.146	29/03/2021	-1
MGS	08/23	2.197	122	2.208	30/03/2021	-1
MGS	06/24	2.361	12	2.347	30/03/2021	1
MGS	07/24	2.421	93	2.463	29/03/2021	-4
MGS	09/24	2.447	54	2.482	30/03/2021	-4
MGS	03/25	2.606	2	2.620	30/03/2021	-1
MGS	09/25	2.656	820	2.669	30/03/2021	-1
MGS	04/26	2.790	1	2.739	30/03/2021	5
MGS	07/26	2.772	10	2.790	30/03/2021	-2
MGS	09/26	2.873	40	2.760	17/03/2021	11
MGS	11/26	2.770	16	2.778	30/03/2021	-1
MGS	05/27	2.956	71	2.965	30/03/2021	-1
MGS	11/27	2.992	84	3.035	30/03/2021	-4
MGS	06/28	3.079	70	3.101	30/03/2021	-2
MGS	08/29	3.300	69	3.280	30/03/2021	2
MGS	04/30	3.399	2	3.447	29/03/2021	-5
MGS	04/31	3.238	224	3.316	30/03/2021	-8
MGS	06/31	3.530	1	3.533	30/03/2021	0
MGS	04/33	3.949	71	4.002	30/03/2021	-5
MGS	11/33	3.996	10	4.032	29/03/2021	-4
MGS	07/34	3.880	127	3.876	30/03/2021	0
MGS	05/35	4.035	2	4.080	29/03/2021	-4
MGS	04/37	4.175	57	4.271	30/03/2021	-10
MGS	06/38	4.351	5	4.304	30/03/2021	5
MGS	05/40	4.226	251	4.249	30/03/2021	-2
MGS	09/43	4.421	1	4.467	30/03/2021	-5
MGS	03/46	4.534	1	4.436	30/03/2021	10
MGS	07/48	4.535	1	4.566	30/03/2021	-3
MGS	06/50	4.379	388	4.432	30/03/2021	-5
GII	04/21	1.744	140	1.734	29/03/2021	1
GII	03/22	1.877	97	1.847	30/03/2021	3
GII	04/22	1.885	11	1.847	29/03/2021	4
GII	07/22	2.009	41	1.981	26/03/2021	3
GII	05/23	2.136	37	2.110	29/03/2021	3
GII	07/23	2.162	6	2.163	30/03/2021	0
GII	11/23	2.202	14	2.173	30/03/2021	3
GII	10/24	2.502	11	2.528	25/03/2021	-3
GII	08/25	2.582	25	2.643	29/03/2021	-6
GII	03/26	2.728	49	2.735	30/03/2021	-1
GII	09/26	2.872	30	2.960	25/03/2021	-9
GII	07/27	3.048	72	3.091	29/03/2021	-4
GII	09/27	2.962	90	3.046	30/03/2021	-8
GII	10/28	3.273	1	3.248	30/03/2021	2
GII	07/29	3.424	8	3.430	30/03/2021	-1
GII	10/30	3.354	217	3.385	30/03/2021	-3
GII	09/39	4.447	87	4.443	30/03/2021	0
GII	09/41	4.358	243	4.387	30/03/2021	-3
GII	11/49	4.650	51	4.619	30/03/2021	3
			<u>4915</u>			

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*
Perbadanan Tabung Pendidikan Tinggi Nasional	03/24	GG	2.720	35	2.232	07/12/2020	49	59
Perbadanan Tabung Pendidikan Tinggi Nasional	03/24	GG	2.719	60	2.795	23/03/2021	-8	59
Prasarana Malaysia Berhad	12/25	GG	3.091	20	2.484	14/07/2020	61	43
Prasarana Malaysia Berhad	09/37	GG	4.529	25	3.450	24/07/2020	108	64
DanaInfra Nasional Berhad	05/42	GG	4.741	100	3.869	17/04/2020	87	51
Premier Auto Assets Berhad	07/21	AAA	3.571	6	3.555	13/08/2020	2	172
TRIpIc Ventures Sdn Berhad	10/21	AAA	2.429	8	4.689	06/02/2014	-226	58
Projek Lebuhraya Usahasama Berhad	01/29	AAA	3.927	30	3.119	27/01/2021	81	71
Danum Capital Berhad	02/34	AAA	4.419	5	4.449	29/03/2021	-3	53
Sabah Development Bank Berhad	04/24	AA1	3.894	1	3.894	30/03/2021	0	177
Celcom Networks Sdn Berhad	10/26	AA+	3.602	10	2.979	02/03/2021	62	72
Celcom Networks Sdn Berhad	08/27	AA+	3.766	10	3.687	17/03/2021	8	88
Malayan Banking Berhad	01/29	AA1	3.098	10	2.736	08/02/2021	36	-12
Konsortium ProHAWK Sdn Berhad	12/25	AA2	3.526	10	3.237	14/07/2020	29	87
Konsortium ProHAWK Sdn Berhad	06/26	AA2	3.627	10	4.618	02/10/2018	-99	97
Putrajaya Bina Sdn Berhad	03/28	AA	3.799	10	3.627	21/08/2019	17	71
IJM Corporation Berhad	08/28	AA3	4.268	30	3.789	04/03/2021	48	118
Sunway Treasury Sukuk Sdn Berhad	06/22	AA-	3.310	10	3.936	24/09/2019	-63	146
Pelabuhan Tanjung Pelepas Sdn Berhad	06/27	AA-	3.852	60	3.198	09/09/2020	65	97
Pelabuhan Tanjung Pelepas Sdn Berhad	08/27	AA-	3.903	10	3.242	09/11/2020	66	102
Malakoff Power Berhad	12/29	AA-	4.225	30	3.494	07/01/2021	73	96
Southern Power Generation Sdn Berhad	04/33	AA-	4.479	20	3.579	17/11/2020	90	121
AmBank Islamic Berhad	03/27	A1	3.186	10	3.126	17/03/2021	6	30
AmBank (M) Berhad	03/27	A1	3.404	1	4.169	11/03/2021	-77	52
AmBank Islamic Berhad	10/28	A1	3.794	60	2.768	09/02/2021	103	58
CIMB Group Holdings Berhad	05/16	A1	2.653	10	3.934	26/03/2021	-128	-158
Eco World Capital Assets Berhad	08/24	-	5.521	6	5.744	29/03/2021	-22	339
				<u>596</u>				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Nil	Nil	Nil	Nil

Source: RAM, MARC

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