

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries ended little changed again on Wednesday, drawing little attention to US economic data despite the month-end balancing exercises. Overall benchmark yields settled within 1bps of prior day's close with the UST 2Y yield at 0.25% and the much-watched UST 10Y at 1.47%. Price action was limited as there was less meaningful impact from the better than expected ADP jobs report, stronger-than-expected pending home sales nor from FedSpeak. Recent pull-backs in yields may indicate investors reluctance to believe that the economy will be strong in the coming years, even as inflation is seen soaring. Meanwhile, usage at the Fed's Reverse Repo facility which pays an overnight rate of 0.05%, continues to climb to a fresh historic high of ~\$990b with a record number of participants. Expect attention to shift to the all-important June jobs report tomorrow.

MGS/GII

- On Wednesday, local govies were mostly steadier, led by lower IRS levels, save for the short-end MGS and also the long bonds. Overall benchmark yields ended mostly mixed-to-lower between -9 to +5bps amid jump in secondary market volume @ ~RM5.18b. The 5Y MGS 9/25 yield edged 1bps higher at 2.54%, whilst the 10Y MGS 4/31 rallied pushing yields 4bps down to 3.28%. Interest was mainly seen in the off-the-run 21-22's, and also benchmark 3Y, 5Y, 10Y and 15Y MGS. GII transactions maintained to form 20% of overall trades. Investors will be closely watching how banks navigate risks in the operating environment due to the reintroduction of the opt-in 6-month loan moratorium. Meanwhile, expect some attention to shift to the release of PMI data today.

Corp Bonds/Sukuk

- Corporate Bonds/Sukuk space saw investor interest improve amid a spike in secondary market volume @ RM678m on Wednesday. Trades were seen across the GG-AA part of the curve as overall yields closed mostly lower, spanning across 31 names in total. Both govt-guaranteed DANA and LPPSA 24's saw different fortunes with the former ending 6bps lower compared to previous-done levels at 2.41% whilst the later spiked 33bps at 2.47%. AAA-rated toll-operator, PLUS 24 and 31-33's settled 1-4bps lower at 2.67% and between 3.82-4.03% levels respectively. AA-rated plantation giant KLK 9/22 moved 5bps higher at 2.32% whilst MAHB 2114NC24 perps notched RM70m in transacted amounts; closing 19bps higher at 4.29%. Meanwhile the banking space saw RHB 27NC22 rally 16bps at 2.85% whereas MAYBANK 2117NC26 edged 1bps lower at 3.41%.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	0.25	0
5-yr UST	0.89	0
10-yr UST	1.47	0
30-yr UST	2.09	0

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	2.27	0	2.30	-3
5-yr	2.54	1	2.69	-2
7-yr	3.00	-2	3.02	0
10-yr	3.28	-4	3.35	-2
15-yr	3.81	-9	4.00	-1
20-yr	4.19	-6	4.27	0
30-yr	4.29	5	4.47	3

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	1.97	0
3-yr	2.37	-1
5-yr	2.63	-4
7-yr	2.82	-4
10-yr	3.08	-2

Source: Bloomberg

Upcoming Government Bond Tender

Nil

Daily Trades : Government Bond

Securities	Closing	Vol	Previous	Previous	Chg
	YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS 07/21	1.730	407	1.771	29/06/2021	-4
MGS 09/21	1.719	61	1.772	29/06/2021	-5
MGS 11/21	1.771	40	1.761	29/06/2021	1
MGS 03/22	1.785	233	1.737	29/06/2021	5
MGS 08/22	1.746	3	1.792	29/06/2021	-5
MGS 09/22	1.772	424	1.796	28/06/2021	-2
MGS 03/23	1.920	195	1.923	29/06/2021	0
MGS 04/23	1.917	2	1.911	29/06/2021	1
MGS 08/23	1.989	11	1.983	28/06/2021	1
MGS 06/24	2.269	316	2.266	29/06/2021	0
MGS 07/24	2.350	139	2.331	29/06/2021	2
MGS 09/24	2.352	23	2.368	29/06/2021	-2
MGS 03/25	2.502	8	2.502	29/06/2021	0
MGS 09/25	2.538	349	2.527	29/06/2021	1
MGS 04/26	2.664	18	2.690	29/06/2021	-3
MGS 07/26	2.711	28	2.701	25/06/2021	1
MGS 11/26	2.613	12	2.595	28/06/2021	2
MGS 05/27	2.900	46	2.882	28/06/2021	2
MGS 11/27	2.964	13	2.968	29/06/2021	0
MGS 06/28	3.003	97	3.019	29/06/2021	-2
MGS 09/28	3.061	4	3.036	21/06/2021	2
MGS 08/29	3.173	284	3.202	29/06/2021	-3
MGS 04/30	3.299	57	3.322	28/06/2021	-2
MGS 04/31	3.282	311	3.325	29/06/2021	-4
MGS 06/31	3.389	219	3.395	28/06/2021	-1
MGS 04/33	3.774	2	3.791	23/06/2021	-2
MGS 11/33	3.766	0	3.815	29/06/2021	-5
MGS 07/34	3.858	3	3.877	29/06/2021	-2
MGS 05/35	3.812	623	3.898	29/06/2021	-9
MGS 06/38	4.187	11	4.211	29/06/2021	-2
MGS 05/40	4.186	174	4.245	29/06/2021	-6
MGS 09/43	4.282	4	4.286	24/06/2021	0
MGS 03/46	4.400	2	4.402	29/06/2021	0
MGS 07/48	4.403	35	4.472	29/06/2021	-7
MGS 06/50	4.288	2	4.240	29/06/2021	5
GII 03/22	1.721	7	1.786	24/06/2021	-6
GII 04/22	1.760	1	1.755	25/06/2021	1
GII 05/23	1.992	9	1.982	29/06/2021	1
GII 11/23	2.077	6	2.047	29/06/2021	3
GII 10/24	2.298	211	2.324	29/06/2021	-3
GII 10/25	2.624	60	2.624	29/06/2021	0
GII 03/26	2.687	149	2.709	29/06/2021	-2
GII 07/27	2.966	32	2.971	29/06/2021	0
GII 09/27	3.015	161	3.015	29/06/2021	0
GII 10/28	3.082	0	3.091	23/06/2021	-1
GII 07/29	3.272	12	3.274	25/06/2021	0
GII 10/30	3.351	145	3.376	29/06/2021	-2
GII 06/33	3.798	28	3.812	23/06/2021	-1
GII 08/33	3.727	0	3.917	14/06/2021	-19
GII 11/34	3.954	50	4.000	24/06/2021	-5
GII 10/35	4.115	5	4.019	22/06/2021	10
GII 07/36	4.000	116	4.009	29/06/2021	-1
GII 09/39	4.329	4	4.319	29/06/2021	1
GII 09/41	4.272	14	4.270	29/06/2021	0
GII 11/49	4.472	14	4.444	29/06/2021	3
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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	05/24	GG	2.407	100	2.468	03/06/2021	-6	13
Prasarana Malaysia Berhad	09/24	GG	2.469	40	2.142	21/10/2020	33	19
Lembaga Pembiayaan Perumahan Sektor Awam	10/25	GG	2.763	95	2.849	07/05/2021	-9	32
DanaInfra Nasional Berhad	11/27	GG	3.159	5	3.149	23/06/2021	1	28
Malaysia Airports Capital Berhad	12/22	AAA	2.802	20	2.843	22/06/2021	-4	101
Projek Lebuhraya Usahasama Berhad	01/24	AAA	2.668	20	2.704	15/06/2021	-4	39
Danga Capital Berhad	01/24	AAA	2.599	10	2.635	16/06/2021	-4	32
Sarawak Energy Berhad	07/24	AAA	2.856	10	2.930	28/05/2021	-7	58
Putrajaya Holdings Sdn Berhad	07/24	AAA	2.705	10	2.864	24/05/2021	-16	43
Suria KLCC Sdn Berhad	12/24	AAA	2.847	80	2.835	23/06/2021	1	41
Danum Capital Berhad	02/25	AAA	2.831	15	2.828	29/06/2021	0	39
Pengurusan Air SPV Berhad	10/26	AAA	3.193	10	3.248	27/04/2021	-6	64
TNB Northern Energy Berhad	05/27	AAA	3.255	10	4.361	25/10/2016	-111	38
Pengurusan Air SPV Berhad	06/28	AAA	3.472	10	3.531	10/06/2021	-6	44
Projek Lebuhraya Usahasama Berhad	01/31	AAA	3.818	20	3.828	18/06/2021	-1	51
Projek Lebuhraya Usahasama Berhad	01/32	AAA	3.908	20	3.924	24/06/2021	-2	60
Projek Lebuhraya Usahasama Berhad	01/33	AAA	4.029	10	4.069	24/06/2021	-4	72
Pengurusan Air SPV Berhad	10/34	AAA	4.230	5	4.250	29/06/2021	-2	36
Tenaga Nasional Berhad	08/40	AAA	4.291	1	4.363	28/06/2021	-7	7
Kuala Lumpur Kepong Berhad	09/22	AA1	2.315	25	2.262	25/06/2021	5	52
Sabah Development Bank Berhad	06/23	AA1	3.515	1	3.524	18/06/2021	-1	155
Malaysia Airport Holdings Berhad	12/14	AA2	4.293	70	4.103	22/06/2021	19	7
Press Metal Aluminium Holdings Berhad	10/26	AA3	4.169	5	4.199	28/06/2021	-3	162
RHB Bank Berhad	09/27	AA3	2.845	20	3.009	12/04/2021	-16	-3
Malayan Banking Berhad	02/17	AA3	3.408	30	3.421	29/06/2021	-1	-82
Quantum Solar Park (Semenanjung) Sdn Berhad	04/24	AA-	3.626	5	3.740	06/04/2021	-11	135
Quantum Solar Park (Semenanjung) Sdn Berhad	10/28	AA-	4.403	10	4.367	25/05/2021	4	137
Quantum Solar Park (Semenanjung) Sdn Berhad	10/29	AA-	4.552	10	4.849	11/03/2020	-30	139
DRB-Hicom Berhad	12/29	A+	4.806	1	4.735	23/06/2021	7	164
Bank Muamalat Malaysia Berhad	06/31	A3	4.301	1	4.300	15/06/2021	0	99
Quantum Solar Park (Semenanjung) Sdn Berhad	10/25	AA-	3.928	10	3.949	11/05/2021	-2	149
				<u>678</u>				

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

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

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