

## Global Markets Research

### Fixed Income

#### Fixed Income Daily Market Snapshot

##### US Treasuries

US Treasuries ended mostly stronger led by the intermediates as levels were influenced by the weaker-than-expected ISM manufacturing data. Overall benchmark yields ended between 0-3bps lower from prior day's close with the UST 2Y yield almost unchanged at 0.16% whilst the much-watched 10Y yield declined 3bps at 1.60%. IG credit supply of up to \$10b (including \$600m of 100Y bond) capped the long-end from rallying. Although the factory data still pointed to continued growth among factories, it suggested that supply-chain disruptions and shortages may weigh on businesses and the U.S. recovery. Fed Chair Powell and New York Fed's Williams both reaffirmed that the Fed is still not ready to shift from its policy stance. Meanwhile Treasury's borrowing has been raised to ~\$463b for 2Q2021.

##### MGS/GII

- On Monday, local govies closed mostly stronger following lower IRS levels; shrugging off the stronger-than-expected PMI manufacturing gauge. Secondary market volume remained solid whilst sustaining at RM4.52b as overall benchmark yields edged between 0-2bps lower save for the 15Y and 20Y MGS. However GII saw strong bids across the curve. The 5Y MGS 9/25 yield declined 2bps at 2.52% whilst the 10Y MGS 4/31 yield closed within 1bps higher at 3.11%. Interest was seen in the shorter off-the-run 22's, 24's, 28's and also the 5Y MGS. GII bond trades maintained at 28% of overall trades. Elsewhere, the ongoing surge in COVID-19 infections may cause investors to seek safety in bonds. Expect attention to eventually shift to the upcoming MPC meeting this Thursday; for which we are projecting rates to stay pat at 1.75%.

##### Corp Bonds/Sukuk

- Corporate Bonds/Sukuk space saw a spike in investor interest as secondary market volume rose to RM515m on Monday with trades printed along the GG-AA part of the curve. Overall yields closed mixed on about 35 transacted names. Govt-guaranteed PRASA 30-31's moved 3-5bps higher between 3.50-62% whilst the long-end PTPTN 7/41 spiked 58bps at 4.50% on transacted amounts of RM40m. The AAA-space saw toll operator PLUS 28 and 30 moved 3bps lower at 3.53% and 3.85% each. AA-rated UMW saw active trading with both the 2021 and 2023 tranches rallying 6-15bps at 2.33% and 2.95% respectively; whilst the 2026 tranche succumbed 43bps higher at 3.54%. Meanwhile, the banking space saw MAYBANK perp 2117NC24 close 20bps lower at 3.23% whilst Bank ISLAM rose 9bps at 3.63%.

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Tenure	Closing (%)	Chg (bps)
2-yr UST	0.16	0
5-yr UST	0.81	-2
10-yr UST	1.60	-3
30-yr UST	2.29	-1

MGS		GII		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	2.32	-2	2.15	-1
5-yr	2.52	-2	2.64	-1
7-yr	2.97	-1	3.02	-2
10-yr	3.11	0	3.25	-1
15-yr	3.83	2	3.85	0
20-yr	4.15	3	4.22	-1
30-yr	4.34	-1	4.48	0

\* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	2.02	-1
3-yr	2.38	-8
5-yr	2.66	-5
7-yr	2.81	-6
10-yr	3.06	-6

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	1.648	40	1.653	30/04/2021	-1
MGS 09/21	1.646	88	1.628	30/04/2021	2
MGS 11/21	1.674	10	1.727	30/04/2021	-5
MGS 03/22	1.785	417	1.797	30/04/2021	-1
MGS 08/22	1.923	114	2.011	30/04/2021	-9
MGS 09/22	1.927	67	1.973	30/04/2021	-5
MGS 03/23	2.094	411	2.082	30/04/2021	1
MGS 04/23	2.102	144	2.104	30/04/2021	0
MGS 08/23	2.199	2	2.181	30/04/2021	2
MGS 06/24	2.321	599	2.337	30/04/2021	-2
MGS 07/24	2.376	1	2.393	30/04/2021	-2
MGS 09/24	2.409	40	2.375	30/04/2021	3
MGS 09/25	2.516	361	2.531	30/04/2021	-2
MGS 04/26	2.655	67	2.667	28/04/2021	-1
MGS 07/26	2.691	10	2.663	30/04/2021	3
MGS 11/26	2.600	6	2.620	30/04/2021	-2
MGS 03/27	2.824	2	2.797	30/04/2021	3
MGS 05/27	2.901	3	2.906	30/04/2021	-1
MGS 11/27	2.912	20	2.903	30/04/2021	1
MGS 06/28	2.971	408	2.979	30/04/2021	-1
MGS 08/29	3.175	3	3.159	30/04/2021	2
MGS 04/30	3.277	28	3.291	30/04/2021	-1
MGS 04/31	3.111	25	3.108	30/04/2021	0
MGS 06/31	3.438	71	3.456	30/04/2021	-2
MGS 04/33	3.791	19	3.801	30/04/2021	-1
MGS 11/33	3.828	5	3.875	30/04/2021	-5
MGS 07/34	3.828	194	3.812	30/04/2021	2
MGS 05/35	3.882	11	3.891	30/04/2021	-1
MGS 06/38	4.215	16	4.231	28/04/2021	-2
MGS 05/40	4.151	56	4.119	30/04/2021	3
MGS 03/46	4.364	2	4.369	30/04/2021	0
MGS 06/50	4.339	8	4.345	30/04/2021	-1
GII 08/21	1.693	55	1.777	30/04/2021	-8
GII 03/22	1.780	26	1.821	30/04/2021	-4
GII 04/22	1.840	125	1.878	30/04/2021	-4
GII 07/22	1.939	39	2.023	14/04/2021	-8
GII 11/22	1.995	3	2.015	28/04/2021	-2
GII 05/23	2.153	153	2.164	30/04/2021	-1
GII 11/23	2.217	174	2.233	30/04/2021	-2
GII 10/25	2.586	15	2.602	13/04/2021	-2
GII 03/26	2.643	52	2.654	30/04/2021	-1
GII 09/26	2.724	52	2.749	26/04/2021	-2
GII 09/27	3.024	160	3.044	30/04/2021	-2
GII 10/30	3.248	165	3.255	30/04/2021	-1
GII 11/34	3.939	20	3.913	30/04/2021	3
GII 07/36	3.850	134	3.850	30/04/2021	0
GII 09/39	4.281	10	4.246	30/04/2021	3
GII 09/41	4.218	92	4.233	30/04/2021	-1
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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*
Perbadanan Tabung Pendidikan Tinggi Nasional	09/22	GG	2.348	20	2.359	22/04/2021	-1	52
Malaysia Debt Ventures Berhad	12/22	GG	2.453	15	2.017	20/01/2021	44	36
DanaInfra Nasional Berhad	07/29	GG	3.417	120	3.299	04/03/2021	12	35
Prasarana Malaysia Berhad	03/30	GG	3.500	10	3.472	06/04/2021	3	37
Prasarana Malaysia Berhad	02/31	GG	3.620	50	3.573	06/04/2021	5	49
Lembaga Pembiayaan Perumahan Sektor Awam	10/38	GG	4.389	20	4.139	24/02/2021	25	24
DanaInfra Nasional Berhad	05/40	GG	4.450	20	3.640	09/07/2020	81	30
Perbadanan Tabung Pendidikan Tinggi Nasional	07/41	GG	4.501	40	3.918	18/12/2020	58	36
Bakun Hydro Power Generation Sdn Berhad (fka Sarawak)	08/23	AAA	2.670	20	2.666	30/04/2021	0	57
Infracap Resources Sdn Berhad	04/24	AAA	2.956	10	-	-	-	61
Sarawak Energy Berhad	06/26	AAA	3.191	25	2.684	10/02/2021	51	65
Projek Lebuhraya Usahasama Berhad	01/28	AAA	3.528	25	3.558	14/04/2021	-3	56
Projek Lebuhraya Usahasama Berhad	01/30	AAA	3.848	2	3.878	15/04/2021	-3	72
Danum Capital Berhad	02/34	AAA	4.274	20	4.351	08/04/2021	-8	43
Sabah Development Bank Berhad	04/24	AA1	3.801	1	4.269	27/04/2021	-47	146
YTL Power International Berhad	05/27	AA1	3.959	10	4.102	06/04/2021	-14	118
Sabah Credit Corporation	07/29	AA1	4.072	2	3.999	16/01/2020	7	100
Kuala Lumpur Kepong Berhad	09/34	AA1	4.500	5	4.452	08/03/2021	5	65
Genting RMTN Berhad	11/34	AA1	5.270	10	5.282	08/03/2021	-1	142
UMW Holdings Berhad	10/21	AA2	2.334	10	2.391	13/04/2021	-6	51
UMW Holdings Berhad	10/23	AA2	2.954	10	3.104	24/03/2021	-15	86
UMW Holdings Berhad	10/26	AA2	3.538	20	3.107	25/02/2021	43	100
Bumitama Agri Ltd	07/26	AA3	3.568	20	3.577	30/04/2021	-1	103
Gamuda Berhad	11/29	AA3	4.214	2	3.729	16/02/2021	49	108
Malayan Banking Berhad	02/17	AA3	3.230	10	3.429	26/03/2021	-20	-92
AZRB Capital Sdn Berhad	12/22	AA-	3.750	2	3.849	06/04/2021	-10	165
UEM Sunrise Berhad	05/23	AA-	3.980	2	3.998	16/04/2021	-2	188
Pelabuhan Tanjung Pelepas Sdn Berhad	06/27	AA-	3.705	2	3.720	21/04/2021	-2	92
Affin Bank Berhad	02/27	A1	3.939	1	3.247	17/03/2021	69	116
AmBank (M) Berhad	03/28	A1	4.031	1	3.566	27/04/2021	47	107
Bank Islam Malaysia Berhad	10/30	A1	3.629	5	3.540	03/03/2021	9	50
Alliance Bank Malaysia Berhad	10/35	A2	3.924	2	3.924	30/04/2021	0	8
Eco World Capital Assets Berhad	08/24	-	5.349	1	5.442	27/04/2021	-9	301
YNH Property Berhad	08/19	-	6.493	2	6.308	26/04/2021	19	235
Tropicana Corporation Berhad	09/19	-	5.395	1	5.965	22/04/2021	-57	125
				<u>515</u>				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
MEX II Sdn Bhd	RM1.3 billion Sukuk Murabahah Programme and RM150.0 million Junior Bonds	C-IS/C	Maintained

Source: RAM, MARC

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