

**Global Markets Research**

**Fixed Income**

**Fixed Income Daily Market Snapshot**

**US Treasuries**

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	0.16	2
5-yr UST	0.85	6
10-yr UST	1.59	2
30-yr UST	2.32	2

MGS		GII		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	2.20	8	2.23	4
5-yr	2.53	6	2.83	12
7-yr	2.96	0	3.03	11
10-yr	3.38	9	3.61	26
15-yr	3.97	8	3.79	0
20-yr	4.22	13	4.22	0
30-yr	4.39	-9	4.27	0

\* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	1.98	0
3-yr	2.43	2
5-yr	2.73	6
7-yr	2.90	5
10-yr	3.20	2

Source : Bloomberg

**Upcoming Government Bond Tender.**

Nil

- US Treasuries which maintained narrow ranges on Monday saw investors/traders sidelined due to the the busy IG issuance slate and also due to the additional oncoming supply from the various auctions for this week. Overall benchmark yields closed between 2-6bps higher. Both the UST 2Y and much-watched UST 10Y yield edged 2bps up at 0.16% and 1.59% respectively. Meanwhile the Democratic-led House aims to pass the stimulus bill tonight and obtain President Biden’s signature before the 14<sup>th</sup> March deadline to renew unemployment aid programs. Separately, the Fed’s bond buybacks for \$3.6b this week especially in the 7-20Y sector may provide some relief for now. Expect attention to focus on the consumer data for February tomorrow along with the results on the auctions for \$58b 3Y, \$38b 10Y and \$24b 30Y bonds for this week.

**MGS/GII**

- On Monday, local govies continued to be pressured as strong oil prices, vaccine rollouts and slow lifting of movement restrictions was expected to provide boost to economic growth going forward. Overall benchmark yields jumped between 0-26bps across the curve amid a slight dip in secondary market volume @ RM2.95b. The 5Y MGS 9/25 yield rose 6bps at 2.53% whilst the 10Y MGS 4/31 yield spiked further by 9bps at 3.38%. Interest was mainly seen in the off-the-run 22’s and also the benchmark 10Y, 15Y and also the 30Y MGS. GII bond trades fell to form ~17% of overall trades. Meanwhile, expect attention to focus on the upcoming industrial production numbers for January to be released on Friday.

**Corp Bonds/Sukuk**

- The Corporate Bond/Sukuk space saw strong revival in interest amid a jump in secondary market volume of RM768m. Overall yields ended mostly mixed-to-higher with transactions seen along the GG-AA part of the curve on about 31 various names. Government-guaranteed DANA 28’s saw RM100m transacted with yields jumping 66bps compared to previous-done levels at 3.28% whilst the longer-end 4/34 tranche similarly jumped 51bps at 4.05%. AAA-rated PLUS and MANJUN 22’s also saw yields spike 19-26bps between 2.45-55% area. AA-rated plantation giant KLK 29 and 34 also saw yields rise sharply at 3.75% and 4.45% each. Toll-operator KESTURI 25 and 28 too rose by 8 and 27bps to close at 3.55% and 4.04% respectively whilst DUKE 8/37 notched RM20m in nominal amounts; ending 39bps up at 5.33%. Meanwhile the banking space was active with PUBLIC Islamic 7/21 moving 6bps higher at 2.35% whereas Hong Leong Financial Group 28NC23 moved 22bps up at 3.12%.

## Daily Trades : Government Bond

Securities	Closing	Vol	Previous	Previous	Chg
	YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS 07/21	1.791	135	1.769	05/03/2021	2
MGS 03/22	1.854	541	1.854	05/03/2021	0
MGS 08/22	1.972	57	1.892	04/03/2021	8
MGS 09/22	2.032	40	1.900	05/03/2021	13
MGS 03/23	2.195	126	2.115	05/03/2021	8
MGS 04/23	2.160	1	2.128	05/03/2021	3
MGS 08/23	2.209	5	2.032	04/03/2021	18
MGS 07/24	2.363	19	2.175	04/03/2021	19
MGS 09/24	2.464	56	2.408	05/03/2021	6
MGS 09/25	2.533	15	2.476	05/03/2021	6
MGS 04/26	2.631	5	2.475	02/03/2021	16
MGS 07/26	2.753	28	2.530	04/03/2021	22
MGS 11/26	2.701	17	2.633	05/03/2021	7
MGS 03/27	2.809	5	2.711	01/03/2021	10
MGS 05/27	2.906	151	2.953	05/03/2021	-5
MGS 11/27	2.985	1	2.825	05/03/2021	16
MGS 06/28	2.963	41	2.965	05/03/2021	0
MGS 08/29	3.350	146	3.257	05/03/2021	9
MGS 04/30	3.301	5	3.074	01/03/2021	23
MGS 04/31	3.379	307	3.288	05/03/2021	9
MGS 06/31	3.420	2	3.409	05/03/2021	1
MGS 04/32	3.684	1	3.368	25/02/2021	32
MGS 04/33	3.870	65	3.844	05/03/2021	3
MGS 11/33	3.934	3	3.792	04/03/2021	14
MGS 07/34	3.974	346	3.898	05/03/2021	8
MGS 05/35	3.985	26	3.896	01/03/2021	9
MGS 06/38	4.243	3	4.133	05/03/2021	11
MGS 05/40	4.216	54	4.082	05/03/2021	13
MGS 09/43	4.338	1	4.351	05/03/2021	-1
MGS 03/46	4.345	1	4.203	03/03/2021	14
MGS 07/48	4.456	3	4.499	05/03/2021	-4
MGS 06/50	4.394	252	4.484	05/03/2021	-9
GII 03/21	1.763	38	0.983	02/03/2021	78
GII 08/21	1.777	30	1.775	05/03/2021	0
GII 03/22	1.862	100	1.801	26/02/2021	6
GII 07/22	2.117	15	2.010	05/03/2021	11
GII 05/23	2.234	21	2.198	05/03/2021	4
GII 03/26	2.829	50	2.707	05/03/2021	12
GII 09/26	2.988	60	2.540	17/02/2021	45
GII 09/27	3.034	2	2.921	04/03/2021	11
GII 07/29	3.334	15	3.162	04/03/2021	17
GII 10/30	3.614	150	3.354	05/03/2021	26
GII 08/33	3.987	8	3.386	03/02/2021	60
GII 10/35	3.943	1	3.792	24/02/2021	15
GII 09/39	4.224	1	4.228	05/03/2021	0
		<u>2945</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*
Prasarana Malaysia Berhad	02/26	GG	2.968	10	2.637	04/03/2021	33	44
DanaInfra Nasional Berhad	02/28	GG	3.278	100	2.618	13/10/2020	66	30
DanaInfra Nasional Berhad	04/34	GG	4.050	5	3.540	22/01/2020	51	11
Public Islamic Bank Berhad	07/21	AAA	2.349	30	2.287	14/08/2020	6	56
Projek Lebuhraya Usahasama Berhad	01/22	AAA	2.445	60	2.257	13/01/2021	19	66
Manjung Island Energy Berhad	11/22	AAA	2.550	10	2.289	06/01/2021	26	59
TNB Western Energy Berhad	07/24	AAA	2.804	10	4.338	20/02/2019	-153	63
Sarawak Energy Berhad	08/25	AAA	3.047	10	2.628	24/02/2021	42	68
Manjung Island Energy Berhad	11/26	AAA	3.088	10	2.771	13/01/2021	32	31
Rantau Abang Capital Berhad	03/29	AAA	3.548	40	3.030	06/01/2021	52	41
DiGi Telecommunications Sdn Berhad	09/29	AAA	3.694	15	3.082	08/02/2021	61	44
Manjung Island Energy Berhad	11/31	AAA	3.869	30	3.289	13/01/2021	58	53
Kuala Lumpur Kepong Berhad	09/29	AA1	3.748	30	3.450	03/03/2021	30	49
Kuala Lumpur Kepong Berhad	09/34	AA1	4.452	100	3.801	04/02/2021	65	51
Genting RMTN Berhad	11/34	AA1	5.282	1	4.351	15/10/2020	93	134
CIMB Bank Berhad	08/26	AA+	3.266	1	4.407	01/03/2021	-114	74
Imtiaz Sukuk II Berhad	10/25	AA2	3.047	10	2.925	24/02/2021	12	52
Hong Leong Financial Group Berhad	06/28	AA2	3.122	20	2.907	09/02/2021	22	14
Konsortium ProHAWK Sdn Berhad	06/28	AA2	3.490	14	3.878	20/01/2020	-39	51
Sunway Treasury Sukuk Sdn Berhad	07/23	AA-	3.232	100	3.450	14/07/2020	-22	128
Konsortium Lebuhraya Utara-Timur (KL) Sdn Berhad	12/25	AA-	3.549	10	3.470	24/08/2020	8	102
Konsortium Lebuhraya Utara-Timur (KL) Sdn Berhad	12/28	AA-	4.038	10	3.768	08/02/2021	27	90
Lebuhraya DUKE Fasa 3 Sdn Berhad	08/37	AA-	5.330	20	4.939	07/09/2020	39	139
Tan Chong Motor Holdings Berhad	11/21	A1	3.798	2	3.804	03/03/2021	-1	201
Bank Islam Malaysia Berhad	03/30	A1	3.496	40	3.498	11/11/2020	0	24
CIMB Group Holdings Berhad	05/16	A1	3.398	40	3.830	05/03/2021	-43	-76
CIMB Group Holdings Berhad	05/16	A1	2.769	11	2.735	23/02/2021	3	-139
Hong Leong Financial Group Berhad	11/17	A1	3.603	10	3.666	15/02/2021	-6	-56
IJM Land Berhad	03/19	A2	4.674	10	4.694	01/03/2021	-2	51
Affin Islamic Bank Berhad	10/17	A3	3.977	9	4.058	05/03/2021	-8	-18
Eco World International Berhad	05/23	-	6.399	1	6.394	05/03/2021	0	444
				<u>768</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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