

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	0.16	0
5-yr UST	0.81	-5
10-yr UST	1.53	-6
30-yr UST	2.24	-8

MGS		GII		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	2.20	1	2.22	-1
5-yr	2.70	17	2.95	12
7-yr	3.12	15	3.07	4
10-yr	3.39	1	3.61	-1
15-yr	4.05	7	4.06	27
20-yr	3.54	-68	4.24	1
30-yr	4.56	17	4.27	0

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	2.00	1
3-yr	2.44	1
5-yr	2.75	2
7-yr	2.93	2
10-yr	3.28	7

Source : Bloomberg

Upcoming Government Bond Tender.

Nil

- US Treasuries recovered on Tuesday as market participants believed that the recent sell-off had been over-extended; evidenced by technicals. Overall benchmark yields closed between 0-8bps lower. The curve ended flatter with the UST 2Y yield literally unchanged at 0.16% and the much-watched UST 10Y lower by 2bps at 1.53%. Meanwhile the \$58b 3Y auction was well-received on a BTC ratio of 2.69x (average for previous 6 auctions: 2.39x), and awarded at a high yield of 0.355%. Following the surge in short positions, the cost of borrowing UST 10Y in the repo market turned negative in recent sessions. The theme of reflation from pandemic lows will likely remain in focus as the US House holds its final vote on the Biden administration's \$1.9 trillion COVID-19 relief package soon. Also, expect attention to focus on the consumer data for February tonight along with the continuation of results of auctions for \$38b 10Y and \$24b 30Y bonds.

MGS/GII

- On Tuesday, local govies continued to weaken for the 3rd consecutive session led by higher IRS especially on the longer-ends. Overall benchmark yields closed mostly mixed-to-higher i.e. between -1 to +27bps save for the skewed trade seen on the 20Y MGS, as secondary market volume rose substantially higher @ RM4.37b. The 5Y MGS 9/25 yield spiked 17bps at 2.70% whilst the 10Y MGS 4/31 yield edged 1bps up at 3.39%. Interest was mainly seen in the off-the-run 21-22's and also the benchmark 10Y MGS/GII. GII bond trades jumped to form ~40% of overall trades. Meanwhile, expect attention to focus on Friday's release on the industrial production numbers for January.

Corp Bonds/Sukuk

- The Corporate Bond/Sukuk space saw secondary market volume drop sharply to RM214m. Overall yields ended mostly mixed-to-higher with 24 various transactions seen across the curve including several odd-lot ones within the single-A space. Government-guaranteed DANA 2/28 made its debut trade at 3.35%; higher than the coupon of 2.84% when the bonds were issued on 24th February. The 4/34 tranche jumped 15bps compared to previous-done levels at 4.20%. AAA-rated Impian Ekspresi 11/23 notched RM20m in nominal amounts at 3.36%. AA-rated YTL Corp 11/36 jumped 95bps at 5.25% whilst IMTIAZ 11/21 moved 13bps higher at 2.46%. However Quantum Solar Park 10/22 rallied 80bps instead at 3.36%. Meanwhile the banking space was active with AFFIN 27NC22 moving 3bps up at 3.23% whereas BPMB 3/22 closed 20bps higher at 2.49%. There were a multitude of odd-lot transactions seen in CIMB Group, Mah Sing and Tropicana-related names

Daily Trades : Government Bond

Securities	Closing	Vol	Previous	Previous	Chg
	YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS 07/21	1.771	316	1.791	08/03/2021	-2
MGS 09/21	1.808	40	1.778	05/03/2021	3
MGS 11/21	1.844	90	1.754	05/03/2021	9
MGS 03/22	1.868	17	1.854	08/03/2021	1
MGS 08/22	2.066	160	1.972	08/03/2021	9
MGS 09/22	2.000	502	2.032	08/03/2021	-3
MGS 03/23	2.202	187	2.195	08/03/2021	1
MGS 04/23	2.244	33	2.160	08/03/2021	8
MGS 08/23	2.295	67	2.209	08/03/2021	9
MGS 06/24	2.510	124	2.371	08/03/2021	14
MGS 07/24	2.602	1	2.363	08/03/2021	24
MGS 09/24	2.607	32	2.464	08/03/2021	14
MGS 09/25	2.699	161	2.533	08/03/2021	17
MGS 07/26	2.850	6	2.753	08/03/2021	10
MGS 11/26	2.771	48	2.701	08/03/2021	7
MGS 03/27	3.049	20	2.809	08/03/2021	24
MGS 05/27	3.101	81	2.906	08/03/2021	20
MGS 06/28	3.117	112	2.963	08/03/2021	15
MGS 08/29	3.465	48	3.350	08/03/2021	12
MGS 04/30	3.498	20	3.301	08/03/2021	20
MGS 04/31	3.386	235	3.379	08/03/2021	1
MGS 06/31	3.504	1	3.420	08/03/2021	8
MGS 07/34	4.048	200	3.974	08/03/2021	7
MGS 05/40	3.541	84	4.216	08/03/2021	-68
MGS 09/43	4.448	2	4.338	08/03/2021	11
MGS 07/48	4.597	7	4.456	08/03/2021	14
MGS 06/50	4.563	5	4.394	08/03/2021	17
GII 03/21	1.754	10	1.763	08/03/2021	-1
GII 08/21	1.800	220	1.777	08/03/2021	2
GII 10/21	1.901	20	2.602	02/03/2020	-70
GII 04/22	1.907	60	1.850	04/03/2021	6
GII 07/22	2.280	20	1.898	18/01/2021	38
GII 07/22	2.127	42	2.117	08/03/2021	1
GII 11/22	2.110	80	1.862	25/02/2021	25
GII 11/22	2.110	80	3.120	19/03/2020	-101
GII 05/23	2.223	281	2.234	08/03/2021	-1
GII 10/23	2.371	80	2.019	15/02/2021	35
GII 11/23	2.359	100	2.233	05/03/2021	13
GII 03/26	2.950	122	2.829	08/03/2021	12
GII 09/27	3.069	17	3.034	08/03/2021	4
GII 07/29	3.666	40	3.334	08/03/2021	33
GII 10/30	3.608	450	3.614	08/03/2021	-1
GII 11/34	4.201	15	3.841	04/03/2021	36
GII 07/36	4.063	20	3.792	05/03/2021	27
GII 09/39	4.239	114	4.224	08/03/2021	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*
DanaInfra Nasional Berhad	02/28	GG	3.350	30	-	-	335	22
DanaInfra Nasional Berhad	04/34	GG	4.198	20	4.050	08/03/2021	15	14
Bank Pembangunan Malaysia Berhad	03/22	AAA	2.494	30	2.290	03/03/2021	20	68
Toyota Capital Malaysia Sdn Berhad	01/23	AAA	2.993	4	4.340	03/04/2019	-135	100
Impian Ekspresi Sdn Berhad	11/23	AAA	3.358	20	-	-	-	-
Al Dzahab Assets Berhad	09/24	AAA	3.329	2	4.745	18/12/2018	-142	85
YTL Power International Berhad	06/22	AA1	3.190	20	2.806	29/01/2021	38	137
Kuala Lumpur Kepong Berhad	09/22	AA1	2.646	6	2.416	01/03/2021	23	83
UniTapah Sdn Berhad	12/24	AA1	3.149	10	2.987	04/03/2021	16	67
YTL Power International Berhad	05/27	AA1	3.838	2	3.510	25/02/2021	33	94
YTL Corporation Berhad	11/36	AA1	5.252	10	4.300	08/02/2021	95	119
Imtiaz Sukuk II Berhad	11/21	AA2	2.456	20	2.330	05/02/2021	13	64
Country Garden Real Estate Sdn Berhad	02/23	AA3	5.228	1	5.348	05/03/2021	-12	323
Quantum Solar Park (Semenanjung) Sdn Berhad	10/22	AA-	3.355	20	4.154	26/02/2020	-80	136
MMC Corporation Berhad	03/28	AA-	4.330	2	4.059	25/02/2021	27	120
TG Excellence Berhad	02/20	AA-	4.054	1	3.955	05/03/2021	10	-19
Jati Cakerawala Sdn Berhad	01/22	A1	3.802	2	3.795	05/03/2021	1	199
Affin Bank Berhad	02/27	A1	3.233	10	3.200	04/02/2021	3	34
Affin Bank Berhad	09/27	A1	3.819	2	2.911	25/02/2021	91	69
CIMB Group Holdings Berhad	05/16	A1	3.671	1	2.769	08/03/2021	90	-57
CIMB Group Holdings Berhad	05/16	A1	3.965	1	3.364	02/03/2021	60	-28
Tropicana Corporation Berhad	10/23	A+	5.435	1	5.026	23/02/2021	41	321
Affin Islamic Bank Berhad	10/17	A3	3.975	1	3.977	08/03/2021	0	-27
Mah Sing Group Berhad	04/17	-	5.157	1	5.105	01/03/2021	5	92
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*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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