

Global Markets Research

Fixed Income

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	0.16	0
5-yr UST	0.86	2
10-yr UST	1.63	2
30-yr UST	2.31	2

MGS		GII		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	2.15	0	2.18	-1
5-yr	2.60	1	2.64	-2
7-yr	2.98	3	3.04	-1
10-yr	3.08	-3	3.26	-6
15-yr	3.81	-1	3.98	2
20-yr	4.07	0	4.22	5
30-yr	4.21	-4	4.37	0

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	2.02	0
3-yr	2.40	-5
5-yr	2.66	-4
7-yr	2.81	-4
10-yr	3.03	-5

Source : Bloomberg

Upcoming Government Bond Tender

Nil

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries ended slightly weaker on Wednesday; brushing aside the moderate acceleration in economic activity from late February to early April as per the Beige Book coupled with also comments from Fed speak officials which received lukewarm response from markets. Overall benchmark yields rose between 0-2bps higher as the curve shifted higher. The UST 2Y yield closed within 1bps up at 0.16% whilst the much-watched UST 10Y edged 2bps higher at 1.63%. Traders also kept an eye on Fed chair Powell's comments on the tapering off its bond purchases which is expected to only take place before raising interest rates some time after 2022. Expect attention tonight to shift to reports on weekly jobless claims, retail sales and industrial production.

MGS/GII

- On Wednesday, local govvnies closed mostly mixed; spurred slightly by the stronger-than-expected 15Y GII auction with overall benchmark govvnies closing between -6 to +5bps amid a slight decrease in secondary market volume of ~RM2.52b. The 5Y MGS 9/25 yields edged 1bps up again at 2.60% whilst the 10Y MGS 4/31 yield declined 3bps instead at 3.08%. Interest was again mainly seen in the shorter off-the-run 21's, 28's and also benchmark 5Y MGS. GII bond trades maintained to form ~39% of overall trades. The 15Y GII 7/36 auction saw solid interest with BTC ratio at 2.545x; notching an attractive average yield of 4.01%. Meanwhile, the recent rally since late March which was partly due to the retention of MYR debt in the FTSE Russel index has seen the yield premium for 10-year bonds over similar-dated UST shrink to its lowest levels in almost a year.

Corp Bonds/Sukuk

- Corporate Bonds/Sukuk space saw better investor interest and activity on Wednesday with trades printed across the GG-AA part of the curve. Secondary market volume notched RM543m as overall yields ended mostly mixed-to-higher on ~29 various bonds. Govt-guaranteed PTPTN dominated trades with the 2/23 and 1/33 tranches moving 1-3bps higher compared to previous done levels at 2.54% and 3.95% each, whereas the 3/24 tranche declined 2bps at 2.71%. AAA-rated PLUS 24 and 27 spiked between 39-48bps at 2.90% and 3.36% whilst the 2028 tranche moved 18bps lower instead at 3.56%. AA-rated MMC Corp 11/25 closed unchanged at 4.00% whilst the 4/23 tranche rose 28bps at 3.65%. TROPICANA 4/26 and 4/28 made their debut trades at 5.31% and 5.54%. Meanwhile, the banking space saw Hong Leong Financial Group end unchanged at 3.35%.

Daily Trades : Government Bond

Securities	Closing	Vol	Previous	Previous	Chg
	YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS 07/21	1.758	227	1.741	13/04/2021	2
MGS 08/22	2.016	30	2.022	13/04/2021	-1
MGS 07/24	2.401	30	2.368	13/04/2021	3
MGS 09/25	2.596	306	2.583	13/04/2021	1
MGS 08/23	2.195	53	2.201	13/04/2021	-1
MGS 03/22	1.870	21	1.824	13/04/2021	5
MGS 03/25	2.588	2	2.553	12/04/2021	4
MGS 07/26	2.719	24	2.725	13/04/2021	-1
MGS 06/50	4.215	15	4.252	13/04/2021	-4
MGS 09/22	2.009	50	2.019	13/04/2021	-1
MGS 09/24	2.445	39	2.417	13/04/2021	3
MGS 04/23	2.168	2	2.153	13/04/2021	2
MGS 08/29	3.220	33	3.157	13/04/2021	6
MGS 04/31	3.079	16	3.111	13/04/2021	-3
MGS 05/27	2.864	33	2.828	13/04/2021	4
MGS 03/23	2.154	55	2.151	13/04/2021	0
MGS 11/26	2.705	44	2.732	13/04/2021	-3
MGS 04/37	4.055	1	4.003	13/04/2021	5
MGS 11/33	3.854	32	3.831	13/04/2021	2
MGS 06/24	2.371	41	2.344	13/04/2021	3
MGS 06/31	3.314	2	3.302	13/04/2021	1
MGS 04/32	3.589	1	3.541	08/04/2021	5
MGS 04/33	3.828	20	3.761	13/04/2021	7
MGS 11/27	2.911	101	2.880	13/04/2021	3
MGS 06/38	4.154	25	4.145	07/04/2021	1
MGS 07/34	3.808	64	3.818	13/04/2021	-1
MGS 06/28	2.984	249	2.956	13/04/2021	3
MGS 05/40	4.066	28	4.061	12/04/2021	0
GII 07/22	2.023	120	2.020	13/04/2021	0
GII 09/27	3.035	50	3.044	13/04/2021	-1
GII 07/36	3.975	343	3.952	05/04/2021	2
GII 10/30	3.255	70	3.319	13/04/2021	-6
GII 09/41	4.219	10	4.168	13/04/2021	5
GII 09/26	2.780	1	2.740	13/04/2021	4
GII 04/22	1.908	60	1.965	13/04/2021	-6
GII 11/23	2.260	81	2.183	02/04/2021	8
GII 03/26	2.643	70	2.660	13/04/2021	-2
GII 03/22	1.845	30	1.858	13/04/2021	-1
GII 08/33	3.738	1	3.816	12/04/2021	-8
GII 10/35	4.052	46	3.943	08/03/2021	11
GII 11/34	3.839	1	3.849	13/04/2021	-1
GII 05/23	2.177	90	2.188	13/04/2021	-1
		<u>2518</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	02/23	GG	2.539	20	2.514	08/04/2021	3	51
Perbadanan Tabung Pendidikan Tinggi Nasional	03/24	GG	2.709	50	2.729	06/04/2021	-2	57
Lembaga Pembiayaan Perumahan Sektor Awam	11/27	GG	3.150	10	2.766	29/12/2020	38	17
Bakun Hydro Power Generation Sdn Berhad	10/28	GG	3.347	20	2.640	02/09/2020	71	30
Perbadanan Tabung Pendidikan Tinggi Nasional	01/33	GG	3.945	40	3.939	07/04/2021	1	84
Projek Lebuhraya Usahasama Berhad	01/24	AAA	2.897	5	2.507	05/02/2021	39	76
DiGi Telecommunications Sdn Berhad	09/26	AAA	3.218	20	3.239	12/04/2021	-2	62
Projek Lebuhraya Usahasama Berhad	01/27	AAA	3.358	20	2.878	08/02/2021	48	57
Projek Lebuhraya Usahasama Berhad	01/28	AAA	3.558	20	3.740	01/04/2021	-18	58
Telekom Malaysia Berhad	10/28	AAA	3.633	30	3.684	12/04/2021	-5	59
Petroleum Sarawak Exploration & Production Sdn Berhad	03/31	AAA	4.069	30	4.079	13/04/2021	-1	96
GENM Capital Berhad	08/25	AA1	4.384	15	3.403	04/02/2021	98	196
Malayan Banking Berhad	01/31	AA1	3.308	20	3.399	19/03/2021	-9	20
UMW Holdings Berhad	09/23	AA2	2.954	10	3.048	02/04/2021	-9	92
Hong Leong Financial Group Berhad	06/29	AA2	3.345	10	3.350	12/04/2021	0	30
Anih Berhad	11/28	AA	3.966	20	4.066	02/04/2021	-10	92
BGSM Management Sdn Berhad	06/24	AA3	3.057	20	3.056	13/04/2021	0	92
Press Metal Aluminium Holdings Berhad	08/25	AA3	3.948	1	3.948	13/04/2021	0	153
MMC Corporation Berhad	11/25	AA-	3.999	40	3.998	07/04/2021	0	140
Gamuda Land (T12) Sdn Berhad	08/27	AA3	4.198	20	4.217	08/04/2021	-2	141
MMC Corporation Berhad	04/23	AA-	3.654	10	3.379	26/02/2021	28	162
Pelabuhan Tanjung Pelepas Sdn Berhad	06/25	AA-	3.328	10	2.938	24/02/2021	39	91
Penang Port Sdn Berhad	12/31	AA-	4.349	10	4.378	05/04/2021	-3	124
Alliance Bank Malaysia Berhad	10/35	A2	3.985	1	3.873	13/04/2021	11	17
Matrix Concepts Holdings Berhad	03/23	-	4.648	1	4.435	21/08/2020	21	262
Eco World Capital Assets Berhad	08/24	-	5.597	1	5.594	13/04/2021	0	346
Tropicana Corporation Berhad	04/26	-	5.310	45	-	-	-	272
Tropicana Corporation Berhad	04/28	-	5.540	46	-	-	-	256
LBS Bina Group Berhad	03/20	-	5.766	1	5.528	29/03/2021	24	170
				<u>543</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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