

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries gave back some ground last Friday following some profit-taking activities coupled with some releases of largely upbeat data. Nevertheless, UST's posted their biggest weekly rally since August last year. Overall benchmark yields ended between 0-6bps higher with both the UST 2Y and much-watched 10Y yields closing almost unchanged at 0.16% and 1.58% respectively. Meanwhile, housing starts beat expectations whilst Fed's Waller reiterated the Fed's commitment to accommodative stance. Following the slew of US economic data released in the past week that included inflation numbers and retail sales for March, the economic calendar will see the upcoming release of manufacturing and services PMI along with existing home sales and weekly jobless claims.

MGS/GII

- Last Friday, local govies rallied ignoring prior day's weakness especially in the longer tenures amid an uptick in secondary market volume of ~RM3.39b. Overall benchmark yields were mostly lower between 0-7bps save for the 20Y MGS and short GII. Both the 5Y MGS 9/25 and the 10Y MGS 4/31 yields edged 2bps lower at 2.55% and 3.06% each. Interest was again mainly seen in the shorter off-the-run 21's, 28's and also benchmark 3Y MGS, 5Y GII. GII bond trades jumped to form ~41% of overall trades. Meanwhile, attention to shift to further updates on the COVID-19 situation as news of surging infections may keep bonds well-supported going forward. The economic calendar remains light until Friday, 23rd of April when March inflation data is released.

Corp Bonds/Sukuk

- Corporate Bonds/Sukuk space saw investor interest ramp-up on Friday with trades printed across the GG-AA part of the curve. Secondary market volume almost tripled to RM887m as overall yields ended mostly higher on ~35 various bonds. The gov-guaranteed PRASA 3/34 edged 2bps up compared to previous done levels at 4.02% whilst DANA 4/35 rallied 26bps at 4.15%. AAA-rated CAGAMAS saw both the 21's and 24's register RM235m in nominal amounts rising 3-18bps between at 2.10% and 2.87% respectively. AA-rated energy-related bonds EDRA dominated this space with several tranches. EDRA 1/22 rose 14bps at 2.99% whereas the 30-34's closed mixed on yields between 4.50-80% area. Meanwhile, the banking space saw Hong Leong Financial Group 29NC24 trade again for three consecutive days ending unchanged again at 3.35%.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	0.16	0
5-yr UST	0.83	1
10-yr UST	1.58	0
30-yr UST	2.28	6

MGS		GII		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	2.11	-1	2.17	1
5-yr	2.55	-2	2.63	0
7-yr	2.95	-2	3.00	-3
10-yr	3.06	-2	3.20	-7
15-yr	3.81	-3	3.93	-6
20-yr	4.10	4	4.22	-4
30-yr	4.21	-7	4.37	0

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	1.99	1
3-yr	2.37	3
5-yr	2.60	0
7-yr	2.75	-5
10-yr	3.01	0

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	1.740	328	1.718	15/04/2021	2
MGS 09/21	1.762	120	1.782	15/04/2021	-2
MGS 11/21	1.801	209	1.797	15/04/2021	0
MGS 03/22	1.829	30	1.835	15/04/2021	-1
MGS 09/22	2.024	7	1.989	15/04/2021	3
MGS 03/23	2.105	214	2.115	15/04/2021	-1
MGS 04/23	2.150	3	2.157	15/04/2021	-1
MGS 08/23	2.193	85	2.185	15/04/2021	1
MGS 06/24	2.327	75	2.335	15/04/2021	-1
MGS 07/24	2.417	1	2.401	14/04/2021	2
MGS 09/24	2.390	1	2.445	14/04/2021	-5
MGS 03/25	2.553	4	2.581	15/04/2021	-3
MGS 09/25	2.545	45	2.566	15/04/2021	-2
MGS 07/26	2.700	90	2.711	15/04/2021	-1
MGS 11/26	2.656	70	2.708	15/04/2021	-5
MGS 05/27	2.821	43	2.830	15/04/2021	-1
MGS 06/28	2.952	305	2.972	15/04/2021	-2
MGS 08/29	3.096	29	3.129	15/04/2021	-3
MGS 04/30	3.208	41	3.196	15/04/2021	1
MGS 04/31	3.059	11	3.079	14/04/2021	-2
MGS 06/31	3.323	31	3.329	15/04/2021	-1
MGS 04/33	3.818	20	3.830	15/04/2021	-1
MGS 07/34	3.808	61	3.837	15/04/2021	-3
MGS 05/35	3.928	50	3.937	15/04/2021	-1
MGS 06/38	4.163	21	4.200	15/04/2021	-4
MGS 05/40	4.103	8	4.068	15/04/2021	4
MGS 07/48	4.320	96	4.389	15/04/2021	-7
MGS 06/50	4.208	10	4.276	15/04/2021	-7
GII 04/21	1.768	284	1.784	15/04/2021	-2
GII 03/22	1.863	10	1.845	14/04/2021	2
GII 04/22	1.932	12	1.904	15/04/2021	3
GII 11/22	2.103	20	2.078	13/04/2021	3
GII 05/23	2.169	82	2.158	15/04/2021	1
GII 07/23	2.203	120	2.179	15/04/2021	2
GII 10/24	2.363	30	2.408	15/04/2021	-4
GII 03/26	2.630	268	2.635	15/04/2021	0
GII 09/27	3.004	25	3.038	15/04/2021	-3
GII 07/29	3.196	20	3.178	13/04/2021	2
GII 10/30	3.201	261	3.268	15/04/2021	-7
GII 06/33	3.829	60	3.843	12/04/2021	-1
GII 08/33	3.854	50	3.738	14/04/2021	12
GII 07/36	3.930	63	3.989	15/04/2021	-6
GII 09/39	4.231	20	4.231	15/04/2021	0
GII 09/41	4.215	60	4.255	15/04/2021	-4
		<u>3393</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*
DanaInfra Nasional Berhad	09/26	GG	3.050	30	2.618	10/12/2020	43	49
Pengurusan Air SPV Berhad	02/29	GG	3.356	20	2.898	03/02/2021	46	32
DanaInfra Nasional Berhad	03/32	GG	3.749	30	4.035	25/03/2021	-29	67
Prasarana Malaysia Berhad	03/34	GG	4.021	50	3.999	13/04/2021	2	19
DanaInfra Nasional Berhad	04/35	GG	4.151	10	4.410	25/03/2021	-26	32
Cagamas Berhad	10/21	AAA	2.104	215	1.929	30/03/2021	18	27
Cagamas Berhad	10/24	AAA	2.873	20	2.840	22/03/2021	3	46
Infracap Resources Sdn Berhad	04/28	AAA	3.989	2	3.988	15/04/2021	0	104
Rantau Abang Capital Berhad	03/29	AAA	3.658	20	3.548	08/03/2021	11	62
Projek Lebuhraya Usahasama Berhad	01/31	AAA	3.969	10	4.201	22/03/2021	-23	89
Infracap Resources Sdn Berhad	04/31	AAA	4.147	10	4.179	15/04/2021	-3	107
Infracap Resources Sdn Berhad	04/32	AAA	4.248	10	-	-	-	117
TNB Western Energy Berhad	07/32	AAA	4.139	10	4.020	20/11/2019	12	106
Infracap Resources Sdn Berhad	04/36	AAA	4.669	5	4.756	15/04/2021	-9	84
CIMB Group Holdings Berhad	04/25	AA1	3.230	140	2.868	21/12/2020	36	82
TRIpIc Medical Sdn Berhad	10/32	AA1	4.619	40	4.009	23/01/2020	61	154
Imtiaz Sukuk II Berhad	05/22	AA2	2.692	20	2.457	25/01/2021	24	85
Imtiaz Sukuk II Berhad	10/22	AA2	2.833	40	2.852	01/04/2021	-2	81
Hong Leong Financial Group Berhad	06/29	AA2	3.349	40	3.346	15/04/2021	0	31
Edra Energy Sdn Berhad	01/22	AA3	2.987	10	2.845	01/03/2021	14	115
Edra Energy Sdn Berhad	07/30	AA3	4.500	40	4.635	25/03/2021	-14	142
Edra Energy Sdn Berhad	01/31	AA3	4.549	10	3.894	18/12/2020	66	147
Edra Energy Sdn Berhad	07/31	AA3	4.595	25	4.649	18/03/2021	-5	152
Edra Energy Sdn Berhad	01/32	AA3	4.642	10	4.080	05/02/2021	56	157
Edra Energy Sdn Berhad	07/34	AA3	4.803	10	4.130	27/01/2021	67	97
Sports Toto Malaysia Sdn Berhad	06/22	AA-	3.616	6	3.542	16/03/2021	7	178
UEM Sunrise Berhad	05/23	AA-	3.998	10	4.034	09/04/2021	-4	197
Malaysian Resources Corporation Berhad	08/23	AA-	3.985	30	3.531	08/01/2021	45	196
UEM Sunrise Berhad	03/24	AA-	4.169	10	4.158	18/03/2021	1	207
DRB-Hicom Berhad	12/24	A+	4.318	1	4.050	29/03/2021	27	190
DRB-Hicom Berhad	12/29	A+	4.882	1	4.883	25/03/2021	0	180
Alliance Bank Malaysia Berhad	10/35	A2	3.924	1	3.924	15/04/2021	0	9
MBSB Bank Berhad (fka Asian Finance Bank Berhad)	12/31	A3	4.502	1	4.105	12/04/2021	40	143
Tropicana Corporation Berhad	09/19	-	5.497	1	6.003	13/04/2021	-51	141
LBS Bina Group Berhad	03/20	-	6.069	1	5.766	14/04/2021	30	198
				<u>887</u>				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
The Holstein Milk Company Sdn Bhd	Proposed RM1.0 billion Sukuk Wakalah Programme.	AA-IS/Stable	Assigned

Source: RAM, MARC

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