

## Global Markets Research

### Fixed Income

#### Fixed Income Daily Market Snapshot

##### US Treasuries

- US Treasuries saw the longer-ends richer on Thursday over concerns about the spread of COVID-19 Delta variant infections which is believed to threaten economic outlook, amid the purported scale-back of asset purchases based on the recently released FOMC minutes. The curve ended flatter as overall benchmark yields ended mostly between 0-3 bps lower. The UST 2Y yield settled within 1bps higher at 0.22% whilst the much-watched UST 10Y yield edged 2bps down at 1.24%. Elsewhere the \$8.0b 30Y TIPS reopening auction fared decent on a 2.34 cover (previous auction: 2.31x) and awarded at -0.292%. TIPS are seen cheapening versus nominals, on lower inflationary expectations due to ebbing inflationary concerns. Meanwhile, the light economic calendar is expected to lead to a quiet trading day tonight.

##### MGS/GII

- Local govies saw the MGS longer-ends richer whereas GII's were mostly unchanged on Thursday as investors sensed the nearing of the end with regards to political uncertainties with the upcoming announcement of the new Prime Minister. The MGS curve flattened as overall benchmark yields closed between -9 to +2bps as trading activity saw sustained secondary market volume of RM1.92b. The 5Y benchmark MGS 11/26 yield closed unchanged at 2.67% whilst the 10Y benchmark MGS 4/31 yield edged 1bps lower at 3.23%. Interest was mainly seen in the shorter off-the-run 21's and 28's. The GII sector rose to form 57% of overall trades. Meanwhile, expect another quiet session in the absence of other catalysts.

##### Corp Bonds/Sukuk

- Corporate Bonds/Sukuk space saw massive spike in activity on Thursday with interest seen across the GG-AA part of the curve amid one of the highest secondary market volume seen YTD @ RM1.71b. Overall yields closed mostly higher, spanning across 25 names. Govt-guaranteed PRASA 9/22 saw the highest transacted amounts of RM300; edging 1bps lower compared to previous-done levels at 2.01% whilst PRIMA 10/22 moved 2bps up instead at 2.10%. AAA-rated SEB 27, 31 and 33 ended unchanged at 3.22%, 3.71% and 3.99% whereas the 7/29 edged 2bps lower at 3.52%. However SEB 12/32 rallied 25bps to close at 3.88%. AA-rated energy bonds TBEI 25-26's also notched maiden trades between 3.65-80% whilst the 2027-2028 tranches settled unchanged between 3.98-4.16% levels. BENIH Restu 6/25 saw RM30m exchange hands, closing 2bps lower at 3.09%. The banking/finance sector saw PUBLIC 4/25 edge 2bps higher at 2.89% whilst HFLG made its debut trade at 2.85%.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	0.22	0
5-yr UST	0.77	0
10-yr UST	1.24	-2
30-yr UST	1.87	-3

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	2.34	2	2.36	0
5-yr	2.67	0	2.67	0
7-yr	3.09	2	3.06	0
10-yr	3.23	-1	3.36	0
15-yr	3.80	-5	3.93	0
20-yr	4.10	-3	4.21	0
30-yr	4.27	-3	4.42	-9

\* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	1.94	0
3-yr	2.35	0
5-yr	2.61	-2
7-yr	2.84	0
10-yr	3.05	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	09/21	1.750	140	1.675	18/08/2021	8
MGS	11/21	1.757	100	1.750	18/08/2021	1
MGS	08/22	1.738	4	1.764	18/08/2021	-3
MGS	06/24	2.338	8	2.316	18/08/2021	2
MGS	03/25	2.533	4	2.519	16/08/2021	1
MGS	09/25	2.572	20	2.598	18/08/2021	-3
MGS	11/26	2.675	50	2.675	18/08/2021	0
MGS	05/27	2.933	48	2.893	16/08/2021	4
MGS	11/27	2.934	15	2.944	18/08/2021	-1
MGS	06/28	3.085	33	3.061	18/08/2021	2
MGS	04/30	3.344	72	3.242	18/08/2021	10
MGS	04/31	3.233	72	3.244	18/08/2021	-1
MGS	11/33	3.816	20	3.791	16/08/2021	2
MGS	07/34	3.867	63	3.818	18/08/2021	5
MGS	06/38	4.085	50	4.085	18/08/2021	0
MGS	05/40	4.099	54	4.127	18/08/2021	-3
MGS	07/48	4.449	20	4.514	18/08/2021	-7
MGS	06/50	4.265	62	4.299	18/08/2021	-3
GII	08/21	1.779	208	1.780	18/08/2021	0
GII	03/22	1.671	4	1.780	17/08/2021	-11
GII	04/22	1.770	120	1.743	18/08/2021	3
GII	07/22	1.782	5	1.820	16/08/2021	-4
GII	03/23	2.080	100	2.150	29/06/2021	-7
GII	10/23	2.082	10	2.055	13/08/2021	3
GII	11/23	2.075	20	2.082	18/08/2021	-1
GII	08/24	2.366	100	2.350	18/08/2021	2
GII	10/24	2.360	120	2.363	18/08/2021	0
GII	10/28	3.161	201	3.172	18/08/2021	-1
GII	07/29	3.260	20	3.264	17/08/2021	0
GII	10/30	3.357	35	3.362	18/08/2021	0
GII	08/37	4.192	100	4.101	17/08/2021	9
GII	05/47	4.530	25	4.392	18/08/2021	14
GII	11/49	4.419	23	4.512	18/08/2021	-9
			<u>1925</u>			

## Daily Trades : Corp Bonds/ Sukuk

Securities	Rating	Closing	Vol	Previous	Previous	Chg	Spread	
								YTM
Prasarana Malaysia Berhad	09/22	GG	2.011	300	2.017	12/10/2020	-1	22
PR1MA Corporation Malaysia	10/22	GG	2.100	200	2.078	06/07/2021	2	31
Pengurusan Air SPV Berhad	02/23	GG	2.127	100	2.101	28/09/2020	3	34
Perbadanan Tabung Pendidikan Tinggi Nasional	02/23	GG	2.163	60	2.539	15/04/2021	-38	22
Pengurusan Air SPV Berhad	06/24	GG	2.399	95	2.528	25/06/2021	-13	7
PNB Merdeka Ventures Sdn Berhad	12/32	GG	4.659	80	-	-	-	141
Manjung Island Energy Berhad	11/21	AAA	2.105	50	2.095	17/06/2021	1	32
Sarawak Energy Berhad	01/22	AAA	2.071	40	2.249	09/06/2021	-18	28
Cagamas Berhad	03/22	AAA	1.992	5	2.173	08/10/2020	-18	20
Cagamas Berhad	08/22	AAA	2.045	50	2.152	16/10/2020	-11	26
Danum Capital Berhad	05/23	AAA	2.421	20	2.438	07/07/2021	-2	48
Public Bank Berhad	04/25	AAA	2.892	50	2.877	26/07/2021	2	35
Sarawak Energy Berhad	01/27	AAA	3.221	20	3.216	12/08/2021	0	54
Pengurusan Air SPV Berhad	04/28	AAA	3.369	10	3.373	16/08/2021	0	31
Sarawak Energy Berhad	07/29	AAA	3.519	40	3.541	06/08/2021	-2	36
Bakun Hydro Power Generation Sdn Berhad (fka Sarawak Energy Berhad)	08/30	AAA	3.640	5	3.660	16/08/2021	-2	42
Sarawak Energy Berhad	04/31	AAA	3.709	20	3.709	17/08/2021	0	46
Pengerang LNG (Two) Sdn Berhad	10/31	AAA	3.669	5	4.024	16/03/2021	-36	42
Sarawak Energy Berhad	12/32	AAA	3.879	10	4.229	16/06/2021	-35	63
Tenaga Nasional Berhad	08/33	AAA	3.869	70	3.850	04/08/2021	2	62
Sarawak Energy Berhad	11/33	AAA	3.989	30	3.989	05/08/2021	0	74
Danum Capital Berhad	02/35	AAA	4.151	30	4.121	05/08/2021	3	33
TNB Northern Energy Berhad	11/35	AAA	4.189	10	4.329	15/06/2021	-14	36
Tenaga Nasional Berhad	08/38	AAA	4.270	5	4.281	12/08/2021	-1	44
YTL Power International Berhad	03/23	AA1	3.093	30	3.090	12/08/2021	0	115
Sabah Development Bank Berhad	07/24	AA1	3.739	1	3.740	18/08/2021	0	141
Hong Leong Financial Group Berhad	08/24	AA1	2.850	30	-	-	-	52
Samalaju Industrial Port Sdn Berhad	12/25	AA1	3.179	10	3.327	26/04/2021	-15	63
Samalaju Industrial Port Sdn Berhad	12/26	AA1	3.366	10	3.497	06/05/2021	-13	69
YTL Power International Berhad	05/27	AA1	3.874	30	3.887	02/08/2021	-1	95
GENM Capital Berhad	07/28	AA1	4.589	1	4.632	09/08/2021	-4	153
Malayan Banking Berhad	01/31	AA1	3.331	5	3.088	24/06/2021	24	11
Fortune Premiere Sdn Berhad	10/25	AA	3.449	4	3.137	04/02/2021	31	90
Benih Restu Berhad	06/25	AA2	3.093	30	3.110	06/08/2021	-2	55
Imtiaz Sukuk II Berhad	04/26	AA2	3.309	10	3.418	16/06/2021	-11	63
CIMB Group Holdings Berhad	09/29	AA	3.186	30	3.231	02/07/2021	-4	2
Sime Darby Plantation Berhad (fka Sime Darby Plantatio	03/16	AA	3.381	15	3.400	28/07/2021	-2	-72
Country Garden Real Estate Sdn Berhad	03/22	AA3	3.599	20	3.647	21/04/2021	-5	181
Country Garden Real Estate Sdn Berhad	02/23	AA3	5.183	1	5.148	12/08/2021	4	324
BGSM Management Sdn Berhad	12/23	AA3	2.819	10	2.811	18/08/2021	1	87
Gamuda Land (T12) Sdn Berhad	08/25	AA3	3.623	20	3.628	02/08/2021	0	108
Tanjung Bin Energy Sdn Berhad	09/25	AA3	3.649	10	-	-	-	110
Tanjung Bin Energy Sdn Berhad	03/26	AA3	3.799	20	-	-	-	112
Edra Energy Sdn Berhad	07/26	AA3	3.508	10	3.732	09/08/2021	-22	83
Tanjung Bin Energy Sdn Berhad	03/27	AA3	3.979	20	3.980	18/08/2021	0	106
Edra Energy Sdn Berhad	01/28	AA3	3.751	9	3.819	26/07/2021	-7	83
Tanjung Bin Energy Sdn Berhad	03/28	AA3	4.110	30	4.110	18/08/2021	0	105
IJM Corporation Berhad	08/28	AA3	3.858	10	3.899	23/07/2021	-4	80
Tanjung Bin Energy Sdn Berhad	09/28	AA3	4.161	10	4.161	18/08/2021	0	110
Tanjung Bin Energy Sdn Berhad	09/31	AA3	4.350	10	4.003	27/07/2021	35	110
Jimah East Power Sdn Berhad	06/26	AA-	3.536	5	3.737	19/03/2021	-20	86
UMW Holdings Berhad	04/18	A1	4.227	8	4.591	16/08/2021	-36	13
Tropicana Corporation Berhad	10/25	A+	5.356	1	4.899	12/08/2021	46	281
Hua Yang Berhad	08/21	-	6.100	5	-	-	-	200
				1709				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Danajamin Nasional Berhad	Insurer financial strength rating (IFS)	AAA/Stable/P1	Reaffirmed
Genting Berhad	Corporate credit rating	gA3/Negative/gP2	Reaffirmed
	Global scale	seaAA1/Negative/sea P1	Reaffirmed
	ASEAN scale	AA1/Negative/P1	Reaffirmed
	National scale	AA1/Negative/P1	Reaffirmed
	RM2 bil MTN Programme (2012/2032) (Issued by Genting Capital Berhad)	AA1(s)/Negative	Reaffirmed
	RM10 bil MTN Programme (2019/2119) (Issued by Genting RMTN Berhad)	AA1(s)/Negative	Reaffirmed
Genting Malaysia Berhad	Corporate credit ratings		
	National scale	AA1/Negative/P1	Reaffirmed
	RM5 bil MTN Programme (2015/2035) (Issued by GENM Capital Berhad)	AA1(s)/Negative	Reaffirmed
	RM3 bil MTN Programme (2018/2038) (Issued by GENM Capital Berhad)	AA1(s)/Negative	Reaffirmed

Source: RAM/ MARC

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