

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries regained ground as risk aversion and momentum propelled yields lower, led by the belly. Overall benchmark yields ended between 1-4bps lower with the UST 2Y yield edging 1bps down at 0.15% whilst the much-watched 10Y rallied and pushed yields lower by 4bps at 1.57%. Separately the US is reputed to warn its citizens to avoid visits abroad and said that the pandemic posed hazards and unprecedented risks. This came on the back of a fresh wave of COVID-19 infections overseas whilst concerns heightened over possible new restrictions and impact on the global economy. The recent huge bank bond issuances for entities like JP Morgan Chase & Co and Bank of America Corp spurred hedging via swaps that may have ignited the recent pullback in bond yields. Expect some attention to shift to the upcoming \$24b 20Y bond auction tonight, followed by existing home sales and weekly jobless claims tomorrow.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	0.15	-1
5-yr UST	0.80	-3
10-yr UST	1.57	-4
30-yr UST	2.26	-2

MGS		GII		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	2.12	1	2.17	0
5-yr	2.55	1	2.61	0
7-yr	2.96	3	3.00	0
10-yr	3.09	4	3.21	-1
15-yr	3.81	0	3.84	0
20-yr	4.06	-3	4.23	2
30-yr	4.30	6	4.45	4

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	1.99	0
3-yr	2.38	3
5-yr	2.62	4
7-yr	2.78	4
10-yr	3.00	5

Source : Bloomberg

MGS/GII

- On Tuesday, local govvnies were relatively active but succumbed to profit-taking activities compared to prior day amid an increase in secondary market volume of ~RM3.45b. Overall benchmark yields closed between 0-6bps higher save for the 20Y MGS and 10Y GII. The 5Y MGS 9/25 yield edged 1bps up at 2.55% whilst the 10Y MGS 4/31 yield rose 4bps at 3.09%. Interest was seen in the shorter off-the-run 21-22's, 28's and also benchmark 10Y, 15Y GII. GII bond trades rose to form ~36% of overall trades. Meanwhile the government is seen tightening rules on inter-state travel whilst the 3rd phase of its COVID-19 immunization program is scheduled to commence in June. Expect attention to shift to the 3Y MGS auction today followed by the March inflation data later this Friday.

Corp Bonds/Sukuk

- Corporate Bonds/Sukuk space saw a spike in investor interest on Tuesday with trades printed across the curve. Secondary market volume more than doubled to RM910m as overall yields ended mixed again on ~37 various names. Govt-guaranteed LPPSA 9/26 and PTPTN 1/33 edged 2bps lower at 3.03% and 3.92% respectively. AAA-rated utility giants TNB 8/38 and TELEKOM 10/28 closed 1-5bps higher at 3.63% and 4.60% each. Both AA-rated MMC and ANIH 28's edged 1bps lower at 4.40% and 3.96% each. IJM 4/29 saw RM70m exchange hands ; spiking 43bps at 4.24%. Meanwhile, the banking space was active with PUBLIC Islamic 27NC22 spiking 31bps at 2.80% whilst AFFIN Bank rose 4bps at 3.24%. Hong Leong Financial Group saw RM60m in transacted amounts; inching 1bps lower at 3.34%.

Upcoming Government Bond Tender

Re-opening of RM4.5b 3Y MGS 6/24 on Wednesday, 21st April, 2021

Daily Trades : Government Bond

Securities	Closing	Vol	Previous	Previous	Chg
	YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS 07/21	1.748	191	1.740	16/04/2021	1
MGS 09/21	1.747	202	1.752	19/04/2021	0
MGS 11/21	1.791	200	1.801	19/04/2021	-1
MGS 03/22	1.839	20	1.823	19/04/2021	2
MGS 09/22	2.000	11	2.024	16/04/2021	-2
MGS 03/23	2.117	109	2.106	19/04/2021	1
MGS 08/23	2.201	19	2.193	16/04/2021	1
MGS 06/24	2.333	12	2.327	16/04/2021	1
MGS 07/24	2.376	7	2.413	19/04/2021	-4
MGS 09/25	2.554	64	2.547	19/04/2021	1
MGS 04/26	2.604	2	2.663	15/04/2021	-6
MGS 11/26	2.644	57	2.637	19/04/2021	1
MGS 03/27	2.781	20	2.794	09/04/2021	-1
MGS 05/27	2.808	12	2.464	19/04/2021	34
MGS 11/27	2.879	31	2.870	19/04/2021	1
MGS 06/28	2.959	859	2.929	19/04/2021	3
MGS 08/29	3.087	30	3.075	19/04/2021	1
MGS 04/30	3.210	50	3.210	19/04/2021	0
MGS 04/31	3.089	5	3.047	19/04/2021	4
MGS 06/31	3.312	2	3.312	19/04/2021	0
MGS 04/33	3.750	32	3.810	19/04/2021	-6
MGS 11/33	3.832	65	3.871	19/04/2021	-4
MGS 07/34	3.809	108	3.813	19/04/2021	0
MGS 05/35	3.928	35	3.901	19/04/2021	3
MGS 04/37	4.055	3	4.051	19/04/2021	0
MGS 05/40	4.060	42	4.091	19/04/2021	-3
MGS 06/50	4.298	14	4.242	19/04/2021	6
GII 04/21	1.788	150	1.768	16/04/2021	2
GII 03/22	1.873	330	1.863	16/04/2021	1
GII 04/22	1.869	1	1.932	16/04/2021	-6
GII 05/23	2.169	4	2.166	19/04/2021	0
GII 10/24	2.423	184	2.363	16/04/2021	6
GII 09/26	2.698	10	2.728	15/04/2021	-3
GII 09/30	3.251	9	3.163	07/04/2021	9
GII 10/30	3.212	211	3.219	19/04/2021	-1
GII 08/33	3.850	40	3.859	19/04/2021	-1
GII 10/35	3.828	1	3.828	19/04/2021	0
GII 07/36	3.835	261	3.840	19/04/2021	0
GII 09/41	4.233	10	4.215	16/04/2021	2
GII 11/49	4.451	40	4.406	19/04/2021	4
		<u>3454</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*
Lembaga Pembiayaan Perumahan Sektor Awam	09/26	GG	3.029	100	3.051	07/04/2021	-2	48
Perbadanan Tabung Pendidikan Tinggi Nasional	01/33	GG	3.921	30	3.945	14/04/2021	-2	83
DanaInfra Nasional Berhad	11/47	GG	4.691	80	4.200	22/12/2020	49	60
Aman Sukuk Berhad	05/22	AAA	2.485	10	2.777	21/05/2020	-29	65
Danga Capital Berhad	01/24	AAA	2.758	10	2.746	15/04/2021	1	64
Sarawak Energy Berhad	07/24	AAA	2.899	20	2.448	05/02/2021	45	78
Cagamas Berhad	10/24	AAA	2.869	45	2.873	16/04/2021	0	75
Danga Capital Berhad	02/26	AAA	3.034	45	3.087	07/04/2021	-5	48
Telekom Malaysia Berhad	10/28	AAA	3.630	10	3.580	19/04/2021	5	61
Tenaga Nasional Berhad	08/38	AAA	4.604	10	4.597	05/04/2021	1	79
Abu Dhabi National Energy Company PJSC	03/22	AA1	3.260	74	3.274	30/03/2021	-1	142
Batu Kawan Berhad	06/23	AA1	2.905	30	2.678	14/12/2020	23	89
Public Islamic Bank Berhad	08/27	AA1	2.798	10	2.491	18/02/2021	31	2
TRIpIc Medical Sdn Berhad	10/29	AA1	4.238	20	4.780	12/09/2018	-54	116
Imtiaz Sukuk II Berhad	05/22	AA2	2.692	20	2.692	16/04/2021	0	85
UMW Holdings Berhad	06/22	AA2	2.657	10	2.462	02/02/2021	20	82
UMW Holdings Berhad	11/25	AA2	3.372	10	3.409	12/04/2021	-4	82
Imtiaz Sukuk II Berhad	04/26	AA2	3.507	5	3.540	15/04/2021	-3	96
Imtiaz Sukuk II Berhad	04/28	AA2	3.859	5	3.900	15/04/2021	-4	90
Hong Leong Financial Group Berhad	06/29	AA2	3.340	60	3.349	16/04/2021	-1	32
Fortune Premiere Sdn Berhad	09/23	AA	3.213	10	3.223	19/04/2021	-1	119
Fortune Premiere Sdn Berhad	11/23	AA	3.237	10	2.929	23/10/2020	31	112
MMC Corporation Berhad	03/28	AA-	4.395	50	4.400	12/04/2021	-1	144
Anih Berhad	11/28	AA	3.961	30	3.966	15/04/2021	-1	94
BGSM Management Sdn Berhad	06/28	AA3	3.799	10	-	-	-	84
IJM Corporation Berhad	04/29	AA3	4.239	70	3.808	22/12/2020	43	122
Edra Energy Sdn Berhad	07/29	AA3	4.730	1	4.147	27/01/2021	58	171
Kimanis Power Sdn Berhad	08/25	AA-	3.318	10	3.397	06/04/2021	-8	90
Penang Port Sdn Berhad	12/26	AA-	3.598	10	3.092	05/01/2021	51	83
Kimanis Power Sdn Berhad	08/27	AA-	3.690	4	3.789	17/03/2021	-10	92
MMC Corporation Berhad	11/27	AA-	4.354	50	4.346	19/04/2021	1	140
Lebuhraya DUKE Fasa 3 Sdn Berhad	08/29	AA-	4.809	10	4.840	08/04/2021	-3	179
Lebuhraya DUKE Fasa 3 Sdn Berhad	08/31	AA-	5.049	10	4.427	08/09/2020	62	196
Affin Bank Berhad	09/27	A1	3.236	10	3.197	12/03/2021	4	46
Hong Leong Financial Group Berhad	11/17	A1	3.071	1	3.075	15/04/2021	0	-102
MBSB Bank Berhad (fka Asian Finance Bank Berhad)	12/29	A3	3.643	10	3.647	12/04/2021	0	56
MBSB Bank Berhad (fka Asian Finance Bank Berhad)	12/31	A3	4.109	10	4.502	16/04/2021	-39	102
				<u>910</u>				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
7-Eleven Malaysia Holdings Berhad	Proposed RM600.0 million Medium-Term Notes (MTN) Programme	AA-/Stable	Assigned

Source: RAM, MARC

Hong Leong Bank Berhad

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