

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries remained largely where they began in a somewhat choppy session on Wednesday, supported by spillover from the decent results from the 20Y bond auction. Overall benchmark yields ended within a mere 1bps from prior day's close with the UST 2Y yield at 0.15% whilst the much-watched 10Y ending at 1.56%. The \$24b of 20Y bond auction registered a BTC ratio of 2.42x (previous auction: 2.51x; average last 6 auctions: 2.41x) and awarded at 2.144%. The results came on the back of expectations that both US and foreign investors were keen to purchase UST's upon signs of a much more stable market in April. Elsewhere the Bank of Canada which left rates unchanged, surprised markets by trimming QE purchases to \$3b per week. Expect some attention to shift to the existing home sales and weekly jobless claims data as at 17th April later tonight.

MGS/GII

- On Wednesday, local govies were better-bid in the longer-ends compared to prior day despite the lower secondary market volume of ~RM3.03b. Overall benchmark yields closed between 0-12bps lower save for the 3Y MGS and 5Y GII. The 5Y MGS 9/25 yield edged 1bps down at 2.55% whilst the 10Y MGS 4/31 was untraded at 3.09%. Interest was seen in the shorter off-the-run 21-22's, 28's and also benchmark 10Y GII. GII bond trades maintained at ~36% of overall trades. The 3Y MGS auction exercise saw solid demand especially by inter-bank participants, resulting in total bids submitted hitting a YTD high of RM9.39b and awarded at 2.363%. Meanwhile the nation has successfully priced and issued the world's 1st USD sustainability Islamic Bond totaling \$1.3b. This was offered in two (2) tranches; i.e. \$800m of 10Y @ 50bps over similar-tenured UST's along with \$500m of 30Y @ 90bps spread.

Corp Bonds/Sukuk

- Corporate Bonds/Sukuk space saw decent secondary market activity on Wednesday despite lower volumes seen at RM624m. Trades were printed mainly across the AAA-AA part of the curve again with overall yields closing mixed on ~29 various names. The sole govt-guaranteed trade consisted of the long-end PRASA 9/47 which spiked 49bps at 4.68%. AAA-rated TOYOTA 7/24 closed 3bps higher at 3.25% whilst the 2/25 tranche made its debut at 3.35%. PLUS 31 however ended unchanged at 3.97%. Both AA-rated KLK 9/22 and GAMUDA 11/22 closed 4bps lower at 2.60% 3.01% each. MMC and ANIH 28's edged 1bps lower at 4.40% and 3.96% each. Meanwhile, the banking space saw Bank ISLAM 28NC23 rise 13bps at 3.41%.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	0.15	0
5-yr UST	0.80	0
10-yr UST	1.56	0
30-yr UST	2.25	0

MGS		GII		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	2.13	1	2.17	0
5-yr	2.55	-1	2.62	1
7-yr	2.95	-1	3.00	-1
10-yr	3.09	0	3.21	0
15-yr	3.70	-11	3.81	-3
20-yr	4.01	-5	4.23	0
30-yr	4.18	-12	4.45	0

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	1.99	0
3-yr	2.38	0
5-yr	2.62	0
7-yr	2.78	1
10-yr	3.02	2

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	1.741	294	1.748	20/04/2021	-1
MGS 09/21	1.729	81	1.747	20/04/2021	-2
MGS 11/21	1.796	207	1.791	20/04/2021	1
MGS 03/22	1.833	31	1.839	20/04/2021	-1
MGS 03/23	2.131	22	2.117	20/04/2021	1
MGS 04/23	2.111	12	2.135	19/04/2021	-2
MGS 08/23	2.192	1	2.201	20/04/2021	-1
MGS 06/24	2.357	488	2.333	20/04/2021	2
MGS 03/25	2.524	20	2.526	19/04/2021	0
MGS 09/25	2.545	17	2.554	20/04/2021	-1
MGS 07/26	2.689	21	2.700	19/04/2021	-1
MGS 11/26	2.617	50	2.644	20/04/2021	-3
MGS 03/27	2.819	1	2.781	20/04/2021	4
MGS 05/27	2.837	26	2.808	20/04/2021	3
MGS 11/27	2.872	21	2.879	20/04/2021	-1
MGS 06/28	2.947	205	2.959	20/04/2021	-1
MGS 08/29	3.064	16	3.087	20/04/2021	-2
MGS 04/30	3.206	53	3.210	20/04/2021	0
MGS 06/31	3.361	1	3.312	20/04/2021	5
MGS 04/33	3.771	1	3.750	20/04/2021	2
MGS 11/33	3.823	96	3.832	20/04/2021	-1
MGS 07/34	3.700	62	3.809	20/04/2021	-11
MGS 04/37	4.030	5	4.055	20/04/2021	-2
MGS 06/38	4.163	20	4.192	20/04/2021	-3
MGS 05/40	4.010	146	4.060	20/04/2021	-5
MGS 03/46	4.232	1	4.295	16/04/2021	-6
MGS 07/48	4.363	1	4.320	16/04/2021	4
MGS 06/50	4.177	32	4.298	20/04/2021	-12
GII 08/21	1.786	260	1.770	13/04/2021	2
GII 03/22	1.879	330	1.873	20/04/2021	1
GII 04/22	1.870	23	1.869	20/04/2021	0
GII 08/24	2.461	50	2.400	09/04/2021	6
GII 03/26	2.622	30	2.608	19/04/2021	1
GII 09/27	2.995	8	3.004	16/04/2021	-1
GII 10/28	3.122	30	3.092	07/04/2021	3
GII 09/30	3.242	40	3.251	20/04/2021	-1
GII 10/30	3.211	280	3.212	20/04/2021	0
GII 10/35	3.887	1	3.828	20/04/2021	6
GII 07/36	3.808	49	3.835	20/04/2021	-3
		<u>3030</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*
Prasarana Malaysia Berhad	09/47	GG	4.675	40	4.186	15/02/2021	49	58
Manjung Island Energy Berhad	11/21	AAA	2.299	45	2.340	16/03/2021	-4	46
Sarawak Energy Berhad	01/22	AAA	2.280	15	2.348	01/04/2021	-7	44
Westports Malaysia Sdn Berhad	04/22	AAA	2.395	10	4.608	26/06/2018	-221	56
Toyota Capital Malaysia Sdn Berhad	07/24	AAA	3.247	60	3.213	11/03/2020	3	98
Toyota Capital Malaysia Sdn Berhad	02/25	AAA	3.348	60	-	-	-	91
Sarawak Energy Berhad	08/25	AAA	3.078	20	3.271	18/03/2021	-19	64
Danga Capital Berhad	02/26	AAA	3.049	20	3.034	20/04/2021	2	50
Projek Lebuhraya Usahasama Berhad	01/31	AAA	3.969	10	3.969	16/04/2021	0	88
Sarawak Energy Berhad	12/32	AAA	4.210	55	3.419	07/01/2021	79	112
Tenaga Nasional Berhad	08/38	AAA	4.570	20	4.604	20/04/2021	-3	77
Malakoff Power Berhad	12/21	AA-	2.516	40	2.396	19/01/2021	12	68
Kuala Lumpur Kepong Berhad	09/22	AA1	2.602	30	2.646	09/03/2021	-4	76
First Abu Dhabi Bank PJSC	12/27	AA1	3.641	7	3.900	29/10/2019	-26	69
Country Garden Real Estate Sdn Berhad	03/22	AA3	3.647	7	3.147	03/09/2020	50	181
Gamuda Berhad	11/22	AA3	3.006	10	3.050	25/03/2021	-4	95
Bumitama Agri Ltd	07/26	AA3	3.599	20	3.748	23/03/2021	-15	105
Southern Power Generation Sdn Berhad	10/24	AA-	3.149	10	2.797	24/02/2021	35	71
Southern Power Generation Sdn Berhad	04/25	AA-	3.231	10	3.297	29/03/2021	-7	80
MMC Corporation Berhad	04/27	AA-	4.244	10	4.349	25/03/2021	-11	147
Pelabuhan Tanjung Pelepas Sdn Berhad	06/27	AA-	3.720	9	3.852	31/03/2021	-13	95
Kimanis Power Sdn Berhad	08/27	AA-	3.679	14	3.690	20/04/2021	-1	91
MMC Corporation Berhad	11/27	AA-	4.357	20	4.354	20/04/2021	0	141
MMC Corporation Berhad	03/28	AA-	4.391	10	4.395	20/04/2021	0	144
Jimah East Power Sdn Berhad	12/29	AA-	4.208	10	3.663	09/02/2021	55	113
Lebuhraya DUKE Fasa 3 Sdn Berhad	08/31	AA-	5.049	10	5.049	20/04/2021	0	196
Bank Islam Malaysia Berhad	11/28	A1	3.405	40	3.276	22/07/2020	13	37
DRB-Hicom Berhad	12/29	A+	4.789	10	5.024	19/04/2021	-24	171
YNH Property Berhad	08/19	-	6.845	2	6.870	15/04/2021	-3	275
				<u>624</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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