

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	0.15	0
5-yr UST	0.86	-2
10-yr UST	1.70	-3
30-yr UST	2.40	-4

MGS		GII		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	2.13	0	2.22	-1
5-yr	2.75	-1	2.87	1
7-yr	3.15	-1	3.12	0
10-yr	3.44	0	3.59	-4
15-yr	3.95	0	4.03	0
20-yr	4.33	-2	4.47	4
30-yr	4.47	1	4.67	0

\* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	2.01	0
3-yr	2.44	-4
5-yr	2.72	-6
7-yr	2.92	-4
10-yr	3.28	0

Source : Bloomberg

Upcoming Government Bond Tender

Nil

- US Treasuries ended stronger on Monday with the curve bull-flattening following last week's drubbing as some real-money flows were seen partly due to the sinking of the Turkish Lira. Overall benchmark yields ended between 0-4bps lower with the UST 2Y yield closing unchanged at 0.15% whilst the much-watched UST 10Y yield moved 3bps lower at 1.70%. Yields have been holding at more than one-year high as investors bet on a faster economic recovery and higher inflationary pressures. Fed Chair Powell and Treasury Secretary Yellen who are expected to feature in testimonies before the Senate tonight are not expected to waver from their recent dovish forward guidance which may be bullish for the short-end while the Fed's efforts to lift inflation may be bearish for the longer-ends. Expect attention to shift to the rather heavy slate of Treasury auctions consisting of ~\$180b in 2Y, 5Y and 7Y notes this week, beginning tonight, including \$26b in 2Y FRN's.

MGS/GII

- On Monday, local govies saw better performance; led by sharply lower IRS levels especially in the belly. Overall benchmark yields closed mostly lower between 0-4bps across the curve save for the long-end 20Y GII and 30Y MGS amid a higher secondary market volume of RM3.68b. The 5Y MGS 9/25 yield edged 1bps lower at 2.75% whilst the 10Y MGS 4/31 closed within 1bps lower at 3.44%. Interest was mainly seen in the shorter off-the-run 22's and also the benchmark 3Y MGS, 5Y GII and also the longer-end benchmark 15Y, 30Y MGS. GII bond trades fell further to form a mere ~11% of overall trades. Meanwhile, the 5Y MGS auction saw tepid bidding metrics @ 1.789x BTC ratio whilst being awarded at 2.764%. The government's funding requirements of RM11b due to the recent PEMERKASA stimulus package is expected via borrowings and also gains from higher oil prices.

Corp Bonds/Sukuk

- The Corporate Bond/Sukuk space saw continued strong investor interest on Monday amid a slight drop in secondary market volume @ RM573m. Overall yields ended mostly higher again on 29 various names mainly seen across the GG-AA part of the curve. Govt-guaranteed KHAZANAH 22's rose 35-36bps compared to previous-done levels at 2.34% whilst DANA 34's ended 11-16bps higher at 4.36%. AAA-rated PLUS 30-31's similarly saw yields come under pressure; rising to close between 4.10-20%. DANGA 33's notched RM140m in trades; spiking 79-88bps between 4.30-34% area. The AA-space saw GAMUDA 11/22 move 4bps up at 3.05%. Meanwhile the banking space saw CIMB Group Holdings 6/22 pressured as yields rose 20bps to end at 2.59% whilst AFFIN Islamic perps 2117NC23 moved 3bps lower at 3.87%.

## Daily Trades : Government Bond

Securities	Closing	Vol	Previous	Previous	Chg
	YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS 07/21	1.788	158	1.815	19/03/2021	-3
MGS 09/21	1.799	82	1.797	19/03/2021	0
MGS 11/21	1.803	5	1.794	19/03/2021	1
MGS 08/22	1.995	48	2.041	19/03/2021	-5
MGS 09/22	1.998	381	2.037	17/03/2021	-4
MGS 03/23	2.128	110	2.129	19/03/2021	0
MGS 04/23	2.156	58	2.167	19/03/2021	-1
MGS 08/23	2.217	84	2.220	19/03/2021	0
MGS 06/24	2.379	4	2.396	19/03/2021	-2
MGS 07/24	2.438	4	2.470	17/03/2021	-3
MGS 09/24	2.520	86	2.485	19/03/2021	4
MGS 03/25	2.667	4	2.596	17/03/2021	7
MGS 09/25	2.752	1555	2.760	19/03/2021	-1
MGS 07/26	2.822	9	2.864	19/03/2021	-4
MGS 11/26	2.822	40	2.857	19/03/2021	-4
MGS 05/27	3.033	5	3.077	19/03/2021	-4
MGS 11/27	3.102	1	3.160	19/03/2021	-6
MGS 06/28	3.148	13	3.156	19/03/2021	-1
MGS 08/29	3.436	47	3.413	19/03/2021	2
MGS 04/31	3.445	23	3.450	19/03/2021	-1
MGS 06/31	3.615	2	3.581	19/03/2021	3
MGS 04/33	4.018	57	3.981	18/03/2021	4
MGS 11/33	4.060	53	4.090	19/03/2021	-3
MGS 07/34	3.946	191	3.944	19/03/2021	0
MGS 05/35	4.127	1	4.148	19/03/2021	-2
MGS 04/37	4.226	5	4.185	19/03/2021	4
MGS 06/38	4.398	2	4.332	19/03/2021	7
MGS 05/40	4.333	32	4.350	19/03/2021	-2
MGS 09/43	4.461	3	4.437	17/03/2021	2
MGS 03/46	4.508	21	4.476	19/03/2021	3
MGS 07/48	4.578	3	4.610	19/03/2021	-3
MGS 06/50	4.466	176	4.455	19/03/2021	1
GII 07/23	2.186	87	2.186	19/03/2021	0
GII 10/24	2.555	10	2.547	18/03/2021	1
GII 03/26	2.873	221	2.865	19/03/2021	1
GII 10/30	3.589	64	3.627	19/03/2021	-4
GII 11/34	4.130	30	4.148	18/03/2021	-2
GII 09/39	4.467	10	4.430	19/03/2021	4
		<u>3683</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*
Khazanah Nasional Berhad	06/22	GG	2.342	5	1.992	07/10/2020	35	51
Khazanah Nasional Berhad	09/22	GG	2.345	20	1.990	07/10/2020	36	51
Prasarana Malaysia Berhad	03/25	GG	3.077	30	2.747	04/05/2020	33	59
Pengurusan Air SPV Berhad	02/26	GG	3.198	40	2.378	28/09/2020	82	46
DanaInfra Nasional Berhad	03/34	GG	4.360	5	4.250	12/03/2021	11	36
DanaInfra Nasional Berhad	04/34	GG	4.360	5	4.198	09/03/2021	16	36
Bakun Hydro Power Generation Sdn Berhad (fka Sarawak)	08/21	AAA	2.325	10	2.341	19/03/2021	-2	49
Putrajaya Holdings Sdn Berhad	10/21	AAA	2.199	10	3.890	30/05/2019	-169	36
Putrajaya Holdings Sdn Berhad	12/21	AAA	2.230	20	2.220	18/03/2021	1	39
Bakun Hydro Power Generation Sdn Berhad (fka Sarawak)	08/22	AAA	2.558	20	2.248	29/01/2021	31	72
Glacier Assets Berhad	03/24	AAA	3.657	5	-	-	-	151
Cagamas Berhad	10/24	AAA	2.840	5	2.371	14/01/2021	47	36
Putrajaya Holdings Sdn Berhad	04/25	AAA	3.180	10	2.698	05/03/2021	48	70
Putrajaya Holdings Sdn Berhad	04/25	AAA	3.180	20	2.497	26/01/2021	68	70
Bakun Hydro Power Generation Sdn Berhad (fka Sarawak)	08/25	AAA	3.248	30	2.671	22/01/2021	58	77
Danga Capital Berhad	01/28	AAA	3.698	20	3.028	25/02/2021	67	55
Bakun Hydro Power Generation Sdn Berhad (fka Sarawak)	08/29	AAA	3.962	20	3.159	15/02/2021	80	66
Projek Lebuhraya Usahasama Berhad	01/30	AAA	4.101	80	3.224	29/01/2021	88	71
Projek Lebuhraya Usahasama Berhad	01/31	AAA	4.201	20	3.409	16/02/2021	79	75
Danga Capital Berhad	01/33	AAA	4.299	100	3.879	03/03/2021	42	85
Danga Capital Berhad	09/33	AAA	4.339	40	3.540	14/01/2021	80	34
Tenaga Nasional Berhad	08/37	AAA	4.560	20	3.814	13/01/2021	75	56
CIMB Group Holdings Berhad	06/22	AA1	2.592	10	2.391	07/01/2021	20	76
Sabah Development Bank Berhad	04/24	AA1	4.268	1	3.744	03/03/2021	52	213
Gamuda Berhad	11/22	AA3	3.045	20	3.008	18/03/2021	4	101
TG Excellence Berhad	02/20	AA-	3.537	1	4.105	18/03/2021	-57	-80
Hong Leong Financial Group Berhad	11/17	A1	4.048	2	3.091	12/03/2021	96	-29
Affin Islamic Bank Berhad	10/17	A3	3.870	5	3.904	19/03/2021	-3	-47
Eco World Capital Assets Berhad	08/24	-	5.749	1	6.266	15/03/2021	-52	361
				<u>573</u>				

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

Rating Action			
Issuer	PDS Description	Rating/Outlook	Action
Putrajaya Holdings Sdn Bhd	Proposed RM1.0 billion 20-year Sukuk Wakalah Programme.	AAA-IS/Stable	Assigned

Source: RAM, MARC

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