

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

US Treasuries edged higher last Friday as strong Markit PMI data and home sales for March boosted risk-appetite amid growing signs of confidence among businesses in the US. Overall benchmark yields ended higher between 1-3bps from prior day's close with the UST 2Y edging 1bps up at 0.16% whilst the much-watched 10Y rose 2bps at 1.56%. The weakness in USTs could also be attributed to this week's heavy upcoming IG issuance slate estimated at ~\$30b. Treasury purchases have maintained at \$4b a day (i.e. \$80b per month with the Fed expected to maintain this activity at least until 13th of May. Expect attention to shift to the various auction exercises involving \$183b supply of 2Y, 5Y and 7Y notes, coupled with the FOMC meeting this Thursday on the Fed's decision on policy rates.

MGS/GII

- Last Friday, local govies ended mostly weaker (save for the long bond and 10Y GII); influenced partially by the strong CPI data in March. Overall benchmark yields closed mostly between 0-12bps higher amid lower secondary market volume of ~RM2.0b. The 5Y MGS 9/25 yield edged 2bps up at unchanged at 2.57% whilst the 10Y MGS 4/31 closed 3bps higher at 3.10%. Interest was seen in the shorter off-the-run 21's, 24's and 28's. GII bond trades inched higher to form ~24% of overall trades. The March CPI data saw headline inflation accelerate to 1.7% whilst core steadied at 0.7% y/y. Expect some attention to shift to the release of trade data for March this Wednesday.

Corp Bonds/Sukuk

- Corporate Bonds/Sukuk space saw strong secondary market activity on Friday amid higher volume @ RM693m. Trades were printed across the GG to single-A part of the curve with overall yields closing mixed again on ~37 various names. Govt-guaranteed PTPTN 6/22 closed 9bps lower compared to previous-done levels at 2.26% whilst both the longer-end DANA 11/32 and PRASA 12/33 spiked 48-53bps at 3.85% and 3.98% respectively. AAA-rated SEB 7/29 rallied 32 bps whilst the 8/35 tranche spiked 71bps at 3.71% and 4.48% each. AA-rated EDRA saw a slew of tranches exchange hands. The 7/24 tranche closed unchanged at 3.53% whilst the 25-26's generally rose 32-34bps between 3.60-86% levels. EDRA 7/29 however was well-bid with yields declining 35bps at 4.38%. Meanwhile, the banking space saw Alliance Bank 30NC25 move 4bps lower at 3.42% whilst the 35NC30 bonds rose 23bps instead at 4.15%.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	0.16	1
5-yr UST	0.82	3
10-yr UST	1.56	2
30-yr UST	2.24	2

MGS		GII		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	2.12	3	2.16	0
5-yr	2.57	2	2.64	3
7-yr	2.97	1	3.03	2
10-yr	3.10	3	3.19	-1
15-yr	3.80	5	3.82	12
20-yr	4.08	0	4.27	6
30-yr	4.22	-4	4.45	0

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	1.99	0
3-yr	2.40	0
5-yr	2.64	2
7-yr	2.80	1
10-yr	3.02	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	1.730	238	1.728	22/04/2021	0
MGS 09/21	1.728	40	1.717	22/04/2021	1
MGS 11/21	1.753	209	1.797	22/04/2021	-4
MGS 09/22	1.979	31	1.976	22/04/2021	0
MGS 04/23	2.155	7	2.147	22/04/2021	1
MGS 08/23	2.218	171	2.192	21/04/2021	3
MGS 06/24	2.378	219	2.361	22/04/2021	2
MGS 09/25	2.571	44	2.548	22/04/2021	2
MGS 07/26	2.706	3	2.685	22/04/2021	2
MGS 11/26	2.621	1	2.616	22/04/2021	0
MGS 05/27	2.855	9	2.822	22/04/2021	3
MGS 11/27	2.871	4	2.884	22/04/2021	-1
MGS 06/28	2.973	394	2.958	22/04/2021	1
MGS 09/28	3.040	56	3.021	13/04/2021	2
MGS 04/31	3.096	20	3.066	22/04/2021	3
MGS 06/31	3.312	2	3.322	22/04/2021	-1
MGS 04/33	3.771	1	3.720	22/04/2021	5
MGS 07/34	3.801	42	3.750	22/04/2021	5
MGS 05/40	4.084	6	4.084	22/04/2021	0
MGS 03/46	4.306	10	4.309	22/04/2021	0
MGS 07/48	4.318	1	4.359	22/04/2021	-4
MGS 06/50	4.224	12	4.261	22/04/2021	-4
GII 04/21	1.768	100	1.788	20/04/2021	-2
GII 08/25	2.536	90	2.537	22/04/2021	0
GII 03/26	2.637	10	2.610	22/04/2021	3
GII 09/27	3.025	80	3.008	22/04/2021	2
GII 10/28	3.085	34	3.056	22/04/2021	3
GII 10/30	3.188	66	3.194	22/04/2021	-1
GII 08/33	3.702	1	3.839	22/04/2021	-14
GII 11/34	3.900	10	3.895	19/04/2021	0
GII 07/36	3.818	58	3.701	22/04/2021	12
GII 09/39	4.234	20	4.180	20/04/2021	5
GII 09/41	4.269	10	4.208	22/04/2021	6
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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*
Perbadanan Tabung Pendidikan Tinggi Nasional	06/22	GG	2.261	95	2.353	22/04/2021	-9	43
Small Medium Enterprise Development Bank Malaysia B	08/22	GG	2.381	10	2.095	24/09/2020	29	55
Prasarana Malaysia Berhad	08/23	GG	2.550	10	2.058	15/10/2020	49	46
DanaInfra Nasional Berhad	02/28	GG	3.229	5	3.350	09/03/2021	-12	26
Perbadanan Tabung Pendidikan Tinggi Nasional	02/28	GG	3.271	15	2.649	05/08/2020	62	30
Prasarana Malaysia Berhad	10/28	GG	3.320	10	3.530	01/04/2021	-21	35
DanaInfra Nasional Berhad	11/32	GG	3.850	40	3.320	26/11/2020	53	77
Prasarana Malaysia Berhad	12/33	GG	3.979	100	3.504	22/01/2021	48	18
Perbadanan Tabung Pendidikan Tinggi Nasional	02/34	GG	4.039	50	4.089	08/04/2021	-5	24
Prasarana Malaysia Berhad	03/34	GG	3.940	40	4.021	16/04/2021	-8	14
DanaInfra Nasional Berhad	02/39	GG	4.420	10	4.472	08/04/2021	-5	32
DanaInfra Nasional Berhad	05/50	GG	4.680	5	4.220	21/09/2020	46	58
Gulf Investment Corporation G.S.C	02/23	AAA	3.064	20	2.957	15/03/2021	11	97
Sarawak Energy Berhad	07/29	AAA	3.714	20	4.029	25/03/2021	-32	68
Sarawak Energy Berhad	08/35	AAA	4.479	60	3.769	11/12/2020	71	68
Infracap Resources Sdn Berhad	04/36	AAA	4.619	20	4.669	16/04/2021	-5	82
Genting RMTN Berhad	11/29	AA1	4.861	10	4.866	22/04/2021	0	178
Hong Leong Financial Group Berhad	06/28	AA2	3.171	20	3.178	22/04/2021	-1	20
Fortune Premiere Sdn Berhad	09/26	AA	3.679	1	3.859	30/03/2021	-18	111
Anih Berhad	11/27	AA	3.739	10	3.785	19/04/2021	-5	77
Edra Energy Sdn Berhad	07/24	AA3	3.528	10	3.530	19/04/2021	0	116
Press Metal Aluminium Holdings Berhad	10/24	AA3	4.062	10	4.112	15/04/2021	-5	169
Edra Energy Sdn Berhad	01/25	AA3	3.604	10	3.263	23/10/2020	34	114
Edra Energy Sdn Berhad	01/26	AA3	3.778	10	3.459	26/02/2021	32	121
Edra Energy Sdn Berhad	07/26	AA3	3.860	10	3.864	19/04/2021	0	129
Tadau Energy Sdn Berhad	07/26	AA3	3.997	10	3.601	25/01/2021	40	143
AEON Credit Service (M) Berhad	02/27	AA3	3.797	10	3.836	09/04/2021	-4	100
Jimah East Power Sdn Berhad	12/28	AA-	4.048	10	3.899	24/01/2020	15	101
Penang Port Sdn Berhad	12/31	AA-	4.329	10	4.349	14/04/2021	-2	125
Edra Energy Sdn Berhad	07/29	AA3	4.381	20	4.730	20/04/2021	-35	134
Alliance Bank Malaysia Berhad	10/30	A2	3.419	5	3.458	16/03/2021	-4	34
Alliance Bank Malaysia Berhad	10/35	A2	4.151	5	3.924	20/04/2021	23	35
WCT Holdings Berhad	03/19	A	5.880	1	5.859	26/08/2020	2	178
MBSB Bank Berhad (fka Asian Finance Bank Berhad)	12/29	A3	3.635	10	3.643	20/04/2021	-1	56
MBSB Bank Berhad (fka Asian Finance Bank Berhad)	12/31	A3	4.107	10	4.500	22/04/2021	-39	103
YNH Property Berhad	08/19	-	6.605	2	6.845	21/04/2021	-24	250
Cypark Renewable Energy Sdn Berhad	09/20	-	6.819	1	6.820	19/02/2021	0	272
				<u>693</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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