

Global Markets Research

Fixed Income

Fixed Income Daily Market Snapshot

US Treasuries

- US treasuries came under mild pressure ahead of FOMC policy meeting followed by Friday's core PCE data. It however managed to pare declines after the release of weaker than expected US durable goods orders. Overall UST yields pulled back from intraday high levels to end the day slightly higher by around 1bp across the curve with the 2Y note yield settling at 0.17% whilst the 10s at 1.57%. The back-to-back sale of \$60bn 2Y and \$61bn 5Y notes were met with softer but still decent demand with BTCs of 2.34x (prior: 2.54x) and 2.31x (prior: 2.36x) respectively. Focus will shift to the upcoming sale of \$28bn 2Y Floating Rate Note and \$62bn 7Y bonds followed by the Fed policy meet and first tier economic data later in the week.

MGS/GII

- Local govies ended mostly weaker for another day on Monday (save for the 3Y and 30Y MGS). Overall benchmark yields closed mostly higher between 0-5bps except for the 1bp decline in 3Y MGS to 2.11% and 4bps lower in 30Y MGS at 4.18%. This came amid a pick-up in secondary market volume to RM3.75bn (prior: RM2.0bn). The 5Y MGS 9/25 yield was unchanged at 2.57% whilst the 10Y MGS 4/31 closed 5bps higher at 3.15%. Interest was seen in the off-the-run MGS 21's and 24's, GII '23 and '30, in addition to the benchmark GII '07/36. GII bond trades continued inching higher to form ~44% of overall trades (prior 24%). Expect some attention to shift to the release of trade data for March this Wednesday.

Corp Bonds/Sukuk

- Corporate Bonds/Sukuk space saw further pick-up in trading momentum yesterday. Secondary market activity jumped to RM1.17bn, up 69% from RM693m last Friday. Trades were printed across the GG to single-A part of the curve with the bulk of the trading on the GG (RM425m) and AA-rated (RM617m) bonds. Overall yields continued to close mixed again on ~43 various names. Government-guaranteed PRASA '9/27 stole the limelight with RM150m dealt at 3.177% (-6bps) while various tenors of DANAINFRA '26-'50 saw a combined RM110m changed hands. In the AA-rated space, banking names dominated. Most notably SDB '8/25 saw RM100m traded 12bps inner at 3.43%, RHBIB '10/27 at 3.14% with RM70m done whilst RHB Bank '4/31 made its debut at 3.45% with RM15m dealt. PKNS '8/23 and '10/23 was seen traded 35-37bps higher at 3.66% with RM110m dealt collectively.

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	0.17	1
5-yr UST	0.83	1
10-yr UST	1.57	1
30-yr UST	2.24	1

MGS		GII		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	2.11	-1	2.16	0
5-yr	2.57	0	2.64	0
7-yr	2.98	1	3.04	2
10-yr	3.15	5	3.24	5
15-yr	3.81	1	3.83	1
20-yr	4.09	0	4.27	0
30-yr	4.18	-4	4.48	3

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	1.99	0
3-yr	2.41	2
5-yr	2.68	3
7-yr	2.82	2
10-yr	3.08	6

Source : Bloomberg

Upcoming Government Bond Tender

Nil

Daily Trades : Government Bond

Securities	Closing YTM	Vol (RM mil)	Previous YTM	Previous Trade Date (dd/mm/yyyy)	Chg (bp)
MGS 07/21	1.699	345	1.730	23/04/2021	-3
MGS 09/21	1.699	200	1.728	23/04/2021	-3
MGS 11/21	1.808	210	1.753	23/04/2021	6
MGS 03/22	1.870	115	1.848	22/04/2021	2
MGS 09/22	1.997	30	1.979	23/04/2021	2
MGS 03/23	2.111	37	2.123	23/04/2021	-1
MGS 04/23	2.122	8	2.155	23/04/2021	-3
MGS 08/23	2.229	20	2.218	23/04/2021	1
MGS 06/24	2.352	364	2.378	23/04/2021	-3
MGS 07/24	2.408	82	2.394	23/04/2021	1
MGS 03/25	2.573	0	2.531	23/04/2021	4
MGS 09/25	2.569	7	2.571	23/04/2021	0
MGS 07/26	2.696	31	2.706	23/04/2021	-1
MGS 05/27	2.851	23	2.855	23/04/2021	0
MGS 11/27	2.907	21	2.871	23/04/2021	4
MGS 06/28	2.983	71	2.973	23/04/2021	1
MGS 09/28	3.110	5	3.040	23/04/2021	7
MGS 08/29	3.165	61	3.088	22/04/2021	8
MGS 04/30	3.224	8	3.206	22/04/2021	2
MGS 04/31	3.150	158	3.096	23/04/2021	5
MGS 06/31	3.366	121	3.312	23/04/2021	5
MGS 04/33	3.750	1	3.771	23/04/2021	-2
MGS 07/34	3.810	105	3.801	23/04/2021	1
MGS 06/38	4.225	2	4.186	23/04/2021	4
MGS 05/40	4.088	30	4.084	23/04/2021	0
MGS 03/46	4.304	1	4.306	23/04/2021	0
MGS 06/50	4.183	33	4.224	23/04/2021	-4
GII 04/21	1.767	150	1.768	23/04/2021	0
GII 08/21	1.775	180	1.739	22/04/2021	4
GII 03/22	1.852	50	1.879	21/04/2021	-3
GII 05/23	2.162	40	2.164	22/04/2021	0
GII 11/23	2.265	261	2.222	22/04/2021	4
GII 08/24	2.394	72	2.461	21/04/2021	-7
GII 09/26	2.749	40	2.698	20/04/2021	5
GII 07/27	2.979	0	2.981	15/04/2021	0
GII 09/27	3.040	49	3.025	23/04/2021	2
GII 10/28	3.070	82	3.085	23/04/2021	-2
GII 10/30	3.243	225	3.188	23/04/2021	5
GII 08/33	3.838	80	3.702	23/04/2021	14
GII 07/36	3.827	366	3.818	23/04/2021	1
GII 08/37	4.118	2	3.900	22/02/2021	22
GII 09/39	4.242	9	4.234	23/04/2021	1
GII 11/49	4.482	50	4.451	22/04/2021	3
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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*
Prasarana Malaysia Berhad	12/23	GG	2.586	20	2.078	20/10/2020	51	22
DanaInfra Nasional Berhad	04/26	GG	2.981	20	2.310	26/08/2020	67	41
Prasarana Malaysia Berhad	08/26	GG	3.022	30	3.052	07/04/2021	-3	45
DanaInfra Nasional Berhad	03/27	GG	3.155	50	2.680	23/12/2020	48	36
Prasarana Malaysia Berhad	09/27	GG	3.177	150	3.238	02/04/2021	-6	39
Prasarana Malaysia Berhad	09/29	GG	3.409	50	2.988	30/12/2020	42	36
DanaInfra Nasional Berhad	02/31	GG	3.550	10	-	-	-	45
Lembaga Pembiayaan Perumahan Sektor Awam	03/31	GG	3.549	25	-	-	-	45
Perbadanan Tabung Pendidikan Tinggi Nasional	02/34	GG	4.029	10	4.039	23/04/2021	-1	23
Lembaga Pembiayaan Perumahan Sektor Awam	04/34	GG	4.001	20	3.200	28/02/2020	80	20
DanaInfra Nasional Berhad	05/50	GG	4.660	10	4.680	23/04/2021	-2	56
DanaInfra Nasional Berhad	09/50	GG	4.660	30	4.843	19/03/2021	-18	56
UEM Edgenta Berhad	04/22	AAA	2.857	46	2.916	07/04/2021	-6	101
Aman Sukuk Berhad	10/23	AAA	2.838	40	2.644	23/07/2020	19	76
Projek Lebuhraya Usahasama Berhad	01/29	AAA	3.719	30	3.927	31/03/2021	-21	67
Kuala Lumpur Kepong Berhad	09/22	AA1	2.496	20	2.602	21/04/2021	-11	65
CIMB Group Holdings Berhad	04/25	AA1	3.241	40	3.230	16/04/2021	1	78
Sabah Development Bank Berhad	08/25	AA1	3.430	100	3.547	17/03/2021	-12	97
Samalaju Industrial Port Sdn Berhad	12/25	AA1	3.327	20	3.500	12/02/2020	-17	76
Sabah Development Bank Berhad	04/26	AA1	3.534	50	3.688	17/03/2021	-15	96
Public Bank Berhad	04/27	AA1	2.893	10	2.573	27/10/2020	32	10
Samalaju Industrial Port Sdn Berhad	12/27	AA1	3.759	60	3.708	22/04/2021	5	79
GENM Capital Berhad	07/28	AA1	4.717	1	4.977	24/03/2021	-26	174
Genting RMTN Berhad	11/29	AA1	4.464	2	4.861	23/04/2021	-40	138
Public Bank Berhad	12/29	AA1	3.267	10	3.421	11/02/2020	-15	18
United Overseas Bank (Malaysia) Berhad	08/30	AA1	3.367	30	3.448	12/04/2021	-8	28
Malakoff Power Berhad	12/22	AA-	2.856	30	2.548	04/02/2021	31	78
MMC Corporation Berhad	04/23	AA-	3.628	10	3.654	14/04/2021	-3	155
Besraya (M) Sdn Berhad	07/21	AA3	2.646	20	2.440	22/02/2021	21	80
Perbadanan Kemajuan Negeri Selangor	08/23	AA3	3.660	80	3.289	15/10/2020	37	158
Perbadanan Kemajuan Negeri Selangor	10/23	AA3	3.660	30	3.315	23/02/2021	35	129
Press Metal Aluminium Holdings Berhad	10/24	AA3	4.062	0	4.062	23/04/2021	0	170
BGSM Management Sdn Berhad	03/26	AA3	3.345	20	2.908	17/11/2020	44	77
RHB Investment Bank Berhad	10/27	AA3	3.140	70	3.597	19/02/2020	-46	35
RHB Bank Berhad	04/31	AA3	3.450	15	-	-	-	35
AmBank (M) Berhad	03/27	A1	3.140	1	3.404	31/03/2021	-26	35
AmBank Islamic Berhad	10/28	A1	3.769	1	3.794	31/03/2021	-2	80
CIMB Group Holdings Berhad	05/16	A1	3.985	1	3.981	14/04/2021	0	-12
Hong Leong Financial Group Berhad	11/17	A1	3.069	1	3.494	22/04/2021	-43	-104
Dialog Group Berhad	11/20	A1	4.385	0	4.134	27/01/2021	25	28
Eco World Capital Services Berhad	03/26	-	5.396	1	5.461	12/04/2021	-7	282
YNH Property Berhad	08/19	-	6.308	10	6.605	23/04/2021	-30	220
YNH Property Berhad	08/19	-	6.587	0	6.537	15/04/2021	5	248
				<u>1172</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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