

Global Markets Research

Fixed Income

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	2.47	-4
5-yr UST	2.68	-1
10-yr UST	2.60	5
30-yr UST	2.63	5

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.22	2	2.99	0
5-yr	3.47	2	3.63	8
7-yr	3.86	8	3.85	5
10-yr	4.02	8	4.06	3
15-yr	4.36	7	4.32	0
20-yr	4.54	5	4.49	6
30-yr	4.61	12	4.54	0

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	2.34	3
3-yr	3.19	6
5-yr	3.53	10
7-yr	3.73	10
10-yr	3.97	14

Source : Bloomberg

Upcoming Government Bond Tender

Nil

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries closed mixed on Wednesday, following the highlight from the Fed's release of its recent FOMC meeting minutes which showed the central bank could begin tapering off its balance sheet beginning May. The curve remained steep as overall benchmark yields settled between -4 to +5bps across. **The UST 2Y yield eased 4bps to 2.47% whilst the much-watched UST 10Y yield spiked 5bps to another 3-year high, at 2.60%.** The Fed mentioned that it will set the cap for its runoff of both UST's (including T-bills) and MBS at \$60b and \$35b each on a monthly basis. The Fed's recent rate hike and investors expectations for more, are seen affecting the front-end of the curve; whilst selling duration especially held in the Fed's balance sheet may pressure yields higher on the longer-ends. Meanwhile, usage of the Fed's reverse repo facility is expected to remain robust with the Fed expected to slowly reduce its T-bill holdings. On the data front we have the jobless claims data as at 2nd April which is expected out tonight.

MGS/GII

- Local govies weakened considerably on Wednesday, again reacting to more hawkish language displayed at the latest Fed'speak event. Overall benchmark MGS/GII yields ended between 0-12bps higher amid 63% rise in secondary market volume @ RM2.95b. **The 5Y benchmark MGS 11/26 yield edged 2bps up at 3.47% whilst the 10Y MGS 7/32 spiked 8bps to 4.02%.** Trades were mainly seen in the off-the-run 22-23's, 3Y MGS and 5Y MGS. GII trades jumped to form 45% of overall transactions; largely due to the recording of the newly-issued 10Y benchmark GII. The auction involving this new issuance of GII 10/32 saw solid BTC ratio of 2.503x and awarded at 4.193%; with bids seen from a wide spectrum of participants.

Corp Bonds/Sukuk

- On Wednesday, the Corporate Bonds/Sukuk space saw improved participation with interest mainly seen along the GG-sector followed by the AA-part of the curve. Overall yields closed mostly higher and spanned across 20 names as secondary market volume more than halved to RM263m. Govt-guaranteed GOVCO 9/22 and DANA 11/25 jumped 14-15bps higher compared to previous-done levels to 2.26% and 3.40% each. AAA-rated MERCEDEZ 11/23 too rose 15bps to 3.00%. The AA-sector saw construction-based PROHAWK's 12/26 tranche move 33bps higher to 4.16% whilst single-A rated TROPICANA perps and 6/23 tranche recorded a slew of odd-lot trades. Meanwhile, the banking/finance space was relatively quiet with SABAH Dev Bank 5/23 edging 2bps lower at 3.55%.

Daily Trades : Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	08/22	1.749	161	1.759	05/04/2022	-1
MGS	09/22	1.729	32	1.781	05/04/2022	-5
MGS	03/23	2.197	158	2.190	05/04/2022	1
MGS	04/23	2.262	2	2.161	04/04/2022	10
MGS	08/23	2.298	6	2.307	05/04/2022	-1
MGS	06/24	2.847	15	2.818	05/04/2022	3
MGS	07/24	2.920	13	2.894	05/04/2022	3
MGS	09/24	2.984	1	2.934	05/04/2022	5
MGS	03/25	3.215	510	3.192	05/04/2022	2
MGS	09/25	3.349	155	3.303	05/04/2022	5
MGS	04/26	3.423	2	3.433	04/04/2022	-1
MGS	07/26	3.486	3	3.426	05/04/2022	6
MGS	11/26	3.473	10	3.457	05/04/2022	2
MGS	05/27	3.566	102	3.544	05/04/2022	2
MGS	11/27	3.591	90	3.584	05/04/2022	1
MGS	06/28	3.857	100	3.779	05/04/2022	8
MGS	08/29	3.967	21	3.919	05/04/2022	5
MGS	04/30	4.049	19	3.998	04/04/2022	5
MGS	06/31	4.068	21	4.035	05/04/2022	3
MGS	07/32	4.019	130	3.939	05/04/2022	8
MGS	04/33	4.245	1	4.202	05/04/2022	4
MGS	07/34	4.354	2	4.255	05/04/2022	10
MGS	05/35	4.370	2	4.319	05/04/2022	5
MGS	04/37	4.355	21	4.290	05/04/2022	7
MGS	05/40	4.536	12	4.488	05/04/2022	5
MGS	09/43	4.532	2	4.646	01/04/2022	-11
MGS	06/50	4.610	23	4.486	05/04/2022	12
GII	04/22	1.790	319	1.782	05/04/2022	1
GII	07/22	1.761	130	1.763	04/04/2022	0
GII	11/22	1.752	40	1.850	05/04/2022	-10
GII	05/24	2.944	30	2.856	01/04/2022	9
GII	10/25	2.996	1	3.300	28/03/2022	-30
GII	03/26	3.509	81	3.409	05/04/2022	10
GII	09/27	3.625	300	3.541	04/04/2022	8
GII	10/28	3.858	95	3.804	05/04/2022	5
GII	10/30	4.055	31	4.023	04/04/2022	3
GII	09/39	4.517	1	4.384	31/03/2022	13
GII	10/32	4.100	313	-	07/10/2032	-
			<u>2953</u>			

Daily Trades : Corp Bonds/ Sukuk

Securities	Rating	Closing	Vol	Previous	Previous	Chg	Spread Against MGS*	
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)			
GovCo Holdings Berhad	09/22	GG	2.263	100	2.117	18/03/2022	15	12
DanaInfra Nasional Berhad	11/25	GG	3.399	25	3.261	24/02/2022	14	3
Perbadanan Tabung Pendidikan Tinggi Nasional	07/28	GG	3.938	30	3.240	09/07/2021	70	28
Prasarana Malaysia Berhad	08/28	GG	3.970	10	3.910	04/04/2022	6	31
Mercedes-Benz Services Malaysia Sdn Berhad	11/23	AAA	2.999	10	2.854	21/02/2022	15	23
Tenaga Nasional Berhad	11/36	AAA	4.183	1	4.366	05/04/2022	-18	-18
Sabah Development Bank Berhad	05/23	AA1	3.553	20	3.575	22/03/2022	-2	141
GENM Capital Berhad	08/25	AA1	4.250	3	4.251	05/04/2022	0	102
GENM Capital Berhad	03/27	AA1	5.017	1	4.641	16/02/2022	38	153
Genting Capital Berhad	06/27	AA1	5.003	1	4.630	08/02/2022	37	152
Konsortium ProHAWK Sdn Berhad	12/26	AA2	4.158	10	3.824	27/10/2021	33	67
MMC Port Holdings Sdn Berhad	04/29	AA-	4.660	5			466	79
CIMB Group Holdings Berhad	05/16	A1	3.189	1	3.294	25/03/2022	-11	-135
Tropicana Corporation Berhad	06/23	A+	4.045	1	4.215	05/04/2022	-17	191
Tropicana Corporation Berhad	09/19	A	7.250	42			725	271
Tropicana Corporation Berhad	09/19	A	6.113	1	6.110	05/04/2022	0	157
Tropicana Corporation Berhad	09/19	A	6.992	1	6.857	24/03/2022	14	245
Eco World Capital Services Berhad	03/26	-	5.221	1	5.213	05/04/2022	1	185
YNH Property Berhad	08/19	-	5.966	1	6.143	05/04/2022	-18	142
LBS Bina Group Berhad	03/20	-	5.788	1	5.789	05/04/2022	0	125
				<u>263</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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