

Global Markets Research

Fixed Income

UST		
Tenure	Closing (%)	Chg (bps)
2-yr UST	2.46	-1
5-yr UST	2.71	3
10-yr UST	2.66	6
30-yr UST	2.68	5

MGS		GII*		
Tenure	Closing (%)	Chg (bps)	Closing (%)	Chg (bps)
3-yr	3.20	-1	2.97	-2
5-yr	3.45	-3	3.57	-6
7-yr	3.83	-3	3.85	0
10-yr	4.02	0	4.03	-2
15-yr	4.35	-1	4.32	0
20-yr	4.54	0	4.49	0
30-yr	4.61	0	4.67	14

* Market indicative levels

MYR IRS Levels		
IRS	Closing (%)	Chg (bps)
1-yr	2.35	2
3-yr	3.16	-3
5-yr	3.50	-3
7-yr	3.69	-4
10-yr	3.93	-4

Source : Bloomberg

Upcoming Government Bond Tender

Nil

Fixed Income Daily Market Snapshot

US Treasuries

- US Treasuries extended its curve-steepening move on Thursday, started since the release of the FOMC minutes. Trading was somewhat muted despite registering notable movements in yields as the harsh reality of a hawkish Fed sets the tone going forward. The curve ended steeper yet again as overall benchmark yields settled between -1 to +6bps across. **The UST 2Y yield edged 1bps lower to 2.46% whilst the much-watched UST 10Y yield spiked 6bps to a fresh 3-year high, at 2.66%.** With the UST curve steepening on expectations of the Fed's balance-sheet runoff, the long-end remains affected by inflationary fears and the threat of ongoing Fed funds rate-hike. To re-cap, 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. Meanwhile, data on initial jobless claims released on Thursday matched a 54-year low of 166k for the week ended 2nd April reaffirming a solid labour market.

MGS/GII

- Local govies saw some improvement in a relief rally on Thursday, supported by decent bids especially in the shorter-ends following weakness seen in prior session over concerns emanating from the Fed's FOMC minutes. Overall benchmark MGS/GII yields ended mostly unchanged-to-lower i.e. between 0-3bps lower save for the 30Y GII, amid a 11% decline in secondary market volume to RM2.63b. **The 5Y benchmark MGS 11/26 yield eased 3bps to 3.45% whilst the 10Y MGS 7/32 was untraded, last done at 4.02% prior day.** Trades were mainly seen in the off-the-run 22's, 3Y MGS/GII and also the recently-issued 10Y GII. GII trades jumped to form 66% of overall transactions.

Corp Bonds/Sukuk

- On Thursday, the Corporate Bonds/Sukuk space saw further improvement in investor appetite with interest seen across the curve. Overall yields closed mostly higher and spanned across 20 names as secondary market volume rose 49% to RM392m. Govt-guaranteed DANA 11/24 and its long-end 2/49 tranche rose 13-14bps to settle at 3.21% and 4.85% respectively. AAA-rated highway toll-operator PLUS, saw a slew of 2026-2029 tranches exchange hands. All four tranches spiked 10-25bps higher between 3.51-91% area. The AA-sector saw GENM Capital 3.27 ease 3bps to 4.98% whereas GAMUDA 11/26 rose 16bps instead to 4.10%. YTL Power which notched RM30m in nominal trades, also jumped 17bps higher to 4.82%. Several odd-lot transactions were seen in property-related bonds i.e. TROPICANA and YNH Property; along with IJM Land. Meanwhile, the banking/finance space was relatively quiet with ALLIANCE Bank similarly registering several odd-lot transactions.

Daily Trades : Government Bond

Securities		Closing	Vol	Previous	Previous	Chg
		YTM	(RM mil)	YTM	Trade Date (dd/mm/yyyy)	(bp)
MGS	08/22	1.701	114	1.749	06/04/2022	-5
MGS	03/23	2.185	81	2.197	06/04/2022	-1
MGS	08/23	2.274	24	2.298	06/04/2022	-2
MGS	07/24	2.890	5	2.920	06/04/2022	-3
MGS	09/24	2.927	1	2.984	06/04/2022	-6
MGS	03/25	3.203	172	3.215	06/04/2022	-1
MGS	09/25	3.316	110	3.349	06/04/2022	-3
MGS	07/26	3.472	5	3.486	06/04/2022	-1
MGS	09/26	3.491	1	3.144	29/11/2021	35
MGS	11/26	3.448	128	3.473	06/04/2022	-2
MGS	05/27	3.545	2	3.566	06/04/2022	-2
MGS	11/27	3.580	82	3.591	06/04/2022	-1
MGS	06/28	3.826	137	3.857	06/04/2022	-3
MGS	08/29	4.011	10	3.967	06/04/2022	4
MGS	04/31	4.012	4	4.032	06/04/2022	-2
MGS	04/33	4.289	3	4.245	06/04/2022	4
MGS	07/34	4.334	1	4.354	06/04/2022	-2
MGS	05/35	4.359	1	4.370	06/04/2022	-1
MGS	04/37	4.348	12	4.355	06/04/2022	-1
MGS	09/43	4.610	1	4.532	06/04/2022	8
MGS	03/46	4.605	1	4.652	06/04/2022	-5
MGS	06/50	4.610	6	4.610	06/04/2022	0
GII	04/22	1.730	423	1.790	06/04/2022	-6
GII	07/22	1.735	115	1.761	06/04/2022	-3
GII	05/24	2.809	70	2.944	06/04/2022	-14
GII	10/24	2.968	110	2.991	05/04/2022	-2
GII	03/26	3.495	70	3.509	06/04/2022	-1
GII	09/26	3.461	12	3.475	05/04/2022	-1
GII	09/27	3.570	70	3.625	06/04/2022	-6
GII	10/28	3.846	102	3.858	06/04/2022	-1
GII	10/30	4.032	126	4.055	06/04/2022	-2
GII	08/33	4.263	1	4.249	04/04/2022	1
GII	11/34	4.400	5	4.253	01/04/2022	15
GII	09/39	4.517	1	4.384	31/03/2022	13
GII	11/49	4.671	120	4.536	05/04/2022	14
GII	10/32	4.148	512	4.100	06/04/2022	5
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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*
DanaInfra Nasional Berhad	11/24	GG	3.209	10	3.066	21/02/2022	14	0
Prasarana Malaysia Berhad	02/27	GG	3.767	10	3.219	02/04/2021	55	30
Perbadanan Tabung Pendidikan Tinggi Nasional	03/27	GG	3.772	10	3.760	31/03/2022	1	30
DanaInfra Nasional Berhad	09/27	GG	3.825	10	3.143	23/06/2021	68	35
DanaInfra Nasional Berhad	02/49	GG	4.851	10	4.720	31/03/2022	13	30
Aman Sukuk Berhad	10/23	AAA	2.854	5	2.471	02/08/2021	38	8
Projek Lebuhraya Usahasama Berhad	01/26	AAA	3.717	40	3.510	18/03/2022	21	33
Sarawak Energy Berhad	06/26	AAA	3.722	20	3.556	15/02/2022	17	34
Projek Lebuhraya Usahasama Berhad	01/27	AAA	3.847	30	3.601	10/03/2022	25	38
Projek Lebuhraya Usahasama Berhad	01/28	AAA	3.939	20	3.768	11/01/2022	17	28
Danga Capital Berhad	01/28	AAA	3.959	10	3.810	24/03/2022	15	30
Projek Lebuhraya Usahasama Berhad	01/29	AAA	4.049	10	3.951	28/10/2021	10	19
Tenaga Nasional Berhad	11/36	AAA	4.182	1	4.183	06/04/2022	0	-16
TRIpIc Medical Sdn Berhad	10/24	AA1	3.559	10	3.367	21/10/2021	19	35
Genting RMTN Berhad	03/27	AA1	5.127	14	5.180	05/04/2022	-5	166
GENM Capital Berhad	03/27	AA1	4.983	20	5.017	06/04/2022	-3	151
YTL Power International Berhad	05/27	AA1	4.818	30	4.651	11/03/2022	17	135
Kedah Cement Sdn Berhad (fka Lafarge Cement Sdn Bhd)	07/23	AA3	3.263	20	3.249	01/03/2022	1	113
Gamuda Berhad	11/26	AA3	4.095	10	3.935	12/11/2021	16	62
Golden Assets International Finance Limited	04/27	AA3	5.370	-	-	-	-	190
IJM Corporation Berhad	08/28	AA3	4.332	10	4.359	30/03/2022	-3	67
Tropicana Corporation Berhad	06/23	A+	5.372	1	4.045	06/04/2022	133	324
Tropicana Corporation Berhad	10/23	A+	4.934	1	5.352	01/04/2022	-42	280
Alliance Bank Malaysia Berhad	10/30	A2	3.745	1	3.597	06/04/2022	15	-20
IJM Land Berhad	03/19	A2	4.747	1	4.628	11/03/2022	12	20
Tropicana Corporation Berhad	09/19	A	6.890	87	7.250	06/04/2022	-36	234
Eco World Capital Services Berhad	03/26	-	5.220	1	5.221	06/04/2022	0	184
YNH Property Berhad	08/19	-	5.733	2	5.738	05/04/2022	-1	119
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*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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